

# CONSOLIDATING ADVANTAGE

Annual Report January – September 2017

Good Governance

Open-minded

Learning Organization

Drive for Excellence

ทำงานอย่างโปร่งใส

ต้องเปิดใจไม่ปิดกั้น

เรียนรู้อย่างเป็นมิตร

ร่วมกันคิดพร้อมก้าวไกล

# CONSOLIDATING ADVANTAGE

Following its phenomenal success in 2016, Golden Land Property Development PLC has made a rapid progress and leapfrogs its counterparts into a multibillion property development company. The Company successfully makes its presence felt in the property development industry. Thanks to its financial strength, the Company capitalizes on consolidated advantages in accelerating its business growth in 2017 with a focus on developing the following current projects:

1. It launches 8 residential projects worth more than Baht 7,270 million and makes its first foray into upcountry market by introducing a townhome project called Golden Town Sriracha - Assumption To date, the Company has achieved sales of up to Baht 700 million.
2. After a one-year commercial operations of FYI Center office building, its occupancy rate has reached up to full occupancy. The building wins recognition for Best Office Development and Best Green Development from Thailand Property Awards 2017.
3. The construction of Samyan Mitrtown mixed-use complex worth more than Baht 8,500 million at Samyan intersection connecting Phaya Thai and Rama IV roads proceeds according to the plan and is due for completion in 2019.

The Company has taken another major step forward and continues to execute its mission to become one of five best-performing property development companies in Thailand in 2020.

# Contents

3	Corporate Information
4	Financial Highlight
6	Board of Directors
8	Vision
9	Message from the Chairman
10	Message from the Chairman of the Executive Committee
11	Message from the President
12	Report of the Corporate Governance Committee
14	Report of the Audit Committee
16	Company Overview
19	Business Structure
20	Nature of Business
34	Social Responsibilities
42	Management Discussion and Analysis
44	Risk Factors
48	Shareholders Structure
49	Dividend Policy
50	Organization Structure
51	Management Structure
62	Board of Directors and Executives
78	Corporate Governance
102	Internal Controls and Risk Management
105	Connected Transactions
117	Report of the Board of Directors' Responsibilities on Financial Statements
118	Subsidiaries, Associates and Joint Ventures

Enclosed: Financial Statement and Auditor's report



## Corporate Information

### Corporate Information

Company Name	Golden Land Property Development Public Company Limited
Stock Quote	GOLD
Type of Business	Real Estate and Property Development
Company Registration	0107537002273
Registered Capital	Baht 11,037,670,000.00 as at September 30, 2017
Paid-up Capital	Baht 11,037,670,000.00 as at September 30, 2017
Registered Shares (Ordinary share)	2,323,720,000 shares as at September 30, 2017
Issued Shares (Ordinary share)	2,323,720,000 shares as at September 30, 2017
Par Value	Baht 4.75 per share
Head Office	36 <sup>th</sup> Floor, Sathorn Square Office Tower, 98 North Sathorn Road, Silom, Bangrak, Bangkok 10500
Telephone	0-2764-6200
Fax	0-2764-6222
Website	www.goldenland.co.th
E-mail	ir@goldenland.co.th

### Other Reference

Investor Relations / Company Secretary	<b>Ms. Prasnee Surastian</b> Tel. : 0-2764-6200 Fax : 0-2764-6222 E-mail : ir@goldenland.co.th
Registrar (Share)	Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. : 0-2009-9000 Fax : 0-2009-9991 Contact Center : 0-2009-9999 Website : www.set.or.th/tsd
Auditor	<b>KPMG Phoomchai Audit Limited</b> 48 <sup>th</sup> Floor, Empire Tower, 195 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel. : 0-2677-2000 Fax : 0-2677-2222 Mrs. Wilai Buranakittisopon (Certified Public Account No. 3920)

**Remark** : Mr. Thanapol Sirithanachai was in the position of company secretary and investor relations until February 21, 2017.  
Ms. Prasnee Surastian was appointed as company secretary and investor relations on February 22, 2017.

Investors can obtain additional information about the securities issuer in its Annual Registration Statement (Form 56-1) in the website of the Securities and Exchange Commission ([www.sec.or.th](http://www.sec.or.th)) or in its corporate website [www.goldenland.co.th](http://www.goldenland.co.th)

## Financial Highlight

For the period 9 months ended  
30 September 2017<sup>/1</sup>      Year ended  
31 December 2016      Year ended  
31 December 2015

Operating Results (In million Baht)			
Revenue from sales of real estate	8,070	9,479	7,305
Revenue from rental and services	637	649	773
Revenue from hotel business	394	449	425
Total Revenues	9,352	10,796	8,592
Total Expenses	8,099	9,577	7,834
Profits for the year	1,086	1,037	648
Profits attributable to owners of the Company	1,094	1,046	661
Basic earnings per share (Baht)	0.471	0.455	0.404
Financial Ratio			
Gross profit margin - sales of real estate business (%)	31.6%	32.1%	31.4%
Gross profit margin - rental and services business (%)	34.6%	24.7%	51.5%
Gross profit margin - hotel business (%)	29.3%	32.1%	38.0%
Net profit margin (%)	11.6%	9.6%	7.5%

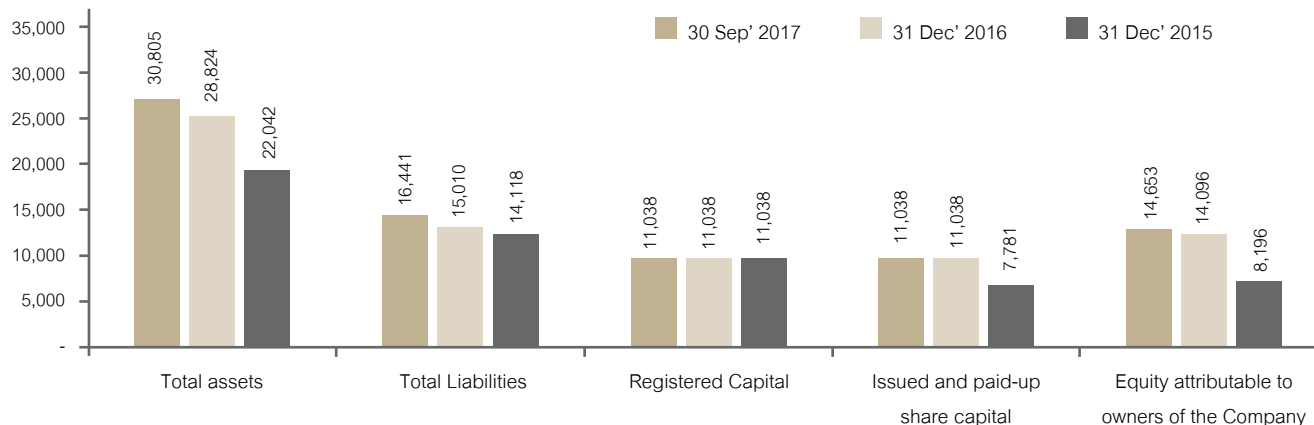
30 September 2017      31 December 2016      31 December 2015

Financial Position (In million Baht)			
Total assets	30,805	28,824	22,042
Total Liabilities	16,441	15,010	14,118
Registered Capital	11,038	11,038	11,038
Issued and paid-up share capital	11,038	11,038	7,781
Equity attributable to owners of the Company	14,653	14,096	8,196
Data per share (In Baht)			
Book value per share	6.31	6.07	5.00
Par value per share	4.75	4.75	4.75
Financial Ratio			
Return on assets (%)	6.5% <sup>/2</sup>	5.4%	4.9%
Return on equity attributable to owners of the Company (%)	10.1% <sup>/2</sup>	9.4%	8.4%
Total Liabilities to equity (time)	1.14	1.09	1.78

Remark <sup>/1</sup>In 2017, it was the first year the company changed the accounting period. The operating result presented here comprise only nine months from 1 January 2017 to 30 September 2017

<sup>/2</sup>annualised by pro-rata

Unit: Million Baht



Financial Highlight (supplementary information)  
For the nine-month periods 30 September

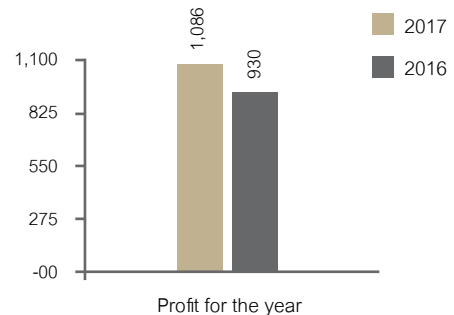
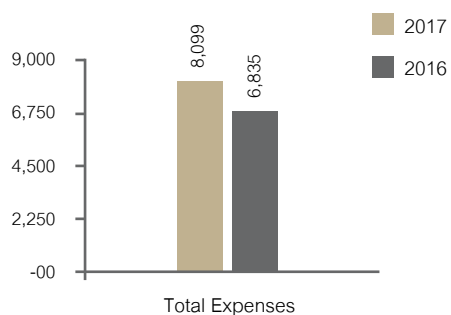
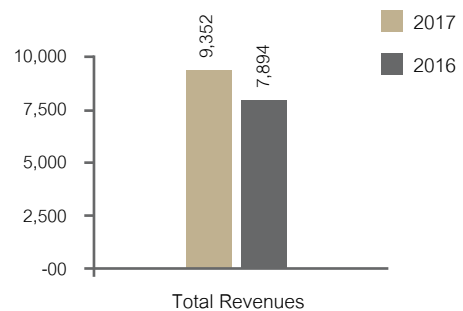
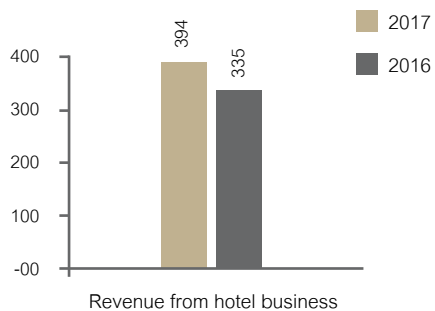
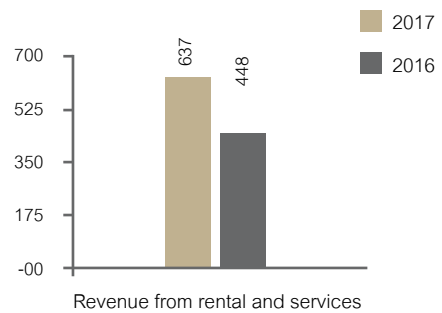
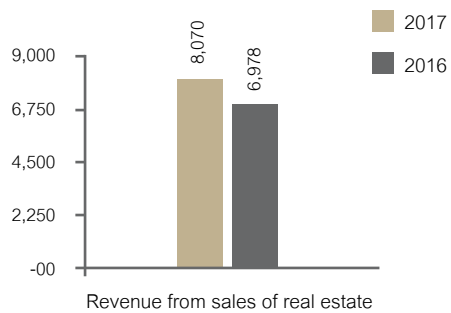
2017

2016\*

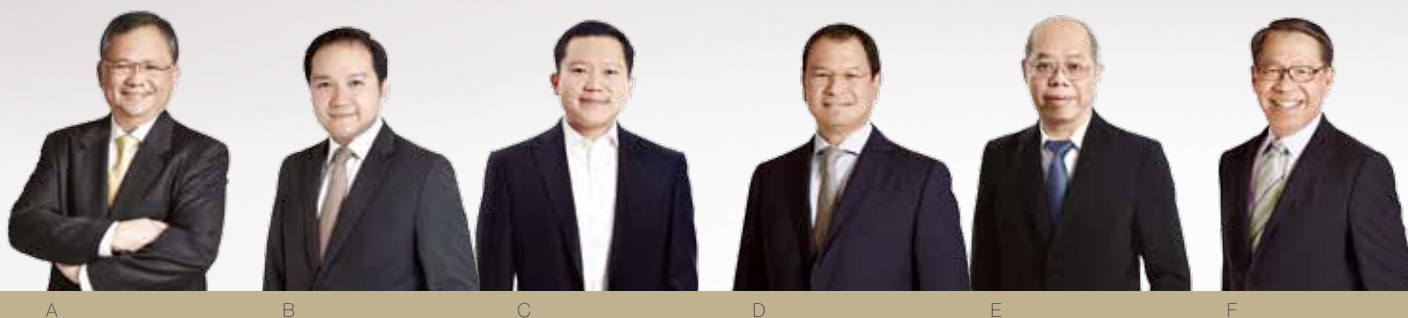
Operating Results (In million Baht)		
Revenue from sales of real estate	8,070	6,978
Revenue from rental and services	637	448
Revenue from hotel business	394	335
Total Revenues	9,352	7,894
Total Expenses	8,099	6,835
Profits for the year	1,086	930
Profits attributable to owners of the Company	1,094	937
Basic earnings per share (Baht)	0.471	0.413
Financial Ratio		
Gross profit margin - sales of real estate business (%)	31.6%	32.9%
Gross profit margin - rental and services business (%)	34.6%	20.9%
Gross profit margin - hotel business (%)	29.3%	36.1%
Net profit margin (%)	11.6%	11.8%

\* Figures 2016 shown here were from interim financial statements which was reviewed by the auditor but not audited.

Unit: Million Baht



## Board of Directors



### Board of Directors

A	Mr. Wanchai Sarathulthath	Chairman of the Board
B	Mr. Panote Sirivadhanabhakdi	Vice Chairman of the Board
C	Mr. Thapana Sirivadhanabhakdi	Director
D	Mr. Chotiphat Bijananda	Director
E	Mr. Sithichai Chaikriangkrai	Director
F	Mr. Chainoi Puankosoom	Independent Director
G	Mr. Udom Puasakul	Independent Director
H	Mr. Chinnavat Chinsangaram	Independent Director
I	Mr. Thanapol Sirithanachai	Director

### Audit Committee

F	Mr. Chainoi Puankosoom	Chairman of the Audit Committee
G	Mr. Udom Puasakul	Member of the Audit Committee
H	Mr. Chinnavat Chinsangaram	Member of the Audit Committee

### Corporate Governance Committee

F	Mr. Chainoi Puankosoom	Chairman of the Corporate Governance Committee
H	Mr. Chinnavat Chinsangaram	Member of the Corporate Governance Committee
I	Mr. Thanapol Sirithanachai	Member of the Corporate Governance Committee





### Executive Committee

B	Mr. Panote	Sirivadhanabhakdi	Chairman of the Executive Committee
E	Mr. Sithichai	Chaikriangkrai	Member of the Executive Committee
I	Mr. Thanapol	Sirithanachai	Member of the Executive Committee
J	Mr. Somboon	Wasinchutchawal	Member of the Executive Committee
K	Mr. Saenphin	Sukhee	Member of the Executive Committee
L	Mr. Khumpol	Poonsonee	Member of the Executive Committee

### Compensation and Nominating Committee

A	Mr. Wanchai	Sarathulthath	Chairman of the Compensation and Nominating Committee
B	Mr. Panote	Sirivadhanabhakdi	Member of the Compensation and Nominating Committee
F	Mr. Chainoi	Puankosoom	Member of the Compensation and Nominating Committee

## **vision**

“To be a leading real estate developer in residential and commercial sectors both locally and internationally”

## **mission**

“To be one of the top five real estate companies in Thailand in terms of revenue within 2020”

## Message from the Chairman



(Mr. Wanchai Sarathulthath)  
Chairman of the Board

The year 2017 is another remarkable year for Golden Land Property Development PLC as the Company has achieved continuous and sustained growth and improvement, which clearly reflects the consequences of successful implementation of effective business plans relating to value-added property investment and development of new projects. In addition, with an aim to enhance its business agility and to make our business operation consistent with our financial allies, the Company has altered its fiscal year and operated on a fiscal calendar of 1<sup>st</sup> October - 30<sup>th</sup> September.

With regard to residential development, especially in Bangkok and its vicinity, the increase of customers' confidence combined with the expanding transportation network connecting outskirts to the city has yielded positive results to the Company's residential projects. These trends also signal that the competition in townhome market will intensify. Realizing the necessity of developing new strategy for future's newly emerging markets, this year, the board of directors approved the first townhome project in the countryside, which received an impressive response with over Baht 700 million sales.

In addition, the business of renting office space has thus far shown the sign of continuous expanding. This is partly because the demand for office space from both Thai and transnational companies has been increasing constantly. Rental rates for Grade A office space continue to rise and are expected to increase further due to high demand but limited supply.

On behalf of the Chairman of the Board of Golden Land Property Development, PLC I would like to express my sincere gratitude to the shareholders and all related stakeholders for their complete trust and full support to our company. I would like to reassure that all members of the board, the executive committee, and staff will be entirely committed to and tirelessly devote to making our company a leading real estate development company in Thailand.

## Message from the Chairman of the Executive Committee



A handwritten signature in dark ink, appearing to read 'Panote' followed by a stylized flourish.

(Mr. Panote Sirivadhanabhakdi)  
Chairman

The year 2017 is another challenging year for Golden Land Property Development PLC in maintaining its pace of growth and progress as evidenced by the continued outstanding performance following the change on its shareholding structure in late 2012. Moving from a multibillion property developer, the Company started to achieve revenue of over ten billion Baht last year. All in all, 2017 is reckoned a banner year for the Company as it can make impressive strides toward ambitious goals in the face of economic headwinds.

Subsequent to Frasers Centrepoint Limited (FCL) strategic investment in the Company, in 2016, the Company has incorporated the best practice of knowledge and know-how in property development into business strategies in order to add value to the management of horizontal residential projects and Golden Ventures Leasehold Real Estate Investment Trust (Golden Ventures REIT) and to strengthen potential for new development projects, e.g. Samyan Mitrtown mixed-use complex, of which the construction has achieved progress according to plans and is expected to be completed by late 2019.

The Company remains steadfast in its commitment in bringing commercial property development projects up to acceptable international standards so as to gain wider international recognition and find favor with clients farther afield, thereby in turn giving a boost to domestic economy. The Company aims to ensure all buildings under its management meet international standards and certification requirements for ecological sustainability such as Leadership in Energy and Environmental Design (LEED) developed by U.S. Green Building Council (USGBC). To date, Sathorn Square and FYI Center office buildings have been awarded LEED Gold certification for their environmentally sustainable design and management.

On behalf of the Board, I would like to thank all managements, employees and stakeholders for continued dedication and thank shareholders for giving trust and solid support to the success of Golden Land Property Development PLC. The Company is firmly determined to deliver our best to become a leading property developer in Thailand and a socially-conscious organization that contributes greatly to the sustainable development for the country.

## Message from the President



(Mr. Thanapol Sirithanachai)

President

For the 2017 strategy, the Company utilized its key strengths in financial competency, expertise, and successful business experience over the past years to further reinforce its business in all dimensions and to achieve sustainable growth.

The Company has capitalized on consolidated advantages in accelerating its business growth in the past nine months with a focus on developing the following projects:

1. The Company launched 8 residential projects worth more than Baht 7.3 billion. The Company also was able to generate sales from all four projects on the presales days of Golden Town Bangna - Suanluang, making over Baht 812 million of sales in two days and setting a record high in townhome market. Additionally, the Company made its first foray into outside Bangkok market by introducing a townhome project called Golden Town Sriracha - Assumption in Chonburi. The Company received an impressive response beyond expectation with sales worth more than Baht 700 million during the presales days.

2. After a one-year commercial operation of FYI Center office building, its occupancy rate has reached up to full occupancy. The building wins recognition for Best

Office Development and Best Green Development from Thailand Property Awards 2017, reflecting the Company's strong commitment to tireless endeavor to develop office building projects with close attention to both usage and environmental friendliness. Therefore, this leads our customers to rest assured about the quality of our future projects.

3. The construction of Samyan Mitrtown mixed-use complex (with usable area of 222,000 square meters, and locates at Samyan intersection connecting Phaya Thai and Rama IV roads) worth more than Baht 8.5 billion proceeds according to the plan. The project comprises 6 floors of retail zone, 32 floors of office space, and 33 floors of residential zone.

The Company still delivered its goal by generating more than Baht 9,352 million revenue for nine-months period, outgrew twelve-months period of 2016 with the net profit totaled Baht 1,086 million.

The Company's achievements in the past and in the future are driven and hinge largely on full support of many parties including shareholders, management, and staff. As the President of Golden Land Property Development, I would like to sincerely thank you all for your dedication and commitment to make our company become the top leader in the property development industry.

## Report of the Corporate Governance Committee



(Mr. Chainoi Puankosoom)  
Chairman of the Corporate Governance Committee

The Board of Directors affirms its commitment to the high standards of the good corporate governance in order to foster the long-term sustainability of the Company, taking into account the equal interests of all stakeholders, a code of business conducts in managing operations in a transparent manner, including the integration of anti-corruption policy and measures, all of which are embedded into the way we conduct the business. Therefore, the board appointed a Corporate Governance Committee consisting of two independent directors and an executive director on 14<sup>th</sup> December 2016 to oversee and promote good corporate governance conducive to transparency, compliance with applicable law and regulations as well as equality and fairness for all stakeholders.

2017 was the year the Company changed its accounting period from 1<sup>st</sup> January - 31<sup>st</sup> December to 1<sup>st</sup> October - 30<sup>th</sup> September. The Corporate Governance Committee conducted 2 meetings for the period of 1<sup>st</sup> January - 30<sup>th</sup> September 2017 participated by the following attendants:

Name	Position	Meeting attendance (times)
Mr. Chainoi Puankosoom	Chairman of the Corporate Governance Committee / Independent Director	2/2
Mr. Chinnavat Chinsangaram	Member of the Corporate Governance Committee / Independent Director	2/2
Mr. Thanapol Sirithanachai	Member of the Corporate Governance Committee / Executive Director	2/2

The Corporate Governance Committee has performed its duty successfully in accordance with the Corporate Governance Committee Charter approved by the Board of Directors. The details of the scope of duties and responsibilities performed in the year 2017 are summarized as below:

**1. Consider, review and propose the Board of Directors for the corporate governance policy** The Corporate Governance Committee considered, reviewed, revised and improved the corporate governance policy and a code of conduct to ensure the appropriateness and consistency of the policy in line with the corporate governance principles and guidelines of Thai listed companies' corporate governance developed by Thai Institute of Directors (IOD). The Committee then proposed the policy framework for Board's approval prior to the roll out of the policy.

**2. Disclosure and dissemination of the good corporate governance principles** The Corporate Governance Committee ensured that the Company disclosed and explained the importance of the good corporate governance policy and practices in equal treatment of all stakeholders, be it the Board of Directors, management and employees, as well as shareholders, creditors, debtors, clients and other relevant stakeholders. In addition, the Committee oversaw the Company's preparation of a written code of business conduct and ensured the documents are disseminated to the Board of Directors, management and employees and signed off by all recipients.

**3. Disclosure of information for the corporate governance assessment** The Corporate Governance Committee ensured that the Company disclosed complete information regarding its business operation and performance to external agencies to serve the purposes of surveying, assessing and ranking the Company's good corporate governance. The Company also incorporated the assessment results and findings into the development of a framework for corporate governance, in turn enabling the Company to conduct business with social and environmental responsibilities in mind, created sustainable value. The Company has supported the following aspects:

- The 2016 Corporate Governance Report (CGR)
- The 2017 Corporate Governance Report of Thai Listed Companies released by Thai Institute of Directors (IOD)
- Quality Assessment of the 2017 Annual General Meeting (AGM Checklist)
- Corporate Governance Codes in accordance with the new CG Codes

**4. Participation in anti-corruption coalition** The Corporate Governance Committee reviewed how to establish corporate governance practices in relation to anti-corruption policy and seek the Board of Directors' approval on participating in Thailand's Private Sector Collective Action Coalition Against Corruption.

**5. Revision of the Corporate Governance Committee Charter** In 2017, the Corporate Governance Committee considered and reviewed the Corporate Governance Committee Charter to ensure its consistency with policies developed by the Thailand's Private Sector Collective Action Coalition Against Corruption, and submitted it for approval from the Board of Directors.

In conclusion, given 2017 was the first year of the establishment of the Corporate Governance Committee, it has performed its duties as assigned by the Board of Directors relatively well.

- As a result, the Company was assessed to be Excellent CG company from the Corporate Governance Report of Thai Listed Companies by the Thai Institute of Directors Association (IOD)
- On 17<sup>th</sup> October 2017. In addition, the Company was also rated full mark 100% consecutively 4 years on its AGM Checklist by the Thai Investors Association. These are a few examples showing the Company's dedication and focus on the good corporate governance which is strongly believed by the Committee to bring about the Company's long-term sustainability.
- On 10<sup>th</sup> November 2017, the Thai Institute of Directors Association endorsed that the company has met the commitments to the Collective Action Coalition against Corruption (CAC) declaration on anti-corruption

This has shown the commitment that company affirms its high standards of the good corporate governance in order to foster the long-term sustainability of the company.

## Report of the Audit Committee



(Mr. Chainoi Puankosoom)

Chairman of the Corporate Governance Committee

The Board of Directors of Golden Land Property Development PLC (“Company”) appoints the Company’s Audit Committee consisting of 3 independent directors who are highly knowledgeable and have expenditures in accounting, finances, laws, business administration and organizational management, that is fully qualified to oversee the integrity of the Company’s financial reporting in compliance with regulatory requirements imposed by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Audit Committee is currently comprised of the following members: Mr. Chainoi Puankosoom in his capacity as the Chairman, Mr. Udom Puasakul as the Committee Member and Mr. Chinnavat Chinsangaram as the Committee Member.

In 2017, the Audit Committee convened four meetings for the purposes of reviewing the adequacy and effectiveness of the Company’s internal control systems, operational effectiveness, risk management, reliability of financial reporting and management, compliance with applicable laws and regulations, and the protection of the Company and its subsidiaries’ properties and assets. The number of meetings attended by three independent directors are as follows:

The Audit Committee has fulfilled its duties independently, acted in compliance with the Charter of the Audit Committee and served other functions as assigned by the Board of Directors. In 2017, the Audit Committee drew up additional agendas in the fourth meeting, without the presence of the management, in which the Audit Committee, an internal auditor and a certified public accountant attended to discuss with an external auditor in respect of relevant issues such as a scope of work and a level of independence from the management. The external auditor informed that the management were actively cooperative in disclosing information accurately and adequately, and there was a high level of independence in reviewing the Company and its subsidiaries’ financial statements. The scope of duties and responsibilities performed in the year 2017 are summarized as below:

### 1. Review the Company’s financial statements

The Audit Committee reviewed the Company and its subsidiaries’ quarterly and annual financial statements for the year 2017 (ended 30 September 2017), together with the management, internal auditor and certified public accountant, and examined significant accounting policies, significant changes in the prior year, potential impact, unusual material transactions and comments from the external and internal auditors. The Audit Committee was of the opinion that the financial statements and operating results of the Company and its subsidiaries were correct, accurate, reliable and duly prepared in accordance with generally accepted accounting principles. Moreover, the disclosure of information in the financial statements was adequate, and there were no circumstances or events that may materially affect the financial statements.

### 2. Review and monitor the effectiveness of the Company’s internal control and oversight of internal audit

The Audit Committee considered and approved a 2017 audit plan submitted by the internal auditor, in which a risk assessment was conducted to determine priorities within internal control systems to ensure alignment with corporate goals and objectives. The Audit Committee provided constructive recommendations as regards the functioning of an internal audit department to achieve desired results according to agreed plans. In addition, the Audit Committee

Name	Position	Meeting Attendance (times)
Mr. Chainoi Puankosoom	Chairman of the Audit Committee	4/4
Mr. Udom Puasakul	Member of the Audit Committee	4/4
Mr. Chinnavat Chinsangaram	Member of the Audit Committee	4/4



approved the internal audit structure, appointment and transfer of Head of Internal Audit Executive, determined the number of the internal audit personnel as appropriate to the current capacity and annual audit plan, and assessed the performance of the internal audit department to encourage improvements in the audit function.

**3. Review the Company's internal control relating to good corporate governance and anti-corruption policy** The Audit Committee examined and reviewed the internal control systems of the Company and its subsidiaries for the year 2017 and conducted an assessment of adequacy of the internal control systems based on the Forms of the Securities and Exchange Commission (SEC). The Audit Committee was of the opinion that the systems were appropriate and effective enough to ensure the transparency in the conduct of business, without significant exceptions that may affect the execution of the anti-corruption policy. The Audit Committee also approved the anti-corruption policy and self-assessment of the anti-corruption measures and submitted them to the Board of Directors for consideration in order to seek certification granted by Thailand's Private Sector Collective Action Coalition Against Corruption.

**4. Review the Company's risk management** The Audit Committee reviewed the Company and its subsidiaries' risk management policies and compliance to ensure the Company put in place the appropriate and effective risk management measures. The Committee conducted a follow-up on the assessment of risks that may arise from changes in the business landscape, financial risk, interest rate risk, market risk and operational risk, and decided on short- and long-term measures to eliminate or mitigate risks on a regular basis. Based on the review, it was noted that the risk management measures were implemented effectively and adequately in corresponding to the Company's policies and strategic plans.

**5. Review the Company's compliance with laws** The Audit Committee reviewed the regulatory compliance to ensure the Company and its subsidiaries strictly adhered to applicable rules and regulations and operated the business legally in accordance with the Securities and Exchange Act, SEC and SET regulations, and laws relating to the conduct of the Company's business. Thus far, the Audit Committee found no indication of non-compliance and/or misconduct or breach of relevant rules, regulations and laws.

**6. Consider, nominate and appoint the Company's external auditor for the year 2017** The Audit Committee screened and selected qualified candidates based on a level of independence, knowledge, skills, experience, credentials and remuneration to conduct an audit of the Company and its subsidiaries, and submitted the nomination to the Board of Directors for consideration and approval in a 2017 annual shareholder meeting. The meeting passed a resolution appointing Mrs. Wilai Buranakittisopon, CPA Registration No. 3920, from KPMG Phoomchai Audit Limited as an external

auditor to express an opinion on the Company's financial statements for the year 2017.

**7. Review connected transactions or transactions that may lead to conflicts of interest** The Audit Committee reviewed the connected transactions to ensure compliance with the SET regulations and laws dated B.E. 2546 governing the disclosure of information and conduct of listed companies in relation to connected transactions that may lead to conflicts of interest. The Audit Committee was of the opinion that the connected transactions were under normal business conditions, no conflicts of interest and were conducted in a fair and reasonable manner. As such, no unusual transactions were identified, and there was full, accurate and adequate disclosure of information.

**8. Submit performance reports to the Board of Directors** The Audit Committee prepared its performance reports and submitted them together with the results of an auditor's review of the Company's financial statements to the Board of Directors on a quarterly basis and compiled the Audit Committee report for disclosure in a 2017 annual report in conformity with the SET guidelines. In the prior year, the Audit Committee did not identify or suspect any events or circumstances indicative of transactions or actions that may lead to a material effect on the Company's financial position and performance.

**9. Consider, review and revise the Audit Committee Charter** The Audit Committee considered, reviewed and approved the revision of the Audit Committee and Internal Audit Charters, of which additional amendments were made to be in alignment with the anti-corruption policy, and submitted them to the Board of Directors for approval on 12 May 2017. The revised contents of the Charters are appropriate and cover roles and responsibilities of the existing Audit Committee.

In 2017, the Audit Committee has fully discharged its responsibilities as set out in the Audit Committee Charter, harnessed knowledge and skills to deliver positive results and possessed an adequate degree of independence in the oversight of the performance of the Company and its subsidiaries. The Audit Committee was of the opinion that the Company and its subsidiaries have provided accurate and reliable financial statements in accordance with generally accepted accounting principles and ensured the adequate disclosure of information. In conducting connected transactions or transactions that may lead to conflicts of interest, the Company has enforced full compliance with the SET regulations and laws and adherence to rules and procedures relating to the conduct of business. Moreover, the Company has implemented the adequate and effective risk management measures and good corporate governance practices as well as engaged qualified external and internal auditors with the highest level of independence to enhance the appropriateness and effectiveness of auditing and internal control systems.

# Company Overview

## 1. Vision, objectives, goals or operational strategies

After Golden Land Property Development PLC underwent a restructuring of shareholding in late 2012 and aimed to return the Company to a state of profitability and growth, the Company has executed a three-step strategy, i.e. 1) Rebuilding Foundation in 2013, 2) Unlocking Value in 2014, and 3) Building Growth in 2015, resulting in a faster-than-expected rebound in the Company's profitability in 2014.

The Company has built a solid foundation for success and implemented the Extending Growth plan to help it grow by leaps and bounds in 2016 and enjoyed continued growth throughout the year 2017. With vision for the future and forward-looking business insights, the Company has formulated a five-year long-term plan and business strategies focusing on balanced growth and sustainability in the Company's core businesses to achieve short- and long-term goals of becoming one of the top five leading property developers in Thailand by 2020 as well as growing in a more stable and sustainable manner.

The Company's key revenue drivers consist of two core businesses: 1) residential projects and 2) commercial projects. Over a period of 9 months in 2017, the Company has continued to develop its residential projects, launching 8 detached and semi-detached house and townhome projects worth Baht 7,270 million in total, which very well received by customers. As at 30 September 2017, the Company has developed and sold a total of 39 residential projects of which its revenue will be recognized for the year 2017-2018. Given this good potential, the Company plans to continue its focus on developing more horizontal property projects.

The commercial projects have continued its steady growth with an ever-increasing occupancy rate of FYI Center office building, which was opened a year ago

better performance of Modena by Fraser Hotel. Moreover, the Company is currently developing Samyan Mitrtown (SYM) mixed-use complex project consisting of 1) rental office space 2) residential units and 3) retail spaces. The construction project makes a good progress according to plans and SYM is expected to become one of key revenue drivers for the Company in the future.

In addition to the expansion of its core businesses in both residential and commercial projects development, the Company maintains its growth rate under the Extending Growth strategies by sharing business know-how from Frasers Centrepoint Limited, the Singapore-based property developer, in respect of product development, good corporate governance and management of Real Estate Investment Trust (REIT) to integrate best practices into the future development of the Company.

For Non-Core Assets, the Company assigns a competent project manager to oversee housing and land development in Ban Chang district, Rayong, to ensure continuous revenue stream from sales. The Company also remains committed to selling land parcels in Krabi and Panorama golf course to potential investors.

The aforementioned business plans and strategies help the Company achieve the continued profitability. In 2016, the Company paid dividend of Baht 0.23 per share, or a total of Baht 534,455,600. The Company pursues a policy of expanding its business with the aim of achieving continued growth and becoming a leader in residential and high-rise commercial property development in a sustainable manner.

## 2. Significant changes and developments

Golden Land Property Development PLC was incorporated in 1978 with the objective of conducting property development business, listed on the Stock Exchange of Thailand (SET) on 29 March 1994, and went public on 17 June 1994.

