

**Noble
Development
Public
Company
Limited**

**Annual Report
2016**

Message from Chairman

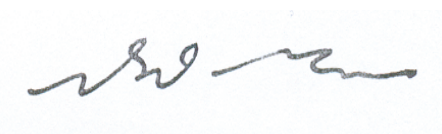
In 2016, the global economy in the beginning of the year continued to fluctuate from the previous year. Since the third quarter of 2016, the global economy has shown signs of recovery accord with the recovery of the major countries' economy. In 2017, the factors that may affect the global economy are the clarity on the President of the United states' policies, the political instability in Europe including China's financial and real estate problems. In the last year, Thailand economy growth rate increased more than that in the previous year due to spending and expansion of public investment including government's stimulus measures since the beginning of the year until the end of 2016 even though there was flood disaster in the south last year.

The real estate business in early 2016 had a relatively high growth rate due to government measures related to real estate sector. However, in the second half of the year, the growth rate was slow down because household debt remained at a high level, the strictness of credit approval of financial institutions and developers have deferred the launch of new projects to expedite the existing products.

Noble Development Public Company Limited's operating result in 2016 continued to grow steadily. The company had revenue from the real estate development business amounted to Baht 4,409 million because of experience and ability to alter strategies to keep pace with situations in harmony with the stringent, discreet and efficient administration and capital management policies.

In 2017, the factors that will propel the real estate market are the stable and low interest rate, the public investment especially investment in infrastructure projects which help to build confidence in private investment that result in increasing employment and consumers' purchasing power. In order to accommodate with the steady expansion in 2017, the company plans to launch at least four additional projects in the heart of the city that has the potential to meet the needs of customers.

Noble Development Public Company Limited would like to thank all of you for your support and this is a significant driving force for the company to strongly grow and continuously expand. The company will strictly adhere to the policy and philosophy of the company to be the leader in residential innovation to meet the diverse needs and bring a better quality of life to customers. The company will adhere to administration and capital management policies which are discreet, efficient and transparency in accordance with corporate governance principle to fulfill the ideology and philosophy of the company.



Mr.Kitti Thanakitamuay

Chairman and Chief Executive Officer

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Investors can learn more on the information of the issuing company from the annual statement (Form 56-1) of the company which are listed on www.sec.or.th or the company's website (if available).

01 Company Overview

The core business of Noble Development Public Company Limited and its subsidiaries is property development, composed of various types of residential projects such as land plot, single detached houses, townhouses, low rise and high rise condominiums. The Company aims to offer exceptional-design living and creative innovation to satisfy customers' various desires as an alternative option.

Vision: The core business of Noble Development Public Company Limited is determination to create innovation to go beyond to satisfy customers' expectation, in addition with modern technology to invent the best residential projects for various types of living.

Mission: The Company is a pioneer and leader in innovative and create a unique residential to meet and bring higher quality to customer satisfaction.

The Company is managed under the discreet and efficient administration and funds management policies and transparency in corporate governance, including establish creditability to investors and stakeholders in order to continuously grow.

The Company promotes the responsible for community and society by complying to policies, rules, and regulations strictly.

Company Overview

The Company has launched total 42 residential projects. Eight of these projects were developed and launched before year 2002 with the total value of Baht 4,877 million while 34 of these projects were developed and launched between year 2002 and 2016 with the total value of THB 69,819 million. The project consists of single detached house, condominium, townhouse, and land plot. The single detached house projects include Noble Tara Ekamai-Rama 9, Noble Tara Ngamwongwan, Noble Tara Pattanakarn, Noble Tara Ngamwongwan 2, Noble Wana Pinklao, Noble Wana Watcharapol, Noble Anawana Pinklao, Noble Geo Watcharapol, Noble Geo Rama 5, and Noble Gable Watcharapol, the latest project with the concept of single detached house and twin house.

The condominium projects include Noble Ora Condo, Noble Lite, Noble 09, Noble Ambience Sarasin, Noble Remix, Noble Solo, Noble Reflex, Noble Reveal, Noble Reform, Noble Refine, Noble RED, Noble Revent, Noble Remix 2, Noble Ploenchit, Noble Revolve Ratchada, Noble Revolve Ratchada 2, Noble Revo Silom, Noble Recole, Noble BE33 and Noble BE19. The townhouse and land plot project are First Home and Noble Satorn Thapra, Noble Residence and Noble Cube respectively.

Besides the residential projects, the Company also operates other businesses that are core business-related such as property rental and service, property management services, property services after transfer of ownership, asset or debt management service offering to investors, financial institutions and asset management companies.

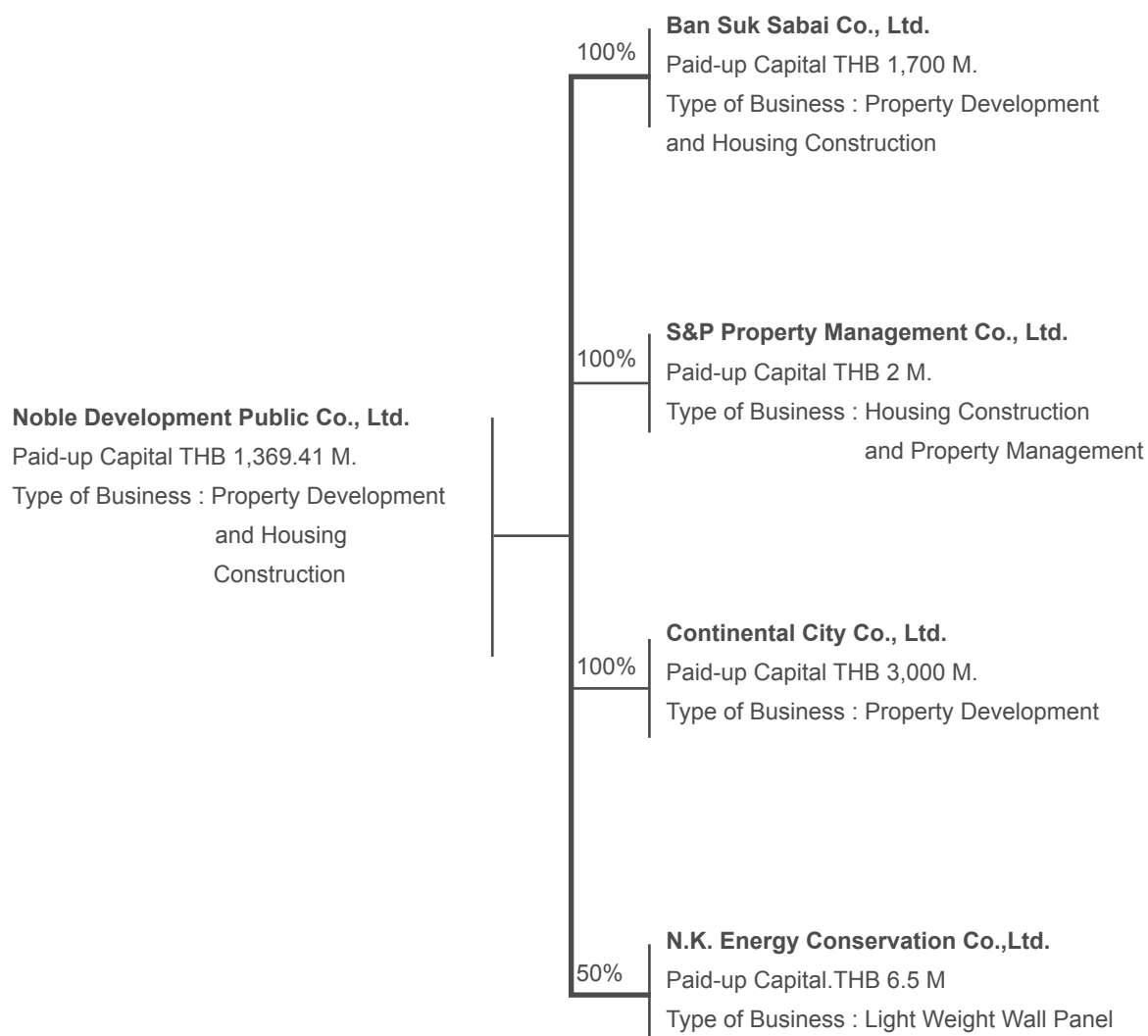
Changes and important developments for the past three years

- 2014** In May 2014, the Company issued and offered of unsubordinated, unsecured debenture with name registered and has bond holders' representative for 3 years total valued of 1,500 Million Baht to public and/or institution investors. The income from bond issuance is the Company's source of fund for repayment, and/or business expansion, and/or working capital
- In September and November, the Company launched Noble Recole, located in Sukhumvit 19, and Real Chaengwattana, which received good welcome from the customers.
- 2015** In February 2015, the Company launched Noble Gable Watcharapol with the concept of single detached house and twin house.
- In April 2015, the Company issued and offered of unsubordinated, unsecured debenture with name registered and has no bond holders' representative for 3 years total valued of 200 Million Baht under private placement not exceeding 10 investors in every 4 months. The income from bond issuance is the Company's source of fund for repayment, and/or business expansion, and/or working capital.
- In June 2015, the Company launched Noble BE33 located in soi sukhumvit 33.
- In July 2015, the Company issued and offered of unsubordinated, unsecured debenture with name registered and has bond holders' representative for 3 years total valued of 1,500 Million Baht to public and/or institution investors. The income from bond issuance is the Company's source of fund for repayment, and/or business expansion, and/or working capital.
- In September 2015, the Company issued and offered of unsubordinated, unsecured debenture with name registered and has no bond holders' representative for 3 years total valued of 150 Million Baht under private placement not exceeding 10 investors in every 4 months. The income from bond issuance is the Company's source of fund for repayment, and/or business expansion, and/or working capital.
- 2016** In March 2016, the Company launched the condominium project, Noble BE19, located in Sukhumvit 19.
- In June 2016, the Company issued and offered of unsubordinated, unsecured debenture and has bond holders' representative for 3 years total valued of 1,500 Million Baht to public and/or institution investors. The income from bond issuance is the Company's source of fund for repayment debentures, and/or business expansion, and/or working capital.

The Company has a policy to divide the operation to subsidiaries and associated companies for developing, and managing the projects as shown in the following detail:

Company/Address	Type of Business	Project
1. Ban Suk Sabai Company Limited NOBLE Building, 1035 Ploenchit Rd., Lumpini, Pathumwan, Bangkok	Property Development and Housing Construction	Noble Park Noble Tara Ngamwongwan 2
2. S&P Property Management Company Limited NOBLE Building, 1035 Ploenchit Rd., Lumpini, Pathumwan, Bangkok	Housing Construction and Property Management	Noble Neo City
3. Continental City Company Limited NOBLE Building, 1035 Ploenchit Rd., Lumpini, Pathumwan, Bangkok	Property Development	The Noble Noble Remix Noble Remix 2 Noble Recole Noble BE33 Noble BE19
4. N.K.Energy Conservation Company Limited 54/4 Moo 7, Bang Saothong, Samutprakarn	Light Weight Wall Panel	Noble Choice Pinklao Noble Choice Vibhavadee

Company Structure



02 Business Characters

Revenues Structure

Unit: THB Million

Revenues Structure	Operated By(1)	Shares holding %	2016		2015		2014	
			Value	%	Value	%	Value	%
Revenue from Real Estate Development								
Single Detached House and Land	NOBLE	-	110.52	2.42	65.95	14.75	105.28	4.46
Condominium	NOBLE	-	4,298.81	94.12	200.15	44.76	2,099.32	89.03
	CC	100%	-	-	20.66	4.62	-	-
Total Revenue from Real Estate Development			4,409.32	96.54	286.75	64.13	2,204.60	93.49
Revenue from Rental and Services								
Service Apartment	NOBLE	-	48.53	1.06	48.60	10.87	48.05	2.04
Condominium	NOBLE	-	15.09	0.33	14.30	3.20	13.73	0.58
	CC	100%	29.62	0.65	22.91	5.12	10.05	0.43
Total Revenue from Rental and Services			93.24	2.04	85.82	19.19	71.82	3.05
Total Revenue from Core Businesses			4,502.56	98.58	372.57	83.32	2,276.42	96.54
Other Revenues								
Gain from cancelled contracts	(2)	-	14.97	0.33	2.66	0.59	4.24	0.18
Interest Income	(2)	-	41.54	0.91	49.65	11.10	62.89	2.67
Others Income	(2)	-	8.47	0.19	22.28	4.98	14.56	0.62
Total Other Revenues			64.97	1.42	74.59	16.68	81.69	3.46
Total Revenues			4,567.53	100.00	447.16	100.00	2,358.11	100.00
Increase (Decrease) in Revenue from Core Businesses			4,129.99	1,108.52	(1,903.85)	(83.63)	(808.14)	(26.20)

Remark (1) NOBLE = Noble Development Public Company Limited.
 CC = Continental City Company Limited
 (2) Revenues of the Company and its subsidiaries.

Noble Development Projects

Every Noble Development project is a reflection of the creativity and the conviction of Noble. The mind-set to create innovation to satisfy needs and enhance quality of life which bring happiness to homeowners beyond their expectations are all the Noble's mission.

Projects developed and launched before 2002

Noble Park Project

Noble Park was unveiled in December 1991 as the first horizontal condominium in Thailand. The concept of a "Condo house" combines the benefits of living as part of a community and the precepts of condominium residence to the familiar features of Thai ways of living within the development.

Noble Home Project

Noble Home comprises single dwelling houses with architectural designs aimed to give a different perspective and individuality including the curved roof, all of which enhanced quality and offered more useable floor space than the average home. The project launched in August 1992.

Noble Neo City Project

Noble Neo City is the visual proof of the innovation development that is taking place within Noble. Here, the concept of a life of freedom is catered to. Owners can expand living space within their detached homes in four different steps. They can start with 2 floors 2 bedrooms and, if so wish, they can later add to that and end up with 3 floors 5 bedrooms.

The Noble Project

Prestigious detached residences comparable to a contemporary art form. Built right in the heart of Bangkok, The Noble has been designed to offer maximum floor space, resulting in practicality and privacy. The design concept also brings the green-ness of the garden right into the home.

Noble House Phayathai Project

Noble's high-rise residential development with 30 storey tower located in central business district, special design offer convenience in terms of commuting and amenities for today's lifestyle. The project consists of 300 residential units and commercial area.

Noble Choice Project

Noble Choice is the innovation from Noble Development, one spawned from the marriage of state-of-the-art technology and an old-fashioned commitment to service. The success of Noble Choice is evident from all of our satisfied customers who have exercised their freedom of choice to express a wide variety of contemporary lifestyles, all of whom were delighted beyond their expectations. Durable yet flexible, Noble Steel Tech has a proven track record of success overseas where it has been utilized for more than a decade. Noble Choice projects are located in two different areas - Noble Choice Pinklao and Noble Choice Vibhavadee.

