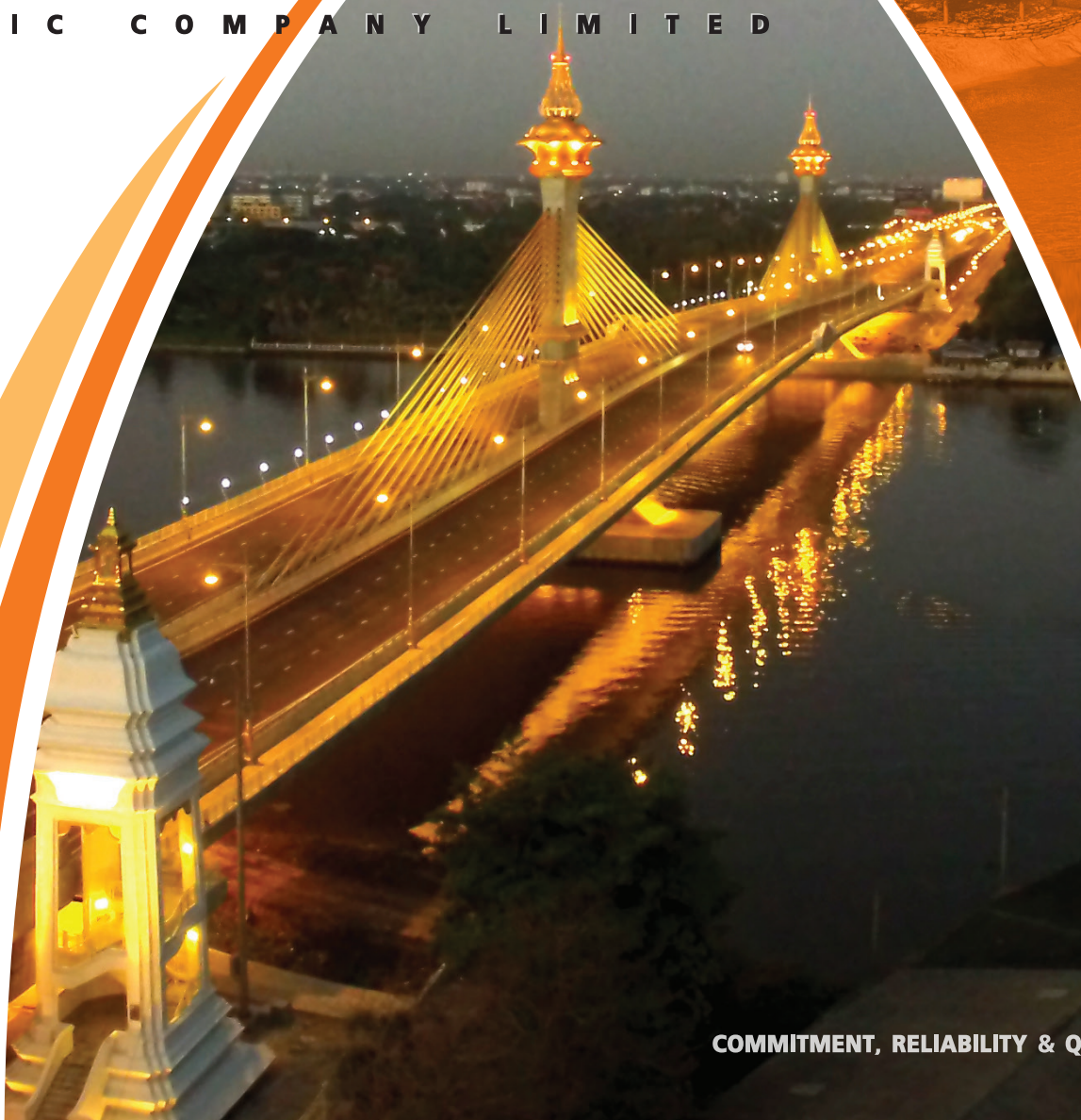




Annual Report 2015

# ITALIAN-THAI DEVELOPMENT

P U B L I C   C O M P A N Y   L I M I T E D



COMMITMENT, RELIABILITY & QUALITY



Message from the President	2
Report of Audit Committee for the Year 2015	3
Report of the Risk Management Committee	4
Organization Chart	5
Policy and Business Overview	6
Nature of Business	10
The Review of Construction Operations for 2015	13
Risk Factors	16
Marketing and Competition	22
Corporate Information and Other Information	24
Shareholders	29
Dividend Policy	30
Management Structure	31
Corporate Governance	36
Corporate Social Responsibility Report (CSR)	53
Board of Directors and Board of Management	71
Number of Shares Held by ITD Directors and Directors' Remuneration as of February 15, 2016	82
Internal Control	83
Related Party Transactions	84
Summary of Financial Information	89
Management's Discussion and Analysis of Results of Operations and Financial Condition	90
The Board of Director's Report on their Responsibilities for Financial Reports for the year 2014	97
Report of Independent Auditor	98
Financial Statement	100

\*Investors can study further information of the Issuing Company from the Annual Registration Statement (Form 56-1), posted on [www.sec.or.th](http://www.sec.or.th) or the Company's Website [www.itd.co.th](http://www.itd.co.th).

## Message from the President

In 2016, the Government announced its plan to invest in mega projects to develop the transportation infrastructure of Thailand. The plan consists of many large projects which are: dual-track railway of the State Railways of Thailand; the Orange, Pink and Yellow Lines of the Mass Rapid Transit Authority of Thailand; Bang Pa-In – Nakhon Ratchasima and Bangyai – Kanchanaburi Motorways; the projects of the Port Authority of Thailand; Standard – Gauge Railway Project; and the development of the Suvarnabhumi Airport Phase 2.

This year, if the projects under the economic stimulus program and the domestic investment of the government are initiated in compliance with the plan, the Company could still undertake further projects. The additional projects that the Company also aims at supporting and developing are as follows::

- 1) The Dawei SEZ Project – on 5 August 2015, a contract for the Dawei Concession Phase 1 was signed with the Dawei Special Economic Zone in Myanmar, which included seven agreements for the industrial and public utility development covering over 27 square kilometres. A further agreement which may be signed in 2016 is the LNG Terminal Project, which could be rapidly constructed within this year.
- 2) Udon Thani Potash Mining Project – in the past year, the Company followed the rules for obtaining the patent permit, and has already held meetings for expressing opinions within village level and the Subdistrict Administration Organization Council. However, there are still meetings to be held at the Provincial level, which is the penultimate step in the process of obtaining the permit. Finally, the Provincial government shall offer the project to the Department of Primary Industries and Mines for consideration. The patent permit could be officially approved this year.
- 3) Elevated Expressway Construction in Bangladesh Project – is for a 25-year concession period (construction period included). The Bangladesh Government has recently changed the expressway routes and amended some information in concession. Currently, the ownership and the first four kilometres drawings of expressways have been completed. Some parts of the expressways are already being constructed while the Bangladesh Government requires good progress to be made on the project. The Company therefore has provided some domestic funds that it can be utilized for the project. In addition, the Project Finance has been considered for the funds from China.
- 4) Port and Railway Construction Services in the Republic of Mozambique Project – worth THB 120 million. The bank feasibility study has already been completed, verified and analyzed the suitability by the Independent Engineer in October, 2015. The ESIA and the Resettlement Action Plan are now more than 65 per cent complete. The project is in process of choosing the EPC contractor and dealing with other mining companies which are potentially the Company's clients for future contracts. In addition, the Financial Close for the concession shall be made afterwards.
- 5) The Bauxite Mining and Production of Alumina and Aluminum Project in Laos PDR – is now in the process of preparing construction drawings and is carrying out studies on environmental and social effects. The project is expected to begin construction within this year.

Construction of all the aforementioned projects will begin within this year and have construction periods of approximately 3-5 years. The development of these projects shall continuously generate additional profits to the Company.

For the greatest advantage of the shareholders and for those who have consistently supported the Company, the Company therefore aims at developing every possible project, which shall create jobs and long-term revenue to the Company. As a result of the development of these projects, the Company can maintain the position of being the leading contractor in Thailand.



Premchai Karnasuta



The Audit Committee of Italian-Thai Development Public Company Limited was duly appointed by the resolution of the Annual General Meeting of Shareholders on 30<sup>th</sup> April 2014. The three members of the Audit Committee that were appointed for a three-year term, were : Pol.Lt. Chartachai Bunya - Ananta as a Chairman, Dr. Krisorn Jittorntrum and Mr. William Lee Zentgraf as Committee Members. In addition, Mr. Withit Ouaysinprasert, the Vice President of Internal Audit Division, served as secretary of the Audit Committee.

On 6<sup>th</sup> July 2015, Dr. Krisorn Jittorntrum was appointed as the Chairman by the resolution of Audit Committee Meeting, replacing Pol.Lt. Chartachai Bunya - Ananta who passed away on 18<sup>th</sup> April 2015. In addition, Mr. Tirapongse Pangsrivongse was appointed to hold the position of Audit Committee Member.

In 2015, four Audit Committee Meetings were held, which were attended by the members as follows:

1. Pol.Lt. Chartachai Bunya – Ananta was absent in one meeting before his death.
2. Dr. Krisorn Jittorntrum was present in four meetings.
3. Mr. William Lee Zentgraf was present in four meetings.
4. Mr. Tirapongse Pangsrivongse was absent for two meetings due to his personal affairs.

The significant activities undertaken by the Audit Committee as assigned by the Company's Board of Directors were as follows:

1. Review and approval of the Quarterly Financial Statements, Annual Financial Statements, Certified Public Accountant's Report, Financial Status Report and Company's Performance Report for 2015.
2. Review of the Company's Internal Control Systems and the 2015 Audit Plan of the Internal Audit Division. Also, review of the 2015 Audit Report and the Follow Up of Operation Improvement Report.
3. Review of legal compliance, the laws and regulations relating to the Stock Exchange of Thailand and other laws concerning the Company business.
4. Review of the connected transactions and those of conflicts of interest disclosed by the responsible executives in full and correct compliance with the laws and regulations of the Stock Exchange of Thailand.
5. Review of the risk assessment of increasing costs that caused the potential increase of prices of main materials in 2015 and the measures to be taken against direct impact to the Company.
6. Selection and recommendation for appointment of the Certified Public Accountant of the Company for 2015, including holding an official meeting with the Certified Public Accountant once a year.

The Audit Committee's opinion states that the Financial Report is accurate and reliable in its substance in accordance with the Generally Accepted Accounting Principles. Also the disclosure of sufficient information was carried out. The Internal Control Systems were adequate and proceeded without substantial errors. The Company has been in full compliance with the laws and regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other related laws. The connected transactions were accurate and reliable and fairly priced according to the market price index. Finally, the Audit Committee's opinion states that Mr. Somckid Tiatragul, Certified Public Accountant no. 2785 and/or Mrs. Sumalee Chokedeeanant Certified Public Accountant no. 3322 and/or Mr. Teerasak Chuasrisakul, Certified Public Accountant no.6624 and/or Mrs. Sunsanee Poolsawat, Certified Public Accountant no. 6977 from Grant Thornton Limited are qualified to be the Company's auditor for 2015.



(Dr. Krisorn Jittorntrum)  
Audit Committee Chairman  
9 March 2016

## Report of the Risk Management Committee

---

To the Shareholders

The Risk Management Committee was established by resolution of the Board of Directors Meeting No.1/9/2010, held on September 2, 2010. This Committee comprises of eight members that have risk management knowledge. The Board of Directors has appointed Dr. Krisorn Jittorntrum, the Independent Director, to be the Chairman of the Risk Management Committee.

This Committee has the responsibility to review the Company's risk management policy and framework, which covers all the major risks; namely financial risk, investment risk, operational risk, and corporate reputation risk. The Committee is also responsible for setting appropriate risk management measures to support the decisions of the Board of Directors or the Management, especially the investment activities which may significantly affect the business and financial status of the Company or the risky investment that the Board of Directors provide the Risk Management Committee to review.

In 2015, the Risk Management Committee held a meeting and invited other persons, who are involved with or are responsible for any matters related to the meeting's agenda, to participate in the meeting. The Committee has overseen, reviewed, provided recommendations and monitored the progress of five investment projects of the Company, namely: the Construction and Operation of the Deep Sea Port and the Railway from Moatize to Macuse in Mozambique; the Dawei Project in Myanmar; the Dhaka Elevated Expressway Project in Bangladesh and the Potash Mining Project in Udonthani Province, Thailand.

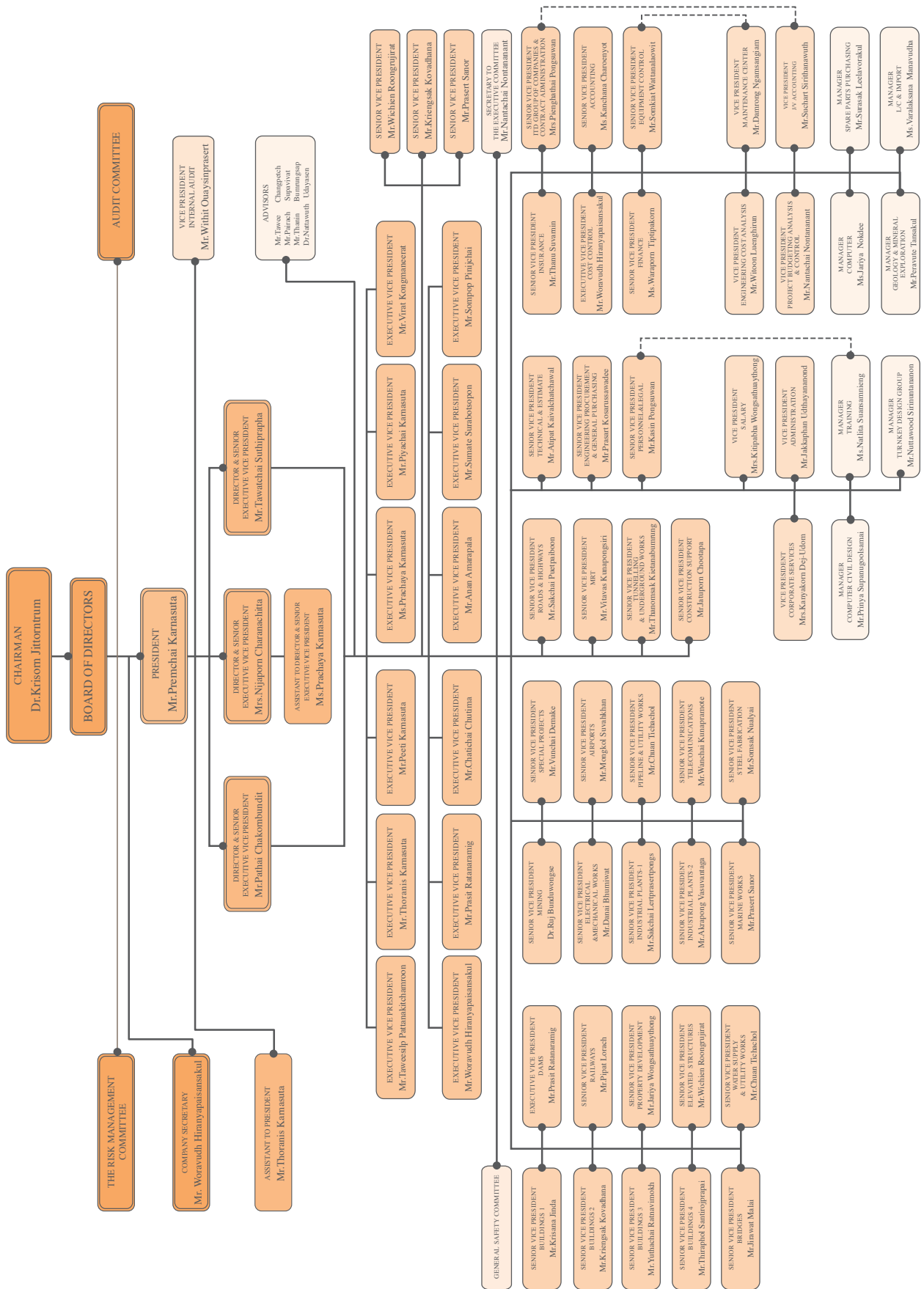
The Risk Management Committee has also considered and provided recommendations for enhancing the Company's profitability. Some recommendations have been implemented, for example, the improving of the accuracy of construction cost estimation and the incentive scheme for motivating productivity, efficiency and profitability of the construction projects.

The Risk Management Committee will maintain effective working within the scope of its responsibilities to ensure that risk assessment and risk management are being properly implemented and sufficient to balance the growth and productivity of the Company's business at an acceptable risk level.



Dr. Krisorn Jittorntrum  
Chairman of the Risk Management Committee  
March 9, 2016

## Organization Chart



The Company was formed on 15<sup>th</sup> August 1958 with a registered capital of Baht 2,000,000 under the name “ITALIAN-THAI DEVELOPMENT CORPORATION COMPANY LIMITED” (ITD), when the founders, Dr. Chaijudh Karnasuta (a Thai) and Mr. Giorgio Berlingieri (an Italian) had the objective to establish a Thai construction company.

The Royal Seal of The Garuda was awarded to the Company by His Majesty the King on 23<sup>rd</sup> December 1985. The Royal Seal of the Garuda is the highest and most honourable achievement under the Royal Patronage of His Majesty the King.

The Company registered as a Public Company Limited on 24<sup>th</sup> March 1994 and was listed on the Stock Exchange of Thailand on 9<sup>th</sup> August 1994. The Company has achieved an excellent performance with high quality work for private clients and government authorities. The Company’s high standard of construction quality has been recognized by the Company being awarded ISO-9001: the standard for the Quality Management Systems including design, installation, and servicing, ISO-14001: the standard for the Environmental Management Systems and TIS 18001: the standard for the Occupational Health and Safety Management Systems.

To maximize the benefit of all stakeholders and shareholders from the Company operation, the Board of Directors has set the vision, mission, motto and operating strategy of the Company as follows;

### **Vision**

“To be the leading contractor in Southeast Asia”

### **Mission**

- To be an integrated construction firm with wide experiences and expertise in all construction activities.
- To have the potential and readiness to undertake large construction projects by using advanced technological construction with competitive tendering.
- To have responsibility for the construction by delivering an international quality standard of work, on time and within the scope of budget.
- To maintain a reputation of leadership.
- To create supreme satisfaction to customers.
- To use the company’s capacity to expand its construction business throughout Asia and beyond.

### **Motto**

“Commitment, Reliability, Quality”

### **Strategy**

- Build credibility and trust of the Company through quality.
- On-time delivery with high quality work.
- Develop and innovate construction technology by using advanced techniques.
- Develop and enhance the management of the organization while continually modernizing its human resources.

---

### Significant Change and Development

The 2015 Annual General Meeting of Shareholders, held on April 8, 2015 approved various matters regarding the capital increase, the allocation of the newly-issued ordinary shares and the issuance of the Warrants representing right to purchase newly issued ordinary shares (the “Warrants”) as follows:

1. Increased the registered capital in an amount of Baht 1,055,968,165 from Baht 5,279,840,828 to Baht 6,335,808,993 by the issuance of 1,055,968,165 newly issued ordinary shares with a par value of Baht 1 per share;
2. Allocated not exceeding 1,055,968,165 of the newly-issued ordinary shares, with a par value of Baht 1 per share to accommodate the exercise of Warrants for the Company’s existing shareholders in proportion to their shareholding (Rights Offering), at the ratio of 5 ordinary shares per 1 unit of Warrant, and authorized the Board of Directors and/or person(s) entrusted by the Company’s Board of Directors to determine other details in relation to the allotment of the newly-issued ordinary shares;
3. Issued 1,055,968,165 units of Warrants to be allocated to existing shareholders in proportion to their shareholding (Rights Offering), at the ratio of 5 ordinary shares per 1 unit of Warrant, whereby any fraction of Warrants arising from the calculation shall be rounded down, with the price per unit of Baht 0, and authorized the Board of Directors and/or person(s) entrusted by the Company’s Board of Directors to determine any necessary and appropriate details in relation to the issuance of the Warrants.

The Board of Directors’ Meeting No. 8/4/2558, held on April 29, 2015 resolved to approve the determination of additional details of the Warrants as follows:

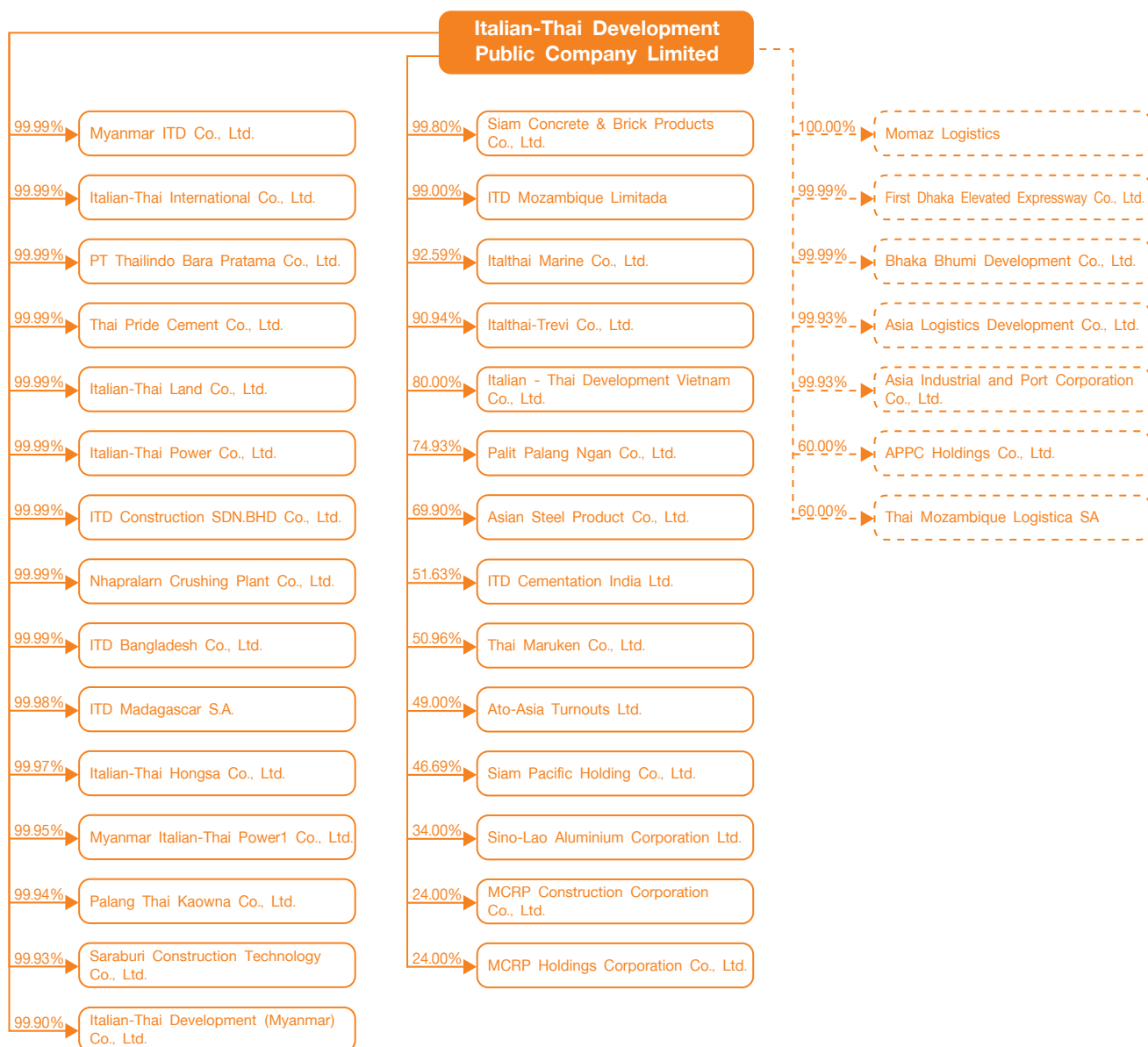
1. Determined the issuance date of the Warrants to be May 14, 2015;
2. Determined the exercise period of the Warrants whereby the Warrants holders shall be entitled to exercise their rights under the Warrants on the last business day of each quarter of each calendar year (namely, the last business day of March, June, September, and December), with the first exercise date being the last business day of the first quarter following the issuance date, namely June 30, 2015, and the last exercise date being the date of the fourth anniversary of the issuance date, namely May 13, 2019;
3. Determined the last exercise date to be May 13, 2019;
4. Scheduled the date to determine the names of shareholders who shall be entitled to subscribe for and be allocated the Warrants (Record Date) to be May 13, 2015 and to gather the name of shareholders according to Section 225 of the Securities and Exchange Act B.E. 2535 (as amended) for the closure of the shareholders’ registered book and the suspension of share transfers to be May 14, 2015.



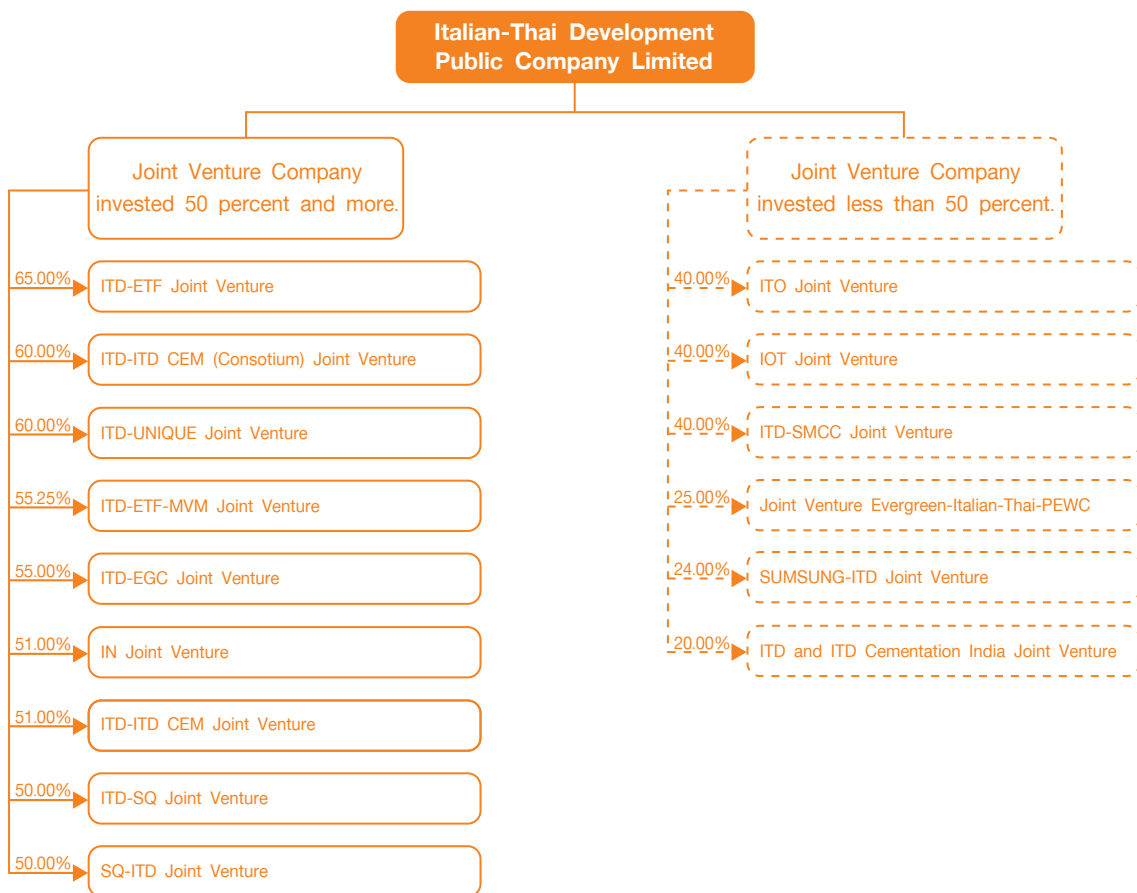
## Shareholding Structure of the Company

The business lines of the Company's subsidiary companies, associated companies and joint venture as of 31<sup>st</sup> December 2015 can be divided into three lines as below:

1. Lines of construction and public utilities work including a line of construction support and line of overseas investments
2. Lines of the Company investment in other sectors, e.g., real estate business, construction material and raw material products, and concession businesses
3. Lines of Joint Venture, which is the cooperation with other experienced companies to gain knowledge in new technologies for the Company's operations especially for public utility work



The Company's investment in Joint Venture Companies as of 31<sup>st</sup> December 2015:



### Business of the Company - Italian-Thai Development Public Company Limited Only

At present, the business operations of ITD can be divided into nine major activities:

1. Buildings (office buildings, condominiums, skyscrapers and hotels)
2. Industrial Plants
3. Pipelines and Utility Works (oil, gas and water transmission pipelines, conduit and manhole systems and storage tanks)
4. Highways, Railways, High Speed Rails, Viaducts, Trackworks, MRT Systems, Bridges and Expressways
5. Airports, Ports and Marine Works
6. Dams, Tunnels and Power Plants
7. Steel Structures
8. Telecommunications
9. Mining

### Subsidiary Companies, Joint Ventures and Associated Companies

The business lines of the Company's subsidiary companies, associated companies and joint ventures as of 31<sup>st</sup> December 2015 can be divided into three lines as below:

1. Lines of construction and public utilities work including a line of construction support and a line of overseas investments
2. Lines of the Company investment in other sectors, e.g. real estate business, construction material and raw material products and concession businesses
3. Lines of Joint Ventures which is the cooperation with other experienced companies to gain knowledge in new technologies for the Company's operations especially for public utility work

### Sales Structure of Italian-Thai Development Public Company Limited

Sales Structure	2015		2014 (Restated)		2013 (Restated)	
	(Baht) Million	%	(Baht) Million	%	(Baht) Million	%
1. Large-scale Building Construction	9,309.05	17.30	9,126.32	17.45	10,147.95	21.08
2. Industrial Plants and Facilities	583.46	1.08	877.33	1.68	677.36	1.41
3. Pipelines and Tank Farms	3,247.70	6.04	2,298.00	4.40	1,469.56	3.05
4. Highways, Railways, Bridges and Expressway Systems	19,012.66	35.34	19,792.92	37.86	15,705.36	32.63
5. Airports, Jetties, Deep-sea Ports and Marine Works	9,164.17	17.03	4,691.86	8.97	4,225.76	8.78
6. Multi-purpose Hydro-electric Dams, Tunnels and Power Plants	1,483.88	2.76	3,714.78	7.10	2,387.01	4.96
7. Steel Structures	389.48	0.72	260.96	0.50	1,000.77	2.08
8. Telecommunications	124.34	0.23	36.70	0.07	1,164.68	2.42
9. Mining	2,420.32	4.50	1,722.81	3.30	2,040.05	4.24
10. Miscellaneous	6,937.86	12.89	8,348.93	15.97	7,806.17	16.22
11. Others	1,132.52	2.11	1,414.43	2.70	1,512.93	3.13
Total Sales	53,805.44	100.00	52,285.04	100.00	48,137.60	100.00
Sale Growth (Decline)	2.91%		8.62%		(5.66%)	
Related Party Transactions from Construction	183.93		90.02		148.18	
Related Party Transactions from Miscellaneous	1,191.51		2,698.79		1,700.22	
Others	394.94		373.24		304.64	
Total Net after Provisions	52,035.06		49,122.99		45,984.56	
Growth (Decline)	5.93%		6.82%		(2.10%)	

## Sales Structure of Subsidiary Companies, Associated Companies & Joint Ventures

1. Lines of construction and public utilities work including a line of construction support and a line of overseas investments

Company Name	% of	2015		2014 (Restated)		2013 (Restated)	
(Unit : Thousand Baht)	Holdings	Sales	%	Sales	%	Sales	%
Subsidiary Companies							
1. Myanmar ITD Co., Ltd.	99.99	-	-	-	-	-	-
2. Italian-Thai International Co., Ltd.	99.99	88,861	0.35	78,320	0.39	96,506	0.51
3. PT Thailindo Bara Pratama Co., Ltd.	99.99	-	-	2,572	0.01	86,929	0.46
4. Thai Pride Cement Co., Ltd.	99.99	1,463,965	5.69	1,529,875	7.55	1,392,070	7.33
5. Italian-Thai Land Co., Ltd	99.99	-	-	-	-	-	-
6. Italian-Thai Power Co., Ltd	99.99	-	-	-	-	-	-
7. ITD Construction SDN.BHD.	99.99	-	-	-	-	-	-
8. Nha Pralan Crushing Plant Co., Ltd.	99.99	14,159	0.06	41,701	0.21	30,108	0.16
9. ITD Bangladesh Co., Ltd.	99.99	-	-	-	-	-	-
10. ITD-Madagascar S.A.	99.98	7,132	0.03	3,027	0.01	3,787	0.02
11. Italian-Thai Hongsa Co., Ltd.	99.97	1,387,656	5.39	-	-	-	-
12. Myanmar Italian-Thai Power 1 Co., Ltd.	99.95	-	-	-	-	-	-
13. Palang Thai Kaowna Co., Ltd.	99.94	-	-	-	-	-	-
14. Saraburi Construction Technology Co., Ltd.	99.93	79,965	0.31	130,159	0.64	81,217	0.43
15. Italian-Thai Development (Myanmar) Co., Ltd.	99.90	46,416	0.18	23,020	0.11	-	-
16. Siam Concrete Brick & Products Co., Ltd.	99.80	501,569	1.95	537,797	2.66	527,312	2.78
17. ITD Mozambique Limitada	99.90	-	-	-	-	-	-
18. ItalThai Marine Co., Ltd.	92.59	272,000	1.06	228,654	1.13	255,300	1.34
19. ItalThai Trevi Co., Ltd.	90.94	811,867	3.16	1,592,752	7.87	1,051,055	5.54
20. Italian - Thai Development Vietnam Co., Ltd.	80.00	-	-	-	-	-	-
21. Palit Palanguan Co., Ltd.	74.93	-	-	-	-	-	-
22. Asian Steel Products Co., Ltd.	69.90	57,499	0.22	122,164	0.60	177,633	0.94
23. ITD Cementation India Ltd.	51.63	16,361,919	63.58	9,110,091	44.99	8,294,310	43.66
24. Thai Maruken Co., Ltd.	50.96	405,073	1.57	421,498	2.08	501,210	2.64
Associated Companies							
1. ATO Asia Turnouts Co., Ltd	48.99	169,425	0.66	253,640	1.25	234,877	1.24
2. Siam Pacific Holding Co., Ltd.	46.69	-	-	-	-	-	-
3. Sino Lao Aluminum Corporation Co., Ltd.	34.00	-	-	-	-	-	-
4. MCRP Construction Co., Ltd.	24.00	-	-	-	-	-	-
5. MCRP Holding Corporation Co., Ltd.	24.00	-	-	-	-	-	-

2. Lines of the Company investment in other sectors, e.g. real estate business, construction material and raw material products and concession businesses

Company Name	% of	2015		2014 (Restated)		2013 (Restated)	
(Unit : Thousand Baht)	Holding	Sales	%	Sales	%	Sales	%
Subsidiary Companies							
1. First Dhaka Elevated Expressway Co., Ltd.	99.99	-	-	-	-	-	-
2. Bhaka Bhumi Development Co., Ltd.	99.99	289,544	1.13	629,555	3.11	557,796	2.94
3. Asia Logistics Development Co., Ltd.	99.93	-	-	-	-	-	-
4. Asia Industrial Port Corporation Co., Ltd.	99.93	-	-	-	-	-	-
5. APPC Holdings Co., Ltd.	60.00	-	-	-	-	-	-
6. Thai Mozambique Logistica SA	60.00	-	-	-	-	-	-

3. Lines of Joint Ventures

Company Name	% of Holding	2015		2014 (Restated)		2013 (Restated)	
(Unit : Thousand Baht)		Sales	%	Sales	%	Sales	%
Joint Ventures							
1. ITD-ETF Joint Venture	65.00	-	-	-	-	-	-
2. ITD - NCC Joint Venture (NT-2)	-	-	-	-	-	242,128	1.18
3. ITD-Nawarat LLC	-	-	-	-	-	-	-
4. ITD – ITD Cem (Consortium) Joint Venture	60.00	30,471	0.12	58,398	0.29	431,666	2.27
5. ITD – UNIQUE Joint Venture	60.00	143,534	0.56	247,162	1.22	144,598	0.76
6. ITD-ETF-MVM Joint Venture	55.25	55	-	72,686	0.36	532,771	2.81
7. Italian-Thai-EGC Joint Venture	55.00	3,831	0.01	10,013	0.05	31,081	0.16
8. IN Joint Venture	51.00	-	-	-	-	(2,310)	(0.01)
9. ITD-ITD Cem Joint Venture	51.00	1,726,353	6.71	1,800,042	8.89	1,440,882	7.59
10. ITD SQ Joint Venture	50.00	661,929	2.57	907,406	4.48	914,354	4.82
11. SQ ITD Joint Venture	50.00	638,540	2.48	740,627	3.66	885,861	4.67
12. ITO Joint Venture	40.00	-	-	-	-	-	-
13. IOT Joint Venture	40.00	-	-	-	-	-	-
14. ITD-SMCC Joint Venture	40.00	202,432	0.79	763,659	3.77	1,062,770	5.60
15. Joint Venture Evergreen - Italian-Thai – PEWC	25.00	-	-	-	-	-	-
16. SUMSUNG-ITD Joint Venture	24.00	351,933	1.37	940,395	4.64	255,308	1.34
17. ITD Cementation Joint Venture	20.00	11,904	0.05	5,143	0.03	(44)	-
		25,728,032	100.00	20,250,356	100.00	18,987,027	100.00



In 2015 Thailand's Economy was affected by several factors. External factors included political conflicts in many countries around the world, and the deflation of China's economy, which is the largest market in the world. Internal factor in low investment from private sector, low purchasing power due to the increase of cost of living, high household debt as well as drought issues in many regions. According to the aforementioned factors, Thailand's economy still grew up by 2.8% because the Government sector fostered investment in infrastructure and consistently launched the economic stimulus project in the last half year by supporting loan for accommodation to people who have low income and reducing transfer and mortgage fees (valid through 30th April, 2015). The external factor was that the oil prices have fallen sharply over the past several months. This year, many sectors criticize that economic growth might grow proceeding. However, there are some external factors that affect Thailand's economy negatively, but, there will be an investment in mega project from the government sector in return and the joining in AEC may affect the foreigners to come to invest in Thailand more than ever as well.

### Building

The building projects which were completed in 2015 include: the Center of Excellence Building of Thai Red Cross Society worth Baht 7,040 million, the Residence for the Office of Rachawonlop Royal Guards Department worth Baht 1,607 million, the I-Condo 4 worth Baht 1,057 million, the S9 Condominium worth Baht 453 million, Ban Thew Talay (Phase 1) worth Baht 659 million and the Operation Building for the Royal Dental Unit under Royal Patronage worth Baht 404 million.

The ongoing projects include: the Chakrinabodindra Medical Institute (Phase 1 and 2) worth Baht 6,790 million which is 59% complete, the Central Embassy Project worth Baht 2,087 million. The main part already completed but there are some little parts to be completed and is expected to be completed by March 2015, the Star View Condominium worth Baht 1,860 million which is 99% complete (waiting for hand over), the Central Plaza Rayong worth Baht 840 million which is 98% complete, the Than Living Condominium worth Baht 737 million which is 94% complete, the ISSI Condo, Suksawat worth 772 million which is 99% complete.

The additional mega projects which are recently begun include: Krungsri Ploenchit Tower worth Baht 2,200 million, the Magnolias Waterfront Residences worth Baht 2,336 million and the medical centre to mark the 150th year of the Somdej PhraPanwasa Aiyika Chao worth Baht 5,047 million which are 6%, 11% and 4% respectively.

### Expressway, Highways, Railways and Bridges

The completed construction projects in 2015 include: the Railway Track Strengthening from Phitsanulok to Chiangmai worth Baht 2,853 million; being constructed on behalf of ITD-SDP Joint Venture (Italian-Thai Development Plc. And Sakdaporn Co., Ltd.), bridge-neck adjustment, and sleeper on bridge replacement, the Chao Praya River Crossing Bridge at Nonthaburi I Road undertaken on behalf of ITD-SMCC Joint Venture (Italian-Thai Development Plc. and Sumitomo Mitsui Construction Co., Ltd.) worth Baht 3,714 million, the Construction of Underpass at Highway Route No.402 and No.4020 Intersection (Darasamut Intersection), Phuket worth Baht 539 million, the Railway Track Strengthening of Ban Dara – Sawankhalok Station worth Baht 175 million, the Railway Track Strengthening of Ban Thung Pho – Kiri Rat Nikhom Station worth Baht 325 million. The ongoing domestic projects include: the MRT Purple Line Project, Bang Yai to Rat Burana, Bang Yai to Bang Sue Section, Contract 6: Trackworks worth Baht 3,374 million which is 99% complete (waiting for the whole systematic testing in May 2015), the Track Strengthening, Khlong Sip Kao Station to Khlong Luek Bridge worth Baht 2,622 million which is 99% complete (given signal installation left) and Sub-Structure Modification and Installation of Steel Bridges of Kabin Buri – Prajinburi and Khlong Sip Kao worth Baht 334 million which is 82% complete.

The additional projects which are recently begun include: the Fence Installation Along SRT Right of Ways worth total Baht 430 million, the Highway Route No.304 A.Kabin Buri - A.Pak Thong Chai (Wildlife Corridor) worth Baht 1,247 million and the Highway Route No.304 A.Kabin Buri - A.Wang Nam Keaw Phase 3 worth Baht 744 million.

The target of the Company for this year is double track and standard gauge railway project including motorway project which the Government is pushing for the auction in 2016.

The ongoing overseas projects is the Bangalore Metro Rail Project worth Rupee 3,111 million which is 99% complete (electrical system left which is in the charge of other related persons). For the project of 25 years concession Dhaka Elevated Expressway, Bangladesh valuing Baht 38,095 million is now on the process of construction line modification to be more appropriate in order to minimize the expropriation and impact on the community. The construction is expected to begin in the midyear of 2016..

### Airports

In the year 2015, the Company only prepared for the technical information and cost appraisal tender for the construction of Suvarnabhumi Airport Phase 2 which was postponed together with considered in details to be more appropriate. Lately, the Airports of Thailand (AOT) reveals the progress of the expanding of Suvarnabhumi Airport Phase 2 that it is in the process of preparing the Term of reference : TOR and is expected to be completed and begun tender in the first quarter of 2016 so as to complete the construction by 2019. This project will be able to support the passengers from 45 million to be 60 million. The primary cost is worth Baht 51 billion. Company believes that we have a high chance of winning through our wide experience as we constructed Suvarnabhumi Airport Phase 1, and have since continuously worked on the Project. The development of Phuket Airport passenger terminals is also of interest to the Company.

---

## Industrial Plants

The completed industrial plant projects include: the SSP Photovoltaic Solar Power Project of Serm Sang Palang Ngan Company Limited, Lopburi Province worth Baht 1,152 million, the Construction of Yokorei Cold Storage, Bangpakong worth Baht 108 million,, Civil Work for Pakphanang 10 MW Wind Farm, Pak Phangun, Nakhon Ratchasima worth Baht 81 million, the Solar cell power plant, SunEdison Engineering Ltd., Lop buri worth Baht 54 million. The ongoing projects include: The North Bangkok Combined Cycle Power Plant worth Baht 3,043 million which is 93% complete, the Thai Namthip Flood Prevention, Pathumthani worth Baht 258 million which is 92% complete, the Boiler Building for MPK Project at Phukhiao, Chaiyaphum worth Baht 398 million which is 89% complete and the Raw Sugar Warehouse worth Baht 90 million which is 29% complete. This year, there are many power plant construction tenders such as Bangpakong, Phra Nakorn Tai Power Plant, Krabi Coal Power Plant and BLCP Coal Power Plant. These aforementioned projects are all the Company's target at tender.

## Mining

The ongoing overseas project in the midyear of 2015 is the Hongsa Mine in Laos PDR worth Baht 25,282 million for which the public utility building construction is in progress, as well as machinery supply which is 6% complete. The ongoing domestic projects include: the Mae Moh Mine Phase 7 Project worth Baht 21,906 million which is 59% complete and the construction is on behalf of ITD-SQ Joint Venture (Italian-Thai Development Plc. and Sahakol Equipment Co., Ltd.). Moreover, the Company is managing and operating the Mae Moh Mine Phase 7/1 on behalf of ITD-SQ Joint Venture. The project is worth Baht 5,265 million and is 99% complete.

## Pipeline and Utility Works

The completed projects include: he RA#6 Gas Mixing Station worth Baht 1,167 million, the Transmission Tunnel Rehabilitation and Related Works of Metropolitan Waterworks Authority (Thailand) worth Baht 861 million, The ongoing projects are Bangpoo Natural Gas Pipeline Project worth Baht 750 million which is 88% complete, the Overhaul DPCU Khanom Project worth Baht 340 million which is 83% complete and the NNEG Natural Gas Pipeline and Metering Facilities System Project worth Baht 180 million which is 98% complete, 1<sup>st</sup> Transmission Pipeline Life Extension Project (PLLEP) : 24" Recoat Section (RC-650) worth Baht 934 million which is 15% complete, Gas Pipeline and Block Valve Station for Rojana Power Plant worth Baht 449 million which is 7% complete. The ongoing overseas project is the Laying of Water Trunk Main from Garden Reach Water Works to Taratala Valve Station and Laying of Sewer Line along Diamond Harbour Road in India worth Rupee 1,459 million which is 39% complete.

## Ports, Jetties, River Protection, Dredging & Reclamation and Marine Works

The completed projects include: the construction of a flood prevention system in four areas of Samutsongkhram province, worth Baht 54 million, the Bridge repair and Sriracha Harbour project worth Baht 40 million, the Prototype Project for Landfill Method of Waste Management in Phra Nakhon Si Ayutthaya Province worth Baht 344 million

The ongoing projects include: the Expansion of LPG Facilities, Khao Bo Ya worth Baht 1,501 million which is 99% complete, the Khlong Yai Multipurpose Jetty in Trat Province worth Baht 752 million which is 95% complete, the Construction of Concrete Retaining Wall at Klong Sakaengam worth Baht 400 million which is 85% complete, the prevention project for Muang District in Chiang Mai Province worth Baht 233 million which is 87% complete, the three Community Development Projects, Koh Samui, Suratthani worth Baht 551 million which is 33% complete, the Sand Filling for Pattaya Beach Rehabilitation worth Baht 376 million which 12 % complete. and the Retaining Wall for Pasak River ,Phase1 Section1 worth Baht 913 million which is 4% complete. The Projects for which the Company has just been awarded are the Kerry Siam Seaport Phase 4 Development Project worth Baht 1,706 and the Construction of Flood Prevention System for Bangsrimuang community, Nonthaburi worth Baht 326 million.

## Dams and Hydroelectric Power

The completed overseas project is the 800-MW Kol Dam hydropower project in India worth Rupees 11,207 million which is 100% complete and the project can be operated. The dam construction in Thailand is the construction of Tunneling and Associated Works, Mae Ngad-Mae Kuang Water Transmission Tunnel Contract 1: Water Augmentation Project for Mae Kuang Udom Tara Dam, Chiangmai worth Baht 2,182 million which is complete 2%. For the Water Management Project, the Government is continuously carrying out the strategic planning and adjusting the size of the project with regard to value of investment and the feasibility, as well as collecting the opinions of the local people. The Company is confident in its capabilities to carry out the project.

## Mass Rapid Transit Systems

The ongoing projects include: the construction of the Mass Transit System Project in Bangkok (Red Line) (I) Contract2: Civil Works for Bang Sue – Rungsit Railway worth Baht 24,422 million which is 54% complete and the MRT Extension Phase 1– Blue Line (Hua Lamphong to Sanam Chai) worth Baht 10,851 million, which is 74% complete and the MRT Green Line (North) Project Contract 1: Civil Works Mo Chit-Saphan Mai Section1 worth Baht 14,280 million for the construction of 11.4 kilometres of elevated structures with 12 stations. In 2016 the MRT will put out

---

for tender the MRT Orange Line (Thailand Cultural Center to Minburi), the MRT Pink Line Projects (Khae-Rai to Minburi), the MRT Yellow Line (Lat Phrao to Samrong), and the Purple Line (Tao Pun - Rat Burana) making a total of Baht 350,000 million to solve the ongoing traffic problems of Bangkok which is reaching crisis proportions.

The ongoing overseas projects include: the Kolkata Metro Rail Project (UG-2), Construction of Metro Station worth Rupees 8,299 million which is 84% complete, the Delhi Metro Rail Project Contract CC-32 (UG 3) worth Rupees 7,699 million which is 83% complete, the Delhi Metro Rail Project Contract CC-26R worth Rupees 6,006 million which is 61% complete. India is growing rapidly and the country's infrastructure is targeted by the Company for future projects.

### **Steel Fabrication**

The steel supply of the Wihan Daeng factory in Saraburi has saved time and improved effectiveness of the construction in many projects. Last year the total production volume of structural steel fabrication facilities at Wihan Daeng was 14,656 tons, which mainly supported ITD's projects, including: the Mass Transit System Project in Bangkok (Red Line) (I) Contract 2, steel railway bridges, Bitec Phase2, G land Tower, the Star View Condominium and the North Bangkok Combine Cycle Power Plant Phase 2 as well as the services to external entities, including the steel structures for the Kowloon Electric Train Station package2.

### **Telecommunications**

The completed telecommunications project the 33kV Submarine Cable Extension from Phuket to Koh Ma Phrao to Koh Naka Yai in Phuket Province worth Baht 96 million. The ongoing projects include: and the Construction of High Voltage Testing Building of Charoong Thai Wire and Cable Public Company Limited (CTW) worth Baht 123 million which is 94% complete, the repair and Maintenance of Fiber optic cable phase 2 in the southern region worth Baht 92 million which is 49% complete. The projects which the Company is now targeting are the undersea electric cable 33 kV 45 kilometers in distance to Koh Tao worth Baht 1,804 million and the 33 kV and 115 kV Transmission Line of Khanom Station worth Baht 215 million and Chaweng , Koh Samui in Surat Thani Province worth Baht 570 million.

As the installation of the undersea electric cable to the islands is preferred since its cost is lower than the installation of high voltage electricity poles and also not visible and reduces environmental impact, which will open for bidding by the Provincial Electricity Authority (PEA) in the near future.

### **Outside Thailand**

In Lao PDR, the Company was granted a 15-year concession for the Hongsa Mining Project, for the Bauxite Mining and Production of Alumina and Aluminum Project, which is expected to start in the midyear of 2015. The Project in the process of survey data to confirm mineral content, and the investigations of the area for plant construction is completed. Presently the project is in the process of the environmental impact assessment study.

The concession for the Dawei Deep Sea Port and Industrial Estate Development Project in Myanmar was signed on August 5, 2015, by the Myanmar government, through the Dawei Special Economic Zone Management Committee, and a consortium of private developers for the Dawei Special Economic Zone (Dawei SEZ) initial phase development. The concession includes seven concession agreements, over total area of 27 sq .km. An additional concession agreement of LNG Plus International Company Limited is expected to be added in 2016.

In the Republic of Mozambique, the Company was granted a 30-year concession for the construction and operation of the deep sea port and the railway linking Moatize to Macuse covering a length of 530 kilometers worth Baht 120,000 million. The project Bank Feasibility Study has been completed. Now negotiations for the EPC Contractor are in process and is expected to be completed in May, 2016. The Environmental and Social Impact Assessment and the Resettlement Action, which are required for Financial Closure, are 60% completed .

In Bangladesh, the Company was granted a 25-year concession to develop the Dhaka Elevated Expressway PPP Project in order to mitigate the traffic congestion as well as the environmental impact in Bangladesh. The Project is in the final stages of the planning process and the funding, and is expected to begin work in 2015.

In India, the mass transit and infrastructure projects of the country will be strongly targeted by the Company. Moreover, the Company continually cooperates with its subsidiary ITD Cementation Co., Ltd., a listed company in the Stock Exchange of India.

### 1. Risks related to business

#### 1.1 Our revenues and our potential revenue growth are highly dependent on Thai public sector contracts, Government policy and the Thai economy.

We conduct a substantial portion of our operations in Thailand. In 2015, we generated 60.6% of our construction service revenues in Thailand. The Thai economy expanded in 2015. Real GDP in Thailand grew by 2.8% in 2015, 0.8% in 2014 and 2.7% in 2013. Real GDP of the construction industry dramatically increased by 15.8 % in 2015, -3.7% in 2014 and 0.1% in 2013 (Source: NESDB). We cannot predict how long the current economic expansion will continue, if at all, or whether another financial or economic crisis will occur in the future. Factors that may adversely affect the Thai economy include:

- Decreases in business, industrial, manufacturing or industrial activity in Thailand or in the region or globally;
- Discontinuation of the pushing of the economic system by the Government's monetary and fiscal policy locally or globally;
- Scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the region;
- Exchange rate and oil price fluctuations;
- A prolonged period of inflation or increase in regional interest rates;
- Changes in taxation;
- A re-emergence of Severe Acute Respiratory Syndrome (commonly known as SARS), avian influenza (commonly known as the bird flu), or the emergence of another highly infectious disease in Thailand or in other countries in the region;
- Political instability, coup d'état, terrorism or military conflict in Thailand and other countries in the region or globally;
- A continuation of or increases in the level of unrest in southern Thailand and other regulatory, political or economic developments in or affecting Thailand
- Natural calamity and other calamities

Any economic recession or other deterioration in Thailand's economy, or decline in business, industrial, manufacturing or financial activity in Thailand, could adversely affect our business financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations and our prospects.

In addition to our business concentration in Thailand, our business is also highly dependent on Thai public sector spending. Our major customers are the Government and its state-owned enterprises, such as the State Railway of Thailand, the Mass Rapid Transit Authority of Thailand, the Mahidol University, the PTT Public Company Limited and the Electricity Generating Authority of Thailand. Our Thai public sector customers accounted for 69.4% and 59.9% of our construction revenues in 2015 and 2014, respectively, and 53.2% and 47.2% of the Company, the subsidiaries with the Company's construction role and portion of the Company backlog as of December 31, 2015 and 2014, respectively.

While published Government plans for Thailand provide for increased Government expenditure on capital infrastructure projects, any significant budgetary reductions by the Thai Government would adversely impact the amount of new public sector construction contracts awarded and either this or any disruption of our relationship with the Government for any reason, would materially affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

#### 1.2 The infrastructure projects that we undertake involve significant risks that could adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations and prospects.