Year	Significant events
April 2015	<p>On 22 April 2015, the Annual General Meeting of Shareholders of Golden Land Property Development PLC passed the following resolutions:</p> <p>Approved the decrease of the Company's registered capital of Baht 1,943,760 from the existing registered capital of Baht 16,382,133,790 to Baht 16,380,190,030, divided into 1,638,019,003 shares at a par value of Baht 10 each, by cancelling 194,376 unissued shares at a par value of Baht 10 each.</p> <p>Approved the transfer of the Company's legal reserve of Baht 77,227,512 to compensate the Company's deficit. After the transfer of the Company's legal reserve to compensate the deficit, the Company had remaining deficit of Baht 1,256,955,461, calculated based on the financial statements of the Company for the year ended 31 December 2014. The Company had no reserves other than legal reserve and approved the decrease of the Company's registered capital and paid-up capital of Baht 8,599,599,765.75 from the existing registered capital and paid-up capital of Baht 16,380,190,030 to Baht 7,780,590,264.25 by reducing the par value of shares from the existing par value of Baht 10 per share to Baht 4.75 per share to compensate the discount on share capital and the deficit of the Company.</p>
December 2015	<p>The Company held the Board of Directors' Meeting No.6/2015 on 6 November 2015 and resolved to approve the payment of interim dividend to its shareholders from the Company's operating results from 1 January 2015 to 30 September 2015 at a rate of Baht 0.05 per share, totaling Baht 81,900,950.15. The Company arranged 23 November 2015 for the date to determine names of shareholders entitled to dividend payment (Record Date), 24 November 2015 for the date to collect names of shareholders entitled to dividend payment (Book-Closing Date) in accordance with Section 225 of the Securities and Exchange Act B.E. 2535, and 3 December 2015 for the date of the dividend payment.</p> <p>The Company held the Extraordinary General Meeting of Shareholders No.1/2015 on 17 December 2015 and passed the following resolutions:</p> <p>Approved the increase in the registered capital of Baht 3,257,079,735.75 from the existing registered capital of Baht 7,780,590,264.25 to Baht 11,037,670,000 by issuing 685,700,997 newly-issued ordinary shares at a par value of Baht 4.75 per share to be offered in a private placement to Frasers Property Holding Thailand ("FPHT"), a subsidiary of Frasers Centrepoint Limited ("FCL"), which is the Company's related party.</p> <p>Approved the allocation of newly-issued ordinary shares not exceeding 685,700,997 shares at a par value of Baht 4.75 per share to be offered in a private placement to Frasers Property Holding Thailand ("FPHT"), a subsidiary of Frasers Centrepoint Limited ("FCL"), which is the Company's related party, at the offering price of Baht 7.25 per share, totaling Baht 4,971,332,228.25.</p> <p>Approved the waiver of requirements to make a tender offer for all securities of the Company (Whitewash) in compliance with Requirements to Make a Tender Offer for All Securities of the Business.</p> <p>Approved the investment in Samyan Mitrtown mixed-use complex project which constituted an asset acquisition transaction and a connected transaction which had a consideration value from the utilization of the land and construction value of approximately Baht 13 billion. The Company entered into a joint venture with Thiphatana Arcade Co. Ltd. and/or group companies under Charoen Sirivadhanabhakdi, which is the right holder of part of land parcels of Chulalongkorn University and invested in a newly-established company. As a result, the right holder would hold 51% and the Company would hold 49% of the total issued shares of the newly-established company, with the investment in shareholders' equity of approximately Baht 1,960 million. Following the completion of the transaction, the newly-established company would become the Company's subsidiary as the Company gained controlling power over that company as a result of the number of directors and became a team operating the project.</p>
January 2016	<p>On 15 January 2016, the Company registered a change in its paid-up capital from Baht 7,780,590,264.25 to Baht 11,037,670,000, comprising of 2,323,720,000 common shares at a par value of Baht 4.75 per share, according to a resolution on an increase in the registered capital passed by the Company's Extraordinary General Meeting of Shareholders No. 1/2015 on 17 December 2015.</p>
January 2016	<p>The Company established a new joint venture under the name of "Kasemsubbhakdi Co., Ltd." on 27 January 2016, in which the Company holds 49% of its shares. The new subsidiary engages in developing Samyan Mitrtown mixed-use complex project.</p>
April 2016	<p>On 25 April 2016, the Annual General Meeting of Shareholders of Golden Land Property Development PLC passed the following resolutions:</p>

Year	Significant events
	<p>Approved the dividend payment for the year 2015 to all shareholders at a rate of Baht 0.10 per share, totaling Baht 198,083,620. The Board of Directors had approved the interim dividend in 2015 at a rate of Baht 0.05 per share and paid to the shareholders on 3 December 2015.</p> <p>Approved the cancellation of a resolution of the Company's General Meeting of Shareholders on 29 April 2005 on the issue of debentures in the amount of not exceeding Baht 3 billion since the Company had yet to issue those debentures, and the resolution did not correspond to the Company's current financial circumstances.</p> <p>Approved the issue of the debentures in the amount of not exceeding Baht 7 billion in order to be used in its general business operations, and/or for loan repayment, and/or investment of the Company and its subsidiaries, and/or as a working capital for the Company and its subsidiaries, or any other purposes as the Board of Directors may deem appropriate.</p>
September 2016	The Company was assigned BBB+ Rating, Outlook Stable, by TRIS Rating Co., Ltd., an upgrade from the prior BBB Rating, Outlook Stable.
November 2016	On 23 November 2016, the Company issued and offered debentures in the amount of Baht 3 billion according to a resolution of the Company's 2016 Annual General Meeting of Shareholders on the issue and offering of debentures in the amount of not exceeding Baht 7 billion.
April 2017	<p>On 26 April 2017, the Annual General Meeting of Shareholders of Golden Land Property Development PLC passed the following resolutions:</p> <p>Approved the payment of dividend to its shareholders from the Company's operating results for the year 2016 at a rate of Baht 0.23 per share, totaling Baht 534,455,600, arranged 18 May 2017 for the date of the dividend payment, and approved the appropriation of its 2017 profit as legal reserve of Baht 55 million.</p> <p>Approved changes in the Company's dividend policy, in which the Company, instead of a rate of no greater than 60% of annual net profit, "shall pay dividend to shareholders at a rate of no less than 50% of net profit after tax and reserve deduction in consolidated financial statements under terms of investment plans, necessity and appropriateness in the future. Once the Board of Directors passes a resolution approving annual dividend payment, it shall be submitted to the Shareholder Meeting except for interim dividend payment, and the Board of Directors is granted the authorization to approve the payment and submits the report in a following Shareholder Meeting."</p> <p>Approved a change in the Company's accounting period from the prior accounting period starting from January 1 to December 31 of each year to October 1 to September 30 of each year. The first accounting period commences in 2017 when amendments of the Company's Articles of Association are approved to ensure regulatory consistency with the new accounting period.</p> <p>Approved the issue and offer of additional debentures in the amount of not exceeding Baht 3 billion with a total value of not exceeding Baht 10 billion in order to be used in its general business operations, and/or for loan repayment, and/or investment of the Company and its subsidiaries, and/or as a working capital for the Company and its subsidiaries, or any other purposes as the Board of Directors may deem appropriate.</p>
May 2017	The Company received 100 scores of the Annual General Shareholder Meeting (AGM) Assessment conducted by the Thai Investors Association (TIA) for its 24th Annual General Meeting of Shareholders on 26 April 2017 in the fourth consecutive year.
June 2017	On 30 May 2017, the Company issued and offered debentures of Baht 1 billion in accordance with resolutions of the Annual General Meeting of Shareholders for the year 2017, with aggregate offering size of not exceeding Baht 10 billion, a three-year maturity period, and offering to no more than 10 investors at interest rate of 3.30% per annum.
August 2017	On 4 August 2017, the Company issued and offered debentures of Baht 1 billion in accordance with resolutions of the Annual General Meeting of Shareholders for the year 2017, with aggregate offering size of not exceeding Baht 10 billion, a three-year maturity period, and offering to no more than 10 investors at interest rate of 3.09% per annum.
September 2017	The Company has conducted a self-assessment in respect of anti-corruption measures and submitted the results to the Thai Institute of Directors (IOD) on 15 September 2017. On 10 November 2017, the IOD passed a resolution certifying the Company as a member in the Thailand's Private Sector Collective Action against Corruption (CAC). The certificate is valid for 3 years from the date of approval.
October 2017	The Company received Excellent Corporate Governance Rating (CGR) for the year 2017 (5 Stars) in the Corporate Governance Report of the Thai Listed Companies compiled by the Thai Institute of Directors (IOD) on 17 October 2017.

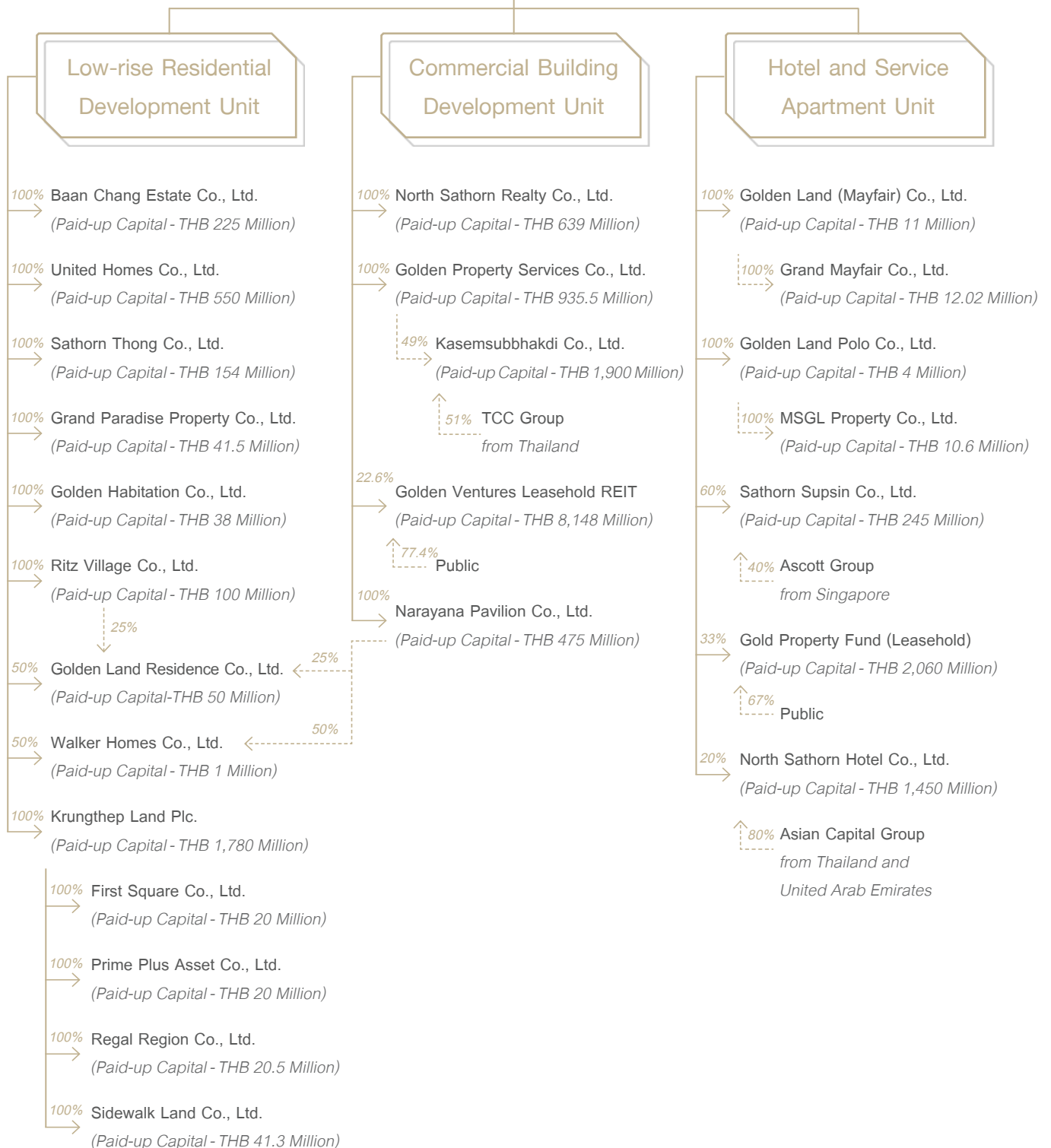
# Business Structure

## GOLDEN LAND PROPERTY DEVELOPMENT PUBLIC COMPANY LIMITED

Authorized Capital - Baht 11,037.67 Million

Issued and Paid-up Capital - Baht 11,037.67 Million

Information as of September 30, 2017



## Nature of Business

As of September 30, 2017, there are 39 on-going residential projects. The detail of projects, presales, transferred and remaining units are exhibited as follows:

Projects	No. of Projects	Project Detail		Presale		Transferred		Remaining Units	
		No. of Units	Project Value (MB)	No. of Units	MB	No. of Units	MB	No. of Units	MB
Golden Avenue	1	418	1,306	418	1,306	418	1,306	0	0
Golden Town	18	5,511	15,017	4,445	12,356	3,299	9,238	1,066	2,661
Golden City	2	576	1,979	528	1,812	521	1,790	48	167
<b>Total Townhome Projects</b>	<b>21</b>	<b>6,505</b>	<b>18,301</b>	<b>5,391</b>	<b>15,474</b>	<b>4,238</b>	<b>12,334</b>	<b>1,114</b>	<b>2,828</b>
Golden Neo	4	660	3,013	491	2,242	402	1,716	169	771
Golden Village	2	403	2,164	375	1,981	369	1,947	28	183
Golden Prestige	2	243	2,243	167	1,473	165	1,455	76	770
The Grand	9	1,302	15,379	719	7,967	701	7,784	583	7,412
<b>Total Housing Projects</b>	<b>17</b>	<b>2,608</b>	<b>22,798</b>	<b>1,752</b>	<b>13,662</b>	<b>1,637</b>	<b>12,902</b>	<b>856</b>	<b>9,136</b>
Golden Biz	1	33	191	14	83	13	77	19	108
<b>Total Shophouse Project</b>	<b>1</b>	<b>33</b>	<b>191</b>	<b>14</b>	<b>83</b>	<b>13</b>	<b>77</b>	<b>19</b>	<b>108</b>
<b>Grand Total</b>	<b>39</b>	<b>9,146</b>	<b>41,290</b>	<b>7,157</b>	<b>29,219</b>	<b>5,888</b>	<b>25,313</b>	<b>1,989</b>	<b>12,071</b>

### 2018 Residential Project Development Plan

In 2018, the Company will launch 33 new residential projects, total project value Baht 37,163 million, consisting of following product categories:

Townhome Projects	20
Semi-detached House Projects	9
Single-detached House Projects	4

Projects	Type of Development	Operator / Owner	Size
High-rise Residential / Serviced Apartment and Hotel:			
Mayfair Marriott	Serviced Apartment / Hotel	Grand Mayfair Co., Ltd.	164 Keys
The Ascott Sathorn	Serviced Apartment / Hotel	Sathorn Supsin Co., Ltd.	177 Keys
Sky Villas	High-rise Residential	Sathorn Supsin Co., Ltd.	3 Keys
W Bangkok	Hotel	North Sathorn Hotel Co., Ltd.	403 Keys
Modena by Fraser Bangkok	Hotel	Golden Land Property Development PLC	239 Keys
Commercial Building:			
Goldenland Building	Office Building	Narayana Pavilion Co., Ltd.	11,000 sqm
FYI Center	Office Building	Golden Land Property Development PLC	48,000 sqm
Samyan Mitrtown	Mixed-use Complex	Kasemsubbhakdi Co., Ltd. <sup>1</sup>	107,000 sqm
Sathorn Square Office Tower <sup>2</sup>	Office Building	North Sathorn Realty Co., Ltd. / GVREIT	73,000 sqm
Park Ventures Ecoplex <sup>2</sup>	Office Building	North Sathorn Realty Co., Ltd. / GVREIT	26,000 sqm
Other Project:			
Panorama Golf and Country Club (Original Name: Voyage Panorama)	Land Allotment, Resort & Golf Course	Golden Land Property Development PLC	2,000 Rai

Remark: <sup>1</sup>Kasemsubbhakdi Co., Ltd. is a joint venture between the Company and TCC group. The Company holds 49% of total ownership.

<sup>2</sup>The buildings are under the Company's management for Golden Ventures REIT (GVREIT).

## Business Nature of the Company, Its Subsidiaries, Affiliates, and Joint Ventures

The Company's real estate development can be classified into 2 categories:

(1) Residential Projects

(2) Commercial Projects






## Revenue Structure

Product and/or Service	For the fiscal period from 1 <sup>st</sup> January 2017 to 30 <sup>th</sup> September 2017		For the fiscal period from 1 <sup>st</sup> January 2016 to 30 <sup>th</sup> September 2016		For the year ended 31 <sup>st</sup> December 2016		For the year ended 31 <sup>st</sup> December 2015 (revised)	
	MB	%	MB	%	MB	%	MB	%
Revenue from sales of real estate	8,069.8	86.3	6,977.7	88.4	9,479.3	87.8	7,304.9	85.0
Rental and Service	636.8	6.8	448.1	5.7	648.5	6.0	773.0	9.0
Service Apartment and Hotel	394.4	4.2	335.4	4.2	449.2	4.2	424.9	4.9
Management Fee	79.2	0.8	50.2	0.6	78.0	0.7	0.0	0.0
Income from golf course operation	17.0	0.2	15.1	0.2	20.8	0.2	16.9	0.2
Other Income:								
- Profit from Gain on disposal of assets classified as non-core assets	90.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
- Investment Income	9.8	0.1	19.6	0.2	25.6	0.2	20.6	0.2
- Other Income	55.1	0.6	47.5	0.6	94.9	0.9	51.3	0.6
Total	9,352.1	100.0	7,893.6	100.0	10,796.3	100.0	8,591.6	100.0

## Business Operations by Product Types

### Residential Projects

The Company and its subsidiaries engage in the real estate development business that offers a wide range of residential products, brands and development styles. The development includes low rise residential projects that offer sales of single houses, semi-detached houses, and townhouses. The development tasks comprise infrastructure work within each development project, and for all product pricing, which are differentiated by product lines under different brand names to cover diverse market segments and different clientele groups. The product brands for the Company and its Group are:

Product Type	Brand	Price Range	Current Project
Single-detached House		10 - 30 MB	<ul style="list-style-type: none"> <li>• The Grand Rama 2</li> <li>• The Grand Wongwaen - Prachauthit</li> <li>• The Grand Pinklao</li> <li>• The Grand Bangna - Wongwaen</li> </ul>
	 	7 - 10 MB	<ul style="list-style-type: none"> <li>• Golden Prestige Watcharapol - Sukhaphiban 5</li> <li>• Golden Prestige Ekachai - Wongwaen</li> <li>• Grandio Rama 2</li> </ul>



Product Type	Brand	Price Range	Current Project
Single-detached House / Semi-detached House		3.5 - 7 MB	<ul style="list-style-type: none"> <li>• Golden Village Bangna - Kingkaew</li> <li>• Golden Village Onnuch - Pattanakarn</li> </ul>
Single-detached House / Semi-detached House / Townhome		2 - 5 MB	<ul style="list-style-type: none"> <li>• Golden Avenue Chaengwattana - Tiwanon</li> </ul>
Semi-detached House		3.5 - 4 MB	<ul style="list-style-type: none"> <li>• Golden Neo Rama 2</li> <li>• Golden Neo Bangna - Kingkaew</li> <li>• Golden Neo Chaiyaphruek - Wongwaen</li> <li>• Golden Neo Ladphrao - Kasetnawamin</li> </ul>
2 - 3 Story Townhouse		2 - 5 MB	<ul style="list-style-type: none"> <li>• Golden City Pinklao - Charan Sanitwong</li> <li>• Golden City Onnuch - Pattanakarn</li> </ul>
2 - Story Townhome		2 - 3 MB	<ul style="list-style-type: none"> <li>• Golden Town Rattanathibet - Bangphlu Station</li> <li>• Golden Town Suksawat - Phuttha Bucha</li> <li>• Golden Prestige Watcharaphon - Sukhaphiban 5</li> <li>• Golden Town Onnuch - Pattanakarn</li> <li>• Golden Town Ladphrao - Kasetnawamin</li> <li>• Golden Town Ramkhamhaeng - Wongwaen</li> <li>• Golden Town Bangna - Kingkaew</li> <li>• Golden Town Chaiyaphruek - Wongwaen</li> <li>• Golden Town ๒ Onnuch - Pattanakarn</li> <li>• Golden Town Ramintra - Khubon</li> <li>• Golden Town Rama 2</li> <li>• Golden Town Onnuch - Ladkrabang</li> <li>• Golden Town Wongsawang - Radchada</li> <li>• Golden Town Bangna - Suanluang</li> <li>• Golden Town ๒ Suksawat - Phuttha Bucha</li> <li>• Golden Town Sriracha - Assumption</li> <li>• Golden Town ๒ Ladphrao - Kasetnawamin</li> <li>• Golden Town Rattanathibet - Sai Ma Station</li> </ul>
4 - Story Shophouse		5 - 7 MB	<ul style="list-style-type: none"> <li>• Golden Biz Bangna - Kingkaew</li> </ul>

In 2017, the Company launched new 8 residential projects, worth Baht 7,270 million under aforementioned brand. The detail are as follows:

### 1. Golden Town Onnuch - Ladkrabang

Project Detail	: 2-Story Townhome
No. of Units	: 308 Units
Project Value	: 704 MB



### 2. Golden Town Wongsawang - Radchada

Project Detail	: 2-Story Townhome
No. of Units	: 211 Units
Project Value	: 745 MB

### 3. Golden Town Bangna - Suanluang

Project Detail	: 2-Story Townhome
No. of Units	: 426 Units
Project Value	: 1,296 MB



### 4. Golden Town Suksawat - Phuttha Bucha

Project Detail	: 2-Story Townhome
No. of Units	: 272 Units
Project Value	: 895 MB

## 5. Golden Town Sriracha - Assumption

Project Detail	: 2-Story Townhome
No. of Units	: 476 Units
Project Value	: 1,188 MB



## 6. Golden Neo Ladphrao - Kasetnawamin

Project Detail	: 2-Story Semi-detached House
No. of Units	: 128 Units
Project Value	: 747 MB

## 7. Golden Town

### Ladphrao - Kasetnawamin

Project Detail	: 2-Story Townhome
No. of Units	: 335 Units
Project Value	: 1,023 MB



## 8. Golden Town

### Rattana Thibet - Sai Ma Station

Project Detail	: 2-Story Townhome
No. of Units	: 238 Units
Project Value	: 672 MB

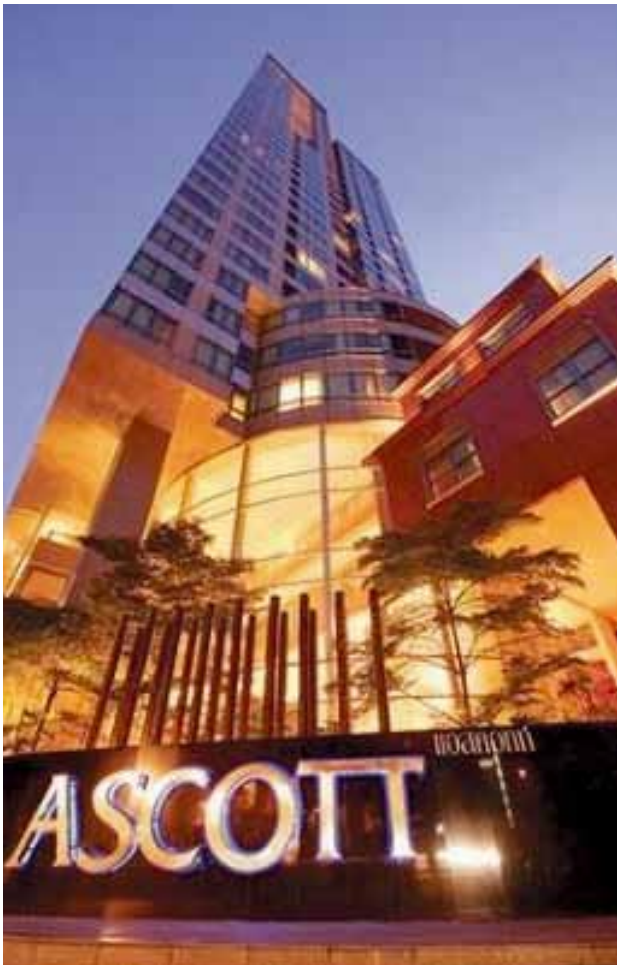


## Commercial Projects

For commercial developments, it is the Company's policy to develop management efficiency and quality to better respond to its customer needs. It also promotes activities that encourage growth in its rental occupancy and enable continual increase in its revenues. At present, the Company has followed commercial developments which are serviced apartments, hotels, and office buildings:

### The Ascott Sathorn and Sky Villas

The Ascott Sathorn Bangkok is a contemporary serviced apartment building situated amid the central business district of Sathorn Road, near the Chong Nonsi BTS Skytrain Station. This 35-story building houses 177 serviced apartment units, managed by the Ascott Group Limited, a leading serviced residence and hotel operator from Singapore. The 21<sup>st</sup> to 35<sup>th</sup> floor of the building locates the "Sky Villas" the luxurious and exclusive residential high-rise apartments decorated by renowned interior designers.



*The Ascott Sathorn Bangkok and Sky Villas*

### Mayfair Marriott Executive Apartment

Mayfair Marriott Executive Apartment is designed to be one of the most luxurious serviced apartment buildings in Bangkok, with a height of 25 stories. This development has also been granted a hotel operating license. The Company sold its leasehold for the building to the Gold Property Fund (in which one-third of the shares belong to the Company). The building houses 164 apartment units, with various sizes ranging from 1 to 3 bedrooms, and is managed by the Marriott International, Inc, a "global brand" hotel chain and leading hotel management company. The building is located in the middle of Soi Langsuan, not far from the BTS Skytrain Station and adjacent to Lumpini Park which is a famous park within the Bangkok central business district.



*Mayfair Marriott Executive Apartment*

### Sathorn Square

Sathorn Square Office Tower is a 40-story commercial office building with 5 underground floors. It has a rental area of over 73,000 square meters, located in the heart of the central business district, at the Sathorn - Narathivas intersection with a direct passage link to the Chong Nonsi BTS Skytrain Station. The Sathorn Square Office Tower has a unique architectural design. Its rental spaces on each floor are designed to provide more open space, with no pillars, and increased flexibility in space usage and open floor office designs. The tower is an "Energy Conservation

Building” that received the LEED Gold Certification (Leadership in Energy and Environmental Design Award) from the U.S. Green Building Council (USGBC). The Company has sub-leased its leasehold rights to Golden Ventures Leasehold Real Estate Investment Trust (GVREIT) in April 2016.



*Sathorn Square*

#### **Goldenland Building**

The Goldenland Building is an 8-story building with one underground floor that lodges a total rental space of about 11,000 square meters, located near the main shopping area of central Bangkok with shopping places such as Central World, Gaysorn Shopping Centre, and Central Chidlom, as well as famous nearby hotels such as the Grand Hyatt Erawan, and the InterContinental Hotel. The building is only a few minutes' walk from the Chidlom and Ratchadamri BTS Skytrain Stations. The building is also designed to afford the occupants' adaptability and greater design flexibility.



*Goldenland Building*

#### **FYI Center**

FYI Center is located at the corner of the Rama 4 and Ratchadapisek (Phai Sing To) Roads, close to the Queen Sirikit National Convention Center and within walking distance from the subway station which has direct access to the front of the building. This project comprises a 12-story office building and three underground floors, designed with flexibility in space utilization under the “Business + Creativity” concept. The project was completed in the second quarter of 2016 and was awarded the Gold Level certification of Leadership in Energy and Environmental Design (LEED) from the U.S. Green Building Council (USGBC) around the end of 2016.



*FYI Center*

#### **Modena by Fraser Bangkok**

Modena by Fraser Bangkok is a 239-room, 14-story hotel with an underground floor, under the management of Fraser Hospitality. The hotel offers an at-home atmosphere and experience. The hotel building is located next to the FYI Center and not far from the Queen Sirikit National Convention Center, and Khlong Toei Port, with access to many commercial areas via the subway line making this hotel convenient for business travelers.

Additionally, the Company is the property manager for the following projects:



## Park Ventures Ecoplex

Park Ventures Ecoplex is a Grade A office building for lease in the central business district, located at the corner of the Ploenchit and Wireless Roads, with direct passage from the BTS Ploenchit Station.

## Sathorn Square

Sathorn Square is a Grade A office building for lease, located at the corner of the Narathivas and Sathorn Roads, with direct passage from the BTS Chong Nonsi Station.

Since 2016, the Company started to develop its new commercial high-rise project which is located at the corner of the Rama 4 and Phaya Thai Roads. This project, named the Samyan Mitrtown Project, is a mixed-use complex, comprising office building, residential units, and commercial spaces to be built on a 13-rai plot of land. The Company received approval for its Environmental Impact Assessment Report (EIA Report) and has already begun construction on the project which shall be completed in 2019.

## Market and Competition

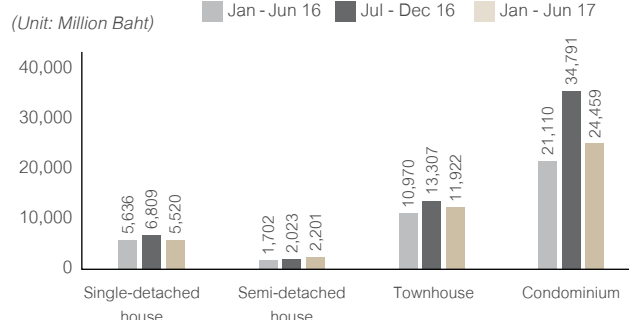
### Residential Project

Given home sales in the first half of 2017, particularly in Bangkok and its vicinity, overall housing market sees an 11% increase in the sales to 40,408 units, when compared with the same period of the prior year. First-half sales of residential units are as follows:

- The number of single-detached house sales in the first half of 2017 total 55,520 units, a decrease of 2% when compared with the same period of the prior year.
- The number of semi-detached house sales in the first half of 2017 total 2,201 units, an increase of 29% when compared with the same period of the prior year.
- The number of townhouse sales in the first half of 2017 total 11,922 units, an increase of 9% when compared with the same period of the prior year.
- The number of condominium sales in the first half of 2017 total 24,459 units, an increase of 16% when compared with the same period of the prior year.
- The number of other unit sales in the first half of 2017 total 688 units, a decrease of 31% when compared with the same period of the prior year.

The number of residential units sold in six months from late 2016 to the first half of 2017, divided by product, are shown in the following chart:

Number of residential units sold (semi-annual) 2016 - 2017



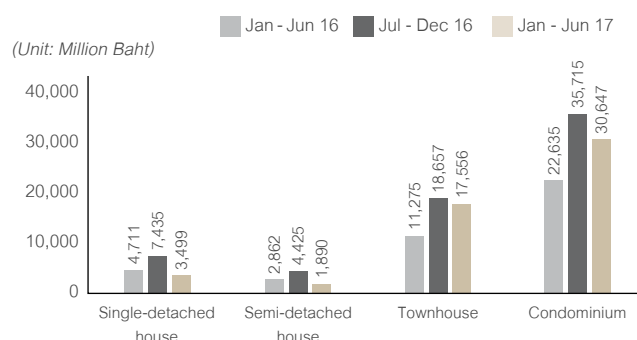
Source: Agency for Real Estate Affairs (AREA)

Considering figures for newly-launched residential units, the total number reaches 54,281 units in the first half of 2017, an increase of 25% when compared with the first half of 2016. Figures for the residential units launched in the first half of 2017 are as follows:

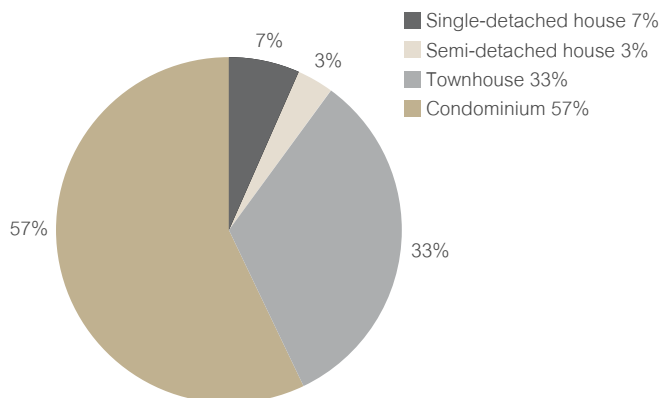
- The number of new single-detached houses launched in the first half of 2017 total 3,499 units, a decrease of 26% when compared with the same period of the prior year.
- The number of new semi-detached houses launched in the first half of 2017 total 1,890 units, a decrease of 34% when compared with the same period of the prior year.
- The number of new townhouses launched in the first half of 2017 total 17,556 units, an increase of 56% when compared with the same period of the prior year.
- The number of new condominiums launched in the first half of 2017 total 30,647 units, an increase of 35% when compared with the same period of the prior year.
- The number of other residential units launched in the first half of 2017 total 689 units, a decrease of 61% when compared with the same period of the prior year.

The number of new residential units launched in six months from late 2016 to the first half of 2017, divided by product, are shown in the following chart:

Newly-launched residential units (semi-annual) 2016 - 2017



Source: Agency for Real Estate Affairs (AREA)



Source: Agency for Real Estate Affairs (AREA)

Considering the number of new residential units launched in the first half of 2017, the housing market has continued to see the highest number of newly-launched condo projects, followed by townhouse and single-detached house projects, respectively.

Since there are many developers in the residential real estate industry, together with intense competition within the market, in addition, current trends in consumer behavior and consumer decision making regarding home purchase are becoming increasingly rational and reflective; the Company has thus set the following market competitive strategies to counter such intense competition:

#### Home or Product Design Strategy

As consumer needs in the different price ranges or product brands are diverse from each other, the Company thus offers varieties of products to suit varied price or location demands. The Company also pays continual attention to behavior research of each consumer niche. Its design principles remain the space utilization, optimization and product innovations.

Additionally, the Company also develops its semi-detached houses to have compatible utilization functions, project surroundings, and other innovations on a par with or better than the single-detached houses offered by its market competitors in the same or nearby locations. Its competitive edge is to offer outstanding products at appropriate prices for each target niche as its motto of “An Affordable Stylish Living”.

#### Location Strategy

The Company pays attention to site selection and chooses its sites according to its site selection criteria which must provide suitable solutions to the needs of each different target niche. Most of its site locations are in the prime areas with convenient access to transportation and communication systems, infrastructures facilities, and other available services around the sites.

Other than the above-mentioned factors, the Company also recognizes the importance of the urban expansion trend, and the plan for future communication network expansion. The Company also maintains its land bank for future developments. This will benefit the Company with cost competitiveness as land price has been greatly escalating every year, and provide it with competitive edge and higher returns.

#### Pricing Strategy

As for the product pricing, the Company shall first undertake market surveys for its targeted locations which also includes pricing, promotion campaigns, product ranges, project conditions, and other aspects to regularly and continually evaluate the market conditions. Its strategies are to create buyer motivation, product values, and economic suitability while taking into account other factors such as costs, locations, development styles, and market conditions. The Company also sets appropriate prices that match the market of its development projects, offers the customers with the value of the money for every sum of money spent, and adds functional benefits as well as better surroundings and conveniences.

#### Marketing Promotion Strategy

It is the Company's policy to use various media channels and a combination thereof to disseminate information on its projects to be best accessible to its clientele and general consumers. Those channels include:

- 1) Billboard ads and billboard signs promoting the Company's projects.
- 2) Advertisements via media channels such as radio, newspaper and magazine.
- 3) Mobile SMS to target groups during its sales promotion periods and other corporate events.
- 4) Internet and other social media such as its corporate website: [www.goldenland.co.th](http://www.goldenland.co.th), Facebook, Instagram, as well as Web Banners on main real estate websites and target groups frequently visited websites.
- 5) Customer word of mouth and recommendation from existing clients in the Company's organized events such as “Member Gets Member”.

The Company likewise pays attention to its advertisement and public relations concepts and tries to make them striking, initiative, modern, attractive, easy to understand, and informative.

### *Cost Management Strategy*

The Company manages its own construction work, by dividing the tasks into different phases such as foundation work, plaster work, constructing ensembles, flooring and roofing, etc. The Company hires experienced contractors with expertise to undertake the construction tasks and manages the contracts by sending its own teams including engineers and foremen to monitor the construction work to ensure its standards and conformity with prescribed specifications. As the Company procures its own material supply, it is able to efficiently manage and control the construction costs.

### **Commercial Projects**

In general, the outlook of the commercial high-rise market which earns rental revenue, particularly the office rental building segment, remains optimistic with continued growth for the next 3 years. Demand for office space rental and rental rates, especially for Grade A CBD office building along the BTS or MRT lines, are estimated to surge due to an increase in the demand for office spaces in such buildings and the limitation of the new supply thereof. In addition, there is still a continuous rise in new company registration and a business expansion of existing companies. There's also a promising growth trend for the entry of new foreign companies wishing to establish their office in Thailand since its geographical location is a perfect logistic hub for CLMV countries.

According to CBRE Research (Thailand), Bangkok's newly-completed office supply totals 8.64 million square meters in the second quarter of 2017. Out of the total supply, 7.99 million square meters have already been leased, making up around 7.5% of overall vacancy rate, the lowest recorded for the past 20 years. In the past 5 years, the average take-up is 200,000 square meters per year. In 2017, the occupancy rate is expected to be no different from years past. This year, the Bangkok office market sees increased demand from e-commerce and consumer finance businesses (banks and financial institutions extending internet-based financing services and online transactions instead of physical branch expansion).

The consultancy reports that there are five newly-completed office buildings in 2017, i.e. Gaysorn Tower, the Grade A building in central business district (CBD), G Tower (North Tower), Bhiraaj Tower at BITEC, M Tower and SC Tower, the latter of which is not located in the CBD but accessible by mass transit such as BTS Skytrain or MRT Subway. The total leasable space of all five buildings are approximately 120,000 square meters. Over a period of

late 2017 to 2020, new office supply under construction is expected to be approximately 420,000 square meters, while 30% of the supply is Grade A buildings in the CBD and another 70% located in outer Bangkok. According to CBRE, approximately 2 million square meters of land plots in downtown areas are currently under development and planned for the construction of office buildings, which may exert a long-term impact on the Bangkok office market. In other words, if the supply outstrips market demand, a glut of leasable space will ensue, in turn driving down the rents.

The Company presently has two office buildings for rent namely Goldenland Building and FYI Center, both located near BTS Skytrain Stations and MRT Subway Station with convenient access to transportation. Goldenland Building has an average occupancy rate 88%, with average rent at Baht 600 per sqm and FYI Center has an average occupancy rate 85%, with average rent at Baht 870 per sqm.

Furthermore, the Company also acts as the property manager for Golden Ventures Leasehold Real Estate Investment Trust (GVREIT) for the REIT's two buildings which are Sathorn Square and Park Ventures Ecoplex. Both buildings are quality buildings that are situated in good locations, close to BTS stations, and fully equipped with all the essential and desirable facilities that meet the needs of their customers. This results in the present occupancy rates of 96% for Sathorn Square and 98% for Park Ventures Ecoplex, and the rental rates of Baht 985 per sqm for Sathorn Square and Baht 1,300 per sqm for Park Ventures Ecoplex, respectively.

In 2017, the Company still put its focused on continuing organizing of tenant activities such as sales of discounted products event, food truck events, singing contest, "Vertical Run" marathon event, and cultural activities, namely performing the New Year Day's morning merit by making and giving alms to monks, the annual "Religious Bathing" rite for the Buddha Image on Songkran Day, and other social events and charity work. Along with safety and security events, such as the annual fire drill, were carried on as scheduled. These activities are held for the convenience, entertainment, reinforcing safety and security, as well as providing pleasant tenant atmosphere within the buildings. Beside revenue from office rental, the Company also earns its income from seminar room rental and banquet revenue from "Victor Club" which presently operates in both Sathorn Square and FYI Center. "Victor Club" offers in-house services which include rentals of rooms and halls for meetings, conference, seminars, banquet, event function,



and press releases, for the convenience of tenants and customers inside the buildings and in the nearby buildings.