Noble House Ruamrudee Project

Possibly occupying the best location in Bangkok, the key concepts behind this development are privacy and peace. Hence, there are a total of only 23 units designed to give maximum space for the families of those executives who are looking for convenience in traveling.

Projects launched since 2002

Noble Tara Ekamai – Rama 9 / Noble Tara Ngamwongwan / Noble Tara Pattanakarn / Noble Tara Ngamwongwan 2 Project

“Tara” means “stream” which implies the concept of the project to bring peace of recreation with tall fences covered by floras surrounding the project to maximize the enjoyment from nature together with the private swimming pool. The Noble’s differentiated concept of C-shape housing keeps every corner of the house close to nature surrounding. The projects are in the best location according to the concept of “Special privacy in the city center”, which located on Rama 9, Ngamwongwan and Pattanakarn.

Noble Wana Pinklao / Noble Wana Watcharapol Project

The concept of this project is to bring resort feeling to the home, which can be presented in its name: “Wana” means “Forest”. This is a place to take a rest with nature everyday. Every living space links with nature, both view and sensibility by balancing oriental and western philosophy. The project is unique from others in the market with the clubhouse and swimming pool decorated to maximize the privacy. Two Wana projects are Noble Wana Pinklao and Noble Wana Watcharapol.

Noble Ana Wana Pinklao Project

Noble Ana Wana Pinklao builds on the success of the previous Noble Wana Pinklao project. Utilizing the popular Wana design on the same Pinklao site, this new development offers a resort-style living experience 365 days a year. Each house has a plot of 100 square wah or more to give each resident that much more exposure to the area’s natural charms.

Noble Satorn Thapra Project

Noble Satorn Thapra is a project with a very different approach to modern housing. Plots varying in size from 78 to 168 square wah offer havens of security and serenity in small communities served by common facilities. Customers who wish to design their own homes are given every help and encouragement in selecting the concepts and details that they and their families prefer.

Noble Ora Thonglor Project

Noble Ora Condominium comprises of two 21-storey condominiums towers with 223 units at one of Bangkok’s prime locations, the center of Soi Thonglor. The project has 60’s design that provides Condominium facilities but feeling of spacious single house from the large floor-to-ceiling and a tropical style swimming pool.

Noble Geo Watcharapol / Noble Geo Rama 5 Project

Noble Geo is designed under the Planning & Function concept to enable free-style arrangement of furniture. The box-shape houses maximize useable area, larger living room and bedroom. The beautiful natural landscape lawns and gardens can be accessible from every angle of the houses, located in Watcharapol and Rama 5.

First Home Project

First Home is a townhouse project under the strategies to expand the market base to cover all tiers of customers, located near the city but economical pricing. The project consists of 2-storey townhouses and 3-storey commercial units, located in Soi Watcharapol.

Noble 09 Project

Noble 09 is a luxurious condominium located in Soi Ruamrudee, only 100 meters away from the Ploenchit BTS station, gives a cozy feeling in modern style. Designed to have serene beige color elegantly combined with naturally formed stone, it goes up to 8 floors and provides more open area with its two towers. Enjoy total privacy with only three units per floor, and spacious interior benefited from airy floor-to-ceiling glass windows.

Noble Lite Project

Near Aree BTS Station, Noble Lite is located only 150 meters from business center on Phaholyothin Road. With Crash-Pads concept – living near BTS route with no red lights traffic to spare up hours for pleasure and relaxation. The project offers 24 storeys with one to three bedrooms. Each unit is designed for multi purpose activities. The project also provides facilities area, fitness and a swimming pool.

Noble Ambiance Sarasin Project

It is the condominium for the perfect relaxation of city life and offers the peaceful privacy surrounded by various moods with Perfect Contrast architecture. The exterior is designed to be simple but exciting and amusing with color of the buildings, whereas the interior is designed for spaciousness and airiness with tall glasses from the floor to the ceiling, allowing the natural touches surrounded by beautiful gardens, pools and gyms. Noble Ambiance Sarasin is located in the middle of the city, Sarasin soi 2.

Noble Remix Project

The project is the answer for a different kind of lifestyle, especially for people who love extreme's life and freedom in city life, surrounding with this new style condominium project offering conveniences from the transportation via BTS sky train and many facilities along Sukhumvit 36 road.

Noble Solo Project

It is the condominium in Soi Thonglor that is suitable for freedom lifestyle, releasing from rules and bustling from works and environment by giving more space. These allow residents to find new inspiration to fulfill their lives. It offers a various type of rooms from 1 bedroom to 3 bedrooms.

Noble Reflex Project

Around 200 meters to Aree BTS station, we can reach the 20-floor condominium stylishly designed by plain architecture with the explicit color of the exterior. This is the real concept of "A Pad for Metropolitan" making Reflex to be condominium for more time to play, sit back and relax. Every square inch is designed to maximize usable area and to be the perfect place for rest. The size varies from 1-bedroom and 2-bedroom.

Noble Reveal Project

With 27-storey condominium stylishly designed for city living life style and the concept of “Help stop global warming, Drive less”. Noble Reveal is just 200 meters away from Ekamai BTS station, on Sukhumvit 63 road. The size varies from 1-bedroom and 2-bedroom.

Noble Residence Project

Development of land plot, on Pattanakarn road, one of the most elegant locations in center of Bangkok, with 3 kms from Soi Thonglor and just 2 minutes from Airport Link Sky Train, Ramkamhaeng station. The Project allots total of 70 land pieces from 99 sqw. size, for customers to build every masterpiece by their own. In addition, the entire electricity network is grounded, with the peaceful living of parks, swimming pool, club house and gym.

Noble Cube Project

New concept of town home in the city center for more private living space with designed to magnify the sight with wide mirror. Noble Cube divides useable area by life style. The Project is located in prime area, 3 kms from Soi Thonglor, between Pattanakarn soi 24-26 and just 2 minutes from Airport Link Sky Train, Ramkamhaeng station.

Noble Reform

Condominium located on Phaholyothin Road, business center of Bangkok, only 30 meters away from Aree BTS station. 22-storey condominium designed to maximize usable area and to be the perfect place for rest. The project also provides facilities area, fitness and a swimming pool. The size varies from Studio, 1-bedroom and 2-bedroom.

Noble Refine

Condominium located in Sukhumvit Soi 26, 180 meters away from Phromphong BTS station. 25 storey condominium embedded in the very inside of its own premise away from the entrance encourage the ultimate peace and privacy. The panoramic greenery tree line delicately placed on the drive way special treating in and out traffic a touch of green nature. L-shape and earth tone building designed for keeping the perfect harmony with natural surroundings and decent view sharing among every unit. The size varies from Studio, 1-bedroom and 2-bedroom.

Noble RED

Condominium 23-storey height located in Aree Soi 1, prime area in the middle of Bangkok closed to BTS station; ready to service you to go to many key business areas. Together with ideal facilities, fitness, swimming pool, ready to fulfill and comfort your life. The size varies from 1-bedroom and 2-bedroom.

Noble Revent

Condominium 30-storey height located on Sri-Ayutthaya Road, closed to Phayathai BTS station and airport link station, in the center of Bangkok surrounding by educational institutions and prime business areas. Together with ideal facilities, fitness, swimming pool, ready to fulfill and comfort your life. The size varies from 1-bedroom and 2-bedroom.

Noble Remix 2

Condominium 11-storey height with the slogan “Walk above it all” at Noble Remix 2. The Project is located on Soi Sukhumvit 36, with ideally located for easy access to Thonglor Station by skylink between the station and the building. The residence unite provide excessive view and great atmosphere with the very high 3-meter and large 2-layer laminate windows. Together with ideal facilities, ultimate fitness sport club, swimming pool, and stream room, ready to fulfill and comfort your modern lifestyle. The Project offers a various type of rooms from 1 bedroom to 3 bedrooms.

Noble Ploenchit

Condominium with 3 buildings, height 51, 45, and 14-storeys, nestled among 4 rais of lush and serene garden. With the concept of Vertical Garden City, metropolitan in the heart of Bangkok's business district, adjacent to many shopping malls and 5-stars Hotels including BTS Ploenchit station. The Project offers a various type of rooms from 1 bedroom to 3 bedrooms and Penthouses, together with private Lift to each individual room.

Noble Revolve Ratchada

Condominium 38-storey with the concept of life's every function is tailored to your desires. Revolve living Life in harmonious balance with a lifestyle of limitless choice. The Project is adjacent to cultural centre MRT station. The Project offers a various type of rooms from 1 bedroom to 2 bedrooms.

Noble Revolve Ratchada 2

Condominium with the design concept of revolve around your needs, with a new way to live at the heart of Ratchada, the new business district that fulfills life's every demand. The height of building is 42 floors but it is the height of happiness. Experience the undercurrents of infinity of lifestyles at the Infinity Edge Pool. With connections to the MRT for shorter connections in life, the Project offers a various type of rooms from 1 bedroom to 2 bedrooms.

Noble Revo Silom

A new budding branch of condominium life that let you design your lifestyle from an infinity of options. A height of 32 floors, located at the heights of interest where Silom meets Sathorn. With a splendid Infinity Edge Pool and one-of-a-kind Sky Fitness room. Close to Surasak BTS station and expressway entrances. The Project offers a various type of rooms from 1 bedroom to 2 bedrooms.

Noble Recole

28-storey condominium in the heart of the city with its easy access to MRT Sukhumvit station and BTS Asoke station which is under the concept of whatever you demand from life, find it immediately and relaxing in the Sky Infinity Edge Pool and Sky Fitness. Project comprises of one-bedroom units and two-bedroom units.

Noble Gable Watcharapol

The Single detached house and twin house project with the concept: every lifestyle can be fulfilled and enriched with more space available, which is "every inch of happiness". True happiness" can simply be found from space under your roof and space around your house. Noble Gable also provides you with good facilities and green space that make your days relaxing.

Noble BE33

31-storey condominium in the heart of the fashion city. Easy access to Phromphong BTS station with the concept of flip to reveal yourself with sky infinity edge pool, sky garden and sky fitness. The Project offers a various type of rooms from one-bedroom to three-bedroom types.

Noble BE19

Condominium with 2 buildings, height 48 and 27 stories with 3-meter high ceiling located in the heart of the city near shopping malls and leading schools and conveniently close to MRT Sukhumvit station and BTS Asoke. This project is presented with the concept of living seamlessly by enjoying a life of seamless connections at Sukhumvit 19. The Project offers a various type of rooms from 1 bedroom to 3 bedrooms and Penthouses.

Industrial Situation and Competition

The overall growth rate of the global economy in the last 2-3 years was low. In 2016, the growth rate was 2.9% because of the economic growth rate of the developed countries, particularly the United States. The negative factors caused by the former problems such as, the consumer products price slump, the flow of trade decline, the outflow of funds, the volatility of the financial markets, the fluctuations in exchange rates, the economic growth rates of the developing countries and economic transitioning countries was lower than expected, investment and productivity growth were sluggish and the slowdown of the Chinese economy, etc. Nevertheless, the various parties have tried to resolve the problems to achieve sustainable development by revising policies to be more firm, clear and consistent for example, reducing the budget constraint, adjusting the monetary policy to reduce uncertainty and help prevent fluctuations in the financial markets and assuring to organize asset so that consumer products' price are more stable. However, the global economy continues to fluctuate due to political issues, terrorism, oil price slump and the U.S. Federal Reserve (FED)'s interest rate hike. Though, in the late 2016, several concerns were relieved such as, the leaving of the United Kingdom from the European Union (EU) or Brexit including the U.S. president election result. These make situation predictions be more clearly.

In 2016, Thailand's economic growth rate was around 3.3% which increased from 2.8% in 2015 due to government continuous spending and investment as well as accelerating the disbursement of the government. Including the disbursement of the water management and logistics projects, the investment in the infrastructure projects accord with the transportation strategic plan which was progressively continue. Despite the natural disaster, the number of the tourists' growth rate remained pleasant which supported industries related to tourism sector to expand. While the private consumption tended to expand continuously from last year which underpinned by the satisfying expansion of income and employment in the service sector. The private investment was likely to recover from last year as well because the interest rate remained low and the public investment in major projects has progressively and certainly proceeded. However, the slowdown economy of trade partners affected on the export sector to shrink. For Thailand's domestic economic stability, the inflation rate was 0.4% due to domestic demand recovery and crude oil price in the global market.

In 2016, the real estate sector was stimulated by the government measures to reduce the transfer of ownership fees and mortgage fees, tax deduction of personal income tax for the first housing buyers which was 20% of the house's price that costs less than 3 million baht for 5 years consecutively. Measure to reduce the transfer of ownership fees and mortgage fees was ended on April 30, 2016. So, in the first half of the year, the real estate growth rate is relatively high. While, in the second half of the year, the growth rate was slow down. The overall expansion of the real estate sector throughout the year was around 2%. The launch of new projects in 2016 were less than those in 2015 and 2014 in accordance with the economic condition. Because of the slowdown of housing market in 2016, most developers brought back the remaining residential projects to resale again and deferred to launch the new projects. This situation was expected to adjust the balance between supplies and demands of housing. However, developers also need to maintain the revenue to grow steadily therefore developers will plan to launch the new residential projects to continuously recognize the revenue.

Table 1: Residential Units Registered in Bangkok Metropolis and Vicinity

	2010	2011	2012	2013	2014	2015	2016
Developer-Built							
Single House, Twin House, Townhouse, Shop House	24,476	26,994	23,174	37,577	33,525	33,780	31,773
Change from previous year	13.1%	10.3%	(14.2)%	62.2%	(10.8)%	0.8%	(5.9)%
Condominium	59,919	34,734	78,391	71,440	75,058	67,628	69,693
Change from previous year	11.5%	(42.0)%	125.7%	(8.9)%	5.1%	(9.9)%	3.1%
Total Developer-Built	84,395	61,728	101,565	109,017	108,583	101,408	101,466
Change from previous year	12.0%	(26.9)%	64.5%	7.3%	(0.4)%	(6.6)%	0.1%
Self-Built	22,498	20,128	23,437	23,285	24,896	22,731	21,914
Change from previous year	14.7%	(10.5)%	16.4%	(0.6)%	6.9%	(8.7)%	(3.6)%
Total Residential Units Registered	106,893	81,856	125,002	132,302	133,479	124,139	123,380
Change from Last Year (%)	12.5%	(23.4)%	52.7%	5.8%	0.9%	(7.0)%	(0.6)%

Source : Bank of Thailand

From Table 1: The number of completed and registered housing units in Bangkok and vicinity in 2016 amounted to 123,380 units which decreased from the previous year by 0.6% mainly due to a decrease in the number of single houses. semi-detached houses, townhouses and commercial building by developers, down 5.9% from 33,780 units to 31,773 units and self-built house declined 3.6% from 22,731 units to 21,914 units. Meanwhile, the number of condominiums increased 3.1% from 67,628 units to 69,693 units. This indicated that the overall number of completed and registered housing units in Bangkok and vicinity declined mainly due to the economic slowdown, stringent lending particularly a decrease in the number of single houses, semi-detached houses, townhouses and commercial building by developers because their price were expensive due to land price, construction costs, size and functional area especially the price of land in Bangkok and vicinity. For example, land price near the Purple Line (Tao Poon – Bang Yai), the new location of housing, the average price has increased 10% per year since 2011 until 2016. Therefore, Consumers were looking for the cheaper housing so the completed condominiums were more preferred. In addition, the public investment in transport infrastructure was progressively continue and more tangible including the Blue Line extension (Bang Sue – Tha Phra and Hua Lamphong – Bang Khae), the South Green Line (Bearing – Samut Prakan), the North Green Line (Mo Chit – Khu Khot) and the Red Line (Bang Sue – Rangsit) which are area expansions for the condominiums that are related to comfortably commute. This infrastructure investment plan will increase supply because there is still demand of housing but supply of land is limited. The important factors determining real estate trends this year are as follows.