A significant portion of our revenues, particularly those relating to large infrastructure projects, are derived from contracts with Governments, government-related entities or private companies holding concessions from government agencies within and outside Thailand. This exposes us to certain risks not associated with other types of construction projects. For example, many of these large infrastructure projects are high profile, which can result in increased political and public scrutiny of our work. In addition, these projects tend to be relatively complex, which requires us to commit a significant amount of resources and working capital to these projects. Such types of projects are also subject to delay or modification due to environmental considerations.

Because these projects are publicly funded, changes in Government budget and policy considerations could result in delays or changes to these projects. Payments to construction companies providing services to these projects, including us, may also be delayed as a result of disputes with government agencies or lenders to the projects. Delays in payments to us would adversely affect our cash flows and any disputes and changes in budget and policy considerations could affect our reputation and the availability of financing for future projects, all of which would adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

---

**1.3 If we are unable to accurately estimate the overall risks, revenues or costs on our contracts, or fail to agree to the pricing of work done pursuant to unapproved change orders, we may incur lower than anticipated profit or incur a loss on the contracts.**

Substantially all of our construction contracts are either fixed price or fixed unit price contracts. The terms of these contracts require us to guarantee the price of our services on a fixed price or a fixed unit price basis and assume the risk that the costs associated with our performance will not be greater than we anticipated. As a result, we will only realize a profit on these contracts if we have successfully estimated costs and avoided cost overruns. Cost overruns, whether due to inefficiency, inaccurate estimates or other factors, result in a lower profit or a loss on a project. Our project cost estimates are subject to a number of assumptions. Although we anticipate increased labor costs and materials costs in our bids, the revenue, cost and gross profit realized on a fixed price or fixed unit price contract may vary from the estimated amounts because of many factors, including changes in job conditions, variations in labor and equipment productivity over the term of the contract and unexpected increases in costs of materials and labor.

Some of our construction contracts contain an escalation formula to accommodate unexpected increases in materials and labor costs. However, we are typically required to bear some portion of the increase before we can make a claim under the escalation formula. In any event, the escalation formula may not cover the full increase in cost for our materials or labor. If our estimates of the overall risk, revenues or costs prove inaccurate, or circumstances change, or if the escalation formula in our contracts does not cover the full increase in costs, we may incur a lower profit or a loss on our contracts, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

We are frequently required to perform extra or “change order” work as directed by the customer even if the customer has not agreed in advance on the scope or price of the work to be performed. This process may result in disputes over whether the work performed is beyond the scope of the work included in the original project plans and specifications or, if the customer agrees that the work qualifies as extra work, the price the customer is willing to pay for the extra work. Even when the customer agrees to pay for the extra work, we may be required to fund the cost of such work for a lengthy period of time until the change order is approved and funded by the customer. Also, these unapproved change orders, contract disputes or claims result in costs to us that cannot be billed for a period of time and, therefore, are reflected as “unbilled receivables” in our balance sheet. We cannot assure you that we will be able to invoice or recover the cost and profit margin for the extra or change order work in full, or at all, which may lead to business disputes or may otherwise adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

**1.4 We are reliant on a small number of clients.**

We generally target large government entities as clients. As a result, at any point in time a small number of clients may account for a substantial portion of our revenues and backlog as the State Railway of Thailand, the Mass Rapid Transit Authority of Thailand, the Mahidol University, the PTT Public Company Limited and the Electricity Generating Authority of Thailand accounted for 30.6% and 33.3% of our construction revenues in 2015 and 2014, respectively, and 36.1% and 40.5% of the Company, the subsidiaries with the Company’s construction role and portion of the Company backlog as of December 31, 2015 and 2014, respectively. If any of these clients ceases to provide us with new work or if there are any significant disputes relating to any of our contracts with any of these clients, this could temporarily disrupt our business, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

**1.5 We may face intense competition, which could reduce our market share and profits.**

The construction business in Thailand and throughout Asia is highly competitive. New project awards are typically determined through a competitive bidding process, and after potential bidders pre-qualify to bid on a project, the principal competitive consideration is the price of the bid. There is increasing competition for construction projects in Thailand and other parts of Asia from both Thai and foreign construction companies, particularly from China, Japan and Korea, some of whom have financial and operational resources greater than ours. As a result, we may need to accept lower profit margins or make other concessions in order for us to be able to successfully compete. If we are unable to compete successfully, our relative market share and profits would be reduced, which would materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

**1.6 Our participation in joint ventures exposes us to liability for failures of our joint venture partners.**

We sometimes enter into joint venture arrangements with outside partners on a joint and several basis so that we can jointly bid on and execute a particular project when we require specialized experience or technology, when we want to upgrade our bidding eligibility or when we want to reduce our financial or operational risk with respect to such projects. Success on these joint venture projects depends in large part on our ability to operate effectively with our joint venture partners and on whether our joint venture partners perform their contractual obligations. If one of our joint venture partner fails to perform or is financially unable to bear its portion of required capital contributions, we could be required to make additional investments and provide additional services to make up for our partner’s shortfall. In addition, if the owner of a project is entitled to damages or penalties under a joint venture contract for any reason, we could be required to bear our joint ventures’ shares of the damages or penalties if our joint venture partner fails to pay its share. Furthermore, if we are unable to adequately address our partner’s performance issues, the



---

project owner may terminate the project, which could result in legal liability to us, harm our reputation and reduce our profit on a project, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

### **1.7 Our construction projects outside Thailand exposes us to political and economic risks in those countries.**

We are seeking to increase the portion of our business that we undertake in countries outside Thailand even though our work outside Thailand accounted for 39.4% and 25.0% of our construction revenues in 2015 and 2014, respectively and 37.1% and 47.1% of the Company, the subsidiaries with the Company's construction role and portion of the Company backlog as of December 31, 2015 and 2014, respectively, including projects in Laos, Myanmar, Indonesia, Vietnam, Bangladesh, India, Madagascar, Australia, Mozambique and Taiwan. We also expect to bid and be awarded for new construction contracts in these and other countries.

The political, economic and security situations in some of these countries has been unstable from time to time in the past, and the Governments of some of these countries have occasionally intervened in the economies, and made significant changes in policies of these countries. An example of an act of intervention is an imposition of currency controls by a country in which we have a project, which could affect our ability to repatriate our earnings arising from the project out of that country. Any future political instability or economic slowdown or recession in these countries could affect our existing contracts and/or result in slower growth in the number and size of larger infrastructure and construction projects, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors. As our construction service business increases in these countries in these countries, our exposure to the political, economic and security risks in these countries will also increase.

### **1.8 Our results of operations depend on the timing of new contract awards and the timing of the performance of these contracts.**

At any point in time, we may derive a substantial portion of our revenues directly or indirectly from a limited number of large construction contracts. The amount of work to be done under a contract, and therefore the timing and amount of revenue that we recognize, varies depending on the project duration and on the stage of the construction that is being performed at any particular time. There is typically less construction work at the beginning and at the end of a construction project, resulting in our recognizing less revenues at these stages, compared with the amount of work that we perform in the middle of a construction project, when we recognize more revenues. Therefore, our results of operations tend to fluctuate depending on the duration and stage of our contracts at any particular time and the composition of contracts within our portfolio at any one time. We cannot predict whether or when we will receive awards of new contracts which frequently involve a lengthy and complex bidding and selection process, which is affected by a number of factors, including market conditions, financing arrangements and governmental approvals. The timing of the revenues and cash flows from our projects can be delayed by a number of factors, including availability of labor, weather conditions, delays in receiving material and equipment from suppliers and changes in the scope of work to be performed. These delays, if they occur, could have an adverse effect on our operating results for a particular period. As a result of the foregoing, our results of operations and cash flows can fluctuate significantly from period to period.

### **1.9 Risk on Dawei project**

On 5<sup>th</sup> of August 2015, the Company along with Consortium Partners, through their registered companies in Myanmar, signed the Concession Agreements with the Dawei Special Economic Zone ("DSEZ") Management Committee of the Republic of the Union of Myanmar to develop the Initial Phase of the Dawei Special Economic Zone which includes the Initial Industrial Estate area of 27 square kilometers and its related infrastructures and utilities. The details of the Concession Agreements are as follows:

- 1) The Initial Industrial Estate (including power and water distribution network) and two-lane road connecting the DSEZ area and Thailand Border at Ban Phu Nam Ron, Kanchanaburi Province
- 2) Small Port
- 3) Initial Township
- 4) Small Water Reservoir
- 5) Boil-off Gas and Temporary Power Plants
- 6) Initial Phase Power Plant (Combined Cycle)
- 7) Telecommunications Landline

Currently, both the Company and the DSEZ Management Committee are in the process of fulfilling the necessary conditions, such as the project detailed designs and environmental impact assessments, as stated in the Concession Agreements, prior to the construction and commercial operation date.

The delays in the negotiation process of the Concession Agreements may cause negative effects on the image of the project development, the financial status, loan agreements, debentures' terms and conditions, company's performance, investment opportunities and investors' return.

### **1.10 Risk on granting potash mining license**

The process of granting underground mining license was under the Mineral Act of the Ministry of Industry which required more procedures to grant a license than for a general mining license. The Company's subsidiary made a contract with the Ministry of Industry to explore and produce a potash mine in the northeast. This contract defined the right to the subsidiary that the Ministry of Industry, via the Department of Primary Industries and Mines, would consider to grant the necessary rights to the subsidiary to be capable of developing, conducting, and continuing the commercial mining under this contract and the mining license approval. The said contract reduced the chances of failure of license approval. The EIA approval, an important procedure, increased the confidence and possibility that the mining license will be granted. The subsidiary also passed section 88/10 of the Minerals Act (No.5) B.E. 2545 which was the selection of stakeholder representative of the project and a fund was set up to support the study of stakeholder representative of the project to engage the independent consultants to review the EIA and study additional issues of concern by the stakeholders. The said study has already been completed and the government authorities concerned are preparing for a public hearing according to Section 88/7. The failure of obtaining the said mining license could have an adverse effect on the Company's business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

### **1.11 Risk on the trade accounts receivable and unbilled receivable of the overseas subsidiary**

The trade accounts receivable and un-billed work in progress of an overseas subsidiary are totaling Baht 626.56 million, which represent a number of variation order claims recognized some years ago based on the terms and conditions implicit in the agreements. These claims are technical in nature and subject to an arbitration tribunal. The subsidiary has assessed the realization of these claims based on information from the dispute resolution board, the arbitration tribunal, High Court orders and legal opinion from an independent counsel. During the year, such subsidiary concluded an agreement with the employer to accept the partial settlement of outstanding trade account receivable and un-billed work in progress. Therefore, the subsidiary has recognised loss on such agreement of Baht 663.26 million in the consolidated financial statements for the year ended 31 December 2015. In addition, the consolidated financial statements as at 31 December 2015 also include trade receivables and un-billed work in progress of overseas subsidiaries of Baht 164.66 million and Baht 26.00 million, respectively. These amounts are presently under negotiation with the customers or subject to litigation. The Company might set up the allowance for doubtful account for unpaid amount and could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

## **2. Risks related to production**

### **2.1 Our failure to meet schedule requirements of our contracts could require us to pay liquidated damages.**

Substantially all of our contracts are subject to specific completion schedule requirements with liquidated damages charged to us if we do not achieve the construction schedules. Liquidated damages are typically levied at the rate of 0.05%-0.1% of the contract value for each day of delay that is deemed to be our responsibility, subject to a maximum liability of 10% of the contract value. Any failure to meet our schedule requirements of our contracts could cause us to pay significant liquidated damages, which could adversely affect our liquidity and cash flows and have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

### **2.2 Our projects expose us to potential liability claims.**

We construct many projects where design, construction or systems failures can result in substantial hazards or property damages to third parties. The mistakes of such projects subsequent to their completion can result in similar hazards and damages or environmental impacts and pollution in noise, dust, smoke spreading, collapse or cracking of nearby buildings during construction or after construction. Litigation arising from any of these occurrences may take us to be defendant in lawsuits asserting large claims or subject us to significant regulatory penalties. Although we maintain insurance policies with coverage to the extent and in amounts we believe prudent to protect us from these potential claims, we cannot assure you if our insurance coverage will be sufficient or the conditions in the insurance policy cover all circumstances or against all damages to which we may be liable. A successful claim against us or any of our subsidiaries, associated companies or joint ventures could result in significant liabilities for us and could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

### **2.3 We may not be able to fully realize the contract value of our projects or the value of our backlog.**

We use our backlog as a general indicator of our level of work to be completed. Backlog represents our estimate of the contract value of work that remains to be completed at any given time under our executed project contracts. The contract value of a project represents the amount that we expect to receive under the terms of the contract if the contract is performed in accordance with its terms. The Company and portion of the Company backlog amounted to Baht 81,526 million and Baht 67,138 million as of December 31, 2015 and December 31, 2014, respectively. We may not realize the contract value of our projects or the revenue we expect to receive from our backlog or, if we realize revenue, it may not result in profits. For example, if a project reflected in our backlog is terminated, suspended or reduced in scope, it would result in a reduction to our backlog, which would reduce, potentially to material extent, the revenue, cash flows and operating profit we actually receive from the contracts

---

we include in backlog. If a customer cancels a project, we may be reimbursed for certain costs, but we typically would have no contractual right to the total revenues reflected in our backlog. Significant cancellations or delays of projects in our backlog could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

#### **2.4 We are dependent upon the availability and cost of materials, labor and sub-contractors.**

Materials used in our construction projects typically represent approximately 30% to 40% of our total project costs. These materials are global commodities, and their availability and prices depend on local and global market conditions. If there is a shortage of these materials, particularly cement and steel, we may find it difficult to obtain the amounts of these materials that we require at a price which we believe is commercially acceptable or at all, which may materially and adversely affect our business, financial conditions, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

Our ability to control labor costs and to manage large infrastructure projects is dependent upon our ability to attract and retain qualified engineers, architects and technicians with sufficient experience in the engineering, design and construction of such projects. We have employed, and we expect to continue to employ, sub-contractors to perform some of our construction activities. We and our sub-contractors are dependent upon the availability of workers, particularly when the level of activity in the construction industry is high. If there is a shortage of trained engineers, architects, technicians and other workers in Thailand, we may have difficulty hiring adequate numbers of skilled personnel and other workers, directly or through sub-contractors, in the future. We also cannot assure you that the costs of retaining or employing skilled personnel or other workers will not exceed our estimates, which may materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

### **3. Risks related to finance**

#### **3.1 Our inability to obtain bonds and other financing could limit the number of projects we are able to pursue.**

It is customary in the construction industry, and we are typically required, to provide surety bonds to bid for and to secure our performance under construction contracts. Our ability to obtain surety bonds primarily depends upon our capitalization, working capital, past performance, management expertise and other external factors, including the overall financial capacity of the surety companies and banks. Surety companies and banks consider these factors in relation to their risk management policies and underwriting standards, which may change from time to time. During the Asian financial crisis and our reorganization, some providers of surety bonds required us to pledge cash deposits or provide other forms of security with them to secure our contingent obligations under the bonds. The pledges of cash affected our liquidity and working capital resources. Since the completion of our business reorganization, providers of surety bonds have generally not required us to pledge cash deposits. While we have not had any material difficulties in obtaining surety bonds after our business reorganization, we cannot assure you that we will continue to be able to obtain the bonds required for us to operate our business either on a secured or unsecured basis, on commercially reasonable terms or at all, which would materially and adversely affect our business, financial condition results of operations, prospects and returns of investors.

We may also require additional financing to provide needed additional working capital to finance start-up costs of projects (including the purchase of materials and equipment) before we receive payment under a contract. Our ability to arrange for financing will depend, in part, upon factors outside our control, such as a financial institution's lending policy and prevailing market conditions, as well as upon our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations and prospects. Our inability to obtain adequate financing to fund our working capital requirements could adversely affect our ability to perform our obligations under existing contracts and our ability to obtain new contracts, which could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, prospects and returns of investors.

#### **3.2 We have significant contingent liabilities that could materialize, which, if they materialize, could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations and prospects.**

We have significant contingent liabilities that could arise under the terms of our business reorganization plan, under the surety bonds that we procure for our construction projects and under the terms of our guarantees of our subsidiaries and under the terms of certain of our construction projects.

##### **Surety Bonds and Guarantees.**

Our contingent liabilities under surety bonds amounted to Baht 42,838 million and Baht 42,885 million as of December 31, 2015, and December 31, 2014, respectively, and our contingent liabilities under guarantees that we issued to financial institution to secure credit facilities granted by those financial institutions to our subsidiaries, associated companies and joint ventures amounted to Baht 7,947 million and Baht 3,550 million as of December 31, 2015 and December 31, 2014, respectively. A call on some of these bonds by a project owner would result in the financial institutions providing the bonds claiming the amounts paid under the bonds from us. In addition, a claim on some of these guarantees by

---

a financial institution could subject us to liabilities under the guarantees. These factors may adversely affect our liquidity, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

**3.3 We may need to establish additional provisions for doubtful receivables and recognize additional losses on the diminution in value of our investments which, if they materialize, could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations and prospects.**

Historically, we incurred significant amounts of trade receivables from related and non-related parties and loan receivables from related parties. In addition, we also had significant amounts of investments in related and other parties.

We had the net trade account receivable, the current portion of financial lease receivable and the retentions receivable due within one year amounting to Baht 12,330 million and Baht 12,107 million as of December 31, 2015 and December 31, 2014, respectively, and had the investment amounting to Baht 1,039 million and Baht 1,316 million, respectively and had the land lease concession and project under development, in the Dawei project, amounting to Baht 7,251 million.

In addition, future non-payments of our trade and loan receivables and a diminution in the value of our investments may result in our having to establish provisions equal to the amount of such non-payment or the amount of such diminution in the future, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and conditions of bonds, results of operations, prospects and returns of investors.

#### **4. Risks related to the impact of rights or investment of security holders**

##### **4.1 Risks from the Company having major shareholders total shares of over 25% .**

As of February 15, 2016 the Thailand Securities Depository Co., Ltd. reported the shares distribution of major shareholders including the directors, the management and related persons totaled 1,508,058,277 shares or 28.56% of the paid-up capital (common share only). They were capable to have the right to objection or to disapprove the vote in the shareholders' meeting on whatever articles of association or related regulations which required approval not less than 3 out of 4 of the whole existing shareholders at such meeting and with the right to vote.

##### **4.2 Risks in dividends payout**

According to the Company's Articles of Association under Article 39 the first paragraph stated "No dividends shall be paid from any type of funds other than from the profits. In case the Company has sustained any accumulated loss, no dividend shall be paid." and the Public Limited Companies Act, B.E. 2535 (1992) under Section 115 the first paragraph stated "No dividends shall be paid otherwise than out of profits. In the case where a company has incurred accumulated loss, no dividends may be paid.", as at December 31, 2015, the Company had the retained deficit of Baht 29 million and might not be capable to pay dividends.

##### **4.3 Risks from the covenant of the Company's debenture**

The Company must maintain the covenant of debt to equity ratio on the Company's consolidated financial statement before 2013 and after 2013 not over than 2.5 (Two point five) : 1 (One) and not over than 3.0 (Three) : 1 (One), respectively at the end of the 2nd quarter and the year ended of each year. As of December 31, 2014, the debt to equity ratio of the Company was 2.11 (Two point one one) : 1 (One).

##### **4.4 Risks from the call option of debenture**

The Company can exercise call option of debenture on any day after an anniversary year of the issued debenture. The bondholders will be paid the fee at 0.25% of the redeemed debenture. In case of partial redemption, the Company shall redeem any outstanding debenture by its sole discretion and in the proportion of each bondholder holding. The call option of debenture might cause a bondholders' risk to estimate cashflow from debenture.

##### **4.5 Risks from reinvestment in debenture**

In case the debenture issuer exercises the call option, the bondholders might not be able to reinvest the receipt from early redemption in other equal or higher return instruments.

## Marketing and Competition

Competition in the local construction industry is intense. New project awards are typically determined through a competitive bidding process, and after potential bidders pre-qualify to bid on a project, the principal competitive consideration is the price of the bid. This increase in competition for construction projects has led to price competition and a general decrease in contract prices.

### Clients

We classify our clients in two ways – by the type of client and by the location of client. The type of client is determined by whether the public sector (including state-owned enterprises), or the private sector. The location of the client is either domestic or international and is determined by whether the work we perform for the client is in Thailand or outside Thailand. As of December 31, 2015, the public sector accounted for approximately 53.2% of the Company, the subsidiaries with the Company's construction role and portion of the Company backlog, while the private sector accounted for approximately 46.8%. Domestic clients accounted for approximately 62.9% of the Company and portion of the Company backlog as of December 31, 2015, while international clients accounted for approximately 37.1%.

Backlog by Client Classification	As of December 31,		
	2015	2014	2013
Public Sector Backlog	53.2	47.2	56.4
Private Sector Backlog	46.8	52.8	43.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Domestic	62.9	52.9	62.7
International	37.1	47.1	37.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

In the last 3 years, the public sector backlog has varied from 47% to 56% of the total backlog. The public sector was 53.2% and 47.2% of the total backlog at the year end of 2015 and 2014, respectively.

### Competition

There are more than 500 companies operating in the construction business who are members of the Thai Contractors Association, including Thai companies, foreign companies and joint ventures between Thai and foreign companies. Competition is mainly based on price, but a key factor that affects the ability to price a bid competitively is the sourcing of materials. The fluctuation of the price of materials has an impact upon the construction industry because the value of materials typically represents approximately 30 to 40% of the entire project cost. Other than the availability of materials, significant competitive factors include the expertise and experience of employees and subcontractors, as well as joint venture formation for technological support and business alliances.

Thai public sector agencies typically only allow contractors who meet certain criteria to bid for contracts. Construction contractors may be divided into classifications by level of expertise, technical knowledge and resource availability. Contractors who are classified in the highest level typically pre-qualify to bid for all types of contracts, while contractors who are not classified in the highest level are typically excluded from bidding on contracts which require higher levels of expertise. We believe that many public sector clients in Thailand have classified us in the highest level.



The following table sets forth the construction contractors in Thailand that are listed on the SET and their reported revenues of each for 2015:

Company Name	Revenues (million Baht)	% of Total
Italian-Thai Development Public Company Limited	52,035.1	25.41
CH. Karnchang Public Company Limited	38,027.8	18.57
TTCL Public Company Limited	22,019.8	10.75
Sino-Thai Engineering Public Company Limited	18,909.7	9.23
STP&I Public Company Limited	13,562.8	6.62
Uniq Engineering and Construction Public Company Limited	10,182.8	4.97
Nawarat Pattanakan Public Company Limited	7,672.8	3.75
Syntec Construction Public Company Limited	7,374.4	3.60
Christiani & Neilsen (Thai) Public Company Limited	7,354.6	3.59
Power Line Engineering Public Company Limited	6,170.0	3.01
BJC Heavy Industries Public Company Limited	5,753.9	2.81
Pre-Built Public Company Limited	4,211.3	2.06
TRC Construction Company Limited	3,955.0	1.93
Thai Polycons Public Company Limited	2,327.5	1.14
SEAFCO Public Company Limited	1,881.7	0.92
Sriracha Construction Public Company Limited	1,688.6	0.82
EMC Public Company Limited	897.3	0.44
PAE (Thailand) Public Company Limited	745.9	0.36
<b>Total</b>	<b>204,770.8</b>	<b>100.00</b>

Source: Stock Exchange of Thailand

There are not only Thai companies, but also foreign construction companies operating in Thailand. However foreign construction companies are restricted from the bidding in the government projects because the government's regulation requires that the bidders must be Thai juristic person (i.e. the juristic person who has Thai nationality shareholders more than 50% of shares). The foreign construction companies cannot set up a company or a branch in Thailand without Thai nationality shareholders to bid for government projects except for the duration of specific and approved projects. Generally, this is only possible for projects undertaken by the public sector or with Government support. Therefore, most foreign construction companies must be registered to undertake general construction business in Thailand as a company in which Thai nationals own the majority of the shares and contribute the majority of the capital, which effectively restricts their participation in the Thai construction sector.

As a result of the above restrictions, many foreign construction companies form joint ventures, or act in consortium with, Thai construction companies. These arrangements often provide greater access for foreign companies to the Thai market and allow Thai companies, including our Company, to benefit from the technical expertise and, in some case, financial strength of the foreign companies. These arrangements tend to be project-specific and usually dissolve when the project is completed. Our Company has formed several such ventures for strategic reasons and in fields where we seek to gain experience.

We also bid for projects in neighboring countries and other countries in Asia. Creditable financial institutions, such as the Asian Development Bank, the World Bank or JBIC, financially support some of the major infrastructure projects for which we bid. These projects are open to international bidders with high qualification standards. In the past, particularly in India, most local contractors in these countries failed to meet the required qualifications. The majority of our competitors were joint ventures between local contractors and foreign contractors from countries such as China, Taiwan, Korea, Australia, Japan or countries in Europe.

### General Information

#### (1) Corporate Information

Company Name	Italian-Thai Development Public Company Limited
Type of Business	Contractor : Civil and Infrastructure Construction and Development
Head Office	2034/132-161 ItalThai Tower, New Petchburi Road, Bangkok, Huaykwang, Bangkok 10310, Thailand
Registration No.	0107537000939
Telephone	+66(0)2716-1600
Facsimile	+66(0)2716-1488
Homepage	www.itd.co.th
Email	cccs@itd.co.th
Registered Capital	Baht 6,335,808,993 (Six Thousand Three Hundred and Thirty five Million, Eight Hundred and Eight Thousand, Nine Hundred and Ninety-Three Baht)
Paid-up Capital	Baht 5,279,840,828 (Five Thousand Two Hundred and Seventy-Nine Million, Eight Hundred and Forty Thousand, Eight Hundred and Twenty-Eight Baht)
Ordinary Shares	Shares 6,335,808,993 (Six Thousand Three Hundred and Thirty five Million, Eight Hundred and Eight Thousand, Nine Hundred and Ninety-Three Baht)
Par Value	Baht 1.00 (Baht One)

#### (2) Information on Related Companies with Investment Exceeding 10%

ITD's investment in Related Companies, in excess of 10% of the paid-up capital as of 31<sup>st</sup> December, 2015 is as reported below:

##### 1. Lines of construction and public utilities work including a line of construction support and a line of overseas investments

Company Name	Head Office	Tel./Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
Subsidiary Companies						
1. Myanmar ITD Co., Ltd.	Myanmar	Tel. (951) 525-970 Fax (951) 525-970	Service agent for ITD	1,483	100	99.99
2. Italian-Thai International Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Holding Company and ship charter	100,000 300,000	100 75	99.99
3. PT Thailindo Bara Pratama Co., Ltd.	Indonesia	Tel. 001-628-522-3158 Fax 001-625-4177-1166	Coal digestion services	25,250 (Million IDR)	100	99.99
4. Thai Pride Cement Co., Ltd.	Bangkok	Tel. 0-2716-0750 Fax 0-2716-0750	Manufacture and distribution of cement	1,300,000	100	99.99
5. Italian-Thai Land Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201	Not yet operational	10,000	100	99.99
6. Italian-Thai Power Co., Ltd.	Bangkok	Tel. 0-2716-1160-4 Fax 0-2716-1169	Production and distribution of electricity	100,000	100	99.99
7. ITD Construction SDN.BHD.	Malaysia	Tel. 603-2284 1370 Fax 603-2284 1370	Construction in Malaysia	0.75 (Million MYR)	75	99.99
8. Nah Pralan Crushing Plant Co., Ltd.	Saraburi	Tel. 0-3635 1155 Fax 0-3635 1155	Rock quarrying, processing and distribution	11,000	100	99.99
9. ITD Bangladesh Company Limited	Bangladesh	Tel. 009-88-02-988-6543 Fax 009-88-02-988-6543	Construction services in Bangladesh	4 (Million BDT)	100	99.99
10. ITD-Madagascar S.A Co., Ltd.	Madagascar	Tel. (261) 20 22 019 61 Fax (261) 20 22 019 60	Mining business	20 (Million Ariary)	100	99.98

Company Name	Head Office	Tel./Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
11. Italian-Thai Hongsa Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 1800 Fax 0-2716-1556	Coal digestion services	250	25	99.97
12. Myanmar Italian-Thai Power 1 Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	250	25	99.95
13. Palang Thai Kaowna Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	1,000	100	99.94
14. Saraburi Construction Technology Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Manufacturing, distribution and installation of concrete panels	250	25	99.93
15. Italian-Thai Development (Myanmar) Co., Ltd.	Myanmar	Tel. (951) 525-970 Fax (951) 525-970	Construction in Myanmar	25,000 (USD)	2.50	99.90
16. Siam Concrete and Brick Products Co., Ltd.	Pathumthani	Tel. 0-2501-2281-2 Fax 0-2501-2280	Manufacturing, distribution and installation of concrete products for real estate	126,000	100	99.80
17. ITD Mozambique Limitada	Mozambique	Tel. 258-849000719	Construction in Mozambique	682,812 (USD)	100	99.00
18. ItalThai Marine Co., Ltd.	Samutprakarn	Tel. 0-2387-1056 Fax 0-2387 -1056	Production and sale of vessels and equipment	810,000	100	92.59
19. ItalThai Trevi Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 6076	Foundation and piling work services	80,000	100	90.94
20. Italian-Thai Development Vietnam Co., Ltd.	Vietnam	Tel. 84-8-382-79182 Fax 84-8-382-79184	Not yet operational	6,000 (Million VND)	100	80.00
21. Palit Palang Ngan Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	1,000	100	74.93
22. Asian Steel Product Co., Ltd.	Rayong	Tel. 0-3860-6024 Fax 0-3860-6114	Manufacture and distribution of steel pipes for civil construction	20,000	50	69.90
23. ITD Cementation India Ltd.	India	Tel. 001-91-226-768-0600 Fax 001-91-226-768-0841	Construction services in India	155 (Million Rupee)	100	51.63
24. Thai Maruken Co., Ltd.	Bangkok	Tel. 0-2231-2226-9 Fax 0-2231-2230	Leasing/selling of sheet piles and beams	20,000	100	50.96
<b>Associated Companies</b>						
1. ATO Asia Turnouts Co., Ltd.	Bangkok	Tel 0-3636-5311-20 Fax 0-3636-5311-20	Production and distribution of turnouts for railway projects	5,000	100	49.00
2. Siam Pacific Holdings Co., Ltd.	Bangkok	Tel. 0-2745-6118 Fax 0-2745-6118	Holding company	58,625	100	46.69
3. Sino Lao Aluminum Corporation Limited	Laos	Tel. 001-85-620-680-8288	Bauxite mine business	32 (Million USD)	100	34.00
4. MCRP Construction Corporation Co., Ltd.	Philippines	Tel. 001-632-788-0770 Fax 001-632-788-0141	Construction contractor in the Philippines	25 (Million Peso)	25	24.00
5. MCRP Holding Corporation Co., Ltd.	Philippines	Tel. 001-632-788-0770 Fax 001-632-788-0141	Holding company in the Philippines	5 (Million Peso)	100	24.00

**2. Lines of the Company investment in other sectors, e.g., real estate business, construction material and raw material products, and concession businesses**

Company	Head Office	Tel./Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
Subsidiary Companies						
1. First Dhaka Elevated Expressway Co., Ltd.	Bangladesh	Tel. 009-88-02-988-6543 Fax 009-88-02-988-6543	Concession for constructing elevated expressway in Bangladesh	534 (Million BDT)	100	99.99
2. Bhaka Bhum Development Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 5057 Fax 0-2716-1600-1464	Real Estate development	10 4,975	100 25	99.99 99.93
3. Asia Logistics Development Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	1,000	100	
4. Asia Industrial and Port Corporation Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	1,000	100	99.93
5. APPC Holding Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4202 Fax 0-2716-1418	Holding company	3,795,987	100	60.00
6. Thai Mozambique Logistica SA	Mozambique	Tel. 258-849000719	Concession for the construction of deep sea port and railway in Mozambique	250,000 (USD)	25	60.00
Other Companies						
1. Bangkok Steel Wire Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 5808	Production and distribution of P.C. Wire and P.C. Strand	313,000	100	19.98
2. Oriental Residence Co., Ltd.	Bangkok	Tel. 0-2319-1031 Fax 0-2319-1031	Real Estate Development	500,000	100	15.00
3. NISHIO Rent All Co., Ltd. (Thailand) (Old name: Thai Rent All Co., Ltd.)	Bangkok	Tel. 0-2740-2680-7 Fax 0-2740-2688	Construction Machinery Rental	25,000	100	15.00
4. Charoong Thai Wire and Cable Plc.	Bangkok	Tel. 0-2745-6118 Fax 0-2745-6118	Manufacture and distribution of enamel coated wire and cable	1,999,288	100	12.90
5. M-Home SPV 3 Co., Ltd.	Bangkok	Tel. 0-2677-3000 Fax 0-2677-3200	Real estate development	100	100	11.54
6. Praram9Square Co., Ltd.	Bangkok	Tel. 0-2246-2323 Tel 0-2716-0541	Developer of shopping center and commercial areas,etc.	1,000,000	100	10.91
7. Siam Fiber Optic Co., Ltd.	Bangkok	Tel. 0-2745-6118	Manufacture and distribution of optic fibers	24,000	100	10.00
8. Lao Metal Industry Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 1904	Manufacture steel wires and steel rod	10,000	100	10.00

**3. Lines of Joint Venture which is the cooperation with other experienced companies to gain knowledge in new technologies for the Company's operations especially for public utility work**

Company Name	Head Office	Tel./Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
Joint Venture						
1. ITD-ETF Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Track Doubling Contractor	-	-	65.00
2. ITD-ITD CEM Joint Venture (Consortium)	India	Tel. 001-91-332-511-2866 Fax 001-91-332-511-2866	Construction of an airport terminal in India	-	-	60.00
3. ITD-Unique Joint Venture	Bangkok	Tel.0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of Multi-purpose Port at Klong Yai in Trat Province	-	-	60.00
4. ITD-ETF-MVM Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Contractor for the Track Rehabilitation Project Phase 5			55.25
5. ITD-EGC Joint Venture	Taiwan	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of underground electrical train station in Taiwan	293,843	100	55.00
6. IN Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of water drainage tunnel	119,601	100	51.00
7. ITD-ITD Cem Joint Venture	India	Tel 001-91-226-768-0600 Fax 001-91-226-768-0841	Construction Service in India	-	-	51.00
8. ITD-SQ Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Contractor for the overburden and lignite removal services at Mae Moh Mine	-	-	50.00
9. SQ-ITD Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Contractor for the overburden and lignite removal services at Mae Moh Mine Phase 7.1	348,500	100	50.00
10. ITO Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Terminal and Concourse Construction for Suvarnabhumi Airport	65,680	100	40.00
11. IOT Joint Venture	Bangkok	Tel 0-2716-1600 ext. 4201 Fax 0-2716-1418	Airfield Pavement Construction for Suvarnabhumi Airport	-	-	40.00
12. ITD-SMCC Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Contractor of Chao Praya River Crossing Bridge at Nonthaburi I Road	-	-	40.00
13. Evergreen-Italian-Thai-PEWC	Taiwan	Tel. 001-886-22788-2966 Fax 001-886-22788-5053	Construction High Speed-Rail in Taiwan	-	-	25.00
14. Samsung-ITD Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Contractor of LPG Facilities of PTT, Khao Bor Ya, Chonburi	-	-	24.00
15. ITD-ITD Cementation India Joint Venture	India	Tel. 001-91-226-768-0600 Fax 001-91-226-768-0841	Construction services in India	-	-	20.00

### (3) References

- Register of Common Stock  
Thailand Securities Depository Co., Ltd.  
62 The Stock Exchange of Thailand Building, Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand  
Telephone +66 (0) 2359-1200, +66 (0)2596-9307 or Facsimile +66 (0) 2359-1262-3, +66 (0) 2832-4994-6
- Auditor  

Mr. Somkid Tiatrakul	certified auditor No.2785
Ms. Sumalee Chokedeeanant	certified auditor No.3322
Mr. Teerasak Chuasrisakul	certified auditor No.6624
Ms. Sunsanee Poolsawat	certified auditor No.6977

Grant Thornton Limited  
18<sup>th</sup> floor Capital Tower, All Seasons Place, 87/1 Wireless Road, Lumpini, Phatumwan, Bangkok 10330, Thailand  
Telephone +66 (0) 2654-3330 or Facsimile +66 (0) 2654-3339
- Legal Advisor  
Weerawong, Chinnavat and Peangpanor Ltd.  
540 Mercury Tower, 22nd Floor, Ploenchit Road, Kwaeng Lumpini, Khet Pathumwan, Bangkok 10330, Thailand  
Telephone +66 (0) 2264-8000 or Facsimile +66 (0) 2657-2222
- Financial Advisor  
-None-
- Management Advisor  
-None-

### Other Significant Information

-None-

## Shareholders

### ■ 10 Major Shareholders as at February 15, 2016:

Name of Major Shareholders	Number of Shares	Percent of Shares (%)
1. Mr. Premchai Karnasuta and family	894,707,415	16.946
2. Mrs. Nijaporn Charanachitta and family	478,732,122	9.067
3. Mr. Wichai Wachiraphong	246,295,500	4.665
4. Mr. Wichan Wachirapong	188,250,000	3.565
5. Mr. Jakaphan Wachirapong	159,800,000	3.027
6. Mr. Jessada Lertnantapanya	144,865,500	2.744
7. Thai NVDR Co., Ltd.	130,572,748	2.473
8. Mrs. Walaiporn Sompakdee	76,478,000	1.448
9. SCB Dividend stock 70/30 long term equity fund	61,327,900	1.162
10. STATE STREET BANK EUROPE LIMITED	58,825,880	1.114

### ■ Major shareholders who have significant influence on the Company's policy

- None -



### **The Company's dividend policy**

The Board of Directors plans to propose at the Shareholders' Meeting a dividend payout to each shareholder, with expected rates to be paid based on performance, of not less than 40% of net profit after tax, providing that there is no for funds by any other event and that the dividend will not significantly affect the operations of the Company.

### **Subsidiary's dividend policy**

Regarding the dividend policy of subsidiaries, the Board of Directors shall consider the subsidiary's operation result and cash flow compared to its investment, without determining the exact payout ratio. If there is sufficient cash flow which has legally been reserved, the Board of Directors shall consider the dividend of case by case, and has set a dividend policy of not less than 30% of net profit before tax. Thai Maruken Company Limited will not be considered for a dividend.

## Management Structure

The Board of Directors and the Board of Management conscientiously carry out their duties for the maximum benefit of the Company and shareholders through clearly a defined management structure as follows:

1. The members of the Board of Directors recognize their roles and responsibilities toward the shareholders, and they ensure that they can perform the duties.
2. The Board of Directors and the Board of Management must be properly instituted and counterbalanced as follows:
  - a) Audit Committee, consisting of an Independent Audit Committee functioning in accordance with the stipulations of the Stock Exchange of Thailand, and having the expertise to review the reliability of financial statements as well as other duties as an audit committee.
  - b) Clear separation of duties between the Chairman of the Board of Directors and the Chairman of the Board of Management, according to the information disclosed in the corporate governance of the Company.

### Board of Directors

As at December 31, 2015 the Board of Directors consists of ten persons as listed below:

Name-Surname	Position	Directors Meetings	
		Total Number of Meetings	Number of Attendance
1. Dr. Krisorn Jittorntrum	Chairman of the Board of Directors* Chairman of the Audit Committee* Chairman of the Board of the Risk Management Committee Independent Director Audit Committee	4	4
2. Mr. Premchai Karnasuta	Director	4	4
3. Mrs. Nijaporn Charanachitta	Director	4	4
4. Mr. Pathai Chakornbundit	Director Executive Vice President of the Risk Management Committee	4	4
5. Mr. Tawatchai Suthiprapha	Director	4	4
6. Mr. William Lee Zentgraf	Independent Director Audit Committee	4	4
7. Mr. Peeti Karnasuta	Director Risk Management Committee	4	3
8. Mr. Tirapongse Pangsrivongse	Independent Director Audit Committee*	4	2
9. Mr. Thoranis Karnasuta	Director	4	4
10. Mr. Krirk Vanikkul	Independent Director**	4	2

#### Note

- Mr.Yuthachai Charanachitta submitted a resignation letter from his Directorship and from the Risk Management Committee.
- \* was appointed according to the resolution of the Board of Director's Meeting No 4/7/2015 dated July 6, 2015.
- \*\* was appointed according to the resolution of the Board of Director's Meeting No. 9/7/2015 dated July 15, 2015.

### Management

#### ■ Board of Management

As at December 31, 2015 the Board of Management of the Company consists of sixteen persons as listed below:

Name-Surname	Position
1. Mr. Premchai Karnasuta	Director and President
2. Mrs. Nijaporn Charanachitta	Director and Senior Executive Vice President
3. Mr. Pathai Chakornbundit	Director and Senior Executive Vice President
4. Mr. Tawatchai Suthiprapha	Director and Senior Executive Vice President
5. Mr. Anan Amarapala	Executive Vice President

Name-Surname	Position
6. Mr. Taweesilp Pattanakitchamroon	Executive Vice President
7. Mr. Chatichai Chutima	Executive Vice President
8. Mr. Virat Kongmaneerat	Executive Vice President
9. Mr. Sumate Surabotsopon	Executive Vice President
10. Mr. Piyachai Karnasuta	Executive Vice President
11. Mr. Peeti Karnasuta	Executive Vice President
12. Ms. Prachaya Karnasuta	Executive Vice President and Assistant to Director and senior Executive Vice President
13. Mr. Sompop Pinijchai	Executive Vice President
14. Mr. Woravudh Hiranyapaisarnsakul	Executive Vice President
15. Mr. Prasit Ratanaramig	Executive Vice President
16. Mr. Thoranis Karnasuta	Executive Vice President and Assistant to the President
17. Mr. Wichien Roongrujirat*	Vice President
18. Mr. Kriengsak Kovadchana*	Vice President
19. Mr. Prasert Sanor*	Vice President

*Note*

1. Mr. Yuthachai Charanachitta submitted a resignation letter as an Executive Vice President, effective on 31 December, 2015.
2. Mr. Thoranis Karnasuta was appointed as an Executive Vice President, effective on 1 January, 2016 .
3. \*were appointed as the Vice President, effective on 1 July, 2015.

■ The Management announced by the Securities and Exchange Commission

As at December 31, 2015, the Management of the Company consists of nineteen persons as listed below:

Name-Surname	Position
1. Mr. Premchai Karnasuta	President
2. Mrs. Nijaporn Charanachitta	Director and Senior Executive Vice President
3. Mr. Pathai Chakornbundit	Director and Senior Executive Vice President
4. Mr. Tawatchai Suthiprapha	Director and Senior Executive Vice President
5. Mr. Anan Amarapala	Executive Vice President
6. Mr. Taweesilp Pattanakitchamroon	Executive Vice President
7. Mr. Virat Kongmaneerat	Executive Vice President
8. Mr. Sumate Surabotsopon	Executive Vice President
9. Mr. Piyachai Karnasuta	Executive Vice President
10. Mr. Peeti Karnasuta	Executive Vice President
11. Ms. Prachaya Karnasuta	Executive Vice President and Assistant to Director and senior Executive Vice President
12. Mr. Chatichai Chutima	Executive Vice President
13. Mr. Sompop Pinijchai	Executive Vice President
14. Mr. Woravudh Hiranyapaisarnsakul	Executive Vice President
15. Mr. Prasit Ratanaramig	Executive Vice President
16. Ms. Kanchana Charoenyot	Vice President (Accounting)
17. Mr. Thoranis Karnasuta	Executive Vice President and Assistant to the President
18. Mr. Wichien Roongrujirat*	Vice President
19. Mr. Kriengsak Kovadchana*	Vice President
20. Mr. Prasert Sanor*	Vice President

*Note*

1. Mr. Yuthachai Charanachitta submitted a resignation letter as an Executive Vice President, effective on 31 December, 2015.
2. Mr. Thoranis Karnasuta was appointed as the Executive Vice President, effective on 1 January, 2016 .
3. \*were appointed as the Vice President, effective on 1 July, 2015.

The Company's Organization Chart is disclosed in the Annual Report, and the Education Qualifications, Work Experience and Curriculum Vitae of the Company's Directors, including the List of Directors of Subsidiary Companies, are attached in the Annual Report.

## The Company Secretary

The resolution of the Board of Director's Meeting No.5/6/2008 dated June 9, 2008 appointed

Mr. Woravudh Hirunyapaisansa-kul to be the Company Secretary according to Securities and Exchange Act (No. 4) B.E. 2551. He is responsible for establishing the meetings of the Board of Directors and the meetings of the shareholders, coordinating with other parties to comply with the resolutions of these meetings, advising the Directors on laws and regulations, supporting the Director's activities and other duties according to the notification of the Capital Market Supervisory Board.

The Education Qualification, Work Experience and Curriculum Vitae of the Company Secretary is given in the Board of Directors and Board of Management (Attachment 1).

## Remuneration of Directors and Management Staff

The remuneration of Directors and the Management is as follows:

### 1. Remuneration of Directors

The Company has determined the Remuneration of Directors clearly and transparently based on comparable industry levels and for the performance required of the Directors. Directors assigned to be on the Audit Committee receive additional remuneration for full discharge of their Audit Committee duties. In any case, the amount of remuneration to be paid to Directors must be finally approved by a meeting of the shareholders.

### 2. Remuneration of the Board of Management

The remuneration of the Board of Management members follows the principles and policy determined by the Board of Directors and depends on the corporate and individual achievement.

#### (1) Financial Remuneration

(A) Remuneration of Directors, Audit Committee, and Risk Management Committee as of December 31, 2015

Directors	Remuneration (Baht/Year)		
	Directors	Audit Committee	Risk Management Committee**
1. Pol.Lt. Chartachai Bunya-Ananta (1)	-	96,000	
2. Dr. Krisorn Jittorntrum (2)	665,000	474,028	15,000
3. Mr. Premchai Karnasuta	580,000		
4. Mrs. Nijaporn Charanachitta	580,000		
5. Mr. Pathai Chakornbundit	580,000		10,000
6. Mr. Yutachai Charanachitta (4)	580,000		10,000
7. Mr. Tawatchai Suthiprapha	580,000		
8. Mr. William Lee Zentgraf	580,000	415,000	
9. Mr. Peeti Karnasuta	580,000		10,000
10. Mr. Tirapongse Pangsrivongse (2)	580,000		
11. Mr. Thoranis Karnasuta	580,000	203,125	
12. Mr. Krirk Vanikkul (15/7/2015) (3)	265,833		
<b>Total</b>	<b>615,0833</b>	<b>1,188,153</b>	<b>45,000</b>

Note:

- 1) Pol. Lt. Chartachai Bunya-Ananta passed away on 18 April 2015.
- 2) The resolution of the Board of Director's Meeting No. 4/7/2015 dated July 6 2015 appointed Dr. Krisorn Jittorntrum to be the Chairman of the Board of Directors and Mr. Tirapongse Pangsrivongse to the Audit Committee
- 3) The resolution of the Board of Director's Meeting No. 9/7/2015 dated July 15 2015 appointed Mr. Krirk Vanikkul to be an Independent Director.
- 4) Mr. Yuthachai Charanachitta submitted a resignation letter as an Executive Vice President, effective on 31 December, 2015.

## (B) Total Remuneration and Number of Directors and Board of Management

The remuneration of the Board of Management members follows the principles and policy determined by the Board of Directors and depends on the corporate and individual achievement.

- The 17 members of the Board of Management received, in total, remuneration amounting to Baht 89,905,925 for the full discharge of their respective duties.
- The 15 members of the Board of Directors [not including Executive Vice President (Finance) and Vice President (Account)] received, in total, remuneration amounting to Baht 84,669,925 for the full discharge of their respective duties.

### (2) Other remuneration (If any)

Other Remuneration of Board of Management

#### ■ Provident Fund

The Company has provided a provident fund at the rate of 2 percent of the salary. In 2015, the 17 members of the Board of Management received, in total, provident fund amounting to Baht 1,271,480.

## Human Resources

- Total Number of Employees as of 31<sup>st</sup> December 2015 was 27,317 persons
- Number of Employees by Major Categories

Categorized by job classification:

- Engineers	=	1,789	Persons
- Accountants	=	268	Persons
- Administrators	=	271	Persons
- General Employees	=	24,989	Persons
<b>Total</b>	<b>=</b>	<b>27,317</b>	<b>Persons</b>

Categorized by the Company's nine business categories:

1) Buildings	=	9,561	Persons
2) Industrial Plants	=	4,411	Persons
3) Pipelines and Utility Works	=	3,537	Persons
4) Highways, Railways, High Speed Rails, Viaducts, Track Works, MRT Systems, Bridges and Expressways	=	5,119	Persons
5) Airports, Ports, Jetties, River Protection, Dredging & Reclamation, Marine Works	=	1,473	Persons
6) Dams, Tunnels, and Power Plants	=	616	Persons
7) Steel Structures	=	453	Persons
8) Telecommunications	=	191	Persons
9) Mining and Miscellaneous	=	1,185	Persons
10) Head Office and Foreigner	=	112	Persons
<b>Total</b>	<b>=</b>	<b>27,317</b>	<b>Persons</b>

- Changes in employee numbers in the last three years
  - Total number of employees as of 31<sup>st</sup> December 2013 = 28,318 Persons
  - Total number of employees as of 31<sup>st</sup> December 2014 = 28,235 Persons
  - Total number of employees as of 31<sup>st</sup> December 2015 = 27,317 Persons
- Major labor disputes during the past three years
  - None
- Employee benefits for the year 2015
  - Baht 7,456,259,000 ( salaries, wages, and other benefits )

---

## Employee Skill Development Policy

Since the employee's skills are very important to the company's performance, in the year 2015, the company provided 26 courses to develop skills for field of competency with an average training 5.6 hours / employees. The training was separated into 2 fields:

- Construction Field: The programs provided developing knowledge and skill. There were nine courses: 1. Effective Construction Planning: Door and Window in high-rise Building 2. Occupational Safety, Health and Environment Committee 3. The Safety Officer in Technical level 4. The Safety Officer in Supervising level 5. Safety Officer Seminar 6. Crane Safety Operation 7. Project Manager and Project Engineer Seminars, 8. Contract Administration and Project Management 9. MRT Blue Line Extension Construction (Hualamphong - Sanamchai)
- Construction for Job-Specialist and Operational Level: The programs provided developing Knowledge and skills. There were seventeen courses: 1. Business Plan in Action 2. Intelligence Leadership 3. Cost Reduction 4. Problem Solving and Decision Making for Executive 5. Accountant Seminars 6. Store Supervisor Seminars 7. Closing the books 8. Leadership Skills 9. Supervisory Skills Development 10. Effective Problem Solving and Decision Making 11. Equipment Pool Division Guideline 12. Effective Executive's Assistant Techniques 13. Self-Development to Highly Effective People 14. Job Relations 15. Understanding Other Skills for Working 16. Discover Your Leadership Power 17. Orientation for new comer.

In addition to the Head Office Training Division, the project sites provide In-house training. For Labor, The company has safety training program to motivate safe working practices on site and to develop skill.

Recognition of the importance of good corporate governance is essential in creating value-added efficiency of the organization which affects stakeholder's confidence. Pursuant to the meeting of the Board of Directors, the Board of Directors has approved and officially announced "ITD Corporate Governance Handbook" in 2004, which contains philosophies, policies and the code of conduct for corporate governance of the Company. It provides guidelines and a progress report for corporate governance practices which lead to evaluation and improvement procedures.

The Policy of the Corporate Governance must be reviewed every year. In 2015, the Board of Directors reviewed the Policy and suggested to add more policies, which are Corporate Governance, Equality Rights, Business Ethics and Violation policies. Resulting from the Board of Directors' meeting, the Company has amended its Policy as exhibited in the Annual Report and on the Company website ([www.itd.co.th](http://www.itd.co.th)).

Recognizing the importance of good corporate governance as in 2015, the Company was evaluated by governing authorities as follows:-

- The results of the Quality Evaluation of the Company's 2015 Annual General Meeting of Shareholders was rated of "Very Good" as carried out by the Thai Investor Association.
- The results of IOD for the Corporate Governance that was rated "Good" but the Rights of Shareholders and the Treatment to the Shareholders with Equality was rated "Excellent"

### 1. Policy of Corporate Governance

The Company has realized the importance of good corporate governance, and therefore has implemented the policy as follows:-

#### ■ The Rights of the Shareholders

1. The Company shall respect the right of shareholders according to the law.
2. The remuneration of the Directors shall be proposed at the shareholder's meeting for consideration.
3. When electing Directors, the Company shall propose the candidate for the consideration and vote by the shareholders.
4. The Company shall give in advance the shareholders an opportunity to propose the agenda for the Annual General Meeting of Shareholders.
5. The Company shall recognize the importance of the shareholder's meeting invitation notice and the minutes of that meeting.
6. The Board of Directors and the President must participate in the shareholder's meeting, except in the case of force majeure preventing attendance.
7. All shareholders, including the institutional shareholders, have been continuously encouraged to participate and vote in the shareholders meeting on material matters that may affect their interests. In addition to the meeting invitation letter, the Company also facilitates collection of the proxy forms and supporting documents in case the shareholders cannot attend the meeting.

#### ■ The Treatment to the Shareholders with Equality

1. Each shareholder has as many votes as he/she owns shares.
2. The Company shall establish an effective inside information control system.
3. The Related Transactions of the Company shall comply with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
4. A proxy form shall be sent together with the shareholder's meeting invitation notice and care taken to ensure that the shareholders have sufficient and complete information to understand the proxy method and meeting procedure to maintain their rights
5. The Company shall announce the shareholder's meeting invitation notice, with important details, on the Company's website thirty days prior to the Meeting day, or earlier.
6. The Company allows the shareholders to nominate persons for election as Directors in the Annual General Meeting of Shareholders by informing them in advance through the knowledge resources of the Stock Exchange of Thailand and the Company's website.
7. The Company will stipulate that the Directors and the Senior Management are to report the Board of Directors one day prior to the Company's stock trading.

#### ■ The Rights of the Stakeholders

1. The Company shall set up a clear policy relating to the welfare, safety, benefit, provident fund and training of the employees, as disclosed in the topic of Employee Skill Development Policy, showing the solid practice of training for employees and the average hours of training per year.
2. The Company shall implement a policy regarding the treatment of customers, partners, creditors and its corporate social responsibility. The Corporate Social Responsibility Report is disclosed in the Annual Report of the Company.
3. The Company shall provide a communication channel for all stakeholders to enable the exchange of information, opinions, and advice through direct mail to the Independent Director of the Corporate Service Department.