The target tenants of the Company's Office Tower Projects cover both domestic and international corporate tenants of over 500 leading firms. The tenants mostly desire the superior marketing image of being in the heart of the Bangkok CBD, with a direct access to mass transportation especially to the BTS Skytrain. The building is an energy efficient building and offers an eco-friendly workplace environment, as well as an "open concept" floor plan that is flexible and able to accommodate any interior style of office. The facts that the Company's developments are energy saving buildings, helps promote its tenants' corporate image of being environment-friendly and also creates a good working environment for the staff which enhances staff loyalty and pride in their corporation, particularly in terms of the corporates' utmost attention to their staff. Additionally, tenants are likely to select buildings that can accommodate their demand for more flexible office space and tenants' changing layout requirements.

The Company's marketing strategy for office space rental is to approach the potential tenants through leading real estate agencies. During the tenant selection process, clients' records and business natures will be reviewed while the Company will provide information that clients might need and keeping regular follow-ups with the clients throughout the process. In addition, the Company organizes various customer relationship campaigns and events during the festive seasons in a lobby or outside its buildings to enhance good relationships with customers, as well as arranges press conferences to promote its buildings. It regularly reviews building control systems and improves its building management, while continually applying various social media and internet channels such as webpages and Facebook, to build and to strengthen brand awareness of its office buildings.

The Company attaches significance to the integration of energy efficiency into building design and development of three office buildings, i.e. Park Ventures Ecoplex, Sathorn Square and FYI Center. Its energy-saving efforts paid off when the office buildings were awarded with LEED (Leadership in Energy and Environmental Design) certification granted by U.S. Green Building Council (USGBC) for their environmental performance and sustainable design. In addition, Park Ventures Ecoplex and Sathorn Square received Thailand Energy Awards and ASEAN Energy Awards. In late 2017, FYI Center received Best Office Development and Best Green Development from Thailand Property Awards 2017.

## Product and Service Sourcing

### Raw Material Sourcing

#### Residential Projects

##### *Land*

The Company carefully selects the land site for its developments. It normally picks the locations in the areas of its existing projects where it already has a client base in the vicinity and upcoming new sites where client target may be different to diversify development risks. The Company pays a great interest in land acquisition for project developments as it is the key advantageous factor in business competition.

The higher costs of land that quickly escalated during the past years have increased the Company's development costs. Nevertheless, the Company has been trying to search for development land in appropriate locations and at reasonable prices, as well as maintaining its land bank which comprises vacant land in good locations for future development and business expansion plans. These land parcels may not be next to the BTS stations, or close to entrances and exits to the expressway, but they have easy communication and transportation access which allow easy travel. The Company's land acquisition and development process starts with market surveys and research performed by its internal business team. The surveys and research cover market conditions, market competition, and consumer behavior. Their findings and results will then be evaluated and used to determine relevant conceptual planning, suitable location targets, and potential project feasibilities to be submitted to the Company's Executive Committee for considerations and decisions.

The Company adopts three following practices to identify and acquire potential sites for future development:

1. Real estate agents propose potential land plots to the Company, or the Company locates suitable sites by its own and assigns real estate agents to proceed with land acquisition procedures.
2. The Company's representatives make a direct contact with landowners to acquire designated plots.
3. Advertisements for purchases of potential sites are placed in print media and on the internet.

##### *Construction Material*

The Company negotiates with construction material suppliers to obtain quality products at a fair and reasonable price. The Company manages its purchases of construction materials. Suppliers are required to give confirmations

of quotes for certain materials over a six-month period. Purchases of supplies in large quantities enable the Company to well negotiate their prices and be capable of controlling its construction costs. The Company's Purchase Department shall monitor the price movements of construction materials, make assessments, and calculate the estimated construction costs. In general, prices of construction materials fluctuate within the estimated ranges. In the event that the prices differ more than the estimated ranges, the Company shall then seek for choices of alternative materials that can be substituted in both usage and quality.

### Commercial Projects

#### Land

Since large land plots suitable for property development are mainly located in business districts and easily accessible by public transport, landowners who own such prime plots often see commercial potential for leasing their plots to tenants by their own rather than selling them. In several cases, any new property development projects can be carried out upon the expiry of preceding lease contracts.

Thanks to its proven track record and expertise in property business and development, the Company has continued to develop several diverse development projects, whether it be office buildings, hotels, serviced apartments or other residential projects. Moreover, its long-established relationship with major landowners and continued commitment to fulfil contractual obligations put the Company at an advantage in building up trust and reputation as an ideal tenant and a reliable developer. For this reason, the Company is given the great opportunity to carry out property developments at prime locations such as FYI Center construction project at the intersection connecting Rama IV and Ratchadapisek Road.

The Company normally enters into land lease agreements for 30 years and/or can renew the lease for another 30 years to confirm its constant efforts on property developments at potential locations. During stages of land acquisition process, representatives from the management visit designated land plots to get a first-hand information to weigh up the pros and cons of the plots before conducting extensive research into legal concerns, city plan, marketing and relevant issues. Then, a feasibility study is submitted for approval from the Executive Committee before purchase or rental deals are proceeded.

### Construction Material

Currently, the contractors hired by the Company are responsible for material sourcing for construction work. The Company clearly prescribes the prices of construction materials in its construction contracts to protect itself from any impacts from increasing prices of construction materials, and potential material shortages during the construction period.

## Project Development

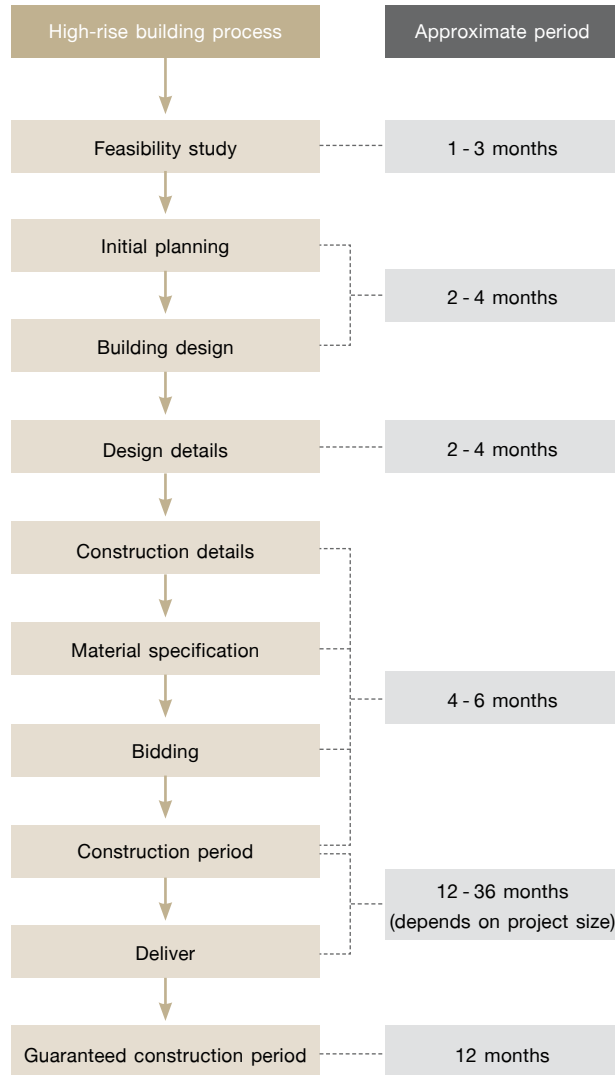
### Residential Projects

The Company shall undertake a feasibility study on the sales and development of the project. The sales department, marketing department, and business development department shall jointly perform a market survey and work together on project design and price setting. Upon the acquisition of its targeted land plot, the Company shall then start the relevant process on architectural design; either using its in-house architectural team or contracting an outside architectural firm to do the design work for its projects, its housing units, and the interior designs. It shall then hire contractors for construction planning and construction work, as well as quality inspection and control. The overall process can be described as follows:

Order	Process	Period (month)											
		1	2	3	4	5	6	7	8	9	10	11	12
(1)	<b>Project development</b>												
	Filling / Utility / Design / Build model home												
	Build home/ Electrical system / Water supply												
	Check												
(2)	<b>Legal</b>												
	Land trade / Construction permit												
	Get permission to allocate												
	Subdivision deed												
(3)	<b>Selling</b>												
	Marketing and promotion												
	Advance loan approval / Down payment												

## Commercial Projects

The Company shall invite contractors to bid for its project construction. The winning bidder shall enter into a guaranteed maximum price turnkey contract with the Company. The Company's commercial high-rise development process can be described as follows:



## Environmental Impacts

The Company has designed and developed zero-carbon facilities and systems at all residential projects to reduce an impact on the environment. For example, the Company sets up both individual wastewater treatment systems for each unit and central ones for whole project. The quality of wastewater is also evaluated to meet the required standards before being discharging into the public sewerage system.

Moreover, the Company always makes plans prior to its application for the building construction license, to

engage relevant advisors to conduct required tasks which include the application for approval for its Environmental Impact Assessment Report (EIA Report) from the Office of Natural Resources and Environmental Policy and Planning. It likewise undertakes the measures as set forth in its EIA Report to reduce possible construction impacts to surrounding communities. Furthermore, it also designs and constructs its buildings under the internationally prescribed quality standards of "LEED (Leadership in Energy and Environmental Design) Certification" from the U.S. Green Building Council (USGBC). For instance, the Sathorn Square applies the new innovation in "green" design such as ventilation system, carbon dioxide controller, energy efficient water-cooled chillers and use of energy saving T5 fluorescent lamps in its buildings.

## Work in Process

### Residential Projects

As of September 30, 2017, the Company has sold 1,268 residential units from its undergoing 39 projects. These units are waiting to be transferred the ownership, accounted for Baht 4,054 million.

### Commercial Projects

At present, the Company is in the process of developing its "Samyan Mitrtown" project on a 13-3-93.64 Rai leasehold land owned by Chulalongkorn University. The project is a mixed-use complex, comprising office building, residential units, and shopping complex. The project with a total construction area of 222,887 square meters will house a 35-story reinforced concrete building with two underground floors. The Company has already received relevant building construction licenses from the authorities in charge prior to the commencement of the construction work. Tenders have been called and finalized for pile foundation and diaphragm wall construction whereas Pylon Public Company Limited was selected to start the work since mid of last year and shall complete the work in January 2017. Thai Obayashi Corp., Ltd. won the construction bid and is selected as the general contractors for the project. Construction work shall start in January 2017 and is scheduled to be completed in 2019.

## Social Responsibility

Golden Land Property Development PLC and its subsidiaries operate its business with awareness of social and environmental responsibilities, and aim to be an organization which leads the society towards a sustainable path of development in accordance with the doctrines prescribed by the Stock Exchange of Thailand. The Company prescribes social sustainability as one of its key operating commitments, marked by its corporate strategic planning that targets 3 aspects of value of growth which are 1) Business, 2) Human Resources, and 3) Social Sustainability. Its "GOLD" organizational culture also inspires all employees to share common practice guidelines.

<b>G</b>	<b>O</b>	<b>L</b>	<b>D</b>
Good	Open	Learning	Drive
Governance	Minded	Organization	for Excellence

In 2017, the Company and its subsidiaries had operational and practice guidelines which can be summarized as follows:

### Fair Business Practice

The Company places emphasis on fair and equitable business practices, and promotes ethical behavior of fair and equitable treatment of stakeholders namely shareholders, employees, customers, competitors, trade counterparts, creditors, community, and the society. It conducts business with honesty and integrity. It also abides by its business principles which include providing accurate, sufficient, and timely disclosure of information and recommendations to customers, offering full and complete information on goods and service to relevant parties, delivering quality products to customers as agreed at fair prices, and avoiding any action that may cause a conflict of interest.

### Policy, Practice Guidelines, and Actions Related to Human Rights Violation

The Company recognizes the importance of human rights, and prescribes its policy on human rights protection. It commits to provide all employees with rights, liberty, and equality in work, employment, and career advancement as prescribed in the Constitution of the Kingdom of Thailand under the section on the rights and freedom of the people. The Company abides by the labor laws and the Company's employment regulations. It has no prejudice against titles,

birthplace, nationality, language, religion, age, gender, physical condition, health, social and economic status, qualification, education, and different political views; and has respect for human dignity and equitable career opportunities according to one's scope of responsibilities, degree of proficiency, and level of potentiality.

The Company's employees can effusively enhance their knowledge and proficiency; have freedom of presenting beneficial opinions to the Company without violating the rights of other persons. The Company complies with nationally and internationally accepted human rights agreements, labor laws with non-involvement in hiring minor employees and illegal immigrants. It is always conscious of treating employees like family, respecting local traditions and cultures, and treating its competitors with respect.

The Company recognizes the importance of its employees' proficiency development which shall be in line with its business growth plan and also reflects its commitment towards social responsibility and sustainable development. It promotes and encourages staff training sessions, knowledge exchange, and development of capability, aiming to provide its employees with the opportunity to ensure job stability and career advancement. Employees are offered the opportunity to continually improve their work knowledge, skills and abilities, as well as having the occasion to participate in setting operational directions and improvement plans. The Company intends to create a safe and healthy workplace for its employees, and facilitates them with needed workplace appliances necessary for their work duties. It is the Company's belief that a positive and suitable working environment that is safe, hygienic, and environmentally friendly can significantly and positively influence the work performance of its employees.

The Company supports open communication and provides appropriate communication channels for its employees to express their views and recommendations on work related issues. These suggestions are promptly reviewed and processed for the proper course of action. These communication channels provide a direct link between the Company's employees and its supervisory authorities, and enhance a better understanding within the organization.





The Company promotes employee's awareness on human rights and their consciousness for compliance with international human rights principles. It also supports work-life balance, as well as encourages unity and cooperation among staff, by establishing a work unit called "Happy Helper" to coordinate employee engagements and cooperative team building activities as well as social volunteer events and involvements. The continued social events sponsored by the Company are programs such as a yoga program for the employees, internal sports events, i.e. badminton and soccer, health and wellness activities, running-related activity "Following dad's footsteps", office syndrome therapy, meditation practice sessions, and photography workshops. All these activities are intended to promote self-development of its staff in both body and mind.

The Company also pays attention to the quality of life of the workforce of its trade partners such as its



yoga



Dhamma Practice



massage



photo workshop

contractors. The Company provides construction camp accommodation close to its development sites to provide workers with easy commutes and reduce potential traffic problems due to labor transportation. It regularly monitors and assesses the living conditions of the workers in these workforce accommodations to assure its cooperation with its trade partners on needed improvement and problem-solving efforts if so required. Additionally, it also offers consumables and necessary goods to workers on various occasions.

With the aim of enhancing workplace safety, a positive workplace environment and employees' quality of life, "Smart & Friendly" safety awareness program is introduced to create a zero-accident workplace and keep safety to the highest standard at the construction site of Samyan Mitrtown, a mixed-use complex. Under the program, two color-coded footpaths are clearly designated. The green one is a path with a cover way, easily accessible by visitors without having to wear a safety helmet. This helps reduce lengthy authorization procedures and ensure greater safety for all visitors. The blue footpath is designated for employees and construction workers wearing helmets to maintain a safer working environment and prevent all occupational accidents.



running



football



badminton



GOLDLYMPIC GAMES





To improve the employees' quality of life, health and productivity, an on-site canteen and cooking facilities are set up for providing decent and balanced meals for the site workforce, making it convenient for them to have access to adequate nutrition and save their time for going outside for lunch.

### Environmental Protection and Community & Social Development

The Company has established policies and guidelines of conduct on environment. It also strictly complies with environmental laws. The Company set the operational framework on the constructions of its residential and commercial developments which starts from material selections to ensure its controls and mitigation of construction effects and work guidelines for the systematic resolution of operative problems.

The Company provides staff training on environmental issues and efficient uses of energy. It organizes campaign activities such as turning-off the lights during lunch hour, unplugging electrical appliances at the workplace namely computers and photocopy machines during weekends, and using recycled paper for printing of internal documents.

For commercial developments, the Company recognizes and abides by the principles of "Green Building" under internationally accepted standards. Its SAMYAN MITRTOWN was constructed, with design and construction plans, construction technologies, construction materials, and construction management concepts that are focused on being eco-friendly. After the construction is completed, energy saving innovations as well as energy-efficient and environmentally friendly equipment is applied for the building management. The Company also encourages the building tenants and visitors to be aware of environmental issues and sustainable development goals.



In addition, the Company joins hands with communities in proximity of the construction sites to contribute to the improvement and redevelopment of neighborhoods, e.g. renovation of bus shelters and pavements and installation of lighting systems in the vicinity to enhance public safety and surveillance at night.



For the Company's residential development activities, it understands that its real estate development may have consequences and impacts on the external environment in many aspects. Therefore, it pays attention to all complaints and issues that are brought up in order to be aware of the problems and maintain a good relationship with the surrounding communities. The Company established a work unit to communicate and provide information to create mutual understanding, and listen to resident's complaints of problems. These inputs thereof are then considered to find mutually satisfactory solutions to the matters.



*clean tires before leaving construction site to control dust spreading*

### Social Activities

The Company places greater emphasis on social and environmental responsibilities at all stages of its business operations and has done everything possible on its part to give back to society under its social responsibility and sustainable development initiatives, aiming at making a difference beyond the workplace.



- Cash donation towards the construction of a school building for hill-tribe students (February, 2017)

Golden Land Property Development PLC, which accords greater importance to the equality of educational opportunities, holds a charity event in cooperation with its business partners to support education for disadvantaged children in rural areas, making a cash donation to the construction of “Gold Alliance” school building for hill-tribe students at Baan Khun Klang School in Chiang Mai.



- Cash donation towards Phra Dabos Foundation (April, 2017)

To pay tribute to His Majesty the late King Bhumibol Adulyadej, Golden Land Property Development PLC raised Baht 135,000 from a charity run “Golden Land’s Race in the Footsteps of the King”, which covers a total distance of 9,999 kilometers. The Company then donated the first amount of the fund to Phra Dabos Foundation. This donation aimed at supporting the royal-initiated foundation, whose mission is to provide occupational training to those who have been deprived of educational opportunities and employment and help them become self-reliant.



With the aim of achieving a total collective mileage of 9,999 kilometers, employees of Golden Land Property Development PLC encouraged to take part in the charity race held from 9 January to 9 March 2017. For every kilometer run, the Company generously donated Baht 10. In conclusion, employees ran a total of 22,585.53 kilometers and raised Baht 225,855.30.

- GOLD Giving - Workplace visit at Golden Land (June, 2017)

To offer students a first-hand glimpse of what the future may hold for the construction industry, specialists and project managers of Samyan Mitrtown, a mixed-use complex under Golden Land Property Development PLC provided a special lecture, covering effective techniques of pouring concrete for the construction of a building foundation to lecturing students from Chulalongkorn University’s Faculty of Engineering and Thammasat University’s Faculty of Engineering. The Company also gave lecturers and students an on-site tour to provide them personal insights in the construction process.



- Cash donation towards Rajaprajanugroh Foundation (June, 2017)

The second amount of the fund from the charity run at Baht 113,000, the Company donated it to Rajaprajanugroh Foundation under the Royal Patronage, one of several foundations initiated by His Majesty the late King Bhumibol Adulyadej, to help disaster victims nationwide and support children education.

- **GOLD Giving - Workplace visit at Golden Land (July, 2017)**

With the clear purpose of giving students the opportunity to broaden their experiences and enjoy learning in extracurricular activities, the Company organized a field trip and a counselling session on education and future career to upper secondary students from Bangpakok Wittayakom School. A working team also gave students a tour around Golden Town ๒ Suksawat - Phuttha Bucha project, offering detailed explanation for the current construction project and real estate business. Veteran employees were invited as guest speakers to share their work experience with the students and offered advice on education and future career. The Company also took the students on a sightseeing at Rattanakosin Exhibition Hall on Ratcha Damnoen Klang Avenue.



- **GOLD Giving - Extracurricular activity for underprivileged students (September, 2017)**

To open up new horizons for underprivileged students and assist them in finding career inspiration, the Company provided funds for a learning program launched by Teach for Thailand Foundation, in which lower secondary school students from Khlong Toey slum community were given a chance to enjoy unique learning experiences at KidZania Bangkok, an interactive edutainment facility showing roleplay of more than 80 different adult careers.



## Innovation and Spreading Innovation from Business Operations that Foster Social, Environmental and Stakeholder Responsibility

The Company always pays attention to development for business innovation while continually promoting and supporting all fields of innovation including products and

services which cover the entire real estate design and development process, the construction process, and the community management process, with aims to increase its competitive edge and added value of both the Company and the society at large. The Company bestows the Quality Development Award on its construction projects, which have the best quality control and most efficient environmental management, and outstanding contribution in maintaining a high-quality construction standard. The Company also offers opportunities for other agencies and educational institutions to make office visits and site visits, and to discuss its work process.



## Guidelines for the Prevention of Corruption

### Anti-corruption Policy

The Meeting of the Board of Directors No.2/2017, held on 12 May 2017, passed a resolution approving an anti-corruption policy to foster greater awareness of all forms of corruption among the Board of Directors, management, employees and subsidiaries. The policy is to be publicized via E-Learning program, pop-up windows on computer screens and induction programs for new hires.

#### 1. Definition

Corruption means any forms of misuse of position, authority and responsibilities or misuse of assets for the benefit of oneself, families, friends and acquaintances or any other undue benefits causing damage to others' interests, including any types of bribery; inducing, offering, giving or accepting, promising kickbacks in form of assets or other benefits, a conflict of interest, concealment of truth, or any other benefits to government organizations, private organizations or any relevant persons in charge either directly or indirectly, in order that they refrain from performing their duties in a legitimate, moral and ethical manner.

#### 2. Roles and responsibilities

To ensure that anti-corruption policy and measures are adopted at all levels of organization based on good corporate governance, the Company defines roles and responsibilities of relevant persons, including the Board of Directors, management and employees, in order that they



can strictly adhere to the anti-corruption policy and refrain from either direct or indirect involvement in all forms of corruption.

### **3. Anti-corruption policy and measures that cover the following areas:**

3.1 The Company carries out an assessment of risks of corruption and frauds, adopts appropriate measures against such risks, and acts in compliance with internal control system.

3.2 The Company adopts adequate measures to ensure policy compliance, which helps prevent corruption and frauds in the conduct of business, and implements an internal control system to maximize the effectiveness and efficiency of its anti-corruption policy, which covers records of all financial transactions, accounting and other procedures relating to the Company's operations.

3.3 The Company establishes a safe channel of communication for its employees and all stakeholders, enabling them to seek advice, give tip-offs, provide suggestions and make complaints in connection with corruption and frauds, and provides protection to whistleblowers.

3.4 The Company publicizes its anti-corruption policy through internal and external communication channels to ensure all stakeholders are perfectly aware of the policy and encourages its subsidiaries and other entities under the Company's control to follow suit in adopting the Company's anti-corruption policy.

3.5 The Company provides a series of training workshops on the anti-corruption policy to the Board of Directors, management and employees on a regular basis and builds anti-corruption awareness among new hires during induction programs to help them develop a proper understanding of its anti-corruption policy, measures, procedures and penalties for failure to comply with the requirements.

3.6 The Company sets out appropriate procedures for reporting, monitoring and reviewing the compliance with the anti-corruption policy to ensure that the policy is accurate, adequate and updated in response to changing business landscape.

### **The Company adopts the following anti-corruption and fraud prevention measures:**

#### **1. Political contributions**

1.1 The Company adopts a policy of political neutrality, refraining from political support or partisanship

which may call into question its political impartiality or cause damage to the Company as a result of the political affiliation and contributions.

1.2 Every employee has rights and freedom of political affiliation within the law, but are fully aware that they shall not perform any actions, carry out any activities and use any Company's resources for political purposes and activities.

#### **2. Charitable contributions**

2.1 Donation of cash or assets for charity and social causes and financial aids must be carried out in a legal, transparent and ethical manner, without detriment to the public interest.

2.2 Employees must exercise the utmost caution to ensure that the donation serves charitable purposes and is not used to disguise bribery, and relevant procedures must be implemented in a transparent and legitimate manner.

2.3 The use of Company's funds or assets for charity and donation to any accredited and trustworthy places of worship, hospitals and medical facilities or non-profit organizations needs verification and follows the Company's agreed procedures.

2.4 In case there are any doubts that may cause legal dispute, legal advice in writing shall be sought from a legal department or other matters of significance shall be at the management's discretion.

#### **3. Sponsorships**

3.1 Sponsorships are provided for the purposes of publicity for Company's business only.

3.2 Employees must exercise the utmost caution to ensure that sponsorships are not used to disguise bribery, and relevant procedures must be implemented in a transparent and legitimate manner.

3.3 Employees must exercise the utmost caution to ensure that the use of the Company's sponsorships or assets must be on behalf of the Company when the sponsorships must fulfil objectives of building brand equity and Company's reputation.

#### **4. Gifts, hospitality and expenses**

4.1 The Company cannot condone behaviors of suppliers, contractors, subcontractors or persons involved in the Company's business who offer gifts, assets or any other benefits to employees, which creates biases to influence their judgment, poses an ethical dilemma or creates a conflict of

interest, unless the act of gift-giving is customary according to traditions of gift-giving.

4.2 The Company shall use its discretion to offer gifts, assets or any other benefits to persons within the reasonable bounds and in conformity with the accepted custom.

4.3 The management and employees shall abstain from accepting inappropriate money, gifts, favors, assets or any other benefits, unless the act of gift-giving is customary according to traditions of gift-giving. If employees cannot deny acceptance of money, gifts, favors, assets or any other benefits upwards of Baht 3,000, they are required to submit a report to immediate superiors in accordance with the Company's agreed procedures.

## 5. Risk management

The Company monitors and assesses risks of all Company's business transactions susceptible to corruption and frauds by reviewing the Company's risk management policy once a year, and modifying and revising existing risk mitigation measures to efficiently prevent or minimize risks to an acceptable level.

## 6. Internal control, financial reporting and audit

6.1 The Company establishes good governance procedures covering key aspects such as 1) segregation of duties, 2) a process of appropriate authorization and approval, and 3) internal control and internal audit which are conducted in compliance with the anti-corruption measures and reviewed by internal auditors. Every employee is required to adhere to the Company's code of conduct and agreed procedures.

6.2 The Company implements effective internal control and internal audit to ensure that the Company follows applicable accounting and finance standards and laws under constant review of internal auditors and the Audit Committee.

6.3 The Company's management assume responsibility for the preparation of timely and accurate financial reports, both annually and quarterly, in accordance with generally accepted accounting principles.

6.4 The Company adopts a system for properly recording and storing information that are readily available for inspection, containing sufficient and accurate evidence and documentations relating to all tasks performed.

## 7. Training and communication

### 7.1 Communication

- The Company communicates its anti-corruption policy and measures all stakeholders, ranging from the Board of Directors, management, employees, subsidiaries, joint ventures to other entities under the Company's control.
- The Company communicates penalties for non-compliance and a policy on no demotion in ranks and positions, punishment or negative employment actions to the Board of Directors, management and employees who deny any involvement in corruption, although such action causes the Company to lose business opportunities.
- The Company discloses information regarding its anti-corruption policy and measures to the public. Whenever the Company prepares or revises its relevant policy and measures, it communicates and discloses information via all channels of communication, i.e. letters, email, intranet and official website, print media and billboard advertising.

### 7.2 Training

- The Company provides training and workshops on anti-corruption policy and measures to the Board of Directors, management, and employees and raises fraud awareness during induction programs for new hires.
- The Company promotes active participation and inclusion from the Board of Directors and management in order that they help educate the employees on compliance with anti-corruption policy and lead by example.

## 8. Selection and performance appraisal

The Company adopts effective human resource management procedures to ensure fairness and transparency in the selection and performance appraisal, compensation and benefits and promotion.

## 9. Procedures for whistleblowing and lodging corruption complaints

The Company requires the management at all organizational levels to ensure their subordinates fully understand and strictly adhere to a code of conduct and business ethics, corporate regulations and good corporate governance principles. It also sets out guidelines for handling with and investigating claims of suspected corruption in a systematic, transparent and verifiable manner.

In order to guarantee fairness and equal treatment to all stakeholders, the Company opens up channels to receive any anonymous tip-offs, complaints, comments and suggestions in relation to negative consequences of the Company's operations or employees' involvement in suspected fraudulent and corrupt activities.

**Whistleblowers are welcome to provide information, lodge complaints and submit relevant evidence via the following channels:**

### *Telephone*

- Contact of Head of Internal Audit can be made via 0-2764-6206 (office hours) or 0-2764-6200. Front desk personnel gather initial information first and then transfer calls to Head of Internal Audit before proceeding further with the complaints.

### *Suggestion boxes, email and post*

- Suggestion boxes are placed in common areas to make it easy for complaint submission.
- Email: independent-director@goldenland.co.th
- Mail to the address listed below:

Chairman of the Audit Committee  
Golden Land Property Development PLC  
36<sup>th</sup> Floor, Sathorn Square Office Tower  
98 North Sathorn Road, Silom, Bangrak  
Bangkok 10500, Thailand

Whistleblowers who report the misconduct in good faith, i.e. Company's employees, clients, contract workers or any other stakeholders, shall receive the legal protection from discriminatory and retaliatory actions under applicable law and the Company's policy.

## 10. Follow-up reports and assessment of anti-corruption compliance

The Company adopts participatory approaches to ensure full anti-corruption compliance at all organizational

levels, e.g. workshops/video presentation for new hires during induction programs, and conducts a compliance assessment process, in which direct inputs from the Company's management and employees are required.

## 11. Disciplinary action

Person who violate or fail to adhere to the Company's policy shall be considered non-compliance with the Company's anti-corruption policy and business ethics. For offenses that cause damage or a loss of business opportunities to the Company, the offenders shall receive severe disciplinary action.

In this regard, the Meeting of the Board of Directors No. 3/2060, held on 9 August 2017, passed a resolution approving a self-assessment process of anti-corruption measures for the purposes of seeking accreditation from Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The Board of Directors declared its intention in conducting business with zero tolerance for corruption and passed resolution participating in the CAC on 15<sup>th</sup> December 2016.

On 10<sup>th</sup> November 2017, the Thai Institute of Directors endorsed that the company has met the commitments to the Collective Action Coalition against Corruption (CAC) declaration on anti-corruption by putting good business principles and control against bribery, is therefore a full member of the CAC. The Company's management representative participate in the Annual General Meeting on November 21, 2017 "Bright Spots: Lighting the way to a corruption free society" to receive the certificate of membership.



# Management Discussion and Analysis

## Change in accounting period

The Group has changed the accounting period starting from 1<sup>st</sup> January to 31<sup>st</sup> December of every year to the period from 1<sup>st</sup> October to 30<sup>th</sup> September of next year, starting from the period ended 30<sup>th</sup> September, 2017 onward. The statements of comprehensive income and statements of cash flows for the period ended 30<sup>th</sup> September, 2017 have been prepared under this new accounting period, presented from 1<sup>st</sup> January, 2017 to 30<sup>th</sup> September, 2017.

For the benefits of users in comparing and analyzing the financial information, including the suitable explanation notes for the increases or decreases, an analysis of operating results and cash flows will be for the 9 months period ended 30<sup>th</sup> September, 2017 and be compared with the same period of last year. Users can see details at the accompany note of financial statements 44 Supplementary information.

## Analysis of operating results and financial position

The Company having total revenues increasing 18.5% and net profit Baht 1,086.48 million, increased of Baht 156.23 million increasing 16.8% compared with the same period of last year. The result is mainly caused from the following factors:

1. The Company recognized the revenue Baht 9,352.12 million for the 9 months period of 2017 which increased of Baht 1,458.54 million from the same period of last year.

1.1 An increase Baht 1,092.12 million increases 15.7% from revenue from sales of real estate is resulted from sale and transferred success in 7 new projects launched during the year 2017 including continuously sale and transferred of outstanding projects.

1.2 An increase Baht 188.72 million increases 42.1% from revenue from rental and services, mainly from

FYI Center office building which has more occupancy and full year income recognized compared with the year 2016 which completed in the second quarter of 2016.

1.3 An increase Baht 90.04 million from gain on disposal some part of investment.

2. Total expenses for 9 months of 2017 were Baht 8,098.91 million which increased of Baht 1,264.32 million from the same period of last year.

2.1 An increase from cost of sale of real estate Baht 839.20 million, in tandem with an increase sale with gross profit margin 31.6% decreased 1.3%. Because the Company increased budget in improvement project utility infrastructure and landscape to increase sale.

2.2 An increase from cost of rental and services Baht 62.29 million, gross profit margin of this business unit was 34.6% increase 13.7% due to increasing of sale but majority of cost is fixed cost.

2.3 An increase from selling expenses Baht 75.29 million, mainly increasing of specific business tax, sales promotion to promote selling and transferring house, which were correlate to the recognize sales of real estate.

2.4 An increase from administrative expenses Baht 160.40 million, mainly increasing of staff expenses correlate to increase of projects and central management expenses in tandem with growing of a number of housing projects.

2.5 Finance costs were increased Baht 46.29 million resulted mainly from increasing loan to purchase land bank for expanding more housing projects compared with 2016 which had repayment loan by fund received from capital increase Baht 4,971.33 million and advance received of rental from Golden Ventures REIT Baht 6,777.23 million.

3. Income tax expenses were Baht 236.35 million from net profit before tax of Baht 1,322.83 million converted to corporate income tax rate at 17.9%. But in the last year

the Company had income tax expenses Baht 178.52 million from net profit before tax of Baht 1,108.77 million converted to corporate income tax rate at 16.1%.

The Company recorded net profit attributable to the equity holders in the amount of Baht 1,086.48 million in the 9 months period ended 30<sup>th</sup> September, 2017 compared with operating results for the year ended 31<sup>st</sup> December, 2016 following the submitted statements of comprehensive income, the Company has profit increase Baht 49.80 million from revenue decrease Baht 1,444.22 million and expenses decrease Baht 1,477.83 million.

#### 4. Financial position as of 30<sup>th</sup> September, 2017

##### 4.1 Assets

The Company had total assets of Baht 30,804.67 million, Baht 1,981.02 million increasing from 31<sup>st</sup> December, 2016 mainly due to the increase Baht 1,764.69 million in real estate projects under development resulting from acquire new land bank for development and investment in Kasemsubbhakdi Co., Ltd. Baht 538.90 million.

##### 4.2 Liabilities and equity

The Company had total liabilities of Baht 16,440.93 million, Baht 1,431.12 million increasing from 31<sup>st</sup> December, 2016 mainly from issuing new debentures Baht 2,000 million, increase in trade accounts payable and other payable Baht 659.30 million and decrease in loan from financial institution Baht 757.97 million.

Equity attributable to equity holder of the Company was Baht 14,363.74 million, Baht 549.90 million increasing from 31<sup>st</sup> December, 2016 due to net profit during 2017 deducted with dividend payment Baht 534.46 million.

## Risk Factors

In 2017, the management has assessed the following risks arising from business operations and changes in laws. The detail is as follows:

### Business Risk

Given the different characteristics of 2 businesses, the following risks are classified according to nature of business, i.e. 1) residential projects 2) commercial projects:

#### Residential Projects

8 risk factors in developing residential projects are identified as listed below:

##### 1. Risk from the economic condition and real estate market condition

The overall slowing down economic condition both domestic and international affected the real estate market to grow at a slower pace. The Company closely monitors key economic indicators both in domestic and international to assess the operating environment and further develop the business strategy for timely response to the consumers' need in given circumstances.

##### 2. Risk from cost management

The Company implemented policies to control and reduce risks from the fluctuation of construction material prices and labor costs. This is achieved via sourcing construction materials directly from the producers, bidding process to compare for suitable price vs quality of the materials including searching for material substitutes during the shortage period in corresponding to product's prices. The Company also directly contact the real builders to avoid paying additional sub-contract fees. In addition, the Company emphasizes the importance of the construction's and design's innovation in the aspect of cost efficiency in utilizing construction materials and reducing waste.

##### 3. Risk of labor and contractor's shortage

To minimize risk of shortage of contractors, the Company has developed strong relationships with contractors through provision of raw materials, transfer of relevant knowledge and transparency and fairness in amounts of contracted work assigned to each contractor based on criteria prescribed by the Company. Adjustments

of wage rates to contractors are made as deemed appropriate when there are increases in contractors' operating costs such as daily minimum wages and construction material prices under agreed terms and conditions. The Company also ensures contractors receive payments at an agreed time.

Meanwhile, the Company has integrated a pre-cast technology into the construction to mitigate risk of labor shortage because prefabricated parts for residential units manufactured in factories can be easily assembled on the site, leading to less time spent in the construction than the traditional brick and block method and a reduction in reliance on labor workforce.

##### 4. Risk of Marketing / Promotion and Non-transferable

In order to adjust to the competitive market environment, the Company emphasizes on key determinants; the importance of good location, ensure competitive in-house's function development and residential environment in line with competitive pricing. The Company conducts survey on location and surroundings prior to investing in any land bank. Thoroughly study on market condition and maintain customers' database in a systematic way to understand customers' needs and dynamic changes are key to analyze the suitable products in each selected location. These insights also support the likelihood of accurate sales forecast.

In order to reduce risk of customers not to transfer, the Company will notify the customers to check all products in advance and fix it the soonest to satisfy the customers' need.

In addition, the Company will facilitate customers in coordinating with the Financial Institutions to get loan approval and complete the transfer in time.