- Adaptation to Thailand 4.0 model: Thailand 4.0 model is the concept of improving quality of every part to transform the country into developed country which consist of national and culture pride, human resources development, social development, livable environmental development and economic strengthening to enhance the country's role in region and global level. Thailand is transforming from a traditional economy to an innovation-driven economy focusing on technology, creativity and service under vision. The traditional economy is focused on heavy industry, production and export which rely on foreign technology to boost production. Thailand has been in the traditional economy for over 20 years, a group of middle-income countries and imbalance in development.

In order that Thailand is developing into Thailand 4.0 model, the production must focus on the management and use of technology, support potential startup business and value added service. In labor sector, labors should be workforces with knowledge and skills. The factors mentioned above will bring a competitive advantage so that people's quality of life, convenience and income will be better. These adapting and enhancing must be cooperated with all parties and the real estate sector as well. The details are as follows.

Design - the developer should have an outstanding and unique design with creativity and usability. In addition, the design must create a quality of life, convenience and environmental preservation which will lead to a competitive advantage or the design that focuses on specific target groups such as elderly, family and rehabilitated patient, etc.

Production – the developer need to create innovation and apply advanced technology to business in order to save time, costs and environmental resources.

Management – a management which is systematic, fast, up-to-date, verifiable and social responsible.

Nowadays, the communication and economy are globalizations, the improvement of the developer is important and very necessary to gain a competitive advantage and market opportunity. Since the real estate's price in Thailand is low compared to that in many ASEAN countries, so this is a potential and very investable market.

- Assistance measures of government and commercial banks: In the previous year, the bank loan refusal rate was as high as 50%, especially those without regular income due to household debt, consumer debt levels reached the ceiling for borrowing, income tended to decline and the banks examined capabilities and customer's history thoroughly and have been likely to be more intense this year. Moreover, the interest rate is likely to rise. Because, from the end of 2016, the Federal Reserve (FED) has decided to raise the interest rate from 0.25 - 0.5% to 0.50 - 0.75%. While, Thailand maintained its policy interest rate at 1.5% which was not adjusted to accord with the Federal Reserve (FED) to sustain the economic growth and wait to see the long-term plan of the United States and also consider about the increase in burden of the consumers. Besides, the bank of Thailand did not raise the policy interest rate which also reflected the limited ability to access loans. Therefore, assistance measures from the government and commercial banks were key factors that supported and stimulated the real estate sector.

In the past year, the government and commercial banks have announced measures to stimulate the real estate sector. The first measure was reducing the transfer of ownership fees and mortgage fees and the second measure was personal income tax deduction for first housing buyers and giving home mortgage loans for low-income consumers through the Government Saving Bank and the Government Housing Bank with special interest rate. As well as reducing the debt repayment to income ratio to help low-income consumers to have their own houses. These measures can help low-income and middle-income consumers who want to buy housings properly.

For Thailand's economy in 2017, it is projected that the economic growth rate is around 3.4% due to the government investment and tourism sector. However, this requires the impetus and driving force from both public and private sectors. The government must play a role in building confidence in the investment and spending. In 2017, the government plans to continuously support the investment by injecting the money into the economy to expand the investment in the service sector and double the investment in the infrastructure projects such as, the double-track railway projects, the mass transit projects in the city which are the positive factors for the expansion of Thailand's economic growth. Meanwhile, the private sector especially the large companies must invest to build confidence in the industrial sector. In addition, the trade partners' economy tends to expand improvably and the Thai Baht currency's trend continues to depreciate which is beneficial for the export and service sectors. For the domestic economic stability, the inflation rate is expected to be 2.1% according to the upside trend of global oil price and the weakening of the Thai Baht currency.

In 2017, For the real estate sector, it is still a challenging year for developers due to the former negative factors such as, household debt, the agricultural product price slump, stringent lending and loan refusal rate. In the past year, the loan refusal rate has increased to 30-50% especially, in the middle and low market due to household debt which is the problem of consumers in the middle and low market who have no purchasing power, confidence in consumption and investment. Therefore, in 2017, It will be considered as the year for major developers due to the demand of the products should be in the upper market and developers focus on developing high-price products although the market size is not as large as the middle and low market size. However, developing such products in upper market must be very cautious due to relatively high costs and must be able to meet customer needs precisely. This is the opportunity for developers who are ready, adaptable and have high investment capital. In addition, in 2017, developers are altering business model enormously to expand into premium market, hotel business, office rental or industrial estates in the special economic zone including collaboration with local and foreign partners to create a competitive advantage. As a result, the major developers and major capital groups use this advantage to expand into other businesses for instance, managing residential projects and developing mixed-use projects to create diversified revenue. Meanwhile, the middle and small developers increase their competitiveness by cooperating with foreign partners. The factors that affect the real estate sector in 2017 are as follows.

Positive factor

- Low interest rate.
- The public investment in mega projects.
- Thailand's real estate price is lower than that in other ASEAN countries. However, there is still a political issue, so there are few investors who are interested in.
- The participation in ASEAN Economic Community (AEC) made foreigners buy more real estate for both housing and investment.
- The reduction of the deposit protection limit from 25 million baht to 1 million baht (since November 1, 2016) causes people to invest more in real estate.

Negative factor

- The Slowdown of the economy, the decline in export and consumption result in a deferral in buying house.
- Purchasing power shrinks due to higher living expense and household debt.
- Cost of land and construction costs for development are higher.

At present, most of the market share of real estate sector belong to major developers. In 2016, the 13 major developers which are listed and not listed in the Stock Exchange of Thailand have had market share as high as 84% and gained more market share in new products market and tended to increase steadily in next year due to the fact that the major developers become partner with the others and restructure business model to be flexible to stabilize corporate growth.

03 Risk Factors

Risk factors that may occur and adversely affect the business of the company are:

Risk from the price of construction materials and construction costs

From Table 1: The construction materials average price index is evident that the overall construction materials price in 2016 dropped 2.7% compared to that in 2015 which has decline continuously since 2014. The main cause of the decline in construction materials price due to the price of other construction materials such as brick, hollow brick, aluminum, asphalt dropped as much as 6.4% because of a slowdown in construction sector and suppliers have reduced the price of construction materials to release products. In addition, due to a decrease in the price of brick and hollow brick that are less popular and asphalt price fell as the price of petroleum. Cement prices decreased 5.1% from the previous year mainly due to an excess supply of cement in the market so the price competition was relatively high. The average price of steel, steel products and concrete products declined 1.7% and 1.6% respectively. The price of construction materials remain relatively stable were coating, tiles and sanitary ware.

The overview of the construction materials price in 2016 compared to that in 2015 decreased slower due to the domestic and global economy. However, due to the government's measures to stimulate the economy since late 2015 which was beneficial steadily in 2016, the demand of construction materials in 2016 increased.

Table 1: Construction Materials Average Price Index

Group	2005 Base	2010	2011	2012	2013	2014	2015	2016	Change (%)	
									2015	2016
ALL COMMODITIES INDEX	100.0	113.3	120.4	124.7	125.8	126.7	120.2	116.9	-5.1%	-2.7%
LUMBER AND WOOD PRODUCTS	100.0	135.8	139.8	143.0	150.9	151.4	153.0	151.4	1.1%	-1.1%
CEMENT	100.0	104.2	115.1	113.1	120.8	121.6	116.9	111.0	-3.9%	-5.1%
CONCRETE INGREDIENT	100.0	102.5	106.9	124.0	130.2	134.9	133.4	131.3	-1.1%	-1.6%
STEEL AND STEEL PRODUCTS	100.0	110.9	123.7	122.2	116.3	114.9	97.4	95.7	-15.2%	-1.7%
TILES	100.0	110.6	109.4	111.5	111.6	111.7	111.8	111.8	0.1%	0.0%
PAINTS	100.0	113.8	116.6	119.5	121.2	120.9	120.9	121.6	0.0%	0.6%
SANITARY WARE	100.0	144.5	149.9	152.3	156.0	155.9	155.8	155.8	0.0%	0.0%
ELECTRIC AND PLUMBING	100.0	110.4	113.6	114.9	112.8	111.2	105.6	103.8	-5.1%	-1.7%
OTHERS	100.0	122.8	129.8	142.0	145.6	150.2	148.2	138.6	-1.4%	-6.4%

Chart 1 : Index of construction material price compare with steel and steel products price, concrete ingredient price, and cement price



Source: Bureau of Trade and Economic Indices, the Office of Permanent Secretary, Ministry of Commerce

The overview of the construction sector in 2017 is expected to rebound from the previous year and the price of the construction materials tends to rise as well. The price of the construction materials started increasing since late 2016, particularly the structural materials such as, rounded bar, deformed bar, structural steel and related materials. The positive factors for the construction sector in 2017 are the public investment in the transport infrastructure which are the development of mass transit in Bangkok and vicinity, investment in infrastructure constructions spread to other regions. For instance, Bang Pa-In – Nakhon Ratchasima motorway, Bang Yai – Kanchanaburi motorway including double-track railway projects from Prachuap Khiri Khan to Chumphon, Nakhon Pathom to Hua Hin and Lop buri to Paknampho. The distribution of the infrastructure investments make the private investments rise which also depends on the clarity of the public investment and the creation of the confidence to investors.

Besides, the price of the construction materials tends to rise, the factor that affects the increase in construction cost is the increase in the labor costs due to rising minimum wage which was effective from January 1, 2017 onwards. In 2017, it is likely that there will be a shortage of labors because of the increase in the government construction projects which causes the high demand of labors in the construction sector especially skilled and experienced labors. The developers should have a plan for such problems.

However, according to the company's policies in procurement significant construction materials such as, steel and steel products in advance, monitoring situations closely and adapt to situation proficiently, the procurement and construction planning in advance will be able to effectively support the production and expansion, reduce the risk of the shortage and fluctuation in the price of the construction materials and the increase in labor costs.

Risk from the price of land

The new appraisal took effect from January 1, 2016 to December 31, 2019. The price of land rose nationwide particularly, the land along the completed mass transit lines. The survey of land price along the Purple Line (Tao Poon – Bang Yai) at Bang Yai market station, in the past 5 years (2011-2016), showed that land price has increased from 85,000 baht per square wa to 145,000 baht per square wa or increased 71% in 5 years or 10% per year. This indicated that the construction of this mass transit line highly impacts the increase in land price. The land price in other regions also increased because of the government's declaration of the special economic zones and the participation in ASEAN Economic Community (AEC), the development of government projects and the mass transit systems. The mass transit line that has been prepared and administered in 2017 is the South Green Line (Bearing - Samut Prakan) which will be operated in March, 2017. The construction of 2 new monorails which are the Pink Line (Pak Kret – Min Buri), a distance of 34 km. and the Yellow Line (Lat Phrao - Samrong), a distance of 30 km. including the Orange Line (Min Buri – National Cultural Center), a distance of 23 km. These factors would result in land price increase.

For the company, most attractive locations located in the center of city. Especially locations for the condominium projects, the company emphasizes investment in the locations along the mass transit lines which accord with the expansion of mass transit lines policy to facilitate the connection between Bangkok and vicinity. The price of land in these prime locations is likely to rise together with appraisal and may affect the company's cost of land. However, in accordance with the experience in the business, feasibility study of the project and careful consideration for acquisition of land, the company has no problems with the risk of land price or the land possession. Due to the lands that company acquired for project developments are mostly located in the interest location of the customers. These can be seen from the successful launch of several projects in the past.

Risk from delay, quality of contractors' works and labor shortages

The construction projects of the company performed by hired contractors from outside. This could be a risk if the contractors delay delivery or do not meet quality standards. They might also have labor shortages. The company is aware of these risks and establishes a policy for the selection of contractors which is comparison by auction price, reputation and quality of work to be appropriate for the size of the project. In addition, the company also hires consulting companies with experience and expertise to supervise the construction projects of the company. The company controls the project construction and provides coordination between consulting company and contractors to work closely throughout the construction period to resolve problems and oversee the construction to go in accordance with the plan. These could help reduce the risk of such matters.

Risk from global economy and domestic economy

The year 2016 still was a year of volatility in the global economic recovery. There were Social, political conflicts and terrorism in many countries which were becoming more serious including France and Turkey, the Brexit or the leaving of the United Kingdom from the European Union (EU) that could affect the EU economy, Donald Trump won the presidential election and become the 45th President of the United States, the economic slowdown in China because the number of productions in manufacturing sector continuously decreased due to the decline in domestic and global orders, the problem of capital outflow continues and China's yuan depreciated by the volatility of the global financial market. Oil price fell due to the oversupply, in 2016, an average price of the year was 41 US dollars per barrel which decline from 51 US dollars per barrel in 2015, moreover, the oil producers both inside and outside the OPEC decided firmly not to cut oil production. However, in late 2016, there has been discussion between oil producers inside and outside the OPEC which concluded that the oil production would be reduced for six months.

In addition, the global financial and capital markets remain sluggish from the previous year. These can be seen from the Japan's easing monetary policy, the renewal of the quantitative easing measures (QE) in European countries. The European Central Bank (ECB) has announced quantitative easing measures until the end of 2017 to stimulate inflation in market which tends to access to deflation. However, the Federal Reserve (FED) has voted unanimously to raise the interest rate from 0.25% - 0.5% to 0.5% - 0.75% which was the first raised in 2016 and the second time in nearly 10 years. This demonstrates the confidence in the U.S. economy.