---

## ■ Information Disclosure and Transparency

1. The shareholding structure of the Company shall be transparently disclosed.
2. The information disclosed in the Annual Report must be correct and clear.
3. The Related Party Transactions and the Management's trading of the Company's stock shall comply with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
4. The Company shall appoint independent auditors who are qualified by the Securities and Exchange Commission.
5. The Company shall provide several communication channels to the investor such as the Annual Report, website, analyst meetings and press releases.
6. The Board of Directors and the Management are responsible for reporting on matters of interest to the Chairman.
7. The Company discloses the number of shares held by Directors and their spouses in the Annual Registration Statement (Form 56-1).

## ■ The Responsibilities of the Directors

### 1. Director

A Director and Independent Director may take office as a director in not more than five other listed companies

### 2. Sub-committees

To appoint various Sub-committees to study in detail and summarize of the work according to its necessities and suitability, as follows:

- Board of Management
- Audit Committee
- Risk Management Committee

To implement limits and responsibilities of Sub-committees and report the results of the Sub-committees at every Board of Directors' meeting.

### 3. Balance of Power of Non-Executive Directors

The structure of the Company Directors consists of Directors appointed by the shareholders, Independent Directors and Executive Directors. A balance of power of the Directors is achieved by assigning Independent Directors, which accounts for 1 in 3 of the total number of Directors on the Board, to get involved with the Sub-committees. The appointment of Directors will be made during shareholder's meetings.

### 4. Aggregation and Segregation of Positions

The titles and authority of the Board's Chairman and head of the Management team shall be clearly separated.

### 5. Board of Directors' Meetings

To maintain regular Board of Directors' meetings, they shall be held at least once every quarter, in order to follow and monitor the results of the Company's business operations and other related issues. All Directors should attend all Board of Directors' meetings, or inform the Secretary of the Company in writing or e-mail in case of inability to attend a meeting. Each Director's attendance record is disclosed in the Company's Annual Report.

The number of Directors' attendance shall constitute the quorum for every meeting of the Board of Directors, being not less than two-thirds of the total number of Directors at that time.

### 6. Leadership and vision

There is a clear separation of duties and responsibilities between the Board of Directors and the Board of Management so as to demonstrate their leadership and vision in decision making for the utmost benefit of the Company and shareholders.

### 7. Conflicts of interest

The Directors, the Management and the shareholders shall solve problems of conflict of interests carefully, honestly, reasonably and independently within the code of ethics and fully disclose this information for the benefit of the Company and shareholders.

### 8. The Board's Remuneration

Remuneration of the Directors shall be disclosed. Remuneration to other Sub-committees e.g. 1. The Audit Committee's remuneration shall be received monthly, increased according to the resolution of the Annual General Meeting of Shareholders. 2. The Risk Management Committee remuneration shall be received per meeting.

## **9. The Self-Assessment of the Directors**

The Board of Directors shall conduct an annual self-assessment of the effectiveness of their performances.

## **10. Continuous Knowledge Development**

The Company promotes training of staff at all levels in various courses to develop its personnel to be knowledgeable and up to date with current developments, for example SET, CSR Club, IOD and so on.

## **11. The Secretary of the Company**

The Company shall appoint a person to be the secretary of the Company who shall be responsible to advise the Directors on laws and regulations, support the Director's activities, and coordinate with other entities to comply with the resolutions of the Board of Directors' meeting.

## **■ Corporate Governance Activities Report**

In 2015, the Company has conducted its activities according to the Corporate Governance Principles of the Stock Exchange of Thailand, which are as follows:

### **1) Rights of Shareholders**

The Company recognizes the shareholders have the right to control the operation of the Company through the appointment of the Board of Directors. They also have the right to make the decisions regarding the significant changes of the Company in the Meeting of the Shareholders, for example the dividend payment, the remuneration of the Directors, Sub-committees, and share repurchase.

The Company has organized fair and proper Shareholders' Meetings which facilitated equitable rights among shareholders and arranged the various steps for the meetings, calling for the meeting, dispatching documents, notifying of the meeting agenda, and the minutes of the shareholders' meeting, according to legal requirements.

#### **1.1 Itinerary for Shareholders' 2015 Meeting**

The Company held the Ordinary Meeting of Shareholders for the year 2015 on Wednesday 8 April 2015 at 14.00, using a venue at Watergate Ballroom on 6th Fl., Amari Watergate Hotel, 847 New Petchburi Road, Ratchathewi, Bangkok.

#### **1.2 The Meeting Announcement**

In 2015, the Company started to prepare the meeting agendas and invitation notice with details of the agenda together with supporting documents, proxy, guidelines for proxy, conduct of the Annual General Meeting, and rules of procedure for Annual General Meetings from 7 March 2015.

All the meeting agendas, invitation notices, details of the agenda, proxy guidelines, and the meeting procedures and guidelines were approved by the President and the Board of Directors in order to ensure that the shareholders had sufficient and complete information for decisions in voting and also to understand the proxy method and meeting procedure to maintain their rights.

The Company delivered the meeting invitation notice with details of the agenda together with supporting documents fourteen days in advance and announced the meeting on the Company's website. The Company also announced the meeting in the newspapers three days in advance. The shareholders therefore had reasonable time to thoroughly study such documents. Additionally, the shareholders could make enquiries about the meeting agenda before the meeting to Corporate Services Department on telephone +66 (0) 2716-1600 extension 3800-4, or [www.itd.co.th](http://www.itd.co.th) or by e-mail at [cccs@itd.co.th](mailto:cccs@itd.co.th).

#### **1.3 The Procedure of the 2015 Meeting**

The shareholders could register to participate in the meeting and check the accuracy of necessary documents three hours before the meeting commencement. The proxies representing a shareholder could send proxy documents to the Company for checking their accuracy via facsimile any day before the meeting day.

At the beginning of the meeting, the Chairman of the Meeting advised the shareholders of the method of vote casting (one share for one vote), the right to make enquiries and how to express their opinions in each agenda. The meeting consisted of ten persons which were Dr.Kraisorn Jittorntum (Chairman of the Risk Management), Mr. Premchai Karnasuta (President), Mrs. Nijaporn Charanachitta, Mr. Pathai Chakornbundit, Mr. Tawatchai Suthiprapha, Mr. Yuthachai Charanachitta, . Mr. William Lee Zentgraf, Mr. Tirapongse Pangsrivongse , Mr. Peeti Karnasuta, Mr. Thoranis Karnasuta and .Mr. Chartchai Chutima (Executive Vice President of Finance Division). Weerawong, Chinnavat & Peangpanor Ltd the legal advisor, and the independent auditor from Grant Thornton joined the Meeting. Pol.Lt. Chatrachai Bunya-Ananta (Chairman of the Audit committee) was absent the Meeting due to unavoidable circumstances.

---

The meeting proceeded in the presence of 1,287 shareholders and or their proxies holding 2,338,343,779 shares (representing 44.29% of total shares). After the meeting commenced, there were additional shareholders that registered to attend this meeting. Therefore, the total number of the shareholders attended the meeting were 1,705 persons by holding 2,433,478,577 shares (representing 46.09% of total shares) including:

- Shareholders who were present in person 757 persons by holding 1,452,781,685 shares, equivalent to 27.52% of total shares.
- Proxies representing a shareholder 948 persons by holding 980,696,892 shares, equivalent to 18.57% of total shares.

All proposed agenda items were considered according to the meeting invitation notice without change or amendment and were approved by the shareholders in about three hours. The Company also properly recorded the vote counting, questions, and comments from shareholders in the meeting to ensure transparency. The shareholders also had equal opportunity and reasonable time to make enquiries and to express their opinions. The Directors, the Audit Committee and the Management also had suitable time to answer questions and explain important details.

In the agenda to appoint the Directors, the shareholders had an opportunity to vote pursuant to their intention for the whole set of Directors.

#### **1.4 Resolution of the Meeting Disclosure**

After the meeting was adjourned, the Company prepared the minutes of the shareholders' meeting with clarity and then submitted it to the Stock Exchange of Thailand on the shareholders' meeting day or the next business day before 9.00 a.m. Also, the Company published the minutes on the Company's website within fourteen days after the date of the meeting as an option for shareholders who were unable to attend the actual meeting to know meeting approvals.

For the Annual General Meeting of Shareholders, the Company disclosed the minutes of the shareholders' meeting held on 9 April, 2015 and published the minutes on the Company's website on 21 April, 2015.

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

The Company recognizes the importance of proper conduct to ensure equality of treatment for all type of shareholders, majority shareholders, minority shareholders and foreign investors.

#### **2.1 An Opportunity to Propose the Agenda and to Nominate Persons to be Appointed as Directors at the Annual General Meeting of Shareholders**

In 2015, the Company gave the shareholders an opportunity to propose the agenda or enquiry and to nominate persons to be appointed as Directors at the Annual General Meeting of Shareholders in advance via mail, E-mail: [cccs@itd.co.th](mailto:cccs@itd.co.th), and the Company's Website. The shareholders who are eligible to do so must hold shares not less than 5% of the Company's ordinary shares.

Independent Directors will consider the shareholders' proposals and further pass them to the Board of Directors for their consensus. If the Board agrees that any issues are significant or beneficial to the Company or the shareholders, the Board will put the said issues in the meeting agenda remarked as "Agenda from shareholders" in the notice to shareholders or clarify them at the Shareholders' Meeting. In addition, to facilitate the shareholders' proposals vetting process, the shareholders are requested to provide necessary details as follows:

- Name, address and telephone number of proposing shareholder for the Company to acquire any further information as well as evidence indicating status of consecutive holding of shares such as share certificate or official declaration from broker.
- Purpose and proposal in detail including other useful information for the Board's consideration such as relevant facts and data, reason, concerned issues and expected benefit for the Company.
- In case of nomination of persons to be appointed as Directors at the Annual General Meeting of Shareholders, the shareholders are requested to attach curriculum vitae, working experience and contact address in support of the Audit Committee to consider and further pass the matter to the Board of Directors for final decision.

For the Annual General Meeting of Shareholders 2015, the Company disclosed the procedure and invitation to propose the agenda and to nominate persons to be appointed as Directors at the Annual General Meeting of Shareholders in the website and to the Stock Exchange of Thailand during December 15, 2014 to February 2, 2015. However, there were no proposals from the shareholders.

---

## **2.2 Facilitating the Shareholders to Participate the Annual General Meeting of Shareholders**

For the Annual General Meeting of Shareholders, there were sufficient officers to service the shareholders. The shareholders could register to participate in the meeting and check the accuracy of necessary documents three hours before the meeting commencement. The Company used the computer system to process the recorded votes and instantly show the results of each agenda. After the finish of the Meeting, the shareholders could request to check details of the voting results.

## **2.3 The Proxy Form**

The proxy form gives the opportunity for the shareholders not attending the Meeting to cast their vote at the Shareholders' Meeting according to their decisions. The Board of Directors assigns not less than one Independent Director to be the proxy. The Company announced the proxy form and guidelines on the Company's website ([www.itd.co.th](http://www.itd.co.th)) thirty days in advance.

## **2.4 Measures to Prevent the Internal Abuse of Confidential or Privileged Information and the Conflict of Interest**

The Company has implemented measures to prevent the internal abuse of confidential or privileged information by limiting its distribution to top executives and Company officers on a "need to know" basis until it is released publicly. Employees are also advised of the confidential nature of the information and the restrictions applying to its use, including a prohibition on the purchase or sale of Company securities on the basis of such confidential information. Staff who failed to practice according to these rules would be penalized under the Company's rules and regulations. Furthermore, the Directors and senior executives have the duty to report their holdings and each transaction of purchase, sale or transfer of their security holdings in the Company to the Securities Exchange Commission and the Board of Director's meeting. Such requirement is considered an important measure to effectively help control the use of inside information.

The Company disclosed the Director's and the Management's securities holding and the change in the number of shares during the financial year in every Annual Report.

The connected transactions complied with rules and regulations of the Stock Exchange of Thailand, the Securities Exchange Commission, and the Capital Market Commission and those transactions are revealed in the Annual Report every year.

## **2.5 The Minority Shareholders Treatment**

The Independent Directors have an important role to take care the rights of minority shareholders. The minority shareholders are able to deliver their advice, opinions or complaints to the Independent Directors via email [cccs@itd.co.th](mailto:cccs@itd.co.th) for them to consider and to take proper action.

Prior to the Annual General Meeting of Shareholders, the minority shareholders are able to propose the Meeting agenda and nominate a person to be a Director according to the rules notified on the Company's website ([www.itd.co.th](http://www.itd.co.th)).

## **3) Role of Stakeholders**

The Board of Directors recognizes the rights of all stakeholders; such as shareholders, employees, customers, partners, business competitors and the general public, and they also pay attention to the communication with all stakeholders in order to exchange information, opinions and advice for the sustainable sharing of benefits. The Board of Director has implemented the policy for dealing with the stakeholders, which is disclosed in the Company's website ([www.itd.co.th](http://www.itd.co.th)) including; the Policy on Stakeholders Treatment, (However, the agenda related to the stakeholders shall be excluded from the meeting agenda.) the Policy on Occupational Safety, Health, and Working Environment and the Policy on Corporate Social Responsibility.

As the Securities and Exchange Commission (SEC) amended the Notice of Corruption Disclosure to encourage listed Companies to reveal the information of the anti-corruption scheme, and a person who is in charge of corporate governance practices, the Company has recognized this matter as of prime importance; therefore, in 2013 the Directors, the Company Secretary and the Internal Audit Division jointly implemented the policy of anti-corruption scheme in "Corporate Governance Italian-Thai 2013" posted on the Company's website for the acknowledgement of the employees and public.

Incidentally, the Company has the procedure to assess the risk of corruption in working, conducted by the Internal Audit Division by gathering information to present to the Audit Committee for evaluating risk of fraud, leading to anti-corruption monitoring and supervision guidelines, and then to be followed up the implementation according to the anti-corruption policy.

The Code of Ethical Conduct has the compliance rules for executives and employees toward the shareholders, clients, partners and/or creditors, competitors and the public. The Management has continuously monitored and controlled their actions according to these policies.

---

The Company has provided notification channels for treating the stakeholders fairly and equally according to the corporate governance, and when any misconduct, fraudulent act or corruption is found by the stakeholders, they may report directly to Independent Directors through Corporate Service Division, telephone +66 (0) 2716-1600 extension 3800-4, or via email at [cccs@itd.co.th](mailto:cccs@itd.co.th).

All information received by the Company shall be kept strictly confidential, safe and secure in order to protect against the potential negative impact of any disclosure. Any such occurrence shall be investigated by the Company Secretary and the Internal Audit Division which shall authorize further action.

In 2015, the Company has been in contact with all interested shareholders and members of the public.

**Shareholders:** The Company has strived to achieve growth for long term benefits. The Company has also disclosed complete, true and timely information through the system of the Stock Exchange of Thailand and the Company website ([www.itd.co.th](http://www.itd.co.th)) such as the resolution of the Board of Directors, the resolutions of the Annual General Meeting of Shareholders, signing ceremonies of major projects, and so on.

**Employees:** The Company has realized the importance of staff as the main mechanism to promote continuous growth. The Company has rewarded staff and improved their welfare and security for long term value creation, for example, by the establishment of a pension fund, providing a healthcare service (including a medical room and a doctor on active service at Head Office), supporting the scholarships for employee's children who show a good study performance, offering urgent loans, and improving the environment of their workplace, implementing the 5S project to improve the workplace organization and standardization for productivity and safety. All levels of staff participated this project.

The Company has treated its employees strictly according to labor legislation, and no labor lawsuits have occurred in recent years.

Since the employee's skills are very important to the Company's performance, the Company has continued developing the potential of all staff in order to increase their competencies and skills necessary for work and for success, as well as to encourage safety at work and occupational health. In the year 2015, the Company provided 26 courses as shown on the section of Management Structure under Employee Skill Development Policy.

**Customers:** The Company has provided a good quality and a high standard of construction services. The customers were provided with sufficient information and effective procedures to deal with customer complaints for a timely response to correct all complaints.

**Partners and Creditors:** The Company has standard procedures for partner screening and selection through three qualities; reliability, responsibility, and on time working. Besides, the Company has treated the partners and creditors according to the conditions of the agreements.

**Business Competitors:** The Company always competes in government and private sector bidding with honesty, knowledge, and transparency. There were no disputes with competitors during the year.

**Society:** As the Company is in the construction business for which occupational health, safety and environmental management is very significant, the Company has established measures to prevent society and the environment from negative construction impacts, for example wastewater treatment, odor control, oil spillage and contamination control, vibration control, dust control, waste segregation campaign, energy saving and so on. However, in case the Company receives any complaints from the community, the Company shall immediately send staff to investigate and carry out further necessary action.

*For further information, please consider on the section of Corporate Social Responsibility.*

#### 4) Disclosure and Transparency of the Company

The Board of Directors is deeply concerned to disclose sufficient, complete, reliable and timely information covering the Company's financial, important and general information, which reflects the asset value and performance of the Company, through the Stock Exchange of Thailand and the Company's website ([www.itd.co.th](http://www.itd.co.th)), in both Thai and English

Information disclosed in the Company's Website includes:

- The Company's information including the the Company' vision, mission, the Company's structure, organization chart, etc.
- Investor Relations (IR) comprises of financial information, stock information, shareholder information, letter to the SET, etc.

- Corporate Governance – CG comprises of Code of Business Ethics, Code of Conduct, Code of Board of Directors Management, etc.
- Corporate News comprises of CSR activities etc.

#### Disclosure Information of Board of Directors and Executive Management Remuneration Fee and Shareholding

Information of the Board of Directors and Executive Management remuneration fee and shareholding must be disclosed in the annual registration statement (Form 56-1) and the Annual Report (Form 56-2). Under Article 59 of the Securities and Securities Exchange Act, directors and executives must report to SEC their share portfolios with each purchase, sale, or transfer of shares.

#### Financial Reports

The Company establishes the internal control policy within each department or section to prevent confidential information from being disclosed to the public prior to formal announcement. Employees must not use the Company's confidential information for personal or others' gains. They should maintain inside information and sensitive documents that could lead to undue exploitation for themselves, their families, or their associates, including any information influencing stock prices and the Company's proprietary commercial secrets, formula, and inventions. Those who disclose important information and news to outsiders without approval from the Chief Executive Officer shall be subject to disciplinary action according to Company procedures and may face legal action.

#### Disclosure Information of the Company

The Company shall disclose information on material matters regarding the Company, including financial reports, non-financial information and other information as stipulated by SET and SEC that are accurate, clear, complete, easy to understand, transparent, adequate, in both positive and negative aspects, and which have been screened according to prescribed procedure. The Company disclosed information to ensure equitable access by shareholders in the following channels:

- SET's Community Portal system and SEC
- Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)
- Company's website at [www.itd.co.th](http://www.itd.co.th) in both Thai and English
- Company's company visit and analysts meetings
- Road shows for both domestic and overseas investors
- Annual exhibition such as SET in the City and Money Expo
- Invitation to the AGM via post

Furthermore, the Company has disclosed in the Annual Report important information of Company such as the report of good corporate governance practices, the report from the Board of Directors, role and responsibilities of the Board of Directors and Sub-committee, the Directors' Meetings attendance, the remuneration of the Directors and the Management, the structure of the shareholders, the nature and the risk of business, etc.

#### Investor Relations

The Corporate Services Division of the Company is responsible for investor relation activities. They will provide information and activity news directly to investors, shareholders, analysts, and the public under the rules and regulations of the Stock Exchange of Thailand.

The investors, shareholders, analysts and the public that require further information can contact Corporate Service Division on telephone +66 (0) 2716-1600 extension 3800-4, or [www.itd.co.th](http://www.itd.co.th) or by e-mail at [cccs@itd.co.th](mailto:cccs@itd.co.th).

## **5) Board Responsibilities**

### **5.1 Structure of the Board of Directors**

The Board of Directors consisted of ten\* members who were knowledgeable and with diverse experience, which were beneficial to the Company. The Director positions were:

- Executive Directors                      6 Directors      (60%)
- Non-Executive Director                  4 Directors      (40%)

*Remarks: \*On December 31, 2015 there was one from eleven members submitted a resignation letter from Director.*

Each Director was able to express his/her opinions independently regarding the operation of the Company and its annual strategic plan, without intervention, for the benefit of all shareholders and other stakeholders. The Directors may take office as a director in not more than five other listed companies according to the Company's policy

---

In addition, the structure of the Board consisted of four Independent Directors which accounted for one-third of the total number of Directors on the Board and the three-quarters of them were appointed as the Audit Committee. The Chairman of the Audit Committee was also appointed as the Chairman of the Board of Directors, thereby providing balance of power and proper verification of the operations.

The structure and the definition of the Independent Directors of the Company complied with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Furthermore, the Chairman of the Board of Directors is an Independent Director who is not the same person as the President (Managing Director) and responsible for checking and balancing the Management of the Company. The authorities of the Chairman and the President are clearly defined as follows:

**The Chairman:** Taking the role as the leader of the Board of Directors and the Chairman the Directors' Meetings and Shareholders' Meetings.

**The President:** Taking the role as the leader of the Board of Management and being authorized by The Board of Directors to direct and control the management staff for achieving the Company's goals.

According to the Board of Director's meeting in 2013, the Company has set the vision, mission, motto, and business operation strategy which will be reviewed every five years.

## 5.2 The Subcommittees

### Audit Committee

The Board of Directors appointed the Audit Committee as the subcommittee to assist with the corporate governance practice and the effectiveness of internal control systems. The Audit Committee comprises of three members, they are all Independent Directors. The Manager of the Internal Audit Division is the Secretary of the Audit Committee.

The Audit Committee held four meetings during the year 2015. Agendas were sent to the Committee members to study at least seven days in advance and all members of the Committee attended the meetings, all of which lasted 2 to 3 hours. The resolution of the meeting of the Audit Committee were implemented and monitored. Conclusions regarding the performance of the Audit Committee are reported in this Annual Report.

### Risk Management Committee

In 2010, the resolution of the Board of Director's Meeting No.1/9/2010 on 2 September 2010 approved the establishment of the Risk Management Committee. Dr. Krisorn Jittorntrum, the Independent Director, is the Chairman of the Risk Management Committee. This Committee has the responsibility to review the Company's risk management policy and framework, which covers all the major risks; namely financial risk, investment risk, operational risk, and corporate reputation risk, before proposing the policy to the Board of Directors for approval. The Committee is also responsible for setting appropriate risk management measures to support the decisions of the Board of Director or the Management, especially the investment activities which may significantly affect the financial status of the Company or the risky investment that the Board of Directors provided to the Risk Management Committee for reviewing. In 2015, the Risk Management Committee has held meetings to consider, review, and make recommendations for the investment in four projects: the Dawei Project in Myanmar, the Potash Mining Project in Udonthani Province, the Construction and Operation of the Deep Sea Port and the Railway from Moatize to Macuse in Mozambique, and Dhaka Elevated Expressway and has reported to the Board of Directors.

The Company does not yet have a Remuneration Committee or a Nominating Committee, but the Board of Directors has set up a transparent procedure to determine appropriate levels of remuneration by comparisons with other companies of similar size in the same industries, and partly by the performance of the Company. In any case, the amount of remuneration to be paid to Directors must be finally approved by a meeting of the shareholders.

The Company has set up a transparent procedure to select Directors, although it does not have a Nominating Committee. The incumbent Board of Directors performs the initial selection and evaluation of candidates for vacated or newly created positions on the Board of Directors. The Board of Directors jointly scrutinizes the qualifications of all appropriate candidates in compliance with Section 68 of the Public Company Limited Act, B.E. 2535 by consideration of the profile, experience, expertise in different careers and performance in the role of directorship in the past. The candidate's qualification shall also be subject to the prohibitions set out by the Announcement of the Securities and Exchange Commission No. Gor Jor 5/2548, which gives the requirements relating to the qualifications of executives of a company that issues securities.



---

The nominated Director will then receive the ITD Corporate Governance Handbook from the Company's secretary.

The Company announced on December 15, 2014 to February 2, 2015 that a person who was nominated by the Shareholders as a candidate to be appointed as a Director would be considered for election at the Ordinary General Meeting of Shareholders. For Shareholders to be eligible to nominate a person as a Director they shall, individually or as a group, hold not less than five percent of the total number of the Company's ordinary shares.

The incumbent Board of Directors' approved candidates for any vacant or new directorship shall then be nominated to the shareholders at the Shareholders' Meeting, for approval by a majority of votes of the shareholders attending the said meeting and eligible to vote.

### **5.3 Policy of Corporate Governance**

Recognition of the importance of good corporate governance is essential in creating value-added efficiency of the organization which affects stakeholder's confidence. Pursuant to the meeting of the Board of Directors, the Board of Directors has approved and officially announced "ITD Corporate Governance Handbook" in 2004, which contains philosophies, policies and the code of conduct for corporate governance of the Company. It provides guidelines and a progress report for corporate governance practices which lead to evaluation and improvement procedures.

The Policy of the Corporate Governance must be reviewed every year in accordance with the current conditions. In 2015, the Board of Directors' meeting approved to amend the policy of the Corporate Governance, Equality Rights policy, Business Ethics and the Code of Conduct as exhibited in the Annual Report and on the Company website ([www.itd.co.th](http://www.itd.co.th)).

The Directors and the Management are required to report of their gains and losses, and inform to the Company's secretary for submitting these details to the Chairman of the Board of Directors. The report shall be kept at Corporate Service Division on 38<sup>th</sup> Floor, ItalThai Tower. In case there are any changes, the Directors and the Management are responsible for the amendment and to inform the Company's Secretary afterward.

### **5.4 Code of Ethical Conduct**

The Company has announced a code of ethical conduct for the Board of Directors, Management and Staff to perform their duties with honesty and integrity for the Company and every group of stakeholders. The code of conduct is on the Company's intranet and website ([www.itd.co.th](http://www.itd.co.th)).

Furthermore, the Company provides a code of ethical conduct and employees' rules and regulations to all new staff on their orientation day. The management of the Company must be the model of good practice and also be responsible for proper care of all staff to make sure that these rules and regulations are all strictly observed and practiced.

### **5.5 Conflict of Interest**

The Company has established the policy to manage conflict of interest and has implemented measures to prevent the internal abuse of confidential or privileged information. The said policy and measures have been disclosed under "Corporate Governance Italian-Thai" on the Company's intranet and website ([www.itd.co.th](http://www.itd.co.th)).

The Board of Directors knows the rules and requirements relating to conflicts of interest between related business entities. Where such conflicts have arisen they are shown in the table Related Party Transactions and in all cases have been addressed in accordance with the Stock Exchange Regulations, such that prices and conditions of procurement are the same as would apply in normal third party "arm's length" transactions. The Related Party Transactions Table provides details of the parties concerned, contract value, reason/ necessity for relationship in the Annual Report and the Annual Registration Statement (Form 56-1).

### **5.6 Directors Meetings**

The Board of Directors schedules regular meetings every three months. The meeting agendas clearly state the matters for acknowledgement or approval. The Company serves the meeting notices including the agenda and attached documents on each Director at least seven days in advance of the meeting so that they have enough time to review and study them. Normally, each meeting takes about 2 to 3 hours. The Chairman allots adequate and appropriate time for discussion on all agenda, which are prioritized in terms of significance.

---

After the finish of the Meeting, the Minutes of Meeting are prepared by the Company Secretary and are proposed to the next Meeting of the Board of Directors for them to consider. After inspection by the executives and Directors, all such documents are duly signed by the Directors and are classified as confidential documents and kept in the Company Secretary's office. They are available both in hard copies and soft files for review by any interested persons.

There were four Board of Directors' Meeting held in 2015.

#### **5.7 Self-Assessment of the Directors**

In 2015, the Board of Directors conducted the annual self-assessment of the effectiveness of their performances and they suggested that this assessment benefited their work.

#### **5.8 Remuneration of Directors and Management Staff**

##### **5.8.1 Remuneration of Directors**

The Company has determined the Remuneration of Directors clearly and transparently based on comparable industry levels and for the efficiency required of the supervising Directors. Directors assigned to be the Audit Committee receive additional remuneration for full discharge of their Audit Committee duties. In any case, the amount of remuneration to be paid to Directors must be finally approved by a meeting of the shareholders.

##### **5.8.2 Remuneration of the Board of Management**

The remuneration of the Board of Management members follows the principles and policy determined by the Board of Directors and depends on the corporate and individual achievement.

#### **5.9 Director Further Development**

The Directors of the Company have passed the training programs provided by the in-house training division, the organizations of the government, and the independent entities, such as the course for the Company's Directors held by the Thai Institute of Directors at the Securities and Exchange Commission for which the Company's Directors are required to pass at least one course, for example Directors Certification Program (SCP), Directors Accreditation Program (DAP), and Audit Committee Program (ACP) held in 2015. Mr. Chatichai Chutima (Executive Vice President) has passed the training course, Director Certification Program (DCP) class 204/2015

For the IOD training programs, the Directors of the Company have passed the training programs as follows;

- |                                        |                                                                                                                                                                           |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a). Pol.Lt. Chatrachai Bunya-anata (1) | - Role of the Chairman Program Class 32/2556                                                                                                                              |
| b). Mrs. Nijaporn Charanachitta        | - Director Certification Program (DCP)                                                                                                                                    |
| c). Mr. Pathai Chakornbundit           | - Director Certification Program (DCP)                                                                                                                                    |
| d). Mr. Yutachai Charanachitta (2)     | - Director Certification Program Class 34/2003<br>- Director's Registration System and Director Manual<br>- Direct Finance the Skill Update Program for Director          |
| e). Mr. Tawatchai Suthiprapha          | - Director Accreditation Program (DAP) - Finance for Non Finance Director<br>- Finance Instruments for Directors (FID) 2/2012                                             |
| f). Mr. Chatichai Chutima              | - Director Accreditation Program Class 67/2007<br>- Successful Formulation & Executive of Strategy Class 12/2011<br>- Director Certification Program (DCP) class 204/2015 |
| g). Mr. Woravudh Hiranyapaisarnsakul   | - Company Secretary Program 29/2009<br>- Effective Minute Taking 13/2009                                                                                                  |
| h). Mr.Krirk Vanikkul                  | - Director Certification Program (DCP) Class 42/2004<br>- Charter Director Course (CDC) Class 3/2008                                                                      |

##### *Remarks*

(1) Pol.Lt. Chatrachai Bunya-anata passed away on 18 April,2015

(2) Mr.Yuthachai Charanachitta submitted a resignation letter from Directorship effective on 31 December, 2015

## 2. Executive Structure

The executive structure of the Company is made up of several boards; namely the Board of Directors, the Audit Committee, the Board of Management, and the Risk Management Committee. The Authority and Responsibility of each Board is as follows:

### a) Board of Directors

On 31<sup>st</sup> December 2015, the Board of Directors consists of eleven directors as listed below :

Name - Surname	Position
1. Dr. Krisorn Jittorntrum*	Chairman and Independent Director
2. Mr. Premchai Karnasuta	Director
3. Mrs. Nijaporn Charanachitta	Director
4. Mr. Pathai Chakornbundit	Director
5. Mr. Tawatchai Suthiprapha	Director
6. Mr. William Lee Zentgraf	Independent Director
7. Mr. Peeti Karnasuta	Director
8. Mr. Tirapongse Pangsrivongse	Independent Director
9. Mr. Thoranis Karnasuta	Director
10. Mr. Krirk Vanikkul **	Independent Director

#### Remarks

- Pol.Lt. Chatrachai Bunya-anata passed away on 18 April, 2015

- Mr. Yuthachai Charanachitta submitted a resignation letter from Directorship effective on 31 December, 2015

\* was approved by the meeting of Board Directors 4/7/2015 on 6 July, 2015

\*\* was approved by the meeting of Board Directors 9/7/2558 on 15 July, 2015

#### Authority and Responsibility

1. To set the Company's vision, mission, strategy, policy and conduct the Company's business execution in an efficient and effective manner for preserving the Company's interest.
2. The Board of Directors has the overall authority and responsibility to direct, manage and supervise the operations of the Company, all in accordance with the Law, the Company objectives, the regulations of the Company and the resolutions of the Shareholders of the Company.
3. To monitor the operations of the Board of Management in compliance with the Company's policies and regulations.
4. To appoint the Executive Directors, the Audit Committees, the Risk Management Committee and other suitable committees to take charge of Company business and management system for the maximum benefit according to the Company policy.
5. Pursuant to the Company's regulations, the Board of Directors has the authority to decide upon and oversee the operations of the Company, except for the following assignments that shall only be executed with the consent of a meeting of the Shareholders of the Company:
  - 5.1 Matters relating to the Law shall only be performed upon the resolution of the Shareholders of the Company;
  - 5.2 Certain business matters as stipulated by the Stock Exchange of Thailand; and
  - 5.3 Buying or selling of assets having a value equal to or greater than fifty percent (50%) of the total value of the assets of the Company, as stipulated by the Stock Exchange of Thailand.

### b) Board of Management

As at 31<sup>st</sup> December 2015, the Board of Management consists of nineteen persons as listed below :

Name - Surname	Position
1. Mr. Premchai Karnasuta	Director and President
2. Mrs. Nijaporn Charanachitta	Director and Senior Executive Vice President
3. Mr. Pathai Chakornbundit	Director and Senior Executive Vice President
4. Mr. Tawatchai Suthiprapha	Director and Senior Executive Vice President
5. Mr. Anan Amarapala	Executive Vice President
6. Mr. Taweesilp Pattanakitchamroon	Executive Vice President

Name - Surname	Position
7. Mr. Chatichai Chutima	Executive Vice President (Finance)
8. Mr. Virat Kongmaneerat	Executive Vice President
9. Mr. Sumate Surabotsopon	Executive Vice President
10. Mr. Piyachai Karnasuta	Executive Vice President
11. Mr. Peeti Karnasuta	Executive Vice President
12. Ms. Prachaya Karnasuta	Executive Vice President and Assistant to Director and Senior Executive Vice President
13. Mr. Sompop Piniichai	Executive Vice President
14. Mr. Woravudh Hiranyapaisarnsakul	Executive Vice President
15. Mr. Prasit Ratanaramig	Executive Vice President
16. Mr. Thoranis Karnasuta*	Assistant to the President and Executive Vice President
17. Mr. Wichien Roongrujirat **	Vice President
18. Mr. Kriengsak Kovadhana **	Vice President
19. Mr. Prasert Sanor **	Vice President

**Remark**

- Mr. Yuthachai Charanachitta submitted a resignation letter from Executive Vice President, effective on 31 December 2014.

\* was appointed, effective on January 2016

\*\* was appointed, effective on 1 July 2015

**Authority and Responsibility**

1. Determine ultimate goals and operational direction of the Company to accord with the current and forecasted economic and market conditions.
2. Determine policies and procedures for the operation of the Company.
3. Determine the policy, consider and decide on the selection of relevant projects in which the Company should participate, tender and execute.
4. Consider and approve the appointment, transfer and discharge of staff at division head level and above.
5. Consider and approve the adjustment of salaries, wages and remuneration, including consideration and recognition of employee meritorious service.
6. Appoint a person or persons to act on behalf of the Board of Management for any assignment.
7. Consider and approve expenses on buying assets and other expenses of the Company.
8. Review, consider and comment on all matters related to Company operations.
9. Review, consider and comment on all matters involving the performance of the Company's various operating segments, and direct and control their management to ensure efficient, economical and well-timed operations, including compliance with all contractual obligations to clients
10. Undertake all Company affairs not delegated to other Company segments
11. Undertake all other matters as directed by the Board of Directors.

**c) Audit Committee**

As at 31<sup>st</sup> December 2015, the Audit Committee consists of three persons as listed below (This position carries a 3 year term from 2014-2017.):

Name - Surname	Position
1. Dr. Krisorn Jittorntrum*	Audit Committee Chairman
2. Mr. William Lee Zentgraf	Audit Committee
3. Mr. Tirapongse Pangsrivongse*	Audit Committee

Mr. Withit Ouaysinprasert Vice President of Internal Auditor, is the Secretary of the Audit Committee.

Remarks: \* were appointed from the Meeting of Board of Directors No. 4/7/2015 on 6 July 2015.

### Authority and Responsibility

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other units in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, and the laws relating to the Company's business.
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with the auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Stock Exchange of Thailand's regulations, and are reasonable and for the highest benefit of the Company.
6. To review the efficiency and sufficiency of the risk management and discuss with the Internal Audit Division and the Independent Auditor.
7. To prepare, and to disclose in the Company's Annual Report, the Audit Committee's reports which must be signed by the Audit Committee's chairman and consist of at least the following information:
  - 7.1 An opinion on the accuracy, completeness and creditability of the Company's financial report,
  - 7.2 An opinion on the adequacy of the Company's internal control system,
  - 7.3 An opinion on the compliance with the law on securities and the Stock Exchange of Thailand, the Exchange's regulations, and the laws relating to the Company's business,
  - 7.4 An opinion on the appropriateness of the Independent Auditor,
  - 7.5 An opinion on the transactions that may lead to conflicts of interests,
  - 7.6 The number of the Audit Committee meetings, and the attendance of such meetings by each committee member,
  - 7.7 An opinion or overview comment received from the Audit Committee on its performance of duties in accordance with the charter, and
  - 7.8 Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
8. To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

#### d) Risk Management Committee

As at 31<sup>st</sup> December 2015, the Risk Management Committee consists of seven persons as listed below  
(This position carries a 3 year term from 2013 – 2016.):

Name - Surname	Position
1. Dr. Krisorn Jittorntrum	Chairman of the Risk Management Committee
2. Mr. Pathai Chakornbundit	Vice Chairman of the Risk Management
3. Mr. Chatichai Chutima	Risk Management Committee
4. Mr. Sompop Piniychai	Risk Management Committee
5. Ms. Penpan Rienthonglang	Risk Management Committee
6. Mr. Peeti Karnasuta	Risk Management Committee
7. Mr. Woravudh Hiranyapaisarnsakul	Risk Management Committee, Secretary of Risk Management Committee

#### Remarks

Mr.Yuthachai Charanachitta submitted a resignation letter from Risk Management Committee, effective on 31 December 2015.

#### Risk Management Policy

The Company significantly emphasized the importance of risk management since effective risk management is essential for the achievement of the Company objectives, including good corporate governance and related working processes. All the processes are based on the standards of risk management which are defined by the Stock Exchange of Thailand.

The Company has evaluated the internal and external risks which could possibly occur in the future to ensure the balanced growth and profitability of the Company at an acceptable risk level.

---

#### **Authority and Responsibility**

1. Review the Company's risk management policy and framework, which would cover all the major risks (Key Risks); namely financial risk, investment risk, operational risk and corporate reputation risk, before proposing them to the Board of Directors for approval.
2. Formulate risk management strategies and framework in compliance with the Company's risk management policy. The Committee shall assess, monitor and control risk at the appropriate level.
3. Monitor and ensure that risk management activities are in line with the Company's policy and framework approved by the Board of Directors' meeting.
4. Set risk measurement criteria and limit at the acceptable level.
5. Set appropriate risk management measures for different situations.
6. Review the sufficiency and effectiveness of risk management policy and system.
7. Report regularly to the Board of Directors about the management, operation, risk status, changes and areas of improvement to keep risk management in line with the Company's policy and strategy.
8. Appoint a risk management working group if necessary and support the risk managing working group in terms of personnel, budget and other necessary resources under the scope of responsibilities of the working group.

### **3. Selection and Nomination of Directors and Chief Executives**

#### **(1) Independent Directors**

Rules and Regulations in selection of Independent Directors

##### Independent Director's Qualification

The resolution of the Board of Director's meeting No.9/3/2009 on 25 March 2009 approved to modify the definition of the Independent Director to comply with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as follows;

1. Holding shares not exceeding one per cent of the total shares with voting rights of the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company (to be calculated by including the shares held by any related person of such Independent Director);

2. Never been or not being a director engaging in management, employee, staff, advisor, who receives salary, or Controlling Person of the Company, its Parent Company, its Subsidiaries, its Affiliates and entities equivalent to its Subsidiary, or a Major Shareholder or unless the possession of such characteristic has been discontinued for a period of not less than two years; controlling person of the Company, unless the holding of the aforementioned positions has been discontinued for at least two years. However, such prohibition shall not apply in the case where such independent director has been a government official or consultant of the government sector which is a major shareholder or controlling person of the applicant. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards;

3. Not being a person related by blood or registration under laws, as father, mother, spouse, sibling, and child, including spouse of a child, of its Executive, its Major Shareholder, its Controlling Person, or the person who will be nominated to take up the position of Executive or Controlling Person of the Company or its Subsidiary;

4. Not having, or not having had, any business relationship with the Company, its Parent Company, its Subsidiaries, its Affiliates, Major Shareholder or Controlling Person of the Company in a manner which may obstruct its independent judgment, and not being or not having been a substantial shareholder or Controlling Person of a person who has a business relationship with the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company, unless such business relationship has been discontinued for at least two years prior to being appointed as the independent director. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards;

The aforementioned business relationship shall include the entering into of commercial transactions in the manner of normal business operation, transactions regarding rental or lease of real estate, transactions relating to assets or services, provide or receive of financial assistance whether by receiving or providing a loan, guarantee, providing assets as collateral, as well as other similar matters which give rise to the Company or the parties having an obligation in an amount from three % of the net tangible assets of the Company or from Baht twenty million, whichever is lower. The calculation of obligations shall be in compliance with the method of calculation of connected transaction as stipulated in the Notification of SEC Re: Connect Transaction. In this regard, the calculation of obligations shall

---

be assessed by including aggregate obligations during one year before the date of having any business relationship with the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company;

5. Not being, or not having been, an auditor of the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company, and not being a substantial shareholder, Controlling Person or Partner of an audit company for which the auditor of the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company has worked therein, unless the holding of the aforementioned positions has been discontinued for at least two years prior to being appointed as the independent director. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards.

6. Not being or not having been a professional service provider, including service provided as legal counsel or financial advisor which is retained for a fee exceeding Baht two million per annum from the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company, and not being a substantial shareholder, Controlling Person or Partner of such professional service provider, unless such holding of the aforementioned positions has been discontinued for at least two years prior to being appointed as the independent director. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards.

7. Not being a Director nominated to be a representative of a Director of the Company, Major Shareholder or shareholder who are related persons to the Major Shareholder;

8. Not undertaking business of the same nature as and materially competing with that of the business of the Company or its Subsidiaries or not being a Partner of the partnership or a Director who participates in the management, an employee, a staff member, or advisor who receives a regular salary or holds shares exceeding one % of the total shares with voting right of other companies which undertakes business of the same nature as and materially competes with that of the business of the Company or its Subsidiaries; and

9. Having no other qualifications causing any inability to express independent judgment in respect of the Company's business operation.

#### Nomination Process

The Board of Directors will consult together to form the Independent Director's qualifications and to select the person who would be useful to be a Company Independent Director from his/her experience, ability and education and not a person whose character would prohibit him/her from being approved at a Shareholder's Meeting.

#### **(2) Selection of Directors and Chief Executive**

The Company has set up a transparent procedure to select Directors, although it does not have a Nominating Committee. The incumbent Board of Directors performs the initial selection and evaluation of candidates for vacated or newly created positions on the Board of Directors. The Board of Directors jointly scrutinizes the qualifications of all appropriate candidates in compliance with Section 68 of the Public Company Limited Act, B.E. 2535 by consideration of the profile, experience, expertise in different careers and performance in the role of directorship in the past. The candidate's qualification shall also be subject to the prohibitions set out by the Announcement of the Securities and Exchange Commission No. Gor Jor 5/2548, which gives the requirements relating to the qualifications of executives of a company that issues securities.

The Company announced on December 15, 2015 to February 1, 2016 that a person who was nominated by the Shareholders as a candidate to be appointed a Director would be considered for election at the Ordinary General Meeting of Shareholders 2016. For Shareholders to be eligible to nominate a person as a Director they shall, individually or as a group, hold not less than five percent of the total number of ITD's ordinary shares.

The incumbent Board of Directors' approved candidates for any vacant or new directorship shall then be nominated to the shareholders at the Shareholders' Meeting, for approval by a majority of votes of the Shareholders attending the said meeting and eligible to vote.

#### **4. Corporate Governance of Subsidiaries and Associated Companies**

The Board of Directors has established policies for subsidiaries and associated companies' good corporate governance with regard to management practices which is responsible, controllable, and detectable for all stages. Especially, the policies must preserve the maximum benefit of the subsidiaries and associated companies, thus a qualified person shall be appointed to be a representative of the Company as a Director/an Executive or an authority depending on the nature of business and the approval from the Board of Directors' meeting.

The Directors, the Management or the authority, as a representative of the Company and Management Division, shall jointly establish significant policies to monitor the operation of subsidiaries and associated companies taking into account the nature of business, and also prescribe regulations in disclosure of financial status, operation result, transaction between subsidiaries/associated companies and concerned persons,



---

acquisition and distribution of assets including other significant transactions that must be in compliance with the rules of the Securities and Exchange Commission. In addition, all data and information of subsidiaries and associated companies must be stored and recorded so the Company could determine and collect data for the consolidated financial statements on time.

The subsidiaries and associated companies shall jointly evaluate the Internal Control System to see whether it is appropriate and concise, by reporting to the Board of Audit Committees' meeting and the Board of Directors' meeting.

## **5. Internal Information Control**

The Board of Directors has implemented measures to control the use of internal information according to good corporate governance, which are posted on the Company's website and shall be given to the Directors, the Executives, and all employees on the first day of working with the Company. The policy summary includes restricting confidential knowledge only to the highest possible levels, and informing the employees only as necessary, at the same time clarifying that the information is confidential. The employee who violates or does not follow the rules shall be disciplined, beginning with a written warning, cutting wages, cutting benefits, temporary suspension without pay or removal from office. However, the punishment shall be varied depending on the seriousness of the breach of confidentiality.

Furthermore, the Directors and the Management have the duty to submit the above-mentioned report to the Securities and Exchange Commission.

Nevertheless, the Company disclosed securities holdings of the committees and the Management and the change in the number of shares during the fiscal year is given in every Annual Report.

Regarding the transaction which may cause the conflict of interest, the Company strictly complies with the regulations of the Stock Exchange of Thailand, Securities and Exchange Commission, and the Capital Market Supervisory Board, and discloses the mentioned report in the Annual Report.

## **6. Auditor's Remuneration**

For auditor's remuneration, the financial year ended on December 31, 2015

### **1. Audit Fee**

The Company or its subsidiaries paid an annual audit fee to:

- The external auditor, amounting to 13,943,000 Baht
- The audit firm of the auditor, connected person/enterprise of the auditor and his/her firm the amount of nil Baht.

### **2. Non-Audit Fee**

The Company paid a non-audit fee for other services to audit a specific item to

- The external auditor, amounting to 30,000 Baht, and must pay in the future for incomplete service the amount of nil Baht
- The audit firm of the auditor, connected person/enterprise of the auditor and his/her firm the amount of nil Baht and must pay in the future for incomplete service the amount of nil Baht.

## **7. Recognition of other good corporate governances**

The Company has implemented the principles of good corporate governance for 2012 listed company except for:

### **1. Terms and conditions of appointment of 9 consecutive years tenure of Independent Directors**

To appoint the terms and conditions of 9 consecutive years tenure of Independent Directors, the Board of Directors has approved whether to appoint the consecutive Independent Directors, would be beneficial to the Company and shareholders. Since the consecutive Independent Directors must be knowledgeable and have experiences in operating the Company. Nevertheless, the consecutive Independent Directors would be able to express their opinions independently.

2. For the Board of Directors, there is not at least one female Independent Director since the Company has a number of Independent Directors who thoroughly operate in every aspect of the Company.

3. The Company has not determined a member in the Board's Remuneration and Nomination yet. However, technically, the Board would consult together in order to select the most appropriate members who are knowledgeable, expert and useful to the position of the Company as the following rules in 5.2 – Sub-committees.

4. The Company has not determined a policy about taking a position as a CEO in other companies since the Company has various subsidiaries.

According to the good Corporate Governance, the Company disclosed the information of Board of Directors' Meetings of sub-committees as follows:

Name – Surname (Numbers of Attendance / Numbers of Meeting)	Audit Committee	Risk Management Committee	Attendance of Shareholder Meeting
1. Dr. Krisorn Jittorntrum	4/4	1/1	1/1
2. Mr. Premchai Karnasuta	-	-	1/1
3. Mrs. Nijaporn Charanachitta	-	-	1/1
4. Mr. Pathai Chakornbundit	-	1/1	1/1
5. Mr. Yuthachai Charanachitta	-	1/1	1/1
6. Mr. Tawatchai Suthiprapha	-	-	1/1
7. Mr. William Lee Zentgraf	4/4	-	1/1
8. Mr. Peeti Karnasuta	-	1/1	1/1
9. Mr. Tirapongse Pangsiwongse*	Absence	-	1/1
10. Mr. Thoranis Karnasuta	-	-	1/1
11. Mr. Krirk Vanikkul**	-	-	-

*Remarks*

\* was approved according to the Resolution of the Board of Directors' meeting No.4/7/2015 on 6 July 2015 and was in an overseas meeting.

\*\* was approved according to the Resolution of the Board of Directors' meeting No.9/7/2015 on 15 July 2015.

### Sustainability Report

With a commitment to a quality and efficient work in accordance with the Company's principles **"Commitment, Reliability, Quality"**, the Corporate Social Responsibility's policy has been given priority throughout its construction business operations, including its investment in diversified businesses. In addition, the Company has consistently studied and developed economic, social and environmental information to prepare for the upcoming investments in the future. The Company focused on the participation of employees, customers, society, and community as well as the Management in the activities expressing sustainable development by adjusting and encouraging CSR regulations to be in compliance with international standard and following the regulations related to the consumers, for example not taking advantage and social exploitation from the employment. This is what the Company has committed to operating its business.

### Corporate Social Responsibility Vision

*"Being a part in driving the country forward as well as being the leading construction firm in Southeast Asia, with a conscience of responsibility for standard operating business creating work by using advanced techniques which is environmentally friendly and safe."*

### Corporate Social Responsibility Policy

The Company has laid out policies to demonstrate its social responsibility as follows:

#### 1. Good corporate governance

The Company's management system is transparent and verifiable in order to create the confidence of all shareholders, stakeholders and related persons for sustainable growth of business.

#### 2. Fair business operation

The Company believes that its business operation must be fair to instil confidence to the customers which will be profitable to the Company for its long-term operations. Thus the Company shall run its business ethically and legitimately.

#### 3. Respect of human rights and fair treatment of labor

Since human resources are the key business factor in productivity and value-adding, the Company strives to achieve an optimal working atmosphere for the employees' well-being, so that they can bring out their full potential as well as developing working skills for good performances.

#### 4. Consumer responsibility

As the construction business is highly competitive at present, the successful completion of each project and customer satisfaction become significant factors to help the Company in maintaining its position in business competition. Thus, the Company shall establish its working standards in compliance with the commitment, and benefit society at the same time.

#### 5. Participation in social development

A healthy society with sustainable development is significant in advocating business operations, thus the Company has organized various social activities to strengthen both the community and society, such as education promotion, human resources development, employment promotion, social development projects and so on.

#### 6. Environmental conservation

Since environmental conservation is considered to be important nowadays, the Company is aware of the need to protect the environment by establishing measures and environmental protection plans for its project operations according to the law. This will help the Company to smoothly carry on its construction on time. The Company also joins in holding activities of environmental quality improvement with other agencies.

#### 7. Social and environmental report

The Company discloses in the Annual Report information which reflects its corporate social responsibility practices (CSR).

The above-mentioned policies can be referred to on the Company's website under "Corporate Governance".

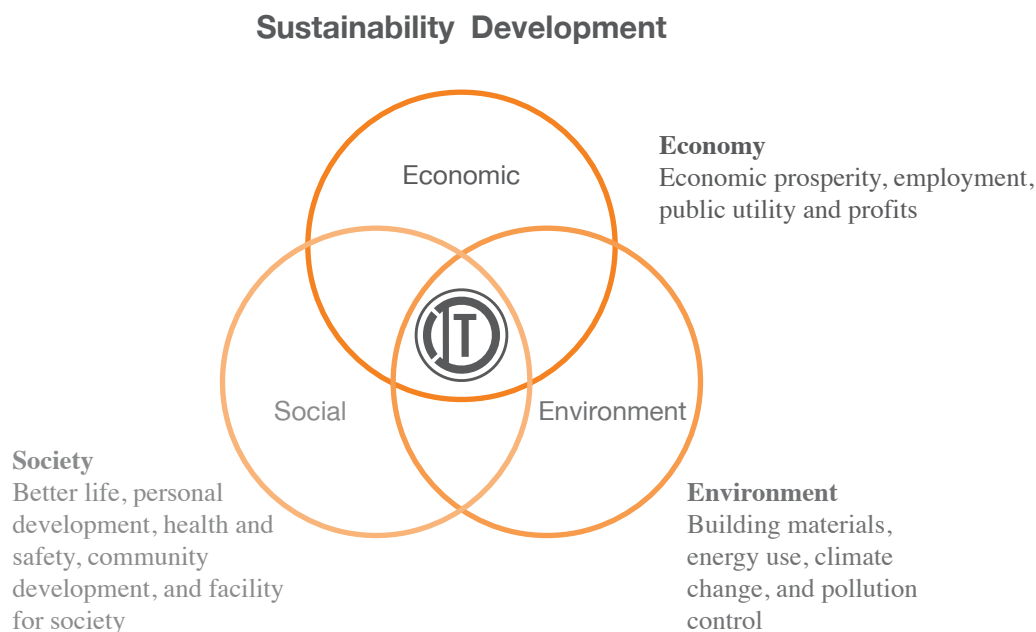
### Corporate Social Responsibility Operation

The Company has implemented its business with regard to corporate social responsibility according to the Corporate Governance of the Stock Exchange of Thailand. For the Company's Corporate Governance policies, please refer to the Company's website [www.itd.co.th](http://www.itd.co.th) as it is disclosed under "Corporate Governance".

Italian-Thai Development Public Company Limited has valued social responsibility along with its core business operations, which is the construction business. Besides, the quality and standard specification of the construction, the Company also realizes the importance of occupational health, safety and environmental management by establishing the measures for the construction sites. Furthermore, the Company provides

environmental management to reduce any negative impacts that may occur, for example the quality control of air and noise around the work site and nearby areas, solid waste management and traffic and transportation management.