##### 5. Risk of mortgage approval

Currently Thai commercial bank has tightened the credit approval on mortgages due to the rise in household debts. This increases the risk of commercial banks in approving mortgages, therefore, it affects house transfer. To mitigate this risk, the Company will initially assess the ability to pay of the customers who apply for mortgage loans.



## 6. Management risk

The risk comprises of two aspects as follows:

6.1 The Company's "Project Team" must well manage its development projects so that they do not cause any potential difficulties to nearby properties and surrounding communities. A quality management system is enforced to ensure production and construction standards. Constructions are made according to their detailed design and specifications. Materials applied are in accordance with prescribed standards and requirements. Sales conditions are clearly defined. In order to build better understanding and increase homebuyers' confidence, the Company offers accurate information on its warranty schemes and after sales services.

6.2 The Company's "Project Support Team" must set up an appropriate timeframe for each of the projects and work in accordance with the scheduled plan, aiming to ultimately attain project management efficiency.

## 7. Site acquisition risk

7.1 The risk of not being able to purchase anticipated site plots for targeted developments due to various reasons namely:

- Other bidders offer better pricing or better purchase conditions.
- The plot owners sharply increase their requested prices from the prior quotations.
- The Company cannot gather the targeted land plots in order to form the prospective development site as planned due to changes in conditions by some plot owners, or deals with some the plot owners cannot be concluded and other speculators have stepped in purchase the beforehand.

7.2 Unforeseen errors in processing the land purchase which may occur despite the Company's proper prescription of relevant practice standards that governs all land acquisition processes. Prior to any plot site acquisition, the Company follows its due diligence checklist and submits the purchase proposals to its Executive Board for approval. The Company also thoroughly investigates all aspects before making its purchase contracts and deposits. However, unexpected mistakes and errors can occur. For example, mistakes could result from different interpretations from various engaged parties, including authorities and government agencies concerning the commercial use of

the property, or the Company being unable to thoroughly investigate the property conditions prior to its purchase.

However, if mistakes should arise, the Company has adequate solution plans such as readjusting the development pattern to suit that acquired piece of land or recondition the site landscape and land usage to mitigate, limit, and minimize any potential damages to the Company.

7.3 The risk of the Company's ability to complete its sales of property developments on the acquired sites and generate good investment returns for such projects as per its planned targets and timeframes. The Company controls this risk via a thorough analysis of market conditions and demand. It also reviews the current stage of other developer's supplies and inventories, as well as their back lots in the real estate market. All this market information and its close observations of land price changes help the Company to safeguard its investments and adjust its development plans to well-suited economic situations and changes in conditions in real estate markets.

## 8. Risk related to the land allotment process and Land Allotment Act

The changes in laws/regulations which impact real estate business, as well as expropriation of land for road constructions or for other public uses may cause possible construction delays to the Company's development projects due to added difficulties on the newly prescribed regulation procedures and approval process, as well as increasing operational costs. Work disruptions and delays may result in a lower income than projected. The public sector usually takes time in processing any referendum and a conclusive decision on whether to undertake the project or not. The Company controls this particular risk by a regular and careful review of rules and regulations governing property developments for current and possible future promulgation. These regulations include aspects such as urban planning, construction restrictions, building codes, land allotment, municipal rules, or any other laws that impact property developments, property transfers, and land title deeds. Rules on property transfer and land title deeds are also thoroughly reviewed and duly abided by. Prior to any acquisition of development plots, the Company also investigates and prepares development road maps that incorporate all of these regulatory implications and test whether the outcomes of the planned development fit its expectations.

## Commercial Projects

Risks involved in commercial projects development are as follows:

### 1. Risk from economic conditions

Since real estate development projects, especially high-rise commercial buildings, take 2 - 4 years of construction before revenues are recognized and have 30 - 60 years of useful life (depending on lease terms and conditions), a long-term nature of development stages exposes the Company to economic cyclical fluctuations. Therefore, the Company needs to exercise due caution about investments in anticipation of return on investment in projects for the long run under long-term credit facilities to finance the projects. Nevertheless, Thai economy has shown a strong tendency towards healthy expansion, and in the future the government plans to make more investments in transportation and logistics systems to efficiently connect neighboring countries. In addition, neighboring countries are keen on more investments while enjoying economic growth and development, which in turn will be advantageous to Thai economy for the long run and help the country become a logistics hub in Southeast Asia.

### 2. Risk from project cost management

2.1 Risk from adjustment of construction material prices and labor

Currently, construction material prices have slightly fluctuated, and lack of material supplies in the market remains unseen, but there are labor shortages due to stricter employment measures imposed by the government on foreign workers, resulting in an adverse impact on small-scale contractors. However, the Company has entered into agreements with leading contractors who can deal with such problems and maintain construction costs throughout a contractual period (approximately 3 years) to keep cost and time under control in the construction phase and ensure the completion of projects according to timelines specified in the plan. Moreover, the Company studies new construction methods or construction materials that help save time and construction costs.

#### 2.2 Financial risk

Financial institutions remain cautious about granting loans because household debts show no sign of abating and they have to keep bad debts under control. For this reason, the Company properly prepares information to apply for credit facilities for its projects which have been

granted well at an appropriate rate, reflecting the strength of its major shareholders and the Company's creditability, also supported by its TRIS Rating, which has been assigned the rating of BBB+ to the Company.

### 3. Risk from environment regulations relating to project construction

The Company's development projects strictly comply with relevant environment regulations and submit environment-related reports to concerned authorities on a regular basis because the project management are aware of potential problems and try to minimize an impact of construction on surrounding communities. Currently, the Company is viewed as a model of good practice where several educational institutions make a regular visit to project sites in order to study construction methods and prevention measures against negative impact.

### 4. Market risk

Highly competitive market conditions has continued and purchasing power remain weak, so the Company needs to gather necessary market information, studying target groups and exploring competitors' markets and customers' needs such as environmental concerns and energy efficiency, to be incorporated in the designing process in order to satisfy customers' needs as best as possible or offer experiences beyond customers' expectations and make them feel different and exclusive, enabling the Company to be competitive in the industry. Moreover, the Company has developed communication channels with customers through internet and social networking platforms or other marketing channels. The company also keeps track of recurring market changes in order to timely respond to ever-changing market conditions.

### 5. Risk from changes in laws and application for permission from relevant authorities

The government has recognized the importance of keeping relevant legislation up-to-date and consistent with current economic and social situations. Much legislation has been enacted and amendments have been made over a period of 2016 - 2017, including draft bills that may affect the Company directly and indirectly in the normal course of business operations. When evaluating changes in laws between 2016 and 2017, it is expected that laws relating land and building tax and foreign workers may be deemed as risk factors. In addition, any development of projects requires formal approval from relevant authorities such as

construction permission from the Bangkok Metropolitan Administration (BMA) and approval to Environmental Impact Assessment report (EIA) from the Office of Natural Resources and Environmental Policy and Planning (ONEP). As a result, the Company study relevant laws to make good preparations in obtaining relevant licenses and ensure that construction projects are granted regulatory permissions relating to construction in a timely manner and need to be well prepared for application for relevant licenses in the future.

#### **Law relating to land and building tax<sup>1</sup>**

There have been a push for the enactment of new law relating to land and building tax in replacement of the Building and Land Tax Act B.E. 2475 and the Local Maintenance Tax Act B.E. 2508. In a meeting of the National Legislative Assembly No.23/2560 on 31 March 2017 for a first agenda on principle acknowledgement, the meeting passed a resolution approving in principle on a draft bill governing land and building tax B.E ...and appointing an ad hoc committee to consider the draft bill proposed by a cabinet. On 11 May 2017, members were appointed to sit in the committee. Currently, the process of gathering input from business operators is underway pending the consideration of the draft bill by the ad hoc committee on a second agenda before proceeding with a third agenda seeking approval on the enactment. The bill is expected to be promulgated on 1 January 2019.

This draft bill stipulates that tax base of land, buildings and residential units is based on appraisal values. In cases where appraisal values cannot be determined, the calculation shall be in line with Ministerial Regulations. For this reason, owners of all types of properties are liable to more taxes and required to adjust bases for new calculation of withholding income tax on sale of properties, which the calculation is based on appraisal value in accordance with the Land Code. Currently, the Treasury Department has compiled a list of land appraisal values in order to be used in the application for rights and juristic acts in 2016 - 2019 and to accommodate the promulgation of the Land and Building Tax Act. Although the law proposed by the cabinet stipulates the tax reduction on

certain types of land and buildings with value of no more than 90% of the taxable amount, or a draft royal decree on tax relief grants tax exemption on communal assets of condominium projects, communal land of housing projects not being used for commercial purposes and houses with value of less than Baht 50 million, as well as provides tax relief to property development firms with 0.05% tax liability for land under development for future residential projects for sale and owned by juristic persons for 3 years from the date of land ownership, the enactment will inevitably generate an impact on the estimation of operating costs in several aspects ranging from land prices to land rental rates. The Company is also subject to higher tax liability as prescribed by law since it has in procession of land and buildings that are subject to tax liability according to objectives of use.

#### **Law relating to foreign workers<sup>2</sup>**

The abolition of the Alien Working Act B.E. 2551 and the Emergency Decree on Recruitment of Foreigners B.E. 2559 and the enactment of the Emergency Decree on Management of Foreign Workers B.E. 2560, effective from 23 June 2017, bring about a detrimental effect on businesses that rely on foreign workers, especially contractors, construction supply firms and consumer-goods companies, as they are likely to face shortages of workforce and higher recruitment costs. These affected companies might shoulder additional costs arising from the employment of foreign workers and have an increased exposure to stricter penalties imposed by the decrees, which means burdens of higher labor costs are foreseeable. However, although the Company operates its business without recruitment of foreign workers and there is a grace period for penalties in certain sections, effective from 1 January 2018, under the Order of the Head of the National Council for Peace and Order (NCPO) No.33/2560, employers are still required to ensure that the employment of foreign workers is legal regardless of how high expenses are incurred. With higher costs of doing business, the Company might face a direct and indirect effect on the Company's operating costs in several aspects ranging from contractors' paychecks to costs of materials used in the construction.

<sup>1</sup> Source: A summary of outcomes of the National Legislative Assembly Meeting No.23/2560, the Announcement of the National Legislative Assembly on the appointment of an ad hoc committee to consider a draft bill governing land and building tax B.E ... (Royal Thai Government Gazette Vol. 134, Section 35 Ngo, dated 11 May 2017), a summary of land appraisal values in the accounting year 2016 - 2019, and a news bulletin of the Ministry of Finance, dated 7 June 2016, No. 74/2559

<sup>2</sup> Source: The Emergency Decree on Management of Foreign Workers B.E. 2560 (Royal Thai Government Gazette Vol. 134, Section 65 Kor, dated 22 June 2017) and the Order of the Head of the National Council for Peace and Order (NCPO) No.33/2560 (Royal Thai Government Gazette Vol. 134, Special Section 176 Ngo, dated 4 July 2017)

## Shareholders Structure

### Number of registered capital and paid up capital

#### Ordinary Shares

The ordinary shares of Golden Land Property Development Public Company Limited have been listed and traded in the Stock Exchange of Thailand since March 29, 1994.

As of September 30, 2017, the Company has the registered capital has the issued and paid-up capital of Baht 11,037,670,000 consisting of 2,323,720,000 ordinary shares at a par value of Baht 4.75 per share.

#### Shareholder

The Company's top ten shareholders as at the closing date of the share register book on September 30, 2017 were as follows:

Name	Number of Shares	% Total Shares
1. Frasers Property Holdings (Thailand) Co., Ltd.	927,642,930	39.921
2. Univentures Public Company Limited	912,829,675	39.283
3. DBS Bank Ltd.	115,764,540	4.982
4. Mr.Thakoon Chantrarangsi	18,122,900	0.780
5. Thai NVDR Co., Ltd. <sup>1</sup>	14,503,085	0.624
6. Bualuang Infrastructure RMF	14,193,700	0.611
7. Mr. Piriya Weerasawad	12,315,500	0.530
8. Mr. Boonkiat Uesudkij	10,469,800	0.451
9. Mr. Pichit Chinwitthayakul	8,050,000	0.346
10. East Fourteen Limited-Emerging Markets Small Cap Series	7,193,500	0.310
Thai Shareholders 5,415	1,260,905,535	54.26
Foreign Shareholders 46	1,062,814,465	45.74
Total 5,461	2,323,720,000	100.00

Remark: - <sup>1</sup>Thai NVDR Co., Ltd. (Thai NVDR) is a subsidiary of the Stock Exchange of Thailand. Thai NVDR is responsible for issuing and selling Non-Voting Depository Receipt (NVDR) to investors, and executing the purchase or sale of those listed company shares whose investors wish to trade through NVDR. This service is offered to all, irrespective of the number of securities held or the holder's nationality. NVDR holders receive the same full financial benefits as they would receive had they invested directly in shares (i.e. dividends, rights, and warrants) but there are no voting rights for NVDR holders.

- Investors can update the current major shareholders of the Company from the Company's website before the Annual General Meeting of Shareholders. Please visit [www.goldenland.co.th](http://www.goldenland.co.th)

## Dividend Policy

### The Company's Dividend Payment Policy

The Company's policy is to pay dividends at least than 50% of the Company's net profit after deducting tax and other reserves of the consolidated financial statement. Each year payment is subject to the Company's investment plans and other appropriate relevant plans in the future. The resolution of the Board of Directors regarding the payment of dividends will be proposed to a shareholders' meeting for approval.

In addition, payment of dividend as mentioned will be within the framework of the law as set forth for the Company to be able to pay dividend only when there is no accumulated deficit balance.

#### 5-year Dividend Payment History

Board of Directors' Resolution Date	Dividend Payment Date	Types of Dividend	Dividend per Share	Operation Period
22/01/17	18/05/60	Cash	0.23 (Baht/Share)	01/01/59 - 31/12/59
24/02/16	17/05/59	Cash	0.05 (Baht/Share)	01/01/58 - 31/12/58
06/11/15	03/12/58	Cash	0.05 (Baht/Share)	01/01/58 - 30/09/58
23/02/15	-	No dividend payment	0.00 (Baht/Share)	01/01/57 - 31/12/57
24/02/14	-	No dividend payment	0.00 (Baht/Share)	01/01/56 - 31/12/56
22/02/13	-	No dividend payment	0.00 (Baht/Share)	01/01/55 - 31/12/55
20/02/12	-	No dividend payment	0.00 (Baht/Share)	01/01/54 - 31/12/54
24/02/11	-	No dividend payment	0.00 (Baht/Share)	01/01/53 - 31/12/53

### Subsidiaries' Dividend Payment Policy

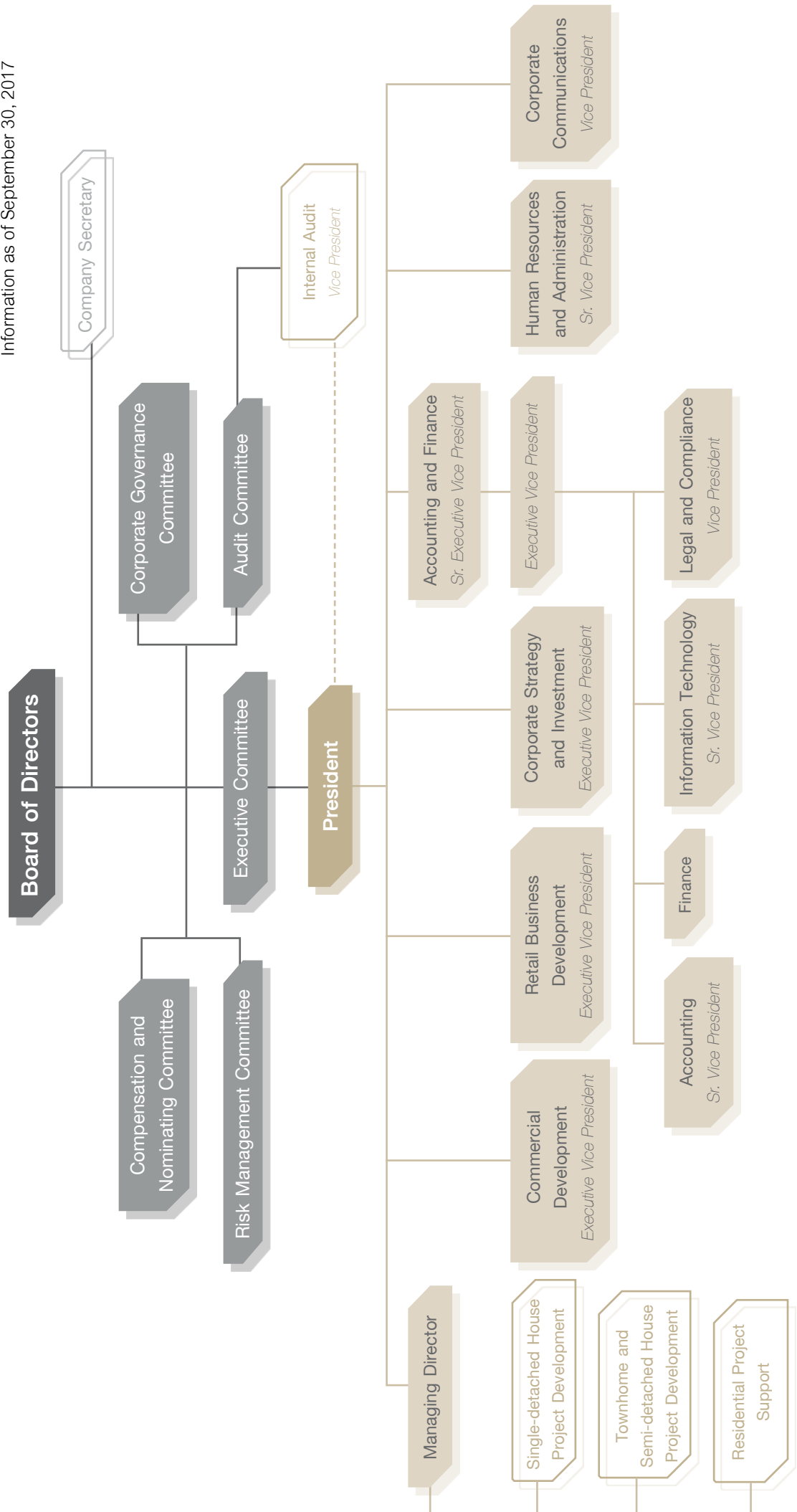
For the subsidiaries, the Company does not set the rate of subsidiaries' dividend payment, but the policy of subsidiaries' dividend payment to the Company has to be complied with the articles of subsidiaries' on dividend payment which is resolved by the shareholders meeting. The subsidiaries' payment of dividend will be determined mainly by the year of accumulated gain (surplus) balance given the good performance of its operations and economy.

In addition, before the dividend payment, subsidiaries shall set aside reserves not less than one of twentieth (1/20) of its net profits until this reserve account reaches 10% of the registered authorized capital.

# Organization Structure

Golden Land Property Development PLC Organization Chart

Information as of September 30, 2017





## Management Structure

The management structure of Golden Land Property Development Public Company Limited comprises the Board of Directors and 5 sub-committees namely 1) Executive Committee, 2) Audit Committee, 3) Compensation and Nominating Committee, 4) Risk Management Committee and 5) Corporate Governance Committee as follows:

### 1. Board of Directors

The Articles of Association of the Company stated that the Company shall have a Board of Directors comprising of at least 5 directors but not more than 11 directors. Not less than half of the total number of directors must have residence in the Kingdom of Thailand. The Board of Directors' tenure is 3 years from the date of appointment, or the term of the director.

Currently, the Board of Directors comprises of 9 directors, a director and 8 of them are non-executive directors. 4 of non-executive directors are independent directors, that is greater than one-third of total number of the Board of Directors. For the accounting period 1 January - 30 September 2017, the Company held 4 Board of Directors meetings. The attendance detail is as follows:

Name - Surname	Position	First Appointment Date	Attendance of Meeting (Times)
1. Mr. Wanchai Sarathulthath	Independent Director / Chairman of the Board	26 Dec 2012	4 / 4
2. Mr. Panote Sirivadhanabhakdi <sup>1</sup>	Director / Vice Chairman of the Board	25 Dec 2012	4 / 4
3. Mr. Thapana Sirivadhanabhakdi	Director	23 Apr 2013	4 / 4
4. Mr. Chotiphat Bijananda	Director	23 Apr 2013	4 / 4
5. Mr. Sithichai Chaikriangkrai	Director	26 Dec 2012	4 / 4
6. Mr. Chainoi Puankosoom	Independent Director	27 Dec 2012	4 / 4
7. Mr. Udom Puasakul	Independent Director	27 Dec 2012	4 / 4
8. Mr. Chinnavat Chinsangaram <sup>1</sup>	Independent Director	15 Sep 2014	4 / 4
9. Mr. Thanapol Sirithanachai <sup>1</sup>	Director / President	25 Dec 2012	4 / 4

Remark: <sup>1</sup>The Director who was due to retire by rotation and was reappointed for another term according to the resolution of the Annual General Meeting No.24, held on April 26, 2017

#### Company Secretary:

- 1) Ms. Prasnee Surastian was appointed as a company secretary on February 22, 2017.
- 2) Mr. Thanapol Sirithanachai has been Company Secretary (acting) until February 21, 2017.

#### Composition of Board of Directors:

1. Executive Director refers to a director who is an executive and is involved in a regular management of the Company.

2. Non-Executive Director refers to a director who is not an executive and is not involved in a regular management of the Company. He or she may or may not be an independent director.

3. Independent Director refers to a director whose qualifications are in line with the requirements of the Office of the Securities and Exchange Commission.

### Directors Authorized to Sign on Behalf of Company

Any two of whom jointly sign and affix the common seal of the Company that 1) Mr. Panote Sirivadhanabhakdi or 2) Mr. Sithichai Chaikriangkrai or 3) Mr. Thanapol Sirithanachai or 4) Mr. Chotiphat Bijananda (according to the Company's affidavit dated October 2, 2017, issued by Department of Business Development, Ministry of Commerce)

## 2. Executive Committee

The Board of Directors has approved the setting up of the Executive Committee, which at present comprises 6 members. For the accounting period 1 January - 30 September 2017, the Company held Executive Committee meeting 8 times as per the following list:

Name - Surname	Position	First Appointment Date	Attendance of Meeting (Times)
1. Mr. Panote Sirivadhanabhakdi	Chairman of the Executive Committee	26 Dec 2012	6 / 8
2. Mr. Sithichai Chaikriangkrai	Executive Committee	26 Dec 2012	8 / 8
3. Mr. Thanapol Sirithanachai	Executive Committee	26 Dec 2012	8 / 8
4. Mr. Saenphin Sukhee	Executive Committee	22 Feb 2013	8 / 8
5. Mr. Somboon Wasinchutchawal	Executive Committee	26 Dec 2012	8 / 8
6. Mr. Khumpol Poonsonee	Executive Committee	22 Feb 2013	8 / 8

### Secretary to the Executive Committee:

- 1) Ms. Prasnee Surastian was appointed as a secretary to the Executive Committee on February 22, 2017.
- 2) Mr. Thanapol Sirithanachai has been a secretary to the Executive Committee (acting) until February 21, 2017.

## 3. Audit Committee

The Audit Committee consists of 3 independent directors, who are qualified as defined in the Securities and Exchange Act and the Stock Exchange of Thailand's requirement. The Committee must consist of at least 3 members, with at least one person is qualified in accounting or finance and has adequate experience or ascertain the integrity of the financial statement of the Company. Mr. Chainoi Puankosoom is the Chairman of the Audit Committee who has extensive experience in finance and accounting.

For the accounting period 1 January - 30 September 2017, the Company held 4 Audit Committee meetings and with its attendance records listed below:

Name - Surname	Position	First Appointment Date	Attendance of Meeting (Times)
1. Mr. Chainoi Puankosoom	Chairman of the Audit Committee	27 Dec 2012	4 / 4
2. Mr. Udom Pudasakul	Audit Committee	27 Dec 2012	4 / 4
3. Mr. Chinnavat Chinsangaram	Audit Committee	15 Sep 2014	4 / 4

Secretary to the Audit Committee: Ms. Noparat Yodpetch

## 4. Compensation and Nominating Committee

The Board of Directors has resolved to establish the Compensation and Nominating Committee. The Committee comprises of 3 members. For the accounting period 1 January - 30 September 2017, the Company held 2 Compensation and Nominating Committee meetings and with its attendance records listed below:

Name - Surname	Position	First Appointment Date	Attendance of Meeting (Times)
1. Mr. Wanchai Sarathulthath	Chairman of the Compensation and Nominating Committee	22 Feb 2013	2 / 2
2. Mr. Panote Sirivadhanabhakdi	Compensation and Nominating Committee	22 Feb 2013	2 / 2
3. Mr. Chainoi Puankosoom	Compensation and Nominating Committee	22 Feb 2013	2 / 2

Secretary to the Compensation and Nominating Committee: Mr. Thanapol Sirithanachai

## 5. Risk Management Committee

The Board of Directors has resolved to establish the Risk Management Committee. The Committee comprises of 5 members. For the accounting period 1 January - 30 September 2017, the Company held 3 Risk Management Committee meetings and with its attendance records listed below:

Name - Surname	Position	First Appointment Date	Attendance of Meeting (Times)
1. Mr. Thanapol Sirithanachai	Chairman of the Risk Management Committee	24 Feb 2014	3 / 3
2. Mr. Saenphin Sukhee	Risk Management Committee	24 Feb 2014	3 / 3
3. Mr. Somboon Wasinchutchawal	Risk Management Committee	24 Feb 2014	3 / 3
4. Mr. Withawat Koottatep	Risk Management Committee	24 Feb 2014	2 / 3
5. Mr. Apichart Hengwanich	Risk Management Committee	09 Nov 2016	3 / 3

Secretary to the Risk Management Committee: Mr. Theppasak Noppakornvisate

## 6. Corporate Governance Committee

The Board of Directors has resolved to establish the Corporate Governance Committee on December 14, 2016. The Committee comprises of 3 members; 2 independent directors and 1 executive director.

Name - Surname	Position	First Appointment Date	Attendance of Meeting (Times)
1. Mr. Chainoi Puankosoom	Chairman of the Corporate Governance Committee	14 Dec 2016	2 / 2
2. Mr. Chinnavat Chinsangaram	Corporate Governance Committee	14 Dec 2016	2 / 2
3. Mr. Thanapol Sirithanachai	Corporate Governance Committee	14 Dec 2016	2 / 2

Secretary to the Corporate Governance Committee: Ms. Prasnee Surastian

## Nomination, Appointment and Office Term

### Board of Directors

According to the Articles of Association of the Company, the Board of Directors comprises of at least 5 directors, and at least half of the directors must reside in the Kingdom. The directors of the Company must be qualified and not have prohibited descriptions as specified by law.

The directors are appointed by the meeting of shareholders by a majority of votes according to the following criteria and procedures:

1. One shareholder shall have one vote for each share he/she has held.
2. Each shareholder may exercise all of his/her votes to elect one or several directors, but he/she may not allot his/her votes to any candidates unequally.
3. Candidates who have received the highest number of votes in respective order shall be elected as directors' equivalent to the required number of directors or the number of directors to be elected at the time. In the case the candidates in respective orders who have received equal votes exceed the required number of directors or the number of directors to be elected at that time, election shall be by drawing lots so as to acquire the number of directors required.

In the case of a vacancy in the position of director, for other reasons than completion of his/her term, the Board of Directors shall, by a majority of votes not less than three-fourths of the remaining number of directors, select any person who has possessed the qualifications and has not had the prohibited descriptions under the law as a replacement director in the next meeting of the Board of Directors, except where the remaining term of the said director is less than 2 months.

Other than retirement on the expiration of the term, a Director's term will be terminated in case of:

1. Death
2. Resignation
3. Lack of qualifications and characteristics specified in the Public Company Act
4. Resignation on the resolution of the Annual General Meeting of Shareholders
5. Resignation by court order

The Meeting of Shareholders may pass a resolution to retire any director before completing his/her term by a majority of not less than three-fourths of the number of shareholders who attend the Meeting with the rights to vote, and with the total number of shares altogether not less than one-half of the number of shares held by the shareholders attending the Meeting with the rights to vote.

At all ordinary general meeting of shareholders, the Company has prescribed that one-third of the total number of directors are due to retire by rotation. If the number of directors cannot be divided into three, the closest number to one-third shall apply. For the directors who are due to retire in the first and the second year after the company's registration shall be selected by drawing lots. As for the following years, the directors with the longest years of post are due to retire. However, retired directors may be re-elected.

#### Sub-Committee

Sub-committees including Executive Committee, Audit Committee, Compensation and Nominating Committee, Risk Management Committee, and Corporate Governance Committee are appointed by the Board of Directors.

### The President and Executives

The President and Executives of Golden Land Property Development Public Company Limited comprise the following:

Name - Surname	Position
1. Mr. Thanapol Sirithanachai	President
2. Mr. Saenphin Sukhee	Managing Director
3. Mr. Somboon Wasinchutchawal	Senior Executive Vice President - Accounting and Finance
4. Ms. Prasnee Surastian	Executive Vice President - Corporate Strategy and Investment
5. Mr. Withawat Koottatep	Executive Vice President - Commercial Development
6. Mr. Theppasak Noppakornvisate	Executive Vice President - Accounting and Finance
7. Ms. Thiranant Kornsritya	Executive Vice President - Retail Business Development

*Remark: An executive refers to director, managing director or person holding the four positions of executive level down from the President, and every person holding the position equivalent to the fourth person holding the executive level position, including those holding the executive level positions in accounting or finance.*

However, all directors and executives of the Company have possessed full qualifications as required by law, with no past record of acting against the laws, the Notices of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) in the past in relation to:

1. Having been sentenced for guilty of a criminal offence.
2. Having been declared bankrupt or under a receivership order.
3. Having been an executive or an authorized person of a company or a partnership that was declared bankrupt or under a receivership order.

President of the Company is Mr. Thanapol Sirithanachai who was assigned authority by the Board of Directors. The detail of assigned authority conforms to the scope of duty and responsibility of President which the authority assignment of President and other persons as the approval by President have not included the power and/or authority to approve any transactions that President or the authorized person may have any conflict of interests or any advantage from the Company or subsidiary company (compliance with the Regulation of the Securities and Exchange Commission). Such transactions have to be proposed in the Board of Directors' meeting and/or Shareholders' meeting for consideration and approval as indicated in the Company's Articles of Association or related law except the approval of transactions following the Company's Policies, Methods, Rules approved by the Board of Directors or Executive Committee.

#### Scope of duty and responsibility of President

1. To operate and manage the Company's business complying with plan and budget approved by the Board of Directors.
2. To operate and manage the Company's business entirely complying with the Company's Objectives, Policies, Rules, Articles of Association, Orders, Resolutions of Board of Directors' Meetings or Executive Committee's Meetings.
3. To have an authority to operate and act as the Company's representative for the related business beneficial to the company
4. To have an authority to issue the Announcement, Orders or Memorandum to ensure the business operation and working disciplines are in compliance with the Company's Policies and contributing to the benefits of organization.
5. To approve the appointment of employees and Consultants necessary for the Company's operation.
6. To operate as assigned by the Board of Directors or Executive Committee under the Company's Rules and Articles of Association.

The approval of transactions under the scope of duty and responsibility has to comply with the payment approval authority approved by the Board of Directors.

#### Company Secretary:

- Ms. Prasnee Surastian was appointed as a Company Secretary on February 22, 2017.
- Mr. Thanapol Sirithanachai has been Company Secretary (acting) until February 21, 2017.

Scope of duty and responsibility of Company Secretary is as follows:

1. Perform duties with responsibility, prudence and honesty, adhering to the law and other relevant regulations.
2. Arrange and co-ordinate for the Board of Directors' Meeting, Sub-Committee's Meeting and the Shareholders' Meeting, as well as monitor and ensure the activities and practice of the Board of Directors and the Company's Rules and Articles of Association, follow resolution of Board of Directors and Shareholders' Meeting including relevant laws and regulations.
3. Maintain information and important document of the Company such as the Register of the Company's Directors, notices and minutes of the meetings of Board of Directors and Shareholders' meetings, including the Company's annual reports.
4. Keep reports on directors' interest submitted by Executive Directors and send to Chairman of the Board and Chairman of the Audit Committee within 7 business days upon the receipt of the reports.
5. Comply with the Regulation of the Securities and Exchange Commission, Thailand.



## Remuneration for Directors and Executives

### Remuneration for Directors

The Company has structured and transparent remuneration policy. The remuneration shall be at a suitable level when benchmarking it with the business of the same industry as the Company, and appropriate to retain qualified Directors. The remuneration also reflects the incremental of the Directors' roles and responsibilities. The Compensation and Nominating Committee will initially review the remuneration and propose to the Board of Directors for further approval.

At the 24<sup>th</sup> Annual General Meeting of Shareholders on April 26, 2017 has resolved to approve remuneration for the Directors of the Company as proposed by the Compensation and Nominating Committee and the Board of Directors, effective on May 2017. Detail of remunerations are as follows:

Unit: Baht/Person	Chairman		Committee	
	Meeting Allowance	Retainer Fee	Meeting Allowance	Retainer Fee
Remuneration of the Board of Directors	25,000	35,000	20,000	25,000
Remuneration of the Executive Committee	-	25,000	-	20,000 <sup>1</sup>
Remuneration of the Audit Committee	-	40,000	-	30,000
Remuneration of the Compensation and Nominating Committee	22,000	-	18,000	-
Remuneration of the Corporate Governance Committee	22,000	-	18,000	-

Remark: <sup>1</sup>Executive directors are excluded.

Total amount extent of meeting allowances and monthly remuneration including special remuneration (if any), shall not exceed Baht 9,000,000.

### Monetary Remuneration

The remuneration for the Board of Directors and Sub-Committees for the accounting period 1 January - 30 September 2017 are as follows:

Committee	Remuneration
1. Board of Directors	2,315,000
2. Audit Committee	900,000
3. Compensation and Nominating Committee	116,000
4. Corporate Governance Committee	58,000
5. Executive Committee <sup>1</sup>	405,000
6. Special Remuneration	2,646,000
Total	6,440,000

Remark: <sup>1</sup>Executive directors are excluded.

### Non-Monetary Remuneration

- None -

# Remunerations of Board of Directors of 2017

Name	Position	Remuneration (Baht)						
		Board of Directors	Audit Committee	Compensation and Nominating Committee	Corporate Governance Committee	Executive Committee	Special Remuneration	Total
1. Mr. Wanchai Sarathulthath	Independent Director / Chairman of the Board / Chairman of the Compensation and Nominating Committee	355,000	-	44,000	-	-	459,000	858,000
2. Mr. Panote Sirivadhanabhakdi <sup>2</sup>	Director / Vice Chairman of the Board / Chairman of the Executive Committee / Compensation and Nominating Committee	245,000	-	36,000	-	225,000	270,000	776,000
3. Mr. Thapana Sirivadhanabhakdi	Director	245,000	-	-	-	-	270,000	515,000
4. Mr. Chotiphat Bijananda	Director	245,000	-	-	-	-	270,000	515,000
5. Mr. Sithichai Chaikriangkrai	Director / Executive Committee	245,000	-	-	-	180,000	324,000	749,000
6. Mr. Chainoi Puankosoom	Independent Director / Chairman of the Audit Committee / Compensation and Nominating Committee / Chairman of the Corporate Governance Committee	245,000	360,000	36,000	22,000	-	405,000	1,068,000
7. Mr. Udom Pwasakul	Independent Director / Audit Committee	245,000	270,000	-	-	-	324,000	839,000
8. Mr. Chinnavat Chinsangaram <sup>2</sup>	Independent Director / Audit Committee / Corporate Governance Committee	245,000	270,000	-	18,000	-	324,000	857,000
9. Mr. Thanapol Sirithanachai <sup>2</sup>	Director / Executive Committee <sup>1</sup> Corporate Governance Committee	245,000	-	-	18,000	-	-	263,000
Total		2,315,000	900,000	116,000	58,000	405,000	2,646,000	6,440,000

Remark: <sup>1</sup>Executive directors are excluded.

<sup>2</sup>The Director who was due to retire by rotation and was reappointed for another term according to the resolution of the Annual General Meeting No.24, held on April 26, 2017.

## Remuneration for Executives

### Monetary Remuneration

The Compensation and Nominating Committee will determine the remuneration of the President and Executive Directors, which will be proposed to the Board of Directors and shareholders for their consideration.

The Executive's remuneration consists of salary and bonus compensations. The detail is as follows:

Description	2017		2016		2015	
	No. of Executive	Amount (Baht)	No. of Executive	Amount (Baht)	No. of Executive	Amount (Baht)
Salary and Bonus	7	49,054,407	7	58,032,995	6	46,615,030
Total	7	49,054,407	7	58,032,995	6	46,615,030

Remark: - For the accounting period 1 January - 30 September 2017, the remuneration was paid to 7 executives: 1) Mr. Thanapol Sirithanachai, 2) Mr. Saenphin Sukhee, 3) Mr. Somboon Wasinchutchawal, 4) Ms. Prasnee Surastian, 5) Mr. Withawat Koottatep, 6) Mr. Theppasak Noppakornvisate and 7) Ms. Thirananant Kornsrutip.

- In 2016, the remuneration was paid to 7 executives: 1) Mr. Thanapol Sirithanachai, 2) Mr. Saenphin Sukhee, 3) Mr. Somboon Wasinchutchawal, 4) Mr. Khumpol Poonsonee, 5) Mr. Withawat Koottatep, 6) Mr. Theppasak Noppakornvisate, and 7) Ms. Thirananant Kornsrutip.