In 2016, Thailand's economy in the first half of the year was strongly supported by the measure to reduce real estate transfer fee, accelerating spending on regular expenditure of the government and stimulus measures. The government spending was a factor that support and encourage the recovery of private consumption and continued to the second half of the year as well. The expansion of the economy began to spread to the private sector, production sector, industrial sector and the export values has increased. However, in the late 2016, there was flood disaster in the southern Thailand which impacted on the agriculture, trade and tourism sector in the country. Nevertheless, the government assistance and the stimulus spending measures such as, purchasing consumer products to donate to flood victims and accelerating spending to repair their homes after flooding. Moreover, there were numbers of the stimulus measures from the government to help stimulate private spending, for example, measure to increase tax deduction on the purchase of consumer products, measure to increase tax deduction to support tourism which stimulate private consumption to increase. Furthermore, in the last quarter of 2016, on December 21, 2016, the Monetary Policy Committee (MPC) has agreed to maintain its policy interest rate at 1.5% which was the 13th consecutive month since April, 2015 to encourage and support ongoing economic recovery and to preserve financial stability in the long run. The overview of the Stock Market in 2016, the SET index closed at 1,542.94 points, up 20% from the end of December 2015 which indicated that the overall economy grew faster than that in the last year.

The global economic outlook in 2017, it is still waiting for the clarity from the trade policy of the United States. When Donald Trump had been the official president of the United States, he began to implement policies that he has promised in his campaign which were the dismantlement of The Patient Protection and Affordable Care Act (Obamacare), the withdrawal from the Trans-Pacific Partnership (TPP), signing the executive order to suspend the U.S.'s refugee program for 4 months and building a US-Mexico border wall. In addition, The US government also has a policy to support its domestic productions to promote the employment of the American people. The prior U.S.'s free trade policy allowed trading partners to intervene the currency exchange for commercial purposes which make the trade deficit. In the past, the U.S. trade deficit with China was ranked number one in the amount of 300 billion US dollars or about 40% of the total deficit. Japan had a sign that it will be recovered from the recession which continued for many years. The primary reasons were the fiscal policy, monetary policy and remodeling the competition structure. Moreover, the Bank of Japan maintained financial measures and easing monetary policy. For the European Union, the European Central Bank (ECB) has announced quantitative easing measures (QE) to support the liquidity in the financial system to continuously make economic recovered and push inflation to the target at 2%. The measures that will be end in March 2016 are extended to end in December 2017. In summary, the global economy in 2017 will grow faster. However, there are still risks in the Chinese economy that must be monitor closely due to the high amount of debts, the uncertainty of the policy of the president of the United States, Donald Trump, and the risk of Brexit that may affect the investment climate worldwide. It will begin negotiations by the end of March and take about 2 years.

Thailand's economy in 2017 is likely to recover due to the public investments accord with transportation infrastructure development strategic plan in a period of 8 years. The projects expected to start in the second half of 2017 are the double-track railway project and the mass transit in urban areas, etc. The private investment begins to play a role and private consumption is likely to rise because of the government's stimulus measures which build the private sector's confidence. Besides, Income from tourism has great prospects and growth continuously rise. The export tends to be

better and benefits from the weaken baht at 35.79 baht per U.S. dollars at the end of 2016. This will support the competitiveness of the products from Thailand in the global market. In addition, in the first quarter of 2017, the Monetary Policy Committee (MPC) decided to maintain the policy interest rate at 1.50%, to accommodate with risk and uncertainty factors from abroad. If the United States has a trade barrier policy against China, this will partially impact to Thailand but it is only short-term effects. The trade policy of the United States will be continued to monitor closely.

The overview of the real estate business in 2017 is expected not to be much different from the previous year and not to be fully recovered because financial institutions are still very restrictive in lending. There is also a negative factor from the volatility of the domestic and global economy. However, the condominium project developments in the city are still ongoing. The rate of sales is likely to improve due to the public confidence is rising.

Risk from missing revenue targets

The main business of the company is the real estate business. The revenue of the company based on project developments, the success of the projects launched by the company and the transfer of ownership to customers. The intention of the company and a commitment to be a leader in new form of housing innovation. The company consistently researches the factors of residential buying behavior of consumers, which vary accord with the underlying economy, social and personal needs. These help the company to adjust strategy and satisfy the diverse needs of the customers and successfully launched the projects in the last several years. As the company's mission to grow steadily with the policy of maintaining financial, investment strength and management with prudence, transparency and efficiency. In 2017, the company plans to launch 4 more projects worth 10,400 million baht, which located in the business district that has the potential for easy access with a full range of facilities.

For risk from the transfer of ownership, most of the company's customers are intermediate to high level and the company has policies to determine the appropriate down payment to prevent the risk including the company establishes a process to trace and collect down payment from customers closely. These will excellently reduce the risk of ownership transfer.

Risk from the ability to pay debt and compliance with financial covenant

As of December 31, 2016, the company's loans are as follows.

1. Short-term loans – bills of exchange amounted to 1,723.14 million baht. These are loans from financial institutions which are due within one year with a discount rate of 3.60 – 4.00 percent per annum.
2. Long-term loans from financial institutions amounted to 7,736.11 million baht with an interest rate based on the Minimum loan rate (MLR) of commercial banks who are lenders. As of December 31, 2016, MLR is 6.25 - 6.65 percent per annum. According to the condition of the loans, the company must maintain the debt to equity ratio not exceeding 5.0 as of the end of each fiscal quarter until the fourth fiscal quarter of 2016 and starting at the first fiscal quarter of 2017 onwards, the company must maintain the debt to equity ratio not exceeding 2.2 or 2.5 (as specified in each loan contract) as of the end of each fiscal quarter throughout the loan period.
3. Debentures amounted to 4,842.15 million baht, three-year term loan period, interest rate of 4.15 - 5.50 percent per annum. The debenture's financial covenant is that the company must maintain the debt to equity ratio not exceeding 2.2 or 2.5 at the first fiscal quarter of 2017 onwards (according to the conditions specified in the regulations on the rights and obligations of the issuer and shareholders of each debenture) as of the end of each fiscal quarter throughout the loan period.

In the case that the company is unable to maintain the debt to equity ratio as required, this could result in a default under the terms and conditions of the loans and debentures. This may cause the debentures to be paid promptly. However the company expects that when the transfer of ownership of the Noble Ploenchit to be reached as planned, accordingly the company will be able maintain the debt to equity ratio as required.

The company continuously develops the projects and all of them are success, including the period of repayment of loans for development from financial institutions is consistent with the duration of the ownership transfer of the project and also plans to invest carefully and cautiously. The company is confident in its ability to repay principal and interest. In addition, as of December 31, 2016, the company also had available credit amounted to 5,546 million baht and the company has unrealized sales (backlog) approximately totaling 18,400 million baht, which is the capital resource that the company prepares for the repayment of debts and debentures. In 2017, the projects that will be transfer the ownership to customers in the third quarter of the year are Noble Revo Silom and Noble Revolve Ratchada which has already sold about 3,900 million baht.

As of December 31, 2016, the company's current ratio is 1.97, decline from 2.93 at the end of 2015 and the debt to equity ratio is 3.00, decrease from 3.43 at the end of 2015.

Risk from lending to subsidiaries and associates

Short-term loans and accrued interest receivable from subsidiaries as of December 31, 2016, amounted to 20.09 million baht, increase from the end of 2015 which amounted to 19.27 million baht. The company set up an allowance for doubtful accounts. Short-term loans and accrued interest receivable from subsidiaries which the company holds 100% of shares are used for the development and expansion plans including help improve liquidity in subsidiaries' financial difficulties. However, the company has a policy to manage risks that could arise from lending to subsidiaries and associates by overseeing business operations closely and ensuring continuously repayment to the company. The company discloses these loans in the connected transaction.

Risk from interest rates fluctuation

Due to the successful launch of the previous projects and the financial policy which is prudence, transparency and efficiency, the company has earned the confidence from financial institutions. Thus, the company excellently receives financial support from financial institutions. In addition, the company creates strategic partnerships with various financial institutions to receive more deals to compare and get the best deal for the company.

Loan Interest rates in 2016 is expected to remain stable to support the domestic economic recovery so there was no risk of a rise in interest rates. However, in the past several years, the company has issued and sold bill of exchange, unsubordinated and unsecured debentures. The company's debentures and bill of exchange has been accepted by the market very well. Therefore, the company has more funding options that are proper and efficient for project developments in the future and also reduce the risk of a rise in interest rates in the future. The potential liabilities that may be at risk if they are affected by fluctuations in interest rates, as of December 31, 2016, amounted to 7,742.63 million baht which is 41.11% of total liabilities. If interest rates rise by 1%, the company will incur an increase of liabilities approximately 77.43 million baht per year.

04 Company Factsheet

Noble Development Public Company Limited

Address	NOBLE Building, 1035 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Property Development
Registered Number	0107538000312
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Home Page	http://www.noblehome.com
Registered Capital	456,471,175 Ordinary shares with par value of Baht 3
Paid Up Capital	Baht 1,369,413,525

Subsidiaries and Associated Companies

Ban Suk Sabai Company Limited

Address	NOBLE Building, 1035 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Property Development and Housing Construction
Registered Number	0115534002564
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	17,000,000 Ordinary shares with par value of Baht 100
Paid Up Capital	Baht 1,700,000,000

S&P Property Management Company Limited

Address	NOBLE Building, 1035 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Housing Construction and Property Management
Registered Number	0105533098789
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	20,000 Ordinary shares with par value of Baht 100
Paid Up Capital	Baht 2,000,000

Continental City Company Limited

Address	NOBLE Building, 1035 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Property Development
Registered Number	0105528034727
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	30,000,000 Ordinary shares with par value of Baht 100
Paid Up Capital	Baht 3,000,000,000

N.K.Energy Conservation Company Limited

Address	54/4 Moo 7, Bang Saothong, Samutprakarn
Main Business	Light Weight Wall Panel
Registered Number	0115540002601
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	10,000 Ordinary shares with par value of Baht 1,000
Paid Up Capital	Baht 6,500,000

Other Reference Information

Ordinary share Registrar	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building Ratchadaphisek Road, Dindaeng, Bangkok 10400 Tel. 0-2009-9000 Fax. 0-2009-9991
Auditor	Mr. Krit Chatchavalwong Certified Public Accountant Registration No. 5016 PricewaterhouseCoopers ABAS Limited 15th Floor Bangkok City Tower 179/74 – 80 South Sathorn Road, Bangkok 10120 Tel. 0-2344-1000
Legal Adviser	Weerawong, Chinnavat & Peangpanor Ltd. 22nd Floor, Mercury Tower 540 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Tel. 0-2264-8000 Fax. 0-2657-2222 Baker & McKenzie Ltd. 990 Abdulrahim Place 5th Floor and 22nd-25th Floors, Rama IV Road Khwaeng Silom, Khet Bangrak Bangkok 10500 Tel. 0-2636-2000 Fax. 0- 2636- 2111
Debenture Registrar and Debenture Holder Representative	The Debentures of Noble Development Public Company Limited No.1/2014 Due 2017 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000
Debenture Registrar	The Debentures of Noble Development Public Company Limited No.1/2015 Due 2018 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000

Debenture Registrar and Debenture Holder Representative	The Debentures of Noble Development Public Company Limited No.2/2015 Due 2018 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000
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Debenture Registrar	The Debentures of Noble Development Public Company Limited No.3/2015 Due 2018 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000
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Debenture Registrar and Debenture Holder Representative	The Debentures of Noble Development Public Company Limited No.1/2016 Due 2019 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000
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Address and Telephone Number of Head Office and Projects

- **Head Office: Noble Development Public Company Limited**

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Tel. 0-2251-9955

- **Noble Wana Watcharapol**

179, Moo 3 Soi Ruammitrpattana, Watcharapol Road, Tarang, Bangkhen, Bangkok
Tel. 0-2251-9955

- **Noble Geo Rama 5**

58, Moo 6, Nakorn-in-Karnjanapisek Road, Bangkoonkong, Bangkruai, Nontaburi
Tel. 0-2251-9955

- **Noble Remix**

772, Sukhumvit Road, Klongton, Klongtoey, Bangkok
Tel. 0-2251-9955

- **Noble Solo**

988, Soi Sukhumvit 55 (Thonglor), Klongton Nue, Wattana, Bangkok
Tel. 0-2251-9955

- **Noble Residence**

1100/71, Pattanakarn Road, Suanluang, Suanluang, Bangkok
Tel. 0-2251-9955

- **Noble RED**

8, Soi Ari 1, Paholyothin Road, Samsen-nai, Phayathai, Bangkok
Tel. 0-2251-9955

- **Noble Revent**

390, Sri-Ayutthaya Road, Phayathai, Rachatavee, Bangkok
Tel. 0-2251-9955

- **Noble Ploenchit**

1035/1451 NOBLE Building, Lumpini, Patumwan, Bangkok
Tel. 0-2251-9955

- **Noble Revolve Ratchada and Noble Revolve Ratchada 2**

42, Ratchadaphisek Road, Huaykwang, Huaykwang, Bangkok
Tel. 0-2251-9955

- **Noble Revo Silom**

772/660, Sukhumvit Road, Klongton, Klongtoey, Bangkok
Tel. 0-2251-9955

- **Noble Recole**

772/660, Sukhumvit Road, Klongton, Klongtoey, Bangkok
Tel. 0-2251-9955

- **Noble Gable Watcharapol**

15, Permsin Road, Klong Thanon, Saimai, Bangkok
Tel. 0-2251-9955

- **Noble BE33**

19, Soi Sukhumvit 33 (Dang-Udom), Klongtoey Nue, Wattana, Bangkok
Tel. 0-2251-9955

- **Noble BE19**

772/660, Sukhumvit Road, Klongton, Klongtoey, Bangkok
Tel. 0-2251-9955

05 Shareholders

The first ten major shareholders at closing date of share registered book, March 15, 2017 are as the following

	Shareholders' Name	Number of Shares	% of Paid up Capital
1.	ABN AMRO NOMINEES SINGAPORE PTE LTD	109,829,600	24.06
2.	Thanakitamnuay Group	44,567,879	9.76
	Mr. Kitti Thanakitamnuay	36,330,919	7.96
	Mr. Piya Thanakitamnuay	8,236,960	1.80
3.	Mrs. Waraporn Suriyatananon	31,220,999	6.84
4.	Mr. Varoot Samalapa	30,298,942	6.64
5.	Mr. Thada Saringkareekul	21,490,973	4.71
6.	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	20,936,800	4.59
7.	Mr. Pichai Wijakapan	15,403,000	3.37
8.	Mr. Nawee Sribhadung	15,214,855	3.33
9.	Mr. Somkiat Jinakate	11,730,681	2.57
10.	Viravan Group	19,304,099	4.23
	Dr. Amnuay Viravan	12,136,703	2.66
	Samvest Company Limited	4,778,265	1.05
	Amvest Company Limited	2,389,131	0.52
Total		319,997,828	70.10

"Investors can acquire updated shareholders information from the Website www.noblehome.com"

Remark - Samvest Company Limited and Amvest Company Limited, which major shareholder is Viravan group, engage in management and investment business
 - ABN AMRO NOMINEES SINGAPORE PTE LTD has no relationship to the Company

06 Dividend Policy

The Company has a dividend policy to pay dividend to shareholders not less than 25% of the net profit in the Company's financial statement annually after deduction of all reserves as required by law. The dividend policy has to be in line with the law and regulations of the Company. In case of necessity, the dividend payout can be less than the above ratio or omitted as well as taken into consideration of the Company's cash flow, investment plans, business expansion, including other necessity and appropriateness in the future.