#### Impact and Sustainable Development Principles (Triple Bottom Line: TBL)



#### The Company's Sustainable Development Principles (Triple Bottom Line: TBL)

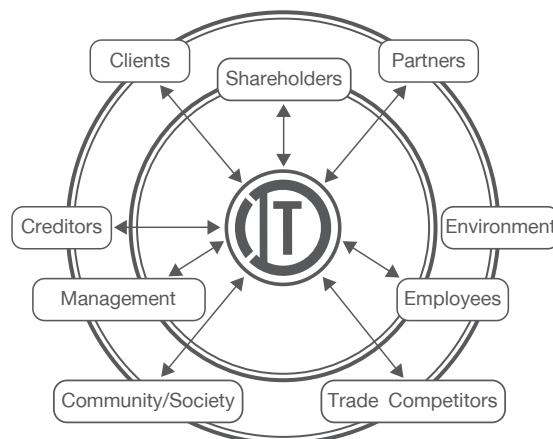
CSR framework reflecting the main issue of business, challenge, and expectation is the characteristics of construction business. Each issue is related to all groups of stakeholders as follows;

TBL Component	Internal Aspect	External Aspect	CSR Standards	Main issues
Economic success	<ul style="list-style-type: none"> <li>- Profit / project costs</li> <li>- Higher ratio of work</li> <li>- Share / investor's attention</li> <li>- Anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>- Fair price</li> <li>- Reliability/quality</li> <li>- Dividend paying</li> <li>- Anti-corruption and fair trading competition</li> </ul>	CG (SET)	<ul style="list-style-type: none"> <li>- Business growth and fair trading competition</li> </ul>
Social Responsibility	<ul style="list-style-type: none"> <li>- Employees' safety</li> <li>- Preventive care</li> <li>- Welfare and fair benefit</li> <li>- Reducing resistance from the community</li> </ul>	<ul style="list-style-type: none"> <li>- Safety of community and society</li> <li>- Human rights</li> <li>- Skilled local laborers employment for income distribution</li> </ul>	CG (SET)	<ul style="list-style-type: none"> <li>- Safety first / zero accident</li> <li>- Human rights</li> </ul>
Environmental responsibility	<ul style="list-style-type: none"> <li>- Resource efficiency</li> <li>- Positive work environment</li> <li>- Energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>- Environmental care and resource efficiency</li> <li>- Environmental control (water, dust, air, noise, etc.)</li> <li>- Energy management, energy efficiency, and renewable energy management</li> </ul>	CG (SET)	<ul style="list-style-type: none"> <li>- Raw materials management</li> <li>- Material replacement</li> <li>- Environmental impact control</li> <li>- Energy and renewable management</li> </ul>

## The Relation between the Company and Stakeholders

The Company takes into account all stakeholders both inside and outside the Company as follows:

1. Shareholders
2. The Management and Employees
3. Clients
4. Partners and Creditors
5. Trade Competitors
6. Community and Society
7. Environment



## The sustainable development related to the stakeholders



## Corporate Social Responsibility Guidelines

The Company conducts the activities with regard to social responsibility principles of the Stock Exchange of Thailand as follows:

1. Operating the business with fairness
2. Anti-corruption
3. Respecting human rights
4. Labor practices
5. Consumer responsibility
6. Environmental conservation
7. Participation in social development
8. Innovation promotion

The information disclosed by the Company is as follows:

### 1. Operating the business with fairness

The Company has established measures of anti-collusion and unfair competition, such as bid rigging, production cuts, hoarding, and cronyism including price cutting competition which is a disadvantage for small businesses.

Moreover, the Company has set a conflict of interest policy to maintain the maximum benefit of the Company and shareholders alike, covering two matters which are related transactions and any other situations leading to conflict of interest. These policies are included in "Corporate Governance".

## 2. Anti-corruption

The Company realizes the significance of anti-corruption and previously set the practical way of business ethics for the Directors, the Management and all Employees to follow, as disclosed in “Corporate Governance” under the topic of “Anti-Corruption policy”.

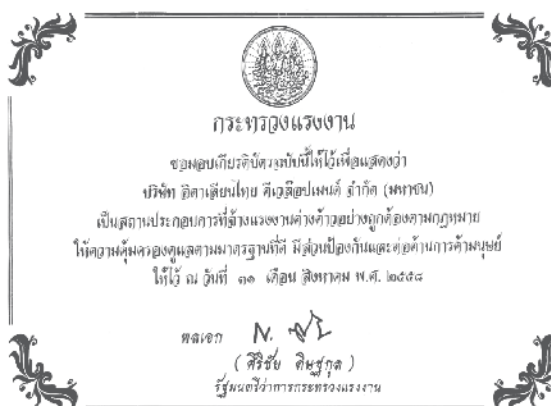
Furthermore, the Company has announced the rules and regulations for the acknowledgement and practice of Employees which cover the investigation to uphold justice and to set out the punishment according to its regulations. The Company also provides the Employees with anti-corruption awareness training, which is included in the Awareness Building and Integrity Development course during the year with 49 participants, Behavioral Integrity Development course with 40 participants, and Cultural Building and Awareness Development course with 32 participants. These courses are considered as the beginning of building Employees’ integrity awareness.

## 3. Respecting Human Rights and Labor Practices

The Company pays much attention to the respect of human rights. Since Employees are the Company’s most valuable resource, the Company provides fair social welfare and remuneration, and encourages the Employees’ potential through valuable training courses which will be recorded for the annual performance appraisal. Moreover, the Company also provides a provident fund to support its Employees for the costs of vehicles, allowances, accommodation, as well as the regulation of overtime wage, vacation leave and an annual medical examination.

Incidentally, the Company has a policy of disabled Employees employment promotion, and places considerably emphasis on safety and occupational health policy to protect the Employees and outsiders from all accidents and property damage.

In addition, the Company has implemented a policy on alien workers. To comply with the rules and regulations of human rights principles, the Company has officially implemented this matter according to the law. The Company has received a certificate from the Ministry of Labour certifying that Italian-Thai Development PCL is an organization that legally employs alien workers.



Every year the Company investigates and surveys the working environment of projects, looking in particular for areas where there are weak points. The Company has improved many facilities for the better working environment of the employees. In 2015, the Company renovated the goods storage facilities to be more convenient and to decrease any risks while working, constructed more restrooms for the employees and also renovated the unsatisfactory ones.

## 4. Consumer responsibility

The Company has implemented guidelines to prevent the violation of stakeholders’ rights. This is a part of the Corporate Governance to ensure that all stakeholders will be treated fairly (Rights and Equality of the Shareholders Policy and Stakeholders Treatment Policy)

Furthermore, the Company has operation standards for each division, taking into account the safety and the risk that may happen in order to build the reliability of all stakeholders, employees, and public.

During operating a construction business, the Company has always undertaken its responsibilities by delivering a high quality standard of work, on time. There is an opportunity for both the contractor and client to consider and sign at contract on construction ethics prior to the operation.

In addition, the inspection of equipment and mechanical machines during operations is necessary as it helps prevent accidents that may occur. The Company provides check-list forms, covering water, air, environment, mechanical machines, traffic management around construction site in the operation including environmental and community restoration, which is included in the operation report made by safety staff of each division to be submitted to the Department of Labour Protection and Welfare.

The Company has promoted a project of the Company to participate in social activities for which the Company has received an award and has been recognised by society and interested persons. The project is J.1404 Italian-Thai Industrial Complex, Wihan Daeng, Saraburi Province.

According to the CSR-DIW Continuous (Corporate Social Responsibility, Department of Industrial Works), the Italian-Thai Industrial Complex, Wihan Daeng has, since 2014, participated in this CSR project in order to help and develop the relationship among neighborhoods in compliance with the Department of Industrial Works' plan. As a result, the project has been approved and awarded 'CSR-DIW Continuous Award 2015' on 9th September 2015.,

The CSR-DIW Project has been operated by the Department of Industrial Works. The Department has realized the importance of social responsibility and sustainable development. The Department has supported all industrial organizations to implement the social responsibility in many ways, such as; good corporate governance, respect of human rights and fair treatment of labor, fair operation with consumer, environmental conservation, sustainable development and nearby community development. The said project has supported all organizations to cooperate well with society and to be sustainably accepted, including to have the CSR-DIW Reporting Initiative in compliance with the Thailand's industrial context and world-wide acceptance. The project has been operated since 2008.

As a result of cooperation by each department, and high determination to be an environmentally and socially responsible organization, Italian-Thai Industrial Complex has participated in the project and laid out the policy so as to support social and environmental responsibilities. This is one of the management policies of ITD Complex; to have a positive impact and to develop a good relationship with society and to do some useful activities together.



## 5. Environmental Conservation

The Company places significant emphasis on caring of the environment and the environmental management at the work sites and nearby areas. Also, for example, there are the improvements of landscape covering construction sites through 5S activities.

During construction, the Company provides environmental control for each division to prevent or minimize negative impacts, and to encourage effective resource utilization to reduce energy consumption as well as to protect environmental pollution caused by dust, noise, waste, waste oil, wire, old tire, empty oil tank, copper scrap, and so on.

Besides, the Company has the policies on equipment storage, waste segregation and disposal, dust and noise monitoring as well as wastewater emission protection.



For instance, the J.675 Project – Pratunam Pra In Plant Maintenance Centre has been approved and certified by the Ministry of Labour that “the Company is an organization which has safe environment in honor of Princess Maha Chakri Sirindhorn.”



## 6. Community and Society Development

The Company undertakes community development in the community that is affected by the Company’s operations. To minimize the problem between the Company and community, the Company has promoted employment in the community and has organized various activities, for example public utility development volunteering, environmental restoration, sport campaign, and religious ceremonies.

The community development activity that the Company undertakes is at the J.1404 Italian-Thai Industrial Complex, Wihan Daeng, Saraburi Province. The Company has renovated streets around the area nearby Wihan Daeng Subdistrict Administration Organisation using crushed rock, so that people can travel carefully and safely. In addition, the Company has renovated the ground surface of Ban Banggong School, the playground of Wad Koh Cheng Whai School and supported with some essential construction materials and machines for dam construction in order to solve the water shortage crisis.

### Social activities and community support

The Company participated in supporting community development by providing some equipment and resources as well as sending some experts to join and collaborate with people living in communities in order to participate in activities as follows;

- Tile laying for the pavilion of Ban Rat Charoen Temple



- Supporting medical health check-ups for people living nearby mines





- Providing some equipment for community development projects



## The Company's Disclosure Style

### ■ Policy and overview

Along with valuing its responsibility to society in general, the Company is aware that a sustainable environment is an essential part of the general business operations (In-Process), thus the Board of Directors has always followed the performance of its policy as well as assessing and amending such policy to keep up with a changing economy and society. All policies related to corporate social responsibility are disclosed on the Company's website [www.itd.co.th](http://www.itd.co.th) under "Corporate Governance".

### ■ Operation and report

According to the Corporate Social Responsibility reporting process, the Company takes into account all stakeholders, therefore the emphasis on corporate social responsibility in its business process (CSR-in-process) is highly placed, and in accordance with the Stock Exchange of Thailand's Corporate Governance.

Earlier in this Report on Corporate Social Responsibility, the Company disclosed information about its eight principles of social responsibility.

With the adherence of its motto: commitment, reliability, and quality, the Company places importance on construction business which is its main business. Apart from the practice of occupational health and safety regulation, the Company also takes into consideration the environment, the local communities, and suitable resource utilization. Earlier in this report, the Company established anti-corruption measures, the respect for the rights of stakeholders, as well as assessing the risks that occur with Company's projects, and the fair valuation of the well-being of personnel and employees.

### ■ Business operation effect toward corporate social responsibility

As of December 31, 2013, the ongoing dispute involving the Company as a party to litigation that may significantly impact the assets of over 5% of shareholders of the Company, is disclosed in the Annual Registration Statement (Form 56-1) of the Company under "Legal Disputes".

## Corporate Social Responsibility Activities

The Company believes that a good business must be developed with due regard to the development of society and sustainable environment, therefore the Company has operated its business under the principles of Corporate Social Responsibility (CSR) by continuing to support various activities that are beneficial to the society, and providing budget from the Company's revenue to execute the activities as follows:

### ■ Education

- Dr. Chaijudh Karnasutra for Education Fund Project has established since 2006 for the purpose of supporting scholarships for Employee's children who show a good study performance
- Asia Pacific Potash Corporation (APPC), the Company's subsidiary, has established APPC Youth Project and has continuously operated since 2007 to enhance and encourage the education of vocational training students in Udon Thani province by providing 250 scholarships per year in the amount of THB 5,000 a scholarship.
- The Company supports various activities that are beneficial to youth development through public agencies, state agencies as well as private agencies and foundations, for example the endowment to Chulalongkorn royal birth fund under the patronage of HRH Princess Maha Chakri Sirindhorn's for Chulalongkorn Auditorium renovation, the support of New Year cards for autism children at Prapakarnpanya Foundation, the support for golf charity, etc.
- The Company promotes National Children's day activities by making donations to support the Ban Phu Nam Ron Rattanakiri School in Kanchanabiru Province, the Mass Rapid Transit Authority of Thailand (MRTA), the Somnas Temple Youth Centre and Uthatharam School.

- On 4-6 September 2015, the Neighbouring Countries Economic Development Cooperation Agency (NEDA), led by Mr. Newin Sinsiri, the President, and Assoc. Prof. Dr. Varakorn Samakoses, visited the Dawei Special Economic Zone. As one of the Corporate Social Responsibilities they selected the proper area for the school construction, and also distributed some teaching materials to schools near the Thai and Myanmar border.



## ■ Culture, Religion, and Disaster

The Company recognizes the importance of preserving tradition and culture by continuously promoting the activities related to the Buddhist tradition and culture. In 2014, the Company held the Tod Pha Pa ceremony, Tod Katin ceremony, and supported equipment maintenance and repair to the temples as well as being a host in the annual occasion of Tod Katin ceremony as follows;

The Company recognizes the importance of preserving tradition and culture by continuously promoting the activities related to the Buddhist tradition and culture. In 2014, the Company held the Tod Pha Pa ceremony, Tod Katin ceremony, and supported equipment maintenance and repair to the temples as well as being a host in the annual occasion of Tod Katin ceremony as follows;

- On 8 November 2015, Mrs. Nijaporn Charanachitta, Director and Senior Executive Vice President of Italian-Thai Development PCL presided over the annual occasion of the Kathin Ceremony at Pu Namron Rattanakiri Temple in Kanchanaburi Province. The total donations from ITD were Baht 531,831 and all donations were Baht 4,130,749.

The donations received in this ceremony will be used for the building of the Great Stupa to enshrined sacred relics dedicated to Buddha.



In 2015, the Company undertook projects as follows;

As a result of the floods in Sakai, Kachin state, city Pegu and Rakhine state, there was a need to rescue and provide relief to the flood victims. On 22 July 2015 a campaign was launched led by Italian-Thai Development Public Company Limited (ITD) called "ITD Support to the Flood Victims in Myanmar".

The ITD campaign obtained donations of money, clothes, rice, dried food and canned food from employees and executives within company. A total of Baht 46,282, equivalent to 1,666,000 MMK was donated. Mrs. Kanyakorn Dej- Udom, vice president of Corporate Services, was the representative from the company and presented the donation at the Division of Finance; Office of the Prime Minister at the Government House to M.L. Panadda Diskul; Permanent Secretary, acting on behalf of the Thai -Government.

Materials, such as drinking water, clothes, rice and dried food which Company received, combined with the drinking water donated by DDC a water bottling company, were delivered by Mrs. Kanyakorn Dej-Udom, along with representatives of the Dawei Project, to the Myome Kyauk Temple, Maw Quarter, Myanmar. The donations were received by the monk Ashin Endanyana who represented the temple.



On 16 February 2016 the 'Peun Chuay Peun' project was launched to support the fire victims. The Corporate Services Division of ITD publicized the appeal for donations and was the centre to deliver the support to the fire victims.



#### ■ Social Activities in Dawei, Myanmar

As Italian-Thai Development PCL constructing the Dawei Project in Myanmar, the Company has participated in social activities for villages in the Dawei area, by utilizing the Company's construction capability for renovating public benefit projects for the community, temples and schools as follows;

- Renovating the streets and preventing floods of the graveyard entrance of Ya Lai Village





- Installing a storage tank and plumbing to the hill top for Mayan Gyi Temple



- Renovating the steel bridge and the streets of Wat Chaung Village



- Renovating the streets and the entrance of Kha Maung Chaung Village



- Renovating the streets and providing underground drainage piping at the entrance of Pagawzoon Village



- Renovating the street linking Km 4 to the entrance of Bawah, Bawah Beach and Htawa Village



- Renovating the street linking Lae Chaung to the Ou In Taung Pagoda



- Renovating the football field of the school and elevating the street of the entrance of Htein Gyi Village



- Renovating the area, clearing the area around the new lobby, and expanding pavements towards the Ou In Taung Temple



## CSR Activity of Italian-Thai Development PCL

### Pordee Pordee School Project

#### Ban Hua Rin Child Development Center, Mae Suay, Chiang Rai

According to the Company's policy in operating business for sustainable society in return, the Company recognized the value of education which is regarded as the foundation for the country's development, and has initiated the project related to education called "Pordee Pordee School Project Sharing Smile to Children Community and Victims" as a prototype project.



### Background of the Project

On 5 May 2014, a 6.3 magnitude earthquake on the Payao fault line shook Chiang Rai Province. The focus of the earthquake was at a shallow depth of 7 kilometers, making this one of the most severe disasters in Thailand, widely damaging government buildings, houses, temples and streets in seven provinces. Three districts in Chiang Rai: Amphur Phan, Amphur Mae Lao, and Amphur Mae Suay, which were close to the epicenter of the earthquake, suffered most damage. Apart from the residences, the schools were seriously affected and have been waiting for repair since the earthquake.

The Association of Siamese Architects under the Royal Patronage of His Majesty the King (ASA), the Engineering Institute of Thailand under H.M. the King's Patronage (EIT), the Thai Contractors Association under H.M. the King's Patronage (TCA), the Consulting Engineers



Association of Thailand (CEAT), and the collaboration network from various professions took action to support the intent of Design for Disaster (D4D) network by volunteering at full capacity to deal with such disasters. This effort has resulted in the cooperation of various organizations leading to the project to mobilize support and help from all sectors for victims by assisting in the creation and restoration of the buildings affected by the earthquake. The new construction project building consists of nine schools and nine houses and the repair consists of two temples. For the school buildings, the construction was supervised by the Association of Siamese Architects under the Royal Patronage of His Majesty the King (ASA) which was also responsible for designs. The design concept for the buildings is that they must be easy to build, economical and earthquake resistant. The five main building materials are steel structure frame, concrete walls, cement board, metal roof sheets, and locally available materials. The modular system is used in the design to cause the minimum material debris.

The nine schools in need of urgent school building are as follows:

Order	School Name	Original Affiliation	District
1	Phan Subdistrict Administrative School	Phan Subdistrict Administrative Organization	Phan
2	Ban Tha Hor School	Sai Khao Subdistrict Administrative Organization	Phan
3	Than Thong Wittaya School	Office of the Basic Education Commission	Phan
4	Ban Nong Bua School	Office of the Basic Education Commission	Phan
5	Ban Tung Fa Pa School (Ban Hua Rin Child Development Centre)	Mae Prik Subdistrict Administrative Organization	Mae Suay
6	Chumchon Ban Pa Ko Dam School	Office of the Basic Education Commission	Mae Lao
7	Pong Prae Wwittaya School	Office of the Basic Education Commission	Mae Lao
8	Ban Doi Chang School	Office of the Basic Education Commission	Mae Suay
9	Ban Huay San Yao School	Office of the Basic Education Commission	Mae Lao

The Ban Tung Fa Pa School is one of the nine schools which were affected by the earthquake. Since the original buildings were of a wooden construction, the school was heavily damaged. The cement floor tiles were cracked, the ceiling collapsed, and buildings were not available to use as the wooden structure was badly damaged. As a result, twenty-two students (kindergarten) and two teachers had no place to study. Thus all the students and teachers had to leave the area and had moved to Wat Ban Hong for schooling.

Pictures showing the Ban Tung Fa Pa School damaged by the earthquake in Mae Prik, Mae Sa Ruay, Chiang Rai Province



Pictures showing Wat Ban Hong School which the students from Ban Tung Fa Pa had temporarily moved to for schooling



## Operation and Design

Italian-Thai Development Public Company Limited acknowledged and understood the suffering that had occurred, so the Company jointly supported the Pordee Pordee School Building Project by sending an engineer to investigate the area and to proceed with the construction of the new school building to replace the Ban Tung Fa Pa School with the purpose to be study place for kindergarten.

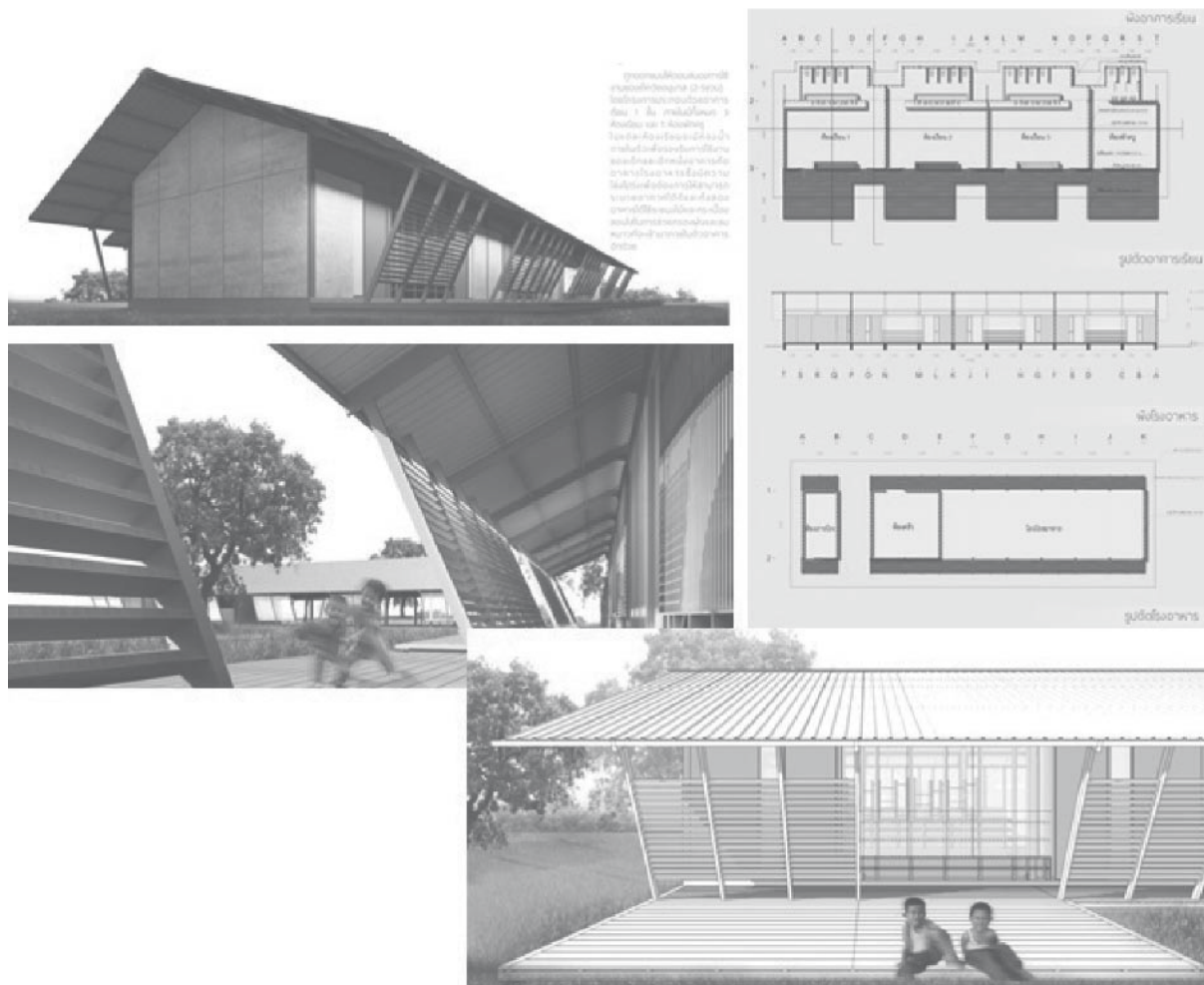
Since the original area of Ban Tung Fa Pa School is on a fault line, the Chief Executive of the Mae Prik SAO and Mr. Utai Foowong, the Executive of the school, were concerned that the fault line may cause another earthquake in the future. Thus they decided to build a new school in an area one kilometer away from the fault line.

Mae Prik Subdistrict Administrative Organization called the new school “Ban Hua Rin Child Development Centre”. The centre building received the support and cooperation from IDIN Architects for building design, Rafa Plus Architect Ltd. for landscape architecture, Faculty of Architecture and Planning, Interior Architect, Thammasat University for interior architecture, and Faculty of Architecture, King Mongkut’s Institute of Technology Ladkrabang for design and some furniture manufacture, in order that the students have a safe and secure school alleviating the suffering from the damaged Ban Tung Fa Pa School.

The Ban Hua Rin Child Development Centre was designed to meet the requirements of the children in preschool (kindergarten) and to withstand earthquakes with its structural strength. The building includes:

- School building: three classrooms and one teachers room (each classroom has a rest room for the use of the children.)
- Canteen with outdoor-air ventilation

The two buildings have the total area of about 480 square metres, and have been designed using laths and tile roofing batten sheets to help reduce dust and cold air from entering the buildings.



## Operation and Performance Tracking

The Construction of Ban Hua Rin Child Development Centre was planned to begin in November 2014 and to be complete in February 2015 which is approximately 4 months. Although the school and the canteen building are finished, the Company has to obtain equipment necessary for the school and classrooms such as learning support equipment for kindergarten, chairs, and tables. The procurement and installation of which must be completed before the term begins in May 2015. The project was supported by the equipment by the Company's Management and staff, including the donors who wish to participate. Apart from equipment supply, there are still some parts to be completed such as fence building and hard scape and soft scape changes around the school and canteen, together with plant growing according to landscape architect since there are no trees in the construction area.

The Centre is expected to accommodate about 100 students, comprising of 22 former students from Ban Tung Fa Pa School, 45 students from Ban Hua Tung School (another school in the neighborhood), and a new group of students (kindergarten) from the area not too far away from the Centre making a total of about 100 persons.

## Meeting with Mae Prik Subdistrict Administrative Organization and Conducting Area Investigation

Pictures showing the meeting between ITD, ASA, IDIN Architects, Mae Prik SAO, and D4D, the investigation of Ban Tung Fa Pa School and nearby area on 30 October 2015, and the students who will join the class at Ban Hua Rin Child Development Centre





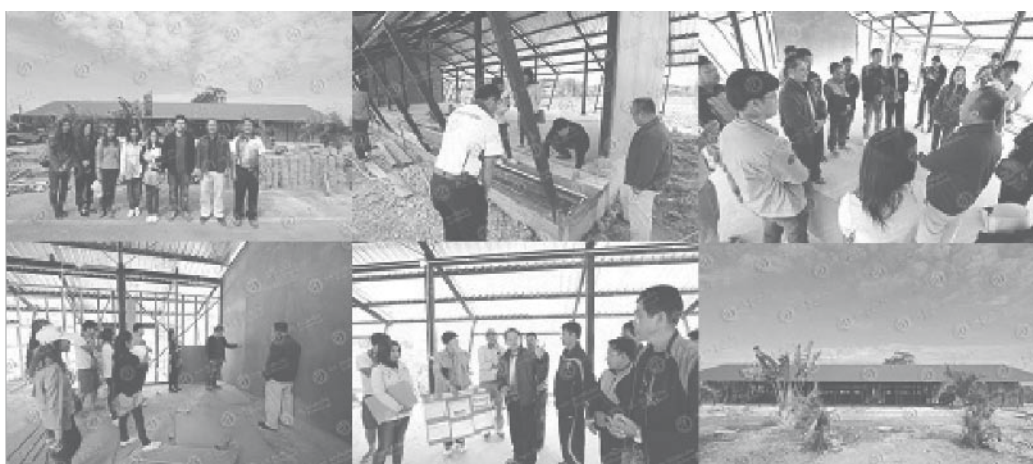
The pictures for the progress of Ban Hua Rin Child Development Centre on 23 November 2014.



The pictures for the progress of Ban Hua Rin Child Development Centre on 15 December 2014



The pictures showing the follow up for the progress of Ban Hua Rin Child Development Centre construction on 14 January 2015.



The picture for the Management of Italian-Thai Public Company Limited following up the progress of the construction of Ban Hua Rin Child Development Center in Chiang Rai Province on 30 January 2015, together wither IDIN Company Limited and Mae Prik Subdistrict Administrative Organization.



---

### Group visit from external agencies

The pictures for the group of Payao University students visiting the construction project of Ban Hua Rin Child Development Centre on 27 November 2014, and listening to construction process information from the Company's engineers.



On 19 February 2015, Japan Foundation Bangkok and joint authority led twenty-four youths from six countries, consisting of Thailand, Indonesia, Philippines, Japan, Malaysia, and India to visit and study the school building project after being damaged by an earthquake, so that they could earn new experiences to prepare for disaster and to share with other interested communities in their countries.

The Company's engineers welcomed upon their arrival and explained the project details and the construction process.



This is the project of Italian-Thai Development PCL which carried out the project returning it to society by using its potential and wide experience in contributing to the needy community.

### Hand Over Ceremony Pordee Pordee school "Child Development Center Mae Prik 1 Subdistrict Administrative Organization (Patronized by ITD)".

On 14 May 2015, Italian-Thai Development PCL led by Mrs. Nijaporn Charanachitta, officially handed over the Pordee Pordee school to replace the Bann Tung Fa Pa School, which was badly damaged by an earthquake in Chiangrai. This social activity was one of the CSR activities carried out in order to develop Thai social and people's lives.

Italian-Thai Development PCL donated and constructed the new school replacing Bann Tung Fa Pa costing Baht 10 million. The Company sent engineers to survey the areas before constructing the new school for pre-school children.. The villagers from the area and the SAO agreed to name the school as "Child Development Center Mae Prik 1 Subdistrict Administrative Organization (Patronized by ITD)". In addition, ITD's employees and faithful donated money to buy some educational materials which worth for Baht 1 million. In addition, there is an additional budget for the school to buy more essential materials if needed.





---

### Environment of the first day of the new school

On 22 June 2015, Child Development Center Mae Prik 1 Subdistrict Administrative Organization (Patronized by ITD) was the first day of the new school. The teachers and the students were very happy and joyful. There were 50 students on the first day of school



## Board of Directors and Board of Management

### Experience of Board of Directors and Board of Management

<p>1 <b>Dr. Krisorn Jittorntrum</b></p> <p><b>Education:</b>  Ph.D. Computing Research Group, Institute of Advance Studies,  The Australia National University  B.S. (Faculty of Sciences), First honor, Chiang Mai University</p> <p><b>Awards:</b>  Australian Computer Society Award (1975)  Medal from the Australian National University (1976)</p> <p><b>Chairman:</b>  Italian-Thai Development Plc.</p> <p><b>Chairman of Audit Committee:</b>  Italian-Thai Development Plc.</p> <p><b>Independent Director and Audit Committee:</b>  Italian-Thai Development Plc.</p> <p><b>Chairman of the Risk Management Committee:</b>  Italian-Thai Development Plc.</p> <p><b>Associate Professor:</b>  Faculty of Sciences, Chiang Mai University</p> <p><b>Director:</b>  Information Technology Service Centre, Chiang Mai University</p> <p><b>Chairman of Working Group on Law and Digital Signature:</b>  Consulting Committee of Electronic Commerce Project  ASEAN Coordinating Committee on Electronic Commerce</p> <p><b>President of Strategic Plan for the Development of Upper North Region Study (1998-2008):</b>  Office of the National Economic and Social Development Board</p> <p><b>Advisor to the Minister:</b>  Ministry of Labor</p> <p><b>Director:</b>  Asia Pacific Potash Corporation Co., Ltd.</p> <p><b>Shareholding of ITD:</b>  none</p> <p><b>Family relationship with the Management:</b>  none</p>	<p><b>Age: 63 years</b></p> <p><b>Director Position</b>  Date of the first appointment: March 26, 1999  Date of the latest appointment: April 8, 2015</p>
<p>2 <b>Mr. Premchai Karnasuta</b></p> <p><b>Education:</b>  Master of Business Administration  University of Southern California U.S.A  B.S. in Mining Engineering:  Colorado School of Mines, U.S.A.</p> <p><b>President:</b>  Italian-Thai Development Plc.</p> <p><b>Chairman the Board of Directors:</b>  First Dhaka Elevated Expressway Co., Ltd.</p> <p><b>Director:</b>  Italian-Thai Development Plc.,  Imperial Technology Management Services Plc.  Kanika Co., Ltd.  Siam Machinery and Equipment Co., Ltd.</p>	<p><b>Age: 62 years</b></p> <p><b>Director Position</b>  Date of the first appointment: March 24, 1994  Date of the latest appointment: April 8, 2015</p> <p>Bangkok Steel Wire Co., Ltd.</p> <p>Thai Maruken Co., Ltd.</p> <p>Charoong Thai Wire &amp; Cable Plc.  ITD Cementation India Co., Ltd.  Siam Steel Syndicate Plc.  Chantaburi Country Co., Ltd.</p>

C.P.K. International Co., Ltd.  
 Nahathai Co., Ltd.  
 Palang Hgan Sakol Co., Ltd.  
 Tridayuk Co., Ltd.  
 Thai Nippon Steel Engineering & Construction Corp. Co., Ltd.  
 Myanmar Italian-Thai Power 1 Co., Ltd.  
 Nipa Lodge Co., Ltd.  
 Panoot Co., Ltd.  
 Praram 9 Square Co., Ltd.  
 Palangthai Kaona Co., Ltd.  
 PT Thailindo Bara Pratama Co., Ltd.  
 Bhum Jai Thai Cement Co., Ltd.  
 Siam Pacific Holding Co., Ltd.  
 Siam Fiber Optics Co., Ltd.  
 Amari Co., Ltd.  
 Amari Oriental and Resort Co., Ltd.  
 ItalThai Real Estate Co., Ltd.  
 ItalThai Engineering Co., Ltd.  
 ItalThai Trevi Co., Ltd.  
 Italian-Thai Land Co., Ltd.  
 Asia Pacific Potash Corporation Co., Ltd.  
 Oriental Residence Bangkok Co., Ltd.  
 MCRP Holding Corporation Ltd.  
 Ao Po Grand Marina Co., Ltd.  
 Saraburu Construction Technology Co., Ltd.  
 Italian-Thai Power Co., Ltd.  
 Koh Kong Power Light Co., Ltd.  
 Sino Lao Aluminum Co., Ltd.  
 Italian-Thai Hongsa Co., Ltd.  
 ITD Bangladesh Co., Ltd.  
 Italian - Thai International SDN.BHD.  
 Wildemere Co., Ltd.  
 Lao Metal Industry Co., Ltd.  
 Thai Mozambique Logistica SA.  
 Momaz Logistics

**Shareholding of ITD:**

827,656,226 (15.676%)

**Family relationship with the Management:**

Mrs. Nijaporn Charanachitta's younger brother  
 Mr. Peeti Karnasuta and Mr.Thoranis Karnasuta's father

Southern Industry Co., Ltd. (1996)  
 Dithee Co., Ltd.  
 Tayakee Co., Ltd.  
 Tongkrai Co., Ltd.  
 Saraburi Coal Co., Ltd.  
 Takolkiat Co., Ltd.  
 Thai Rent All Co., Ltd.  
 Bhantu Wong Co., Ltd.  
 Praram 9 Square Hotel Co., Ltd.  
 Bangkok Steel Wire Co., Ltd.  
 Metropolitan Water and Services Co., Ltd.  
 Palit Palangngan Co., Ltd.  
 Phannin Co., Ltd.  
 Bhaka Bhumi Development Co., Ltd.,  
 Myanmar ITD Co., Ltd.  
 Lasalle Co., Ltd.  
 Siam Concrete Brick and Products Co., Ltd.  
 Sarithorn Co., Ltd.  
 Chantaburi Farm Co., Ltd.  
 Amari Orchid Lodge Co., Ltd.,  
 Italian-Thai International Co., Ltd.  
 ItalThai Holding Co., Ltd.  
 ATO Asia Turnout Co., Ltd.  
 MCRP Holding Corporation Co., Ltd.  
 Asian Steel Product Co., Ltd.  
 Nhaphalarn Crushing Plant Co., Ltd.  
 ItalThai Industrial Co., Ltd.  
 ItalThai Marine Co., Ltd.  
 ITD-EGC Joint Venture  
 Sin Rae Muang Thai Co., Ltd.  
 Asia Logistics Development Co., Ltd.  
 Asia Industrial and Port Corporation Co., Ltd.  
 Italian-Thai Development (Myanmar) Co., Ltd.  
 Asia Thai Mining Co., Ltd.  
 Pan African Mining Corp.

**3 Mrs. Nijaporn Charanachitta**

**Education:**

M.B.A. (Finance) University of Wisconsin (Madison), U.S.A  
 B.A. (Faculty of Arts) Chulalongkorn University  
 Director Certification Program (DCP)  
 (Thai Institute of Directors Association (IOD))

**Chairman:**

Amari Hotel & Resort Co., Ltd.  
 Amari Co., Ltd.  
 Oriental Residence Bangkok Co., Ltd.  
 ItalThai Industrial Co., Ltd.

**Age: 65 years**

**Director Position**

Date of the first appointment: March 24, 1994  
 Date of the latest appointment: April 30, 2013

Chao Phraya Development Corporation Co., Ltd.  
 OHTL Plc., (Mandarin Oriental, Bangkok)  
 Sakdi Sin Prasit Co., Ltd.

**Director and Senior Executive Vice President:**

Italian-Thai Development Plc.

**Director and Member of the Nomination and Compensation Committee:**

Charoong Thai Wire & Cable Plc.

**Director:**

Italian-Thai Development Plc.

Chantaburi Country Club Co., Ltd.

CPK International Co., Ltd.

Bangkok Steel Wire Co., Ltd.

Praram 9 Square Co., Ltd.

Bhaka Bhumi Development Co., Ltd.

Myanmar Italian-Thai Power 1 Co., Ltd.

Siam Concrete Brick and Product Co., Ltd.

Aquathai Co., Ltd.

ItalThai Trevi Co., Ltd.

Italian-Thai Lab Co., Ltd.

Italian-Thai International Co., Ltd.

Asian Steel Product Co., Ltd.

Siam Steel Syndicate Co., Ltd.

Amari Huahin Co., Ltd.

Sino Lao Aluminum Co., Ltd.

Sankyu Thai Co., Ltd.

First Dhaka Elevated Expressway Co., Ltd.

Chantaburi Farm Co., Ltd.

ItalThai Marine Co., Ltd.

ItalThai Real Estate Co., Ltd.

Sin Rae Muang Thai Co., Ltd.

Asia Industrial and Port Corporation Co., Ltd.

Palang Ngan Sakol Co., Ltd.

Asia Thai Mining Co., Ltd.

Pan African Mining Corp.

**Shareholding of ITD:**

377,703,340 (7.154%)

**Family relationship with the Management:**

Mr. Premchai Karnasuta's older sister

Mr. Yuthachai Charanachitta's mother

Siam Machinery & Equipment Co., Ltd.

Thai Barge Container Services Co., Ltd.

Toyo-Thai Corporation Plc.

Thai Maruken Co., Ltd.

Palangthai Kaona Co., Ltd.

Napralan Crushing Plant Co., Ltd.

Nishio ren All (Thailand) Co., Ltd.

Palit Palanguan Co., Ltd.

Praram 9 Square Hotel Co., Ltd.

Bhum Jai Thai Cement Co., Ltd.

Myanmar ITD Co., Ltd.

PT Thai Lindo Bara Pratama Co., Ltd.

Asia Pacific Potash Corporation Co., Ltd.

ATO Asia Turn-out Co., Ltd.

ItalThai Power Co., Ltd.

Saraburi Construction Technology Co., Ltd.

Amari Estate Phuket Co., Ltd.

Siam Pacific Holding Co., Ltd.

Sarithorn Co., Ltd.

ITD Bangladesh Co., Ltd.

ItalThai Holding Co., Ltd.

Saraburi Coal Co., Ltd.

Asia Logistics Development Co., Ltd.

Italian-Thai Development (Myanmar) Co., Ltd.

Momaz Logistics

**4 Mr. Pathai Chakornbundit****Education:**

B.Eng (Civil), Chulalongkorn University (1962-1966)

Director Certificate Program, the Institute of Directors (IOD)

**Director and Senior Executive Vice President:**

Italian-Thai Development Plc.

**Vice President of Risk Management Committee:**

Italian-Thai Development Plc.

**Director:**

Myanmar Italian-Thai Power 1 Co., Ltd.

IOT Joint Venture

Asia Industrial and Port Corporation Co., Ltd.

Thai Nippon Steel Engineering & Construction Co., Ltd.

**Age: 74 years****Director Position**

Date of the first appointment: March 21, 2003

Date of the latest appointment : April 8, 2015

ITD Cementation India Co., Ltd.

Khunka Faifa Thai Co., Ltd.

Koh Kong Power Light Co., Ltd.

Palit Palanguan Co., Ltd.



Thai Maruken Co., Ltd.  
PT Thailindo Bara Pratama Co., Ltd.  
Thai Pride Cement Co., Ltd.  
Aquathai Co., Ltd.  
Sin Rae Muang Thai Co., Ltd.  
Italian - Thai International SDN.BHD.  
First Dhaka Elevated Expressway Co., Ltd.  
Italian-Thai Hongsa Co., Ltd.  
Asia Logistics Development Co., Ltd.  
APPC holding Co., Ltd.

**Shareholding of ITD:**

69,540 (0.0013%)

**Family relationship with the Management:**

none

Palangthai Kaona Co., Ltd.  
Bhaka Bhumi Development Co., Ltd.  
Myanmar ITD Co., Ltd.  
Sarithorn Co., Ltd.  
Italhai Trevi Co., Ltd.  
Italhai Marine Co., Ltd.  
Asia Pacific Potash Corporation Co., Ltd.  
ITD-EGC Joint Venture  
Bangkok Steel Wire Co., Ltd.  
Italian-Thai Development (Myanmar) Co., Ltd.

5 **Mr. Yuthachai Charanachitta**

**Education:**

Bachelor Degree in Economics, Hamilton College, USA  
Director Certification Program (DCP)  
Direct Finance the Skill Update Program for Director  
(Thai Institute of Directors Association (IOD))

**Chief Executive Officer:**

Italhai Industrial Co., Ltd.

**Executive Vice President:**

Italian-Thai Development Plc.

**Risk Management Committee:**

Italian-Thai Development Plc.

**Director:**

Italian-Thai Development Plc.  
Riverside Auction House Co., Ltd.  
Oriental Residence Bangkok Co., Ltd.  
Sakdi Sin Prasit Co., Ltd.  
Amari Co., Ltd.  
Italian-Thai Power Co., Ltd.  
ITD Madagascar S.A Co., Ltd.  
Amari Estate Phuket Co., Ltd.  
Myanmar Italian - Thai Power1 Co., Ltd.  
Asia Thai Mining Co., Ltd.  
Pan African Mining Corp.

**Shareholding of ITD:**

none

**Family relationship with the Management:**

Mrs. Nijaporn Charanachitta's son

**Age: 38 years**

**Director Position**

Date of the first appointment: March 21, 2003  
Date of the latest appointment: April 30, 2014  
Date of submitted a resignation letter from: December 23, 2015  
- Director  
- Risk Management Committee  
- Executive Vice President  
effective on December 31, 2015

Chao Phraya Development Corporation Co., Ltd.  
OHTL Plc., (Mandarin Oriental, Bangkok)  
Baan Krating Co., Ltd.  
Muanjai Co., Ltd.  
Amari Hotel and Resort Co., Ltd.  
Amari Asset Co., Ltd.  
Italhai Engineering Co., Ltd.  
Saraburi Coal Co., Ltd.  
Italhai Hospitality Co., Ltd.  
Momaz Logistics

---

6 **Mr. Tawatchai Suthiprapha**

**Education:**

Bachelor of Engineering (Civil), Chulalongkorn University  
Director Accreditation Program (DAP)  
Finance for Non Finance Director (Thai Institute of Directors Association (IOD))  
Sharing Forum on Financial Instrument for Directors

**Director and Senior Executive Vice President :**

Italian-Thai Development Plc.

**Director:**

Siam Steel Tower Co., Ltd.  
ITO Joint Venture  
Saraburi Construction Technology Co., Ltd.  
Asia Logistics Development Co., Ltd.  
Thai Maruken Co., Ltd.  
Asia Fastening System Co., Ltd.  
Thai Pride Cement Co., Ltd.

**Shareholding of ITD:**

none

**Family relationship with the Management:**

none

Mrs. Jinda Suthiprapha

Mr.Tawatchai Suthiprapa's wife

**Shareholding of ITD:**

10,000 (0.0002%)

**Age: 73 years**

**Director Position**

Date of the first appointment: March 24, 2005

Date of the latest appointment: April 29, 2011

ITD - SMCC Joint Venture

Sarithorn Co., Ltd.

ATO Asia Turn-Out Co., Ltd.

ITD - ETF - MVM Joint Venture

Bhaka Bhumi Development Co., Ltd.

Asia Industrial and Port Corporation Co., Ltd.

---

7 **Mr. William Lee Zentgraf**

**Education:**

A.B.(cum laude) Harvard College

**Independent Director and Audit Committee Member:**

Italian-Thai Development Plc.

**Director:**

OHTL Plc., (Mandarin Oriental, Bangkok)

**Shareholding of ITD:**

none

**Family relationship with the Management:**

none

**Age: 76 years**

**Director Position**

Date of the first appointment: March 24, 2005

Date of the latest appointment: April 30, 2014

8	<p><b>Mr. Peeti Karnasuta</b></p> <p><b>Education:</b> Applied Economics, University of Saint Andrews</p> <p><b>Executive Vice President:</b> Italian-Thai Development Plc.</p> <p><b>Risk Management Committee:</b> Italian-Thai Development Plc.</p> <p><b>Director:</b> Italian-Thai Development Plc. Saraburi Coal Co., Ltd. P3 Global Energy Co., Ltd. Myanmar Italian-Thai Power 1 Co., Ltd. Asia Thai Mining Co., Ltd. Intrinsic Resources Co., Ltd.</p> <p><b>Managing Director:</b> 3B Holding Co., Ltd.</p> <p><b>Executive Director:</b> Auo Siam Marine Co., Ltd.</p> <p><b>Shareholding of ITD:</b> 463 (0.00%)</p> <p><b>Family relationship with the Management:</b> Mr. Premchai Karnasuta's son</p>	<p><b>Age: 35 years</b></p> <p><b>Director Position</b> Date of the first appointment: March 24, 2008 Date of the latest appointment: April 30, 2013</p> <p>Italian-Thai Power Co., Ltd. ITD Madagascar S.A Co., Ltd. International Shipping Corporation Co., Ltd. Pan Sakao Coal SA Pan African Mining Corp. Construction Concrete Co., Ltd.</p>
9	<p><b>Mr. Tirapongse Pangsrivongse</b></p> <p><b>Education:</b> M.Sc. (Faculty of Technology) University of Manchester Institute of Science and Technology</p> <p><b>Independent Director and Audit Committee :</b> Italian-Thai Development Plc.</p> <p><b>Executive Director:</b> Kasemkij Co., Ltd.</p> <p><b>Shareholding of ITD:</b> 1,064,500 (0.0201%)</p> <p><b>Family relationship with the Management:</b> none</p>	<p><b>Age: 61 years</b></p> <p><b>Director Position</b> Date of the first appointment: April 30, 2014</p>
10	<p><b>Mr. Thoranis Karnasuta</b></p> <p><b>Education:</b> Bachelor's degree in Industrial Engineering University of California, Berkeley, USA</p> <p><b>Director:</b> Italian-Thai Development Plc.</p> <p><b>Shareholding of ITD:</b> 28,210,960 (0.534%)</p> <p><b>Family relationship with the Management:</b> Mr. Premchai Kanasuta's son</p>	<p><b>Age: 26 years</b></p> <p><b>Director Position</b> Date of the first appointment: April 30, 2014</p> <p>Thai Mozambique Logistica S.A.</p>

---

11 <b>Mr.Krirk Vanikkul</b>	<b>Age : 62 years</b>
<b>Education</b>	<b>Director Position</b>
Barrister-at-Law, Middle Temple B.A. in Jurisprudence (Hons,Oxon) UK Thai Bar Association L.L.B. with second-class honors from Chulalongkorn University Director Certification Program (DCP) Class 42/2004 and Charter Director Course (CDC) Class 3/2008 Thai Institute of Directors Association (IOD)	Date of the first appointment: July 15, 2015
<b>Independent Director:</b>	
Italian-Thai Development Plc. Siam Commercial Bank Plc.	Agrow Enterprise Co.,Ltd
<b>Director:</b>	
Office of Knowledge Management and Development (Public Organization) Council of State	
<b>Chairman the Board of Directors:</b>	
The Government Housing Bank	
<b>Deputy Governor Financial Institutions Stability:</b>	
Bank of Thailand	
<b>Shareholding of ITD:</b>	
none	
<b>Family relationship with the Management:</b>	
none	

---

12 <b>Mr. Chatichai Chutima</b>	<b>Age: 56 years</b>
<b>Education:</b>	
Master of Economics from Ohio University, U.S.A. Director Certification Program (DCP) Class 204/2015 Director Accreditation Program Class 67/2007 Successful Formulation & Executive of Strategy Class 12/2001 (Thai Institute of Directors Association (IOD))	
<b>Executive Vice President (Finance) :</b>	
Italian-Thai Development Plc.	
<b>Risk Management Committee:</b>	
Italian-Thai Development Plc.	
<b>Vice President (Finance):</b>	
Italian-Thai Development Plc.	
<b>Director:</b>	
Siam Pacific Electric Wire & Cable Co., Ltd. Siam Steel Syndicate Plc.	ITD Bangladesh Co., Ltd.
<b>Shareholding of ITD:</b>	
none	
<b>Family relationship with the Management:</b>	
none	

---

---

13 **Ms. Kanchana Charoenyot** **Age: 54 years**

**Education:**

Master of Business Administration (Finance and Banking)  
Ramkhamhaeng University

**Vice President (Accounting):**

Italian-Thai Development Plc.

**Assistant Vice President (Accounting):**

Italian-Thai Development Plc.

**Shareholding of ITD:**

none

**Family relationship with the Management:**

none

---

14 **Mr. Anan Amarapala** **Age: 70 years**

**Education:**

Bachelor of Engineering (Civil), Chulalongkorn University

**Executive Vice President :**

Italian-Thai Development Plc.

**Shareholding of ITD:**

10,000 (0.0002%)

**Family relationship with the Management:**

none

---

15 **Mr. Taweesilp Pattanakitchamroon** **Age: 69 years**

**Education:**

Bachelor of Engineering (Civil), Chulalongkorn University

**Executive Vice President :**

Italian-Thai Development Plc.

**Director:**

Samsung-ITD Joint Venture

**Shareholding of ITD:**

none

**Family relationship with the Management:**

none

---

16 **Mr. Virat Kongmaneerat** **Age: 62 years**

**Education:**

Bachelor of Engineering (Civil)  
King Mongkut's University of Technology Thonburi

**Executive Vice President:**

Italian-Thai Development Plc.

**Director:**

Thai Mozambique Ligistiga S.A.

**Shareholding of ITD:**

none

**Family relationship with the Management:**

none

---

17 **Mr. Sumate Surabotsopon** **Age: 52 years**

**Education:**

Master of Engineering (Civil)  
King Mongkut's University of Technology Thonburi

**Executive Vice President:**

Italian-Thai Development Plc.

---

**Director:**

Italian-Thai Development Plc.  
First Dhaka Elevated Expressway Co., Ltd.

ITD Bangladesh Co., Ltd.

**Shareholding of ITD:**

7,000 (0.0001%)

**Family relationship with the Management:**

none

---

**18 Mr. Piyachai Karnasuta****Age: 41 years****Education:**

MBA of Civil Engineering, Waseda University, Japan

**Executive Vice President:**

Italian-Thai Development Plc.

**Director:**

Siam Machinery & Equipment Co., Ltd.

**Shareholding of ITD:**

27,303,438 (0.517%)

**Family relationship with the Management:**

none

---

**19 Ms. Prachaya Karnasuta****Age: 33 years****Education:**

Master of Business Administration  
Hawaii Pacific University, USA

**Executive Vice President and Assistant to Director and****Senior Executive Vice President:**

Italian-Thai Development Plc.

**Shareholding of ITD:**

38,839,766 (0.736%)

**Family relationship with the Management:**

none

---

**20 Mr. Woravudh Hiranyapaisarnsakul****Age: 55 years****Education:**

MBA, Thammasart University  
(Company Secretary Program)  
Effective Minute Taking, the Institute of Directors (IOD)

**Executive Vice President:**

Italian-Thai Development Plc.

**Company Secretary:**

Italian-Thai Development Plc.

**Director and Secretary of Risk Management Committee:**

Italian-Thai Development Plc.

**Manager:**

Asia Pacific Potash Corporation Co., Ltd.

\* Please refer to the attachment for the Company Secretary's Qualification

**Shareholding of ITD:**

none

**Family relationship with the Management:**

none

---

21	<b>Mr. Prasit Ratanaramig</b>	<b>Age: 65 years</b>
	<b>Education:</b>	
	Bachelor of Engineering (Civil), Chulalongkorn University	
	<b>Executive Vice President:</b>	
	Italian-Thai Development Plc.	
	<b>Shareholding of ITD:</b>	
	208,432 (0.004%)	
	<b>Family relationship with the Management:</b>	
	none	
22	<b>Mr. Sompop Pinijchai</b>	<b>Age: 59 years</b>
	<b>Education:</b>	
	M.B.A. of Finance, National Institute of Development Administration	
	<b>Executive Vice President:</b>	
	Italian-Thai Development Plc.	
	<b>Director:</b>	
	Italhai Marine Co., Ltd.	
	<b>Shareholding of ITD:</b>	
	115,900 (0.002%)	
	<b>Family relationship with the Management:</b>	
	none	
23	<b>Mr. Wichien Roongrujirat</b>	<b>Age: 57 years</b>
	<b>Education:</b>	
	Master of Engineering (Civil), Asian Institute of Technology	
	<b>Vice President (was appointment on July 1, 2015):</b>	
	Italian-Thai Development Plc.	
	<b>Shareholding of ITD:</b>	
	none	
	<b>Family relationship with the Management:</b>	
	none	
	Mrs. Pimpanee Roongrujirat	
	Mr. Wichien Roongrujirat's wife	
	<b>Shareholding of ITD:</b>	
	100,000 (0.0019%)	
24	<b>Mr. Kriengsak Kovadhana</b>	<b>Age: 57 years</b>
	<b>Education:</b>	
	Master of Engineering (Civil), Lamar University, U.S.A	
	<b>Vice President (was appointment on July 1, 2015):</b>	
	Italian-Thai Development Plc.	
	<b>Shareholding of ITD:</b>	
	none	
	<b>Family relationship with the Management:</b>	
	none	
	Mrs. Oranee Kovadhana	
	Mr. Kriengsak Kovadhana's wife	
	<b>Shareholding of ITD:</b>	
	57,116 (0.0011%)	



---

25 **Mr. Prasert Sanor**

**Age: 52 years**

**Education:**

M.B.A., Ramkhamhaeng University

**Vice President (was appointment on July 1, 2015):**

Italian-Thai Development Plc.