- In 2015, the remuneration was paid to 6 executives: 1) Mr. Thanapol Sirithanachai, 2) Mr. Saenphin Sukhee, 3) Mr. Somboon Wasinchutchawal, 4) Mr. Khumpol Poonsonee, 5) Mr. Withawat Koottatep, and 6) Mr. Theppasak Noppakornvisate.

### Non-Monetary Remuneration

Other executive's remuneration consists of provident fund and other compensations (consisting of social security, medical expenses and health and life insurance premiums).

Description	2017		2016		2015	
	No. of Executive	Amount (Baht)	No. of Executive	Amount (Baht)	No. of Executive	Amount (Baht)
Provident Fund	7	1,500,914	7	1,971,424	6	1,818,948
Other	7	2,194,130	7	2,681,133	6	2,459,575
Total	7	3,695,044	7	4,652,557	6	4,278,523

## Human Resource

Number of employees of the Company and its subsidiaries in 2015 - 2017, categorized by job functions as follows:

ส่วนงาน	Number of Employees		
	2017	2016	2015
1. Executives	7	7	6
2. Residential Development	440	375	316
3. Commercial Development	49	45	36
4. Corporate Service	113	104	97
Total	609	531	455

Remark: As of September 30, 2017, 609 employees consists of 313 female employees and 296 male employees.

### Labor dispute in the last 3 years (2015 - 2017)

- None -

### Employee's welfare

The Company and its subsidiaries compensate their employees according to employees' role, responsibility and annual performance. The compensation comes in salary, annual bonus, provident fund, etc. 3-years employees' compensation are as follows:

Description	2017 <sup>2</sup>	2016	2015
1. Salary, Wages and Bonus	341,183,652	429,925,626	339,107,326
2. Provident Fund Contribution	11,665,291	13,442,138	11,011,943
3. Other <sup>1</sup>	43,460,465	40,191,292	37,707,488
Total	396,309,408	483,559,056	387,826,757

Remark: <sup>1</sup>Other compensation includes social security, training welfare, medical expenses, health and life insurance premiums and other welfare.

<sup>2</sup>For the accounting period 1 January - 30 September 2017

### Staff Development Policy

GOLD and its subsidiaries believe that human resource is the core asset to drive the sustainable business development. We focus on a structured and continuous employee development staff.

In 2017, the Company has implemented the new human resource information system called "GOLD GEN" to better facilitate all employees in human resource-related tasks, i.e. recruitment, employee database management, performance evaluation and other authorization, for instance. The system can be conveniently accessed through any computer and mobile devices, and also has a feature called "E-Learning", which perfectly support learning Organization culture of the Company.

To achieve the business goal, employee development is done under "Core Competency" and "Leadership Competency" concept, which are aligned with the Company's Vision, Mission and Business Strategy.

For the year 2017, the Company supported the development of employees through series of seminars and trainings. The detail is as follows:

- Safety Officer at Management Level Training
- Safety Officer at Supervisor Level Training
- HR for Non-HR
- Gold Excellence Service
- The Power of Open-Minded
- Tunnel Form Construction Quality Development
- Water Supply System Training
- Electrical System Training
- Microsoft Excel Trainings: Intermediate Level, Function 2, Basic Macro
- Intermediate Microsoft Word Training

- Withholding Tax and Supported-document Preparation
- Seminar on Property Tax and Alien Workers
- Seminar on Property-related Tax System
- Digital Marketing
- Supply Chain System Training (Vendor)
- GOLD GEN System Training



Moreover, we conducted training/activities involve personal development, promoting employees' happiness well-being and good relationships among colleagues to promote collaboration and a happy workplace. These activities included:

- Gold White Camp
- Team Building: GOLD CAMP SPECIAL: Mingle on the Beach



### 2017 Training Summary<sup>1</sup>

Description	Amount
Employee who attended the training (persons)	575
Internal Training (courses)	23
External Training (courses)	46
Total Training Expense (Baht)	3,206,890

Remark: <sup>1</sup>For the accounting period 1 January - 30 September 2017

### Average training hours in the last 3 years (2015 - 2017)

GOLD	2017 <sup>1</sup>	2016	2015
Total Number of Employees	605	531	455
Total Training Hours	11,605	10,245	6,941
Average training hours per employee per year	19	19	15

Remark: <sup>1</sup>For the accounting period 1 January - 30 September 2017

### Health and Safety at Workplace

In 2017, employee absence from occupational accident, sick leave and work-related sickness are classified as follows:

Description	Number of Employees
Occupational Accident	0
Sick leave (persons)	152*
Work-related Sickness	0

Remark: \* General sickness, which is not work-related



## Board of Directors and Executives

11. Positions held by the Directors and Authorized Directors of Golden Land Property Development Public Company Limited and its Subsidiaries

As of 30 September, 2017

Board of Directors and Executives		GOLD	Subsidiaries, Associated Companies and Joint Ventures																							
			BE	NS	UN	RV	NR	GMF	GM	SS	ST	WH	GP	PO	MSG	L	GLR	KLAND	FS	PPA	RR	SWL				
1	Mr. Wanchai Sarathulthai	★																								
2	Mr. Panote Sirivadhanabhakdi	★ and //																								
3	Mr. Thapana Sirivadhanabhakdi	/																								
4	Mr. Chotiphat Bijananda	★ and /																								
5	Mr. Sithichai Chaikriangkrai	★/ and //																								
6	Mr. Chainoi Puankosom	/																								
7	Mr. Udom Piasakul	/																								
8	Mr. Chinnavat Chinsangaram	/																								
9	Mr. Thanapol Sirithanachai	● ★ // and X	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	
10	Mr. Somboon Wasinchutachai	// and X	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	
11	Mr. Saenphin Sukhee	// and X	★ and /	★ and /	★ and /						★ and /	★ and /														
12	Mr. Khumpol Poonsoonee	//	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /							
13	Mr. Withawat Kootatep	X	★ and /			★ and /	★ and /	★ and /		★ and /			★ and /	★ and /												
14	Mr. Theppasak Noppakornvisate	X	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /		★ and /		★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /	★ and /			★ and /	★ and /	★ and /	
15	Ms. Thirananant Kornritipa	X																								
16	Ms. Prasnee Surastian	X																								

Remark : ★ = Chairman of the Board ● = President \* = Authorized Director / = Director // = Executive Director x = Executive (definition of SEC)

List of Subsidiaries, Associated Companies and Joint Ventures

GOLD : Golden Land Property Development PLC

BE : Baan Chang Estate Co., Ltd. GM : Grand Mayfair Co., Ltd. MSGL : MSGL Property Co., Ltd. KLAND : Krungthep Land PLC.  
NS : North Sathorn Realty Co., Ltd. SS : Sathorn Supsin Co., Ltd. GH : Golden Habitation Co., Ltd. FS : First Square Co., Ltd.  
UN : United Homes Co., Ltd. ST : Sathorn Thong Co., Ltd. GPS : Golden Property Services Co., Ltd. PPA : Prime Plus Asset Co., Ltd.  
RV : Ritz Village Co., Ltd. WH : Walker Homes Co., Ltd. KSB : Kasemsubbhakdi Co., Ltd. RR : Regal Region Co., Ltd.  
NR : Narayana Pavilion Co., Ltd. GP : Grand Paradise Property Co., Ltd. NSH : North Sathorn Hotel Co., Ltd. SWL : Sidewalk Land Co., Ltd.  
GMF : Golden Land (Mayfair) Co., Ltd. PO : Golden Land Polo Co., Ltd. GLR : Golden Land Residence Co., Ltd.

## 2. Details of Board of Directors, Management Team and Person with Controlling Power of Golden Land Property Development Public Company Limited

### Board of Directors

Board of Directors of Golden Land Property Development Public Company Limited consists of 9 members. According to all Directors' profiles on September 30, 2017, showed that none of directors neither hold any position in rival companies / connected business that may cause conflict of interest nor have any legal record in the past 10 years. The detail of all directors' profiles is exhibited as follows:

#### 1. Mr. Wanchai Sarathulthat

Director Type	: Independent Director
Current Position	: • Chairman of the Board • Chairman of Compensation and Nominating Committee
Age	: 71
Nationality	: Thai
First Appointment date	: 26 December 2012
Education / Training	: • Master of Political Science, Ramkhamhaeng University • Bachelor of Laws, Thammasat University

Director Training : -None-

% of Shares Held in GOLD (%) included holding by spouse and minor children : - None - / 0.00% (0 Share)

Family Relations among Director and Executives : - None -

Years of Directorship : 4 Years 9 Months

5-year Past Experiences

Position in Other Listed Companies : - None -

Position in Non-Listed Companies :

2015 - Present	Chairman of Executive Committee / Board of Director Bang Pa-In Paper Mill Industry Co., Ltd.
2012 - Present	Board of Director VNU Exhibitions Asia Pacific Co., Ltd.
2011 - Present	Chairman N.C.C. Management & Development Co., Ltd.
2011 - Present	Chairman N.C.C. Image Co., Ltd.
2011 - Present	Chairman F & B International Co., Ltd.
2011 - Present	Chairman N.C.C. Exhibition Organizer Co., Ltd.
2008 - Present	Chairman Thai Beverage Logistics Co., Ltd.

**Experience** : Permanent Secretary Ministry of Transport  
Chairman of the Board of Directors Thai Airways International PLC  
Chairman of the Board of Commissioners Port Authority of Thailand  
Director State Railway of Thailand  
Director TOT PLC

Position in Rival Companies / Connected Business that may cause conflict of interest : - None -

#### 2. Mr. Panote Sirivadhanabhakdi

Director Type	: Authorized Director
Current Position	: • Vice Chairman, Board of Director • Chairman of Executive Committee • Compensation and Nominating Committee

Age : 39

Nationality : Thai

First Appointment date : 25 December 2012

Education / Training : • Master of Science in Analysis, Design and Management of Information System, The London School of Economics and Political Science, UK  
• Bachelor of Science in Manufacturing Engineering, Boston University, USA  
• Certificate in Industrial Engineering and Economics, Massachusetts University, USA

Director Training : • Director Certification Program (DCP 46/2004)  
• Director Accreditation Program (DAP 10/2004)  
• Finance for Non-Finance Director (FND 10/2004)

% of Shares Held in GOLD (%) included holding by spouse and minor children : - None - / 0.00% (0 Share)

Family Relations among Director and Executives : A brother of Mr. Thapana Sirivadhanabhakdi, Director

Years of Directorship : 4 Years 9 Months

#### 5-year Past Experiences

#### Position in Other Listed Companies :

2017 - Present Director / Executive Director TICON Industrial Connection PLC

2007 - Present Vice Chairman of the Board / Chairman of Executive Directors / Remuneration and Nomination Committee / Corporate Governance Committee Univentures PLC

2005 - Present Director / Executive Director Berli Jucker PLC

#### Position in Non-Listed Companies:

2017 - Present Director Siridamrongdham Co., Ltd.

2017 - Present Director Sub Somboon Property Plus Co., Ltd.

2017 - Present Director One Bangkok Holdings Co., Ltd.

2017 - Present Director Fah Prathan Pandinthong Co., Ltd.

2016 - Present Director Vadhanabhakdi Co., Ltd.

2016 - Present Director Kasemsubbhakdi Co., Ltd.

2015 - Present Director Univentures REIT Management Co., Ltd.

2015 - Present Director Quantum Capital Development Co., Ltd.

2015 - Present Director TCC Holdings (2519) Co., Ltd.

2014 - Present Director Kasemsubvadhana Co., Ltd.

2014 - Present Director Tonic International Co., Ltd.

2014 - Present Director Lakeview Golf and Yacht Club Co., Ltd.

2013 - Present Director Frasers Centrepoint Co., Ltd.

2013 - Present Director TCC Assets (Thailand) Co., Ltd.

2013 - Present Director Kasemsubsiri Co., Ltd.

2012 - Present Director SMJC Development Co., Ltd.

2011 - Present Director TCC Exhibition and Convention Center Co., Ltd.

2011 - Present Director TCC Trade and Convention Center Co., Ltd.

2011 - Present Director N.C.C. Exhibition Organizer Co., Ltd.

2011 - Present Director N.C.C. Management and Development Co., Ltd.

2011 - Present Director N.C.C. Image Co., Ltd.

2011 - Present	Director F and B International Co., Ltd.
2010 - Present	Director North Park Real Estate Co., Ltd.
2010 - Present	Director North Park Golf and Sports Club Co., Ltd.
2009 - Present	Director Nong Khai Country Golf Club Co., Ltd.
2009 - Present	Director The Cha-Am Yacht Club Hotel Co., Ltd.
2008 - Present	Director Sura Bangyikhan Co., Ltd.
2008 - Present	Director Terragro Fertilizer Co., Ltd.
2008 - Present	Director Norm Co., Ltd.
2007 - Present	Director Adelfos Co., Ltd.
2007 - Present	Director Eastern Seaboard Industrial Estate (Rayong) Co., Ltd.
2007 - Present	Director Thai Beverage PLC
2006 - Present	Director Cristalla Co., Ltd.
2006 - Present	Director Plantheon Co., Ltd.
2004 - Present	Director Beerthip Brewery (1991) Co., Ltd.
2001 - Present	Director T.C.C. Technology Co. Ltd.

#### **Experience**

2012 - 2017	Director TCC Phumipat Co., Ltd.
2007 - 2017	Director Paksong Capital Co., Ltd.
2007 - 2017	Director TCC Land Development Co., Ltd.
2007 - 2017	Director Siam Food Products PLC.
2013 - 2016	Chief Executive Officer Univentures PLC.
2006 - 2016	Director Siriwana Co., Ltd.
2013 - 2015	Director Thip Sukhothai Bio-Tech Co., Ltd.
2013 - 2015	Director Thip Suphanburi Bio Energy Co., Ltd.
2008 - 2015	Director Thip Nakhonsawan Bio Energy Co., Ltd.
2011 - 2015	Director Thip Sukhothai Bio Refinery Co., Ltd.
2008 - 2015	Director Thip Sukhothai Bio Energy Co., Ltd.
2008 - 2015	Director Thip Kampangeth Bio Energy Co., Ltd.
2008 - 2015	Director Thip Sugar Nakhon Sawan Co., Ltd.
2011 - 2015	Director Thip Sugar Sukhothai Co., Ltd.
2006 - 2015	Director Thip Sugar Kampangeth Co., Ltd.
2006 - 2015	Director The Suphanburi Sugar Industry Co., Ltd.
2008 - 2014	Director TCC Corporation Co., Ltd.
2008 - 2014	Director TCC Land Retail Co., Ltd.
2005 - 2014	Director TCC Land Co., Ltd.
2011 - 2013	Director Wattanapat Trading Co., Ltd.
2010 - 2013	Director Oishi Group PLC
2009 - 2013	Director Prideeprapa Co., Ltd.
2008 - 2013	Director TCC Real Estate Development Co., Ltd.
2007 - 2013	Director TCC Asset World Corporation Co., Ltd.

2004 - 2013	Director Golden Wealth Co., Ltd.
2011 - 2012	Director Bangpa-In Paper Mill Industry Co., Ltd.
2010 - 2012	Director Ack Realty Co., Ltd.
2010 - 2012	Director TCCCL 1 Co., Ltd.
2010 - 2011	Director Thippatana Arcade Co., Ltd.
2010 - 2011	Director T.C.C. Commercial Property Management Co., Ltd.

**Position in Rival Companies / Connected Business that may cause conflict of interest : - None -**

### 3. Mr. Thapana Sirivadhanabhakdi

<b>Director Type</b>	: Non-Executive Director
<b>Current Position</b>	: • Director
<b>Age</b>	: 42
<b>Nationality</b>	: Thai
<b>First Appointment date</b>	: 23 April 2013
<b>Education / Training</b>	: • Honorary Doctoral Degree of Arts from Rajamangala University of Technology Phra Nakhon • Honorary Doctoral Degree in Hospitality from Rajamangala University of Technology Krungthep • Honorary Doctoral Degree in Community Development from Chiang Mai Rajabhat University • Honorary Doctoral Degree of Business Administration in Strategic Logistics and Supply Chain Management, Suan Sunandha Rajabhat University • Honorary Doctoral Degree of Philosophy in General Management, Ramkhamhaeng University • Master of Science Administration in Financial Economics, Boston University, USA • Bachelor of Business Administration (Finance), Boston University, USA

**Director Training** : Director Accreditation Program (DAP 10/2004)

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 Share)

**Family Relations among Director and Executives** : Brother of Mr. Panot Sirivadhanabhakdi

**Years of Directorship** : 4 Years 5 Months

#### 5-year Past Experiences

#### Position in Other Listed Companies :

2017 - Present	Vice Chairman and President Amarin Printing and Publishing PLC.
2011 - Present	Vice Chairman No. 3 / Vice Chairman of Executive Committee No. 1 Serm Suk PLC.
2011 - Present	Chairman Oishi Group PLC.
2007 - Present	Vice Chairman / Nomination and Remuneration Committee Univentures PLC.
2007 - 2015	Vice Chairman of the Board / Director / Director of the Remuneration and Nominating Committee Siam Food PLC.
2006 - Present	Vice Chairman Oishi Group PLC.
2001 - 2017	Director Berli Jucker PLC.



**Position in Non-Listed Companies :**

2016 - Present	Director Vadhanabhakdi Co., Ltd.
2016 - Present	Director Max Asia Co., Ltd.
2016 - Present	Director Pracharath Rak Samakkee Co., Ltd.
2015 - Present	Director Food of Asia Co., Ltd.
2014 - Present	Director Oishi Snacks Co., Ltd.
2014 - Present	Director Chang International Co., Ltd.
2014 - Present	Director Horeka Management Co., Ltd.
2014 - Present	Director SPM Food & Beverages Co., Ltd.
2013 - Present	Director CAC Co., Ltd.
2013 - Present	Director Fraser and Neave, Limited
2013 - Present	Director Times Publishing Limited
2013 - Present	Vice Chairman InterBev Investment Limited
2012 - Present	Director Modern Trade Management Limited
2012 - Present	Director Great Brands Limited
2012 - Present	Director Best Spirits Co., Ltd.
2010 - Present	Director Super Brands Company Pte. Ltd.
2010 - Present	Director International Beverage Holdings (China) Limited
2010 - Present	Director Thai Beverage Training Co., Ltd.
2008 - Present	Executive Director Thai Beverage PLC.
2008 - Present	Executive Director Southeast Group of Companies
2008 - Present	Vice Chairman Thai Drink Co., Ltd.
2008 - Present	Chairman Pathombhakdi Co., Ltd.
2008 - Present	Director Chula United Co., Ltd.
2007 - Present	Director Adelfos Co., Ltd.
2007 - Present	Director Cosmos Brewery (Thailand) Co., Ltd.
2006 - Present	Vice Chairman InterBev Malaysia Sdn. Bhd.
2006 - Present	Director Oishi Ramen Co., Ltd.
2006 - Present	Director Oishi Trading Co., Ltd.
2006 - 2016	Director InterBev (Singapore) Limited
2005 - Present	Director Thai Beverage Logistics Co., Ltd.
2004 - Present	Director Pan International (Thailand) Co., Ltd.
2004 - Present	Vice Chairman / Executive Chairman Red Bull Distillery Group of Companies
2004 - Present	Vice Chairman Dhospaak Co., Ltd.
2004 - Present	Chairman / Executive Vice Chairman Beer Thai (1991) PLC.
2004 - Present	Director / Executive Vice Chairman Wrangyer Berverage (2008) Co., Ltd.
2004 - Present	Director Feed Addition Co., Ltd.
2004 - Present	Director Thai Beverage Recycle Co., Ltd.
2004 - Present	Director Charun Business 52 Co., Ltd.
2004 - Present	Director Thai Beverage Energy Co., Ltd.

2003 - Present Director Thai Beverage Marketing Co., Ltd.  
 2003 - Present Chairman / President International Beverage Holdings Limited  
 2001 - Present Director Thai Molasses Co., Ltd.  
 2001 - Present Director Thai Cooperage Co., Ltd.  
 2001 - Present Director Blairmhor Limited  
 2001 - Present Director Inver House Distillers Limited  
 2001 - Present Director Blairmhor Distillers Limited

**Position in Rival Companies / Connected Business that may cause conflict of interest : -None-**

#### 4. Mr. Chotiphat Bijananda

**Director Type** : Director  
**Current Position** : Director  
**Age** : 54  
**Nationality** : Thai  
**First Appointment date** : 23 April 2013  
**Education / Training** : • MBA, Finance - University of Missouri, USA  
**Director Training** : Director Certification Program (DCP 155/2012)  
**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 Share)  
**Family Relations among Director and Executives** : Brother-in-Law of Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi

**Years of Directorship** : 4 Years 5 months

#### 5-year Past Experiences

#### Position in Other Listed Companies :

2017 - Present Director TICON Industrial Connection PLC  
 2016 - Present Director Big C Supercenter PLC  
 2011 - Present Vice Chairman No.2 of Board of Director Sermsuk PLC  
 2008 - Present Chairman of Executive Board Southeast Life Insurance PLC  
 2008 - Present Chairman of Executive Board Southeast Insurance PLC

#### Position in Non-Listed Companies:

2016 - Present Director Big C Services Co., Ltd.  
 2013 - Present Director Frasers and Neave Limited  
 2013 - Present Director Frasers Centrepoint Limited  
 2008 - Present Director TCC Technology Co., Ltd.  
 2008 - Present Chairman of Executive Board Southeast Capital Co., Ltd.  
 2008 - Present President Southeast Group Co., Ltd.  
 2007 - Present Advisor TCC Holding Co., Ltd.

#### Experience

2000 - 2007 Head of Investment Banking Deutsche Bank, Bangkok  
 1995 - 2000 Head of Corporate Banking JP Morgan Chase, Bangkok / Hong Kong Local Corporate Team

1990 - 1995	Relationship Manager, Bank of America, Bangkok Local Corporate Team
1988 - 1990	Relationship Manager TISCO Securities Co., Ltd. Thailand

## 5. Mr. Sithichai Chaikriangkrai

Director Type	: Authorized Director
Current Position	: • Director • Executive Committee
Age	: 63
Nationality	: Thai
First Appointment date	: 26 December 2012
Education / Training	: • Mini MBA, Leadership Management, Kasetsart University • Bachelor of Accountancy (First-class honors), Thammasat University
Director Training	: • Director Certification Program (DCP 26/2003) • DCP Refresher Course (2/2006)

% of Shares Held in GOLD (%) included holding by spouse and minor children :

- None - / 0.00% (0 Share)

Family Relations among Director and Executives : - None -

Years of Directorship : 4 Years 9 Months

5-year Past Experiences

Position in Other Listed Companies :

2016 - Present	Director / Executive Director Big C Supercenter PLC
2011 - Present	Director / Vice Chairman of Executive Committee No. 2 Serm Suk PLC
2010 - Present	Senior Director and Senior Executive Vice President (CFO) Thai Beverage PLC
2007 - Present	Director / Executive Director Univentures PLC
2007 - Present	Director / Executive Director Siam Food Products PLC
2006 - Present	Director / 2 <sup>nd</sup> Vice Chairman of the Executive Committee Oishi Group PLC
2001 - Present	Director / Executive Director Berli Jucker PLC

Position in Non-Listed Companies :

2016 - Present	Director Vadhanabhakdi Co., Ltd.
2015 - Present	Director / Executive Director Univentures REIT Management Co., Ltd.
2013 - Present	Director Fraser and Neave, Limited
2013 - Present	Director Fraser Centrepont Limited
2007 - Present	Director Eastern Seaboard Industrial Estate (Rayong) Co., Ltd.

Position in Rival Companies / Connected Business that may cause conflict of interest : -None-

## 6. Mr. Chainoi Puankosoom

Director Type	: Independent Director
Current Position	: • Independent Director • Chairman of Audit Committee • Compensation and Nominating Committee • Chairman of Corporate Governance Committee

Age : 67

Nationality : Thai

First Appointment date : 27 December 2012

Education / Training : • Master of Management (MM) Sasin Graduate Institute of Business Administration, Chulalongkorn University  
• Bachelor Degree in Higher Accounting California College of Commerce, USA

**Director Training (IOD) :**

- Directors Accreditation Program (DAP 63/2007)
- Financial Institution Governance Program (FGP 3/2011)
- The Role of The Chairman Program (RCP 33/2014)

% of Shares Held in GOLD (%) included holding by spouse and minor children : - None - / 0.00% (0 Share)

Family Relations among Director and Executives : - None -

Years of Directorship : 4 Years 9 Months

**5-year Past Experiences**

**Position in Other Listed Companies :**

Present Chairman of the Board / Audit Committee TICON Industrial Connection PLC

2016 - Present Chairman of the Board Tipco Asphalts PLC

2015 - Present Director / Chairman of Audit Committee Prima Marine PLC

**Position in Non-Listed Companies :**

Present Director / Chairman of the Audit Committee Sapthip Co., Ltd.

2016 - Present Director The Comptroller General's Department, Ministry of Finance

2011 - Present Director The Energy Fund Administration Institute

2010 - Present Director National Power Supply PLC

2009 - Present Board Member Petroleum Institute of Thailand

**Experience :**

2012 - Jan 2017 Director / Audit Committee Muangthai Leasing PLC

2013 - 2014 Chairman IRPC PLC

2010 - 2013 Advisor PTT PLC

2010 - 2012 Chairman of Executive Committee, Environment Committee The Federation of Thai Industries

2008 - 2010 President & CEO PTT Aromatics & Refining PLC

2008 - 2010 Senior Executive Vice President PTT PLC

2007 - 2008 President PTT Aromatics & Refining PLC

2007 - 2008 Senior Executive Vice President PTT PLC

Position in Rival Companies / Connected Business that may cause conflict of interest : - None -

## 7. Mr. Udom Puasakul

Director Type : Independent Director

Current Position : • Independent Director  
• Audit Committee

Age : 66

Nationality : Thai

**First Appointment date** : 27 December 2012

**Education / Training** : Master Degree of Political Science and Government, Chiang Mai University

**Director Training** : Director Certification Program (DCP 109/2008)

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 Share)

**Family Relations among Director and Executives** : - None -

**Years of Directorship** : 4 Years 9 months

**5-year Past Experiences**

**Position in Other Listed Companies** : - None -

**Experience** :

1 October 2013 - 1 April 2015 Chairman of the Board Pinkanakorn Development Agency  
(Public Organization)

20 October 2012 - 4 September 2013 Chairman of the Board TOT PLC

20 October 2008 - 30 September 2012 Director, Department of Public Works and Town & Country Planning

13 November 2006 - 19 October 2008 Provincial Governor, Uthai Thani province

**Position in Rival Companies / Connected Business that may cause conflict of interest** : - None -

## 8. Mr. Chinnavat Chinsangaram

**Director Type** : Independent Director

**Current Position** : • Independent Director  
• Audit Committee  
• Corporate Governance Committee

**Age** : 57

**Nationality** : Thai

**First Appointment date** : 15 September 2014

**Education / Training** : • LL.M. in Admiralty, Tulane University, USA  
• Master of Comparative Law, University of Miami, USA

**Director Training** : - None -

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 shares)

**Family Relations among Director and Executives** : - None -

**Years of Directorship** : 3 years

**5-year Past Experiences**

**Position in Other Listed Companies** :

Present Director Adamas Incorporation PLC

**Position in Non-Listed Companies:**

Present Director, Partner Weerawong, Chinnavat & Partners Limited

Present Director Sittarom Development Co., Ltd.

Present Director Kurione Co., Ltd.

Present Director Sanklang Holdings Co., Ltd.

Present Director The Creators HQ Co., Ltd.

Present Director C 09 Co., Ltd.

**Position in Rival Companies / Connected Business that may cause conflict of interest** : - None -

## 9. Mr. Thanapol Sirithanachai

**Present Position** : • Authorized Director  
• Director  
• Executive Committee  
• Corporate Governance Committee  
• Chairman of Risk Management Committee  
• President

**Age** : 50

**Nationality** : Thai

**Education** : • Master of Business Administration, The University of Texas at Austin, Texas, USA  
• Bachelor of Engineering, Chulalongkorn University

**Director Training** : • Director Certification Program (DCP 39/2004)  
• Director Accreditation Program (DAP 10/2004)  
• Audit Committee Program (ACP 39/2012)

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 share)

**Family Relations among Director and Executives** : - None -

**5-year Past Experiences**

**Position in Other Listed Companies** : - None -

**Position in Non-Listed Companies** :

2016 - Present Director Kasemsubbhakdi Co., Ltd.  
2014 - Present Director Krungthep Land PLC.  
2014 - Present Director First Square Co., Ltd.  
2014 - Present Director Prime Plus Asset Co., Ltd.  
2014 - Present Director Regal Region Co., Ltd.  
2014 - Present Director Sidewalk Land Co., Ltd.  
2013 - Present Director Golden Land Residence Co., Ltd.  
2013 - Present Director Baan Chang Estate Co., Ltd.  
2013 - Present Director Golden Habitation Co., Ltd.  
2013 - Present Director Golden Land (Mayfair) Co., Ltd.  
2013 - Present Director Golden Land Polo Co., Ltd.  
2013 - Present Director Golden Property Services Co., Ltd.  
2013 - Present Director Grand Mayfair Co., Ltd.  
2013 - Present Director Grand Paradise Property Co., Ltd.  
2013 - Present Director MSGI Property Co., Ltd.  
2013 - Present Director Narayana Pavilion Co., Ltd.  
2013 - Present Director North Sathorn Realty Co., Ltd.  
2013 - Present Director Ritz Village Co., Ltd.  
2013 - Present Director Sathorn Supsin Co., Ltd.  
2013 - Present Director Sathorn Thong Co., Ltd.  
2013 - Present Director United Homes Co., Ltd.  
2013 - Present Director Walker Homes Co., Ltd.



**Experience :**

2012 - 2016	Director / Audit Committee Bangkok First Investment Trust PLC
2003 - 2016	Director / Executive Director Univentures PLC
2003 - 2015	Director Grand Unity Development Co., Ltd.
2003 - 2015	Director Grand U Living Co., Ltd.

**Position in Rival Companies / Connected Business that may cause conflict of interest : - None -**

**Management Team**

Management Team of Golden Land Property Development Public Company Limited consists of 7 members. According to all executives' profiles on September 30, 2017, showed that none of executives neither hold any position in rival companies / connected business that may cause conflict of interest nor have any legal record in the past 10 years. The detail of all executives' profiles is exhibited as follows:

**1. Mr. Thanapol Sirithanachai**

*Please see the detail in section "Board of Directors"*

**2. Mr. Saenphin Sukhee**

**Present Position** : • Executive Committee  
• Risk Management Committee  
• Managing Director

**Age** : 53

**Nationality** : Thai

**Years of Directorship :**

**Education** : • MBA (Ex. MBA), Chulalongkorn University  
• Bachelor of Commerce, Thammasat University

**Director Training** : Director Certification Program (DCP 190/2014)

**Capital Market Academy** : Capital Market Leadership Program (CMA 21)

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 share)

**Family Relations among Director and Executives** : - None -

**5-year Past Experiences**

**Position in Other Listed Companies** : - None -

**Position in Non-Listed Companies :**

2014 - Present	Director Krungthep Land PLC
2014 - Present	Director First Square Co., Ltd.
2014 - Present	Director Prime Plus Asset Co., Ltd.
2014 - Present	Director Regal Region Co., Ltd.
2014 - Present	Director Sidewalk Land Co., Ltd.
2013 - Present	Director Golden Land Residence Co., Ltd.
2013 - Present	Director Baan Chang Estate Co., Ltd.
2013 - Present	Director United Homes Co., Ltd.
2013 - Present	Director Ritz Village Co., Ltd.

2013 - Present Director Walker Homes Co., Ltd.  
 2013 - Present Director Grand Paradise Property Co., Ltd.  
 2013 - Present Director Golden Habitation Co., Ltd.

**Experience :**

2009 - 2012 Managing Director Casaville Co., Ltd.  
 2009 - 2012 Assistant Managing Director Quality House PLC  
 2006 - 2008 Senior Vice President - Housing Project Quality House PLC  
 2002 - 2005 Vice President Quality House PLC

### 3. Mr. Somboon Wasinchutchawal

**Present Position** : • Executive Committee  
 • Risk Management Committee  
 • Senior Executive Vice President, Accounting and Finance

**Age** : 54

**Nationality** : Thai

**Education** : • Master Degree (Business Administration), Thammasat University  
 • Bachelor of Accountancy, Thammasat University

**Director Training** : Director Certification Program (DCP 102/2008)

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 share)

**Family Relations among Director and Executives** : - None -

**5-year Past Experiences**

**Position in Other Listed Companies** : -None-

**Position in Non-Listed Companies :**

2016 - Present Director Kasemsubbhakdi Co., Ltd.  
 2014 - Present Director Krungthep Land PLC  
 2014 - Present Director First Square Co., Ltd.  
 2014 - Present Director Prime Plus Asset Co., Ltd.  
 2014 - Present Director Regal Region Co., Ltd.  
 2014 - Present Director Sidewalk Land Co., Ltd.  
 2013 - Present Director Golden Land Residence Co., Ltd.  
 2012 - Present Director Baan Chang Estate Co., Ltd.  
 2012 - Present Director Golden Habitation Co., Ltd.  
 2012 - Present Director Golden Land (Mayfair) Co., Ltd.  
 2012 - Present Director Golden Land Polo Co., Ltd.  
 2012 - Present Director Golden Property Services Co., Ltd.  
 2012 - Present Director Grand Mayfair Co., Ltd.  
 2012 - Present Director Grand Paradise Property Co., Ltd.  
 2012 - Present Director MSGL Property Co., Ltd.  
 2012 - Present Director Narayana Pavilion Co., Ltd.  
 2012 - Present Director North Sathorn Realty Co., Ltd.

2012 - Present Director Ritz Village Co., Ltd.  
 2012 - Present Director Sathorn Supsin Co., Ltd.  
 2012 - Present Director Sathorn Thong Co., Ltd.  
 2012 - Present Director United Homes Co., Ltd.  
 2012 - Present Director Walker Homes Co., Ltd.  
 2012 - Present Director North Sathorn Hotel Co., Ltd.

**Experience:**

2012 - 2013 Director Golden Land Property Development PLC  
 2008 - 2012 Executive Vice President (Chief Financial Officer) Pruksa Real Estate PLC

#### 4. Ms. Prasnee Surastian

**Present Position** : • Executive Vice President - Corporate Strategy and Investment  
 • Company Secretary  
 • Secretary of Corporate Governance Committee  
 • Investor Relations

**Age** : 49

**Nationality** : Thai

**Education** : • Master of Business Administration (International Finance), International University of Japan  
 • Bachelor of Business Administration with Honors (Banking & Finance), Chulalongkorn University

**Director Training** : Company Secretary Program (CSP 79/2017)

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 share)

**Family Relations among Director and Executives** : - None -

**5-year Past Experiences**

**Position in Other Listed Companies** : - None -

**Position in Non-Listed Companies** : - None -

**Experience :**

2015 - 2016 Executive Vice President - Head of Customer Segment Wealth and Mass Affluence TMB Bank PLC

2012 - 2015 Executive Vice President - Head of Wealth Management & Priority and International Banking Standard Chartered Bank (Thai) PLC

2006 - 2012 Executive Vice President - Head of Country Strategy & Governance Standard Chartered Bank (Thai) PLC

2005 - 2006 Senior Vice President - Retail Banking Strategy Standard Chartered Bank (Thai) PLC

2001 - 2005 Senior Vice President - Debt Restructuring (Finance & Risk) Group Special Asset Management Standard Chartered Bank (Thai) PLC

1999 - 2001 Vice President - Finance integration / Asset Liability Management Standard Chartered Bank (Thai) PLC

1994 - 1999 Fund Manager, Mutual Fund Management - Equity Kasikorn Asset Management Co, Ltd.

1992 - 1994 Officer, International Business Dow Corning (Asia) Co., Ltd., Tokyo, Japan

## 5. Mr. Withawat Koottatep

**Present Position** : • Risk Management Committee  
• Executive Vice President - Commercial Development

**Age** : 46

**Nationality** : Thai

**Director Training** : • Master of Business Administration, Chulalongkorn University  
• Master of Engineering, University of Florida, USA  
• Bachelor of Engineering, Chulalongkorn University

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 share)

**Family Relations among Director and Executives** : - None -

**5-year Past Experiences**

**Position in Other Listed Companies** : - None -

**Position in Non-Listed Companies** :

2017 - Present Director North Sathorn Realty Co., Ltd.

2017 - Present Director Narayana Pavilion Co., Ltd.

2017 - Present Director Golden Land (Mayfair) Co., Ltd.

2017 - Present Director Grand Mayfair Co., Ltd.

2017 - Present Director Sathorn Thong Co., Ltd.

2017 - Present Director Golden Land Polo Co., Ltd.

2017 - Present Director MSGI Property Co., Ltd.

2017 - Present Director Golden Property Services Co., Ltd.

**Experience** :

2005 - 2013 Director of Business Development Fico Corporation Co., Ltd.

1992 - 2005 Senior Structural Engineer Asian Engineering Consultants Co., Ltd.

## 6. Mr. Theppasak Noppakornvisate

**Present Position** : Executive Vice President - Accounting and Finance

**Age** : 50

**Nationality** : Thai

**Education** : • Master of Accountancy, Chulalongkorn University  
• Master of Business Economics, National Institute of Development Administration  
• Bachelor of Accountancy, Siam University

**Director Training** : Director Certification Program (DCP 228/2016)

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 share)

**Family Relations among Director and Executives** : - None -

**5-year Past Experiences**

**Position in Other Listed Companies** : - None -

**Position in Non-Listed Companies** :

2016 - Present Director United Homes Co., Ltd.