However, the aforementioned policy shall be in accordance with the resolutions of shareholders' meeting.

Year	2016	2015	2014	2013	2012
Earning per share	1.72	(0.99)	0.36	0.56	0.54
Dividend payment	0.22	-	0.10	0.30	0.30
Dividend payout ratio	12.8%	-	27.8%	53.6%	55.6%

Regarding the Company's operating result in 2016, the Board of Directors passed the resolution to propose at the annual general shareholders' meeting held on April 20, 2017 to approve the 2016 annual dividend payment of Baht 0.22 per share.

Dividend Policy of Subsidiaries

- None -

07 Management Structure

The structure of the Company's directors consists of the followings:

- The Board of Directors 9 persons
- The Audit Committee 4 persons
- The Nomination Committee 5 persons
- The Remuneration Committee 5 persons
- The Risk Management Committee 3 persons
- The Corporate Governance Committee 3 persons

The Board of Directors

As of December 31, 2015 the Company has 9 directors as follows.

- Executive Directors 5 persons
- Independent Directors 4 persons

The members of the Board of Directors.

- | | | | |
|----|--------------------------|-----------------|--|
| 1. | Mr. Kitti | Thanakitamnuay | Chairman |
| 2. | Mr. Sitti | Leelakasamelerk | Vice Chairman, Member of the Nomination Committee and Member of the Remuneration Committee |
| 3. | Miss Vasana | Thieansirisak | Director, Member of the Corporate Governance Committee and Member of the Risk Management Committee |
| 4. | Mr. Theeraphon | Voranithiphong | Director |
| 5. | Mr. Sira | Udol | Director |
| 6. | Mrs. Boonperm | Jiamtiranat | Independent Director, The Chairman of the Audit Committee, The Chairman of the Corporate Governance Committee, Member of the Nomination Committee and Member of the Remuneration Committee |
| 7. | Mr. Narong | Taychachaiwong | Independent Director, Chairman of the Nomination Committee, Member of the Audit Committee, Member of the Remuneration Committee and Member of the Risk Management Committee |
| 8. | Mr. Surachet | Suboonson | Independent Director, The Chairman of the Remuneration Committee, Member of the Audit Committee, Member of the Nomination Committee and Member of the Corporate Governance Committee |
| 9. | Assoc. Prof. Dr. Somchai | Supattarakul | Independent Director, The Chairman of the Risk Management Committee, Member of the Audit Committee, Member of the Nomination Committee and Member of the Remuneration Committee |

The Company's Secretary : Mrs. Angkana Intravichien

The Board of Directors' scope of duties and responsibilities:

1. To perform their duties cautiously and faithfully in compliance with laws, under the scope of the Company's objective and Articles of Associations, together with the shareholders' resolutions for the maximum benefits of the shareholders
2. To set the Company's business plan, strategies, goals, policies and budget together with the Management
3. To supervise, monitor and assess the Management to effectively and transparently perform their duties in accordance with the Company's policy and business plan
4. To review and ensure the efficiency of the internal control system to ensure that the Company's Financial Statements is reliable, accurate and correct, and to prevent the fraudulence in using the Company's properties and improper transaction between the related parties
5. To establish the appropriate structure of the Board of Directors in order to create the balance of power, adequate and appropriate management monitoring

In 2016, the Board of Directors held 29 meetings; 7 regular meetings and 22 sub-meetings, details of attendance is as follows:

			No. of meeting attended (Times)	
			Regular meeting	Sub-meeting*
1.	Mr. Kittti	Thanakitamnuy	5	22
2.	Mr. Sitti	Leelakasamelerk	7	22
3.	Miss Vasana	Thieansirisak	6	22
4.	Mr. Theeraphon	Voranithiphong	7	22
5.	Mr. Sira	Udol	7	22
6.	Mrs. Boonperm	Jiamtiranat	7	0
7.	Mr. Narong	Taychachaiwong	6	0
8.	Mr. Surachet	Suboonson	7	22
9.	Assoc. Prof. Dr. Somchai	Supattarakul	7	0

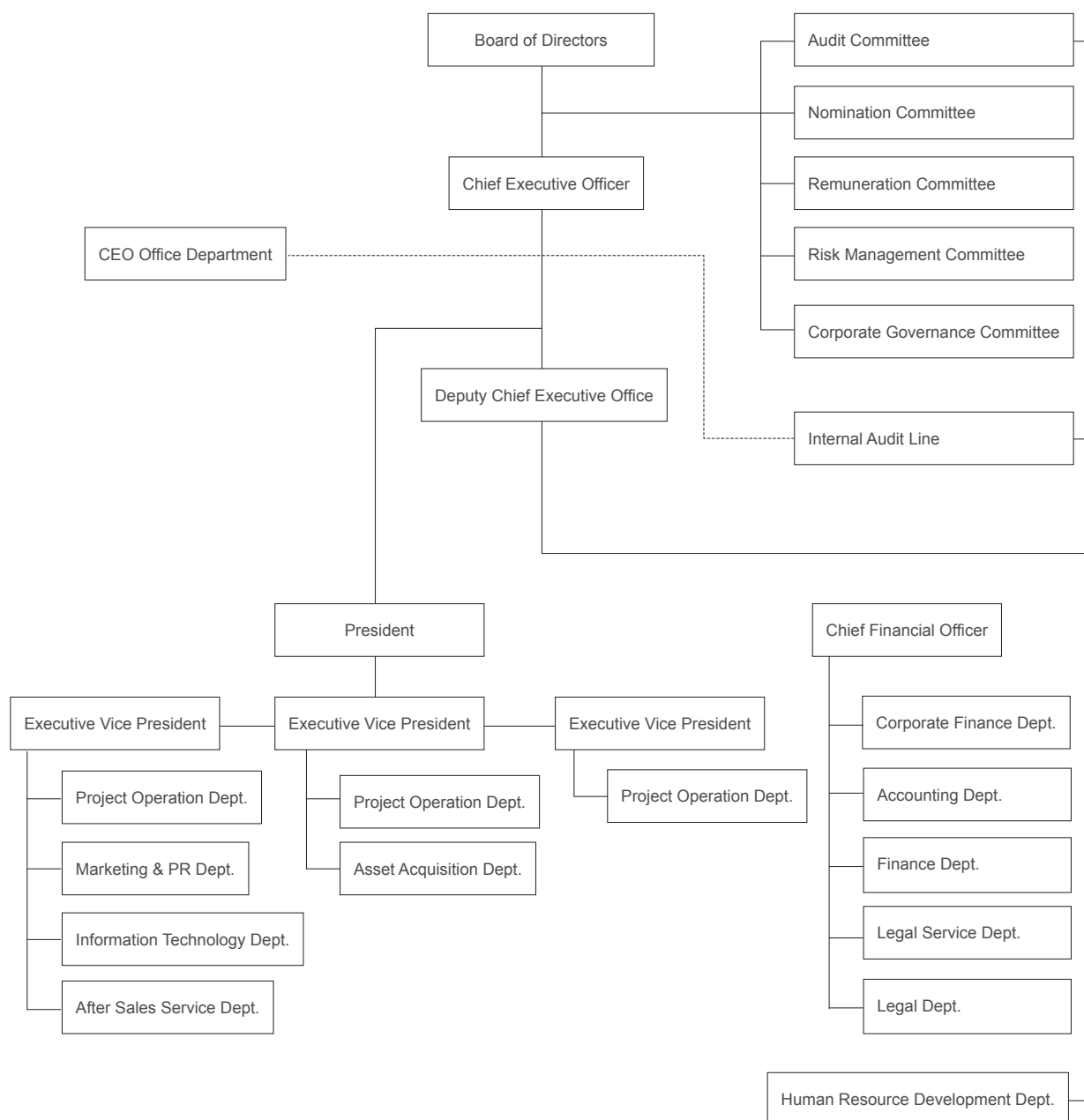
* Sub-meetings are arranged to consider the operation issues that do not affect the Company's management policy, e.g. the request of projects' utilities, house registration numbers, bank accounts opening etc. Thus, the Board of Directors has assigned 6 directors composing Mr. Kittti Thanakitamnuy, Mr. Sitti Leelakasamelerk, Miss Vasana Thieansirisak, Mr Theeraphon Voranithiphong, Mr. Sira Udol and Mr. Surachet Suboonson to attend the meetings. If any of the 6 directors is unavailable for any meeting, the Company will invite other directors to constitute the meeting.

The Company's Executives

As of December 31, 2016 the Company's Executives are as follows:

- | | | | |
|----|----------------|-----------------|--|
| 1. | Mr. Kitti | Thanakitamnuay | Chief Executive Officer and Acting President |
| 2. | Mr. Sitti | Leelakasamelerk | Deputy Chief Executive Officer |
| 3. | Miss Vasana | Thieansirisak | Chief Financial Officer |
| 4. | Mr. Arat | Sawatatat | Executive Vice President |
| 5. | Mr. Theeraphon | Voranithiphong | Executive Vice President |
| 6. | Mr. Sira | Udol | Executive Vice President |

Organization Chart



* CEO office Department is under Chief Executive Officers' control

The Corporate Secretary

The Board of Directors has assigned Mrs. Angkana Intravichien as the Company's Secretary effective as of December 26, 2013. The qualification of the Corporate Secretary as follows:

1. Knowledge and understanding in company business
2. Understand the responsibilities of the Corporate Secretary
3. Knowledge and understanding of law, rules of the Securities and Exchange Commission, stock market, and stock exchange of Thailand
4. Knowledge and understanding in corporate governance and corporate governance rules
5. Not seek the self benefit from business opportunity including keeping the Company's undisclosed
6. Hospitable and be able to contact and communicate with internal and external unit
7. English Knowledge

The Corporate Secretary has responsibilities as listed under section 89/15 and 89/16 in the Securities and Exchange Act B.E 2551 (volume IV), which is effective on August 31, 2008, to be in charge for the following matters on behalf of the Company or the Board of Directors:

1. To prepare and keep the following documents
 - List of Directors Registration
 - The Board of Directors' Meeting: Invitation for Meeting, Minutes of the Board of Directors meeting and Annual reports of the Company
 - Shareholders' Meeting: Invitation for Meeting: Invitation for Meeting, Minutes of the shareholders' meeting
2. To keep the reports on the interest of directors and executives
3. To perform any other acts as specified in the notification of the Capital Market Supervisory Board

In addition, the Corporate Secretary has responsibilities as to be assigned from the Company.

Remuneration for the year 2016

Remuneration in Monetary Value

Board of Directors

The Board of Director of the Company and Subsidiaries are the same board. The remuneration of each director is included in the Company's remuneration. The directors receive yearly remuneration. The remuneration for the year 2016 was Baht 3,145,000 as followed:

(Unit : Baht/Year)

			Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Governance Committee
1.	Mr. Kittti	Thanakitamnuy	55,000	-	-	-	-	-
2.	Mr. Sitti	Leelakasamelerk	50,000	-	50,000	50,000	-	-
3.	Miss Vasana	Thieansirisak	50,000	-	-	-	50,000	50,000
4.	Mr. Theeraphon	Voranithiphong	50,000	-	-	-	-	-
5.	Mr. Sira	Udol	50,000	-	-	-	-	-
6.	Mrs. Boonperm	Jiamtiranat	50,000	540,000	50,000	50,000	-	50,000
7.	Mr. Narong	Taychachaiwong	50,000	450,000	50,000	50,000	50,000	-
8.	Mr. Surachet	Suboonson	50,000	450,000	50,000	50,000	-	50,000
9.	Assoc. Prof. Dr. Somchai	Supattarakul	50,000	450,000	50,000	50,000	50,000	-

Executive Officers

Total Remuneration for the Company's executive officers (6 persons) comprised of salary and bonus, ended of December 31, 2016 was Baht 59,722,720

The Remuneration Committee of the Company considers the remuneration forms and criteria for the directors and the executive officers to be clearly, transparently and fairly determined based on the identical and comparable firms in same industry. Remuneration for the directors and the Subcommittees are then determined and approved by the Board of Directors and the shareholders' meeting, respectively. To promote fairness, motivation, and Company's maximum benefits, the executive officers' remuneration is set to correspond with the Company's performance and each director's performance.

Other Remuneration

-None-

Personnel

The number of employees and compensation

The number of employee (exclude executives) of the Company as of December 31, 2016 totaling of 360 employees.

2016	Number of employees
Support line	74
Project operation	286
Total	360

The compensation includes salary, overtime, cost of living support, bonus, provident fund, total of Baht 189,154,589.

Policy on human resource development

The Company have a policy to train and develop its human resources by seminar including encourage employee to attend various seminars to enhance their knowledge and capabilities in order that they can employ their knowledge and capabilities to develop and achieve the Company's objective, especially new technology training to improve their performance more effectively. In addition, the Company has build working unity and good attitude to employees.