**Shareholding of ITD:**

none

**Family relationship with the Management:**

none

---

**Attachment 1**

**Authority and Responsibility of the Company Secretary**

The Company Secretary is required to perform his/her duties with responsibility, caution, and integrity in compliance with the laws, objectives and regulations of the Company, and the resolution of the Board of Directors and Shareholders as defined in Securities and Exchange Act (No.4) B.E. 2551, Section 89/15 and 89/16, which is effective on 31<sup>st</sup> August 2008. The Company Secretary is responsible for the following proceedings:

1. Preparing and keeping the following documents:
  - a) A register of Directors
  - b) Notices calling for the Directors' Meetings, minutes of Board of Directors' Meetings, and the Annual Reports
  - c) Notices calling for Shareholders' Meetings and minutes of Shareholders' Meetings
2. Keeping a report on activities reported by the Directors or the Management, and submitting a copy of report according to Section 89/14 to the Chairman of the Board and Audit Committee Chairman for acknowledgement within seven days from the date the report is received.
3. Performing other duties as prescribed by the Capital Market Supervisory Board

**Qualification of the Company Secretary**

1. To have a comprehensive knowledge and understanding of the Company's business, including the roles and duties related to the work of the Company's secretary, for instance, duties of the Board and the Company, having sound knowledge of related laws and regulations, including the continuous pursuit of knowledge, and the follow-up of data and information for the development of work implementation.
2. The performance of duties in accordance with laws, rules and the Company's regulations, with responsibility, caution, integrity and determination, including lending support for the Company's operations, based on the Company's principles of good corporate governance and code of ethics, so that the Company may fulfill its goal.
3. To strictly adhere to virtue and morality, as well as take into account the interests of all groups of stakeholders, while not acting in a way that will cause damage to the Company's reputation and good image.
4. Not to promote self-interest through the Company's business opportunities, and to strictly maintain the Company's confidential details.
5. Have good human relations and an ability to coordinate with other work units or agencies both inside and outside the Company.

## Number of Shares Held by ITD Directors and Directors' Remuneration as of February 15, 2016

Name (Unit : Baht)	Position	Share Amount as of January 26, 2015	Share Amount as of February 15, 2016	Change during the Year	Remuneration
1. Dr. Krisorn Jittorntrum	Chairman of the Board of Directors*	- 0 -	- 0 -	- 0 -	665,000 (1)
	Chairman of the Audit Committee*				474,028 (2)
	Chairman of the Risk Management Committee				15,000 (3)
	(*was appointed July 6, 2015)				
2. Mr. Premchai Karnasuta	Director	876,233,726	827,656,226	(48,577,500)	580,000 (1)
3. Mrs. Nijaporn Charanachitta	Director	386,021,640	377,703,340	(8,318,300)	580,000 (1)
4. Mr. Pathai Chakornbundit	Director	69,540	69,540	- 0 -	580,000 (1)
	Vice Chairman of the Risk Management Committee				10,000 (3)
5. Mr. Tawatchai Suthiprapha	Director	- 0 -	- 0 -	- 0 -	580,000 (1)
6. Mr. William Lee Zentgraf	Independent Director	- 0 -	- 0 -	- 0 -	580,000 (1)
	Audit Committee Member				415,000 (2)
7. Mr. Peeti Karnasuta	Director	463	463	- 0 -	580,000 (1)
	Risk Management Committee				10,000 (3)
8. Mr. Teerapongse Pangsrivongse	Independent Director	1,000,000	1,064,500	64,500	580,000 (1)
	Audit Committee Member*				203,125 (2)
	(*was appointed July 6, 2015)				
9. Mr. Thoranis Karnasuta	Director	28,210,960	28,210,960	- 0 -	580,000 (1)
10. Mr. Krirk Vanikkul	Independent Director*	- 0 -	- 0 -	- 0 -	265,833 (1)
	(*was appointed July 15, 2015)				

### Remarks

(1) Directors' remuneration

(2) Audit Committee Members' remuneration

(3) Risk Management Committees' remuneration

The Company has recognized the importance of an Internal Control System, for the assessment of operations both at the managerial level and operative level, following up the Board of Directors' decision to ensure that the Company has an appropriate and sufficient Internal Control System for its operations.

According to the Board of Director's Meeting No. 5/3/2559 on 10<sup>th</sup> March 2016, there were three Audit Committee Directors present at the meeting. The Board of Directors assessed the adequacy of the Internal Control System by requesting the Management for information in various fields as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors and Audit Committee's opinions state that the Company's Internal Control System is appropriate, sufficient, and consistent with Adequacy Assessment Form for the Internal Control System of the Securities and Exchange Commission. In addition, the Company has sufficient personnel to effectively operate and monitor the governance of its subsidiaries in protecting the assets of the Company and its subsidiaries from being abused by the Directors and Executives, including the transactions with those who may have a conflict of interest and related parties.

Regarding Accounting Internal Control of the Company, the Audit Committee, in expressing an opinion on financial statement, states that no defects were found to have a significant impact against the Company.

## Related Party Transactions

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2015 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
1. Siam Steel Syndicate Co., Ltd. (Steel Bar Production)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Company held a total of 1.15 % of the total outstanding shares of Siam Steel Syndicate Co., Ltd.</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta, Mr. Yuthachai Charanachitta* and Mr. Peeti Kamasuta) and related persons of the Directors held a total of 89.27 % of the total outstanding shares of Siam Steel Syndicate Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue from office rental, common area services and utilities, and sale of billet, scrap-iron and construction services</li> <li>- Account receivable</li> <li>- Product cost</li> <li>- Account payable</li> </ul>	<p>50.65</p> <p>3.40</p> <p>461.72 167.63</p>	<ul style="list-style-type: none"> <li>- Siam Steel Syndicate Co., Ltd paid for office rental, common area services and utilities for an amount of Baht 289,800 per month. The term of contract is 3 years terminating on October 31, 2018.</li> <li>- The Company sold scrap-iron and provided construction services with 30-60 days of credit term.</li> <li>- The Company purchased the products from Siam Steel Syndicate Public Company Limited.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- Rental price and common service fee are based on market pricing and on arm's length basis.</li> <li>- Utility charges are actual cost pricing.</li> <li>- The transactions are based on cost plus margin pricing for factory building service fee.</li> <li>- Normal business transaction.</li> <li>- The transactions are based on approximate market pricing</li> </ul>
2. ItalThai Industrial Co., Ltd. (Machines & Parts Trading)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta, Mrs. Nijaporn Charanachitta and Mr. Yuthachai Charanachitta*) and related persons of the Directors held a total of 8.37 % of the total outstanding shares of ItalThai Industrial Co., Ltd.</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta, Mrs. Nijaporn Charanachitta and Mr. Yuthachai Charanachitta*) are the Directors of ItalThai Industrial Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost of machines and parts expenses, Back Hoe rental, maintenance expenses, and other services expenses.</li> <li>- Account payable</li> <li>- Revenue from construction services</li> <li>- Account receivable</li> </ul>	<p>50.11</p> <p>20.37 6.59</p> <p>3.49</p>	<ul style="list-style-type: none"> <li>- The Company purchased machines, parts and maintenance services from ItalThai Industrial Co., Ltd. with 30-60 days of credit term.</li> <li>- ItalThai Industrial Co., Ltd paid for office and furniture rental for an amount of Baht 566,280 per month</li> <li>- The term of contract is 3 years terminating on Jan 31, 2018</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- Spare parts, machines, Back Hoe rental and services are based on market pricing and on arm's length basis.</li> <li>- Normal business transaction.</li> <li>- Rental price and common service fee are based on market pricing and on arm's length basis.</li> </ul>
Transactions with the subsidiaries					
- Dawei Development Co., Ltd. (DDC)	<ul style="list-style-type: none"> <li>- The Company purchased machines, parts and maintenance services</li> </ul>	<ul style="list-style-type: none"> <li>- Account payable</li> <li>- Account payable</li> <li>- Machine purchase</li> <li>- Cost of the services</li> </ul>	<p>9.19</p> <p>11.30 28.11</p> <p>4.10</p>	<ul style="list-style-type: none"> <li>- Dawei Development Co., Ltd purchased machines, spares parts and maintenance services from ItalThai Industrial Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- Spare parts, machines, Back Hoe rental and services are based on market pricing and on arm's length basis.</li> </ul>
3. ItalThai Engineering Co., Ltd. (Construction and Installation of Gas and Air Conditioning Systems)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta and Mr. Peeti Kamasuta) and related persons of the Directors held a total of 95.53 % of the total outstanding shares of ItalThai Engineering Co., Ltd. via ItalThai Holding Co., Ltd. and Sak Di Sin Prasit Co., Ltd.</li> <li>- The Directors of the Company (Mrs. Nijaporn Charanachitta and Mr. Yuthachai Charanachitta *) are the Directors of ItalThai Engineering Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost of the services</li> <li>- Account payable</li> <li>- Account receivable</li> <li>- Revenue from construction services</li> </ul>	<p>672.64 352.56</p> <p>12.10 48.80</p>	<ul style="list-style-type: none"> <li>- The Company employed ItalThai Engineering Co., Ltd to install mechanical and electrical systems and the construction.</li> <li>- The Company provided the construction services of Lopburi Solar Power Plant. The credit term is 30-60 days.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on market pricing and on arm's length basis.</li> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of ItalThai Engineering Co., Ltd.</li> </ul>

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2015 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
4. Auo-Po Grand Marina Co., Ltd. (Hotel and Resort)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Director of the Company (Mr. Premchai Kamasuta) indirectly held a total of 90% of the total outstanding shares of Auo-Po Grand Co., Ltd. via 3 B Holding Co., Ltd.</li> <li>- The Director of the Company (Mr. Premchai Kamasuta) is a Director of Auo-Po Grand Marina Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Account receivable</li> <li>- Revenue from construction services</li> </ul>	<p>102.60</p> <p>8.14</p>	<ul style="list-style-type: none"> <li>- The Company provided jetty and Yacht Club construction services at Auo-Po, Phuket Province.</li> <li>- Provision for losses in excess of 12 months in the amount of Baht 38.66 million.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of Auo-Po Grand Marina Co., Ltd.</li> </ul>
5. NWR-SBCC Joint Venture (Coal Extraction and Overburden Excavation)	<ul style="list-style-type: none"> <li>- A connected company (Saraburi Coal Co., Ltd. invest in the amount of 50% of NWR-SBCC Joint Venture)</li> <li>- The Directors of the Company (Mr. Premchai Kamaut, Mrs. Nijaporn Charanachitta, Mr. Yuthachai Charanachitta* and Mr. Peeti Kamasuta) are the Directors of Saraburi Coal Co., Ltd. since July 21, 2008</li> </ul>	<ul style="list-style-type: none"> <li>- Account receivable</li> <li>- Revenue from services</li> </ul>	<p>857.28</p> <p>4.44</p>	<ul style="list-style-type: none"> <li>- The Company performed the machinery repairing and moving for Mae Moh Project, Lampang with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of NWR-SBCC Joint Venture</li> </ul>
6. Pan African Mining Corp. (Holding Company)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta and Mrs. Nijaporn Charanachitta*) indirectly held a total of 90 % of the total outstanding shares of Pan African Mining Corp via Asia Thai Mining Co., Ltd.</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta ,Mrs. Nijaporn Charanachitta, Mr. Yuthachai Charanachitta* and Mr. Peeti Kamasuta) are the Directors of Pan African Mining Corp.</li> </ul>	<ul style="list-style-type: none"> <li>- Account receivable</li> <li>- Revenue from services</li> </ul>	<p>99.70</p> <p>4.59</p>	<ul style="list-style-type: none"> <li>- The Company provided the project management services for SAKOA Coal Mine Project in Madagascar with 30-60 days of credit term.</li> <li>- Baht 93.15 million were outstanding more than 12 months.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of Pan African Mining Corp.</li> </ul>
7. Asia Thai Mining Co., Ltd. (Holding Company& Coal Mine) Transaction with the subsidiaries	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta and Mrs. Nijaporn Charanachitta) indirectly held a total of 90% of the total outstanding shares of Asia Thai Mining Co., Ltd. via Saraburi Coal Co., Ltd. and Palang Ngan Sakol Co., Ltd.</li> <li>- The Directors of the Company (Mr. Premchai Kamasuta, Mrs. Nijaporn Charanachitta, Mr. Yuthachai Charanachitta* and Mr. Peeti Kamasuta) are the Directors of Asia Thai Mining Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Account receivable</li> <li>- Account receivable</li> <li>- Account receivable (provisioned for doubtful)</li> <li>- Product cost</li> <li>- Account payable</li> </ul>	<p>3.86</p> <p>10.51</p> <p>11.97</p> <p>64.90</p> <p>27.40</p>	<ul style="list-style-type: none"> <li>- Asia Thai Mining Co., Ltd paid for office rental, common area services and utilities and survey and collect data services of geology, Cambodia.</li> <li>- Thai Pride Cement Co., Ltd provide consulting service for coal mining project of Asia Thai Mining Co., Ltd.</li> <li>- Asia Pacific Potash Corporation Co., Ltd. provide consulting service for coal mining project of Asia Thai Mining Co., Ltd.</li> <li>- Thai Pride Cement Co., Ltd purchased coal from Asia Thai Mining Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of Asia Thai Mining Co., Ltd.</li> <li>- Normal business transaction.</li> <li>- The transactions are based on market pricing and on arm's length basis.</li> </ul>

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2015 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
8. PAM SAKOA COAL SA (Coal Mine) Transaction with the subsidiaries	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta*) indirectly held a total of 89.73% of the total outstanding shares of PAM SAKOA COAL SA via Asia Thai Mining Co., Ltd.</li> <li>- The Directors of the Company (Mr. Yuthachai Charanachitta* and Mr. Peeti Karnasuta) are the Directors of PAM SAKOA COAL SA</li> </ul>	<ul style="list-style-type: none"> <li>- Account receivable</li> <li>- Short term loan and advance payment</li> </ul>	<p>52.83</p> <p>15.55</p>	<ul style="list-style-type: none"> <li>- ITD Madagascar provided consulting service for coal mining project of PAM SAKOA COAL SA in Madagascar.</li> <li>- Baht 42.53 million were outstanding more than 12 months.</li> <li>- Advance payment for Import duty of Machinery and mining coal's expense</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of PAM SAKOA COAL SA.</li> <li>- Import machines on behalf of undertaken and in the process to take advantage of tax.</li> </ul>
9. Amari Estate Phuket Co., Ltd. (Real Estate)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mrs. Nijaporn Charanachitta and Mr. Yuthachai Charanachitta*) and related persons of the Directors indirectly held a total of 99.98% of the total outstanding shares of Amari Estate Phuket Co., Ltd. via Amari Estate Co., Ltd. and Sakdi Sin Prasit Co., Ltd.</li> <li>- The Directors of the Company (Mrs. Nijaporn Charanachitta, Mr. Yuthachai Charanachitta*) are the Directors of Amari Estate Phuket Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenues from service</li> </ul>	36.08	<ul style="list-style-type: none"> <li>- The Company provided the construction services of Amari Residences Phuket with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of Amari Estate Phuket Co., Ltd.</li> </ul>
10. Italhai Real Estate Co., Ltd. (Real Estate)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mrs. Nijaporn Charanachitta and Mr. Yuthachai Charanachitta*) and related persons of the Directors indirectly held a total of 71% of the total outstanding shares of Italhai Real Estate Co., Ltd. via Amari Co., Ltd. and Baan Rao Holdings Co., Ltd.</li> <li>- The Directors of the Company (Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta) are the Directors of Italhai Real Estate Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenues from service</li> <li>- Account receivable</li> </ul>	<p>12.67</p> <p>3.95</p>	<ul style="list-style-type: none"> <li>- The Company provided the construction services of Renovated ACP Jetty, Deck Extension at AMARI Coral Beach, Phuket with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of Italhai Real Estate Co., Ltd.</li> </ul>
11. Siam Machinery Equipment Co., Ltd. (Casting and Machine)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta) and related persons of the Directors held a total of 53.75% of the total outstanding shares of Siam Machinery Equipment Co., Ltd.</li> <li>- The Directors of the Company (Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta) are the Directors of Siam Machinery Equipment Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenues from service</li> <li>- Account receivable</li> <li>- Services Cost</li> </ul>	<p>55.48</p> <p>18.21</p> <p>8.39</p>	<ul style="list-style-type: none"> <li>- The Company provided the Construction of Flood Protection Wall with 30 - 60 days of credit term.</li> <li>- The Company employed Siam Machinery Equipment Co., Ltd. For galvanized grouting</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of Siam Machinery Equipment Co., Ltd.</li> <li>- Normal business transaction.</li> <li>- The transactions are based on market pricing and on arm's length basis.</li> </ul>

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2015 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
12. LNG Plus International Co., Ltd. (Hong Kong) (Manufacture and distribution of electricity)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Director of the Company (Mr. Thoranis Karnasuta) is a Director of LNG Plus International Co., Ltd. (Hong Kong)</li> </ul>	<ul style="list-style-type: none"> <li>- Account payable</li> <li>- Account receivable</li> </ul>	<p>36.64</p> <p>10.91</p>	<ul style="list-style-type: none"> <li>- The Company purchased products from LNG Plus International Co., Ltd (Hong Kong) with 30-60 days of credit term.</li> <li>- The Company provided the Construction of Power Plant with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on market pricing and on arm's length basis.</li> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> </ul>
13. Ao Po Grand Marina & Residence Co., Ltd. (Real Estate Development)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Director of the Company (Mr. Premchai Karnasuta) held a total of 90 % of the total outstanding shares of Ao Po Grand Marina Residence Company Limited via 3 B Holding Co., Ltd.</li> <li>- The Director of the Company (Mr. Premchai Karnasuta) is a Director of Ao Po Grand Marina &amp; Residence Company Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue from construction services</li> <li>- Account receivable</li> </ul>	<p>106.98</p> <p>312.50</p>	<ul style="list-style-type: none"> <li>- The Company provided the Construction of condominium and dam in Phuket Province with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of Ao Po Grand Marina Residence Co., Ltd.</li> </ul>
14. Construction Concrete Co., Ltd. (Concrete Trading)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Director of the Company (Mr. Peeti Karnasuta) held a total of 99.99 % of the total outstanding shares of Construction Concrete Co., Ltd.</li> <li>- The Director of the Company (Mr. Peeti Karnasuta) is a Director of Construction Concrete Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost of Products</li> <li>- Account payable</li> </ul>	<p>234.26</p> <p>87.79</p>	<ul style="list-style-type: none"> <li>- The Company purchased the products from Construction Concrete Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on market pricing and on arm's length basis.</li> </ul>
Transaction with Subsidiaries Thai Pride Cement Co., Ltd. (Manufacture and distribution of cement)		<ul style="list-style-type: none"> <li>- Revenue from sales</li> <li>- Account receivable</li> </ul>	<p>61.33</p> <p>26.49</p>	<ul style="list-style-type: none"> <li>- Thai Pride Cement Co., Ltd. sold the products to Construction Concrete Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on market pricing and on arm's length basis.</li> </ul>
15. OHTL Public Co., Ltd. (Hotel)	<ul style="list-style-type: none"> <li>- A connected company</li> <li>- The Directors of the Company (Mrs. Nijaporn Charanachitta, Mr. Premchai Karnasuta and Mr. Yuthachai Charanachitta*) and related persons of the Directors held a total of 30.45 % of the total outstanding shares of OHTL Public Co., Ltd.</li> <li>- The Directors of the Company (Mrs. Nijaporn Charanachitta, Mr. Yuthachai Charanachitta* and Mr. William Lee Zenggraf) are the Directors of OHTL Public Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue from construction services</li> <li>- Account receivable</li> <li>- Customer advances under construction contract (Account payable)</li> </ul>	<p>285.56</p> <p>113.91</p> <p>11.15</p>	<ul style="list-style-type: none"> <li>- The Company provided the construction services and renovation of rooms, restaurant and banquet room of Mandarin Oriental Hotel, Bangkok, with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on cost plus margin pricing and on arm's length basis.</li> <li>- Occasional transactions depend on the orders of OHTL Public Co., Ltd.</li> </ul>
16. Mrs. Nijaporn Charanachitta Transaction with Subsidiaries	<ul style="list-style-type: none"> <li>- The Directors of the Company (Mrs. Nijaporn Charanachitta) is the Directors of Bhakabhum Development Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost</li> <li>- Account payable</li> <li>- Cost</li> <li>- Account payable</li> </ul>	<p>56.83</p> <p>13.64</p> <p>8.58</p> <p>2.06</p>	<ul style="list-style-type: none"> <li>- Bhakabhum Development Co., Ltd. purchases land from the Director for real estate development project.</li> <li>- Sareethom Co., Ltd. purchases land from the Director for real estate development project.</li> </ul>	<ul style="list-style-type: none"> <li>- Normal business transaction.</li> <li>- The transactions are based on market pricing and on arm's length basis.</li> </ul>

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2015 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
17. Intrinsic Resources Co., Ltd. (Coal Trading) Transaction with Subsidiaries	- A connected company - The Director of the Company (Mr. Peeti Kamasuta) held a total of 99.99 % of the total outstanding shares of Intrinsic Resources Co., Ltd. - The Director of the Company (Mr. Peeti Kamasuta) is a Director of Intrinsic Resources Co., Ltd.	- Cost	87.70	- Thai Pride Cement Co.Ltd. purchases coal from Intrinsic Resources Co., Ltd. with 30-60 days of credit term.	- Normal business transaction. - The transactions are based on market pricing and on arm's length basis.
18. P 3 Global Energy Co., Ltd. (Energy and Gas)	- A connected company - The Director of the Company (Mr. Premchai Karnasuta) held a total of 85 % of the total outstanding shares of P 3 Global Energy Company Limited via 3 B Holding Co., Ltd. - The Director of the Company (Mr. Premchai Karnasuta) is a Director of P 3 Global Energy Company Limited	- Services Cost	9.77	- P3 Global Energy Co.Ltd. Provided private Jet from Dec 2014 - Aug 2015, Oct - Nov 2015 with 30-60 days of credit term.	- Normal business transaction. - The transactions are based on market pricing and on arm's length basis.

Remark :

1. \* Mr. Yuthachai Charanachitta submitted the resignation letter from directorship, effective on 31 December , 2015



(Dr. Krisorn Jittomtrum)  
Audit Committee Chairman  
March 9, 2016



## Summary of Financial Information

### (1) Financial Statement of The Company Only

Description	Unit : Year	2015	2014*	2013*
Total Assets	Million Baht	57,480	55,767	51,587
Share Capital	Million Baht	5,280	5,280	4,860
Shareholder's Equity	Million Baht	14,182	14,293	11,768
Revenues from Construction Work, Sales and Services	Million Baht	29,117	34,556	31,697
Net Profit after Tax	Million Baht	274	528	242
EPS	Baht	0.05	0.11	0.05
Book Value	Baht	2.43	2.71	2.42
Par Value	Baht	1	1	1
DPS	Baht	0.00	0.00	0.00
DPS x 100 EPS	%	0.00	0.00	0.00

### (2) Consolidated Financial Statements

as of 31 <sup>st</sup> December	Unit : Year	2015	2014*	2013*
Total Assets	Million Baht	78,095	73,190	64,551
Total Liabilities	Million Baht	63,519	57,842	52,299
Total Shareholder's Equity	Million Baht	14,577	15,348	12,252
Revenues from Construction Work, Sales and Services	Million Baht	51,297	48,082	44,776
Total Revenues	Million Baht	52,035	49,123	45,984
Gross Profit	Million Baht	4,409	4,302	4,281
Net Profit **	Million Baht	(362)	581	985

### (3) Financial Ratios and Results of Operations of the Company and its Subsidiaries for 3 years

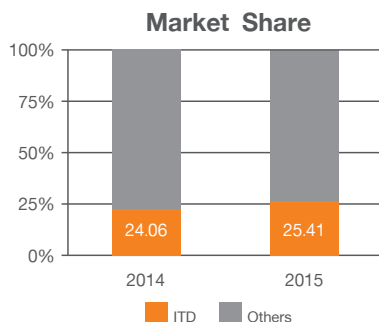
	2015		2014*		2013*	
	Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S
<b>Current Ratio</b>						
Current Ratio	1.07	1.12	1.05	1.08	0.98	0.95
Quick Ratio	0.31	0.35	0.32	0.36	0.32	0.32
A/R Turnover	4.37	3.22	4.15	3.82	4.03	3.63
Collection Period	82.39	111.74	86.81	94.22	89.23	99.13
Inventory Turnover	12.10	14.74	10.69	14.59	10.56	14.16
Return on Sales	29.76	24.42	33.67	24.68	34.08	25.42
A/P Turnover	3.24	3.18	3.67	3.73	4.15	4.02
Payment Period	111.15	113.28	98.05	96.47	86.82	89.66
Cash Cycle	1.00	22.89	22.43	22.43	36.49	34.89
<b>Profitability Ratio</b>						
Gross Profit (%)	8.59	5.72	8.95	7.51	9.56	7.63
Net Profit (%)	(0.70)	0.88	1.18	1.49	2.14	0.72
Return on Equity (%)	(2.42)	2.00	4.21	4.05	9.09	2.24
<b>Efficiency Ratio</b>						
Return on Assets (%)	(0.48)	0.48	0.84	0.98	1.60	0.51
Return on Fixed Assets (%)	10.59	18.98	17.17	20.40	23.00	15.36
Assets Turnover	0.69	0.55	0.71	0.66	0.74	0.70
<b>Financial Ratio Analysis</b>						
Debt to Equity	4.36	3.40	3.77	2.90	4.27	3.38
Interest Coverage	2.15	1.02	1.22	0.08	3.99	2.54
Dividend Payout Ratio (%)	0.00	0.00	0.00	0.00	0.00	0.00
Debt to Equity (Under Terms and Conditions of Bond Issuer and Bond Holders)	2.11	1.91	1.87	1.62	2.17	1.83
<b>Data per Share and Growth Ratio of Business</b>						
<b>Growth Ratio</b>						
Total Assets (%)	6.70	1.20	13.38	8.10	9.44	16.33
Total Liabilities (%)	9.81	5.16	10.60	4.16	5.52	15.64
Revenues from Construction Services (%)	6.69	(13.69)	7.38	9.02	(3.27)	6.33
Cost of Services (%)	7.10	(12.03)	8.11	9.17	(1.63)	8.19
Net Earning (%)	(162.28)	(48.59)	(41.06)	117.83	633.74	2.26
<b>Data per Share</b>						
Book Value	2.76	2.43	2.91	2.71	2.52	2.42
EPS	(0.07)	0.05	0.12	0.11	0.20	0.02
Dividend per Share	0.00	0.00	0.00	0.00	0.00	0.00

Note: \* Restated

\*\* Net income (loss) in the portion of the Company's shareholders

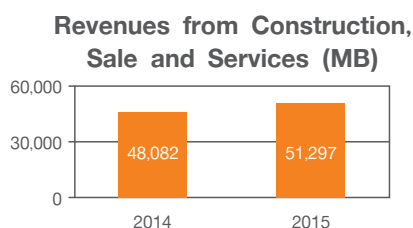
## Management's Discussion and Analysis of Results of Operations and Financial Condition as at December 31, 2015

Market share 25.41% in 2015

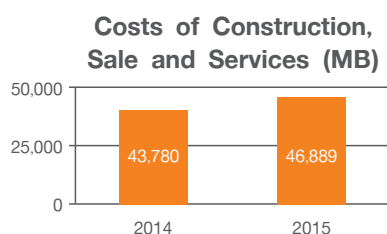


As of December 31, 2015, backlog for construction and concession Baht 230,349 million, the backlog for construction Baht 81,526 million was in public sector 53.17% and in Thailand 62.93%

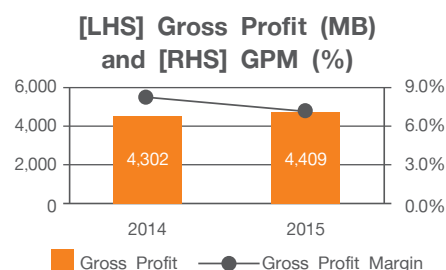
Revenues from construction work, sale and services Baht 51,297 million in 2015, increased 6.69% y-o-y



Costs of construction work, sale and service Baht 46,889 million in 2015 increased 7.10% y-o-y



Gross profit Baht 4,409 million and Gross profit margin 8.59% in 2015



## Results of Operations

### 1. Overview

ITD is considered to be the largest civil engineering and construction firm on the Stock Exchange of Thailand as measured by total revenues of construction companies listed on the Stock Exchange of Thailand (SET). The Company's market share of the total construction industry revenues was 25.41% and 24.01% in 2015 and the same period of previous year, respectively. In 2015, the total revenue of the Company was Baht 52,035 million which was mainly the revenue from construction services and the allocation of loss under the portion of the Company's shareholders in the amount of Baht 362 million.

As at December 31, 2015 the Company's backlog for construction and concession was Baht 230,349 million, compared to Baht 216,731 million in December 31, 2014. In addition to the Company's backlog at December 31, 2015, as at February 12, 2016 the Company has signed new contracts valued at Baht 423 million and has been awarded, but has yet to sign, contracts for a further Baht 1,796 million. The Company's current backlog, therefore, has an accumulated value of Baht 232,568 million.

As at December 31, 2015, the backlog for construction (by Italian-Thai Development Public Company Limited, joint ventures, consortium and subsidiaries with the Company's role) was Baht 81,526 million, of which over 53.17% comprised public sector infrastructure development and 62.93% comprised work in Thailand.

### 2. Previous Year Operations Results

#### Revenues from Construction Work, Sale and Services

Revenues from construction work, sales and services were Baht 51,297 million in 2015, an increase of Baht 3,216 million from the same period of the previous year.

#### Costs of Construction Work, Sale and Service

The costs of construction work, sales and services were Baht 46,889 million in 2015, an increase of Baht 3,108 million from the same period of the previous year.

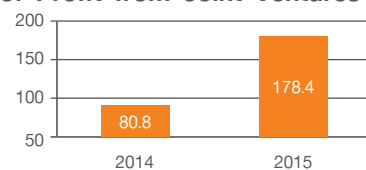
In 2015, the Company's gross profit was Baht 4,409 million, an increase when compared to the same period of the previous year for which the gross profit was Baht 4,302 million. While the Company's gross profit margin in 2015 was 8.59%, a decrease when compared to the same period of the previous year for which the gross profit margin was 8.95%.

### Dividend Income and Share of Profit from Joint Ventures

The Company's dividend income and share of profit from joint ventures were Baht 178 million, an increase of Baht 98 million from the same period of the previous year.

*Dividend income and share of profit from joint ventures Baht 178 million in 2015 increased 120.88% y-o-y*

#### Dividend Income and Share of Profit from Joint Ventures (MB)

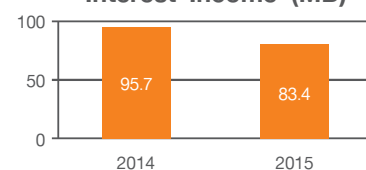


### Interest Income

The Company's interest income in 2015 was Baht 83 million, a decrease of Baht 12 million from the same period of the previous year.

*Interest income Baht 83 million in 2015 decreased 12.86% y-o-y*

#### Interest Income (MB)

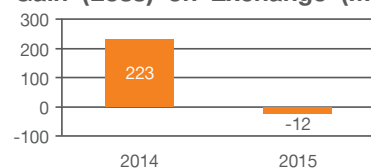


### Gain (loss) on Exchange Rate

In 2015, the Company's loss on exchange rate was Baht 12 million, an increase of loss from the same period of the previous year which the gain on exchange rate of Baht 223 million was mainly from depreciation of THB against USD and EUR debt of subsidiaries.

*Gain (loss) on exchange Baht (12) million in 2015 loss increased 235.01% y-o-y*

#### Gain (Loss) on Exchange (MB)

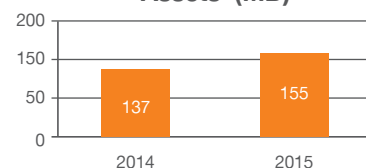


### Gain on Revaluation of Assets

In 2015, the Company's gain on revaluation of assets was Baht 155 million, an increase of Baht 18 million from the same period of the previous year.

*Gain on revaluation of assets Baht 155 million increased 13.06% y-o-y*

#### Gain on Revaluation of Assets (MB)

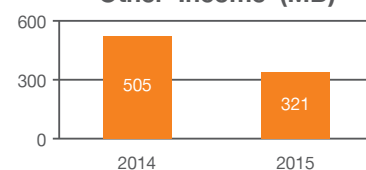


### Other Income

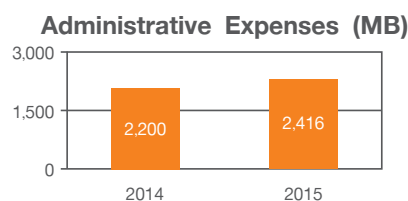
The Company's other revenues in 2015 were Baht 321 million, a decrease of Baht 184 million from the same period of the previous year.

*Other income Baht 321 million in 2015 decreased 36.43% y-o-y*

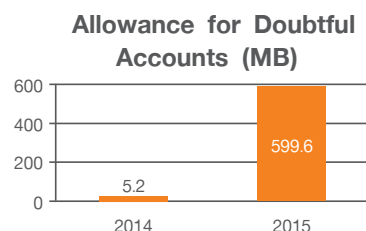
#### Other Income (MB)



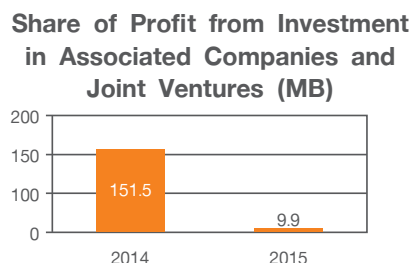
Administrative expenses Baht 2,416 million in 2015 increased 9.81% y-o-y



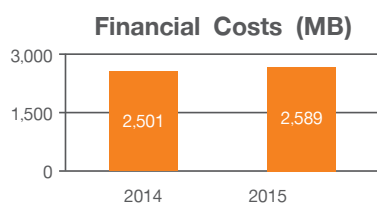
Allowance for doubtful accounts Baht 600 million in 2015 set up 11,455.31% y-o-y



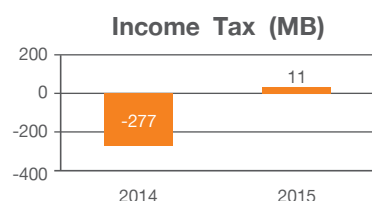
Share of profit from investment in associated companies and joint ventures Baht 10 million in 2015 decreased 93.46% y-o-y



Financial costs Baht 2,589 million in 2015 increased 3.53% y-o-y



Deferred Income tax Baht 11 million in 2015 income tax decreased 103.86% y-o-y



## Administrative Expenses

In 2015, the Company's administrative expenses were Baht 2,416 million, an increase of Baht 216 million from the same period of the previous year.

## Allowance for Doubtful Accounts

In 2015, the Company set up the allowance for doubtful accounts to Baht 600 million, an increase of Baht 594 million from the same period of the previous year, mainly from the allowance for doubtful accounts of an overseas subsidiary, to be settled through an arbitration process with the project owner for receiving the overdue payment.

## Share of Profit from Investment in Associated Companies and Joint Ventures

The Company had the share of profit from investment in associated companies and joint ventures of Baht 10 million in 2015, a decrease of Baht 142 million from the same period of the previous year.

## Financial Costs

The Company's financial costs were Baht 2,589 million in 2015, an increase of Baht 88 million from the same period of the previous year.

## Income Tax

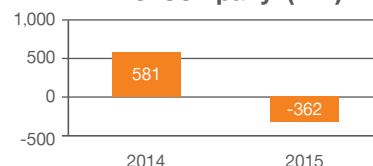
Deferred income tax was Baht 11 million in 2015, an increase of the deferred income tax from the same period of the previous year for which the income tax was Baht 277 million. The deferred income tax was mainly from the overseas subsidiaries.

### Profit (Loss) for the Period Attributable to Owners of the Company

As a result of the foregoing, in 2015, the loss for the period attributable to owners of the Company was Baht 362 million, a decrease from the same period of the previous year for which the allocation of income under the portion of the Company's shareholders was Baht 581 million.

*Profit (loss) for the period attributable to owners of the Company Baht (362) million in 2015 loss increased 162.28% y-o-*

### Profit (Loss) for the Period Attributable to Owners of the Company (MB)



## Financial Statement

### 1. Total Assets

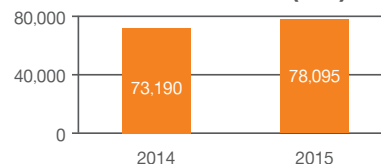
The Company's total assets were Baht 78,095 million in 2015, an increase of Baht 4,905 million from 2014, or by approximately 6.70% because, in 2015, the Company's current assets were Baht 43,394 million, an increase of Baht 3,627 million from 2014, or by approximately 9.12%. It was mainly from the increase of the earned revenues not yet billed, the cash and cash equivalents and the advance for purchases of construction materials and sub-contractors. At the year ended 2015, the Company's non-current assets were Baht 34,701 million, an increase of Baht 1,278 million from 2014, or by approximately 3.82% according to the increase of the property, plant and equipment.

The gross trade accounts receivable-unrelated parties as at December 31, 2015 was Baht 8,718 million. The Company already set up the allowance for doubtful account Baht 808 million and the net trade accounts receivable-unrelated parties was Baht 7,911 million, a decrease of Baht 143 million from 2014, or approximately 1.78%. It was partially from the allowance for doubtful accounts of an overseas subsidiary, to be settled through an arbitration process with a project owner for receiving the overdue payment.

For the receivable ages more than 12 months as at December 21, 2015 was Baht 1,706 million, a decrease of Baht 551 million, or approximately 24.40% mainly because of the receipts of the overseas subsidiaries' accounts receivable.

*Total assets Baht 78,095 million at the year ended 2015 increased 6.70% y-o-y*

### Total Assets (MB)



## 2. Liquidity

### Summary of Cash Flow Statement

(Expressed in thousand Baht)	2015	2014*	2013*
Net cash provided from (used in) operating activities	2,991,043	275,443	6,208,870
Net cash provided from (used in) investing activities	(2,271,981)	(2,312,105)	(5,382,921)
Net cash provided from (used in) financing activities	(192,844)	2,522,887	(1,413,433)
Translation adjustment on foreign currency financial statement	42,226	19,633	146,606
Cash and cash equivalents at beginning of year	1,933,298	1,427,440	2,027,177
Adjustment cash and cash equivalents	-	-	(158,859)
Cash and cash equivalents at end of year	2,501,742	1,933,298	1,427,440

Remark: \* Restated financial statements

As shown in the table above, in 2015 the cash flow provided from operating activities was at Baht 2,991 million because of the increase of operating liabilities such as the customer advances under construction contracts and the trade accounts and other payable – unrelated parties as well as the decrease of operating assets such as the inventories and work in process.

In 2015, cash flow used in investing activities amounted to Baht 2,272 million mainly from the purchase of assets for construction and the cash paid for projects under development.

The Company's net cash was provided from financing activities mainly from the loans for project financing and the bond issuance.

The Company's current ratios were about 1.07 times and 1.05 times at years ended of 2015 and 2014, respectively, and quick ratios were 0.31 times and 0.32 times at year ended 2015 and 2014, respectively.

## 3. Cost of Investment

The Company intends to invest in other businesses related to construction services i.e. manufacturing and providing construction materials, real estate development, power business, mine business, port business and logistic business.

## 4. Financial Resources and commitments

### 4.1) Short-term Debt : The Company's short-term debt consists of

- 1) general working capital; and
- 2) project specific loans in Thailand and Internationally.

It was the Company's practice to advance funds to its joint ventures for working capital. The Company's short-term debt was incurred at the parent Company level and Branch levels in other countries.

At December 31, 2015 and 2014, the Company, on a consolidated basis, had Baht 9,698 million and Baht 7,674 million, respectively, outstanding in bank overdrafts and loans from financial institutions. On a stand-alone basis, the Company's corresponding amounts were Baht 5,482 million and Baht 3,464 million, respectively. This kind of project-tied debt will normally be repaid as the projects progress, with full repayment being achieved at project completion.

### 4.2) Long-term Debt : The Company's long-term debt consists of

- 1) long-term foreign loans for investing in assets, project finance and working capital; and
- 2) long-term Thai Baht loans for purchasing equipment and project financing and working capital.

The Company has used long-term loans for supporting the Company's long term projects. As of December 31, 2015 and 2014 the Company had outstanding long-term loans and debentures of Baht 21,623 million and Baht 20,951 million respectively.

### 4.3) Share Capital :

In 2015, the Company increased common shares to Baht 6,336 million for the issuance of Warrant 1,055,968,165 units. One Warrant was entitled to purchase one newly issued ordinary share and the exercise price under the Warrants was Baht 14 per share.

---

#### 4.4) **Guarantees**

As at December 31, 2015 and 2014, there were outstanding guarantees of approximately Baht 45,838 million and Baht 42,885 million, respectively, issued by financial institutions on behalf of the Company, subsidiaries and its joint ventures in respect of certain performance bonds required in the normal course of business of the Company, subsidiaries and its joint ventures.

As at December 31, 2015 and 2014, there were guarantees of approximately Baht 7,947 million and Baht 3,550 million, respectively, issued by the Company to financial institutions and its ventures to secure credit facilities granted by those financial institutions and ventures to subsidiaries, associated and related companies and joint ventures. The Company had issued guarantees in proportion to its shareholding, except for ItalThai Trevi Co., Ltd. ItalThai Marine Co., Ltd., Aquathai Co., Ltd., Sarithorn Co., Ltd., Asian Steel Product Co., Ltd. and ITD Cementation India Limited., for which the Company issued full guarantees for the credit facilities. Such guarantees were necessary for regular operation of the Company, its subsidiaries and its joint ventures.

#### 4.5) **Covenant of Debt to Equity Ratio**

As at December 31, 2015 and 2014, the debt to equity ratios from the Company's consolidated financial statement were 2.11 times and 1.87 times, respectively.



Auditors' Report and Consolidated Financial Statements of  
**Italian-Thai Development Public Company Limited**  
**and its subsidiaries**  
For the Years Ended 31 December 2015

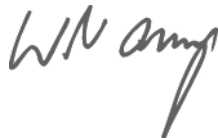
## The Board of Director's Report on their Responsibilities for Financial Reports for the year 2015

The Financial Statements for Italian-Thai Development Public Company Limited and its subsidiaries have been prepared in accordance with the policy of the Board of Directors which requires the compliance with generally accepted accounting principles and careful book-keeping to reflect the accurate performance of the Company.

The Financial Statements provide for the significant disclosure of additional substantial information as shown in the notes attached to the Financial Statements, as well as explanations and analysis for the benefit of the shareholders and general investors.

The Company's Board of Directors recognizes the importance of the Financial Statements by auditing the input financial data. In this regard, the Board of Directors has appointed the Audit Committee comprising independent and non-executive members of the Board to oversee the quality of financial reports. Their opinion is shown in the Report of Audit Committee included in this Annual Report.

Based on the management structure and internal audit system as mentioned above, as well as the Audit Report produced by the certified public auditor, the Board of Directors is convinced that the Financial Statements for the Company and its subsidiaries as at 31<sup>st</sup> December 2015 reasonably represent an accurate statement of the financial status, business performance and cash flow of the Company in accordance with generally accepted accounting principles.



(Mr. Premchai Karnasuta)  
President



(Mrs. Nijaporn Charanachitta)  
Senior Executive Vice President

## REPORT OF INDEPENDENT AUDITOR

To the shareholders of Italian-Thai Development Public Company Limited

I have audited the accompanying consolidated financial statements of Italian-Thai Development Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. I have also audited the separate financial statements of Italian-Thai Development Public Company Limited, which comprise the separate statement of financial position as at 31 December 2015, the related separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the financial statements

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

### Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a reasonable basis for my qualified audit opinion.

### Basis for Qualified Opinion

The consolidated financial statements as at 31 December 2015 include trade accounts receivable and un - billed work in progress of overseas subsidiary totalling Baht 626.56 million which represent a number of variation order claims recognized some years ago based on the terms and conditions implicit in the agreements. These claims are technical in nature and subject to arbitration tribunal. The subsidiary has assessed the realization of these claims based on information from the dispute resolution board, the arbitration tribunal, High Court orders and legal opinion from an independent counsel. During the year, such subsidiary concluded an agreement with the employer to accept the partial settlement of outstanding trade account receivable and un-billed work in progress. Therefore, the subsidiary has recognised loss on such agreement of Baht 663.26 million in the consolidated financial statements for the year ended 31 December 2015. In addition, the consolidated financial statements as at 31 December 2015 also include trade receivables and un – billed work in progress of overseas subsidiary of Baht 164.66 million and Baht 26.00 million, respectively. These amounts are presently under negotiation with the customers or subject matter litigation. I cannot assess the potential impact (if any) to such outstanding balance.

### Qualified Opinion

In my opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position as at 31 December 2015 and the consolidated results of operations and cash flows for the year then ended of Italian-Thai Development Public Company Limited and its subsidiaries, and the separate financial position as at 31 December 2015 and its results of operations and cash flows for the year then ended of Italian-Thai Development Public Company Limited in accordance with Thai Financial Reporting Standards.

### Emphasis of Matter

I draw attention to following information :

- 1) As discussed in Note 3 to the financial statements, the Company has changed its accounting policies from the adoption of new financial reporting standards.
- 2) As discussed in Note 14 to the financial statements, the Company has land lease concessions and projects under development in the Dawei Special Economic Zone for which the Company had invested in the area development. This project depends on the cooperation of the governments of Thailand and Myanmar as the new concessionaires and promoter of the Dawei Project. The Company has the right to reimburse such amount, including other expenses which are under the negotiation with the Special Purpose Vehicle entity, after the completion of the due diligence work performed by the consultants of the two governments. On 5 August 2015, the Company signed concession agreements for initial phase of Dawei Project and the Supplemental Memorandum of Understanding to the Tripartite Memorandum between the Company, Dawei Special Economic Zone Management Committee and the Special Purpose Vehicle entity which included an agreement on the principle and process of reimbursement for the Company's previous investment.
- 3) As discussed in Note 15 to the financial statements, a subsidiary company has potash mining rights for which the application for potash mining concessions is in process. The Company's management believes that this project will be approved by the government and will become operational as planned in the near future.

My opinion is not qualified in respect of the matters above.