2016 - Present Director First Square Co., Ltd.

2016 - Present Director Prime Plus Asset Co., Ltd.  
 2014 - Present Director Krungthep Land PLC.  
 2013 - Present Director Golden Land Residence Co., Ltd.

**Experience :**

2005 - 2013 Vice President - Finance and Accounting Thai Metal Trade PLC

## 7. Ms. Thiranant Kornsritya

**Present Position** : Executive Vice President - Retail Business Development

**Age** : 51

**Nationality** : Thai

**Education** : • Master of Business Administration, University of North Texas  
 • Bachelor of Political Sciences, Chulalongkorn University

**Director Training** : - None -

**% of Shares Held in GOLD (%) included holding by spouse and minor children** : - None - / 0.00% (0 share)

**Family Relations among Director and Executives** : - None -

**5-year Past Experiences**

**Position in Other Listed Companies** : - None -

**Position in Non-Listed Companies** : - None -

**Experience :**

2013 - 2016 Director Bangkok CitiSmart Co., Ltd.

2012 - 2016 Chief Strategic Innovation and Execution AP (Thailand) PLC

2010 - 2011 Chief Commercial Officer Prinsiri PLC

2009 - 2010 EVP Corporate Marketing Pruksa Real Estate PLC

# Corporate Governance

## 1. Corporate Governance Policy

The Board of Directors of Golden Land Property Development PLC. recognizes the importance of applying corporate governance practices as a vital factor to its sustainable business success. Emphasis has been put on the significance of corporate moral, transparency and accountability which are perceived as the fundamental requirements for the improvement of its operational efficiency and effectiveness and keenly focusing on maximizing shareholders value with concern for the benefit of all stakeholders.

The Board of Directors oversees the compliance of prescribed governance policies and best practices, and makes relevant adjustments thereto from time to time to be in accordance with the prevailing circumstance. The Company's governance policies and best practices are prescribed in 5 categories, which are:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board of Directors

### (1) Rights of Shareholders

The Company recognizes the rights and equitability of all shareholders and applies equitable treatment towards each of them. Shareholders are entitled to be informed of information, operation results and management policy. They are also entitled to their share of the company profit and their rights to participate in the shareholders' meetings. Each shareholder is entitled to fair treatment as prescribed in the Company's regulations and under applicable laws. In order to assure the equitable treatment of its shareholders, the Company ensures that their shareholders' meeting procedures are transparent and efficient. It oversees appropriate uses of inside information, proper control and monitoring of connected transactions, as well as sufficient disclosure of information, and the following procedures are also applied to accommodate its shareholders in each of the shareholders' meetings:

#### Shareholders Meetings

**Policy governing on fixing the schedule and venue of the shareholders' meeting to facilitate and promote**

**the participation of all groups of shareholders including institutional investors**

The Company arranges that the Annual General Meeting of Shareholders shall be held once a year within 4 months from the end of the fiscal year by fixing the appropriate schedule and venue of the meeting to facilitate and promote the participation of all groups of shareholders including institutional investors, whereby the meeting will not be held on official, public and bank holidays. The meeting timeframe is set to be during 8:30 - 16:00 hours. The shareholders are given the opportunity to send the registration or proxy forms to the Company for advance registration. The meeting venue is located in Bangkok or in the district where the Company's head office is located to accord convenience to the shareholders to participate in the meeting. Information packages relating to the meeting date, time venue and agenda are provided together with explanation and reasons supporting each agenda, or proposals for consideration as specified in the Notice to the Annual Meeting or Extraordinary Meeting without limiting the opportunity of the shareholders to study the information. In case of urgency to propose the special agenda, which has an impact on or relating to the interests of the shareholders or relating to terms or regulations or prevailing laws requiring prior approval from the shareholders, as extraordinary meeting will be held, as required.

In the year 2017, the Company held 1 shareholder meeting, which is:

- The Annual General Meeting of the Shareholders No. 24 on 26 April 2017 at 10:00 hours at Victor 2 - 3, Victor Club, 8<sup>th</sup> floor, Sathorn Square Office Tower, No. 98 North Sathorn Road, Silom, Bang Rak, Bangkok.

By complying with the Public Limited Company Act B.E. 2535 (1992) including the Regulations of the Stock Exchange of Thailand and the Regulations of the Office of Securities and Exchange, for quality shareholders meeting, as follows:

At the 2017 Annual General Meeting of the Shareholders No. 24, during the meeting votes were taken on each prescribed agenda item. At the beginning of each shareholders' meeting, the Chairman of the Meeting shall explain to the meeting participants about the procedural guidelines applied for vote casting, vote counting, and rules



for voting by ballot. A total of 9 directors or 100 % attended the meetings, comprising Chairman of the Board, Chairman of the Audit Committee, Chairman of the Board of Executive Directors, Chairman of the Compensation and Nomination Committee, and Directors. The directors participated in the Meeting were:

1. Mr. Wanchai Sarathulthat  
Independent Director / Chairman of the Board /  
Chairman of Compensation and Nominating  
Committee
2. Mr. Panote Sirivadhanabhakdi  
Vice Chairman of the Board /  
Chairman of Executive Committee /  
Compensation and Nominating Committee
3. Mr. Thapana Sirivadhanabhakdi  
Director
4. Mr. Chotiphat Bijananda  
Director
5. Mr. Sithichai Chaikriangkrai  
Director / Executive Committee
6. Mr. Chainoi Puankosoom  
Independent Director / Chairman of Audit  
Committee / Compensation and Nomination  
Committee / Chairman of Corporate Governance  
Committee
7. Mr. Udom Pwasakul  
Independent Director / Audit Committee
8. Mr. Chinnavat Chinsangaram  
Independent Director / Audit Committee /  
Corporate Governance Committee
9. Mr. Thanapol Sirithanachai  
Director / Executive Committee / President /  
Corporate Governance Committee / Chairman  
of Risk Management Committee

The director who cannot participated in the Meeting  
- None -

\*\*\* The Board of Directors Meeting resolved to appoint of  
Corporate Governance Committee on 14<sup>th</sup> December 2016

Legal advisors, financial advisors, independent  
financial advisors, management and the Company's auditors  
have also participated in meetings.

#### **Prior to the Date of Meeting of Shareholders**

1) The Company disclosed the resolutions of the  
Board of Directors in regard to the holding of the shareholders'  
meetings on the website of the Stock Exchange of Thailand  
as well as its own website. The Company had published the

information on the notice to attend shareholders' meeting  
containing details in full in its website 30 days before the  
date of the meeting and readily sent the notice to attend  
meeting to the shareholders.

2) The meeting invitations is sent out together with full  
details on the material aspects of each meeting agenda, as  
prescribed by applicable laws and regulations of the Stock  
Exchange of Thailand and in compliance with the Company's  
regulations. The details include sufficient information and  
data concerning the proposed agenda as well as the  
clearly described opinions of the Board of Directors on each  
agenda for the shareholders' perusal in advance of their  
decision making. The attached supporting information also  
contains the minutes of the previous meeting, the Company's  
annual report, supportive documents, proxy form with clear  
guidelines for proxy voting. These information packages will  
be sent to the shareholders' at least 14 days in advance of  
the shareholder meeting date, and it was also published  
on newspaper for not less than 3 consecutive days and not  
less than 3 days before the day of meeting the shareholders  
are thus provided with sufficient disclosure of information  
and an adequate timeframe for their proper perusal of such  
information before the meeting date. The meeting invitations  
are distributed to all shareholders whose names are listed  
on the Company's share registration book. In addition,  
shareholders, who are not able to attend any shareholder  
meetings, are able to appoint a proxy or Independent  
Directors to act as their proxy and vote on their behalf, in  
the event that they were unable to attend the meeting. The  
Company shall also provide to shareholders with a list of  
its Independent Directors and their relevant background  
profile in the information packages attached to the meeting  
invitations for the shareholders' perusal. The notice to attend  
meeting was sent to all shareholders whose names were  
listed in the Shareholders Register as at the date of closing  
of the Shareholders Register of the Company.

3) Annually presents the proposal to the shareholders  
for consideration and approval of the directors' remuneration,  
and also submits its clear policy and criteria on the directors'  
remuneration determination to shareholders.

4) In compliance with the principles of good  
Corporate Governance for Listed Companies in 2006.  
The Company provides its minority shareholders with their  
entitled rights to propose the agenda for the shareholders'  
meeting and to propose director nominee in advance via  
the corporate website [www.goldenland.co.th](http://www.goldenland.co.th)

5) Shareholders are allowed to access the information  
on the meeting process and meeting agenda through

corporate website in advance of the dissemination and dispatch of the meeting notification. On the meeting date, the Company allows registration of shareholders at least one hour prior to the meeting time.

6) The meeting is conducted and processed in accordance with the outlined agenda, without insertion of non-agenda items or changes of material information in a manner that shall deprive shareholders of provision of advance notices. Sufficient time is allotted to the meeting, whereby the meeting shall be conducted in an appropriate and transparent manner. Shareholders are thoroughly given the opportunity to ask questions and express their opinions before casting their votes and making any conclusion on each agenda.

7) Shareholders who arrive after commencement of the shareholders' meeting, will be allowed to cast their vote on the agenda both being considered and all subsequent agenda.

8) The Company regularly provides the information to shareholders via channels provided by the Stock Exchange of Thailand, and other media & publications, as well as its corporate website.

9) To provide a channel for minority shareholders to directly contact the Company for more information such as directors' activities, corporate governance, and audit etc. by requesting via mail, or corporate e-mail address [ir@goldenland.co.th](mailto:ir@goldenland.co.th). In addition, minority shareholders can contact the Company Secretary for further information.

#### **Date of Shareholders' Meeting**

The Company fixed the place, day and time of meeting that afforded convenience to all shareholders equally and it also provided confidence in regard to security measures for the shareholders. The Company had stated in the meeting documents sent together with the notice to attend meeting of the process and the steps of attending the meeting, including the examination of documents or evidences showing rights to attend meeting, Free duty stamp provided, the arrangements of personnel at the registration desk, and the designation of sufficient points of service for registration, whereby the shareholders may register to attend the meeting 2 hours before the starting time of the meeting and which continued until the meeting of shareholders was completed. Barcode system reduced timing to register process.

#### **After the Shareholders' Meeting**

The Company announced the resolutions of its shareholders' meeting via the news system of the Stock

Exchange of Thailand on the following work day and also published on the website of the Company, stating the results of voting (approved / disapproved / abstained) in each agenda and sent the minutes of the shareholders' meeting, in which recorded the list of names of directors attending the meeting, the results of voting Approve / disapprove / abstain in the agenda required for approval of the shareholders, including the questions put forward by the shareholders in each agenda, as well as the clarification of the Company, to the Stock Exchange of Thailand and the government agencies concerned, within 14 days from the date of shareholders' meeting for Shareholders' who cannot attend the such meeting acknowledgement, which was also published on the Company's website.

#### **(2) Equitable Treatment of Shareholders**

The Company emphasizes on the importance of equitable and fair treatment of all shareholders by conducting the following actions:

1) The Company invites its shareholders to propose agenda items for the shareholder meeting in advance, by publicly notifying such invitation via channels provided by the Stock Exchange of Thailand. It also posts the relevant consideration criteria and clear procedures on its corporate website well in advance of the meeting date.

2) The Company allows its shareholders to propose director nominees. The proposed candidates must be entirely qualified under the criteria as prescribed by the Company's regulations and the nominees must also give consent that they are willing to run for the director positions. The nomination procedures as well as its relevant rules and criteria shall be posted well in advance before the meeting date via channels provided by the Stock Exchange of Thailand and on its corporate website. During the shareholders' meeting, the selection of directors shall be made via vote casting for each director nominee on an individual basis.

In 2017, the Company had invited its shareholders to propose appropriate agenda items for the meeting in advance and to nominate their proposed candidates for the director nominees to be approved and appointed by the Annual General Shareholders' Meeting 2018 (No. 25). The proposal and the nomination were made in advance from 1<sup>st</sup> June 2017 to 30<sup>th</sup> September 2017. Shareholders were notified in advance via channels provided by the Stock Exchange of Thailand. Relevant rules and procedures thereof were posted on its corporate website at [www.goldenland.co.th](http://www.goldenland.co.th), under the "Shareholders' Meeting" menu in Investor Relations category.

3) Rights to vote is allocated to each shareholder according to the portion of shares held in the Company.

4) It is the Company's policy to conduct its shareholders' meeting in accordance with the outlined agenda and in the sequence as set out in the meeting notification to the shareholders, without insertion of non-agenda items that its shareholders have not been informed of in advance. This process is intended to provide the shareholders with sufficient time to study the agenda and its supportive information prior to their decision making.

5) The Proxy Form Type B, which allows the Company's shareholders to determine direction on their vote casting on each agenda item, is usually distributed as an attachment to the shareholders' meeting invitations to facilitate its shareholders who are not able to personally attend the meeting, can appoint another person or any of the Company's Independent Directors to be their proxy. The form is also posted on corporate website so that shareholders can download it if so required.

6) The Company encourages its shareholders to use voting ballots for vote casting on each agenda item as deemed appropriate. Such voting ballots will be collected during the meeting and calculated together with the votes casted earlier via proxy. The final results of each agenda item are then declared during the meeting.

7) The Company duly prepares and submits the minutes of the meeting to the Stock Exchange of Thailand and the Securities and Exchange Commission within 14 days after the meeting date and also posts them on its corporate website.

8) The Company prescribes in writing its guideline policies on keeping corporate information and preventing inside information to reassure equitable treatment of shareholders. The Company also notifies its warning against any using of inside information by the Board of Directors and employees, as well as their connected persons such as spouses, underage children, and nominees, for insider trading purposes. Such inside information includes any material information that may affect the Company's share trading activities, its share price movement, and any information that has not yet been disclosed to public. The Company's directors and executives who have access to inside information are prohibited from security trading, for a period of 30 days, prior to an official public release of the Company's operational performance and financial position; or before the public revelation of any significant news and material data that may impact the movement of the Company's share prices, the imposed security trading

prohibition will last for at least 24 hours after the public revelation of any such significant news.

### (3) Role of Stakeholders

The Company focuses on the importance of its social and environmental responsibilities, as well as its accountability towards other stakeholders. It also recognizes the significance and relevance of the stakeholders' roles. It operates its business with honesty and legality and abides by governing regulations. It does not assist, support, and encourage any illegal activities or unlawful conducts, including any violation of human rights. The Company fosters heightened awareness of non-infringement of intellectual property rights and encourages all employees to act in absolute conformity with laws and regulations governing intellectual property rights.

The Company neither requests nor accepts any monies, and gifts or awards or compensations from other persons, except if such acts are righteously and customarily acceptable. The Company also opposes corruption and bribery, and supports public and private measures aiming to fight against corruption. The Company promotes effective and efficient use of natural resources, while encouraging its employees to pay attention to the environmental and safety impacts of their business activities. It also encourages its stakeholders to participate in community development and social programs.

The Company prescribes the following practice guidelines for its various stakeholders:

#### Shareholders

The Company pays attentions to transparency, accuracy, validity, and timeliness of material information that it has disseminated to its shareholders via various media channels such as the online electronic media of the Stock Exchange of Thailand, corporate website, newspapers, press releases, and corporate letters, etc.

#### Customers

The Company believes in the importance of upholding the highest ethical standards towards treating the customers with attentiveness and responsibility. The Company pays attention to responding promptly to the complaints and promptly takes suitable action to solve the situation to achieve the customer satisfaction, under the following operating standards:

1) deliver the high-quality products and superior service standards under fair terms and conditions. The Company is committed to continually upgrading the standards and disclose the complete and accurate

information about its products and services without any distortion of facts;

2) timely update sufficient and accurate information about the products and services to provide the customers with sufficient information for their decision, without overstatement through advertisement or any other communication channels which may misrepresent the quality, quantity, or terms and conditions of the products and services;

3) promptly respond to the customer needs and provide the communication system and channels via the Company website [www.goldenland.co.th](http://www.goldenland.co.th) to effectively cater to the complaints in relation to the products and services;

4) ensure the customer confidentiality by not misusing their information, except if such information is to be disclosed by law to the concerned public;

#### **Business Partners and / or Creditors / Debtors**

The Company treats its business partners and /or creditors / debtors with equality and fairness, with common concern on the basis of fair mutual returns. It also strictly abides by its commitments and avoids situations which may create any conflicts of interest. The Company thus applies procurement practices in accordance with good governance by availing the opportunity to every Business Partner (sellers / buyers / lessors) to participate in the purchase and procurement bidding under the fair, transparent, and open process, fair to each and every one. In the case that the business partner has been approached by the Company's executive, staff or any person for rewards or any other benefits in return for a favor; or in the case that the business partner views that the bidding and selection process is not fair and transparent to them or views an act as discrediting the competitors, the business partner is requested to notify the Company immediately to ensure that fair and transparent procurement is applied to every business partner.

#### *Purchase, procurement and equitable treatment of business partners*

1) the Company intends to affect the standard procurement of goods and services under the equal and fair competition. The assessment criteria have been set up to select the successful business partner/contractor. Appropriate contract form as well as contract management and monitoring has been arranged to ensure complete compliance and protect against corruption in every procurement process including due payment to business partner / contractor under the agreed payment term;

2) the Company is committed to develop and maintain a sustainable relationship with the business

partners/contractors, with clear objectives on improving the product and service quality worth paying for as well as technical quality and mutual trust;

3) executives and employees of the Company are forbidden to receive any benefits directly or indirectly from business partners and contractors for personal gain.,

4) executives and employees of the Company shall not be involved in the purchase and procurement of business partners or contractors with personal relations with them;

5) executives and employees of the Company shall not use the purchase and procurement information for personal or others' interest.

#### *Assessment criteria and selection of a business partner*

1) possessing reliable financial records and potential to grow alongside the Company in the long run;

2) manufacture or distribute quality products in line with the demand and subject to quality check;

3) assessing the punctuality in delivering tasks, products and services;

4) assessing the ability in coordination, problem solving, team readiness, whereby the Company has the policy to comply with the intellectual property law by not selling pirated goods.

#### **Creditors**

The Company treats its business partners and/or creditors with fairness, honesty and without taking advantage of them to maximize mutual benefits. The Company has established the clear policy and practice guidelines with regards to dealing with the creditors (be it trade creditors or lending financial institutions), in particular the guarantee terms, fund management, and in cases of default. The Company shall strictly comply with terms and conditions stipulated in the contract and agreed terms, not allowing defaults on loans.

#### **Competitors**

The Company applies good customary business practices and fair competition in its business conducts while abiding by the good ethics not to discredit its competitors by means such as spreading false information and deceptive allegations, unlawful penetration into the secrecy of the competitors and conducting any wrongful business actions. The policy is therefore laid down that the Company shall:

1) observe the good competition rules in its business conducts;

2) seek the competitor's business secrets by means of inappropriate and wrongful acts;

3) not discredit its competitors with deceptive allegations;

4) support and promote fair free trade without monopolizing or requiring its customers to enter into business only with the Company.

#### **Employees**

The Company applies unbiased and equitable treatment towards its employees, without regard to gender, nationality, race, religion or beliefs. The Company views its employees as utmost valuable assets and vital factors in supporting the Company to achieve its business success, thus justly compensating them with appropriate remuneration.

#### *Policy and practice guidelines on employees' remuneration and welfare*

The Company is responsible for providing and regularly maintaining the safe working environment against risk to life and property of its employees by strictly observing the relevant labor protection laws. Policy on staff remuneration has been set which corresponds with the Company's business performance, taking into consideration the Company's profitability each year and the employees' performance evaluation based on a balanced scorecard method. As for corporate welfare, the employees' provident fund has been set up to promote saving and building assurance for the employees and their families. The employees' contribution to the fund is voluntary and based on years of service. The contribution rate on the part of the employees and Company is set between 5 - 10%.

#### *Policy and practice guidelines on employees' knowledge development*

The Company emphasizes the importance of knowledge development, skill improvement and staff competency enhancement by encouraging its employees to attend both in-house and public training sessions, so as to improve their professional expertise and working capabilities, not only to work efficiently but also to be able to adjust themselves to the changes of new innovations, rules and regulations imposed by the governing authorities with which the Company has to comply, to ensure that all employees duly obtain the knowledge and understanding of the applicable rules and regulations including business ethics, and perform their duty accordingly. Such information has been posted in the Company's intranet as well as in the new staff induction program.

#### *Policy on non-involvement in the human rights violation*

The Company renders concrete support and respect in the principles of human rights by overseeing its business conducts and its subsidiary companies with due care, not being involved in human rights violations.

#### **Society and Community**

The Company consistently supports social related activities. It occasionally provides assistance and donations to various foundations and organizations which are active in social and community work. It also encourages social responsibility among all employee levels and campaigns on efficient utilization of natural resources and promotion of energy conservation.

#### **Governing Authorities and Government Agencies**

The Company complies with laws, rules and regulations of its governing authorities and relevant regulatory agencies such as the Department of Business Development, the Ministry of Commerce, the Revenue Department, the Ministry of Finance, the Stock Exchange of Thailand and the Securities and Exchange Commission. It also cooperates and works in close relations with other private entities.

#### **Environment**

The Company emphasizes the importance of the environment, recognizing that during the construction period of its development projects there may arise the environmental impacts on surrounding communities. The Company thus strictly abides by the applicable rules and laws of relevant governing authorities while providing relevant knowledge and understanding of environmental impact to its employees. Thus, in the year 2017, the training and activities relating to environment and efficient energy utilization were undertaken, such as launching a campaign to turn off lights and computer screen during lunch breaks, unplug electrical appliances such computers, copy machines during weekends, using recycled paper in printing for internal use and encourage water saving by not leaving the taps running.

#### **(4) Disclosure and Transparency**

Information disclosure is a key principle of good corporate governance. The Company recognizes the importance of the accuracy, adequacy, timeliness and equitable distribution of its information revelation to the Stock Exchange of Thailand, and shareholders, and thus prescribes the following practice guidelines:



1) The disclosure of the Company's material information, both financial and non-financial, particularly information related to its financial statements, must be reviewed / audited by authorized auditors and accompanied by their opinion confirming a true and fair view of its actual financial position in accordance with generally accepted accounting practice, and duly approved by the Company's Audit Committee and the Company's Board of Directors prior to its submission to the Stock Exchange of Thailand and relevant authorities, and before publicly releasing it to its shareholders and investors.

2) The information disclosure such as its financial statements, annual statements (SEC Form 56 - 1), and annual report (SEC Form 56 - 2) in both Thai and English shall be posted in corporate website.

3) The Company discloses in its annual statements (SEC Form 56 - 1) and annual report (SEC Form 56 - 2) the roles and duties of its Board of Directors and Sub-committees, the record of attendance of the members of the Board of Directors and relevant sub-committee, and the Directors' and Executives' remuneration policy.

4) The Company discloses the Report on the Board of Director's Responsibilities for Financial Statements together with the Auditor's Report in its annual report (SEC Form 56 - 2).

5) The directors of the Company are required to report their requisition / disposal transactions of the Company's securities at the board meeting on quarterly basis.

6) Company reveals its Report on the Interest of Directors and Executives as prescribed by the notification of the Capital Market Supervisory Board (Reference Number: Thor. Jor 2/2552) dated 26 January 2009 which required the publicly listed companies to make preparation and submission of such report for the first time in July 2009 and regularly update any changes therein within 3 business days after such changes have taken place and submit the updated report to the Company Secretary.

7) The Company discloses background information of its Directors and Executives by posting them on its corporate website.

#### **Disclosure of connected transaction and related party transaction**

The Company recognizes the importance of considering connected transaction and related party transaction transparently and prioritizes the Company's

benefit first. Therefore, the Company will prevent any transactions with conflict of interest by requiring the Board of Directors' revisions and resolving, along with the disclosure to inform investors and related parties.

#### **Information Disclosure and Investors Relations**

The Company recognizes the importance of accuracy, completeness, transparency, equitable distribution of its information revelation, both financial and non-financial, as well as material information which may impact price movement of its stock, whereby such information is distributed through various contact channels and media, either directly and indirectly, such as the website of the Stock Exchange of Thailand, corporate website, or the Company's newsletter. The Company assigns capable personnel with good knowledge of the business conducts to take charge of investors relations.

Moreover, the President, Senior Executive Vice President - Accounting & Finance, and Executive Vice President - Corporate Strategy and Investment communicate directly with the shareholders, institutional investors, and securities analysts, both domestic and abroad, by regularly providing updates on the business operations and responding to the investors' queries as well as distributing the press releases. In addition to updating the business performance to the Stock Exchange of Thailand and on the corporate website for equitable distribution to all stakeholders, the Company, in 2017, organized 8 Analysts' Meetings, 5 Road Shows, and participated in 3 "SET's Opportunity Day" where the Company business operations were clarified to the analysts, investors and mass media, enhancing their understanding of the Company's business conducts. The shareholders, institutional investors and general public are able to request for the information and inquire further by contacting the Investors Relations Department:

Telephone: 0-2764-6209

Facsimile: 0-2620-6200 ext. 2

E-mail: [ir@goldenland.co.th](mailto:ir@goldenland.co.th)

#### **Whistle Blowing Policy**

The Company provides contact channels for any complaints and whistle blowing from internal and external sources, and sets up a system to handle such complaint proceedings appropriately. Measures are also taken to protect and safeguard the secrecy of complainant's information as given below:



1. The Company provides contact channels for any complaints and whistle blowing from internal and external sources, and sets up a system to handle such complaint proceedings appropriately. Measures are also taken to protect and safeguard the secrecy of complainant's information as given below:

1.1 Telephone calls to the chief internal auditor at 0-2764-6206

1.2 By post or in person

- The Company also provides a suggestion box in common area for depositary issues or complaints at the earliest opportunity. Submissions are collected by Head of Internal Audit on a weekly basis. The Company also opens up the following communication channels to facilitate the submission of wrongdoing reports:
- E-mail:  
Independent-Director@goldenland.co.th
- Mail:  
Chairman of Audit Committee Golden Land Property Development PLC  
98 Sathorn Square Office Tower, 36<sup>th</sup> Floor,  
North Sathorn Road, Silom, Bang Rak,  
Bangkok 10500

## 2. Complaint proceedings

Upon receiving the whistle blowing or complaint, the Company will compile, process, cross-check the information and undertake measures to mitigate the damage to those afflicted, taking into account the overall damage, after which the personnel in charge will follow up the actions taken and inform the whistle blower/ complainant alongside the report submitted to the President, Executive Chairman, Audit Committee, and the Board of Directors accordingly, as the case may be.

## 3. Protection measures

To safeguard the rights of whistle blower/complainant or those who cooperate in the fact-finding and investigation, the Company will not disclose their names, address, photo or any other personal information, and undertake protective measures in the case where the whistle blower/ complainant view their life unsafe or in trouble. Those afflicted from the case will be duly taken care of under the appropriate and fair proceedings, whereas those under investigation and found guilty of unethical acts towards business conducts and anti-corruption policy will be subject to disciplinary actions

in accordance with the Company rules and regulations or sentenced by relevant laws.

## 2 Responsibilities of the Board of Directors, and Sub-Committees, and Nomination of Directors and executives

### 1) Board of Directors

The Company's Board of Directors has important governance roles towards the maximization of the Company's interest. The Board has the duty of responsibility to shareholders and must maintain its independency from the management.

The Board of Directors are determined to drive for the Company's sustainable growth, taking into account visions, missions, strategies and a code of business ethics, to align consistency in good corporate governance principles with strategic goals of creating maximum benefits to all shareholders and stakeholders. The Board of Directors works in close cooperation with the management to determine the Company's direction, goals, business plans, annual budget and relevant concerns, and monitors the progress of the implementation under the management's agreed plans. The management submit progress reports to the Executive Committee meetings on a monthly basis and the Board of Directors on a quarterly basis. The meetings set agenda for acknowledgement of monthly performance and review strategies on a quarterly basis.

### Board Structure

1) The Company's Board of Directors comprises of no less than 5 members and no more than 11 members. The number of Independent Directors on the Board must be equivalent to one-third of the Board size, and no less than 3 members. The independent Directors must be qualified under the requirements prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Company also prescribed the qualifications of its directors and Independent Directors as follows:

### Directors' Qualifications

1. An individual who possesses knowledge, proficiency, and experiences that are of benefit to the Company's business operations.
2. An individual who is honest, ethical, virtuous, and responsible, whilst making sound decisions based on facts and rationality.
3. An individual who has leadership, vision and courage to express an independent and different opinion.

4. An individual who is able provide sufficient time to monitor the Company's business operations.

5. An individual who is qualified according to the conditions prescribed under the Public Limited Companies Act, the Securities and Exchange Act, and the notification of the Stock Exchange of Thailand, as well as not disqualified according to the conditions prescribed thereunder. The qualifications and disqualifications include:

(1) Reaching the age of majority and considered sui juris.

(2) A person is not insolvent, incompetent or quasi-incompetent.

(3) A person who has never been imprisoned by a final judgement in respect of any offense in relation to property in bad faith.

(4) Never been punished, or dismissed from employment from any organization, government entity, and government agency for any fraudulent or dishonest conduct.

(5) Not named among the name list of the Stock Exchange of Thailand for disqualified individuals banned under its regulations from being a company director.

#### **Independent Directors' Qualifications**

1. Not owning more than 1% of the total numbers of shares with the voting rights issued by the Company, its subsidiary companies, affiliates; or not being individuals who might have any conflict. This includes shares of any connected persons to such Independent Directors.

2. Not having any involvement in the Company's management; nor being employees, staffs, or consultants who obtain regular salary from the Company; nor being an individual with controlling authority of the Company, its parent, its subsidiaries, its affiliates, any other subsidiaries of a similar rank level, major shareholders, or person with controlling authority of the Company, as of now and at least two years prior to the Independent Directors' term of office.

3. No direct or indirect blood relationships or any legal relationships (in the manner of parent, spouse, sibling, son or daughter and their spouse) with other directors, executives, major shareholders, person with controlling authority, or persons who will be nominated as directors, executives or will have controlling authority of the Company and its subsidiaries.

4. No business relationships with the Company, its parent, its subsidiaries, its affiliates, any other subsidiaries of the similar rank level, major shareholders, or person with controlling authority of the Company that may impair

the Independent Directors' ability to make independent judgments, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, as of now or at least two years prior to the current service term as an Independent Directors, as of now and at least two years prior to the Independent Directors' term of office.

4.1 Not the auditor of the Company its parent company, subsidiary company, associate company, major shareholder or controlling person, or a major shareholder, executive director, management, or managing partner of the Company's auditor.

4.2 Not the professional consultants of the Company (such as legal advisor, financial advisor, assets appraiser etc.) who provides more than Baht 2 million per year of services to the Company, its parent, its subsidiaries, its affiliates, major shareholders, or person with controlling authority of the Company; nor a major shareholder, executive director, management, or managing partner of the Company's professional consultants.

4.3 Have no direct or indirect benefits from or interests in any commercial or business transactions (such as those related to the ordinary course of business, lease or asset lease, assets or services, or financial assistances) with the Company, its parent, its subsidiaries, its affiliates, for a value of more than Baht 20 million or for the amount equivalent to, or more than 3% of the tangible assets of such companies, whichever is the lower amount. The value of such transactions shall be the cumulated one year before the date of such business relationships. The prohibited relationships also include being a major shareholder, executive director, management, or managing partner of any entity that may have such business relationships.

5. Not appointed as a representative of the Company's directors, its major shareholders, or the shareholders who is a related party to the Company's major shareholders.

6. Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company.

7. Not having any character which may impair the Independent Directors' ability to make independent judgments.

8. The Independent Directors with the qualifications as prescribed in Clause 1 - 7 may be assigned by the Board of Directors to make collective decisions on the business operations of the Company, its parent, its subsidiaries, its affiliates, or any other subsidiaries of the similar rank level, or any juristic persons which might have conflicts.

2) The Company's directors and executives can take their positions as a director, an executive, or a controlling authority in the Company's subsidiaries or in other companies as per the conditions prescribed by the Securities and Exchange Commission, the Stock Exchange of Thailand, and other relevant agencies, as well as any appropriate approvals from the Board of Directors.

3) Each member of the Board must disclose their detailed resume to the public and when any change is made in the Company's directors.

#### **Appointment of the Board of Directors**

The appointment of members of the Board of Directors is undertaken in accordance with the Company's regulations and in compliance with the Public Limited Companies Act. The selection process for any nominated director posts shall be undertaken by the Nomination and Compensation Committee which shall select qualified candidates for the required directorship role and subsequently nominate the selected candidates to the shareholders' meeting for their appointments. The Company's regulations prescribe that the appointment of the members of the Board of Directors must comply with the Public Limited Companies Act, and shall proceed as follows:

1. The shareholders' meeting elects any additional members of the Board of Directors or the replacement thereof under the following rules and procedure:

a. Each share held in common stock shall be equivalent to one vote.

b. Each shareholder is required to cast all their voting rights under a. to elect a candidate (or candidates) to be a director (or directors). Individual's votes cannot be fractionally divided evenly among all candidates.

c. The candidate with the most votes shall be first elected; the next-ranked director position shall go to the candidate with the next highest number of votes and so on until the vacancies of all directorship position are filled. If the next-ranked candidates get an equal number of votes, the

chairman chairing the meeting will have the casting vote.

2. The Board of Directors shall select a candidate for any vacancy of directorship post caused by any cause other than a termination of their term.

#### **Term of Office for the Board of Directors**

In each of the Annual General Meeting of the Shareholders, one third of the Company's Board members shall complete their term of office which shall then expire on that date. If the number of the Board members cannot be split into three, then the number shall be rounded to the nearest number of one third.

Drawing lots shall be applied to end the office term of Board members on the first year and the second after the listing of the Company in the stock exchange. As for the subsequent years, thereof, the Board members with the longest service term shall then resign from their posts. Resigned directors can be reelected for a new term of service.

Other than completion of their term of service, members of the Board of Directors can be removed from their position under the following circumstances:

1. Death
2. Resignation
3. Disqualified or falling under conditions as prohibited under the Public Limited Companies Act
4. Resignation due to a resolution of the Annual General Meeting of the Shareholders
5. Resignation due to a court order

#### **Roles, Duties, and Responsibilities of the Board of Directors**

1. The Board of Directors should conduct their duties in accordance with applicable laws, the Company's objectives and regulations, and the resolutions of the shareholders' meeting with honesty, integrity, due care for the Company's interests, accountability and equitability towards all shareholders.

2. The Board of Directors shall determine the Company's direction and policies of business operations and ensure that the management act in conformity with the Company's policies and regulations in an effective and efficient manner and fulfill their duties under the good corporate governance principles to pursue sustainable growth and long-term capital appreciation.

3. The Board of Directors shall report to the Company's shareholders about its operational performance at the shareholders' meeting and in the Company's annual report.

4. The Board of Directors shall oversee that the Company maintains efficiency and accountability in its accounting system, financial reporting process, internal controls and internal audits.

5. The Board of Directors shall afford a good corporate governance policy in writing and regularly review such policy.

6. The Board of Directors shall oversee and monitor the Company's management to ensure that equitable treatment is ethically provided to all shareholders.

7. Independent and non-executive directors are encouraged to freely exercise their independent judgment upon reviewing the Company's strategy, administration, resources utilization, appointment of directors, and operational standards; while also being encouraged to counterbalance the acts of management or other directors in any conflicting issues or actions that may otherwise impact the equitability of all shareholders.

8. If necessary, the Board of Directors may seek advice or professional opinions from external consultants on the Company's operations, the cost thereto shall be absorbed by the Company.

9. The Board of Directors shall oversee that a Company Secretary is appointed to assist and administer certain activities of the Company and its Board, such as the shareholders' meetings, and Board of Directors' meetings. The Company Secretary shall also advise the Company and its Board on their compliance of requisite duties to applicable rules and regulations, and shall ensure the accurate, complete, transparent and timely disclosure of information by the Company and its directors.

If any of the Board members has any knowledge of material inside information that may impact the price movement of the Company's stocks, that Board members must refrain from any trading of the Company's shares for a given period of appropriate timeframe prior to an official public release of such information. No Board members shall disclose such material inside information to other person or persons; any violation thereof shall carry the legal punishment in connection therewith.

11. The Board of Directors shall report and update the "Report on the interest of Directors / Executives" to the Company, in compliance with the Company's regulations.

12. New Directors should attend an orientation session on the Company's business operations.

13. The Board of Directors shall afford the Code of Conduct to be notified company - wise and posted on the corporate website. Such Code of Conduct is deemed a

policy on integrity applicable to directors, management and employees who have the duty to understand and comply in accordance with "the Spirit of Integrity". The superiors are required to equip their subordinates with the knowledge of the Code of Conduct and disciplinary actions to be taken up to termination of employment in case of violation while monitoring their compliance in the line of duty.

#### **Authority of the Board of Directors**

The Board of Directors may authorize any director or directors, or any other person(s) to act on its behalf; and may revoke or amend such authorization. The Board of Directors has the authority to designate, amend and change the authorized director-signatory; and appoint the Board's sub-committees. Nevertheless, the Board of Directors may entrust the Executive Committee with the authority to perform the duties within the scope of its authority. By so doing, such authorization shall not be in such a way that the authorized persons or their appointees with personal interest are in the capacity to approve transactions of the Company or its subsidiaries with other conflicting interested persons (according to the notifications of the Securities and Exchange Commission of Thailand), except that such transactions are in line with the policy and principles prescribed by the Board of Directors.