Details of Company's Directors, Executive Officers, Authorized Person and Company Secretary

Name	Age (Yrs)	Education	Holding of (%)	Relationship between Directors and Executive Officers	Working Experience		
					Period	Position	Companies
1. Mr. Kitti Thanakitamnuay	61	- B.A., Political Science, Chulalongkorn University - Director Accreditation Program (DAP) Class 71/2008	7.96% (*)		1990 – Present	Chairman	Noble Development Public Company Limited
					2006 - Present	Chief Executive Officer	Noble Development Public Company Limited
					2012 – Present	Acting President	Noble Development Public Company Limited
					1985 – Present	Managing Director	Continental City Company Limited
					2005 – Present	Managing Director	Ban Suk Sabai Company Limited
					2013 – Present	Managing Director	S&P Property Management Company Limited
					1990 - Present	Director	Ban Slam Holdings Company Limited
2. Mr. Sitti Leelakasamelek	63	- B.A., Accounting, Chulalongkorn University - Director Accreditation Program (DAP) Class 11/2004 - Audit Committee Forum 2014	-		1991 –2014	Executive Vice President: Support Line	Noble Development Public Company Limited
					1994 – Present	Vice Chairman	Noble Development Public Company Limited
					2009 – Present	Member of the Nomination Committee and Member of Remuneration Committee	Noble Development Public Company Limited
					2014 - Present	Deputy Chief Executive Officer	Noble Development Public Company Limited
					1995 – Present	Director	Continental City Company Limited
					2005 – Present	Director	Ban Suk Sabai Company Limited
					2012 – Present	Director	N.K.Energy Conservation Company Limited
					2013 – Present	Director	S&P Property Management Company Limited
					2004 – Present	Independent Director	Khon Kaen Sugar Industry Public Company Limited
					2007 – Present	Member of Risk Management Committee	Khon Kaen Sugar Industry Public Company Limited
					2010 - Present	The Chairman of the Audit Committee	Khon Kaen Sugar Industry Public Company Limited

Name	Age (Yrs)	Education	Holding (%) of	Relationship between Directors and Executive Officers	Working Experience		
					Period	Position	Companies
3. Miss Vasana Thieansirisak	49	- Master of Science, Managerial Accounting and Master of Science, Economic Law Chulalongkorn University - Director Accreditation Program (DAP) Class 45/2005	-	-	1996 – Nov. 2014	Senior Vice President: Corporate Finance Department Director Member of the Corporate Governance Committee Member of the Risk Management Committee Chief Financial Officer Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited S&P Property Management Company Limited Continental City Company Limited Ban Suk Sabai Company Limited
4. Mrs. Boonperm Jiamtiranat	67	- B.A., Accounting, Chulalongkorn University - Director Accreditation Program (DAP) Class 13/2004 - Director Certification Program (DCP) Class 81/2006	-	-	25 Jan 2001 – Present 2009 – Present 2011 - Present 2013 – Present 2013 – Present 2013 – Present 1999 – Present 2009 – Present 2010 – Present 1995 - Present	Independent Director and The Chairman of the Audit Committee Member of the Nomination Committee and Member of the Remuneration Committee The Chairman of the Corporate Governance Committee Director Director Director Independent Director Member of the Audit Committee The Chairman of the Corporate Governance Committee Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited Surapon Foods Public Company Limited Surapon Foods Public Company Limited Surapon Foods Public Company Limited Noble Estate Company Limited

Name	Age (Yrs)	Education	Holding (%) of	Relationship between Directors and Executive Officers	Working Experience		
					Period	Position	Companies
5. Mr. Narong Taychachaiwong	66	- B.A., University of Central Florida, Orlando, Florida, USA - Director Accreditation Program (DAP) Class 2/2003	-	-	13 May 1998 – Present	Independent Director	Noble Development Public Company Limited
					1999 – Present	Member of the Audit Committee	Noble Development Public Company Limited
					2009 – Present	The Chairman of the Nomination Committee and Member of the Remuneration Committee	Noble Development Public Company Limited
					2011 – Present	Member of the Risk Management Committee	Noble Development Public Company Limited
					2013 – Present	Director	Continental City Company Limited
					2013 – Present	Director	Ban Suk Sabai Company Limited
					2013 – Present	Director	S&P Property Management Company Limited
					1983 – 2014	Chairman	Inter-Far East Engineering Public Company Limited
					2006 – 2014	Chief Executive Officer	Inter-Far East Engineering Public Company Limited
					2014 – Present	President	NND (Thailand) Company Limited
6. Mr. Surachet Suboonson	50	- B.A., Accounting, Thammasat University - Director Accreditation Program (DAP) Class 64/2007	-	-	24 Nov 1999 – Present	Independent Director and Member of the Audit Committee	Noble Development Public Company Limited
					2009 – Present	The Chairman of the Remuneration Committee and Member of the Nomination Committee	Noble Development Public Company Limited
					2011 – Present	Member of the Corporate Governance Committee	Noble Development Public Company Limited
					2013 – Present	Director	Continental City Company Limited
					2013 – Present	Director	Ban Suk Sabai Company Limited
					2013 - Present	Director	S&P Property Management Company Limited

Name	Age (Yrs)	Education	Holding (%) of	Relationship between Directors and Executive Officers	Working Experience		
					Period	Position	Companies
7. Assoc. Prof. Dr. Somchai Supattarakul	49	- Ph.D in Accounting, University of Texas at Austin, U.S.A. - Director Accreditation Program (DAP) Class 96/2012	-		9 Mar 2010 – Present	Independent Director and Member of the Audit Committee	Noble Development Public Company Limited
					2010 – Present	Member of the Remuneration Committee	Noble Development Public Company Limited
					2011-Present	Member of the Nomination Committee and The Chairman of the Risk Management Committee	Noble Development Public Company Limited
					2013 – Present 2013 – Present 2013 – Present 2011 - Present	Director Director Director Associate Professor	Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited Faculty of Commerce and Accountancy, Thammasat University
8. Mr. Arat Sawatatat	48	- Master of Science (Land Development), Texas (A&M) University, USA	-		2000 - 2014 2014 – Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2003 – 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
9. Mr. Theeraphon Voranithip-hong	46	- Master of Finance, The Pennsylvania State University, USA - Director Accreditation Program (DAP) Class 129/2016	-		2003 – 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
10. Mr. Sira Udol	45	- Master of Science in Management SASIN Graduate Institute of Business Administration of Chulalongkorn University - Director Accreditation Program (DAP) Class 129/2016	-		2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited
					2005 - 2014 2014 – Present 28 Apr 2015 - Present 2013 – Present 2013 – Present 2013 – Present	Project Director Executive Vice President Director Director Director Director	Noble Development Public Company Limited Noble Development Public Company Limited Noble Development Public Company Limited Continental City Company Limited Ban Suk Sabai Company Limited S&P Property Management Company Limited

Name	Age (Yrs)	Education	Holding of (%)	Relationship between Directors and Executive Officers	Working Experience		
					Period	Position	Companies
11. Mrs. Angkana Intravichien	46	- B.A., Accounting, Ramkhamhaeng University - Master of Business Administration, NIDA	-	-	2003 – 2014	Vice President: Accounting and Finance Department Company Secretary	Noble Development Public Company Limited
					2013 - Present 2015 - Present	Senior Vice President: Accounting and Finance Department	Noble Development Public Company Limited Noble Development Public Company Limited

* Remark: - Number of shares held by personally 36,330,919 shares – unchanged
- Number of shares held by spouse and minor children – none

Directors of subsidiaries and associated companies

Director		The Company	Subsidiaries			Associated Company
			1	2	3	1
Mr.Kitti	Thanakitamnuy	X X	X	X	X	
Mr. Sitti	Leelakasamelek	//	//	//	//	X
Miss Vasana	Thieansirisak	//	//	//	//	
Mrs. Boonperm	Jamtiranat	/	/	/	/	
Mr. Narong	Taychachaiwong	/	/	/	/	
Mr. Surachet	Suboonson	/	/	/	/	
Assoc. Prof. Dr. Somchai	Supattarakul	/	/	/	/	
Mr. Theeraphon	Voranithiphong	/	/	/	/	
Mr.Sira	Udol	/	/	/	/	
Mr.Arat	Sawatatat		/	/	/	
Mr.Pathpong	Sukasem					//
Mr. Somsak	Chongcham					//

Remark: X X = Chief Executive Officer X = Managing Director // = Authorized Director / = Director
 Subsidiaries 1 - Ban Suk Sabai Company Limited
 2 - S&P Property Management Company Limited
 3 - Continental City Company Limited
 Associated Company 1 - N.K.Energy Conservation Company Limited

08 Corporate Governance

1. Corporate Governance

Realizing the importance of good corporate governance, the primary factor in enhancing effective management system, reflecting high standard and transparent management, leading The Company to achieve a sustainable growth, and building up confidence to shareholders, foreign and domestic investors, stakeholders including customers and creditors; hence, The Company adopt the corporate governance principles set by the Stock Exchange of Thailand as the guideline in operation and consider as the core business policy.

In the Board of Director's meeting no.2/2008 on 26 February 2008, the Board of Director approved The Company's corporate governance and acknowledged to the Board of Directors, Management, and employees. The Company reviews the corporate governance policy annually to be appropriate and comply with international standards laws, rules and regulations. In order to encourage people to implement the corporate governance policy, The Company publicized the corporate governance policy through The Company's website at www.noblehome.com. The Company's corporate governance covers area of

- Equalities of Shareholders
- Roles of the Stakeholders
- Information Disclosure and Transparency
- Board of Directors
- Internal Audit and Risk Management

In 2016, Corporate Governance of The Company can be summarized as following;

1. Rights of the Shareholders

The Company embraces the importance of all shareholders' rights. All of company's shareholders shall have these following rights:

- Rights to receive and transfer shares.
- Rights to receive the adequate information on timely basis.
- Rights to share company's profit under the equality ground.
- Rights to attend the meeting and vote for the significant policy or decision of The Company and the right of shareholders that the Board of Directors must address and gain vote from the shareholders' meeting.
- Rights to appoint and discharge company directors, and to approve the independent auditors.
- Rights to voice their opinions and make joint decision making as well as to raise the question during the shareholders' meeting.
- Other legal rights.

In addition of rights of shareholders, The Company operates as the following;

1. Shareholders' Meeting

Noble Development organizes an Annual General Shareholders' Meeting within four months after closing date of its fiscal year according to the law. In some urgent cases, The Company may call

for an irregular shareholders' meeting, whose agenda shall affect the interest of shareholders that must be approved by shareholders. This irregular shareholders' meeting will be conducted on case by case basis.

The Company provides an opportunity to shareholders to propose subject matters to be included as the agenda and to propose candidate to be nominated for director (Please refer to "Equality of the shareholders" section). The Company also encourages every shareholder to submit their questions through The Company's website prior to the meeting. In 2016, The Company set the agenda for the AGM to be clearly written in the Annual General Meeting of Shareholders 2016 invitation.

The Company has a policy to facilitate and encourage shareholders especially institutional shareholders in attendance. The Company arranges the meeting at the appropriate time, date, place to be convenient for shareholders. The Company also allows the shareholders register at least 1 hour and 30 minutes prior to the meeting which is adequate of time. Additionally, The Company employs the barcode system to make it easy for registration. In 2016, The Company arranges the Annual General Meeting of Shareholders on Wednesday, April 27, 2016 at 10:00 am at Grand Ball Room 3rd Floor, The Okura Prestige Bangkok Hotel, Wireless Road, Bangkok to facilitate travel for shareholders.

At least 8 directors from the Board of Directors shall attend the shareholders' meeting, including at least 2 from the Audit Committee. Chairman, Chairman of the Sub-Committee, and Chief Executive Officer shall attend every shareholder's meeting to answer questions and concerns posed by shareholders.

Before the meeting, Chairman inform thoroughly of the voting rules in each session, the ballots using, vote counting and reveal counting vote. In the meeting, Chairman also gives opportunity to every shareholders to express their opinion, recommendation, and ask question in each session, and allocate enough time for the meeting and discussion. The Chairman, Chairman of the Sub-Committee, Chief Executive Officer and all executives conduct each meeting suitably and transparently, allowing thorough expression of views and queries before each ballot round under the free vote atmosphere.

The Company determines that the minutes of a meeting will be recorded and clearly state the informing of the voting rules, the ballots using and vote counting to shareholders prior to the meeting, the resolution of the meeting, the number of votes received in each session which state the number of approve, disapprove or abstain votes, including inquiry and important comment in each session thoroughly, and the minutes will be stored for, being inspected, and sent to the Stock Exchange of Thailand afterward for shareholders and investors information. Besides The Company provide video recording to shareholders. The Company received the good score from the 2016 Annual General Meeting evaluated by Thai Investors Association and Listed Companies Association. The Company received 95.75 points from 601 companies that have been evaluated. The average score of the companies listed on the Stock Exchange of Thailand is 91.62 points.

2. Shareholding Structure

Shareholding structure of The Company is clear and simple. There is no cross or pyramid shareholding. The Company publicizes shareholding structure that represents the majority of the first 10 shareholders in The Company website in 2016. The Board of Directors and the management

hold shares which equal to 7.96% of the paid-up capital of The Company and the Free Float of The Company is 52.77% of the paid-up capital of The Company. (Details provided in Details of company's Directors, Executive Officers, Authorized Person, and company Secretary).

The Company did not repurchase shares during 2016. If there are such cases, The Company will disclose the policy of buying back shares later on. The Company has no discrimination or creates barriers to allow shareholders to communicate with each other. Moreover, The Company does not neglect to reveal the agreement between the shareholders which significantly impacts on The Company or other shareholders.

2. Equality of the Shareholders

1. Right to Attend Shareholders' Meeting

Other than Rights of the Shareholders, The Company values and treats all shareholders fairly procedures to propose subject matters to be included as the agenda and to propose candidate to be nominated for director. To promote transparency, criteria to propose subject matters to be included as the agenda is clearly defined according to the information publicized on The Company's website. The same concept apply to propose candidate to be nominated as the director, the criteria is posted on the website. www.noblehome.com

Before each meeting, The Company will send notice before calling the meeting and distribute both Thai and English version of agenda, supplementary documents, and the opinion from Audit Committee (if any) to all shareholders at least 7 days in advance, including three consecutive days of notice on newspaper at least 3 days prior to the meeting.

In case the shareholders cannot self-attend the meeting, The Company proposes that the shareholders can appoint the independent director as the proxy. The Company use proxy form according to Department of Business Development's 5th notification 2007, which has 3 different form; Type A, Type B and Type C. All kind of form is applicable at shareholder's option and can be downloaded at The Company's website. However The Company had sent Type B proxy form accompanying with invitation letter for shareholder meeting. Type B proxy form is the restricted form in which all the voting agendas are specific, for example shareholder can use this form to nominate director one by one. In case the shareholders cannot self-attend the meeting, The Company proposes that the shareholders can appoint the independent director as the voting representative.

The meeting will be conducted in sequence of agenda as specified in the invitation. The Company's shares is only common stock and The Company uses voting tickets to allow each shareholder equal opportunity and for transparency and inspection issues. For appointing the Board of Directors, each director will be elected in each ballot round and The Company gives the opportunity to the shareholder to elect the individual directors as one share one vote. Furthermore, any of a shareholder or a group of people who is considered as interested party in appointment of a director agenda, The Company will advise the shareholder and the group abstain from voting in that agenda.

2. Conflict of Interest and Connected Transaction

The Company has set clearly a conflict of interest policy. The Audit Committee is responsible for connected transaction and conflict of interest to be legally and comply with the law and regulations of the Office of The Securities and Exchange Commission and the Stock Exchange of Thailand. This is to ensure that the transactions are appropriate and most beneficial to The Company

In 2016, The Company has connected transaction with subsidiaries. The Company has short term loan and interest receivable (Details provided in Connected Transaction). Additionally, The Company has no connected transactions in violation of or non-compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

3. Role of the Stakeholders

The Company has the policy to serve mutual benefits among itself, and internal and external stakeholders e.g. shareholder, management, employee, customer, creditor, competitor, government, and all relevant agency related to human rights and intellectual property including society, community, and environment. The Board of Directors determines the clear policy and discipline which is notified in Corporate Governance and Business Code of Conduct for stakeholders to coordinate between The Company and stakeholders. By cooperating among itself and interested party to benefit business operation and build up confidence as well as enhance potential, we, therefore, promote the coherence and trust among every party in order to sustain our competitiveness and stability in expansion.