**Mr. Teerasak Chuasrisakul**

Certified Public Accountant

Registration No. 6624

Bangkok, Thailand

29 February 2016

## STATEMENTS OF FINANCIAL POSITION

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
AS AT 31 DECEMBER

		Consolidated F/S			Separate F/S		
		2015	2014	2013	2015	2014	2013
(Unit : Thousand Baht)	Notes		(Restated)	(Restated)		(Restated)	(Restated)
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
Cash and cash equivalents		2,501,742	1,933,298	1,427,440	1,176,045	1,117,776	866,999
Fixed deposits more than 3 month		64,803	158,172	275,240	34,203	112,263	168,000
Restricted deposits with banks	6	79,705	66,799	80,253	79,184	66,290	79,758
Current investments	45	45	40,329	102	-	88	88
Trade accounts receivable - unrelated parties - net	7	7,910,522	8,053,905	7,359,583	5,634,887	5,380,970	4,461,539
Trade accounts receivable - related parties - net	8	2,210,032	2,050,946	2,133,838	2,834,705	2,688,407	2,650,962
Short - term loans and advances to subsidiaries and related parties - net	9	190,823	57,467	50,321	1,287,948	1,163,561	1,390,378
Earned revenues not yet billed		20,493,826	17,616,345	14,756,888	14,534,060	12,355,198	9,887,509
Retentions receivable due within one year		2,209,791	2,002,491	1,544,654	1,355,592	1,443,286	1,296,574
Inventories and work in process - net	10	3,273,267	4,479,984	3,708,313	1,386,882	2,432,902	1,949,873
Costs of property development projects - net	11	565,135	318,500	522,422	-	-	-
Income tax withheld at sources		1,047,115	870,060	901,063	604,509	526,925	589,665
Refundable value added tax		1,368,411	1,065,083	867,311	152,030	146,431	150,532
Advances for purchases of construction materials and sub-contractors		1,068,382	642,481	709,244	478,053	529,737	627,288
Other current assets	45	410,486	411,377	419,664	120,398	137,015	220,200
<b>Total current assets</b>		<b>43,394,085</b>	39,767,237	34,756,336	<b>29,678,496</b>	28,100,849	24,339,365
<b>NON - CURRENT ASSETS</b>							
Investments in subsidiaries, associated companies, and joint ventures - net	12	810,728	984,654	1,281,495	7,339,319	7,314,714	7,844,064
Other long - term investments - net	13, 45	1,038,856	1,315,939	1,430,428	877,004	1,146,275	1,264,776
Land lease concession and project under development	14	7,251,447	6,620,715	6,031,020	4,787,637	4,313,729	3,731,608
Potash mining right	15	2,293,489	2,293,489	2,293,489	-	-	-
Deferred exploration and development costs	16	951,927	950,730	930,352	-	-	-
Long - term loans and advances to subsidiaries and related parties - net	17	-	-	-	5,386,070	4,849,552	4,414,664
Land awaiting development - net	19	771,705	769,843	782,917	474,846	474,846	474,846
Investment properties	20	1,564,920	1,410,300	1,363,733	743,000	743,000	740,614
Advances for purchases of machinery		69,241	148,904	667,646	-	-	-
Property, plant and equipment - net	21	17,701,932	17,008,018	13,202,062	8,066,413	8,728,304	8,502,796
Goodwill	22	942,112	942,112	942,112	-	-	-
Deferred concession costs	23	678,119	495,101	394,124	-	-	164,717
Deferred tax assets	30	348,463	205,114	201,076	2,024	452	229
Other non - current assets	45	278,116	277,758	274,601	125,162	95,349	109,154
<b>Total non - current assets</b>		<b>34,701,055</b>	33,422,677	29,795,055	<b>27,801,475</b>	27,666,221	27,247,468
<b>TOTAL ASSETS</b>		<b>78,095,140</b>	73,189,914	64,551,391	<b>57,479,971</b>	55,767,070	51,586,833

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

## STATEMENTS OF FINANCIAL POSITION

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
AS AT 31 DECEMBER

		Consolidated F/S			Separate F/S		
		2015	2014	2013	2015	2014	2013
(Unit : Thousand Baht)			(Restated)	(Restated)		(Restated)	(Restated)
Notes							
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
<b>CURRENT LIABILITIES</b>							
Bank overdrafts and short - term loans							
from financial institutions	24	<b>9,698,158</b>	7,673,680	8,363,561	<b>5,481,586</b>	3,464,342	4,152,933
Current portion of liabilities under trust receipts		<b>618,287</b>	1,108,174	1,155,463	<b>496,663</b>	1,108,174	689,609
Trade accounts and other payable - unrelated parties		<b>13,466,505</b>	12,354,474	8,403,109	<b>6,154,035</b>	6,955,109	5,628,620
Trade accounts payable - related parties	25	<b>1,432,510</b>	1,701,116	1,390,503	<b>2,161,447</b>	2,494,263	2,052,432
Receipts in excess of contracted work in progress		<b>214,544</b>	660,096	473,453	<b>210,032</b>	653,810	452,542
Short-term loans and advances from related parties		-	-	-	-	-	65,175
Customer advances under construction contracts							
due for revenue recognition within 1 year		<b>5,453,070</b>	4,698,836	5,589,234	<b>4,300,598</b>	3,566,130	4,165,143
Current portion of finance lease payables	26	<b>601,357</b>	468,234	434,145	<b>570,407</b>	446,146	393,929
Current portion of long - term loans	27	<b>2,940,627</b>	3,460,303	2,081,634	<b>2,179,028</b>	2,526,290	1,773,977
Current portion of debentures	28	<b>3,497,909</b>	3,493,863	4,992,532	<b>3,497,909</b>	3,493,863	4,992,532
Income tax payable	30	<b>138,962</b>	159,583	131,459	<b>57,222</b>	41,156	35,960
Value added tax payable		<b>140,031</b>	88,689	93,694	<b>101,111</b>	44,086	60,022
Accrued expenses		<b>1,118,088</b>	999,350	934,299	<b>425,895</b>	433,840	432,248
Accounts payable for purchase of investments							
- related parties		<b>62,484</b>	62,484	62,484	<b>56,809</b>	56,809	56,809
Retentions payable		<b>644,766</b>	593,174	676,265	<b>566,039</b>	511,600	515,100
Loans from directors		-	-	44,072	-	-	-
Other current liabilities		<b>621,944</b>	445,759	492,846	<b>352,711</b>	188,865	172,999
<b>Total current liabilities</b>		<b>40,649,242</b>	37,967,815	35,318,753	<b>26,611,492</b>	25,984,483	25,640,030
<b>NON - CURRENT LIABILITIES</b>							
Customer advances under construction							
contracts - net		<b>4,553,788</b>	3,209,951	3,972,479	<b>2,015,517</b>	1,219,356	2,896,255
Finance lease payables - net	26	<b>931,470</b>	730,686	959,836	<b>869,658</b>	697,944	930,670
Long - term loans - net	27	<b>5,225,189</b>	4,539,355	3,466,638	<b>2,602,792</b>	3,107,605	2,630,575
Debentures - net	28	<b>9,958,971</b>	9,457,603	6,973,631	<b>9,958,971</b>	9,457,603	6,973,631
Allowance for losses on construction projects	34	<b>265,468</b>	159,401	4,476	<b>265,468</b>	157,173	2,300
Employee benefits obligation	29	<b>947,442</b>	717,686	610,452	<b>764,259</b>	578,869	502,134
Deferred tax liabilities	30	<b>785,811</b>	861,904	787,939	<b>204,989</b>	265,263	234,042
Other non - current liabilities		<b>201,248</b>	197,788	205,003	<b>5,000</b>	5,304	8,811
<b>Total non - current liabilities</b>		<b>22,869,387</b>	19,874,374	16,980,454	<b>16,686,654</b>	15,489,117	14,178,418
<b>TOTAL LIABILITIES</b>		<b>63,518,629</b>	57,842,189	52,299,207	<b>43,298,146</b>	41,473,600	39,818,448

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

## STATEMENTS OF FINANCIAL POSITION

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
AS AT 31 DECEMBER

		Consolidated F/S			Separate F/S		
		2015	2014	2013	2015	2014	2013
(Unit : Thousand Baht)		Notes	(Restated)	(Restated)		(Restated)	(Restated)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
<b>(Continued)</b>							
<b>SHAREHOLDERS' EQUITY</b>							
Share capital - ordinary share at Baht 1 par value							
Registered - 6,335,808,993 shares							
(2014 and 2013 : 5,871,149,452 shares)		<b>6,335,809</b>	5,871,149	5,871,149	<b>6,335,809</b>	5,871,149	5,871,149
Issued and fully paid - up - 5,279,840,828 shares							
(2014 and 2013 : 4,860,473,010 shares)	31	<b>5,279,841</b>	5,279,841	4,860,473	<b>5,279,841</b>	5,279,841	4,860,473
Share premium	31	<b>8,547,392</b>	8,547,392	6,848,952	<b>8,547,392</b>	8,547,392	6,848,952
Retained earnings (deficit)							
Appropriated - legal reserve	37	<b>507,325</b>	467,537	464,217	<b>483,374</b>	451,021	451,021
Unappropriated		<b>(605,424)</b>	(34,950)	(560,980)	<b>(29,187)</b>	(115,303)	(603,019)
Other components of shareholders' equity		<b>(412,321)</b>	(277,701)	(189,774)	<b>(99,595)</b>	130,519	210,958
<b>Equity attributable to the Company's shareholders</b>		<b>13,316,813</b>	13,982,119	11,422,888	<b>14,181,825</b>	14,293,470	11,768,385
Non - controlling interests		<b>1,259,698</b>	1,365,606	829,296	-	-	-
Total shareholders' equity		<b>14,576,511</b>	15,347,725	12,252,184	<b>14,181,825</b>	14,293,470	11,768,385
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>78,095,140</b>	73,189,914	64,551,391	<b>57,479,971</b>	55,767,070	51,586,833

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



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

		Consolidated F/S		Separate F/S	
		2015	2014 (Restated)	2015	2014 (Restated)
(Unit : Thousand Baht)	Notes				
REVENUES					
Revenues from construction work		49,219,649	45,491,790	29,116,580	34,555,842
Revenues from sales and services		2,077,846	2,590,011	-	-
Total revenues	33, 34	51,297,495	48,081,801	29,116,580	34,555,842
COSTS					
Costs of construction work		45,171,719	41,727,561	27,324,909	31,962,101
Costs of sales and services		1,716,965	2,052,737	-	-
Total costs	33, 39	46,888,684	43,780,298	27,324,909	31,962,101
Gross profit		4,408,811	4,301,503	1,791,671	2,593,741
Dividend income and share of profit from joint ventures		178,404	80,770	380,953	276,089
Interest income	43	83,352	95,654	90,716	94,201
Gain (loss) on exchange rate	43	(12,271)	222,743	349,961	191,456
Gain on revaluation of assets		154,620	136,754	-	92,573
Other income	33, 38, 43	321,191	505,277	141,455	302,420
Profit before expenses		5,134,107	5,342,701	2,754,756	3,550,480
Selling expenses		(36,927)	(60,949)	-	-
Administrative expenses		(2,415,680)	(2,199,827)	(1,103,628)	(1,068,957)
Reversal of allowance (allowance) for doubtful accounts	43	(599,605)	(5,189)	172,043	(118,540)
Allowance for impairment of investment		-	(12,751)	(4,727)	(121,911)
Total expenses	39	(3,052,212)	(2,278,716)	(936,312)	(1,309,408)
Profit from operations		2,081,895	3,063,985	1,818,444	2,241,072
Share of profit from investment in associated companies and joint ventures	43	9,903	151,503	-	-
Profit before finance costs and income tax		2,091,798	3,215,488	1,818,444	2,241,072
Finance costs	43	(2,589,057)	(2,500,662)	(1,510,026)	(1,560,599)
Profit (loss) before income tax		(497,259)	714,826	308,418	680,473
Income tax	30, 43	10,692	(277,079)	(34,892)	(152,318)
Profit (loss) for the year		(486,567)	437,747	273,526	528,155

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

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Thousand Baht)	Notes	Consolidated F/S		Separate F/S	
		2015	2014 (Restated)	2015	2014 (Restated)
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Actuarial losses - net of tax	29	(181,305)	(57,966)	(155,057)	(40,439)
<b>Items that will be reclassified subsequently to profit or loss</b>					
Unrealised loss on changes in value of investments - net of tax		(221,867)	(80,191)	(215,417)	(84,601)
Translation adjustments for foreign currency financial statements		157,549	(184,841)	(14,697)	4,162
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>		(732,190)	114,749	(111,645)	407,277
<b>PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO :</b>					
Equity holders of the Company		(361,744)	580,821	273,526	528,155
Non-controlling interests		(124,823)	(143,074)	-	-
		(486,567)	437,747	273,526	528,155
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR ATTRIBUTABLE TO :</b>					
Equity holders of the Company		(665,306)	473,658	(111,645)	407,277
Non-controlling interests		(66,884)	(358,909)	-	-
		(732,190)	114,749	(111,645)	407,277
<b>BASIC EARNINGS PER SHARE</b>					
Profit (loss) (Baht per share)	32	(0.0685)	0.1181	0.0518	0.1074
<b>Weighted average number of ordinary shares (Unit : Thousand shares)</b>					
		5,279,841	4,916,772	5,279,841	4,916,772

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

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

Equity attributable to the Company's shareholders														
	Notes	(Unit : Thousand Baht)	Retained earnings (Deficit)					Other components of shareholders' equity				Non - controlling interests	Total	
			Issued and paid-up share capital	Share premium	Legal Reserve		Unappropriated	Unrealised gain (loss) on changes in value of investments	Translation adjustments for foreign currency financial statements	Surplus (discount) on dilution of investment in subsidiary companies	Total			Total equity attributable to the Company's shareholders
<b>Consolidated F/S</b>														
Balance as at 1 January 2014 - previous reported		4,860,473	6,848,952	465,689	(335,116)	618,822	(951,785)	47,096	(285,867)	11,554,131	829,296	12,383,427		
Cumulative effect adjustment from change in accounting policy	3	-	-	(1,472)	(225,864)	-	96,093	-	96,093	(131,243)	-	(131,243)		
Balance as at 1 January 2014 - as restated		4,860,473	6,848,952	464,217	(560,980)	618,822	(855,692)	47,096	(189,774)	11,422,888	829,296	12,252,184		
Increase share capital during the year	31	419,368	1,698,440	-	-	-	-	-	-	2,117,808	-	2,117,808		
Dividend paid from subsidiaries		-	-	-	-	-	-	-	-	-	(41,438)	(41,438)		
Subsidiaries increase share capital during the year	31	-	-	-	-	-	-	-	-	-	689,117	689,117		
Increase in non-controlling interests during the year		-	-	-	-	-	215,305	(247,540)	(32,235)	(32,235)	247,540	215,305		
Appropriated for legal reserve	37	-	-	3,320	(3,320)	-	-	-	-	-	-	-		
Total comprehensive income (loss) for the year - restated		-	-	-	529,350	(80,191)	24,499	-	(55,692)	473,658	(358,909)	114,749		
Balance as at 31 December 2014		5,279,841	8,547,392	467,537	(34,950)	538,631	(615,888)	(200,444)	(277,701)	13,982,119	1,365,606	15,347,725		
Balance as at 1 January 2015 - as previous reported		5,279,841	8,547,392	469,009	132,246	538,631	(707,112)	(200,444)	(368,925)	14,059,563	1,365,606	15,425,169		
Cumulative effect adjustment from change in accounting policy	3	-	-	(1,472)	(167,196)	-	91,224	-	91,224	(77,444)	-	(77,444)		
Balance as at 1 January 2015 - as restated		5,279,841	8,547,392	467,537	(34,950)	538,631	(615,888)	(200,444)	(277,701)	13,982,119	1,365,606	15,347,725		
Dividend paid from subsidiary		-	-	-	-	-	-	-	-	-	(39,073)	(39,073)		
Increase in non-controlling interests during the year		-	-	-	-	-	-	-	-	-	49	49		
Appropriated for legal reserve	37	-	-	39,788	(39,788)	-	-	-	-	-	-	-		
Total comprehensive income (loss) for the year		-	-	-	(530,686)	(221,867)	87,247	-	(134,620)	(665,306)	(66,884)	(732,190)		
Balance as at 31 December 2015		5,279,841	8,547,392	507,325	(605,424)	316,764	(528,641)	(200,444)	(412,321)	13,316,813	1,259,698	14,576,511		

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

# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	Notes	Issued and paid-up share capital	Share premium	Retained earnings (Deficit)		Other components of shareholders' equity		
				Legal Reserve	Unappropriated	Unrealised gain (loss) on changes in value of investments	Translation adjustments for foreign currency financial statements	Total
<b>Separate F/S</b>								
<b>Balance as at 1 January 2014 - as previous reported</b>								
Cumulative effect adjustment from change in accounting policy	3	4,860,473	6,848,952	451,021	(540,764)	610,823	(399,865)	210,958
		-	-	-	(62,255)	-	-	-
<b>Balance as at 1 January 2014 - as restated</b>								
Increase share capital during the year	31	419,368	1,698,440	451,021	(603,019)	610,823	(399,865)	210,958
Total comprehensive income (loss) for the year		-	-	-	-	-	-	-
- restated		-	-	-	487,716	(84,601)	4,162	(80,439)
<b>Balance as at 31 December 2014</b>		5,279,841	8,547,392	451,021	(115,303)	526,222	(395,703)	130,519
<hr/>								
<b>Balance as at 1 January 2015 - as previous reported</b>								
Cumulative effect adjustment from change in accounting policy	3	5,279,841	8,547,392	451,021	(245,399)	526,222	(395,703)	130,519
		-	-	-	130,096	-	-	-
<b>Balance as at 1 January 2015 - as restated</b>								
Appropriated for legal reserve	37	5,279,841	8,547,392	451,021	(115,303)	526,222	(395,703)	130,519
Total comprehensive income (loss) for the year		-	-	32,353	(32,353)	-	-	-
		-	-	-	118,469	(215,417)	(14,697)	(230,114)
<b>Balance as at 31 December 2015</b>		5,279,841	8,547,392	483,374	(29,187)	310,805	(410,400)	(99,595)
								14,181,825

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

## STATEMENTS OF CASH FLOWS

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	Consolidated F/S		Separate F/S	
	2015	2014 (Restated)	2015	2014 (Restated)
(Unit : Thousand Baht)				
<b>Cash flows from operating activities</b>				
Profit (loss) before taxation	(497,259)	714,826	308,418	680,473
<b>Adjustments to reconcile to cash income:-</b>				
Depreciation and amortisation	2,199,670	2,012,578	1,302,112	1,229,161
Unrealised loss (gain) on exchange rate	120,887	(31,638)	(68,879)	(31,477)
Dividend and shares of profit from the joint ventures	(178,404)	(80,770)	(380,953)	(276,089)
Share of profit from investments in associated companies and joint ventures	(9,903)	(151,503)	-	-
Allowance (reversal of allowance) for doubtful accounts	599,605	12,215	(172,043)	125,566
Allowance for impairment of investment	-	12,751	4,727	121,911
Gain on revaluation of assets	(154,620)	(136,754)	-	(92,573)
Loss (gain) on disposal of assets	(40,624)	(101,264)	8,487	(84,101)
Gain on disposal of investment	-	(1,000)	-	-
Provision for project losses	107,811	159,846	107,811	155,255
Allowance for devaluation of inventories	23,371	6,121	7,500	-
Employee benefits obligation expense	50,790	51,076	38,689	36,022
Interest expense	2,589,057	2,500,662	1,510,026	1,560,599
<b>Income from operating activities before changes in operating assets and liabilities</b>	<b>4,810,381</b>	<b>4,967,146</b>	<b>2,665,895</b>	<b>3,424,747</b>
<b>Decrease (increase) in operating assets:-</b>				
Trade accounts receivable - unrelated parties	144,363	(1,014,906)	(167,779)	(949,114)
Trade accounts receivable - related parties	(13,737)	182,649	(3,123)	53,304
Loans and advances to subsidiaries and related parties	(88,092)	(43,232)	(594,415)	(216,838)
Earned revenues not yet billed	(3,554,574)	(3,438,299)	(2,193,821)	(3,046,531)
Retentions receivable	(253,644)	(202,840)	41,350	(146,781)
Inventories and work in process	1,183,346	(777,716)	1,038,520	(483,029)
Costs of property development projects	(246,635)	203,922	-	-
Refundable value added tax	(303,328)	(197,772)	(5,599)	4,101
Advances for purchases of construction materials and sub-contractors	(732,648)	66,763	(255,063)	97,551
Other current assets	(1,451)	9,672	14,767	82,269
Other non - current assets	(6,117)	(20,175)	(35,398)	8,022
<b>Increase (decrease) in operating liabilities:</b>				
Trade accounts and other payable - unrelated parties	704,215	1,917,916	(494,327)	1,327,753
Trade accounts payable - related parties	(268,606)	310,613	(332,816)	441,831
Receipts in excess of contracted work in progress	(445,552)	186,643	(443,778)	201,268
Customer advances under construction contracts	2,098,071	(1,652,926)	1,530,629	(2,275,912)
Value added tax payable	51,342	(5,005)	57,025	(15,936)
Accrued expenses	118,738	65,051	(7,945)	1,592
Retentions payable	51,592	(83,157)	54,439	(3,566)
Other current liabilities	165,898	(35,765)	159,467	19,716
Employee benefits obligation	(35,208)	(26,249)	(32,827)	(23,202)
Other non-current liabilities	(45,416)	(7,213)	5,000	(3,507)
<b>Cash received from (used in) operations</b>	<b>3,332,938</b>	<b>405,120</b>	<b>1,000,201</b>	<b>(1,502,262)</b>
Income tax refund	451,345	524,053	438,853	519,492
Income tax payment	(793,240)	(653,730)	(543,255)	(551,726)
<b>Net cash provided from (used in) operating activities</b>	<b>2,991,043</b>	<b>275,443</b>	<b>895,799</b>	<b>(1,534,496)</b>

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

## STATEMENT OF CASH FLOWS (CONTINUED)

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	Consolidated F/S		Separate F/S	
	2015	2014 (Restated)	2015	2014 (Restated)
(Unit : Thousand Baht)				
<b>Cash flows from investing activities</b>				
Decrease in fixed deposits and restricted deposits with banks	80,463	130,522	65,166	69,205
Proceed of current investments	40,084	-	88	-
Purchases of current investments	-	(40,026)	-	-
Disposal of other long - term investment	-	2,250	-	-
Disposal of investment properties	-	141,134	-	141,134
Disposal of fixed assets	203,231	350,948	102,868	57,366
Purchases of fixed assets	(2,134,224)	(3,324,344)	(674,286)	(1,233,081)
Increase in land awaiting development	(1,862)	-	-	-
Disposal of land awaiting development	-	23,000	-	-
Decrease (increase) in investments in subsidiaries, associated companies and joint ventures	40,000	433,786	(29,331)	420,190
Cash received from dividend and shares of profit from associated companies and joint ventures	315,274	95,259	380,953	276,089
Cash paid for land lease concession and project under development	(630,732)	(3,279)	(473,908)	(3,279)
Cash paid for deferred concession costs	(183,018)	(100,977)	-	-
Increase in deferred exploration and development costs	(1,197)	(20,378)	-	-
<b>Net cash used in investing activities</b>	<b>(2,271,981)</b>	<b>(2,312,105)</b>	<b>(628,450)</b>	<b>(272,376)</b>
<b>Cash flows from financing activities</b>				
Interest payment	(2,526,236)	(2,458,038)	(1,459,314)	(1,516,958)
Increase (decrease) in bank overdrafts and short - term loans from financial institutions	2,024,478	(689,881)	2,017,244	(688,591)
Decrease in loans and advances from related parties	-	-	-	(65,175)
Increase in long - term loans	2,825,282	4,759,245	1,085,000	2,879,984
Payment of long - term loans	(2,620,278)	(2,287,880)	(1,935,958)	(1,630,662)
Increase (decrease) in finance lease payables	268,861	(435,078)	230,929	(420,526)
Increase (decrease) in liabilities under trust receipts	(611,511)	(47,289)	(611,511)	418,565
Decrease in loans from directors	-	(44,072)	-	-
Proceed from issuance of common shares	-	2,117,808	-	2,117,808
Proceed from issuance of debentures	3,985,584	5,960,393	3,985,584	5,960,393
Payment for debentures redemption	(3,500,000)	(5,000,000)	(3,500,000)	(5,000,000)
Dividend paid from subsidiary companies	(39,073)	(41,438)	-	-
Cash received from share capital increment in subsidiaries	49	689,117	-	-
<b>Net cash provided from (used in) financing activities</b>	<b>(192,844)</b>	<b>2,522,887</b>	<b>(188,026)</b>	<b>2,054,838</b>
Translation adjustment on foreign currency financial statements	42,226	19,633	(21,054)	2,811
<b>Net increase in cash and cash equivalents</b>	<b>568,444</b>	<b>505,858</b>	<b>58,269</b>	<b>250,777</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>1,933,298</b>	<b>1,427,440</b>	<b>1,117,776</b>	<b>866,999</b>
<b>Cash and cash equivalents at end of the year</b>	<b>2,501,742</b>	<b>1,933,298</b>	<b>1,176,045</b>	<b>1,117,776</b>
<b>Supplemental cash flows information</b>				
Non cash transactions:-				
Unrealised loss on changes in value of investments	(277,283)	(100,289)	(269,271)	(105,751)
Purchase assets under finance lease agreements	65,046	249,209	65,046	240,017
Off - setting trade accounts payable with advance for sub-contractors	306,747	-	306,747	-
Accounts payable from purchases of assets	695,297	2,029,259	-	-
Off - setting trade account receivable with loan to subsidiary	-	-	13,998	-

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



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
31 DECEMBER 2015

## 1. GENERAL INFORMATION

Italian - Thai Development Public Company Limited (“the Company”) is incorporated and domiciled in Thailand. The Company is principally engaged in the construction business. The Company has three overseas branches and two project offices. Its registered office address is 2034/132-161, New Petchburi Road, Kwaeng Bangkapi, Khet Huaykwang, Bangkok.

## 2. BASIS OF FINANCIAL STATEMENTS PREPARATION AND PRINCIPLE OF CONSOLIDATION

### 2.1 Statement of compliance

The accompanying financial statements have been officially prepared in Thai in accordance with the Accounting Act B.E. 2543 and Thai Financial Reporting Standards issued under the Accounting Professions Act B.E. 2547 and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. The translation of these financial statements to other language must be in compliance with the official report in Thai.

The financial statements have been prepared on a historical cost basis, except as otherwise disclosed specifically.

### 2.2 New Thai Financial Reporting Standards

The Federation of Accounting Professions has issued new and revised TFRS effective for accounting periods beginning on or after 1 January 2015. The application of these new and revised TFRS has resulted in changes in certain of the Company’s accounting policies as follow;

#### TAS 28 (revised 2014) Investments in associates and joint ventures

This amendment is to change its name from “Investments in associates” to “Investments in associates and joint ventures” and to specify the accounting treatment for investments in associates and joint ventures. In addition, the revised accounting standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

#### TFRS 10 Consolidated financial statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standards change the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgment when reviewing whether the Company and its subsidiaries have control over the investees and determines which entities have to be included for preparation of the consolidated financial statements.

#### TFRS 11 Joint arrangements

This standard defined that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties’ exposure in relation to the arrangement. When the parties’ exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities and recognised related income and expenses. Joint ventures account for their interest by using the equity method.

#### TFRS 12 Disclosure of interests in other entities

This standard requires entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities.

#### TFRS 13 Fair value measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other accounting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognized prospectively.

Based on assessment, the management consider that the above standards do not have any significant impact on the current year financial statements except the Thai Financial Reporting Standards as described in Note 3 which the effect of those change are significant impact to the financial statements.

In addition to the above new and revised TFRSs, the FAP has issued a number of other new and revised TFRSs which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRSs that may be relevant to the Company’s operations, which become effective for accounting periods beginning on or after 1 January 2016, are set out below.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors

TFRS	Topic
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture
TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 10 (revised 2015)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases – Incentives
TSIC 25 (revised 2015)	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2015)	Disclosure – Service Concession Arrangements
TSIC 31 (revised 2015)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets – Web Site Costs
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) <i>Employee Benefits</i> – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

## 2.3 Basis of consolidation

The consolidated financial statements include the financial statements of Italian-Thai Development Public Company Limited and subsidiaries which the Company can exercise control as follows:-

Name of Entity	Country of incorporation	Percentage of share held by the Company	
		2015	2014
<u>Overseas subsidiaries</u>			
Myanmar ITD Co., Ltd.	Myanmar	99.99	99.99
PT. Thailindo Bara Pratama	Indonesia	99.99	99.99
ITD Cementation India Limited	India	51.63	51.63
ITD - Madagascar S.A.	Madagascar	99.98	99.98
Italian Thai International SDN. BHD	Malaysia	-	99.99
ITD Construction SDN. BHD	Malaysia	99.99	99.99
First Dhaka Elevated Expressway Co., Ltd.	Bangladesh	99.99	99.99
ITD Bangladesh Company Limited	Bangladesh	99.99	99.99
Italian - Thai Development Vietnam Co., Ltd.	Vietnam	80.00	80.00
ITD Mozambique Limitada	Mozambique	99.00	99.00
Thai Mozambique Logistica SA	Mozambique	60.00	60.00
Momaz Logistics	Republic of Mauritius	100.00	-
Italian - Thai Development (Myanmar) Co., Ltd.	Myanmar	99.90	99.90
<u>Local subsidiaries</u>			
Italian - Thai International Co., Ltd.	Thailand	99.99	99.99
Bhaka Bhumi Development Co., Ltd.	Thailand	99.99	99.99
Thai Pride Cement Co., Ltd.	Thailand	99.99	99.99
Nha Pralan Crushing Plant Co., Ltd.	Thailand	99.99	99.99
Siam Concrete and Brick Products Co., Ltd.	Thailand	99.80	99.80
Italthai Marine Co., Ltd.	Thailand	92.59	92.59
Italthai Trevi Co., Ltd.	Thailand	90.94	90.94
Asian Steel Product Co., Ltd.	Thailand	69.90	69.90
Thai Maruken Co., Ltd.	Thailand	50.96	50.96
Italian Thai Land Co., Ltd.	Thailand	99.99	99.99
Palit Palangnan Co., Ltd.	Thailand	74.93	74.93
Palang Thai Kaowna Co., Ltd.	Thailand	99.94	99.94
Italian Thai Power Co., Ltd.	Thailand	99.99	99.99
Saraburi Construction Technology Co., Ltd.	Thailand	99.93	99.93
Asia Logistics Development Co., Ltd.	Thailand	99.93	99.93
Asia Industrial and Port Corporation Co., Ltd.	Thailand	99.93	99.93
Myanmar Italian – Thai Power 1 Co., Ltd.	Thailand	99.95	99.95
Italian – Thai Hongsa Co., Ltd.	Thailand	99.97	99.97
APPC Holding Co., Ltd.	Thailand	60.00	60.00
<u>Indirect overseas subsidiaries</u>			
Italian – Thai Development (BVI) Co., Ltd.	British Virgin Islands	99.99	99.99
Ayeyarwady Multitrade Co., Ltd.	Myanmar	99.99	99.99
ITD Cementation Projects India Limited	India	99.99	99.99
Koh Kong Power Light Co., Ltd.	Cambodia	93.00	93.00
ITD Vertex Consortium SDN. BHD	Malaysia	70.00	70.00
Dawei Development Company Limited (BVI)	British Virgin Islands	75.00	75.00
Dawei Development Company Limited (Myanmar)	Myanmar	75.00	75.00
Future Prosperity Investment Company Limited	Republic of Mauritius	99.99	99.99
Thai Port Development Company Limited	Hong Kong	99.99	99.99
Thai Road Link Development Company Limited	Hong Kong	99.99	99.99
Thai Power Development Company Limited	Hong Kong	99.99	99.99
Thai Water Development Company Limited	Hong Kong	99.99	99.99
Thai Telecom Development Company Limited	Hong Kong	99.99	99.99
Thai Integrated Steel Development Company Limited	Hong Kong	-	99.99

Name of Entity	Country of incorporation	Percentage of share held by the Company	
		2015	2014
Thai Refinery Development Company Limited	Hong Kong	-	99.99
Thai Petrochemical Development Company Limited	Hong Kong	-	99.99
Thai International Industrial Estate Development Company Limited	Hong Kong	99.99	99.99
Dawei Port Holding Company Limited	Hong Kong	99.99	99.99
Dawei Road Link Holding Company Limited	Hong Kong	99.99	99.99
Dawei Power Holding Company Limited	Hong Kong	99.99	99.99
Dawei Green Power Holding Company Limited	Hong Kong	99.99	99.99
Dawei Electricity Distribution Holding Company Limited	Hong Kong	99.99	99.99
Dawei LNG Terminal Holding Company Limited	Hong Kong	99.99	99.99
Dawei Water Holding Company Limited	Hong Kong	99.99	99.99
Dawei Telecom Holding Company Limited	Hong Kong	99.99	99.99
Dawei Integrated Steel Holding Company Limited	Hong Kong	-	99.99
Dawei Refinery Holding Company Limited	Hong Kong	-	99.99
Dawei Petrochemical Holding Company Limited	Hong Kong	-	99.99
Dawei International Industrial Estate Holding Company Limited	Hong Kong	99.99	99.99
APPC Hong Kong Company Limited	Hong Kong	100.00	100.00
Italian – Thai Development Company Limited	Hong Kong	-	100.00
THAI INTERNATIONAL INDUSTRIAL ESTATE DEVELOPMENT PRIVATE COMPANY LIMITED	Singapore	100.00	100.00
THAI POWER DEVELOPMENT PRIVATE COMPANY LIMITED	Singapore	100.00	100.00
THAI TELECOM DEVELOPMENT PRIVATE COMPANY LIMITED	Singapore	100.00	100.00
DAWEI TELECOM HOLDING PRIVATE COMPANY LIMITED	Singapore	100.00	100.00
DAWEI RESIDENCE HOLDING PTE LTD. (Formerly : THAI WATER DEVELOPMENT PRIVATE LIMITED)	Singapore	50.00	100.00
DAWEI POWER HOLDING PTE LTD	Singapore	100.00	-
DAWEI LNG TERMINAL HOLDING PTE LTD.	Singapore	50.00	-
MYANDAWEI INDUSTRIAL ESTATE HOLDING PTE LTD.	Singapore	50.00	-
DAWEI TELECOM COMPANY LIMITED	Myanmar	100.00	-
DAWEI RESIDENCE COMPANY LIMITED	Myanmar	50.00	-
DAWEI POWER COMPANY LIMITED	Myanmar	100.00	-
DAWEI LNG TERMINAL COMPANY LIMITED	Myanmar	50.00	-
MYANDAWEI INDUSTRIAL ESTATE COMPANY LIMITED	Myanmar	50.00	-
<u>Indirect local subsidiaries</u>			
Aquathai Co., Ltd.	Thailand	99.99	99.99
Sarithorn Co., Ltd.	Thailand	99.99	99.99
Southern Industries (1996) Co., Ltd.	Thailand	99.99	99.99
Asia Pacific Potash Corporation Limited	Thailand	90.00	90.00
Lasalle Company Limited	Thailand	99.30	99.30
Tongkrai Company Limited	Thailand	99.40	99.40
Tayakhee Company Limited	Thailand	99.40	99.40
Dithee Company Limited	Thailand	99.40	99.40
Panoot Company Limited	Thailand	99.40	99.40
Phannin Company Limited	Thailand	99.40	99.40
Takolkiat Company Limited	Thailand	99.40	99.40
Tridayuk Company Limited	Thailand	99.40	99.40
Bhantuwong Company Limited	Thailand	99.40	99.40
Nahathai Company Limited	Thailand	99.40	99.40
Kanika Company Limited	Thailand	99.40	99.40
Sin Rae Muang Thai Co., Ltd.	Thailand	99.99	99.99
Wildemere Co., Ltd.	Thailand	99.99	99.99
APPC Holding Co., Ltd.	Thailand	40.00	40.00

2.4 Significant changes during the year 2015 are as follows :

- The Company made additional payment of paid BDT 137.10 million for share capital of First Dhaka Elevated Expressway Co., Ltd.
- An indirect subsidiary invested in DAWEI RESIDENCE HOLDING PTE LTD. (formerly THAI WATER DEVELOPMENT PRIVATE LIMITED) decrease in proportion of investment from 100% to 50% of registered shares capital.
- An indirect subsidiary invested in 3 group companies which were established in Singapore for proportion of 50% and 100% of registered share capital. Such group companies have invested in 5 newly established companies in Republic of the Union of Myanmar for proportion at 50% and 100% of their registered share capital.
- An indirect subsidiary registered the liquidation of 7 group companies in overseas.
- The Company registered the liquidation of a subsidiary and two joint ventures in overseas.
- The Company invested in a subsidiary company which was established in Republic of Mauritius for proportion of 100%.

2.5 Significant changes during the year 2014 are as follows :

- The Company paid of BDT 88.74 million for share capital of First Dhaka Elevated Expressway Co., Ltd.
- The Company invested of Baht 22.09 million in ITD Mozambique Limitada for proportion of 99%, to engage in construction services in the Republic of Mozambique.
- The Company invested of Baht 4.96 million in Thai Mozambique Logistica SA for proportion of 60% of the share capital, to engage in concession for the construction of port and Railway in the Republic of Mozambique.
- The Company invested of Baht 0.81 million in Italian-Thai Development (Myanmar) Co., Ltd. for proportion of 99.90%, to engage in construction services in the Republic of Myanmar.
- The Company registered the liquidation of Khunka Palangthai Co., Ltd.
- A indirect subsidiary invested at 100 % of registered share capital of 5 group compenies which established in Singapore.

2.6 The financial statements of the overseas project offices, branches and subsidiaries are translated into Thai Baht using exchange rates at the statement of financial position date for assets and liabilities, and using the monthly average exchange rates for revenues and expenses. The resultant differences are presented under the caption "Translation adjustments for foreign currency financial statements" under shareholders' equity.

2.7 Significant transactions and account balances with subsidiaries have been eliminated from the consolidated financial statements, except for intercompany profit in inventories at the end of the year, which has insignificant affect on the consolidated financial statements.

2.8 Non-controlling interests represent the portion of subsidiary companies' profit or loss and net assets that are not held by the Company.

2.9 All subsidiaries have the same reporting date of 31 December and have been prepared with the same accounting policies as the separate financial statements for the same accounting transactions or accounting events.

2.10 Dilution gains (loss) that arise on shares issued by subsidiaries and sold to third parties are recognised as surplus (discount) on dilution of investment in subsidiary companies, which is presented in shareholders' equity in the consolidated financial statements.

2.11 The Company's financial statements for the years ended 31 December 2015 and 2014 include the audited financial statements of two overseas project offices, three overseas branches, nine overseas subsidiaries, and three joint ventures with aggregate assets and revenues in Baht equivalent as follows : -

(Unit : Million Baht)	2015		2014	
	Total assets	Total revenues	Total assets	Total revenues
KOLDAM Project Office	1,281	78	1,264	151
West Bengal Project Office	34	6	84	1
Italian – Thai Development Public Co., Ltd. – Philippines Branch	65	10	69	6
Italian – Thai Development Public Co., Ltd. – Taiwan Branch	32	17	39	14
Italian – Thai Development Public Co., Ltd – India Branch	170	1	149	3
ITD Cementation India Limited	13,018	16,505	11,069	9,245
PT. Thailindo Bara Pratama	582	1	664	76
ITD Madagascar S.A.	132	10	146	7
ITD Construction SDN. BHD	-	6	-	-
First Dhaka Elevated Expressway Co., Ltd.	522	6	333	-
ITD Bangladesh Company Limited	2	-	2	-
Italian – Thai Development Vietnam Co., Ltd.	4	-	4	-
ITD Mozambique Limitada	92	-	49	-
Thai Mozambique Logistica SA	212	-	179	-
ITD – Cemindia JV	28	13	90	5
ITD – ITDCM JV	2,425	1,747	2,058	1,828
ITD – ITDCM JV (Consortium)	91	42	128	67
<b>Total</b>	<b>18,690</b>	<b>18,442</b>	<b>16,327</b>	<b>11,403</b>

- 2.12 The consolidated financial statements as at 31 December 2014 include investments in associated companies accounted for under the equity method of Baht 627.51 million, and share of profit from investment in associated companies under the equity method for the year then ended of Baht 8.32 million. Those financial statements are based on financial information compiled by the management of such associated companies which have not been audited by their auditors because those associated companies are not under the control of the Company's management. However, the management of the Company believes that there would have been no significant variances had the financial statements of those associated companies been audited by their auditors
- 2.13 Effective 1 January 2015, the Company has adopted Thai Financial Reporting Standard No.11 "Joint Arrangements". The Company's management considered the economic content of the joint venture agreements and concluded that the investments in some arrangements are joint operations. The Company therefore, prepared and presented the financial statements by recognizing assets, liabilities, income and expenses related to the Company's interest of such joint operations in the consolidated and separate financial statements.

Joint operations are as follows:

Name of Entity	Interest in joint operations (percent)		Type of businesses
	2015	2014	
ITD – SQ Joint Venture	50.00	50.00	Soil and coal extraction and removal services for the Electricity Generating Authority of Thailand
ITD – Unique Joint Venture	60.00	60.00	Construction harbour at Trad Province for the Marine Department, Ministry of Transport, Thailand
SQ – ITD Joint Venture	50.00	50.00	Soil and coal extraction and removal services for the Electricity Generating Authority of Thailand
ITD – SMCC Joint Venture	40.00	40.00	Construction the Chao Phraya River Crossing Bridge at Nonthaburi I Road Construction Project with the Department of Rural Roads under the Ministry of Transport, Thailand
Samsung – ITD Joint Venture	24.00	24.00	Construction the LPG expansion project at Khao Bo Ya, Chonburi Province with PTT Public Company Limited, Thailand

Consolidated and separate financial statements as at 31 December 2015 and 2014 and for the years then ended included assets, liabilities, revenues and expenses of such joint operations as follows:

(Unit : Million Baht)	2015				2014			
	Current assets	Non - current assets	Current liabilities	Non – current liabilities	Current assets	Non - current assets	Current liabilities	Non – current liabilities
ITD – SQ Joint Venture	738	1,243	1,699	819	926	1,448	1,816	739
ITD – Unique Joint Venture	191	2	263	-	144	3	126	-
SQ – ITD Joint Venture	116	508	99	5	148	646	359	-
ITD – SMCC Joint Venture	143	2	14	-	314	11	259	-
Samsung – ITD Joint Venture	273	14	402	-	510	18	412	-

(Unit : Million Baht)	2015		2014	
	Revenues	Expenses	Revenues	Expenses
ITD – SQ Joint Venture	896	1,340	914	1,208
ITD – Unique Joint Venture	145	235	251	240
SQ – ITD Joint Venture	643	474	758	675
ITD – SMCC Joint Venture	274	208	933	904
Samsung – ITD Joint Venture	362	594	987	861

### 3. CHANGE IN ACCOUNTING POLICIES

The Federation of Accounting Professions has issued new and revised TFRS effective for accounting periods beginning on or after 1 January 2015. The Company has adopted those standards and interpretations for the preparations of financial statements effective 1 January 2015. These accounting standards do not have significant impact on the financial position and results of operations for the period except the Thai Financial Reporting Standards as follows:

#### TFRS 11 Joint arrangements

This standard defined the criteria for classification into the categories, with the objective of more closely aligning the accounting by the investors with their rights and obligations relating to the joint arrangement. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities and recognised related income and expenses. Joint ventures account for their interest by using the equity method.

The Company has 14 joint arrangements which was accounted for using the proportionate consolidation method in the past. Management has reviewed the classification of such joint arrangement and concluded 5 joint arrangements classified to joint operations and 9 joint arrangements classified to joint ventures. The Company has restated the prior period's financial statements, presented as comparative information, to reflect the effect of such change.

Joint arrangement which the Company has exposure to the net assets of the arrangement which classification as joint venture and account for their interest by using the equity method are as follows:

Name of Entity	Country	Proportion (%)	
		2015	2014
Evergreen –Italian Thai – PEWC Joint Venture	Republic of China	<b>25.00</b>	25.00
ITD - Nawarat (L.L.C.)	United Arab Emirates	-	60.00
ITD – NCC Joint Venture (NT-2)	Laos	-	60.00
ITD-EGC Joint Venture	Republic of China	<b>55.00</b>	55.00
ITD – ETF Joint Venture	Thailand	<b>65.00</b>	65.00
IN Joint Venture	Thailand	<b>51.00</b>	51.00
ITO Joint Venture	Thailand	<b>40.00</b>	40.00
IOT Joint Venture	Thailand	<b>40.00</b>	40.00
ITD – ETF – MVM Joint Venture	Thailand	<b>55.25</b>	55.25

The effects of the adoption on the statements of financial position and the statement of profit or loss and other comprehensive income are as follows:

(Unit : Thousand Baht)	As at 31 December 2014					
	Consolidated F/S			Separate F/S		
	Originally presented	Adjustments	Restated	Originally presented	Adjustments	Restated
<b>STATEMENTS OF FINANCIAL POSITION</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	2,292,111	(358,813)	1,933,298	762,277	355,499	1,117,776
Fixed deposits	158,172	-	158,172	112,263	-	112,263
Restricted deposits with banks	66,799	-	66,799	1,201	65,089	66,290
Current investments	40,329	-	40,329	88	-	88
Trade accounts receivable - unrelated parties - net	7,921,497	132,408	8,053,905	5,026,678	354,292	5,380,970
Trade accounts receivable - related parties - net	2,488,747	(437,801)	2,050,946	3,532,371	(843,964)	2,688,407
Current portion of finance lease receivable - related party - net	19,650	(19,650)	-	39,300	(39,300)	-
Short - term loans and advances to subsidiaries and related parties - net	73,912	(16,445)	57,467	1,515,561	(352,000)	1,163,561
Earned revenues not yet billed	18,105,870	(489,525)	17,616,345	12,035,872	319,326	12,355,198
Retentions receivable	2,031,278	(28,787)	2,002,491	1,409,757	33,529	1,443,286
Inventories and work in process - net	4,462,540	17,444	4,479,984	2,383,568	49,334	2,432,902
Costs of property development projects - net	318,500	-	318,500	-	-	-
Income tax withheld at sources	894,708	(24,648)	870,060	509,518	17,407	526,925
Refundable value added tax	1,060,573	4,510	1,065,083	26,935	119,496	146,431
Advances for purchases of construction materials and sub-contractors	688,889	(46,408)	642,481	513,970	15,767	529,737
Other current assets	440,341	(28,964)	411,377	116,899	20,116	137,015
<b>Total current assets</b>	<b>41,063,916</b>	<b>(1,296,679)</b>	<b>39,767,237</b>	<b>27,986,258</b>	<b>114,591</b>	<b>28,100,849</b>
<b>NON - CURRENT ASSETS</b>						
Finance lease receivable - related party - net	102,571	(102,571)	-	205,143	(205,143)	-
Other receivables - related parties	173,416	(173,416)	-	346,833	(346,833)	-
Investments in subsidiaries, associated companies, and joint ventures - net	692,398	292,256	984,654	7,240,159	74,555	7,314,714
Other long - term investments - net	1,315,939	-	1,315,939	1,146,275	-	1,146,275
Land lease concession and project under development	6,030,721	589,994	6,620,715	3,734,887	578,842	4,313,729
Potash mining right	2,293,489	-	2,293,489	-	-	-
Deferred exploration and development costs	950,730	-	950,730	-	-	-



(Unit : Thousand Baht)	As at 31 December 2014					
	Consolidated F/S			Separate F/S		
	Originally presented	Adjustments	Restated	Originally presented	Adjustments	Restated
Long - term loans and advances to subsidiaries and related parties - net	-	-	-	4,927,608	(78,056)	4,849,552
Land awaiting development - net	769,843	-	769,843	474,846	-	474,846
Investment properties - net	1,410,300	-	1,410,300	743,000	-	743,000
Advances for purchases of machinery	148,904	-	148,904	-	-	-
Property, plant and equipment - net	16,841,465	166,553	17,008,018	6,721,313	2,006,991	8,728,304
Goodwill	942,112	-	942,112	-	-	-
Deferred concession costs	495,101	-	495,101	-	-	-
Deferred tax assets	205,114	-	205,114	-	452	452
Other non - current assets	320,804	(43,046)	277,758	-	3,306	95,349
<b>Total non - current assets</b>	<b>32,692,907</b>	<b>729,727</b>	<b>33,422,677</b>	<b>25,632,107</b>	<b>2,034,114</b>	<b>27,666,221</b>
<b>CURRENT LIABILITIES</b>						
Bank overdrafts and short - term loans from financial institutions	7,669,680	4,000	7,673,680	3,252,842	211,500	3,464,342
Current portion of liabilities under trust receipts	1,108,174	-	1,108,174	1,108,174	-	1,108,174
Trade accounts and other payable - unrelated parties	12,224,494	129,980	12,354,474	6,294,438	660,671	6,955,109
Trade accounts payable - related parties	1,751,880	(50,764)	1,701,116	2,388,156	106,107	2,494,263
Receipts in excess of contracted work in progress	855,155	(195,059)	660,096	488,642	165,168	653,810
Short-term loans and advances from related parties	79,148	(79,148)	-	-	-	-
Customer advances under construction contracts due for revenue recognition within 1 year	4,713,336	(14,500)	4,698,836	3,504,892	61,238	3,566,130
Current portion of finance lease payables	467,726	508	468,234	445,019	1,127	446,146
Current portion of finance lease payable - related party	45,717	(45,717)	-	-	-	-
Current portion of long - term loans	3,800,181	(339,878)	3,460,303	2,326,161	200,129	2,526,290
Current portion of debentures	3,493,863	-	3,493,863	3,493,863	-	3,493,863
Income tax payable	123,141	36,442	159,583	-	41,156	41,156
Value added tax payable	94,638	(5,949)	88,689	44,086	-	44,086
Accrued expenses	981,311	18,039	999,350	383,008	50,832	433,840
Accounts payable for purchase of investments - related parties	62,484	-	62,484	56,809	-	56,809
Retentions payable	601,782	(8,608)	593,174	501,180	10,420	511,600
Other current liabilities	457,103	(11,344)	445,759	173,461	15,404	188,865
<b>Total current liabilities</b>	<b>38,529,813</b>	<b>(561,998)</b>	<b>37,967,815</b>	<b>24,460,731</b>	<b>1,523,752</b>	<b>25,984,483</b>
<b>NON - CURRENT LIABILITIES</b>						
Customer advances under construction contracts - net	3,209,951	-	3,209,951	1,219,356	-	1,219,356
Finance lease payables - net	730,535	151	730,686	697,754	190	697,944
Finance lease payable - related party - net	269,862	(269,862)	-	-	-	-
Long - term loans - net	4,189,161	350,194	4,539,355	2,757,411	350,194	3,107,605
Debentures - net	9,457,603	-	9,457,603	9,457,603	-	9,457,603
Allowance for losses on construction projects	145,128	14,273	159,401	12,700	144,473	157,173
Employee benefits obligation	717,686	-	717,686	578,869	-	578,869
Deferred tax liabilities	861,904	-	861,904	265,263	-	265,263
Other non - current liabilities	220,011	(22,223)	197,788	5,304	-	5,304
<b>Total non - current liabilities</b>	<b>19,801,841</b>	<b>72,533</b>	<b>19,874,374</b>	<b>14,994,260</b>	<b>494,857</b>	<b>15,489,117</b>
<b>SHAREHOLDERS' EQUITY</b>						
Legal reserve	469,009	(1,472)	467,537	451,021	-	451,021
Retained earnings (deficit) - Unappropriated	132,246	(167,196)	(34,950)	(245,399)	130,096	(115,303)
Other components of shareholders' equity	(368,925)	91,224	(277,701)	130,519	-	130,519

(Unit : Thousand Baht)	For the year ended 31 December 2014					
	Consolidated F/S			Separate F/S		
	Originally presented	Adjustments	Restated	Originally presented	Adjustments	Restated
<b>STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>						
Revenues from construction work	45,336,544	155,246	45,491,790	32,127,339	2,428,503	34,555,842
Revenues from sales and services	2,636,737	(46,726)	2,590,011	-	-	-
Costs of construction work	(41,569,492)	(158,069)	(41,727,561)	(29,402,644)	(2,559,457)	(31,962,101)
Costs of sales and services	(2,048,878)	(3,859)	(2,052,737)	-	-	-
Gross profit	4,354,911	(53,408)	4,301,503	2,724,695	(130,954)	2,593,741
Dividend income and share of profit from joint ventures	80,770	-	80,770	276,089	-	276,089
Interest income	96,200	(546)	95,654	91,053	3,148	94,201
Gain on exchange rate	150,160	72,583	222,743	67,135	124,321	191,456
Gain on revaluation of assets	136,754	-	136,754	92,573	-	92,573
Other income	723,328	(218,051)	505,277	198,468	103,952	302,420
Profit before expenses	5,542,123	(199,422)	5,342,701	3,450,013	100,467	3,550,480
Selling expenses	(60,949)	-	(60,949)	-	-	-
Administrative expenses	(2,276,746)	76,919	(2,199,827)	(975,282)	(93,675)	(1,068,957)
Allowance for doubtful accounts	(5,189)	-	(5,189)	(449,413)	330,873	(118,540)
Allowance for impairment of investment	(12,751)	-	(12,751)	(121,911)	-	(121,911)
Profit from operations	3,186,488	(122,503)	3,063,985	1,903,407	337,665	2,241,072
Share of profit from investment in associated companies and joint ventures	26,143	125,360	151,503	-	-	-
Profit before finance costs and income tax	3,212,631	2,857	3,215,488	1,903,407	337,665	2,241,072
Finance costs	(2,518,130)	17,468	(2,500,662)	(1,466,255)	(94,344)	(1,560,599)
Profit before income tax	694,501	20,325	714,826	437,152	243,321	680,473
Income tax	(315,422)	38,343	(277,079)	(101,348)	(50,970)	(152,318)
Profit for the year	379,079	58,668	437,747	335,804	192,351	528,155
<b>OTHER COMPREHENSIVE INCOME</b>						
Unrealised gain on changes in value of investments – net of tax	(80,191)	-	(80,191)	(84,601)	-	(84,601)
Translation adjustments for foreign currency financial statements	(179,972)	(4,869)	(184,841)	4,162	-	4,162
Actuarial losses – net of tax	(57,966)	-	(57,966)	(40,439)	-	(40,439)
Total comprehensive income for the year	60,950	53,799	114,749	214,926	192,351	407,277
Basic earnings per share (Baht)	0.1062	0.0119	0.1181	0.0683	0.0391	0.1074

#### 4. SIGNIFICANT ACCOUNTING POLICIES

##### 4.1 Revenues recognition

###### *Revenues from construction work*

Revenues from construction work are recognized when services have been rendered taking into account the stage of completion measured by the proportion of actual construction costs incurred up to the end of the year and the total anticipated costs to complete the construction. Provision for the total anticipated loss on construction projects is made in the accounts as soon as the possibility of loss is ascertained.

###### *Revenue from sales*

Revenue from sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyers. Sales are presented at invoiced values, excluding value added tax, of goods supplied after deducting discounts and allowances.

###### *Revenue from services*

Revenue from services are recognized when the services have been rendered.

###### *Interest income*

Interest income is recognized over time – period on an accrued basis.

###### *Dividend income*

Dividend income is recognized when the right to receive the dividends is established.

#### 4.2 Cash and cash equivalents

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

#### 4.3 Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realisable value. The Company and subsidiaries provide allowance for doubtful accounts for the estimated losses that may occur in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging, and the likelihood of settlement of debt, on a specific account basis.

#### 4.4 Earned revenues not yet billed/receipt in excess of contract work in progress

The recognized revenues which are not yet due as per contracts are presented as “Earned revenues not yet billed” in the statement of financial position. The instalment amounts due and received according to the contracts but not yet recognized as revenue is presented as “Receipt in excess of contract work in progress” in the statement of financial position.

#### 4.5 Inventories and work in process

Inventories and work in process are valued at the lower of weighted average cost and net realizable value and are charged to production costs whenever consumed. Management periodically review and provide allowance for obsolete inventories.

#### 4.6 Costs of property development projects

Costs of property development projects are presented at costs or net realizable value whichever is lower. Project development costs include land cost, construction costs and expenses directly related to the development projects, including interest expense incurred from related loan interest. These will be amortized to cost of sales based on the percentage of sold area of each project.

#### 4.7 Borrowing costs

Interest expenses incurred on loans to finance the acquisition and development of the project is capitalized as a cost of each project. It will cease the capitalization of interest when the project is completed, or if suspended, until development is resumed.

#### 4.8 Investments

- a) Investments in available-for-sale securities are presented at fair value. Gains or losses arising from changes in the value of such investments are separately presented as part of shareholders' equity under the caption “Unrealised gain/loss on changes in value of investments”. When the securities are sold, the change is included in the statement of profit or loss.
- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are presented at cost net of allowance for impairment (if any).
- c) Investments in subsidiaries, associated companies and joint ventures are accounted for by the cost method in the separate financial statements. Investments in associated companies and joint ventures are accounted for by the equity method in the consolidated financial statements.

The fair value of available-for-sale securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand.

The weighted average method is used for computation of the cost of investments.

The Company and subsidiaries recorded impairment losses (if any) on investments in available-for-sale securities and other investments in the statement of profit or loss when the carrying amount exceeds its recoverable amount.

#### 4.9 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing of the Company's operations.

##### *Subsidiaries*

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

##### *Associated*

Associated companies are those companies in which the Company has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Company's share of the total recognized gains or losses of associated companies by the equity accounting method, from the date that significant influence commences until the date that significant influence ceases. When the Company's share of losses exceeds its interest in an associate, the Company will account for the share of losses not exceeding its investments and further losses are no longer accounted for, except to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associated company.

##### *Joint arrangement*

A joint arrangement is an arrangement of which two or more parties have joint control. A joint control as the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Company's share of losses in a joint venture equals or exceeds its interests in the joint ventures, the Company will recognize such losses as obligation of the Company's interest in the joint ventures.

A joint operation, the Company recognizes the assets, liabilities, revenues and expenses in relation to its interest in the arrangement.

#### 4.10 Land awaiting developments

Land awaiting developments are valued at cost or net realisable value whichever is lower.

#### 4.11 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, the Company and subsidiaries are stated investment properties at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in the statement of profit or loss.

On disposal of investment properties, the Company and subsidiaries are recognised the difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period when the asset is derecognised.

#### 4.12 Property, plant and equipment, and depreciation

Property, plant and equipment are presented at cost less accumulated depreciation and allowance for impairment of assets (if any). Cost is measured by the cash or cash equivalent price including interest expense incurred from related loan interest of obtaining the asset and to bring it to the location and condition necessary for its intended use.

The Company and subsidiaries depreciated its buildings and equipment by the straight – line method over their estimated useful lives of the assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimated useful lives of the assets are as follows :

Buildings	20 years
Machinery and equipment	3 – 25 years
Furniture, fixtures and office equipment	3 – 7 years
Vehicles	5 – 12 years
Site office and temporary camps	5 – 12 years

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.

#### 4.13 Goodwill

Goodwill in a business combination represents the excess of the cost of acquisition over the fair value of the share of the identifiable net assets which the Company acquired. Goodwill is measured at cost less allowance for impairment. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

#### 4.14 Potash mining right

Potash mining right represents the excess of the cost of investment over the fair value of the subsidiary's net assets which, in managements' view, represents future economic benefits attributable to the potash mining rights. Potash mining right will be amortised using the units of potash production over the estimated potash reserve from the start of production.

#### 4.15 Deferred exploration and development costs

All costs incurred in relation to the exploration for mineral reserves and expenses for the application of the mining concession are recorded as deferred exploration and development costs until the commencement of the commercial production or the abandonment of the project. These costs will be amortized based on the proportion of the units of production and the total estimated proven and probable recoverable reserves, from the commencement of the commercial operations. When the project is proven not commercially feasible and the property is abandoned or becomes worthless, these costs will be recorded as expenses.

#### 4.16 Advances from customers under construction contracts

Advances from customers under construction contracts will be deducted from the bill of work over the period as indicated in the construction agreement. Advances from customers under construction contracts spanning more than 1 year are classified as non - current liabilities.

#### 4.17 Debentures

Debentures are recognized initially at fair value less attributable transaction charges. Subsequent to initial recognition, debentures are presented at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the borrowing on an effective interest basis. Gains or losses on early redemption are recognized in the statement of profit or loss upon redemption.

#### 4.18 Lease – where the Company and subsidiaries are the lessees

Leases of equipment where the Company and subsidiaries assume substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the fair value of the leased assets or estimated present value of the underlying lease payments, whichever is lower. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the outstanding finance balance. Lease payments deducted by financial charges are recognized as liabilities under finance lease agreements. The financial expense is charged to the statement of profit or loss over the lease period. Assets acquired under finance lease agreements are depreciated over the useful lives of the assets.

Leases of assets in which the lessor effectively retains all the risks and benefits of ownership, are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss on the straight – line basis over the lease period. When an operating lease is terminated before expiry date of the lease period, any payment required by the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

#### 4.19 Leases – where the Company and subsidiaries are the lessors

Assets leased out under operating leases are included in building and equipment in the statement of financial position. Depreciation is calculated over their estimated useful lives on a basis consistent with other similar assets. Rental income is recognized on a straight – line basis over the lease period.