#### **Meeting of the Board of Directors**

1. The Board meets regularly, at least once every quarter, and additionally as necessary. The Company schedules the meetings of the Board of Directors and Sub-Committees in advance throughout the year and informs each director of the meeting calendar. Each meeting will take about 1 - 3 hours, availing all directors the opportunities to discuss and give opinions openly.

2. In holding the meeting of the Board of Directors, the Company usually delivers the meeting invitation for the upcoming Board of Directors meeting with clear details of the meeting agenda and attached supplementary information to the Board members at least 7 days or 5 working days in advance, except for emergencies, to allow them sufficient time to study, review and make the right decision in the proposed issues.

3. For each Board of Directors meeting, a quorum, as defined in the Company's regulations is required, that is, not less than half of the directors shall constitute a quorum. In the case where the Chairman is not present at the meeting or not able to perform the duty, the Vice Chairman, if there is any and is able to perform the duty, or any present director selected by the attending directors, to chair the meeting. The decision of the meeting by majority votes will be final.

4. The Chairman of the Board shall approve the meeting agenda items by consulting with the Company management on such matter. The management shall consider any requests from certain Board members for insertion of such important issues in the meeting agenda for the Board's consideration.

5. The Chairman of the Board shall be responsible for appropriate allocation of time for the management to present the documents and information for discussion, as well as for the Board members to discuss the matters of relevance.

6. During the Board meetings, the Chairman of the Board shall summarize important agenda issues for Board review, support and give opportunities to any Board members to express their opinions prior to finalizing of meeting resolutions.

7. In reviewing any items on the meeting agenda, Board members with a personal interest or material relationship to such item must excuse themselves from the meeting and take no part in the vote.

8. The Board members are entitled to access or request essential information, advice and assistance from the Company's management on issues relating to the Company's operations, and can seek independent opinions from external consultants.

9. Minutes of each meeting shall be put into writing and submitted to the Board of Directors for consideration of the draft of meeting before certifying the minutes by the Board in the next meeting. In order to provide a convenient reference for the committee and relevant persons, the originals of all documents consisting of the minutes of the meeting shall be kept along with the electronic form, including documentation supporting the meeting agendas. In fiscal year 2017, the Board of Directors convened four meetings, in which the in which the Senior Executive Vice President - Accounting and Finance and the management involving business development and internal audit attended and reported the business progress. The Board of Directors convened non-executive directors to the Meeting of the Board of Directors No. 3/2560 held on 9 August 2017 with respect to Agenda No. 7, in which the Board of Directors, non-executive directors and independent directors discussed general issues relating to the administration and corporate governance.

10. The Company sets the policy on the quorum of the Board to resolve on the agenda items that at least 2 out of 3 of the total number of directors must attend the meeting.

## Strategic Planning and Execution

The Strategic Planning and Execution, the Board of Directors provides significant input to the development of a five-year strategic plan. In 2017, the committee jointly considered the five-year strategic plan for a period starting from 2018 to 2022 and an action plan for 2018. The Board of Directors shall monitor the progress of the implementation under the management's agreed plans. The management shall submit progress reports to the Executive Committee meetings on a monthly basis and the Board of Directors on a quarterly basis.

## Remuneration for the Board of Directors

1. The Board of Directors are appropriately compensated in relation to their assigned roles, duties and responsibilities

2. The Board shall disclose the report of the Board member remunerations individually and as a collective body, in the Company's annual report in compliance with its good corporate governance policy.

3. The remuneration of the Board members shall be proposed by the Compensation and Nominating Committee to the shareholders' meeting for its approval.

## 2) Sub-Committees

The Board appointed the following 5 sub-committees to undertake the assigned tasks:

- 1) Executive Committee
- 2) Audit Committee
- 3) Compensation and Nominating Committee
- 4) Corporate Governance Committee
- 5) Risk Management Committee

The detail of all sub-committees are as follows:

### 1) Executive Committee

#### *Composition of the Executive Committee*

1. The Executive Committee comprises skilled and qualified individuals in management.

2. Chairman of the Executive Committee can only be selected from the Board members.

#### *Appointment of the Executive Committee*

The members of the Executive Committee are appointed by a resolution of the Board of Directors.

#### *Roles, Duties and Responsibilities of the Executive Committee*



The Executive Committee, together with the Company's management reviews and proposes corporate policy, direction, strategy, objectives, business plan, budget and authority framework of the Company and its subsidiaries to the Board of Directors for their approval. It also oversees and governs the Company's business operations to be in line with its targeted objectives and approved business plan. The Committee is involved in the approval of the Company and its subsidiaries' business activities under the framework of authorized power assigned by the Board of Directors. It also scrutinizes matters proposed by the Company's management for submission to the Board of Directors, if such matters are not within the scope of its proper authority.

Approvals by the Committee shall not involve transactions that the approvers, being either the committee members or its assigned power of attorney, have any material relationship or any conflict of interest or a possible perceived conflict of interest with the Company or its subsidiaries, except for the approvals made in accordance with the permitted policy and authorized regulatory framework which have already been approved by the Board of Directors. (The conflict of interest is defined as prescribed and notified by the Securities and Exchange Commission.)

#### *Remuneration for the Executive Committee*

The remuneration of Executive Committee shall be proposed by the Compensation and Nominating Committee to the shareholders' meeting for its approval.

## **2) Audit Committee**

The Board of Directors attaches the highest importance to good corporate governance in conducting its business in accordance with all applicable laws and regulations and forges ahead with ethics of accountability, transparency and integrity towards the Company's shareholders, business partners and customers. To that end, the Audit Committee plays a pivotal role in assisting the Board of directors to fulfill its oversight of the Company's accounting and financial reporting process. To preserve confidence among all stakeholders in the Company's operations being carried out in accordance with a code of business ethics, efficient internal controls and the principles of transparency and fairness and in the absence of conflict of interest, the Board of Directors establishes the Charter of the Audit Committee governing the following aspects:

#### *Qualification Requirements of the Audit Committee*

1. The Audit Committee shall give opinions and perform the duties assigned by the Board of Directors independently without having a financial interest in the

Company's property or designation; not being under the influence of any person or group of persons; and not letting any situation impair their due discretion and expression of their opinions;

2. Being honest;

3. Being accepted for their credibility and accountability;

4. Possessing the sound understanding of the principles of management, discretion and decision-making skills, problem analytical skills, posing queries right to the point, interpreting and assessing the responses logically;

5. Possessing good interpersonal skills;

6. Being creative, fully expressing the opinions in the meeting while receptive to others' opinions as well;

7. Not owning more than 1% of the total numbers of shares with the voting rights issued by the Company, its subsidiary companies, affiliates; or not being individuals who might have any conflict. This includes shares of any connected persons to such Independent Directors;

8. Not having any involvement in the Company's management; nor being employees, staffs, or consultants who obtain regular salary from the Company; nor being an individual with controlling authority of the Company, its parent, its subsidiaries, its affiliates, any other subsidiaries of a similar rank level, major shareholders, or person with controlling authority of the Company, as of now and at least two years prior to the Independent Directors' term of office;

9. No direct or indirect blood relationships or any legal relationships (in the manner of parent, spouse, sibling, son or daughter and their spouse) with other directors, executives, major shareholders, person with controlling authority, or persons who will be nominated as directors, executives or will have controlling authority of the Company and its subsidiaries;

10. No business relationships with the Company, its parent, its subsidiaries, its affiliates, any other subsidiaries of the similar rank level, major shareholders, or person with controlling authority of the Company that may impair the Independent Directors' ability to make independent judgments, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, as of now or at least two years prior to the current service term as an Independent Directors, as of now and at least two years prior to the Independent Directors' term of office:



10.1 Not the auditor of the Company its parent company, subsidiary company, associate company, major shareholder or controlling person, or a major shareholder, executive director, management, or managing partner of the Company's auditor;

10.2 Not the professional consultants of the Company (such as legal advisor, financial advisor, assets appraiser etc.) who provides more than Baht 2 million per year of services to the Company, its parent, its subsidiaries, its affiliates, major shareholders, or person with controlling authority of the Company; nor a major shareholder, executive director, management, or managing partner of the Company's professional consultants;

10.3 Have no direct or indirect benefits from or interests in any commercial or business transactions (such as those related to the ordinary course of business, lease or asset lease, assets or services, or financial assistances) with the Company, its parent, its subsidiaries, its affiliates, for a value of more than Baht 20 million or for the amount equivalent to, or more than 3% of the tangible assets of such companies, whichever is the lower amount. The value of such transactions shall be the cumulated one year before the date of such business relationships. The prohibited relationships also include being a major shareholder, executive director, management, or managing partner of any entity that may have such business relationships;

11. Not appointed as a representative of the Company's directors, its major shareholders, or the shareholders who is a related party to the Company's major shareholders;

12. Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company;

13. Not having any character which may impair the Independent Directors' ability to make independent judgments.

#### *Composition of the Audit Committee*

1. The Audit Committee consists of at least three independent directors appointed by the Board of Directors or the shareholders' meeting, out of which at least 1 member of the Audit Committee must possess enough knowledge and experience in accounting and finance. The member

of the Audit Committee who is qualified in this respect is Mr. Chainoi Puankosoom (Please refer to section "Board of Directors and Executives", on additional information Audit Committee Members' qualification); The Audit Committee selects one member to be Chairman, and appoints Chief of Internal Audit as ex-officio Secretary to the Audit Committee. In the case that Chief of Internal Audit position is vacated, the Audit Committee shall appoint another qualified person as acting Secretary.

#### *Appointment of the Audit Committee*

The Board of Directors or the resolution from Shareholder Meetings appoint an audit committee consisting of Independent Directors whose qualifications meet the requirements of the Securities and Exchange Act, Notifications of Capital Market Supervisory Board and Rules and / or Regulations of the Stock Exchange of Thailand (SET) governing qualifications and scope of responsibilities of the audit committee. In addition to considerable knowledge and experience in the field of accounting and finance, at least one member must have a high degree of expertise in financial reporting able to review the reliability and accuracy of the Company's financial statements. The tenure of each committee member is 3 years and the same as their tenure as a director on the Board.

#### *Internal control System*

The Company underlines the importance of internal control and internal audit, resulting in the formation of an internal audit department under the supervision of the Audit Committee. The department is responsible for reviewing an organization's business processes, assessing controls and significant issues that draw the Board's attention, and performing other functions as assigned by the Board. Moreover, the Company fully appreciate the significance of good corporate governance conducive to the increased organizational effectiveness, a high level of reliability, and transparency that are the cornerstone of the Company's sustainable growth. To that end, the internal audit department shall pass on advice, give an analysis, offer suggestions on problem-solving approaches, and follow up on developments in order to improve the internal controls and achieve the organizational goals of providing maximum benefits to all stakeholders.

#### *Roles, Duties, and Responsibilities of the Audit Committee*

The Audit Committee is required to report to the Board of Directors and has the following roles, duties and responsibilities:

1. Arrange to review and assure that the Company presents its financial reports with accuracy and adequacy;

2. Arrange to review and assure that there are appropriate and effective internal control and audit systems; assess the independence of the internal audit function; as well as endorse the appointment, reshuffling, removal, and termination of Chief of Internal Audit, or any other units responsible for internal audit work;

3. Arrange to review and assure that the Company has an efficient and effective risk management system in order to mitigate and contain risks at the appropriate level;

4. Arrange to review that the Company acts in compliance with the securities and stock exchange laws, the regulations of the Stock Exchange of Thailand, and laws and regulations governing its business operations;

5. Assess, select, make relevant proposal for appointment / termination of the independent party to be Company's auditors, as well as their remuneration, and hold meeting with the auditors at least once a year without the presence of any members of the Company's management;

6. Consider related transactions and transactions that may be perceived as causing any conflict of interests to assure lawful practices and regulatory compliances, as well as rational and maximized corporate interest;

7. Arrange to have the Audit Committee Report disclosed and published in the Company's annual report. The report shall be undersigned by the Chairman of the Audit Committee and include at least the following information:

7.1 Opinions on the accuracy, completeness and accountability of the Company's financial statements;

7.2 Opinions on adequacy of the Company's internal control system;

7.3 Opinions on compliance with the securities and stock exchange laws, the regulations of the Stock Exchange of Thailand, and the laws and regulations governing its business operations;

7.4 Opinions on suitable qualifications of the auditors;

7.5 Opinions on transactions that may be perceived as causing any conflict of interest;

7.6 Number of meetings of the Audit Committee and the record of attendance of each Committee member;

7.7 Opinions or general remarks of the Audit Committee regarding conducting its duties according to the Audit Charter;

7.8 Other issues under the assigned scope of the Audit Committee's duties and responsibilities of which shareholders and investors ought to be notified;

8. Other tasks assigned by the Board of Directors, and approved by the Audit Committee;

9. In conducting its duties, if the Audit Committee discovers or has any doubts that there are any transactions or actions that may materially impact the Company's financial position and operational performance 1%, the Audit Committee shall report to the Board of Directors for appropriate rectification within the timeframe appropriately prescribed by the Audit Committee.

#### *Meeting of the Audit Committee*

The Audit Committee should regularly meet to consider various issues in accordance with its prescribed duties and responsibilities under the following rules:

1. The Audit Committee meets quarterly at least four times a year and may additionally call a special meeting as necessary;

2. At each Audit Committee's meeting, at least two thirds of the Committee should be present in order to make a quorum. In the case where any member of the Committee is not able to be present at the meeting, participation via telephone or video conference can be arranged;

3. In the case where the Chairman of the Audit Committee is not present at the meeting or being unable to perform the duty, the attending Committee members shall select a member to chair the meeting;

4. Each member of the Audit Committee has one vote to cast; and in reviewing any items on the meeting agenda, any member of the Committee who has a personal interest in such item shall take no part in the vote;

5. The final decision of the Audit Committee is reached by majority votes without the Chairman taking part in the vote. In the case of equal votes, the Chairman shall cast the final vote;

6. The Audit Committee members are entitled to access or request facts and information by inviting the management, internal audit staff, auditors or concerned persons to participate in any agenda items and, if viewed important and necessary, the Audit Committee may invite independent experts and /or professional consultants to attend the meeting;

7. The Audit Committee regularly meets with the management or internal audit team at least once a year;

8. Meeting agenda and supplementary information shall be completed and delivered to the Audit Committee members at least 7 days prior to each meeting date. The Secretary to the Audit Committee shall take notes and prepare the minutes of the meeting.

#### *Term of Office of the Audit Committee*

The Audit Committee shall have three years term of office as from the appointment date or term of service as the Company's director, and may be reappointed for another term, but not automatically reappointed.

- The term of the Audit Committee members shall end upon completion of the term of their directorship, resignation or removal or being disqualified from performing the duties as Audit Committee member;

- In the case where any Committee members intend to resign before due term, they should notify such decision and reasons to the Board of Directors one month in advance to enable the Board of Directors to consider to appoint any qualified individuals as specified in the Charter to replace such vacancy.

#### *Remuneration of the Audit Committee*

The Audit Committee shall be appropriately remunerated to correspond with its duties and responsibilities, the amount of which is approved by the shareholders' meeting and disclosed in the Company's annual report.

### **3) Compensation and Nominating Committee**

#### *Compensation and Nominating Committee Nomination*

The Board of Directors shall be responsible for selection and appointment of the Compensation and Nominating Committee.

#### *Roles, Duties and Responsibilities of the Compensation and Nominating Committee Nomination*

1. Define rules and policies for the selection of the nomination of Directors and Sub-Committee members of the Company.

2. Review and select qualified candidates to fill the directorship positions in the event of the vacancy thereof, and submit its recommendation to the Board of Directors for approval and/or for reconsideration prior to its further proposal to the shareholder meeting for its approval, whatever the case may be.

3. Review and select qualified candidates to fill the senior management positions from the level of the Managing Director or above in the event of a vacancy thereof.

4. Review and propose the name list of qualified candidates for the Sub-Committee members to the Board of Directors in the event of a vacancy.

5. Review and set necessary and appropriate remuneration and benefit schemes, both in monetary and non-monetary terms, that are suitable incentive for encouraging and retaining the members of the Board of Directors and the members of the Sub-Committees and / or to propose such remuneration and benefit schemes to the shareholders' meeting for its approval.

6. Prepare rules and policies on remuneration of the Board of Directors, the Audit Committee, and the Nomination and Compensation Committee itself to submit to the Board of Directors and / or the shareholders' meeting for its approval, whatever the case may be. The consideration criteria shall be based on the Company's operational performance, the scope of duty and responsibility of each of the committees, as well as experience, knowledge, and responsibility of the directors and committee members in comparison to other companies in the same industry.

7. Review and set necessary and appropriate remuneration and benefit schemes, both in monetary and non-monetary terms that are suitable incentive for encouraging and retaining the senior management from the level of the Managing Director or above. The consideration criteria shall be based on assessments of their work dedication and the Company's operational performance.

8. Provide explanations and answers to the shareholders' questions on directors' remunerations in the shareholders' meeting.

9. Undertake any other tasks as may be assigned by the Board of Directors and approved by the Compensation and Nominating Committee.

#### *Remuneration for the Compensation and Nominating Committee*

The Board of Directors shall set the Committee's remuneration and propose this to the shareholders' meeting for its approval.

### **4) Risk Management Committee**

#### *Appointment of the Risk Management Committee*

The members of the Risk Management Committee are appointed by a resolution of the Board of Directors.

#### *Roles, Duties and Responsibilities of the Risk Management Committee*

1. To prescribe strategies and policies, as well as setting targets of risk management of the entire organization, for use as guidelines for effective risk management by the Management so that it be carried out in the same direction

2. To prescribe the frame of integrated risk management which shall cover major risks of the business, such as, business risk and operational risk, etc.

3. To laydown risk management system so as to reduce any effects that may occur to the business operations of the Company permanently, including arrangement for regular risk assessment.

4. To prepare and approve suitable risk management plan, by assessing risk factors that may affect the business operations of the Company, and prepare risk management plan at all levels through brainstorming among the executives and staff from.

5. To develop the efficiency risk management and examine it for suitable risk management

6. To encourage the executives and staff so that they be aware of the importance of management and administration of risks that may cause the Company not being able to achieve its targets including to persuade into the risk management at all levels of the organization, while at the same time embedding it as a culture of the organization.

7. To monitor the progress in complying with the risk management plan of the Company, and provide advices and recommendations in regard to risk management.

8. To communicate with the Audit Committee about significant risks that may affect the internal control to report to the Board of Directors of the risks and the progress of management such risks.

## 5) Corporate Governance Committee

### *Appointment of the Corporate Governance Committee*

The members of the Corporate Governance Committee are appointed by a resolution of the Board of Directors.

### *Roles, Duties and Responsibilities of the Corporate Governance Committee*

1. of good corporate governance policy; business ethics; policy, practice guidelines and a sustainable management which includes undertaking to take care of all stakeholders, society, communities, and environment; and any other policies and practice guidelines in support of the Company's business conducts in accordance with its corporate governance;

2. Oversee that the Company's management applies the guidelines mentioned in 1) above to continually develop the Company's business conducts in parallel with the universal practice guidelines in accordance with the good corporate governance recommended by the regulating agencies, such as the Stock Exchange of Thailand, and the Office of Securities and Exchange Commission;

3. Disclose the principles of good corporate governance and best practices in relation to all stakeholders, such as the Company, shareholders, creditors, employees, customers, business partners, society and environments;

4. Give advice to the working team in preparing for good corporate governance rankings undertaken by an external and neutral agency;

5. Give advice and suggestions to the working team in establishing the corporate governance framework to oversee the Company's anti-corruption undertakings;

6. The committee can call relevant persons or appropriate persons to participate in meetings or to provide further clarification of issues in question.

7. Review and update the charter of the Corporate Governance Committee and propose it to the Board of Directors for approval;

8. Undertake any other tasks as may be assigned by the Board of Directors.

## 3. Nomination and Appointment of Directors and Top Executives

### *Directors*

The Compensation and Nominating Committee has taken into consideration the following factors in establishing the guidelines to screen the director-nominees:

#### 1. Prerequisite qualifications

The Nominating Committee should consider and define the specific characteristics of the director-nominees, such as integrity and accountability, information and rationality based decision-making, maturity and steadiness, good listening and assertive expression of different opinions, independence, working by principles and professional standards, and other characteristics deemed essential

#### 2. Skills and Expertise

The Nominating Committee should consider and define the skills and expertise in the areas required in the directors to enable the Board to establish policy as well as to effectively monitor the execution;

### 3. Director Diversity

The Nominating Committee explores the development of guidelines and criteria, which the breadth and diversity of qualifications of the Directors such as age, knowledge, expertise, experience and skills, (both hard skills and soft skills (Board Skill Matrix)), are incorporated into the determination of qualifications required for director-nominees. The Committee shall consider the appropriate mix of skills and expertise to make up for the management deficiencies and replenish competence needed for the Company's successful business operations. Moreover, the Committee uses the Board Skill Matrix as a tool for evaluating knowledge and competence of existing directors and nominees to replace the outgoing workforce. The content of guidelines is categorized into 3 sections as listed below:

#### 3.1 Macro-management Expertise

Expertise is required in different areas: business or the company's related industry expertise, management expertise, human resource expertise, economic and investment expertise, strategic planning expertise, public relations and marketing expertise, foreign affairs expertise, and risk management expertise.

#### 3.2 Specific knowledge, experience or expertise

Three areas of specific expertise are required: 1) legal expertise, including knowledge of government regulations relating to business operations, 2) accounting and finance expertise. Director-nominees must have knowledge and understanding of financial statements, accounting standards or be/used to be a member of audit committee of listed companies, and 3) expertise in transportation, real estate and engineering, which adds diverse dimensions to the Board and facilitates the performance of the Board's duties to achieve the maximum efficiency in the Company's business operations.

#### 3.3 Corporate Governance Expertise

The expertise can be specified into 2 areas, which are 1) the expertise in corporate governance to define the policy and 2) related guidelines, and the expertise in all stakeholders' treatment.

#### Executive Director

*Appointment and selection of Executive Directors (Succession Plan)*

The Board of Directors shall be responsible for selecting and nominating qualified candidates to fill executive positions, e.g. directors, members of sub-committees and the President, in order to maintain a continuous level of

quality in management and leadership. The Company establishes succession plans for key executive positions in an appropriate and transparent manner to ensure that the Company brings into the fold executive directors who have a high level of professionalism and managerial independence from dominant shareholders and other stakeholders. The Committee selects, grooms and prepares promising candidates who have required qualifications, knowledge, experience and capabilities for career growth prospects and executive positions through a talent assessment and development process. Potential successors are to be coached according to individual growth plans, based on a range of knowledge, skills and capabilities, and exposed to challenging assignments and job rotation to enhance leadership skills and expand professional knowledge. The succession planning and internal talent development programs are designed to identify talented employees at all levels and prepare them to fill open positions to guarantee the efficient and timely continuity of the Company's business operations.

The Company is actively engaged in sound succession plans and internal talent development for unforeseen changes in leadership, especially senior management and personnel in key positions. The Company selects high-caliber successors from the internal talent pool, examines promotion prospects according to agreed requirements on a yearly basis, and grooms individuals, at both entry- and mid-level, with excellent performance and potential to advance towards key positions. Based on the selection criteria, future nominations shall be under consideration of the Nominating Committee, which consists of the President, CEOs, or middle management. The Committee also uses a skill matrix for the identification and development of high potential individuals with the appropriate mix of skills and expertise to make up for the management deficiencies and replenish competence needed for the Company's successful business operations.

#### Company Secretary

*Roles, Duties and Responsibilities of the Company Secretary*

1. Undertake its duty with responsibility, cautiousness, honesty, and in accordance with applicable laws and regulations

2. Manage and coordinate the meeting of the Board of Directors, the meeting of the Sub-Committees, and the shareholders' meeting. It also oversees that actions are taken in compliance with the Company's objectives and



regulations, the Board's resolutions, the resolutions of the shareholders' meeting, as well as in accordance with applicable laws and regulations.

3. Prepare, keep, and safeguard the Company's documents such as director record, notification of meeting invitation, minutes of the Board of Directors' meeting, minutes of the shareholders' meeting, annual report etc.

4. Keep and safeguard the report on the interest of Directors and Executives, and submit such report to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date of its receipt.

5. Other actions prescribed by the Capital Market Supervisory Board

#### **Policy and practice guidelines regarding directorship in other companies**

The President shall obtain prior approval from the Board of Directors to hold directorship in other companies that does not conduct a business in conflict with the Company's interest.

#### **Orientation/Development of Directors and Executives**

##### *Knowledge Development*

The Company supports the participation of its Board members, executives and employees in relevant training and seminars as a part of its knowledge development. Such

training and seminars include the courses organized by the Thai Institute of Directors, the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission, and other relevant agencies.

##### *Orientation of Directors and Executives*

The Company organizes the orientation session for the newly appointed directors to equip them with the knowledge of the Company's policy, nature of business, historical background, office location and branch office, corporate culture. The presentation, together with the relevant handouts on the organization structure, corporate governance policy, and internal control system is conducted by the President and Company Secretary as well. The Board of Directors supports and encourages its Board members to enhance knowledge to improve their functional efficiency. The Company supports the participation of its Board members in relevant training and seminars organized by the Thai Institute of Directors, the Stock Exchange of Thailand, or other relevant agencies, on a continual basis, both in respect of duties and responsibilities or new management philosophy to enable all directors to continually broaden their horizons and improve functional performance, as well as to apply such knowledge suitably and correspondingly to their performance improvement and for the interest of the Company. In 2016, the directors / executives attended the following training and seminar:

Director / Executives / Company Secretary	Position	2017 Training Course
1. Mr. Somboon Wasinchutchawa	Executive Committee / Risk Management Committee / Senior Executive Vice President - Accounting and Finance	<ul style="list-style-type: none"> <li>• TLCA Leadership Development Program (LDP) #5 Thai Listed Companies Association</li> </ul>
2. Ms. Prasnee Surastian	Executive Vice President - Corporate Strategy and Investment / Company Secretary	<ul style="list-style-type: none"> <li>• Thai Institute of Directors (IOD): <ul style="list-style-type: none"> <li>- Company Secretary Program (CSP 79/2560)</li> <li>- Board Reporting Program (BRP 23/2017)</li> <li>- Company Reporting Program (CRP 18/2017)</li> <li>- Effective Minute Taking (EMT 38/2017)</li> </ul> </li> <li>• Communicating globally with credibility and confidence, Thai Listed Companies Association</li> <li>• How successful leaders get even better by Dr. Marshall Goldsmith</li> </ul>



## 4 Corporate Governance for the Company's Subsidiaries and Affiliates

The Company has seconded its corporate representatives to be the Directors, Executives and Executives with controlling authority in its subsidiaries and affiliates in accordance with its proportionate shareholding quota, to oversee business operations of its subsidiaries and affiliates. (See section "Shareholding Structure of the Company's Group" and section "Detailed information on directors of the Company's subsidiaries") The Directors and Executives of the Company can take the assigned positions as Directors, Executives and Executives with

controlling authority in the Company's subsidiaries and affiliates, subject to conditions as prescribed by the regulations of the Securities and Exchange Commission and other relevant authorities, as well as any appropriate approvals from the Board of Directors.

The persons who are assigned to be Directors, Executives, and Executives with controlling authority in the Company's subsidiaries and affiliates shall have the duty to best serve those entities. In addition, for any resolution or any vote casting on important matters of the Company's subsidiaries and affiliates, which require the Company's Board of Directors' approval, if required to be undertaken by such subsidiaries and affiliates, the assigned Directors and Executives must seek appropriate approval from the Company's Board of Directors prior to the making of such resolution or casting of any such vote on those important matters

## 5 Inside information control

The Company pays attention to the supervision and the control of the use of inside information according to the principles of good corporate governance and abides by ethical principles of business conduct to ensure that the investors who invest in the Company's securities are provided with accurate, timely, even-handed, and sufficient disclosure of information as per the guidelines of the Stock Exchange of Thailand on inside information. The Company therefore prescribes its regulations on the supervision and controls on the use of insider information and its regulation on security trading by directors, executives and employees that are in compliance with the securities and exchange laws to ensure transparency in business conducts. The regulations are set forth as follows:

- Directors, executives and employees at all levels shall not use any inside information of the Company which has not been disclosed to the public or to

the Stock Exchange of Thailand, and shall have a material effect on the changes in the Company's securities prices, for the trading of any of the Company's securities for their personal benefit or others' benefit.

- Directors and executives shall refrain from any trading of the Company's securities within the period of 30 days prior to the publicly release of the Company's financial statements and for at least 24 hours after the release of such financial statements.
- Directors and executives have a duty to report their holding of the Company's securities, as well as the holding of the Company's securities by their spouses and children who are minors to the Securities and Exchange Commission and the Stock Exchange of Thailand.
- The Company adopts strict regulations regarding computer security and information disclosure to prevent material and non-public information from being disclosed, and persons who have access to inside information must not disclose such information until it is provided to the Stock Exchange of Thailand (SET).

In the case where the Board of Directors, management or employees exploit inside information for personal gain, the Company shall impose harsh punishment and punitive measures for the misconduct. If there is breach of the abovementioned rules and regulations, the Company shall deem it a serious disciplinary offence, resulting in the disciplinary and legal proceedings.

### Internal Control

The Audit Committee has performed its duties in reviewing the assessment of the Company's internal controls and provided its suggestions to the Company's management for the relevant improvement of the internal control system to suit the Company's business operation, as well as recommended the preparation of the standardized work manuals for each department to enhance operational efficiency and effectiveness. In addition, it also carried out a review to ensure that the Company's accounting system and financial reports are accurate, accountable, and in strict compliance with laws, regulations, and rules related to the business operations of the Company. In every quarterly meeting of the Board of Directors, the Board paid consistent attention to the reporting on the internal control and instructed that the opinions of the Audit Committee on the internal control and is one key agenda in the meeting.

Every year the Audit committee shall regularly hold its quarterly meetings with the Company's independent auditors and its internal auditors to follow up and inquire about the Company's internal control system. The Company's Board of Directors and the Audit Committee both agree that the internal control systems of the Company and its subsidiaries are presently adequate and appropriate.

#### Policy on Conflict of Interest

The Company recognizes the importance of conflict of interest among the related parties both on a corporate level and on a personnel level and that it needs to be managed cautiously, justly, and transparently. It also prescribes policies and best practice guidelines for managing conflict of interest as well as full disclosure on conflict of interest. At any meeting, in an event that any of the Company's directors and executives has any conflict of interest on any issues related to any meeting agenda, that director/executive shall not participate in such meeting or shall refrain from voting on that agenda.

#### The Company's Policy on Conflict of Interest

(1) Employees shall avoid any conflict of interest arising from personal benefits against benefit of the Company in any contact with any trade counterparty or other person.

(2) Any role taken by employees as a director or an advisor in any company, organization, or any other business association shall not permit any conflict of interest or conflict with their duty to directly act in the interest of the Company.

(3) Employees shall not be a partner or a shareholder with authorized decision or an executive of any business which competes with or has the similar business nature as the Company. In the event that such a role cannot be avoided, employees are required to immediately inform their supervisors.

(4) While carrying out duties with the Company and after such duties, employees shall not disclose any confidential information of the Company for the benefit of any other person, whether such information be electronic data, financial information, operational information, information on future business plan of the Company, etc.

(5) In the event that employees or their family members participate or become a shareholder in any business which may have interest or conflict of interest with the Company, they shall inform their supervisors in writing.

(6) Employees shall not borrow money from the Company's trade counterparts, except for financial

institutions, since this may impact their duties and status as the Company's representatives.

(7) Employees shall avoid being involved in any activity that may cause any conflict of interest to the Company or create any form of financial obligations with related business parties of the Company or any other employees of the Company.

(8) Employees are prohibited to pay the Company's money or dispose of the Company's assets without approval from the Company's authorized persons.

(9) In an event that employees must take any other work for additional income or for any other purpose after the Company's working hours, such work shall not violate laws, offend public order or good morals, be in conflict with the Company's interest, compete with the Company's business or involve a similar business as the Company, and adversely impact the Company's reputation and business. Employees also shall not use the Company's confidential information for such job, and such job shall not impact their duties and work with the Company.

#### Performance Evaluation of the Board of Directors and Sub-Committees (as a whole and on an individual basis)

The Board of Directors has passed the resolution approving the performance evaluation form for self-evaluation of the Board and its sub-committees (as a whole and on an individual basis), whereby the performance evaluation shall be conducted at least once annually and the performance evaluation summary report is to be prepared accordingly. Such undertaking shall include the self-evaluation of the Audit Committee, the Executive Committee, and the Compensation and Nominating Committee as well, as part of the framework for auditing and improving the performance.

#### Performance Evaluation Process of the Board of Directors and Sub-Committees (as a whole and on an individual basis)

At the end of the year, the Company Secretary and Secretaries to respective sub-committees, which are the Audit Committee, the Executive Committee, the Compensation and Nominating Committee, and Risk Management Committee, will deliver the annual performance evaluation form to each Board and sub-committee member to self-evaluate and return same to the respective secretaries for compilation and preparation of the evaluation result to report to the Board of Directors and/or each sub-committee accordingly.

Scoring Criteria for Performance Evaluation of the Board of Directors and Sub-Committees (as a whole and on an individual basis)

Evaluation Scoring	Range
85 - 100	Outstanding / Excellent
75 - 85	Good
65 - 75	Satisfactory
50 - 65	fair
Below 50%	Needs improvement

Performance Evaluation Items for the Board of Directors and its Sub - Committees

The performance evaluation form includes the following main items:

- Structure and qualifications of the Board of Directors;
- Roles / duties and responsibilities of the Board of Directors;
- Board meetings;
- Board performance;
- Relationship with the management;
- Director's self-improvement and executive development.

Summary of 2016 Performance Evaluation Items for the Board of Directors and its Sub - Committees

Committee	Average Score	Description
<b>1. Board of Director</b>		
Committee basis	94.77%	Outstanding / Excellent
Individual basis	97.57%	Outstanding / Excellent
<b>2. Audit Committee</b>		
Committee basis	100.00%	Outstanding / Excellent
Individual basis	100.00%	Outstanding / Excellent
<b>3. Compensation and Nominating Committee</b>		
Committee basis	89.29%	Outstanding / Excellent
Individual basis	91.04%	Outstanding / Excellent
<b>4. Executive Committee</b>		
Committee basis	90.17%	Outstanding / Excellent
Individual basis	91.73%	Outstanding / Excellent
<b>5. Corporate Governance Committee</b>		
Committee basis	99.86%	Outstanding / Excellent
Individual basis	100.00%	Outstanding / Excellent
<b>6. Risk Management Committee</b>		
Committee basis	85.14%	Outstanding / Excellent
Individual basis	94.79%	Outstanding / Excellent

## 6 Auditor Fees

### Audit Fee

The Company and its subsidiaries paid the following audit fees to KPMG Phoomchai Audit Ltd.

Annual Audit Fee	2517 <sup>1</sup>	2016	2015
1. Audit Fee for the Financial Statements of the Company	1,000,000	1,120,000	1,050,000
2. Annually and quarterly Audit Fee for Financial Statements and Financial Statements of the Company	4,900,000	4,530,000	3,950,000
<b>Total Audit Fees for the Company and All Its Subsidiaries</b>	<b>5,900,000</b>	<b>5,650,000</b>	<b>5,000,000</b>

Remark: <sup>1</sup>For period January - September 2017

The audit company and auditors are neither related to the Company, its subsidiaries, the Company's management, the major shareholder or any related - person, nor the Company's stakeholder. The annual audit fee will be proposed to the shareholders, and have it resolved it the Company's Annual General Meeting every year.

### (Non-audit Fee)

Non-audit Fee	2560 <sup>1</sup>	2559	2558
1. Review forecast financial statement	-	-	1,312,548
2. Consultancy fee	520,000	-	-

Remark: <sup>1</sup>For period January - September 2017

## 7 Compliance with other Principles of Good Corporate Governance

In order to clearly segregate duty and responsibility between the Board and the management, the Chairman of the Board and The President shall not be the same person. The Chairman of the Board has his duty to oversee activities of the Board of Directors which supervise and govern the management's business operations. The President is the chief of the management team who manages corporate activities according to the policy guidelines and targets approved by the Board of Directors. The fact that the Chairman of the Board and the President is not the same person also creates a check-and-balance mechanism and allows the Chairman of the Board to have his independency in undertaking his duty.

The Board of Directors also comprise a lesser number of executive member than the non-executive members, in a proportionate ratio of 1: 8 for the total sum of 9 board members. The very minor number of an executive members in the Board of Directors can assure the check-and-balance mechanism, as well as guarantee that the Board will not be controlled by the management.