Policy and Treatment of Shareholders

In order to be the best representative of our shareholders to achieve a sustainable growth and competency, The Company upholds the principles of business operations with honesty and treats all shareholders equally including disclose all information to shareholders correctly. The practices regarding shareholders are summarized as follows.

1. Respecting and treating all shareholders equally.
2. Acting with integrity and operating prudently for the best benefit of shareholders.
3. Publicizing data and information through The Company's website at www.noblehome.com.
4. Reporting financial performance, overall operation and more information with accuracy, adequacy and timely decision making.

Policy and Treatment of Customers

As our most important supporters and stakeholders, we value our customers and do our best to protect their benefit. The Company aims and acknowledges all employees that after sale service as its best, the doorstep, is not the end of relationship but it is where is the relationship , and responsibility starts. We develops not only the design, the quality and the standard of our houses, but also gives a priority to the pleasant environment in the housing project after the transferring of ownerships. The practices regarding customers are summarized as follows.

1. Treat customers equally, fairly and on the basis of suitable benefit for both parties.
2. The Company provides After Sales Service Department to maintain a good environment and to maintenance customer's houses in the housing projects.

3. Giving true and complete information about home styles, materials used by The Company. So that customers can compare the quality and standards of the house to the products from other development companies before deciding to buy.
4. Providing accurate and adequate information to customers. In order that customers can determine the period, rights and obligations which are all true without misleading about quality, quantity or any other condition.
5. Keeping the confidentiality of customer's information and not using it wrongfully for its advantage or related.
6. Contacting customers with courtesy and meet the needs of customers quickly and efficiently.

Moreover, in 2016, The Company has organized various activities properly to build a good relationship between The Company and customers of each project. For example,

- Event the “Noble ID Printing Block Workshop”: to learn about the block making technique for printing on the fabric, by qualified lecturer in order to use it for creating the fabric achievement on different patterns.
- Seminar activity, “Protect Your Wealth Now”: by qualified lecturer who jointly pass on their experiences and strategies on the investment of the real estates in the Sukhumvit area and the investment tendency in 2016 at the sales office of Noble BE33, Sukhumvit 33.
- Event the “Noble ID Marbling Art Workshop” to learn about the artwork technique for creating the marble designs and paint whisking and dripping technique for creating the designs on the jelly water by the qualified lecturer for use in decorating the residences at Noble Space Ari.
- Event the “Exclusive Movie Day”: watching “Café society” at Quartier CineArt, The Emquartier shopping mall as a thank and to build good relationship between customers and The Company.

Policy and Treatment of Employee

Employee is the most important human resource to The Company, the key drives to success. The Company's business ethical code of conduct has been written that employees are treated equally and fairly, including the determination of benefits according to The Company's performance both in short and long term which also consider from knowledge, experiences, individual performance, annual profitability of The Company, welfare and fringe benefit, safety and hygiene in the workplace including the development of knowledge and potential of employees. The practices regarding employees are summarized as follows:

Welfare and Benefits

- The establishment of the provident fund as security for employees and to secure the job, which is a long-term taking care of employee.
- Life insurance, group accident insurance, group health insurance (Out-patient and in-patient) which employees will receive benefits under the health insurance policy.

- Provision of emergency loans as welfare for employees at all levels.
- Loans to buy a car as welfare for manager level and above employees.
- Financial support for various occasions such as childbirth, patient visiting, death of parents, etc.
- Rights to buy house and condominium projects of The Company to be residence vary in line with working experience according to regulations and approval of The Company.

Recreation

- Organize annual vacation trip. In 2016, The Company hosted the New Year party for employees at Kirimaya & Atta Lakeside Resort Suite Khaoyai which employees could bring their families to join the recreation activity. Concept of this year is "Noble Colorful Night Party" and there will be show by new employees and the costume contest under the concept of the party.

These activities above are to encourage relationship in the workplace.

Security

- The Company pays attention to security, sanitation and working environment, such as, arranging 24 hour security personnel to ensure that the workplace is a safe environment, the installation of closed circuit cameras to monitor image and sound (CCTV) and implementing fingerprint and face scanning procedure before entering the office.

Sanitary and Environment

- Employees will receive health insurance from The Company and be admitted to the assigned hospital. The amount of medical expenses is determined by class of employee.
- Setting up hand sanitizer terminals for employees at head office and at individual project sale offices.

The Company realizes the importance and necessity of the safety and health of employees along with The Company business to ensure that employees are safe and exempt from accidents and occupational diseases. In 2016, there was no employee suffered from accidents, absence and illness from work. In cases that the employee has an accident from work, The Company also provides health insurance benefits.

The Potential Development of Employees

The Company gives priority to the development of knowledge and ability of employees by providing training within The Company continuously and encourages every level of employees to attend training courses and seminars by outside agencies to enhance the knowledge of their duties. This will increase the capacity and efficiency of the operations. The Company also focuses on the management and staff at all levels to set a plan in accordance with the direction and objectives of The Company so that employees are aware of the importance of their own. As a result, the performance effectively goes towards the objectives in the same direction and purpose.

Topics for internal trainings are new employee orientation, professional enhancing image and personality development training, professional sales techniques for real estate training, techniques for dealing with customer complaints training, etc. In 2016, The Company has arranged employees to be trained internal and external for the total of 1,518 hours of training, an average of 4.43 hours/person/year.

Policy and Treatment of Competitors

The Company promotes the free-trade policy and fair competition under the legal regulation and business ethic and avoids unfair competition to defeat competitors. The practices regarding competitors are summarized as follows.

- Supporting free trade and do not force a partner to solely trade with The Company.
- Operating under the rules of the competition.
- No inquiring confidential information of the competitors by dishonest or inappropriate method.
- No destructing the reputation of competitors with malicious accusation.

Policy and Treatment of Partners

The Company transparently and fairly selects our contractors (partners), and follows every contract strictly. As well as procuring the resources considering the best interests of The Company and get a return on the basis of suitable benefits for both parties. The practices regarding partners are summarized as follows.

- Treating partners fairly and equally on the basis of getting a return that is fair to both parties.
- There are selection Criteria, partner assessment and preparation of contract by mutual agreement.
- Considering the problems that arise with contractors to jointly solve problems regularly, such as typically the contract already includes the labor and the material cost. In the situation of material shortage, if The Company is in the better negotiating position, it will supply the materials to contractors to support each other and to maximize the benefits of the business between The Company and partners.

Policy and Treatment of Creditors

The Company has a policy to give priority to all creditors with all conditions strictly. The Company manages loans to comply with the terms of the loan agreement and control the loan repayments and interest to be paid to all creditors in full by a specified time in order to ensure the financial performance and the ability to pay debts of The Company. The practices regarding creditors are summarized as follows.

- Comply with the contract or conditions with creditors strictly in terms of repayments and other conditions. If The Company cannot fulfill the obligations in the agreement, it will find solutions and prevent damage together.

- Manage to assure creditors to be confident of the financial performance and the ability to pay debts of The Company.
- disclose the information to creditors completely, and not amend documents for your own benefit.

Policy and Treatment of Government and Relevant Agency

The Company respects and follows the relevant laws and regulations strictly. We emphasize and understand the intention and objective of each of every related land and building Act e.g. Land Allocation Act, Condominium Act, Building Construction Control Act in order to advantage our customer, environment, community and society.

Policy and Treatment of Human Rights

The Company gives a priority to human dignity and fundamental rights. The Company encourages management and employee to respect basic human rights to conform to Universal Declaration of Human Rights (UDHR) and carry on this principle to be part of daily operation.

- Comply with international human rights regulations strictly.
- Define regulatory measures to prevent The Company's business to be involved in human rights abuses.
- Not support activities that violate the international law and human rights.
- Provide an understanding of the international human rights for management and employees of The Company.

Policy and Treatment of Intellectual Property and Copyrights

The Company honors the merit of intellectual property and copyrights, so that every computer or internet operation will have to conform to "Computer-Related Crime Act" B.E. 2550 (2007). The practices regarding Intellectual property and copyrights are summarized as follows.

- Return and copyrights of the work that has been assigned by The Company to set up, work for The Company or is learned from The Company is reserved for The Company.
- Perform tasks using computer software with a valid license. Installing and using computer software which license is not valid in The Company is strictly prohibited.
- Refrain from supporting or downloading the computer software which infringes the intellectual property and copyrights.
- Discourage employees to infringe the intellectual property or copyrights of other persons without their permission.

Policy and Treatment of Community, Society and Environment

The Company realizes that although profit is the ultimate goal but it should not base on unfair or disturbance basis but responsible to community, society and environment by complying to policies, rules, and regulations.

Therefore, we develop our After Sales Service Department to maintain a pleasant environment and offer maintenance service to the customer even after the proprietorship is transferred. The practices regarding community, society and environment are summarized as follows.

- Encourage and communicate with the social to understand the operations of The Company and the community and Social responsibility without concealing facts that can be disclosed
- The Company created the new community namely “Noble ID” to bring a whole new experience and share a good thing to Noble ID members and also to non-Noble Development clients with no expense. The clients or those who are interested can now be informing about the activities of the “NOBLE ID” at www.nobleid.com
- Giving the knowledge and awareness about social responsibility and environment to employees of The Company continuously (Details provided in Educating and training employees in environmental matters policy)
- Organize activities in order to give back to the community and society regularly. The activities must be really appropriate and profitable to the community and society

In 2016, the Board of Directors, management and together with company staffs successfully implemented number of Corporate Social Responsibility (CSR) projects to give back to the communities. The Company together with employees participated in social responsible activity at Bankhaojanhom School, Pakchong, Nakorn Ratchasima with the objective to improving and repairing toilet to be in good and safe hygiene by providing instructional media, food, snack and drink to students. In addition, The Company has established policies to be measures and support the operations of The Company which cover the following:

Educating and Training Employees in Environmental Matters Policy

The Company has provided the knowledge and awareness of environmental conservation to the management and employees of The Company and has defined measures and practices within the organization to encourage employees to save resources and energy to demonstrate environmental responsibility, save energy by turn off electricity during the lunch break, and turn off air conditioner when not use. The Company tries its best effort and most possible way to reduce global warming. The Company has launched the campaign to motivate consciousness of management and employee in using available resource wisely. The allocation of resource must be effective and efficient for instance, the campaign for the use of recycled paper, starting simultaneously at the Head Office and all projects, recycling the office paper, the repair and reuse computer appliance and office supplies.

Operating to Meet The Environmental Standards Policy

The Company commits to grow and develop with environmental responsibility. The Company emphasizes the implementation of defined environmental policies such as the provision of an assessment of the environmental risk, safety and health in all of the housing construction projects to prevent and reduce the potential impacts and prepare for emergency situations, the preparation of emergency protection plan including the potential impacts mitigation, The preparation of the guideline for management of sewage and waste materials and Monitoring and evaluating the environmental management system on a regular basis to improve and develop and accept complaints from within and outside The Company through www.noblehome.com

Policies and Guidelines of Anti-Corruption and Anti-Bribery

The Company has strong determination to pursue clean and transparent business and not to be affiliated with corruption in all forms. This included prohibiting executives and employees of The Company to corrupt and bribe for business. To prevent the risk of corruption, company has established policy and guideline of anti-corruption in the code of conduct of The Company and announced publicly through www.noblehome.com. The Company forbids all illegal activities, such as prohibiting employees from lending or soliciting money from customers or business partners, no bribing or giving other benefits to government officials, customers, partners, competitors, or other third parties in order to influence their actions that are contrary to law, no discrimination against customers, prohibiting executives and employees from having private transactions or activities related to The Company's business. The Board of Directors, management and employees at all levels are responsible for overseeing The Company's assets to maximize the benefits to The Company and not applying to their own benefits or other people and so on.

In order to encourage complying with The Company, The Company has provided training to employees by training about policies and guidelines of anti-corruption and bribery prohibition also, support on employee's training outside the organization which held by public and private organization to promote honesty and responsibility in their duties. Besides, The Company has set up a central agency which is responsible for monitoring and evaluation including sanctions for violations or non-compliance with such policies and guidelines.

The Company has set guidelines of internal control for various fields to achieve regulatory compliance and prevent the potential risk of fraud. The Internal Audit monitored and evaluated internal control of operations. In 2016, it was found that internal control was adequate, appropriate and effective and no significant issues or failures. Furthermore, in 2016, the internal audit also evaluated the risk of fraud and corruption. It was indicated that there is no risk of corruption affected on The Company business and no events that indicated corruption within and outside The Company.

Whistle-blower Policy

The Company establishes a channel and procedure that all stakeholders can report or complain in case about an infringement of law or good governance and ethical misconduct which may cause damage to The Company including the complaint case about abuses, corruption through The Company's website at www.noblehome.com. The Company provides protection and relief and conceals information of the whistleblower or complainant and defendant. Only if necessary, it will be disclosed with consideration of safety and damage of the sources of information or related parties.

The Company provides protection, damage mitigation and contact information to stakeholders. The central agency is informed on matters that may cause damage to The Company before transmitting the report to the Audit Committee of The Company afterward.

The Company provides a channel for employees or whistleblowers to report in cases that they are treated unfairly by the actions of The Company or see the unlawful or unethical actions or employee was harassed, threatened and disciplinary sanctioned, such as suspended or expelled from the job or discriminated about the employment through The Company's website at www.noblehome.com. The Company establishes guidelines to protect employees or complainers by not disclosing the name or any information that could identify the complainant and the defendant

and retain this information confidentially. Upon receiving the complaint, The Company has a process to deal with employee complaints by the central agency which is primarily responsible for the management of the complaints before transmitting the information to the Commission and management of The Company afterward. When the executives of The Company receive the complaint, it will be taken into consideration and investigation and resolved appropriately. And also follow up on the progress periodically. This central agency will report the results of investigation to the complainant accordingly.

In 2016, The Company was not in any violation of labor law, employment, consumers, competition and environment or prosecuted by the regulators because of not disclosing all data from major event within the given time frame.

4. Information Disclosure and Transparency

Other than disclosure according to criteria of the Stock Exchange of Thailand, The Company emphasizes on the importance of the correctness, transparency, up-to-date and accessibility of financial, project progress, and performance to shareholders, investors, and related parties through every SET's channel, mass media, and www.noblehome.com both in Thai and English version. Moreover, The Company also distributes the information, project details and development, and real estate interested tips, shareholder structure, company structure, financial statement, invitation and minutes of the shareholder's meeting, investor relation information, and annual report which can be downloaded from the website. In addition, The Company distribute press release to spread news, details of The Company's projects and useful hints about property development to investor, shareholder, and people.