#### 4.20 Hire - purchase payables

These represent hire - purchase payables less deferred interest. The repayment sub-schedules of the hire - purchase contracts are for 24 – 60 months. The fixed assets acquired under hire - purchase agreements are recorded as assets of the Company at their cash prices and will be registered in the name of the Company upon the completion of payments. Interest on hire purchases payable is recognized as an expense in the statement of profit or loss.

#### 4.21 Impairment

The Company and subsidiaries assess whether there is an indication that any assets may be impaired. If any such indication exists, the Company and subsidiaries make an estimate of the assets recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of profit or loss. An asset recoverable amount is the higher of fair value less cost to sell and value in use.

#### 4.22 Income tax

Income tax expense for the year comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other profit or loss .

##### *Current income tax*

Current income tax is the expected tax payable or claimable on the taxable profit or loss for the year, which is different from profit or loss in the financial statements, using income tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous years.

##### *Deferred tax*

Deferred taxes are calculated on temporary differences between the accounting amounts of assets and liabilities and the amounts used for tax computation purpose. Deferred taxes are calculated at the income tax rates that are expected to be applied to the temporary differences when they reverse, using income tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or when tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that the related tax benefit will be realized.

#### 4.23 Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Financial assets and liabilities, denominated in foreign currencies, which are outstanding at the reporting date, are translated into Baht at the exchange rates ruling on the reporting date. Gains and losses on exchange are included in the statement of profit or loss.

#### 4.24 Employee benefits

##### *Short-term employment benefits*

Salaries, wages, bonuses and contribution to the social security are recognised as expenses when incurred on the accrual basis.

##### *Post-employment benefits (Defined contribution plan)*

The Company and its subsidiaries, and their employees have jointly established a provident fund plan whereby monthly contributions are made by employees and by the Company and subsidiaries. The fund's assets are held in a separate trust fund from the Company and subsidiaries' assets. The Company's and subsidiaries' contributions to the fund are recognised as expenses when incurred.

##### *Post-employment benefits (Defined benefit plan)*

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

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

Actuarial gains or losses for the computation of post-employee benefits are recognised in other profit or loss.

The defined benefits liability comprises the present value of the defined benefit obligation, fair value of plan assets and actuarial gains (losses).

The expected rate of return of plan assets is the Company's expectation of the average long – term rate of return expected on investments of the fund during the estimated term of obligations. Plan assets are measured at fair value as at the reporting date.

4.25 Segment reporting

Segment results that are reported to the Group's executive committee (the chief operating decision makers) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4.26 Dividend payment

Dividend payment is recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors.

4.27 Basic earnings per share

Basic earnings per share are determined by dividing the profit for the year by the weighted average number of common shares outstanding during the year.

4.28 Diluted earnings per share

For the purpose of calculating diluted earnings per share, the weighted average number of outstanding common shares is assumed to be converted to common shares that dilute the total number of shares.

A calculation is done to determine the potential number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the year) based on the outstanding warrants to determine the number of potential common shares to be additionally issued.

4.29 Derivatives

*Forward exchange contracts*

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling on the reporting date. Unrealized gains and losses from the translation are included in the statement of profit or loss.

*Cross currency and interest rate swap agreements*

Receivables and payables arising from the cross currency swap agreements are translated into Baht at the rates of exchange ruling on the reporting date. Unrealized gains and losses from the translation are included in the statement of profit or loss. The differences under interest rate swaps are recorded as adjustments to the interest expense relating to the hedged financial obligations in the statement of profit or loss.

4.30 Provision for liabilities and expenses, and contingent assets

The Company and subsidiaries recognised provision for liabilities and expenses in the financial statements when the Company and subsidiaries have present legal or constructive obligations as a result of past events with probable future outflows of resources to settle the obligation, and where a reliable estimate of the amount can be made. The contingent asset will be recognized as a separate asset only when the realization is virtually certain.

## 5. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENT

The preparation of the financial statements requires management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Critical accounting estimates, assumption and judgments are as follows:

1. Construction revenues

The stage of completion of any construction contract is assessed by management by taking into consideration all information available at the reporting date. In this process, management carries out significant judgements about milestones, actual work performed and the estimated costs to complete the work. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion. Actual outcomes in terms of actual costs or revenues may be higher or lower than estimated at reporting date, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

2. Claims income

A claim is an amount that the Company and subsidiaries seek to collect from their customers or another party as reimbursement for costs not included in the contract price. A claim may arise from, for example, customer caused delays, errors in specifications or design, and disputed variations in contract work. The measurement of the amounts of revenue arising from claims is subject to a high level of uncertainty and often depends on the outcome of negotiations.

3. Allowance for project losses

The Company and subsidiaries review its construction work-in-progress to determine whether there is any indication of foreseeable losses. Identified foreseeable losses are recognised immediately in the statement of profit or loss when it is probable that total contract costs will exceed total contract revenue as determined by the management.

4. Impairment of receivables

The Company and subsidiaries account for allowance for doubtful accounts equal to the estimated collection losses that may incur in the collection of receivables. The estimated losses are based on historical collection experience coupled with a review of outstanding receivables at reporting date.

5. Allowance for obsolete, slow-moving and defective inventories

The Company and subsidiaries provide allowances for obsolete, slow-moving and defective inventories to reflect impairment of inventories. The allowance is based on consideration of inventory turnover and deterioration of each category and such requires management judgment.

6. Allowance for diminution in value of cost of property development projects and land held for development  
The Company and subsidiaries treat cost of property development projects and land held for development, as diminution when the management judges that there have been significant or prolonged declines in the fair value below their cost. The management determines the devaluation of such cost of property development projects and land held for development based on net realisable value. The determination of what is “significant” or “prolonged” and such devaluation requires management judgment.
7. Allowance for impairment of investments  
The Company and subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.
8. Impairment of goodwill  
The Company annually reviews goodwill from investments in subsidiary companies to determine whether it is impaired or not. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of management estimates.
9. Property, plant and equipment and intangible assets  
Management determines the estimated useful lives and residual values for plant and equipment and intangible assets of the Company and subsidiaries. Management will revise the depreciation and amortization charge where useful lives and residual values previously estimated have changed or subject to be written off for their technical obsolescence or if they are no longer in use.
10. Investment property  
The Company and subsidiaries presented investment property at the fair value estimated by an independent appraiser, and recognise changes in the fair value in profit or loss. The fair value of investment properties are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates.
11. Allowance for impairment of assets  
The Company and subsidiaries consider an allowance for impairment of assets when there is an indication that an asset may be impaired. If any such indication exists when there has been a significant decline in the fair value below their cost, the Company and subsidiaries, make an estimate of the assets recoverable amount. The determination of recoverable amount requires management judgment.
12. Post-employment benefits under defined benefit plans  
Obligation under defined benefit plans is determined based on actuarial techniques. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. Actual post-retirement costs may ultimately differ from these estimates.
13. Deferred tax assets  
The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company and subsidiaries future taxable income against which the deductible temporary differences can be utilised. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.
14. Litigation  
The Company and subsidiaries normally have contingent liabilities as a result of disputes and litigation. Management use judgment to assess the results of the disputes and litigation and recognize reasonable provision for losses in the accounts at the reporting date. However, actual results could differ from the estimates.

## 6. RESTRICTED DEPOSITS WITH BANKS

As at 31 December 2015, savings and fixed deposits of the Company and subsidiaries totaling approximately Baht 58.39 million (2014 : Baht 65.09 million) have been pledged with banks as collaterals for loans obtained by the Company and subsidiaries to finance specific projects, and savings deposits of approximately Baht 20.62 million (2014 : Baht 1.04 million) have been pledged with the banks and fixed deposits amounting to Baht 0.69 million (2014 : Baht 0.67 million) have been pledged as required in the normal course of businesses of the Company, subsidiaries, and the overseas branches. Most of these restricted deposits with banks are turned over within one year so they are classified as current assets.

## 7. TRADE ACCOUNTS RECEIVABLE – UNRELATED PARTIES - NET

The aging of outstanding trade accounts receivable balances as at 31 December 2015 and 2014 are as follows:

(Unit : Thousand Baht)	Receivable Ages	Consolidated F/S		Separate F/S	
		2015	2014	2015	2014
	Less than 3 months	6,351,999	6,137,320	5,530,104	5,015,053
	3 – 6 months	302,631	188,999	26,255	31,597
	6 – 12 months	357,199	489,389	32,369	283,629
	More than 12 months	1,706,284	2,256,861	293,638	590,495
	Total	8,718,113	9,072,569	5,882,366	5,920,774
	Less : Allowance for doubtful accounts	(807,591)	(1,018,664)	(247,479)	(539,804)
	Net	7,910,522	8,053,905	5,634,887	5,380,970



The Company sets up a full allowance for doubtful accounts for receivables from major private customers that have been overdue for more than 12 months and at 50 percent for those accounts overdue for more than 6 months, except as stated below:

The consolidated financial statements as at 31 December 2015 include trade accounts receivable and un-billed work in progress of overseas subsidiary totaling Baht 626.56 million, respectively (31 December 2014 : Baht 2,189.43 million) which represent a number of variation order claims recognized some years ago based on the terms and conditions implicit in the agreement. These claims are technical in nature and subject to arbitration tribunal. The subsidiary has assessed the realization of these claims based on information from the dispute resolution board, the arbitration tribunal, High Court orders and the legal opinion from an independent counsel and subsidiary has not provided allowance for doubtful accounts for such matter in the accounts.

During the year, such overseas subsidiary concluded an agreement with the employer to accept the partial settlement of outstanding trade account receivable and un-billed work in progress. Therefore, the subsidiary has recognized loss on such agreement in its accounts of Baht 663.26 million in the consolidated financial statements for year ended 31 December 2015.

In addition, the consolidated financial statements as at 31 December 2015 also include trade receivables and un – billed work in progress of overseas subsidiary of Baht 164.66 million and Baht 26.00 million, respectively (31 December 2014 : 119.22 million and 81.72 million, respectively). These amounts are presently under negotiation with the customers or subject matter litigation. The management considers that would be received in full amount.

#### 8. TRADE ACCOUNTS RECEIVABLE – RELATED PARTIES - NET

The outstanding balances as at 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
<u>Subsidiaries</u>				
(eliminated in consolidated financial statements)				
Asia Industrial and Port Corporation Co., Ltd.	-	-	123,109	121,980
Asian Steel Products Co., Ltd.	-	-	260	437
Thai Pride Cement Co., Ltd.	-	-	3,288	1,968
ItalThai Marine Co., Ltd.	-	-	10,474	11,728
Bhaka Bhumi Development Co., Ltd.	-	-	13,458	11,134
Sarithorn Co., Ltd.	-	-	21,937	37
Aquathai Co., Ltd.	-	-	27,353	16,438
Nha Pralan Crushing Plant Co., Ltd.	-	-	35,847	35,078
ItalThai Trevi Co., Ltd.	-	-	69,985	178,530
Italian – Thai Land Co., Ltd.	-	-	-	21,686
Italian – Thai Power Co., Ltd.	-	-	27,498	27,498
Thai Maruken Co., Ltd.	-	-	9,877	7,915
ITD Cementation India Limited	-	-	-	19,918
ITD Construction SDN. BHD.	-	-	2,753	2,753
Asia Pacific Potash Corporation Limited	-	-	43,369	38,902
ITD Madagascar S.A.	-	-	120,954	104,465
Italian – Thai Hongsa Co., Ltd.	-	-	82,026	47,465
First Dhaka Elevated Expressway Co., Ltd.	-	-	159,370	138,241
Italian – Thai International Co., Ltd.	-	-	33,781	33,781
Siam Concrete and Brick Products Co., Ltd.	-	-	14,511	11,681
Saraburi Construction Technology Co., Ltd.	-	-	10,516	12,921
Italian – Thai Development (Myanmar) Co., Ltd.	-	-	24,410	-
Others	-	-	-	504
Total	-	-	834,776	845,060
Less : Allowance for doubtful accounts	-	-	(118,778)	(130,602)
Net	-	-	715,998	714,458
<u>Associated companies and joint ventures</u>				
MCRP Construction Corporation, Philippines	553,705	676,601	501,834	624,730
Sino Lao Aluminum Corporation Limited	196,674	142,442	196,674	142,442
Bangkok Steel Wire Co., Ltd.	8,574	16,459	8,574	16,459
ATO – Asia Turnouts Co., Ltd.	34,857	53,751	34,857	53,751
ITO Joint Venture	5,816	203	5,816	203
ITD – ETF – MVM Joint Venture	17,269	57,377	17,269	57,377
ITD – ETF Joint Venture	170,767	98,278	170,767	98,278

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
IN Joint Venture	-	5,054	-	5,054
ITD – Nawarat (L.L.C)	-	74,248	-	74,248
Total	<b>987,662</b>	1,124,413	<b>935,791</b>	1,072,542
Less : Allowance for doubtful accounts	<b>(553,705)</b>	(750,849)	<b>(501,834)</b>	(698,978)
Net	<b>433,957</b>	373,564	<b>433,957</b>	373,564
<u>Related parties</u>				
NWR – SBCC Joint Venture	<b>870,462</b>	867,635	<b>869,733</b>	866,949
Italhai Engineering Co., Ltd.	<b>12,134</b>	38,190	<b>12,098</b>	38,154
Siam Steel Syndicate Plc.	<b>3,400</b>	7,432	<b>3,400</b>	5,310
Italhai Industrial Co., Ltd.	<b>3,493</b>	746	<b>3,493</b>	746
Ao Po Grand Marina Co., Ltd.	<b>102,604</b>	104,326	<b>102,604</b>	104,326
Ao Po Grand Marina & Residence Co., Ltd.	<b>312,501</b>	201,936	<b>312,501</b>	201,936
Saraburi Coal Co., Ltd.	<b>1,781</b>	1,866	<b>1,781</b>	1,866
Saraburi Coal International Co., Ltd.	-	12,626	-	12,626
PAN AFRICAN MINING CORP.	<b>99,705</b>	95,110	<b>99,705</b>	95,110
Asia Thai Mining Co., Ltd.	<b>26,341</b>	32,450	<b>3,859</b>	5,079
Amari Estate Co., Ltd.	-	5,777	-	5,777
Amari Huahin Co., Ltd.	<b>1,731</b>	8,660	<b>1,731</b>	8,660
Amari Estate Phuket Co., Ltd.	-	91,032	-	91,032
PAM SAKOA COAL S.A.	<b>52,830</b>	47,862	-	-
Sahakol Equipment Public Co., Ltd.	<b>25,735</b>	22,506	<b>25,735</b>	22,506
Lao Metal Industrial Co., Ltd.	<b>4</b>	50,411	<b>4</b>	50,411
Thai Nippon Steel & Sumikin Engineering & Construction Co., Ltd.	-	798	-	798
Charoong Thai Wire and Cable Plc.	<b>14,573</b>	24,493	<b>14,573</b>	24,493
OHTL Plc.	<b>113,912</b>	-	<b>113,912</b>	-
Praram 9 Square Co., Ltd.	<b>72,783</b>	23,506	<b>72,783</b>	23,506
Siam machinery & equipment Co., Ltd.	<b>18,212</b>	7,280	<b>18,212</b>	7,280
Construction concrete Co., Ltd	<b>26,489</b>	15,154	-	4,987
Others	<b>16,668</b>	18,915	<b>15,939</b>	18,192
Total	<b>1,775,358</b>	1,678,711	<b>1,672,063</b>	1,589,744
Less : Allowance for doubtful accounts	<b>(63,079)</b>	(60,042)	<b>(51,109)</b>	(48,072)
Net	<b>1,712,279</b>	1,618,669	<b>1,620,954</b>	1,541,672
<u>Outstanding balances of joint operations</u>				
ITD – SQ Joint Venture	<b>59,988</b>	58,713	<b>59,988</b>	58,713
SQ – ITD Joint Venture	<b>3,662</b>	-	<b>3,662</b>	-
Samsung – ITD Joint Venture	<b>146</b>	-	<b>146</b>	-
Total	<b>63,796</b>	58,713	<b>63,796</b>	58,713
Trade accounts receivable – related parties – net	<b>2,210,032</b>	2,050,946	<b>2,834,705</b>	2,688,407

The ages of outstanding balances of trade receivable – related parties as at 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Outstanding Ages	Consolidated F/S		Separate F/S	
		2015	2014	2015	2014
	Less than 3 months	<b>487,725</b>	469,367	<b>690,894</b>	793,696
	3 – 6 months	<b>150,854</b>	207,217	<b>176,371</b>	213,972
	6 – 12 months	<b>110,948</b>	175,086	<b>187,614</b>	193,755
	More than 12 months	<b>2,077,289</b>	2,010,167	<b>2,451,547</b>	2,364,636
	Total	<b>2,826,816</b>	2,861,837	<b>3,506,426</b>	3,566,059
	Less : Allowance for doubtful accounts	<b>(616,784)</b>	(810,891)	<b>(671,721)</b>	(877,652)
	Net	<b>2,210,032</b>	2,050,946	<b>2,834,705</b>	2,688,407

# 9. SHORT - TERM LOANS AND ADVANCES TO SUBSIDIARIES AND RELATED PARTIES - NET

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
<u>Subsidiaries</u>				
(eliminated in consolidated financial statements)				
PT. Thailindo Bara Pratama	-	-	2,131,632	1,918,268
Italhai Marine Co., Ltd.	-	-	232,685	232,685
Bhaka Bhumi Development Co., Ltd.	-	-	256,780	259,309
First Dhaka Elevated Expressway Co., Ltd.	-	-	34,667	17,566
ITD Cementation India Limited	-	-	13,011	12,364
Aquathai Co., Ltd.	-	-	71,200	65,200
ITD - ITD Cem JV	-	-	48,104	4,672
Total	-	-	2,788,079	2,510,064
Less : Allowance for doubtful accounts	-	-	(1,674,800)	(1,386,804)
Net	-	-	1,113,279	1,123,260
<u>Associated companies and joint ventures</u>				
Sino Lao Aluminum Corporation Limited	174,669	40,087	174,669	40,087
Other	9,801	10,015	9,801	10,015
Total	184,470	50,102	184,470	50,102
Less : Allowance for doubtful accounts	(9,801)	(9,801)	(9,801)	(9,801)
Net	174,669	40,301	174,669	40,301
<u>Related companies</u>				
PAM SAKOA COAL S.A.	15,550	16,521	-	-
PAM MADAGASCAR S.A.	604	645	-	-
Total	16,154	17,166	-	-
Short – term loans and advances to subsidiaries related parties – net	190,823	57,467	1,287,948	1,163,561

Significant movements in the short - term loans and advances to subsidiaries and related parties for the year ended 31 December 2015 are as follows :

(Unit : Thousand Baht)	1 January 2015	During the year		31 December 2015
		Increase	Decrease	
<u>Subsidiaries</u>				
PT. Thailindo Bara Pratama	1,918,268	213,364	-	2,131,632
Italhai Marine Co., Ltd.	232,685	-	-	232,685
Bhaka Bhumi Development Co., Ltd.	259,309	-	2,529	256,780
First Dhaka Elevated Expressway Co., Ltd.	17,566	17,101	-	34,667
ITD Cementation India Limited	12,364	647	-	13,011
Aquathai Co., Ltd.	65,200	6,000	-	71,200
ITD - ITD Cem JV	4,672	43,432	-	48,104
Total	2,510,064	280,544	2,529	2,788,079
<u>Associated company and joint venture</u>				
Sino Lao Aluminum Corporation Limited	40,087	134,582	-	174,669
IOT Joint Venture	9,801	-	-	9,801
ITD – POWER CHINA JV	214	-	214	-
Total	50,102	134,582	214	184,470
Total	2,560,166	415,126	2,743	2,972,549

# 10. INVENTORIES AND WORK IN PROCESS - NET

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Work in process	51,705	346,179	-	-
Materials and inventories	3,248,748	4,155,350	1,395,884	2,432,902
Total	3,300,453	4,501,529	1,395,884	2,432,902
Less : Allowance for obsolete inventories	(27,186)	(21,545)	(9,002)	-
Net	3,273,267	4,479,984	1,386,882	2,432,902

During the years 2015 and 2014, movements in the allowance for obsolete inventories are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Balance as at 1 January	21,545	15,424	-	-
Add : Additional allowance	10,646	7,216	9,002	-
Less : Reversal of allowance	(5,005)	(1,095)	-	-
Balance as at 31 December	27,186	21,545	9,002	-

## 11. COSTS OF PROPERTY DEVELOPMENT PROJECTS – NET

(Unit : Thousand Baht)	Consolidated F/S	
	2015	2014
Land	921,266	687,026
Cost of property development projects	1,597,758	1,385,677
Utilities installation	112,428	103,906
Capitalized borrowing costs	39,520	35,199
Total	2,670,972	2,211,808
Less : Accumulated amounts transferred to cost of sales	(2,105,837)	(1,893,308)
Net	565,135	318,500

As at 31 December 2015 and 2014, the above land and constructions have been pledged as collaterals for overdraft, loan and credit facilities with local banks as discussed in Note 24.

During the years 2015 and 2014 the Company capitalized interest amounting to Baht 4.32 million and Baht 9.59 million, respectively, to the cost of property development project. The capitalization rates of interest are based on the borrowing costs as discussed in Note 24.

The changes in cost of property development projects for the years ended 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S	
	2015	2014
Balance as at 1 January	318,500	522,422
Add : Cost of property development	459,164	281,441
Less : Cost of sales	(212,529)	(485,363)
Balance as at 31 December	565,135	318,500

## 12. INVESTMENTS

### 12.1 Investments in subsidiaries – net

Movements in investments in subsidiaries for the years ended 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Separate F/S	
	2015	2014
Balance as at 1 January	6,542,196	6,586,087
Add : Additional investments during the year	64,605	65,269
Less : Disposal	(10,169)	-
Less : Reversal of allowance (allowance) for impairment	10,169	(109,160)
Balance as at 31 December	6,606,801	6,542,196

Investments in subsidiaries as at 31 December 2015 and 2014 comprise investments as follows:-

Nature of business  (Unit : Thousand Baht)		Paid-up Capital	Percentage of shareholding (%)		Separate F/S Cost	
			2015	2014	2015	2014
<b><u>Investments in subsidiaries</u></b>						
Italian-Thai International Co., Ltd.	Holding company	400,000	<b>99.99</b>	99.99	<b>400,000</b>	400,000
Less : Allowance for impairment					<b>(400,000)</b>	(400,000)
Net					-	-
Bhaka Bhumi Development Co., Ltd.	Real estate development	5,075	<b>99.99</b>	99.99	<b>5,075</b>	5,075
Thai Pride Cement Co., Ltd.	Manufacture and distribution of cement	1,300,000	<b>99.99</b>	99.99	<b>1,585,000</b>	1,585,000
Nha Pralan Crushing Plant Co., Ltd.	Rock quarrying, processing and distribution	11,000	<b>99.99</b>	99.99	<b>10,999</b>	10,999
Less : Allowance for impairment					<b>(10,999)</b>	(10,999)
Net					-	-

Nature of business (Unit : Thousand Baht)	Paid-up Capital	Percentage of shareholding (%)		Separate F/S Cost		
		2015	2014	2015	2014	
Siam Concrete and Brick Products Co., Ltd.	Manufacture and distribution of concrete products	126,000	99.80	99.80	124,296	124,296
ItalThai Marine Co., Ltd.	Production and sale of vessels and equipment	810,000	92.59	92.59	430,000	430,000
Less : Allowance for impairment Net					(430,000)	(430,000)
ItalThai Trevi Co., Ltd.	Foundation and piling work services	80,000	90.94	90.94	84,189	84,189
Asian Steel Product Co., Ltd.	Manufacture and distribution of large steel pipes	20,000	69.90	69.90	7,004	7,004
Thai Maruken Co., Ltd.	Lease and sale of sheet piles and beams for foundation construction work	20,000	50.96	50.96	10,196	10,196
Italian-Thai Land Co., Ltd.	Not yet operational	10,000	99.99	99.99	50	50
Less : Allowance for impairment Net					(50)	(50)
Palang Thai Kaowna Co., Ltd.	Not yet operational	1,000	99.94	99.94	650	650
Less : Allowance for impairment Net					(650)	(650)
Palit Palang Ngan Co., Ltd.	Not yet operational	1,000	74.93	74.93	50	50
Less : Allowance for impairment Net					(50)	(50)
Italian Thai Power Co., Ltd.	Production and distribution of electricity	100,000	99.99	99.99	100,000	100,000
Less : Allowance for impairment Net					(100,000)	(100,000)
Saraburi Construction Technology Co., Ltd.	Manufacture, distribution and installation of concrete sheet	250	99.93	99.93	250	250
Asia Logistics Development Co., Ltd.	Not yet operational	1,000	99.93	99.93	999	999
Asia Industrial and Port Corporation Co., Ltd.	Not yet operational	1,000	99.93	99.93	999	999
Myanmar Italian-Thai Power 1 Co., Ltd.	Not yet operational	250	99.95	99.95	250	250
Italian - Thai Hongsa Co., Ltd.	Coal mining contractor	250	99.97	99.97	250	250
APPC Holding Co., Ltd.	Holding company	3,795,987	60.00	60.00	2,277,592	2,277,592
<b>Overseas subsidiary companies</b>						
Myanmar ITD Co., Ltd.	Service agent for Myanmar companies	1,483	99.99	99.99	1,483	1,483
		Thousand Baht				
Less : Allowance for impairment Net					(1,483)	(1,483)
PT. Thailindo Bara Pratama	Coal mining contractor	25,250	99.99	99.99	108,071	108,071
		Million IDR				
ITD Cementation India Limited	Construction services in India	155	51.63	51.63	2,143,951	2,143,951
		Million INR				
ITD–Madagascar S.A.	Mining business	20	99.98	99.98	4,553	4,553
		Million MGA				
Italian-Thai International SDN.BHD.	Not yet operational	1	-	99.99	-	10,169
		Million MYR			-	-
Less : Allowance for impairment Net					-	(10,169)
ITD Construction SDN.BHD.	Construction services in Malaysia	0.75	99.99	99.99	7,312	7,312
		Million MYR				
Less : Allowance for impairment Net					(7,312)	(7,312)
First Dhaka Elevated Expressway Co., Ltd.	Concession for constructing elevated expressway in Bangladesh	534	99.99	99.99	221,117	160,110
		Million BDT				
		(2014 : 397 Million BDT)				

Nature of business		Paid-up Capital	Percentage of shareholding (%)		Separate F/S Cost	
			2015	2014	2015	2014
(Unit : Thousand Baht)						
ITD Bangladesh Company Limited	Construction services in Bangladesh	4 Million BDT	99.99	99.99	1,546	1,546
Italian–Thai Development Vietnam Co., Ltd	Not yet operational	6,000 Million VND	80.00	80.00	9,160	9,160
Less : Allowance for impairment Net					(9,160)	(9,160)
ITD Mozambique Limitada	Construction services in the Republic of Mozambique	782,815 USD	99.00	99.00	25,694	22,096
Thai Mozambique Logistica SA.	Concession for constructing Port and Railway in the Republic of Mozambique	250,000 USD	60.00	60.00	4,955	4,955
Italian - Thai Development (Myanmar) Co., Ltd	Construction services in the Republic of the Union of Myanmar	25,000 USD	99.90	99.90	814	814
Total Investments in subsidiaries - net					6,606,801	6,542,196

#### NON – CONTROLLING INTERESTS

Subsidiaries with material non-controlling interests are as follows :

Name	Proportion of ownership interests held by the NCI (Percentage)		Total comprehensive income allocated to NCI		Accumulated NCI	
	2015	2014	2015	2014	2015	2014
(Unit: Million Baht)						
ItalThai Trevi Co., Ltd.	9.06	9.06	9	21	39	41
Asian Steel Product Co., Ltd.	30.10	30.10	(7)	1	37	53
Thai Maruken Co., Ltd.	49.04	49.04	21	28	212	211
ITD Cementation India Limited	48.37	48.37	(94)	19	1,084	1,178
ItalThai Marine Co., Ltd.	7.41	7.41	(2)	(1)	(23)	(21)

Subsidiaries was paid dividend to the NCI during the year 2015 of Baht 39.07 million (2014 : Baht 41.44 million)

Significant financial information of the subsidiaries with material non-controlling interest in the aggregate amounts before eliminations are summarized as follows :

	For the years ended 31 December									
	ItalThai Trevi Co., Ltd.		Asian Steel Product Co., Ltd.		Thai Maruken Co., Ltd.		ITD Cementation India Limited		ItalThai Marine Co., Ltd.	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
(Unit : Million Baht)										
Current assets	624	851	92	134	203	189	11,211	9,319	140	55
Non – current assets	223	189	50	55	423	417	1,807	1,750	47	52
Current liabilities	354	522	10	7	73	57	8,618	7,118	496	383
Non - current liabilities	59	68	8	6	120	119	2,159	1,516	6	5
Equity attributable to the Company's shareholder	395	409	87	123	221	219	1,157	1,257	(292)	(260)
Non – controlling interests	39	41	37	53	212	211	1,084	1,178	(23)	(21)
Revenue	819	1,608	67	124	412	429	16,505	9,246	277	242
Profit (loss) for attributable to the Company's shareholders	90	210	(14)	3	23	31	(152)	(205)	(31)	(7)
Profit (loss) for attributable to non – controlling interests	9	21	(6)	1	22	30	(143)	(192)	(2)	(1)
Profit (loss) for the year	99	231	(20)	4	45	61	(295)	(397)	(33)	(8)
Other comprehensive income (loss)	-	(1)	(1)	-	(2)	(4)	100	436	1	2
Total comprehensive income (loss) to the Company's shareholder	-	(1)	(1)	-	(1)	(2)	51	225	1	2
Total comprehensive income attributable to non – controlling interests	-	-	-	-	(1)	(2)	49	211	-	-
Total comprehensive income for the year	-	(1)	(1)	-	(2)	(4)	100	436	1	2

(Unit : Million Baht)	For the year ended 31 December 2015				
	Italhai Trevi Co., Ltd	Asian Steel Product Co., Ltd.	Thai Maruken Co., Ltd.	ITD Cementation India Limited	Italhai Marine Co., Ltd.
Net cash from (used in) operating activities	49	(15)	(5)	2,525	(29)
Net cash from (used in) investing activities	(66)	5	(6)	(565)	2
Net cash from (used in) financing activities	(126)	(30)	(18)	(1,640)	36
Net cash inflows (outflows)	(143)	(40)	(29)	320	9

## 12.2 Investments in associated companies - net

### Significant judgement and assumptions

Associates are those companies in which the Company has significant influence, but not control, over the financial and operating policies. The Company's share voting right 20-50 percentage of voting right, which the investments are stated at cost.

The consolidated financial statements include the Company's share of the total recognized gains and losses of associates by the equity accounting method, from the date that significant influence commences until the date that significant influence ceases. Except Siam Pacific Holding which the company holding 46.69 percentage and a subsidiary holding 4.30 percentage (totalling 50.99 percentage) because the Company has not control such company and classifies as associate investments.

Movements in investments in associated companies, which are accounted for using the equity method in the consolidated financial statements, for the years ended 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Balance as at 1 January	692,398	680,813	697,963	697,963
Add: Share of profit from associated companies	10,694	26,143	-	-
Less: Dividend from associated companies	(65,045)	(14,489)	-	-
Add (Less): Translation adjustment for foreign currency financial statements	24,093	(69)	-	-
Balance as at 31 December	662,140	692,398	697,963	697,963

A reconciliation of the summarised financial information to the carrying amount of the investment in associated companies are as follow:

(Unit : Thousand Baht)	31 December 2015							
	ATO-Asia Turnouts Co., Ltd.	Siam Pacific Holding Co., Ltd.	Bangkok Steel Wire Co., Ltd.	Oriental Residence Bangkok Co., Ltd.	MCRP Construction Corporation, Philippines	Sino Lao Aluminum	MCRP Holding	Total
Total net assets of associated companies	44,566	57,376	467,002	(154,275)	-	1,030,154	-	1,444,823
Proportion of ownership interests held by the Company (%)	48.99	46.69	19.98	15	24	50*	24	-
Net assets by the Company's proportion	21,831	26,789	93,307	(23,141)	-	515,077	-	633,863
Other adjustment	-	2,525	869	23,141	-	1,742	-	28,277
Carrying amount of the investment in associated companies	21,831	29,314	94,176	-	-	516,819	-	662,140

(Unit : Thousand Baht)	31 December 2014							
	ATO-Asia Turnouts Co., Ltd.	Siam Pacific Holding Co., Ltd.	Bangkok Steel Wire Co., Ltd.	Oriental Residence Bangkok Co., Ltd.	MCRP Construction Corporation, Philippines	Sino Lao Aluminum	MCRP Holding.	Total
Total net assets of associated companies	127,303	57,564	491,098	(103,311)	-	985,505	-	1,558,159
Proportion of ownership interests held by the Company (%)	48.99	46.69	19.98	15	24	50*	24	-
Net assets by the Company's proportion	62,366	26,877	98,121	(15,497)	-	492,753	-	664,620
Other adjustment	-	2,525	871	15,497	-	8,885	-	27,778
Carrying amount of the investment in associated companies	62,366	29,402	98,992	-	-	501,638	-	692,398

\* The Company paid-up share capital at the proportion of 34% which have to pay in accordance with agreement but a shareholder has unpaid share capital in accordance with shareholder agreement as result of the Company's interest in accordance with investment amount is 50%.



Unrecognized loss from associated companies

(Unit : Thousand Baht)	2015	2014
Unrecognized loss from associated companies	7,644	15,497
Cumulative share loss from associated companies	23,141	15,497

Investments in associated companies as at 31 December 2015 and 2014, comprise investments in the following :

Nature of business		Paid-up Capital	Percentage of shareholding (%)		Consolidated F/S		Separate F/S	
					Equity		Cost	
			2015	2014	2015	2014	2015	2014
(Unit : Thousand Baht)								
<b>Investments in associated companies</b>								
ATO-Asia Turnouts Co., Ltd.	Production and distribution of turnouts for railway projects	5,000	<b>48.99</b>	48.99	<b>21,831</b>	62,366	<b>2,450</b>	2,450
Siam Pacific Holding Co., Ltd.	Holding company	58,625	<b>46.69</b>	46.69	<b>26,789</b>	26,877	<b>27,373</b>	27,373
Bangkok Steel Wire Co., Ltd.	Production and distribution of P.C. wire	313,000	<b>19.98</b>	19.98	<b>94,176</b>	98,992	<b>71,603</b>	71,603
Oriental Residence Bangkok Co., Ltd.	Real estate development	500,000	<b>15.00</b>	15.00	-	-	<b>75,000</b>	75,000
<b>Overseas companies</b>								
MCRP Construction Corporation, Philippines	Construction contractor in Philippines	25 Million Peso	<b>24.00</b>	24.00	<b>12,000</b>	12,000	<b>12,000</b>	12,000
Less : Allowance for impairment Net					<b>(12,000)</b>	(12,000)	<b>(12,000)</b>	(12,000)
MCRP Holding Corporation, Philippines	Holding company in Philippines	5 Million Peso	<b>24.00</b>	24.00	<b>3,000</b>	3,000	<b>3,000</b>	3,000
Less : Allowance for impairment Net					<b>(3,000)</b>	(3,000)	<b>(3,000)</b>	(3,000)
Sino Lao Aluminum Corporation Limited	Bauxite mine business in Laos	32 Million USD)	<b>34.00</b>	34.00	<b>516,819</b>	501,638	<b>521,537</b>	521,537
Total Investments in associated companies – net					<b>659,615</b>	689,873	<b>697,963</b>	697,963
Investments in associated companies held by subsidiaries								
Siam Pacific Holding Co., Ltd.	Holding company	58,625	<b>4.30</b>	4.30	<b>2,525</b>	2,525	-	-
Total investments in associated companies held by subsidiaries					<b>2,525</b>	2,525	-	-
Total Investments in associated companies - net					<b>662,140</b>	692,398	<b>697,963</b>	697,963

Significant financial information of the associates in the aggregate amounts are summarized as follows :

(Unit : Million Baht)	For the years ended 31 December							
	Current assets		Non - current assets		Current liabilities		Non - current liabilities	
	2015	2014	2015	2014	2015	2014	2015	2014
ATO-Asia Turnouts Co., Ltd.	82	290	43	47	80	210	-	-
Bangkok Steel Wire Co., Ltd.	457	751	350	272	284	488	56	44
Oriental Residence Bangkok Co., Ltd.	1,907	1,833	1,530	1,646	2,422	2,374	1,169	1,208
Sino Lao Aluminum Corporation Limited	5	7	1,411	1,192	203	146	183	67
Siam Pacific Holding Co., Ltd.	-	-	62	63	5	5	-	-
Total	2,451	2,881	3,396	3,220	2,994	3,223	1,408	1,319

(Unit : Million Baht)	For the years ended 31 December						
	Revenues		Profit (loss)		Other comprehensive income		
	2015	2014	2015	2014	2015	2014	
ATO-Asia Turnouts Co., Ltd.	359	530	37	36	-	-	
Bangkok Steel Wire Co., Ltd.	964	1,252	-	113	-	105	
Oriental Residence Bangkok Co., Ltd.	310	244	(61)	(143)	-	-	
Sino Lao Aluminum Corporation Limited	2	2	(26)	(23)	-	-	
Total	1,635	2,028	(50)	(17)	-	105	

### 12.3 Investments in joint ventures - net

Movements in investments in joint ventures, which are accounted for by using the equity method in the consolidated financial statements, for the years ended 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Balance as at 1 January	292,256	600,682	74,555	560,014
Add : Share of profit (loss) from joint ventures	(791)	125,360	-	-
Less : Receipts for the share of profit from joint ventures	(71,825)	-	-	-
Less :Receipts the investments in joint ventures	(40,000)	(485,459)	(40,000)	(485,459)
Add (Less) : Translation adjustment on financial statements	(31,052)	51,673	-	-
Balance as at 31 December	148,588	292,256	34,555	74,555

Investments in joint ventures as at 31 December 2015 and 2014, comprise investments in the following :

Nature of business		Percentage of shareholding (%)		Consolidated F/S		Separate F/S	
				Equity		Cost	
(Unit : Thousand Baht)		2015	2014	2015	2014	2015	2014
<b>Investments in joint ventures</b>							
Evergreen –Italian Thai – PEWC Joint Venture	Construction services in Republic of China	25.00	25.00	227	1,206	-	-
ITD - Nawarat (L.L.C)	Construction services in United Arab Emirates	-	60.00	-	196,011	-	196,011
Less : Allowance for impairment Net				-	(196,011)	-	(196,011)
ITD – NCC Joint Venture (NT-2)	Construction services in Laos	-	60.00	-	1,841,612	-	1,841,612
Less : Allowance for impairment Net				-	(1,841,605)	-	(1,841,612)
ITD-EGC Joint Venture	Construction services in Republic of China	55.00	55.00	315,739	323,884	293,843	291,159
Less : Allowance for impairment Net				(293,843)	(291,159)	(293,843)	(291,159)
ITD – ETF Joint Venture	Machinery rental services	65.00	65.00	21,896	32,725	-	-
IN Joint Venture	Construction services	51.00	51.00	62,260	65,937	-	-
Less : Allowance for impairment Net				118,277	119,665	119,601	119,601
ITO Joint Venture	Construction services	40.00	40.00	(96,726)	(96,726)	(96,726)	(96,726)
Less : Allowance for impairment Net				21,551	22,939	22,875	22,875
IOT Joint Venture	Construction services	40.00	40.00	70,801	118,710	65,680	105,680
Less : Allowance for impairment Net				(54,000)	(54,000)	(54,000)	(54,000)
ITD – ETF – MVM Joint Venture	Construction services	55.25	55.25	16,801	64,710	11,680	51,680
Total investments in joint venture - net				-	-	-	-
				25,853	104,732	-	-
				148,588	292,256	34,555	74,555
<b>Total investments in subsidiaries, associated companies and joint venture - net</b>				810,728	984,654	7,339,319	7,314,714

A reconciliation of the summarised financial information to the carrying amount of the investment in joint ventures are as follow:

(Unit : Million Baht)	Evergreen - Italian Thai - PEWC		ITD - Nawarat (L.L.C.)		ITD - NCC Joint Venture (NT-2)		ITD - EGC Joint Venture		ITD - ETF Joint Venture		IN Joint Venture		ITO Joint Venture		IOT Joint Venture		ITD - ETF - MVM Joint Venture	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Total net assets of joint venture	1	4	-	(126)	-	-	40	60	96	102	41	44	42	162	3	4	47	190
Proportion of ownership Interest (%)	25%	25%	60%	60%	60%	60%	55%	55%	65%	65%	51%	51%	40%	40%	40%	40%	55.25%	55.25%
Net assets by proportion	-	1	-	(76)	-	-	22	33	62	66	22	23	17	65	1	1	26	105
Other adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(19)	(19)	-	-
Carrying amount of the investment (obligation)	-	1	-	(76)	-	-	22	33	62	66	22	23	17	65	(18)	(18)	26	105

Significant financial information of the joint ventures in the aggregate amounts are summarized as follows :

(Unit : Million Baht)	Evergreen - Italian Thai - PEWC		ITD - Nawarat (L.L.C.)		ITD - NCC Joint Venture (NT-2)		ITD - EGC Joint Venture		ITD - ETF Joint Venture		IN Joint Venture		ITO Joint Venture		IOT Joint Venture		ITD - ETF - MVM Joint Venture		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Cash and cash equivalents	-	7	-	1	-	-	64	198	5	2	41	3	11	59	3	3	1	2	125	275
Other current assets	43	41	-	2	-	-	52	114	166	124	-	49	37	77	-	-	62	243	360	650
Total current assets	43	48	-	3	-	-	116	312	171	126	41	52	48	136	3	3	63	245	485	925
Non-current assets	-	-	-	-	-	-	-	-	146	112	-	-	-	80	-	1	2	21	148	214
Financial liabilities	42	44	-	4	-	-	65	6	3	7	-	-	-	-	-	1	17	111	78	78
Other current liabilities (including trade payables and provision)	-	-	-	125	-	-	11	192	218	129	-	8	6	36	-	-	17	59	252	549
Total current liabilities	42	44	-	129	-	-	76	198	221	136	-	8	6	36	-	-	18	76	363	627
Non-current liabilities	-	-	-	-	-	-	-	54	-	-	-	-	-	18	-	-	-	-	-	72
Net assets	1	4	-	(126)	-	-	40	60	96	102	41	44	42	162	3	4	47	190	270	440

	For the years ended 31 December									
	Revenues		Profit (Loss)		Other comprehensive income		Depreciation and amortization		Tax	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
(Unit : Million Baht)										
Evergreen - Italian Thai - PEWC Joint Venture	-	-	-	(5)	-	-	-	-	-	-
ITD - Nawarat (L.L.C.)	482	7	473	(3)	-	-	-	-	-	-
ITD - NCC Joint Venture (NT-2)	-	8	-	9	-	-	-	-	-	-
ITD - EGC Joint Venture	20	36	3	26	-	-	-	-	-	-
ITD - ETF Joint Venture	130	191	(6)	28	-	-	20	15	-	7
IN Joint Venture	-	5	(3)	3	-	-	-	-	-	-
ITO Joint Venture	-	406	(20)	375	-	-	-	-	-	24
IOT Joint Venture	-	-	(1)	(14)	-	-	-	-	-	-
ITD - ETF - MVM Joint Venture	5	158	(13)	(100)	-	-	4	7	-	-
Total	637	811	433	319	-	-	24	22	-	31

The Company regularly assesses the values of investments in subsidiaries, associated and joint ventures. An allowance for impairment is promptly taken up when there is a reliable indication that the decline in value can be determined.

### 13. OTHER LONG – TERM INVESTMENTS - NET

Movements in other long - term investments for the years ended 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Balance as at 1 January	1,315,939	1,430,428	1,146,275	1,264,776
Less : Disposal of investment during the year	-	(1,250)	-	-
Less : Allowance for impairment of investment	-	(12,751)	-	(12,751)
Less : Unrealized loss from changes in value of investments	(277,083)	(100,488)	(269,271)	(105,750)
Balance as at 31 December	1,038,856	1,315,939	877,004	1,146,275

Other long - term investments as at 31 December 2015 and 2014 comprise investments as follows :

Nature of business		Percentage of Shareholding (%)		Consolidated F/S		Separate F/S	
		2015	2014	2015	2014	2015	2014
(Unit : Thousand Baht)							
<b>Investments in other companies</b>							
a) <u>Non-listed companies</u>							
M-Home SPV 3 Co., Ltd.	Real estate development	11.54	11.54	12	12	12	12
Less : Allowance for impairment				(12)	(12)	(12)	(12)
Net				-	-	-	-
Siam Steel Syndicate Plc.	Manufacture and distribution for construction	1.15	1.15	55,885	55,885	55,885	55,885
Siam Fiber Optics Co., Ltd.	Manufacture and distribution of optic fibers	10.00	10.00	24,000	24,000	24,000	24,000
Bell Development Co., Ltd.	Real estate development	2.29	2.29	47,313	47,313	47,313	47,313
The Bangkok Club Co., Ltd.	Entertainment services	0.44	0.44	3,000	3,000	3,000	3,000
Less : Allowance for impairment				(1,985)	(1,985)	(1,985)	(1,985)
Net				1,015	1,015	1,015	1,015
Imperial Technology Management Service Plc.	Initiation and establishment of Asian University of Science and Technology	4.93	4.93	175,000	175,000	175,000	175,000
Less : Allowance for impairment				(149,331)	(149,331)	(149,331)	(149,331)
Net				25,669	25,669	25,669	25,669
Nishio Rent All (Thailand) Co., Ltd.	Construction machinery Rental	15.00	15.00	7,500	7,500	7,500	7,500
Praram 9 Square Co., Ltd.	Shopping center development	10.91	10.91	200,000	200,000	200,000	200,000
Less : Allowance for impairment				(200,000)	(200,000)	(200,000)	(200,000)
Net				-	-	-	-

Nature of business		Percentage of Shareholding (%)		Consolidated F/S		Separate F/S	
		2015	2014	2015	2014	2015	2014
(Unit : Thousand Baht)							
Lao Metal Industry Co., Ltd.	Manufacture steel wires.	10.00	10.00	10,000	10,000	10,000	10,000
Less : Allowance for impairment				(10,000)	(10,000)	(10,000)	(10,000)
Net				-	-	-	-
Total Investment in other non – listed companies – net				161,382	161,382	161,382	161,382
b) <u>Listed companies</u>							
Charoong Thai Wire and Cable Plc.	Manufacture and distribution of wire and cable	12.90	12.90	308,715	308,715	308,715	308,715
Add : Unrealized gain from changes in value of investments				119,867	245,618	119,867	245,618
Net market value				428,582	554,333	428,582	554,333
TTCL Plc.	Construction services	3.29	3.29	18,400	18,400	18,400	18,400
Add : Unrealized gain from changes in value of investments				268,640	412,160	268,640	412,160
Net market value				287,040	430,560	287,040	430,560
Total Investment in other listed companies – net				715,622	984,893	715,622	984,893
Total Investments in other companies - net				877,004	1,146,275	877,004	1,146,275
<u>Investments held by subsidiaries</u>							
a) <u>Non-listed companies</u>							
Bell Development Co., Ltd.	Real estate development	6.55	6.55	135,226	135,226	-	-
b) <u>Listed company</u>							
Charoong Thai Wire and Cable Plc.	Manufacture and distribution of wire and cable	0.80	0.80	19,178	19,178	-	-
Add : Unrealized gain from changes in value of investments				7,448	15,260	-	-
Net market value				26,626	34,438	-	-
Total				161,852	169,664	-	-
Total other long-term investments – net				1,038,856	1,315,939	877,004	1,146,275

#### 14. LAND LEASE CONCESSION AND PROJECT UNDER DEVELOPMENT

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Land lease concession	30,198	30,198	-	-
Project under development	7,221,249	6,590,517	4,787,637	4,313,729
Total	7,251,447	6,620,715	4,787,637	4,313,729

On 2 November 2010, the Company entered into a Framework Agreement with the Myanma Port Authority (MPA), Ministry of Transportation of the Republic of the Union of Myanmar to develop the Dawei Deep Sea Port, Industrial Estate and Road and Rail Link to Thailand Project connecting from the Dawei Special Economic Zone (“Dawei SEZ”) to the Myanmar-Thailand border at Ban Pu Nam Ron, Kanchanaburi Province, Thailand.

On 21 November 2013, a Framework Agreement between the Thai and Myanmar Government was signed to develop DSEZ. Consequently, the Myanmar and Thai Governments established the Special Purpose Vehicle (“SPV”) named Dawei SEZ Development Company Limited to be the promoter, facilitator, and advisor to the Dawei Special Economic Zone and its Related Project Area. Moreover, the Myanmar Government also established the Dawei SEZ Management Committee (“DSEZ MC”) to be the responsible integrated Myanmar Authority to grant the concession rights to the developer within the Dawei SEZ. As a result, On the same date, the agreement of Termination between the Company and MPA was signed. The Tripartite Memorandum between the Company, DSEZ MC and Dawei SEZ Development Co., Ltd (“SPV”) was signed which defined the scope for the SPV to be the designated party to coordinate for the reimbursement of the Company’s previous investments from the future developer of the Dawei SEZ. Furthermore, on 27 March 2014, a newer Tripartite Memorandum was again signed between the Company, DSEZ MC, and the SPV in which it was agreed that a due diligence process will be conducted by a hired consultant to determine the Company’s total previous investment amount.

On 5 August 2015, the Company, DSEZ MC, and the SPV signed the Supplementary Memorandum of Understanding wherein the agreement defined the DSEZ MC and the SPV as the responsible entities to coordinate for the reimbursement of the Company’s previous investments from the future developer of the Dawei SEZ as well as determine the conditions wherein the Company has the option to exchange its previous investment amount for additional industrial estate land.

On the same date, the Company along with its consortium partners signed separate concession agreements with the DSEZ MC to develop the Initial

Phase of the Dawei SEZ which includes the Initial Industrial Estate area of 27 square kilometers and its related infrastructure projects wherein each respective partners of the individual concessions will be responsible for the Company's previous investment through its own due diligence.

As at 31 December 2015 and 2014, the Company has land lease concessions and projects under development in the Dawei Special Economic amounting to Baht 7,251 million and Baht 6,621 million, respectively. This project depends on the cooperation of the governments of Thailand and Myanmar as the new concessionaires and promoter of the Dawei Project. The Company has the right to reimburse such amount including other expenses during negotiation from Special Purpose Vehicle after the completion of the due diligence work performed by the consultants of the two governments.

#### 15. POTASH MINING RIGHT

The Company holds a 90% investment in a potash mine project through a group of subsidiary companies. The Ministry of Finance holds 10% of the registered capital. The application for potash mining concessions from the government is currently being processed.

The Expert Committee on Mining, Smelting and Ore Dressing, Office of Natural Resources and Environmental Policy and Planning, and the Ministry of Natural Resources and Environment approved the study of the environment impact assessment report of the potash mine project of the Company.

The Department of Primary Industries and Mines under the Ministry of Industry had already finished the process of the selection of stakeholder representatives in the project area and set up research support fund for the stakeholder. The stakeholder representatives selected a consultant to do a research for the stakeholder representatives in the potash mine project. The study was finished and the consultant report was approved by the stakeholder representatives.

During the year 2015, the Company and related government authorities have provided project information to more people living in the mining area. The related government authorities have gathered information to prepare for public hearing meeting of the stakeholders in compliance with relevant laws.

The Company's management believes that this project will generate benefits both for the neighboring area and for the country, and that the project will be approved by the government and will become operational as planned. The management of the Company believes that there will be no impairment in the value of investment.

#### 16. DEFERRED EXPLORATION AND DEVELOPMENT COSTS

All costs incurred in relation to the exploration for mineral reserves and expenses for the application of mining concession are recorded as deferred exploration and development costs until the commencement of the commercial production or abandonment of the project. These costs will be amortized based on the proportion of the units of production and the total estimated proven and probable reserves, from the commencement of the commercial operations. When the project is proven not commercially feasible and the property is abandoned or becomes worthless, these costs will be written off as expenses.