### Summary of the Board of Directors' 2016 Meeting Attendance

Director Name	Meeting Attendance / Total Number of Meetings				
	Board of Directors	Audit Committee	Compensation and Nominating Committee	Corporate Governance Committee	Executive Committee
1. Mr. Wanchai Sarathulthath	4 / 4		2 / 2		
2. Mr. Panote Sirivadhanabhakdi	4 / 4		2 / 2		6 / 8
3. Mr. Thapana Sirivadhanabhakdi	4 / 4				
4. Mr. Chotiphat Bijananda	4 / 4				

Director Name	Meeting Attendance / Total Number of Meetings				
	Board of Directors	Audit Committee	Compensation and Nominating Committee	Corporate Governance Committee	Executive Committee
5. Mr. Sithichai Chaikriangkrai	4 / 4				8 / 8
6. Mr. Chainoi Puankosoom	4 / 4	4 / 4	2 / 2	2 / 2	
7. Mr. Udom Puasakul	4 / 4	4 / 4			
8. Mr. Chinnavat Chinsangaram	4 / 4	4 / 4		2 / 2	
9. Mr.Thanapol Sirithanachai	4 / 4			2 / 2	8 / 8

#### Company's Securities Holding by Directors and Executives

Director / Executive	as of September 30, 2017							Total 31/12/16	Change in security holding
	Securities held by Director / Executives			Securities held by related person			Total 30/09/17		
	Beginning Period	During Period	Ending Period	Beginning Period	During Period	Ending Period			
Directors									
1. Mr. Wanchai Sarathulthat	-	-	-	-	-	-	-	-	-
2. Mr. Panote Sirivadhanabhakdi	-	-	-	-	-	-	-	-	-
3. Mr. Thapana Sirivadhanabhakdi	-	-	-	-	-	-	-	-	-
4. Mr. Chotiphat Bijananda	-	-	-	-	-	-	-	-	-
5. Mr. Sithichai Chaikriangkrai	-	-	-	-	-	-	-	-	-
6. Mr. Chainoi Puankosoom	-	-	-	-	-	-	-	-	-
7. Mr. Udom Puasakul	-	-	-	-	-	-	-	-	-
8. Mr. Chinnavat Chinsangaram	-	-	-	-	-	-	-	-	-
9. Mr.Thanapol Sirithanachai	-	-	-	-	-	-	-	-	-
Executives									
1. Mr.Thanapol Sirithanachai	-	-	-	-	-	-	-	-	-
2. Mr. Somboon Wasinchutchawal	-	-	-	-	-	-	-	-	-
3. Mr.Saenphin Sukhee	-	-	-	-	-	-	-	-	-
4. Ms.Prasnee Surastian <sup>/1</sup>	-	-	-	-	-	-	-	-	-
5. Mr. Withawat Koottatep	-	-	-	-	-	-	-	-	-
6. Mr.Theppasak Noppakornvisate	-	-	-	-	-	-	-	-	-
7. Ms.Thiranant Kornsritya	-	-	-	-	-	-	-	-	-

Remark: <sup>1</sup>Ms.Prasnee Surastian was appointed as the Company's executive on February 22, 2017.

# Internal Controls and Risk Management

## Internal Controls

The Company recognizes the importance of internal controls. The Company's Board of Directors and its executives are accountable for the efficiency and effectiveness of the Company's internal control system. The Company places emphasis on the adequacy and suitability of such system in accommodating its business operations according to the guidance prescribed by the Stock Exchange of Thailand (SET) and the Internal Control Principles of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company ensures to have its accounting system and financial reporting that assures correctness, accountability, and strict compliance with laws, regulations, and business rules.

In each of the Company's quarterly board meetings, there is an agenda item which allows the Audit Committee to express its opinion on the Company's internal controls, as well as make recommendations to the management on relevant improvements of the internal control system to assure the continuity of its adequacy and suitability. The Company also regularly conducts audit reviews of its internal control system according to the proposed action plan of the Office of the Internal Audit. The outcomes of such reviews are directly submitted to the Audit Committee. In order to ensure the independence and fairness of the Office of Internal Audit in performing their duties, the Audit Committee is assigned to be responsible for the appointment, transfer, termination of employment, and assessment of the performance of the Chief Internal Auditor.

The Company arranged to have its top executives evaluate its internal control system, as well as have the Audit Committee and the Board of Directors review its internal controls, all of which were undertaken as per the assessment criteria and format set forth by the Securities and Exchange Commission of Thailand (SEC) which includes five principles of effective internal controls and 17 sub-principles which are (1) Control Environment (2) Risk Assessment (3) Control Activities (4) Information & Communication (5) Monitoring Activities. The evaluation can be summarized as follows:

### 1 Control Environment

The Company's Board of Directors defines the corporate visions, missions, and objectives and uses them as the operational guidelines for the management and employees. The regular monitoring is also required to assure the achievement thereof. The Company recognizes the importance of applying the Principles of Good Corporate Governance and Best Practice into practice, because they are the vital factors to business sustainability. It also fosters business ethics, transparency, and accountability, which are the foundation of efficient and effective operations. It encourages maximization of shareholder value and fully considers the rights of all stakeholders.

- The Company has its organizational structure that supports the internal controls, having the Board of Directors comprised of no less than five and no more than eleven board members, of which no less than one third of the members are independent directors. All board members are qualified with the qualification criteria prescribed by the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET).
- The Company has the rules, procedure, and instructions on delegated authority accountable for actions related to finance and accounting matters.
- The Company has an organizational culture that enforces the principles of good corporate governance as a part of its core values. These values are represented by the word "G-O-L-D", which represent the following:

G : Good Governance

O : Open-Minded

L : Learning Organization

D : Drive for Excellence

### 2 Risk Assessment

The Company arranges to have a risk assessment process which involves the establishment of a Risk Management Sub-Committee, appointed by the Board of



Directors, and composes of management representatives from each of the Company's business units to identify and assess potential risk, from external and internal aspects of its businesses, under the framework of risk management. The risk assessment shall be reported to the Audit Committee and the Company's Board of Directors on a quarterly basis.

### 3 Control Activities

- Arrange operating manual for staff reference in line with the Company's policies as established and overseen by the executive directors.
- Establishing code of conduct, which was written under Executive Committee's supervision to use as a business operation guideline.
- Utilize the resource while keeping the Company's asset in good condition, including procedure to prevent frauds in all business activities.
- Revised all related operating procedures in order to comply and be certified by Private Sector Collective Action Coalition Against Corruption
- Establish Whistle Blower Policy and Guideline to facilitate, promote and protect employees in escalating suspected wrongdoing

### 4 Information & Communication

- Develop the enterprises Information Technology that is aligned with all operating environments and emphasize the importance of IT security and data protection.
- Implementing new technologies to cover all business operations and enhance the securities
- Ensure Internal communications to gain employees' awareness on risk management and internal control policies, objectives and responsibilities.
- Provide a communication channel open for employees and other stakeholders to report matters related to corporate governance issues, as well as complaints, suggestions or recommendations, and other suspected conducts or deceptions.

### 5 Monitoring Activities

The Company closely monitors operational performances of each of its business units by assigning relevant executives to such units to make regular monthly

business updates and report the outcome as well as the comparison of the actual performances to their forecasted targets to the Executive Board. Upon identification of material areas of deficiencies, the Company shall then report them to the Audit Committee or the Board of Directors for acknowledgement, consideration and action.

## Risk Management

The Company's Board of Directors appointed the Risk Management Committee, which is comprised of committee members who are the Company's top executives from different business lines, to assist the Board of Directors in overseeing the risk management process, and to ensure that such process covers all aspects involved in the corporate business plan. The Risk Management Committee also assists in identifying relevant risk factors facing the Company and setting a suitable risk management strategy to control these risks to be within the appropriate risk levels, and ensures that the Company can efficiently manage its risks. The Committee evaluates, safeguards, mitigates, monitors, and reports the risk position of the Company to the Company's Board of Directors every quarter.

The Company's risk management covers following risk types:

1. Strategic Risk
2. Operation Risk
3. Management Risk
4. Financial Risk
5. Market Risk
6. Corruption Risk

### Guidelines for Key Risk Management

The Company has a Risk Management Committee to manage its risks on the organizational level. The Risk Management Committee has the duty to provide recommendations to the Company's management, and set a systematic framework for the risk management and monitoring process. The Company's Board of Directors recognizes the importance of risk management. The identified risks are monitored to assure that they remain within an appropriate risk level while protective measures are established to limit any possible risk impacts to the Company.

## Summary of the directors' opinions on the internal control system

1. The Company and its subsidiaries act in compliance with the Generally Accepted Accounting Principles, and the notifications of the Securities and Exchange Commission of Thailand (SEC) and the regulations of the Stock exchange of Thailand (SET), as well as present their financial statements with prompt and fair disclosure of information.

2. The Company maintains sufficient and adequate internal control system, while monitoring and controlling its operations as well as the operations of its subsidiaries.

3. The Company has sufficient manpower to support its businesses growth.

In 2017, the Office of the Internal Audit reviewed the following work processes:

1. Goldenland Property Development PLC
  - 1.1 Property Management System of Golden Land Building and FYI Center
  - 1.2 Accounting System
  - 1.3 Procurement System
  - 1.4 Operating System of Asset Development
  - 1.5 Operating System of Asset Management
  - 1.6 KPMG's Information Technology Audit Result
2. Goldenland Residence Co., Ltd.
  - 2.1 Residential Project Support
    - 2.1.1 Procurement System
    - 2.1.2 Advertising and Public Relations Operation Process
    - 2.1.3 Residential Project Marketing Operation Process
    - 2.1.4 Design Process
    - 2.1.5 Land Acquisition Process
  - 2.2 Townhome Project Development
    - 2.2.1 Sales and Project Construction Operation Process
3. Standard Operating Procedure (SOP)

Based on the above reviews, the Office of the Internal Audit reported to the Audit Committee that there is no material deficiency in the internal control system.

## Opinion of the Audit Committee / the Company's Auditor

For the independence of the internal auditor and of the external auditor, the Audit Committee arranges a joint meeting, held at least once a year, between the Audit Committee, the auditor, and the internal auditor, without the presence to the Company's management to assure that any audit findings have been independently and honestly discussed. The Audit Committee questioned the auditor on the collaboration of the audited parties and the limitation of audit scope.

The auditor reported to the Audit Committee that it received good collaboration from the audited parties, the auditor's independence, and no scope limit.

The 2017 Annual General Shareholder Meeting resolved the appointment of KPMG Phoomchai Audit Ltd. to be the auditor of the Company for the audit of its annual financial statements for 2015, and the auditor reported that there was no irregularity related to the internal control system that may generate any material impact on the financial statements.

## Head of Internal Auditor and Head of Compliance Officer

Head of Internal Auditor:

Ms. Noparat Yodpetch

Head of Compliance Officer:

Ms. Natchadhorn Wongsurawat

Neither Head of Internal Auditor nor Head of Compliance Officer of the Company, have any legal conviction in the past 10 years. Their qualifications are disclosed in the Company's Annual Registration Statement (From 56 - 1), Attachment 3 Head of Internal Auditor and Head of Compliance Officer Profile.

## Connected Transactions

### 1. Material Related Party Transactions

The Company and its subsidiaries had undertaken following material transactions with related parties that might have given rise to a potential conflict of interest during the period of 2016 - 2017. The details thereof can be summarized as follows:

Item	Entity Name	Relationship	Nature of Transaction	Necessity & Rationality of Transaction	Value (฿ Million Baht)		Opinion of the Audit Committee
					(9 months) 2017	(12 months) 2016	
1	Gold Property Fund (Leasehold)	Associate Company	1.1 Sublease fee for land, building, furniture, and equipment of the Mayfair Marriott Project	In 2007, Gold Property Fund (Leasehold) subleased the land, building, furniture, and equipment of the Mayfair Marriott Project to Grand Mayfair Co., Ltd. for service apartment and hotel operations. Grand Mayfair Co., Ltd., an indirect subsidiary company of the Company, shall pay a fixed monthly rental fee of Baht 4 million and a variable monthly fee calculated as a percentage of the project's operating performance for a period of 16 years starting from 8 May 2007 to 15 March 2023. Upon the expiry of this sublease, Grand Mayfair Co., Ltd. has a renewal option of another 10 years.	43.02	57.80	The sublease was made to benefit the Company and the sublease fee rate is in accordance with the prescribed agreement. The transaction is properly performed and carried out in the ordinary course of business.

Item	Entity Name	Relationship	Nature of Transaction	Necessity & Rationality of Transaction	Value (฿ Million Baht)		Opinion of the Audit Committee
					(9 months) 2017	(12 months) 2016	
2	North Sathorn Hotel Co., Ltd.	Associate Company	2.1 Rental income	In August 2007, North Sathorn Realty Co., Ltd. (a subsidiary of the Company) entered into two land sublease agreements with North Sathorn Hotel Co., Ltd. (an associate company of the Company) for the developments of W Bangkok Hotel and a historic building. The sublease carries a similar expiry term as the main leasehold contract that North Sathorn Realty Co., Ltd. signed with the Crown Property Bureau. Additional conditions are prescribed in the sublease agreements that obliges North Sathorn Hotel Co., Ltd. to pay an annual sublease fee to North Sathorn Realty Co., Ltd. at the similar rate to the original leasehold agreement. The first sublease agreement obliges North Sathorn Hotel Co., Ltd. to pay an initial rental payment of Baht 989 million to North Sathorn Realty Co., Ltd. These subleases were approved by the Crown Property Bureau. The initial rental payment has been gradually recognized as rental income by North Sathorn Realty Co., Ltd. through the entire lease term.	34.43	45.41	The sublease was made to benefit the Company and the sublease fee rate is in accordance with the prescribed agreement. The transaction is properly performed and carried out in the ordinary course of business.
			2.2 Waive and write down loans 2.3 Waive and write down accrued interest receivable	In May 2016, the Company had partially waived and written down principals of shareholders loans and all accrued interest payable to North Sathorn Hotel Co., Ltd. in objective of capital restructuring which is condition in extension period of loan repayment and reducing	-	64.79 87.69	The partially waived and written down principals of shareholders loans and all accrued interest payable follow the proposal of major shareholder who is not related party is reduced in shareholding portion.

Item	Entity Name	Relationship	Nature of Transaction	Necessity & Rationality of Transaction	Value (฿ Million Baht)		Opinion of the Audit Committee
					(9 months) 2017	(12 months) 2016	
				interest rate with Bank. This will be advantage for North Sathorn Hotel Co., Ltd. that can repay loan from Bank and Shareholders in the future. Major shareholder and the Company waived and written down loan and accrued interest payable in shareholding portion before the old major shareholder will sale all shares to Asian Capital Co., Ltd. (this is Joint venture between TCC Assets (Thailand) Co, Ltd. which has common director and another outside entity) in the same month. The Company has already fully set up provision for loan and accrued interest receivable in 2015. This transaction has been approved from Board of Director Meeting 1/2016 on 24 February 2016.			and there is increasing paid up share capital to North Sathorn Hotel Co., Ltd. including restructuring bank loan agreement in extension period of loan repayment and reducing interest rate. This will be advantage for the Company that North Sathorn Hotel Co., Ltd. can doing business and repay loan from Bank and Shareholders equity in the future.
			2.4 Interest income	Interest income received from the Company's loan to North Sathorn Hotel Co., Ltd. in proportionate to its holding (20%) with the interest charged at the average bank lending rate minus 1.6%.	8.22	17.14	The interest rate charged is according to the market rate. The transaction was made to benefit the Company, properly performed, and carried out in the ordinary course of business.
			2.5 Entertain expense	The Company used hotel service to support customer.	0.01	0.02	The transaction is carried out in the ordinary course of business.
			2.6 Promotion expenses	The Company bought gift voucher of hotel for giving to residential customer.	0.08	-	The transaction is carried out in the ordinary course of business.

Item	Entity Name	Relationship	Nature of Transaction	Necessity & Rationality of Transaction	Value (฿ Million Baht)		Opinion of the Audit Committee
					(9 months) 2017	(12 months) 2016	
3	Golden Ventures Leasehold Real Estate Investment Trust	Associate Company	3.1 Unearned subleased income of land, building and utility system at Sathorn Square Project	During the year 2016, Golden Ventures Leasehold Real Estate Investment Trust (Golden Ventures REIT) has subleased land, building and utility system from North Sathorn Realty Co., Ltd. (a subsidiary of the Company) for the period of 25 years ending 6 October 2040 including purchased furniture, tool and equipment of Sathorn Square Project and hired North Sathorn Realty Co., Ltd. to be Property Manager who has duty in finding revenue, revenue collection, property maintenance in good condition. North Sathorn Realty Co., Ltd. charges general management fee not exceed 100 million Baht annually and variable management fee not exceed 8% of total rental revenue and some expenses can be actually reimbursed under the condition in agreement. This transaction was approved by the extraordinary shareholders meeting 1/2014 on 9 December 2014.	-	6,777.23	The long term sublease was made to benefit the Company which has cash inflow to invest in new assets and rental fee has amount more than the independent appraiser. The management fee and the sublease fee rate is in accordance with the prescribed agreement. The transaction is properly performed and carried out in the ordinary course of business.
			3.2 Annual land, building and utility system rental revenue		234.02	237.36	



Item	Entity Name	Relationship	Nature of Transaction	Necessity & Rationality of Transaction	Value (฿ Million Baht)		Opinion of the Audit Committee
					(9 months) 2017	(12 months) 2016	
			3.3 Sale furniture, tool and equipment		-	35.92	
			3.4 Gain on disposal of furniture, tool and equipment		-	1.66	
			3.5 Management fee		44.84	42.72	
			3.6 Rental expenses	The Company and Golden Land Residence Co., Ltd. (a subsidiary of the Company) lease office space at 36 <sup>th</sup> floor and 38 <sup>th</sup> floor of Sathorn Square Building with Golden Venture REIT by rental and service agreement in the same condition as another customer at the market price. Furthermore, there are using function room of Sathorn Square Building and Park Ventures Ecoplex Building with the rate same as general customer.	22.45	19.96	The rate of office rental is the same as previous agreement which the Company had prepared with subsidiary company and can comparable with another leading customer in the nearby area, grade and location. Function room service fee is the same rate with general customer. The transaction was properly performed, and carried out in the ordinary course of business.
			3.7 Rental deposit		7.19	6.46	

Item	Entity Name	Relationship	Nature of Transaction	Necessity & Rationality of Transaction	Value (฿ Million Baht)		Opinion of the Audit Committee
					(9 months) 2017	(12 months) 2016	
			3.8 Function room service fee and other expenses		1.49	0.97	
4	Kasemsubbhakdi Co., Ltd.	Joint venture	4.1 Management fee	Kasemsubbhakdi Co., Ltd. has entered in agreement of arranging the right to develop the previous Samyan market with Chulalongkorn University. Kasemsubbhakdi Co., Ltd. has hired the Company to manage construction progress, project and marketing pattern design and general administration with the reason of economy scale in hiring new staff and the Company current staff has capable and experience including the Company has good system and experience in organizing company.	33.75	28.00	Management fee based on estimated cost plus marketable margin. The transaction was properly performed, and carried out in the ordinary course of business.
5	Lertrattakarn Co., Ltd.	Subsidiary of an entity which has common directors	5.1 Management fee	North Sathorn Realty Co., Ltd. is Property Manager in some part of Park Ventures Ecoplex for Golden Ventures REIT. Lertrattakarn Co., Ltd. who is the previous owner of Park Ventures Ecoplex building and is Property Manager of the other part of Building has agreed to manage building at single Property Manager and hires North Sathorn Realty Co., Ltd. as Property Manager. In 2017, Lertrattakarn Co., Ltd. manages property by themselves.	-	7.25	Service fee is market rate and can comparable with general service. The transaction was properly performed, and carried out in the ordinary course of business.

Item	Entity Name	Relationship	Nature of Transaction	Necessity & Rationality of Transaction	Value (฿ Million Baht)		Opinion of the Audit Committee
					(9 months) 2017	(12 months) 2016	
6	Siam Holding Co., Ltd.	Shareholder of Sathorn Supsin Co., Ltd. (a subsidiary of the Company) with 40% shareholding	6.1 Interest expense	Interest expense paid by Sathorn Supsin Co., Ltd. (a subsidiary of the Company) for a loan from Siam Holding Co., Ltd. at the agreed rate which is similar to the interest rate that the Company charges its subsidiaries for its lending. The interest rate charged was 6.5% in 2014.	11.07	14.84	Siam Holding Co., Ltd. was in line with the condition prescribed in the joint investment agreement between the Company and Siam Holding Co., Ltd. who is the other joint shareholder. The interest rate charged is according to the market rate. The transaction was made to benefit the Company, properly performed, and carried out in the ordinary course of business.
7	Ascott International Management (Thailand) Limited	Connected business with Siam Holding Co., Ltd. (a shareholder of a subsidiary of the Company)	7.1 Rent and service fee	Ascott International Management (Thailand) Limited manages the Ascott which is a residential project with hotel and service apartments for long-term lease which collects rent and service fee, management fee, common charges, and a professional fee from Sathorn Supsin Co., Ltd. (a subsidiary of the Company) as per governing contracts and in the event of no contract, the issues then depend on mutual agreements.	0.20	1.19	Rent and service fee, management fee, common charges, and professional fee that Ascott International Management (Thailand) Limited collects from a subsidiary of the Company are according to their agreements and for the benefits of the Company. The transaction was made to benefit the Company, properly performed, and carried out in the ordinary course of business.
			7.2 Management fee		9.44	13.05	
			7.3 Common charges		4.03	6.79	
			7.4 Professional fee		7.79	8.96	

## 2. Trade transactions with related parties undertaken in the ordinary course of business

During 2016 - 2017, the Company and its subsidiaries undertook the following trade transactions with related parties who might have given rise to a potential conflict of interest; the transactions were in the ordinary course of business and each of such transactions was not a substantial amount of money. The details thereof can be summarized as follows:

Item	Entity Name	Relationship	Nature of Transaction	Expenses / (income) (฿ Million Baht)	
				2017	2016
1	Univentures PLC	Major shareholders holding 39% shares in the Company, having their representatives acting as the Company's directors	Consultancy services and travelling reimbursement	-	0.92
			Service income of function room	(0.06)	-
2	Forward System Co., Ltd.	Subsidiary of an entity which has common director	Maintenance service rendered of car park passing gate and fare collection system and purchase car parking card	2.60	2.71
			Service income of function room	(0.03)	-
3	Berli Jucker PLC	Having common director	Purchase of office supplies	1.46	6.48
			Hotel and fuction room service income	(0.13)	-
4	Thai Drinks Co., Ltd.	Having common director	Purchase of drinking water for office use	-	1.87
5	T.C.C. Technology Co., Ltd.	Having common director	Rental of computers & purchase of IT services	10.30	11.68
			Service income of function room	-	(0.03)
6	Kasem Sap Siri Co., Ltd.	Having common director	Land lease for construction of worker camp for the FYI Center	-	1.10
7	Southeast Capital Co., Ltd.	Having common director	Rental of cars	4.79	5.57
8	Southeast Insurance PLC	Having common director	Payment of insurance premium for the Company's assets	2.29	5.03
9	Southeast Life Insurance PLC	Having common director	Payment of premiums for group Health and Accident insurance for the Company's staff	4.89	4.51
			Service income of function room	(0.09)	-

Item	Entity Name	Relationship	Nature of Transaction	Expenses / (income) (฿ Million Baht)	
				2017	2016
10	Serm Suk PLC	Having common director	Purchase of drinking water for office use	0.11	0.04
11	Fraser Hospitality PTE LTD (Singapore)	Major shareholders are close relatives of the Company's directors and / or major shareholders	Reimburse travelling and accommodation expenses for meeting about the Hotel management agreement	0.03	6.67
12	Golden Wealth Co., Ltd.	A subsidiary of the company having common director	Service rendered about land survey	-	2.12
13	N.C.C. Management and Development Co., Ltd.	Having common director	Support marathon running activity	-	0.20
			Service expense of function room	0.22	-
			Service income of function room	(0.26)	-
14	Numyuk Co., Ltd.	A subsidiary of the company having common director	Purchase goods as new year gift for business partners	-	0.02
15	TCC Land Development Co., Ltd.	Having common director	Hotel management fee	0.38	0.45
			Accounting service income	(0.63)	-
16	Northpark Golf and Sports Club Co., Ltd.	Having common director	Golf course fee, food and drinking	0.63	0.54
17	Pomthip (2012) Co., Ltd.	Having common director	Internal company activities	0.08	0.02
18	F&B International Co., Ltd.	Having common director	Food and drink for internal company activities	0.32	0.55
19	Horeca Management Co., Ltd.	Having common director	Purchase of drinking water for office use	1.76	0.35
20	Chinasub Co., Ltd.	Having common director	Computer system installation for office rental building	0.36	4.76
21	Bang Pa-in Paper Mill Industry Co., Ltd.	A subsidiary of the company having common director	Office supplies	0.56	0.58

Item	Entity Name	Relationship	Nature of Transaction	Expenses / (income) (฿ Million Baht)	
				2017	2016
22	Fraser (Thailand) PTE LTD	Major shareholders are close relatives of the directors and / or the major shareholders of the Company and provide key management personnel service to the Company	Hotel management fee	4.31	-
23	Dhamma Land Property Development Co., Ltd.	Having common director	Service expense of function room	0.14	-
24	Food of Asia Co., Ltd.	A subsidiary of the company having common director	Food and drinks expenses	0.08	-
			Space rental income	(2.87)	(0.18)
25	Weerawong, Chinnavat & Partners Co., Ltd.	Having common director	Legal consulting fee	0.13	-
26	Inter Horeca Co., Ltd.	Having common director	Food and drinks expenses	0.02	-
27	Horeca Intertrade Co., Ltd.	Having common director	Service maintenance fee	0.01	-
28	Thai Beverage PLC	Having common director	Internal company activities	0.09	-
			Hotel and function room service income	(0.48)	(0.01)
29	Tonic International Co., Ltd.	A subsidiary of the company having common director	Hotel management fee	0.75	-
30	Max Asia Co., Ltd.	Having common director	Bakery for customer	0.23	-
31	Thai Show 2013 Co., Ltd.	A subsidiary of the company having common director	Space rental expenses	0.15	-
32	Amarin Printing and Publishing PLC	Having common director	Advertising expenses	0.09	-



Item	Entity Name	Relationship	Nature of Transaction	Expenses / (income) (฿ Million Baht)	
				2017	2016
33	Asset World Leisure Co., Ltd.	A subsidiary of the company having common director	Hotel laundry service fee	0.05	-
34	Asset World Wex Co., Ltd.	Joint venture of an entity which has common director	Hotel laundry service fee	1.73	-
35	TCC Hotel Assets Management Co., Ltd.	Major shareholders are close relatives of the directors and / or the major shareholders of the Company	Function room service expenses	0.13	-
36	Southeast Academic Center Co., Ltd.	Having common director	Service income of function room	(0.47)	-
37	BevTech Co., Ltd.	Having common director	Service income of function room	(0.03)	-
38	Thai Beverage Marketing Co., Ltd.	Having common director	Service income of function room	(0.01)	-
39	Pracharat Rak Samakki (Social Enterprise) Thailand Co., Ltd.	Having common director	Service income of function room	(0.01)	-
40	Leap Solutions Asia Co., Ltd.	Having common director	Service income of function room	(0.10)	-
41	Chang International Co., Ltd.	Having common director	Service income of function room	(0.06)	-
42	TCC Assets (Thailand) Co., Ltd.	Having common director	Hotel and function room service income	(0.01)	(0.02)
43	Kasemsuwanwattana Co., Ltd.	Having common director	Hotel and function room service income	(0.11)	-
44	Asia Horeca Co., Ltd.	Having common director	Hotel and function room service income	(0.04)	(0.03)
45	FCL Management Service PTE LTD	Subsidiary of major shareholder of the Company	Hotel and function room service income	(0.18)	-

### 3. Necessity & Rationality of Transaction

The Company undertook connected transactions with caution and full awareness of its corporate and shareholders' benefits. All of the Company's intercompany transactions and transactions with related parties who might have given rise to a potential conflict of interest were carried out in the ordinary course of business or were necessary, with good cause and genuine business-related reasons. Conditions related to these connected transactions were set according to standard business practices and market prices were applied. Connected transactions were carried out in an equitable manner as with other customers who are in the same or similar circumstances. The financing in relation to related parties are undertaken only to support necessary liquidity requirements.

### 4. Authorization procedure for connected transactions

The Company shall authorize the implementation of any connected transaction based on the consideration of its ultimate benefits. The decision shall be processed step by step according to the Company's regulations and follow appropriate scrutinization steps of relevant committees including the Audit Committee, the Board of Directors, the Company's top executives who review related impacts and ensure that applicable pricings are properly set according to the ordinary course of business and in similar conditions as if they were conducted with any other outsider.

Indeed, the Company requested for an approval of general principles governing trade agreements performed in the ordinary course of business which are transacted with the Company's directors, management or any related parties. Such general principles will allow the Company's management to approve any connected or inter-company transactions in the future. In the future if such connected or inter-company transactions have agreed trade conditions which are similar in manner to those transactions that a good corporate citizen shall undertake with any other counter party in the same circumstances, with an arms-length negotiation, and no influence whatsoever from the fact that such counter party to the agreement is a director, management or any related party, the Company shall

prepare its summary report on the connected transactions undertaken to be reported in each of the quarterly meeting of the Audit Committee.

In the event that the Company's board members, members of the Executive Committee, Executive Directors or parties who might have given rise to a potential conflict of interest, and might have benefits or conflict of interest those directors and members are not entitled to approve such connected transactions as per the rules prescribed by the Security Exchange Commission of Thailand and / or the Stock Exchange of Thailand.

In addition, if the Audit Committee is not equipped with the expertise required to consider such potential connected transactions, the Company shall arrange to have relevant expertise to provide their professional opinions on such transactions, so that the Company's Board of Directors, the Audit Committee, or shareholders, as the case may be, shall use such expertise in the decision making process.

The Company shall disclose material connected transactions in the note to its audited financial statements.

### 5. Policy on or tendency of future connected transactions

The Company has a policy governing present and future connected transactions that it anticipates to be undertaken with parties who might have given rise to a potential conflict of interest which obliges the Company to carry out such transactions in an equitable manner as with other customers, at fair pricing that is in accordance with conditions as prescribed in the ordinary course of business, as well as upon the review process that is clear, transparent, and unbiased according to the principles of good governance and the Company's regulations. The transactions need to be in line with the scope empowered by the authorization.

## Report of the Board of Directors' Responsibilities for Financial Statements



(Mr. Wanchai Sarathulthat)  
Chairman of the Board

The Board of Directors is the responsible for the financial statements of Golden Land Property Development Public Company Limited and the consolidated financial statements of Golden Land Property Development Public Company Limited and its subsidiaries, including the financial information presented in this annual report. The aforementioned financial statements have been prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

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

In this regard, the Board has appointed an Audit Committee consisting of independent directors to be responsible for reviewing the accounting policy financial reports, internal controls, internal audit and risk management system. The Audit Committee has also reviewed a disclosure of related party transactions. All their comments on these issues have included in the Audit Committee Report, which presented in this annual report.

The financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries have been examined by an external auditor, KPMG Phoomchai Audit Limited. To conduct the audits and express and opinion in accordance with generally accepted auditing standards, the auditor was provided with all of the Company's records and related data as requested. The auditor's opinion is presented in the auditor's report as part of this annual report.

The Board of Directors is of the opinion that the overall internal control system of the Company has functioned at a satisfactory level and rendered creditability and reliability to the financial statements of Golden Land Property Development Public Company Limited and the consolidated financial statements of Golden Land Property Development Public Company Limited and its subsidiaries for the fiscal year 2017 (1<sup>st</sup> January - 30<sup>th</sup> September 2017), The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.

## Subsidiaries, Associates and Joint Ventures

No.	Name	Type of Business	Office Address
1	Krungthep Land PLC	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
2	Grand Paradise Property Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
3	Grand Mayfair Co., Ltd.	Hotel and Service Apartment	60 Soi Lang Suan, Lumpini, Pathumwan, Bangkok 10330
4	Golden Property Services Co., Ltd.	Asset Management Service	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
5	Golden Land (Mayfair) Co., Ltd.	Hotel and Service Apartment	Mayfair Marriott Executive Apartment Building, 60 Soi Lang Suan, Lumpini, Pathumwan, Bangkok 10330
6	Golden Land Polo Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
7	Golden Land Residence Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
8	Golden Habitation Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
9	Sidewalk Land Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
10	North Sathorn Realty Co., Ltd.	Real Estate Development and Office Building	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
11	Narayana Pavilion Co., Ltd.	Real Estate Development and Office Building	B2 Floor, Goldenland Building, 153/3 Soi Mahatlek Luang 1, Ratchadamri Road, Lumpini, Pathumwan, Bangkok 10330
12	Baan Chang Estate Co., Ltd.	Real Estate Development	130/206 Moo 5, Ban Chang, Ban Chang, Rayong 21130
13	Prime Plus Asset Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500

Telephone Number	Facsimile	Registered Capital	Issued Ordinary Shares	Par Value	Paid-up Capital	Holding Percentage	Remarks
0-2764-6200	0-2764-6222	2,400,000,000	2,400,000,000	1	1,780,000,000	100%	
0-2764-6200	0-2764-6222	41,500,000	4,150,000	10	41,500,000	100%	
0-2764-6200	0-2764-6222	15,000,000	1,500,000	10	12,020,000	100%	
0-2764-6200	0-2764-6222	490,000,000	49,000,000	10	935,500,000	100%	Golden Property Services Co., Ltd. has increased its registered capital to Baht 1,480,000,000 on January 12, 2017
0-2764-6200	0-2764-6222	11,000,000	1,100,000	10	11,000,000	100%	
0-2764-6200	0-2764-6222	4,000,000	400,000	10	4,000,000	100%	
0-2764-6200	0-2764-6222	50,000,000	5,000,000	10	50,000,000	100%	The company's shares is held by Narayana Pavilion Co., Ltd. 25% and Ritz Village Co., Ltd. 25%
0-2764-6200	0-2764-6222	38,000,000	3,800,000	10	38,000,000	100%	
0-2764-6200	0-2764-6222	41,300,000	4,130,000	10	41,300,000	100%	The Company indirectly held the shares through Krungthep Land PLC 100%
0-2764-6200	0-2764-6222	638,600,000	63,860,000	10	638,600,000	100%	
0-2764-6200	0-2764-6222	475,000,000	4,750,000	100	475,000,000	100%	
0-3869-6067	0-3869-5743	225,000,000	2,250,000	100	225,000,000	100%	
0-2764-6200	0-2764-6222	20,000,000	200,000	100	20,000,000	100%	The Company indirectly held the shares through Krungthep Land PLC 100%

No.	Name	Type of Business	Office Address
14	First Square Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
15	United Homes Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
16	Ritz Village Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
17	Regal Region Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
18	Walker Homes Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
19	Sathorn Thong Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
20	MSGL Property Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
21	Sathorn Supsin Co., Ltd.	Hotel and Service Apartment	7 Sathon Tai Road, Yan Nawa, Sathon, Bangkok 10120
22	Kasemsubbhakdi Co., Ltd.	Real Estate Development	36 <sup>th</sup> Floor, Sathorn Square Office Tower 98 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500
23	GOLD PROPERTY FUND (LEASEHOLD)	Invest in Real Estate's Leasehold Right and Sub-leasehold Rights	400/22 KASIKORNBANK Building, 6 <sup>th</sup> and 12 <sup>th</sup> floor, Phahon Yothin Road, Samsen Nai, Phaya Thai, Bangkok 10400
24	GOLDEN VENTURES LEASEHOLD REAL ESTATE INVESTMENT TRUST	Invest in Real Estate's Leasehold Right and Sub-leasehold Rights	400/22 KASIKORNBANK Building, 6 <sup>th</sup> and 12 <sup>th</sup> floor, Phahon Yothin Road, Samsen Nai, Phaya Thai, Bangkok 10400
25	North Sathorn Hotel Co., Ltd.	Hotel	106 Sathon Nuea Road, Silom, Bang Rak, Bangkok 10500



Telephone Number	Facsimile	Registered Capital	Issued Ordinary Shares	Par Value	Paid-up Capital	Holding Percentage	Remarks
0-2764-6200	0-2764-6222	20,000,000	200,000	100	20,000,000	100%	The Company indirectly held the shares through Krungthep Land PLC 100%
0-2764-6200	0-2764-6222	550,000,000	55,000,000	10	550,000,000	100%	
0-2764-6200	0-2764-6222	100,000,000	10,000,000	10	100,000,000	100%	
0-2764-6200	0-2764-6222	20,500,000	205,000	100	20,500,000	100%	The Company indirectly held the shares through Krungthep Land PLC 100%
0-2764-6200	0-2764-6222	1,000,000	100,000	10	1,000,000	100%	50% of total shares is held by Narayana Pavilion Co., Ltd.
0-2764-6200	0-2764-6222	220,000,000	22,000,000	10	154,000,000	100%	
0-2764-6200	0-2764-6222	10,600,000	519,400	10	10,600,000	100%	<ul style="list-style-type: none"> <li>The Company indirectly held the shares through Golden Land Polo Co., Ltd.</li> <li>Number of Preferred Shares Issued: 540,600</li> </ul>
0-2764-6200	0-2764-6222	245,000,000	24,500,000	10	245,000,000	60%	
0-2764-6200	0-2764-6222	1,000,000,000	100,000,000	10	800,200,000	49%	Kasemsubbhakdi Co., Ltd. has increased its registered capital to Baht 3,000,000,000 on January 12, 2017
0-2673-3999	0-2673-3988	2,026,628,000	206,000,000	9.838	2,016,780,000	33%	
0-2673-3999	0-2673-3988	8,148,000,000	814,800,000	10	8,046,150,000	23%	
0-2764-6200	0-2764-6222	1,450,000,000	14,500,000	100	1,450,000,000	20%	





Golden Land Property Development PLC  
36<sup>th</sup> Floor, Sathorn Square Office Tower,  
98 North Sathorn Road, Silom, Bangrak,  
Bangkok 10500 Thailand  
T. +66 2764 6200 F. +66 2764 6222  
[www.goldenland.co.th](http://www.goldenland.co.th)