(Unit : Thousand Baht)	Consolidated F/S	
	2015	2014
<u>Exploration expenditures cost</u>		
Beginning balance	566,570	566,570
Increase during the year	-	-
Ending balance	566,570	566,570
<u>Mining license expenditures cost</u>		
Beginning balance	384,160	363,782
Increase during the year	1,197	20,378
Ending balance	385,357	384,160
Total deferred exploration and development costs	951,927	950,730

#### 17. LONG - TERM LOANS AND ADVANCES TO SUBSIDIARIES AND RELATED PARTIES - NET

The outstanding balances as at 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
<u>Subsidiaries</u>				
(eliminated in consolidated financial statements)				
Italian – Thai International Co., Ltd.	-	-	3,904,096	3,767,454
Italian – Thai Land Co., Ltd.	-	-	480,778	555,178
Palang Thai Kaowna Co., Ltd.	-	-	457,171	456,970
Italian – Thai Power Co., Ltd.	-	-	500,517	486,139
Thai Pride Cement Co., Ltd.	-	-	300,303	300,303
ITD Construction SDN. BHD.	-	-	296,475	295,738
Palit Palang Ngan Co., Ltd.	-	-	94,966	94,966
ITD Mozambique Limitada	-	-	62,797	24,382
Thai Mozambique Logistica SA	-	-	202,317	168,665

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
ITD – Madagascar S.A.	-	-	<b>102,685</b>	85,356
Italian – Thai Development Vietnam Co., Ltd.	-	-	<b>42,972</b>	38,078
Italian – Thai Development (Myanmar) Co., Ltd.	-	-	<b>6,738</b>	1,293
Myanmar ITD Co., Ltd.	-	-	<b>12,736</b>	12,506
Momaz Logistics	-	-	<b>878</b>	-
APPC Holding Co., Ltd.	-	-	<b>311,974</b>	249,081
Total	-	-	<b>6,777,403</b>	6,536,109
Less : Allowance for doubtful accounts	-	-	<b>(1,391,333)</b>	(1,686,557)
Net	-	-	<b>5,386,070</b>	4,849,552

Significant movements in the long - term loans and advances to subsidiaries and related parties for the year ended 31 December 2015 are as follows :

(Unit : Thousand Baht)	Separate F/S			
	1 January 2015	During the year Increase	Decrease	31 December 2015
<u>Subsidiaries</u>				
Italian – Thai International Co., Ltd.	<b>3,767,454</b>	172,318	35,676	<b>3,904,096</b>
Italian – Thai Land Co., Ltd.	<b>555,178</b>	-	74,400	<b>480,778</b>
Palang Thai Kaowna Co., Ltd.	<b>456,970</b>	201	-	<b>457,171</b>
Italian – Thai Power Co., Ltd.	<b>486,139</b>	14,378	-	<b>500,517</b>
Thai Pride Cement Co., Ltd.	<b>300,303</b>	-	-	<b>300,303</b>
ITD Construction SDN. BHD.	<b>295,738</b>	737	-	<b>296,475</b>
Palit Palang Ngan Co., Ltd.	<b>94,966</b>	-	-	<b>94,966</b>
ITD Mozambique Limitada	<b>24,382</b>	38,415	-	<b>62,797</b>
Thai Mozambique Logistica SA	<b>168,665</b>	33,652	-	<b>202,317</b>
ITD – Madagascar S.A.	<b>85,356</b>	17,329	-	<b>102,685</b>
Italian – Thai Development Vietnam Co., Ltd.	<b>38,078</b>	4,894	-	<b>42,972</b>
Italian – Thai Development (Myanmar) Co., Ltd.	<b>1,293</b>	5,445	-	<b>6,738</b>
Myanmar ITD Co., Ltd.	<b>12,506</b>	230	-	<b>12,736</b>
Momaz Logistics	-	878	-	<b>878</b>
APPC Holding Co., Ltd.	<b>249,081</b>	62,893	-	<b>311,974</b>
Total	<b>6,536,109</b>	351,370	110,076	<b>6,777,403</b>

#### 18. LOAN AND ADVANCES TO UNRELATED PARTY

As at 31 December 2015 and 2014, the Company also has made loans to an unrelated party of Baht 88.61 million for the investment in a foreign company which is under the negotiation process. Currently, there has been no further development in the project because the Electricity Generating Authority of Thailand is in the process of concluding the development plan for the capacity of Power plant. Such loan to unrelated party is to support the acquisition of the concession license from the Government of Cambodia to develop a 3,600 megawatt Coal-Fired Power Plant at Koh Kong. Such loan and advances are refundable should the Power Plant project not materialize. The Company has filed claims for refund of such loan and in the process of consideration by Court. In year 2015, the Civil court has judged the Company recovered and seized property. At present, lawsuit is in process of auction sale by Legal Execution Department. However, the Company recognised full allowance for non – refund of such amount

#### 19. LAND AWAITING DEVELOPMENT - NET

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Land awaiting development	<b>769,843</b>	783,541	<b>474,846</b>	474,846
Add : Purchase during the year	<b>1,862</b>	-	-	-
Less : Disposal during the year	-	(13,074)	-	-
Less : Allowance for impairment	-	(624)	-	-
Land awaiting development – net	<b>771,705</b>	769,843	<b>474,846</b>	474,846

As at 31 December 2015 and 2014, land awaiting for development of Baht 282.32 million is the land located in Udonthani province for use in the potash mining project.



## 20. INVESTMENT PROPERTIES

As at 31 December 2015, investment properties presented at fair value consist of :

(Unit : Thousand Baht)	Consolidated F/S	Separate F/S
Land	1,545,050	723,130
Building	19,870	19,870
Total	1,564,920	743,000

During the year, the Company hired independent appraisers to re-appraise the value of land and building under the market approach.

Movements in investment properties for the years ended 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
<b>Net book value as at 1 January</b>	<b>1,410,300</b>	1,363,733	<b>743,000</b>	740,614
Disposal during the year	-	(90,571)	-	(90,571)
Gain on revaluation of assets	<b>154,620</b>	137,138	-	92,957
<b>Net book value as at 31 December</b>	<b>1,564,920</b>	1,410,300	<b>743,000</b>	743,000

## 21. PROPERTY, PLANT AND EQUIPMENT – NET

(Unit : Thousand Baht)	Consolidated F/S					
	Land	Building and factories	Machinery, furniture, fixtures and office equipment	Site office and temporary camps	Machinery and equipment under installation	Total
<b>Cost</b>						
<b>1 January 2014</b>	1,341,341	5,803,388	23,256,994	1,076,155	546,645	32,024,523
Acquisitions/Transfer in	346	139,413	2,732,092	139,161	4,123,426	7,134,438
Disposals/Transfer out	-	(5,793)	(1,282,699)	(32,977)	(683,868)	(2,005,337)
Translation adjustment	(20)	(2,019)	(119,924)	(1,104)	(4,335)	(127,402)
<b>31 December 2014</b>	1,341,667	5,934,989	24,586,463	1,181,235	3,981,868	37,026,222
<b>1 January 2015</b>	1,341,667	5,934,989	24,586,463	1,181,235	3,981,868	37,026,222
Acquisitions/Transfer in	28,997	40,497	6,237,288	55,692	462,808	6,825,282
Disposals/Transfer out	(46,360)	(1,873)	(1,056,824)	(23,191)	(3,747,965)	(4,876,213)
Translation adjustment	41	4,193	223,288	863	1,308	229,693
<b>31 December 2015</b>	1,324,345	5,977,806	29,990,215	1,214,599	698,019	39,204,984
<b>Accumulated depreciation</b>						
<b>1 January 2014</b>	-	3,519,657	14,691,995	525,387	-	18,737,039
Depreciation for the year	-	259,862	1,642,903	102,200	-	2,004,965
Depreciation for disposals	-	(5,793)	(684,834)	(32,977)	-	(723,604)
Translation adjustment	-	(541)	(84,011)	(1,104)	-	(85,656)
<b>31 December 2014</b>	-	3,773,185	15,566,053	593,506	-	19,932,744
<b>1 January 2015</b>	-	3,773,185	15,566,053	593,506	-	19,932,744
Depreciation for the year	-	300,995	1,781,811	110,613	-	2,193,419
Depreciation for disposals	-	(745)	(838,248)	(23,158)	-	(862,151)
Translation adjustment	-	1,159	153,166	599	-	154,924
<b>31 December 2015</b>	-	4,074,594	16,662,782	681,560	-	21,418,936
Less Allowance for impairment						
31 December 2014	15,219	1,818	68,423	-		85,460
31 December 2015	15,219	1,818	67,079	-		84,116
<b>Net book value</b>						
<b>31 December 2014</b>	1,326,448	2,159,986	8,951,987	587,729	3,981,868	17,008,018
<b>31 December 2015</b>	1,309,126	1,901,394	13,260,354	533,039	698,019	17,701,932
<b>Depreciation for the year 2014</b>						2,004,965
<b>Depreciation for the year 2015</b>						2,193,419

	Separate F/S					
	Land	Building and factories	Machinery, furniture, fixtures and office equipment	Site office and temporary camps	Machinery and equipment under installation	Total
(Unit : Thousand Baht)						
<b>Cost</b>						
<b>1 January 2014</b>	1,124,055	4,238,233	14,719,734	1,071,887	129,697	21,283,606
Acquisitions/Transfer in	120	135,964	1,260,261	37,196	421,583	1,855,124
Disposals/Transfer out	-	-	(318,293)	(32,977)	(381,906)	(733,176)
Translation adjustment	-	-	(23,509)	(1,104)	-	(24,613)
<b>31 December 2014</b>	1,124,175	4,374,197	15,638,193	1,075,002	169,374	22,380,941
<b>1 January 2015</b>	1,124,175	4,374,197	15,638,193	1,075,002	169,374	22,380,941
Acquisitions/Transfer in	-	31,182	570,713	8,011	139,154	749,060
Disposals/Transfer out	(46,360)	-	(697,977)	(23,191)	(9,728)	(777,256)
Translation adjustment	-	-	54,658	599	-	55,257
<b>31 December 2015</b>	1,077,815	4,405,379	15,565,587	1,060,421	298,800	22,408,002
<b>Accumulated depreciation</b>						
<b>1 January 2014</b>	-	2,841,512	9,414,281	525,017	-	12,780,810
Depreciation for the year	-	184,694	940,061	98,623	-	1,223,378
Depreciation for disposals	-	-	(295,132)	(32,977)	-	(328,109)
Translation adjustment	-	-	(22,338)	(1,104)	-	(23,442)
<b>31 December 2014</b>	-	3,026,206	10,036,872	589,559	-	13,652,637
<b>1 January 2015</b>	-	3,026,206	10,036,872	589,559	-	13,652,637
Depreciation for the year	-	226,415	969,393	100,719	-	1,296,527
Depreciation for disposals	-	-	(633,015)	(23,158)	-	(656,173)
Translation adjustment	-	-	47,999	599	-	48,598
<b>31 December 2015</b>	-	3,252,621	10,421,249	667,719	-	14,341,589
<b>Net book value</b>						
<b>31 December 2014</b>	1,124,175	1,347,991	5,601,321	485,443	169,374	8,728,304
<b>31 December 2015</b>	1,077,815	1,152,758	5,144,338	392,702	298,800	8,066,413
<b>Depreciation for the year 2014</b>						1,223,378
<b>Depreciation for the year 2015</b>						1,296,527

As at 31 December 2015 and 2014, certain building, machinery and equipment items of the Company and subsidiaries have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 8,314.63 million and Baht 9,415.73 million, respectively (Separate F/S : Baht 7,046.94 million and Baht 8,252.61 million, respectively).

As at 31 December 2015 and 2014, the Company and subsidiaries' machinery, equipment and vehicles with a total net book value of Baht 2,471.18 million and Baht 1,868.88 million, respectively, were acquired under finance lease/ hire purchase agreements. (Separate F/S : Baht 2,222.92 million and Baht 1,650.35 million, respectively).

## 22. GOODWILL

(Unit : Thousand Baht)	Consolidated F/S	
	2015	2014
Goodwill	958,785	958,785
Less : Allowance for impairment	(16,673)	(16,673)
Net	942,112	942,112

A segment-level summary of the goodwill allocation is presented below.

(Unit : Thousand Baht)	Consolidated F/S		
	Cement business in Thailand	Potash mining in Thailand	Construction business in India
Goodwill allocation	275,619	458,699	207,794

### Impairment tests of goodwill

The Company annually tested impairment of goodwill resulting from cement, construction and mining business. The Company compared the carrying amount of goodwill and recoverable amount of cash generated unit which is consider based on the estimated financial value of the cash flows for the period 3-15 years. Average discount rate is 8-12 % for those business.

The Company recognized impairment losses on goodwill in the statement of profit or loss when the recoverable amounts of cash generate unit lower than its book value and cannot reverse in the future.

Based on impairment test for goodwill by increased discount rate at 0.5 percent, the Company will not recognize an impairment of goodwill in the consolidated financial statements for the year end 31 December 2015.

## 23. DEFERRED CONCESSION COST

In the year 2011, the Company entered into a Concession agreement with Bangladesh Bridge Authority of the Government of People's Republic of Bangladesh to proceed with the development of the Dhaka Elevated Expressway. The Company shall establish and incorporate in the Republic of Bangladesh a Project Company as the Concessionaire, which will be a limited liability company. In addition, the Company will be appointed as the EPC Contractor for the design, construction and completion of the Dhaka Elevated Expressway. The period of concession agreement is 25 years. Total project development is approximately Baht 38,044.98 million. Currently, the Company is waiting for handover project area from government and expect to be accessed in the year 2015.

In the year 2013, the Company has signed the Concession agreement with the Ministry of Transportation and Communications, Government of the Republic of Mozambique. The Company will hold 60% of project with project value of USD 4,000 million equivalents to Baht 120,000 million and project detail are as follows:

1. Construction of a Heavy Haul Railway Lines from Moatize to Macuse Port, the approximate length of the standard gauge railways is about 530 kilometers.
2. Construction of a Deep Sea Port at Macuse with the starting port capacity, for exporting coal, of 25 million tons annually to the maximum capacity of 100 million tons annually.
3. Operation of the Heavy Haul Railway Lines and Macuse Deep Sea Port on the Concession Agreement of 30 Years (including the Construction) and the Concession period could be extended for another 10 years.

The Company will pay USD 5 million within 30 days after signing the concession agreement and USD 5 million will be used in human development program and formation of national framework from the start-up of the project.

## 24. BANK OVERDRAFTS AND SHORT – TERM LOANS FROM FINANCIAL INSTITUTIONS

The outstanding balances of bank overdrafts and short – term loans from financial institutions as at 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Bank overdrafts	2,020,489	3,664,644	621	-
Short – term loans from financial institutions	7,677,669	4,009,036	5,480,965	3,464,342
Total	9,698,158	7,673,680	5,481,586	3,464,342

These represent loans obtained from local and overseas financial institutions in the following currencies:

(Unit : Million)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
THB	5,908	3,668	5,481	3,253
INR	3,159	653	-	-
BDT	120	-	-	-

These loans are subject to interest at domestic market rates for Thai Baht currency loans and at the market rates of India for Rupee currency loans.

The subsidiary companies have loan agreements with commercial banks for credit facilities of Baht 286.65 million. These loans bear interest per annum at MLR – 0.75%. Such long – term loans are collateralized by its land and structure including most present and future thereon, and the guarantee of the Company and subsidiary as described in Note 11. The subsidiary companies will reduce credit facilities when redeemed the mortgage at 70% – 80% of selling price of the projects' assets as stipulated in the agreements. The payback period for the principals are within 36 – 42 months from agreements date.

As at 31 December 2015 and 2014, part of loans amounting to Baht 2,450.07 million and Baht 978.84 million, respectively, have been used to finance certain specific projects (Project Finance). The lending banks had set a condition for the Company to process the cash transactions from the projects through the Company's accounts with those banks.

As at 31 December 2015 and 2014, bank overdrafts and short - term credit facilities that have not been drawn down amounted to Baht 2,601.41 million and Baht 7,425.27 million, respectively.

## 25. TRADE ACCOUNTS PAYABLE - RELATED PARTIES

The outstanding balances as at 31 December 2015 and 2014 are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
<b>Subsidiaries</b>				
(eliminated in consolidated financial statements)				
Siam Concrete and Brick Products Co., Ltd.	-	-	224,298	300,330
Thai Maruken Co., Ltd.	-	-	150,252	109,547
Asian Steel Product Co., Ltd.	-	-	1,544	18,494
ItalThai Trevi Co., Ltd.	-	-	321,764	416,488
ITD Cementation India Limited	-	-	13,134	12,481
Thai Pride Cement Co., Ltd.	-	-	45,468	46,623
Aquathai Co., Ltd.	-	-	6,082	2,579
ItalThai Marine Co., Ltd.	-	-	13,607	9,894
Nha Pralan Crushing Plant Co., Ltd.	-	-	2,092	14,210
Saraburi Construction Technology Co., Ltd.	-	-	19,802	30,989
Others	-	-	8,489	4,843
<b>Total</b>	<b>-</b>	<b>-</b>	<b>806,532</b>	<b>966,478</b>
<b>Associated companies and joint ventures</b>				
ITD - Nawarat (L.L.C)	-	569	-	569
MCRP Construction Corporation, Philippines	152,283	152,601	152,283	152,601
Bangkok Steel Wire Co., Ltd.	81,554	163,737	73,435	144,227
ATO – Asia Turnouts Ltd.	126	132,101	124	132,101
ITD – ETF – MVM Joint Venture	39,854	222,430	39,854	222,430
ITD – ETF Joint Venture	135,675	107,687	135,675	107,687
IN Joint Venture	-	1,669	-	1,669
ITO Joint Venture	-	117	-	117
<b>Total</b>	<b>409,492</b>	<b>780,911</b>	<b>401,371</b>	<b>761,401</b>
<b>Related companies</b>				
Sahakol Equipment Public Co., Ltd.	75,676	81,058	75,676	81,058
Siam Steel Syndicate Plc.	167,626	43,467	167,626	43,467
ItalThai Engineering Co., Ltd.	352,558	267,638	352,558	267,450
ItalThai Industrial Co., Ltd.	43,373	119,617	22,725	93,611
Nishio Rent All (Thailand) Co., Ltd.	95,621	87,273	95,592	85,567
Charoong Thai Wire & Cable Plc.	89,440	87,731	83,863	70,968
Sumitomo Mitsui Construction Co., Ltd.	-	154	-	154
LNG PLUS International	36,644	36,644	36,644	36,644
Asia Thai Mining Co., Ltd.	27,403	108,973	-	-
Construction Concrete Co., Ltd.	87,793	62,367	87,793	62,367
Praram 9 Square Co., Ltd.	3,126	19,512	3,126	19,512
OHTL Plc.	11,146	-	11,146	-
Siam Fiber Optics Co., Ltd.	10,194	255	10,194	255
Siam machinery and equipment co. ltd	3,471	1,524	3,471	1,524
Others	18,947	3,992	3,130	3,807
<b>Total</b>	<b>1,023,018</b>	<b>920,205</b>	<b>953,544</b>	<b>766,384</b>
<b>Total trade accounts payable – related parties</b>	<b>1,432,510</b>	<b>1,701,116</b>	<b>2,161,447</b>	<b>2,494,263</b>

## 26. FINANCE LEASE PAYABLES – NET

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Not over one year	<b>668,348</b>	516,420	<b>629,604</b>	490,362
Over one year but not over five years	<b>985,745</b>	829,875	<b>919,367</b>	794,238
Total	<b>1,654,093</b>	1,346,295	<b>1,548,971</b>	1,284,600
Less : Deferred interest	<b>(121,266)</b>	(147,375)	<b>(108,906)</b>	(140,510)
	<b>1,532,827</b>	1,198,920	<b>1,440,065</b>	1,144,090
Less : Current portion	<b>(601,357)</b>	(468,234)	<b>(570,407)</b>	(446,146)
Net	<b>931,470</b>	730,686	<b>869,658</b>	697,944

The above finance leases payable are for machinery, equipment and vehicles leases with scheduled repayment terms of two - five years

## 27. LONG - TERM LOANS - NET

As at 31 December 2015 and 2014, the outstanding balance of long - term loans are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Outstanding balances	<b>8,165,816</b>	7,999,658	<b>4,781,820</b>	5,633,895
Less : Current portion	<b>(2,940,627)</b>	(3,460,303)	<b>(2,179,028)</b>	(2,526,290)
Net	<b>5,225,189</b>	4,539,355	<b>2,602,792</b>	3,107,605

Movements in the long – term loans for the years ended 31 December 2015 and 2014 are summarized as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Balance as at 1 January	<b>7,999,658</b>	5,548,272	<b>5,633,895</b>	4,404,552
Add : Additional borrowings	<b>2,825,282</b>	4,775,728	<b>1,085,000</b>	2,879,984
Less : Repayments	<b>(2,620,278)</b>	(2,287,880)	<b>(1,935,958)</b>	(1,630,662)
Less : Translation adjustment for foreign currency financial statements	<b>(38,846)</b>	(36,462)	<b>(1,117)</b>	(19,979)
Balance as at 31 December	<b>8,165,816</b>	7,999,658	<b>4,781,820</b>	5,633,895

The Company entered into loan agreements with a bank for credit facilities of Baht 2,170 million. These credit facilities bear interest at the rate of MLR per annum. In addition, the loan agreement contains covenants relating to various matters such as the payment of dividends and limitations on the execution of new loan obligations.

Loans of subsidiaries bear interest at the rate of MLR per annum.

A joint operation entered into loan agreement with a financial institution for credit facilities of Baht 8,330 million of which Baht 4,165 million is for the portion of the Company. These credit facilities bear interest at the rates of MLR – 0.75 and MOR – 1 per annum.

A subsidiary entered into loan agreement with a local bank for credit facilities of Baht 1,471 million which bear interest at the rates of MLR per annum. Such contain covenants relating to various matters including maintenance of financial ratios, limitations on the execution of new loan obligations and others. Loans are guarantees by the Company and mortgages of machinery and equipment including the transfer of right for Engineering Procurement Contractor Contract of the subsidiary's construction project.

A subsidiary has loan facilities from local bank of Baht 12,650 million. Such loan guaranteed by the Company and collateralized by the mortgage of project's machinery and equipment.

Loan of an overseas subsidiary bears interest rate at 10.00 – 13.50 per annum and is repayable as specified in agreements. These loans secured by office premises and specific equipments.

## 28. DEBENTURES – NET

Debenture (Unit : Thousand Baht)	Duration	Date of issue	Maturity date	Interest rate (% p.a.)	Consolidated and Separate F/S	
					2015	2014
1	5 years	16 September 2010	16 September 2015	6.25	-	999,033
2	5 years	8 June 2011	8 June 2016	6.72	<b>3,497,909</b>	3,493,111
3	2 years	20 September 2013	20 September 2015	5.80	-	2,494,830
4	5 years	26 June 2014	26 June 2019	6.15	<b>5,972,409</b>	5,964,492
5	2 years	27 February 2015	27 February 2017	4.50	<b>199,716</b>	-
6	5 years 1 day	21 September 2015	22 September 2020	4.95	<b>3,487,610</b>	-
7	2 years 2 days	27 November 2015	29 November 2017	4.10	<b>299,236</b>	-
Total					<b>13,456,880</b>	12,951,466
Less: Current Portion					<b>(3,497,909)</b>	(3,493,863)
Debentures – net					<b>9,958,971</b>	9,457,603

Movements of debentures for the years ended 31 December 2015 and 2014 in the consolidated and separate financial statements are as follows :

(Unit : Thousand Baht)	2015	2014
Balance as at 1 January	12,951,466	11,966,163
Newly issued debentures	4,000,000	6,000,000
Old redeemed debentures	(3,500,000)	(5,000,000)
Cost of issuing debentures	(14,416)	(39,607)
Amortization of costs of issuing debentures	19,830	24,910
Balance as at 31 December	13,456,880	12,951,466
Less : Current Portion	(3,497,909)	(3,493,863)
Net	9,958,971	9,457,603

On 27 February 2015, the Company issued new debenture issuing to specific persons, unsecured, unsubordinated with no representative holders, for a principal amount totaling Baht 200 million with two-year tenure and with a face value of Baht 1,000. These bear interest at a rate of 4.50 percent per annum which is payable every six months. The debentures will be due for redemption on 27 February 2017. The Company used the proceeds from this issuance to repay debts and/or for working capital required to fund business expansion.

On 21 September 2015, the Company issued new debenture issuing to specific persons, unsecured, subordinated with representative holders, for a principal amount totaling Baht 3,500 million with five-year and one-day tenure and with a face value of Baht 1,000. These bear interest at a rate of 4.95 percent per annum which is payable quarterly. The debentures will be due for redemption on 22 September 2020. The Company used the proceeds from this issuance to redeem the maturity debenture and for working capital for operations.

On 27 November 2015, the Company issued new debenture issuing to specific persons, unsecured, unsubordinated with no representative holders, for a principal amount totaling Baht 300 million with two-year and two-day tenure and with a face value of Baht 1,000. These bear interest at a rate of 4.10 percent per annum which is payable every three months. The debentures will be due for redemption on 29 November 2017. The Company used the proceeds from this issuance to repay debts and/or for working capital required to fund business expansion.

On 26 June 2014, the Company issued new unsecured, unsubordinated and unrepresented debentures with a principal amount of Baht 6,000 million to specific persons with five-year tenure and with a face value of Baht 1,000. These bear interest at a rate of 6.15 percent per annum which is payable quarterly. The debentures will be due for redemption on 26 June 2019. The Company used the proceeds from this issuance to repay debts and/or for working capital required to fund business expansion.

The debentures were issued with covenants relating to various matters such as the decrease in share capital, merger, the payment of dividend and limitations on the execution of new loan obligation.

## 29. EMPLOYEE BENEFITS OBLIGATION

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Present value of employee benefits obligation as at 31 December	1,021,629	788,220	764,259	578,869
Fair value of plan assets as at 31 December	(74,187)	(70,534)	-	-
Obligation – net	947,442	717,686	764,259	578,869
<u>Employee benefits obligation</u>				
Balance as at 1 January	788,220	675,278	578,869	502,134
Current service costs	61,472	56,396	38,689	36,022
Interest on obligation	37,241	36,729	24,653	24,444
Actuarial loss	178,926	56,160	155,057	40,439
Benefit paid	(50,032)	(32,425)	(32,827)	(23,202)
Translation adjustments for foreign currency financial statements	5,802	(3,918)	(182)	(968)
Balance as at 31 December	1,021,629	788,220	764,259	578,869
<u>Plan assets</u>				
Balance as at 1 January	70,534	64,826	-	-
Expected returns on plan assets	6,386	5,830	-	-
Contribution	10,682	5,320	-	-
Benefit paid	(14,824)	(6,176)	-	-
Actuarial gain (loss)	(2,282)	2,556	-	-
Translation adjustments for foreign currency financial statements	3,691	(1,822)	-	-
Balance as at 31 December	74,187	70,534	-	-

Plan assets invested with two insurance companies as at 31 December 2015 and 2014 are Baht 74.19 million and Baht 70.53 million, respectively. The management believes that the assets in these portfolios are well diversified risk and, as such, the long term return thereon is expected to be higher than the rate of return on Government Bonds.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The amount of employee benefits obligation, plan assets, the deficit thereof and the experiences of adjustments on plan assets and plan liabilities of overseas entities for the current and previous three years are as follow :

(Unit : Thousand Baht)	2015	2014	2013	2012
Employee benefits obligation	145,870	111,637	93,205	96,210
Plan assets	74,187	70,534	64,826	68,106
Deficit	(71,683)	(41,103)	(28,379)	(28,104)
Experience adjustments on plan assets	2,282	(2,556)	4,323	(5,237)
Experience adjustment on plan liabilities	(20,695)	(7,746)	9,800	(6,842)

The employee benefit obligations of the Company and subsidiaries are measured using actuarial techniques. The estimated amount is computed by the discounted cash flows for amounts to be paid in the future based on the government bond interest rate with a term to maturity that approximates the term of the related obligation. The estimated future cash outflows are based on employee wages, turnover rate, retirement ages, mortality, length of service and others. The employee benefits expenses are recognised in the statement of profit or loss to allocate the expenses through the hiring period. Principal actuarial assumptions are as follows :

	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
<u>Financial assumptions</u>				
Discount rates	1.74 – 8 % per annum	4 – 8.80 % per annum	2.56 – 2.59 % per annum	3.98 – 4.02 % per annum
Future average salary increment rates	0 – 7.39 % per annum	3.21 – 6.65 % per annum	1.76 – 7.18 % per annum	3.42 – 6.62 % per annum
<u>Demographic assumptions</u>				
Mortality rate	Thai Mortality Table 2008	Thai Mortality Table 2008	Thai Mortality Table 2008	Thai Mortality Table 2008
Normal retirement ages	50 - 60 years	55 – 65 years	60 years	60 years
Weighted average duration of the defined benefit obligation (years)	6.9 - 20 years	15 - 20 years	8.30 years	19 years

- Defined benefit plan expenses

Amounts recognised in profit or loss related to employee benefits obligation are as follows:

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Current service cost	50,790	51,076	38,689	36,022
Net interest expense	30,855	30,899	24,653	24,444
Total expenses recognized in profit or loss	81,645	81,975	63,342	60,466

The current service cost is included in employee benefits expense. The net interest expense is included in finance costs.

- Amounts recognised in other profit or loss related to the employee benefits obligation plans are as follows:

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Actuarial loss from changes in experience assumptions	(86,405)	(40,945)	(70,650)	(32,531)
Actuarial loss from changes in demographic assumptions	(36,776)	7,587	(32,204)	5,093
Actuarial loss from changes in financial assumptions	(58,027)	(20,246)	(52,203)	(13,001)
Translation adjustments for foreign currency financial statement	(97)	(4,362)	-	-
Total income recognised in other profit or loss	(181,305)	(57,966)	(155,057)	(40,439)

All expenses summarised above were included within item that will not be reclassified subsequently to profit or loss.

- Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	Increase 0.5 %	Decrease 0.5 %	Increase 0.5 %	Decrease 0.5 %
<b>Discount rate</b>				
Increment (decrement) of employee benefit obligation	36,356	104,619	(20,732)	19,220
<b>Future salary growth</b>				
Increment (decrement) of employee benefit obligation	104,713	36,731	18,402	(20,174)



- As at 31 December 2015 and 2014, expected maturity of employee benefits obligation before discount are as follow :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Within 1 year	350,591	285,076	322,006	258,851
Between 2 – 5 years	339,904	220,044	231,753	202,366
Between 6 – 10 years	342,404	259,896	284,963	228,551
Between 11 – 15 years	306,089	247,282	244,239	195,621

### 30. INCOME TAX

The analysis of deferred tax assets and liabilities are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Deferred tax assets	543,032	277,701	2,024	452
Deferred tax liabilities	(980,380)	(934,491)	(204,989)	(265,263)
Deferred tax – net	(437,348)	(656,790)	(202,965)	(264,811)

The movements in deferred tax assets and liabilities are as follows :

(Unit : Thousand Baht)	Consolidated F/S			
	1 January 2015	Recognised as income (expense)		31 December 2015
		Statement of profit and loss	Shareholders' Equity	
<b>Deferred tax assets</b>				
From allowance for doubtful accounts	53,252	19,943	-	73,195
From allowance for obsolete inventories	813	(447)	-	366
From allowance for impairment of assets	969	-	-	969
From depreciation of assets	139,200	197,236	-	336,436
From loss carry forward	5,471	2,020	-	7,491
From employee benefits obligations	54,963	11,082	788	66,833
From finance lease payables	1,936	4,130	-	6,066
From provision for liabilities	18,414	557	-	18,971
From provision for loss on construction project	-	18,924	-	18,924
From other timing differences	2,683	2,333	8,765	13,781
Total	277,701	255,778	9,553	543,032
<b>Deferred tax liabilities</b>				
From unrealized gain on changes in the value of investments	134,608	-	(55,416)	79,192
From finance lease receivable	29,085	(29,085)	-	-
From finance lease payables	50,479	24,054	-	74,533
From depreciation of machinery	192,026	106,293	-	298,319
From debentures	9,706	(1,083)	-	8,623
From potash mining right	458,699	-	-	458,699
From investment properties	59,888	1,126	-	61,014
Total	934,491	101,305	(55,416)	980,380

(Unit : Thousand Baht)	Consolidated F/S			
	1 January 2014	Recognised as income (expense)		31 December 2014
		Statement of profit and loss	Shareholders' Equity	
<b>Deferred tax assets</b>				
From allowance for doubtful accounts	37,037	15,270	945	53,252
From allowance for obsolete inventories	560	253	-	813
From allowance for impairment of assets	444	412	113	969
From depreciation of assets	100,074	35,585	3,541	139,200
From loss carry forward	-	5,471	-	5,471

	Consolidated F/S			
	1 January 2014	Recognised as income (expense)		31 December 2014
		Statement of profit and loss	Shareholders' Equity	
(Unit : Thousand Baht)				
From employee benefits obligations	42,586	10,053	2,324	54,963
From finance lease payables	-	1,936	-	1,936
From provision for liabilities	18,414	-	-	18,414
From other timing differences	3,478	(795)	-	2,683
<b>Total</b>	<b>202,593</b>	<b>68,185</b>	<b>6,923</b>	<b>277,701</b>
<b><u>Deferred tax liabilities</u></b>				
From unrealized gain on changes in the value of investments	154,706	-	(20,098)	134,608
From finance lease receivable	20,574	8,511	-	29,085
From finance lease payables	26,703	23,776	-	50,479
From depreciation of machinery	80,192	104,429	7,405	192,026
From debentures	6,767	2,939	-	9,706
From potash mining right	458,699	-	-	458,699
From investment properties	41,815	18,073	-	59,888
<b>Total</b>	<b>789,456</b>	<b>157,728</b>	<b>(12,693)</b>	<b>934,491</b>

	Separate F/S			
	1 January 2015	Recognised as income (expense)		31 December 2015
		Statement of profit or loss	Shareholders' Equity	
(Unit : Thousand Baht)				
<b><u>Deferred tax asset</u></b>				
From depreciation of assets	452	1,572	-	2,024
<b>Total</b>	<b>452</b>	<b>1,572</b>	<b>-</b>	<b>2,024</b>
<b><u>Deferred tax liabilities</u></b>				
From unrealized gain on changes in the value of investments	131,556	-	(53,855)	77,701
From finance lease receivable	29,085	(29,085)	-	-
From Investment properties	13,090	55	-	13,145
From finance lease payables	50,479	20,705	-	71,184
From depreciation of machinery	31,347	2,988	-	34,335
From debentures	9,706	(1,082)	-	8,624
<b>Total</b>	<b>265,263</b>	<b>(6,419)</b>	<b>(53,855)</b>	<b>204,989</b>

	Separate F/S			
	1 January 2014	Recognised as income (expense)		31 December 2014
		Statement of profit or loss	Shareholders' Equity	
(Unit : Thousand Baht)				
<b><u>Deferred tax asset</u></b>				
From depreciation of assets	229	223	-	452
<b>Total</b>	<b>229</b>	<b>223</b>	<b>-</b>	<b>452</b>
<b><u>Deferred tax liabilities</u></b>				
From unrealized gain on changes in the value of investments	152,706	-	(21,150)	131,556
From finance lease receivable	20,574	8,511	-	29,085
From Investment properties	-	13,090	-	13,090
From finance lease payables	26,703	23,776	-	50,479
From depreciation of machinery	27,292	4,055	-	31,347
From debentures	6,767	2,939	-	9,706
<b>Total</b>	<b>234,042</b>	<b>52,371</b>	<b>(21,150)</b>	<b>265,263</b>

Income tax consist of :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
<b>Domestic income tax</b>				
Current tax	94,472	190,200	42,883	100,170
<b>Overseas income tax</b>				
Current tax	49,309	(2,664)	-	-
	143,781	187,536	42,883	100,170
<b>Deferred tax</b>				
Change in temporary differences	(154,473)	89,543	(7,991)	52,148
<b>Total</b>	<b>(10,692)</b>	<b>277,079</b>	<b>34,892</b>	<b>152,318</b>
<b>Income tax recognised in other comprehensive income</b>				
Unrealised gain on changes in value of investments	55,416	20,098	53,855	21,150
Actuarial losses	(788)	(2,324)	-	-
Others	10,341	1,842	-	-
<b>Total</b>	<b>64,969</b>	<b>19,616</b>	<b>53,855</b>	<b>21,150</b>

Reconciliation of effective tax rate

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Accounting profit (loss) before income tax	(497,259)	714,826	308,418	680,473
Tax rate for parent company ( % )	20	20	20	20
Tax expense	(99,452)	142,965	61,684	136,095
Adjustment for tax – rate difference in foreign jurisdictions	(39,061)	(46,261)	-	-
Tax on deductible for revenue code	(453,473)	(112,737)	(400,030)	(107,792)
Tax on expenses not subject to tax for revenue code	280,980	246,818	172,516	109,563
Recognition of previously unrecognized loss carry forward	(16,788)	(66,419)	-	(61,222)
Current year losses for which no deferred tax asset was recognised	317,102	112,713	200,722	75,674
Tax expense	(10,692)	277,079	34,892	152,318

Deferred tax assets arising from temporary differences and unused tax losses that have not been recognized in the financial statement are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Temporary differences	1,301,001	1,599,080	1,273,783	1,593,732
Unused loss carried forward	260,837	256,731	-	-
<b>Total</b>	<b>1,561,838</b>	<b>1,855,811</b>	<b>1,273,783</b>	<b>1,593,732</b>

The tax losses will expire in 2015 to 2019. The deductible temporary differences do not expire under current tax legislation. The Company and subsidiaries have not been recognised deferred tax assets in respect of these items because it is not probable that future taxable profit will be available against which the Company and subsidiaries can utilize the benefits.

### 31. SHARE CAPITAL AND WARRANT

#### 31.1 Share capital

At the Annual General Shareholders Meeting held on 8 April 2015, shareholders passed resolution as following :

- 31.1.1 Approval to decrease the registered share capital from Baht 5,871,149,452 to Baht 5,279,840,828 by decrease unissued shares of Baht 591,308,624 (591,308,624 shares at Baht 1 par value).
- 31.1.2 Approval to increase the register share capital from Baht 5,279,840,828 (5,279,840,828 shares at Baht 1 par value) to Baht 6,335,808,993 (6,335,808,993 shares at Baht 1 par value) which reserve for the exercise warrant of Baht 1,055,968,165.

The Company registered such changes with the Department of Business Development on 23 April 2015.

At the General Shareholders' Meeting held on 7 November 2014, the shareholders approved the Company's registered share capital with general mandate of Baht 1,010.68 million (1,010.68 million common shares at Baht 1 par value) to offer the 591.31 million ordinary shares proportionally to the existing shareholders and the 419.37 million common shares for private placement. The Company has received the paid - up totaling Baht 2,117,807,481.

At the Special Shareholder's Meeting of an oversea subsidiary held on 11 August 2014, the shareholders pass a resolution to approve the increase share capital to private placement not exceeding Rupee 1,500 million. On 4 September 2014, the shareholders approved the allocation of increase share capital of 4,000,000 shares at par Rupee 10 per share and at offer price of Rupee 360 per share. The subsidiary company has received the paid-up totaling Rupee 1,440 million.

### 31.2 Warrant

At the Annual General Shareholders Meeting held on 8 April 2015, the shareholders passed a resolution to issue and allocate warrant no.1 (ITD-W1) to existing shareholders at 5 shares for 1 unit of warrant totaling 1,055,968,165 units.

1 unit of warrant is exercisable to purchase 1 common share at Baht 14 each within 4 years starting from 14 May 2015 to 13 May 2019. It first exercise is on 30 September 2015 and able to exercise on the last working day of each quarter. As at 31 December 2015, the Company has the outstanding warrant totaling 1,055,968,165 units.

## 32. EARNING PER SHARE

There is no potential dilution in earnings per share arose from warrant because the average share price during this period was lower than the exercise price. The Company therefore, has not computed the diluted earnings per share from warrant.

## 33. RELATED PARTY TRANSACTIONS

During the year, the Company and subsidiaries had significant business transactions with related parties, which have been conducted on commercial terms and based on agreed upon in the ordinary course of businesses between the Company and those related parties, as follows :

	Pricing policy
Turn-key construction service income	Cost plus margin
Construction service income, exclusive the procurements of materials	Cost or cost plus margin
Land rental income	Mutually agreed rate
Sales of equipment	Cost or mutually agreed price
Sales of investment	Market price
Purchases of construction materials	Approximate market price
Turn-key construction expenses	Cost plus margin
Hire of construction services, exclusive procurements of materials	Cost
Purchases of investments	Approximate net book value
Purchases of assets	Mutually agreed prices
Interest on loans with related parties	Mutually agreed rate
Rental expenses	Mutually agreed rate

Below are summaries of significant related party transactions during the year :

(Unit : Million Baht)	Consolidated F/S		Separate F/S	
	For the years ended 31 December			
	2015	2014	2015	2014
<u>Transactions with subsidiaries</u>				
Construction services, sales and other income	-	-	757	1,375
Sales of equipment	-	-	49	2
Purchases of construction materials and services	-	-	1,051	1,905
Purchases of equipment	-	-	6	186
<u>Transactions with associated companies and joint ventures</u>				
Construction services, sales and other income	231	545	231	545
Purchases of construction materials and services	405	1,071	354	994
<u>Transactions with related companies</u>				
Construction services, sales and other income	890	817	808	761
Sales of equipment	-	-	-	1
Purchases of construction materials and services	1,999	1,538	1,593	1,154
Purchases of equipment	93	200	39	53
<u>Key management personnel compensation</u>				
Short-term employee benefits	112	97	90	77
Post-employment benefits	6	5	1	1

Furthermore, the Company also has significant transactions with its related parties in respect of loans and advances. The outstanding balances of such transactions are presented as separate items in the statement of financial position.

### Accrued rental expenses

As at 31 December 2015, a subsidiary has accrued rental expenses of Baht 62.42 million (2014 : Baht 54.17 million).

**34. ALLOWANCE FOR LOSSES ON CONSTRUCTION PROJECT**

Movements of allowance for losses on construction project for the years ended 31 December 2015 and 2014 are as follow:

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Balance as at 1 January	159,401	4,476	157,173	2,300
Allowance for loss on construction projects	106,067	154,925	108,295	154,873
Balance as at 31 December	265,468	159,401	265,468	157,173

**35. PROVIDENT FUND**

The Company and subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company, and subsidiaries, contributed to the fund monthly at the rate of 2 - 5 percent of basic salary. The fund, which is managed by Finansia Asset Management Limited, will be paid to employees upon termination in accordance with the fund rules. During the years 2015 and 2014, the Company and its subsidiaries contributed Baht 56.08 million and Baht 51.26 million, respectively, to the fund (Separate F/S : Baht 49.13 million and Baht 42.02 million, respectively).

**36. COST OF CONSTRUCTION WORK**

As at 31 December 2015 and 2014, construction costs of the Company after adjustment to reflect gains or losses recognized for current construction projects, amounted to Baht 78,738 million and Baht 74,479 million, respectively.

**37. LEGAL RESERVE**

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

**38. OTHER INCOME**

Significant other income for the years ended 31 December 2015 and 2014 are as follows:

(Unit: Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Rental income	63,457	82,753	56,997	83,218
Insurance claim	9,373	5,689	-	2,220
Gain on disposal of assets	60,091	101,264	10,319	84,101
Bad debt written back	10,365	10,290	192	-
Income from claims for debt settlement	59,241	-	42,854	-
Others	118,664	305,281	31,093	132,881
Total	321,191	505,277	141,455	302,420

**39. EXPENSES BY NATURE**

Significant expenses by nature are as follows :

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2015	2014	2015	2014
Salaries, wages and other employee benefits	9,641,129	9,621,838	7,456,259	7,485,400
Depreciation	2,193,419	2,004,965	1,296,527	1,223,378
Amortisation	6,251	7,613	5,585	5,783
Rental expenses	1,524,950	1,792,906	1,143,809	1,231,636
Materials and supplies used	16,973,520	19,767,154	10,176,930	13,792,361
Subcontract costs	13,331,348	9,767,877	5,887,117	7,030,031
Utilities expenses	785,278	826,310	315,435	333,539
Transportation expenses	548,789	826,782	296,042	394,765
Repair and maintenance expenses	611,403	914,558	438,030	403,630
Prebid expenses	70,618	88,554	55,925	88,506
Professional fee	3,303,871	410,563	108,557	108,454
Fuel expenses	1,366,335	1,597,150	961,923	1,119,098

**40. GUARANTEES**

As at 31 December 2015, the Company and subsidiaries have outstanding guarantees totaling approximately Baht 45,837.86 million issued by financial institutions on behalf of the Company and subsidiaries in respect of certain performance bonds required in the normal course of business. The Company does not expect to incur losses from these guarantees.

As at 31 December 2015, the Company has outstanding guarantees approximately Baht 7,946.82 million issued to financial institutions to collateralize credit facilities granted by those financial institutions to the subsidiaries and joint venture. The Company issued guarantees in proportion to its shareholding (except for ItalThai Trevi Co., Ltd., ItalThai Marine Co., Ltd., Aquathai Co., Ltd., Sarithorn Co., Ltd., Asian Steel Product Co., Ltd., and ITD Cementation India Limited for which the Company issued full guarantees for the credit facilities).

#### 41. COMMITMENTS

- 41.1 As at 31 December 2015, the Company and subsidiaries have outstanding commitments with major subcontractors, classified by currencies as follows :

(Unit : Million Baht)	Baht Equivalent	
	Consolidated F/S	Separate F/S
<u>Currency</u>		
THB	5,501.04	5,258.80
INR	1.50	1.50

- 41.2 As at 31 December 2015, the Company and subsidiaries have the following outstanding commitments, proportionately, for purchases of materials, machinery, software and related services :

(Unit : Million Baht)	Baht Equivalent	
	Consolidated F/S	Separate F/S
<u>Currency</u>		
THB	118.56	84.86
USD	363.63	151.29
INR	74.09	-
EUR	316.17	53.81
TWD	1.17	1.17
AUD	0.51	0.51

- 41.3 As at 31 December 2015, the Company has outstanding commitments of USD 0.70 million in respect of the uncalled portion of investments in a related company, associated company of USD 8.35 million, and eight subsidiary companies of Baht 2.25 million, USD 1.58 million, BDT 26,880.82 million and MMK 344.17 million.
- 41.4 A subsidiary company has a commitment to apply for and to obtain a mining concession from the Government of Thailand prior to the commencement of the potash mining operations. A fee of USD 5 million is payable to the Ministry of Industry upon receipt of the mining concession and an annual fee subsidizing the Education Fund of USD 0.20 million is payable to the Department of Primary Industries and Mines in accordance with an agreement between the Ministry of Industry and the Department of Primary Industries and Mines and the Company.
- 41.5 A subsidiary company entered into a land purchase and sale agreement for the land located in the mining project area in Udon Thani Province. The total area of land is approximately 1,239 rais for a total cost of Baht 279 million. The subsidiary company has paid a deposit of Baht 2 million for the land purchase, and the balance will be paid according to the terms of the agreements.
- 41.6 A subsidiary company has a commitment relating to housing and building construction agreements with several companies of approximately Baht 242.29 million.

#### 42. CONTINGENT LIABILITIES

- a) In year 1997, the Company and seven other parties were jointly sued for compensation totaling approximately Baht 654.89 million. On 30 December 2005, the Court of First Instance ordered the defendant to pay for damages amounting to Baht 440.03 million, plus interest at the rate of 7.50 percent per annum from 11 June 1992 to the payment date. On 17 March 2006, the Company submitted an appeal and a petition to stay execution to the order of the Court - Chonburi Province defending that the plaintiffs did not file the claims with the Bankruptcy Court within the prescribed period. The Appeal Court had issued a verdict in favour of the Company (co-defendant) whereby the Company has no responsibility to the plaintiff. Currently, such case is in the process of consideration to submit the petition by plaintiff. The Company believes that there will be no damage from such case. The Company therefore, has not set up any provision in its accounts. There has been no progress on this matter during the year.
- b) Certain customers of the Company have taken legal actions against the Company, subsidiary companies, and joint venture for breaches of service agreements as follow :

	Million Baht
Company and subsidiary companies	921.04
Associated company	27.25
Joint venture	20.96
Total	969.25

The cases are currently pending for judgment from the Civil Courts. Management is of the opinion that such lawsuits are a normal part of businesses and some are brought without proper justifiable grounds, and believes that no material liabilities will be incurred as a result of those lawsuits. Therefore, the Company has not set up provision for those in the accounts.

- c) A branch office in overseas has been tax assessed for the years 2005 and 2007 by tax authority of branch office totaling Baht 397.95 million. The Company's management believes that no material liabilities will be incurred from tax assessed. Therefore, the Company has not set up provision for those in the accounts.

#### 43. SEGMENT REPORTING

Consolidated financial statements as at 31 December 2015 and 2014 and for the years ended 31 December 2015 and 2014 combined geographic segment reporting as follow :

(Unit : Million Baht)	Consolidated F/S			
	Revenues from construction work		Non - current assets*	
	2015	2014	2015	2014
<u>Geographic information</u>				
Thailand	<b>28,679</b>	32,881	<b>21,152</b>	20,810
India	<b>18,154</b>	11,177	<b>1,997</b>	2,123
Others	<b>2,387</b>	1,434	<b>10,261</b>	9,342
Total	<b>49,220</b>	45,492	<b>33,410</b>	32,275

\* Exclude deferred tax asset and goodwill

Revenues from external customers in the Group, Thailand as well as its major markets, and India, have been identified on the basis of the customer's geographical location. Non - current assets are allocated based on their physical location.

The operations of the Company and subsidiaries for the years ended 31 December 2015 and 2014 are mainly engaged in a single industry segment, construction services, and are conducted in the following geographical segments.

(Unit : Million Baht)	Consolidated F/S											
	For the years ended 31 December											
	Thailand		India		Other countries		Total		Eliminate		Grand Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<u>Revenue from construction work</u>												
Gross segment revenues	<b>28,679</b>	32,881	<b>18,154</b>	11,177	<b>2,387</b>	1,434	<b>49,220</b>	45,492	-	-	<b>49,220</b>	45,492
Inter - segment revenues	<b>430</b>	1,881	<b>14</b>	82	<b>190</b>	-	<b>634</b>	1,963	<b>(634)</b>	(1,963)	-	-
Net revenues from third parties	<b>29,109</b>	34,762	<b>18,168</b>	11,259	<b>2,577</b>	1,434	<b>49,854</b>	47,455	<b>(634)</b>	(1,963)	<b>49,220</b>	45,492
<u>Revenue from sale and service</u>												
Gross segment revenues	<b>2,071</b>	2,587	-	-	<b>7</b>	3	<b>2,078</b>	2,590	-	-	<b>2,078</b>	2,590
Inter - segment revenues	<b>741</b>	826	-	-	-	-	<b>741</b>	826	<b>(741)</b>	(826)	-	-
Net revenues from third parties	<b>2,812</b>	3,413	-	-	<b>7</b>	3	<b>2,819</b>	3,416	<b>(741)</b>	(826)	<b>2,078</b>	2,590
Gross profit (loss)	<b>2,793</b>	3,978	<b>1,713</b>	693	<b>(80)</b>	(179)	<b>4,426</b>	4,492	<b>(17)</b>	(191)	<b>4,409</b>	4,301
Other income											<b>321</b>	505
Interest income											<b>83</b>	96
Interest expense											<b>(2,589)</b>	(2,501)
Depreciation and amortization											<b>(2,200)</b>	(2,013)
Allowance for doubtful accounts											<b>(600)</b>	(5)
Gain (loss) on exchange rate											<b>(12)</b>	223
Share of profit from investment in associated companies and joint ventures											<b>10</b>	152
Income tax expense											<b>11</b>	(277)
Profit (loss) for the year											<b>(487)</b>	438

(Unit : Million Baht)	Thailand		India		Other countries		Total		Elimination		Grand total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Property, plant and equipment - net	<b>10,366</b>	15,068	<b>1,737</b>	1,590	<b>5,663</b>	429	<b>17,766</b>	17,087	<b>(64)</b>	(79)	<b>17,702</b>	17,008
Other assets	<b>55,567</b>	53,623	<b>15,309</b>	13,252	<b>6,128</b>	5,012	<b>77,004</b>	71,887	<b>(16,611)</b>	(15,705)	<b>60,393</b>	56,182
Total assets	<b>65,933</b>	68,691	<b>17,046</b>	14,842	<b>11,791</b>	5,441	<b>94,770</b>	88,974	<b>(16,675)</b>	(15,784)	<b>78,095</b>	73,190

#### Major Customer

For the year ended 31 December 2015, the Company and subsidiaries revenue come from Government agencies amounting of Baht 27,582.91 million (2014 : Baht 25,586.09 million).



#### 44. FINANCIAL INSTRUMENTS

##### Financial risk management

The Company and subsidiaries have financial instruments principally comprise cash and cash equivalent pledged deposits at banks, trade accounts receivable, loans, investments, bank overdrafts and short - term loans from financial institutions, loans, finance lease payables, debentures and long-term loans. The financial risks associated with these financial instruments and how they are managed are described below.

##### Credit risk

The Company and subsidiaries have exposure to credit risk primarily with respect to trade accounts receivable, loans, and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses since most of the credit grantings are covered with contracts and guarantees. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans, and other receivables as presented in the statement of financial position.

##### Interest rate risk

The Company and subsidiaries exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts and short-term loans from financial institutions, short-term loans, finance lease payables, debentures and long-term borrowings. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

##### Foreign currency risk

The Company and subsidiaries have exposure to foreign currency risk from trading transactions and borrowings that are denominated in foreign currencies. The Company, subsidiaries and joint ventures seek to manage this risk by entering into forward exchange and currency swap contracts when it considers appropriate.

The significant balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2015 are summarized below :

Foreign currency	Consolidated F/S		Separate F/S		Average exchange rate as at 31 December 2015 (Baht per foreign currency unit)
	Financial assets (Million)	Financial liabilities (Million)	Financial assets (Million)	Financial liabilities (Million)	
USD	26	27	33	2	36.0886
EUR	-	40	-	3	39.7995
LAK	-	167	-	-	0.0044

Forward exchange contracts which remain outstanding as at 31 December 2015 are summarized below :

Currency	Balance (Million)	Forward contract exchange rate
USD (sell)	35	32.8000
EUR (buy)	37	42.4500
USD (buy)	25	32.8000

As at 31 December 2015, significant foreign currency denominated assets and liabilities which are unhedged of the The Company and subsidiaries as follow:

	Consolidated F/S (Net)		
	USD Million	EUR Million	LAK Million
Trade accounts receivable and retention	21	-	-
Trade accounts receivable and loan to – related companies	5	-	-
Trade accounts payable	2	1	167
Loan from banks	-	2	-

	Separate F/S (Net)	
	USD Million	EUR Million
Trade accounts receivable and retention	16	-
Trade accounts receivable and loan to – related companies	17	-
Trade accounts payable	2	1
Loan from banks	-	2

In addition, the Company and subsidiaries have foreign currency exposure risk with respect to their investments in subsidiaries and associated companies in overseas which are not covered by the hedges against foreign currency risk.

A subsidiary has entered into the cross currency swap contract with a financial institution to manage exposure of fluctuations in foreign currency exchange rates of Baht 2,702.39 million, starting from 20 November 2014 to 30 December 2024.

#### 45. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table present financial and liabilities assets that are measured at fair value as at 31 December 2015:

(Unit : Thousand Baht)	Consolidated F/S			
	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>				
Current investments	-	45	-	45
Forward contract asset	-	65	-	65
Other long – term investments	742,247	-	-	742,247
Investment properties	-	-	1,564,920	1,564,920
Total	742,247	110	1,564,920	2,307,277
<u>Financial liabilities</u>				
Forward contract liabilities	-	48,876	-	-
Total	-	48,876	-	-

(Unit : Thousand Baht)	Separate F/S			
	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>				
Forward contract asset	-	65	-	65
Other long – term investment	715,621	-	-	715,621
Investment properties	-	-	743,000	743,000
Total	715,621	65	743,000	1,458,686

#### 46. CAPITAL RISK MANAGEMENT

The Company and subsidiaries's objective in the management of capital are to safeguard their ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to minimise the cost of capital. In addition, the Company and subsidiaries are required to maintain a debt to equity ratio as stipulated in loan facility agreements.

In order to maintain or adjust the capital structure, the Company and subsidiaries may adjust the dividend payment to shareholders, issue new shares or issue new debentures to finance debts or sell assets to reduce debts.

#### 47. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 29 February 2016.





**Italian-Thai Development Public Company Limited**  
2034/132-161 ItalThai Tower, New Petchburi Road,  
Bangkapi, Huaykwang, Bangkok 10310, Thailand  
Telephone : +66(0)2716-1600 Fax : +66(0)2716-1488  
Corporate Services Division Ext : 3802-4 Fax : +66(0)2716-1494  
[www.itd.co.th](http://www.itd.co.th) E-mail : [cccs@itd.co.th](mailto:cccs@itd.co.th)