To publicize The Company's information, news, and its performance to investors, shareholders, related people thoroughly and give opportunity to investors and analyst who has any inquiries about The Company, beside of domestic investors, The Company gives the opportunity to foreign investors to attend the meeting to be acknowledged The Company's information and progress.

The Company additionally provides investor relations division to be responsible for providing information impacting in The Company's stock price including other important information, in order to provide information and company performance report to investors, shareholders and related parties. This division is under control of Ms.Vasana Thieansirisak. The investors and interested person can contact us through

- The Company's website at www.noblehome.com in Investor relation section or reach us via email : ir@noblehome.com
- Phone : 0-2251-9955 ext. 1402

Directors realize their great responsibility of financial statement disclosure. Financial statement must present with correction, consistency, and completion of financial status and performance and sufficient notes. The Company must employ appropriate accounting policy, exercise it regularly and has the audited financial statements and comply with generally accepted accounting principles and related rules and regulations. The Company's financial statement was audited by Pricewaterhouse ABAS, which is an auditor appointed by the Securities and Exchange Commission and The Stock Exchange of Thailand. The Company support information and documents to auditor for auditing and expressing its opinion in the auditor's report in the annual meeting already expressing unqualified. In 2016, The Company has submitted financial statements to the Securities and Exchange Commission and The Stock Exchange of Thailand on time and not be amended. Also, the Board of Directors is responsible for the accuracy of all material information in annual report.

The Board of Directors has the duty to attend the meetings. There were 29 meetings held in 2016. (Please refer to “Management Structure” section)

The Company’s board of directors has set up the audit committee who are independent directors to review accounting policy and quality of financial statement, internal control, and, risk management control. Please see in “The Audit Committee’s Report” section.

Report of The Company’s Security Holding

The Company has established policy in code of conduct that the directors and executives including spouse and minor children are notified of their duties and responsibilities in providing and disclosing their own and their related person of securities’ holding to the Board of directors in the Board of Directors’ meeting.

Report on Interest of Directors and Executives

In compliance with section 89/14 of Securities and Exchange Act (No.4) B.E. 2551 (2008) and the Notification of the Capital Market Supervisory Board No. TorChor. 2/2552 Re : Report on Interest of Directors, Executives and Related Persons which stipulates, set requirement that the directors and executives report to The Company on their own stake, or those of their related person’s vested interest relating to the management of business of The Company or its subsidiaries. Such report shall constitute information to support The Company’s operations according to the requirement regarding related party transaction, which are transactions that may cause conflict of interest and lead to the siphoning of interest of The Company and its subsidiaries. The directors and executives must also perform their duties with due care and honesty, and they shall make decision on The Company’s matters without vested interest either directly or indirectly by filling in Form for Reporting on Stake of Directors and Executives as follows:

- First report: It should be done by the 15th of the following month from the on which there is transaction of stake.
- Report on changes of information on stake: It should be made without delay, that is, within 3 business days from the date on which the information has changed by specifying the orderly number of such change.

Whistle Blowing

The Company adheres to Whistle-blower policy by providing a channel that staff and all stakeholders can help monitor. If there is any action that is against the good governance policy, unethical, against policy or unfollow The Company’s rules and regulations, illegal or may cause damage. Staff and all stakeholders can report or complain against such actions to The Company in several way via

- The Company’s website at www.noblehome.com in Investor relation section: Whistle blowing and corruption issues topic or reach us via email : ic@noblehome.com
- Information Center
Address : Noble development public company limited, Head office
1035, Noble Building, Ploenchit Road, Lumpini
Pathumwan, Bangkok 10330

Phone : 0-2251-9955 ext. 1402

Fax : 0-2251-9977

Upon receiving the complaint, The Company has a process to deal with employee or whistleblower without disclosure their name, address, information which can be identify the complainer, and keep a secret of data storage to ensure that the whistleblower and the complainer will not be effected from whistle blowing and complaining by the central agency which is primarily responsible for the management of the complaints before transmitting the information to the Commission and management of The Company afterward. When the executives of The Company receive the complaint, it will be taken into consideration and investigation and resolved appropriately. And also follow up on the progress periodically. This central agency will report the results of investigation to the complainant accordingly.

5. Board of Directors' responsibilities

5.1 Board of Directors' Structure

Board of Directors consists of 9 directors, as of 31 December 2016,

5 executive directors

4 independent directors

All directors are characterized by reputable, experienced, knowledgeable, expertise and unbiased. They are not under management's authority, capable of investigation, able to balance other director's power and exercises independent objection. It is confident that operation of The Company is managed freely, clearly, and transparently.

To comply with the Corporate Governance by clearly separating the role, power, and responsibility for balancing business operation, the Board of Directors determines that the Chairman must not be the same person as Managing director. With 44% structure of independent director creates the appropriate transparent checking and monitoring.

In addition, the Board of Directors and the executives must not have been an employee or partner of the external audit company that have worked with The Company in the last 2 years.

5.1.1 Term of Board of Directors

Under The Company's articles of association, in every annual shareholders meeting, at least one third of board of directors must resign. In the case that three cannot be divided evenly, the closet number is accepted. For the first and second year after The Company has set up and registered, the resigned directors are determined by randomly drawing, after that the directors who stay longest must resign. However, the resigned director can be re-elected, because The Company has confidence in the ability and expertise in the business of each director. The term of director is detailed in corporate governance.

When director's term has come to the end, The Company has the recruitment process for the Board of Directors in a transparent manner. The Nomination committee will choose candidates who will be the Board of Directors by considering qualification, knowledge, business specialized abilities and experience, regardless of gender including vision and ready to devote their time for the duties. Candidates are not prohibited by

law and must not have been an employee or partner of the external audit company that have worked with The Company in the last 2 years. Then, present to the meeting of shareholders to elect directors under the rules and procedures of The Company. (Please see in Nomination of the Board of Directors and Remuneration section)

5.1.2 Appointment of Company's Director in Other Company

According to The Company's articles of association noticeably, The Company's director is not allowed to be appointed in any board of directors or shareholder or partner of either The Company or the other kind of business entity, whose business activity is the same with The Company or can be a direct competitor with The Company except giving notice to the shareholders meeting prior to the appointment. The same rules apply to subsidiaries, to completely conform the good corporate governance concept set forth by Stock Exchange of Thailand,

In 2016, the number of directors and chief executive office appropriately took a position in subsidiaries or other companies and have no significant effect on company's operations. (Please refer to "Details of company's Directors, Executive Officers, Authorized Person, and company secretary" section)

5.1.3 The Corporate Secretary

The Board of Directors had a resolution to appoint the corporate secretary who will manage the Shareholders' meeting and management's meeting and following up their resolutions as well as encourage and manage the directors to operate under the law and related rules and regulations.

Moreover, the corporate secretary duties include managing and storing the meeting's supplementary documents as follows: Director registration, Invitation letter for Board of Directors' meeting, minute of Board of Directors' meeting and company annual report, invitation letter for Shareholders' meeting, keeping the related-transaction and conflict of interest report submitted by directors and executives, and other duties as specified by SET and SEC. (Details provided in Management Structure)

5.2 Subcommittee

The Company appointed 5 subcommittees in order to follow up and control The Company's operation and report to the Board of Directors regularly. This is consisted of The Audit Committee, The Nomination committee, The Remuneration Committee, The Risk Management Committee, The Corporate Governance Committee.

5.2.1 The Audit Committee

The Company's Board of Directors has set up the Audit Committee with 2 years term, fully-experienced in internal control to assist The Company's corporate governance and professional in regulation and standards in financial statement reporting in order to achieve complete, adequate, and transparent financial report. The Chairman of the Audit Committee does the report in order to disclose in annual report and 56-1 report.

5.2.2 The Nomination Committee

The Company's Board of Directors has set up the Nomination Committee with 3 years term consisting of independent directors represent 80% and Chairman of Nomination Committee, which is independent directors, to consider the criteria and process to select the appropriate qualified person to be a director and executives. The Nomination Committee reports to the Board of Directors at least twice a year or when significant change arises.

5.2.3 The Remuneration Committee

The Company's Board of Directors has set up the Remuneration Committee with 3 years term consisting of independent directors represent 80% and Chairman of Remuneration Committee, which is independent directors to consider the criteria and form of remuneration paid to the directors. The Remuneration Committee reports to the Board of Directors at least twice a year or when significant change arises.

5.2.4 The Risk Management Committee

The Company's Board of Directors has set up the Risk Management Committee with 3 years term to analyze and examine risk factors, to lead company's path applying risk management strategy and implementing measures to control overall risks. The committee, then, needs to present its findings to the Board of Directors for an approval by taken into account that company policies are strictly followed and the outcome is the most effective. The Risk Committee reports to the Board of Directors at least once a year or whenever a significant change arises.

5.2.5 The Corporate Governance Committee

The Company's Board of Directors has set up the Corporate Governance Committee with 3 years term to analyze and draft out corporate governance policies along with corporate ethics, internal auditing and give advices to committee and managements in how to perform their duties according to corporate procedures with good corporate governance. The committee also needs to revisit corporate governance and ethics on a regular basis as well as follow up and evaluate actions of the Board of Directors to stay in line with company's good governance policies. Corporate Governance Committee reports to the Board of Directors at least once a year or whenever a significant change arises.

The elements of all subcommittee including scope of work, role and responsibility are aligned with policies specified by The Stock Exchange of Thailand.

5.3 Roles, Duties, and Responsibilities of Board of Directors

5.3.1 Leadership and Vision

Board of Directors has the knowledge, leadership, capability, and business experience. Board of Directors is determined to represent shareholders to set forth policies, vision, strategies, target, mission statement, business plan, budget, good governance, and monitoring management, under law, regulation, related rules, objectives, article of

association, and the resolution of the shareholders' meeting. The segregation of Board and management allows maximum goodwill and best interest of The Company and shareholders as well.

In addition, the Board of Directors determines the vision and mission of The Company which is clearly written and disclosed in The Company's website. This will be a framework to determine the operating direction of The Company. It will have to reconsider the vision and mission of The Company every 5 years in order to comply with the changing conditions. In 2016, the Board of Directors had reviewed and approved the vision and mission in the Board of Directors in meeting no.1/2016 on February 24, 2016. Besides, the Board of Directors set the system to monitor and control management to keep the work process in the right direction as of vision and mission determined.

5.3.2 Corporate Governance and Code of Conduct

The Company operates under moral and ethical code of conduct to maintain a good standard of administration and operation with honesty and fairly to The Company itself and to every stakeholders. The Company clearly determined written Corporate Governance and code of conduct in The Company website at www.noblehome.com including the rights of shareholders, roles of stakeholder, information disclosure and Transparency, internal audit and risk management, transaction with relating persons, policy of conflict of interest, policy of anti-corruption and anti-bribery, policy of educating and training employees in environmental matters, company policy under environment standard, the whistle-blower policy including the protection of the employees and complainants, and operation with honesty and fairly under the laws and regulations to guideline and direct Board of Directors, management and employees to the same direction for the Company, all of stakeholders, public and society including follow up this policy continuously.

In order to comply with The Company policy, The Company's corporate governance policies are reviewed annually and guidelines for code of conduct are reviewed every two years or whenever a significant change arises. For the year 2016, Corporate Governance Committee has reviewed the corporate governance policies and business ethics and reported the results of that reviews in the Board of Directors meeting No. 3/2017 on February 27, 2017 before implementing and letting employees know. The Company provides a guide of corporate governance policies and codes of conduct in both Thai and English to disseminate to the directors, management and employees to comply with the guide of codes of conduct of the Company and assigns the agency which is responsible for promoting the directors, management and employees at all levels to comply with corporate governance policy and codes of conduct understandingly.

The Company determines the codes for executives and employees to be the employees' guideline to work honestly, as well as penalty set up to prevent violation. The Company has training policy to increase employees' potential to work more effectively including follow up the consequence consistently.

5.3.3 Internal Control and Risk Management

The Board of Directors defines and assigns roles and responsibilities of the Board of Directors, Subcommittee, Executive Committee and Managing Director distinctly. The Board of Directors has the highest approval authority and also provides internal control and risk management as follows:

Internal Control system

The Company's Board of Directors insists on internal control and audit for effective internal control. The Company has set up an internal audit line to monitor and assess the internal control system in operation and financial transaction and duties together with independent control system, reciprocal check-and-balance power permit the ultimate interest to the organization. The internal control team reports directly to Audit Committee. At present, Miss Narissara Pengsopa is taking care of The Company's internal Control. (Please refer to "Internal Control and Risk Management" section).

Risk Management

In order that the risk management is appropriate and beneficial to The Company, the Board of Directors commits the Risk Management Committee to be responsible for setting the overall risk management policies which are as follows.

- The Company determines that risk management is the responsibility of the directors, management and employees to be aware of the risks in their own and company's operations by participating and paying more attention to risk management adequately and appropriately.
- Provide effective risk management processes at all stages of the operations to follow the corporate governance policy and integrate risk management and information technology management for better management to reduce the chance and impact of the risk, the uncertainty in the operations and increase the opportunity of success.
- Risk management measures affecting The Company must be handled systematically to reduce the risk to an acceptable level and to be consistent with the changing conditions. Measures that manage risk to an acceptable level must be approved by the Risk Management Committee prior to implement.
- Support risk management to be successful throughout The Company by using limited resources effectively to identify, evaluate and manage risks appropriately.

The Company's Board of Directors has a duty to promote The Company to set good internal control, proper risk management, and regulate the administration to be in line with internal control system and risk management policy as stated in the Risk Management Committee. The Company's Board of Directors assessed the internal control including risk management in the Board of Director meeting 3/2017 on February 27, 2017.

Conflict of Interest Policy

To prevent and avoid conflict of interest, The Company has strict corporate policy. The policy and guideline are clearly specified in the corporate governance policies and business ethics of The Company. The Company does not allow directors and management including spouses and minor children to use inside and undisclosed information for their own interest. The directors and executives are required to submit the report regarding any security holding and change on their security holding on the same day as submit to Securities and Exchange Commission and inform the report of security holding in the Board of Directors meeting once a year including the report of change in security holding every time any change occurs. (Details provided in “Monitoring the utilization of internal information”)

5.4 Board of Directors’ Meeting

On the regular but appropriately and necessity basis, The Company organizes Board of Directors’ meeting at least once in every three months in which the agenda generally involves the operating results presided by Chairman and meetings are organized in appropriate time to discuss important matter carefully.

There are 2 categories of meeting

As for the meeting of Subcommittee: involves agenda of normal daily operation that do not affect The Company’s policy for instance, water meter request, home address acquiring, and bank account opening/closing. Six directors have been assigned from Board of Directors to attend subcommittee meeting namely, Mr.Kitti Thanakitamnuy, Mr. Sitti Leelakasamelelk, Ms.Vasana Thieansirisak, Mr. Surachet Suboonson, Mr. Theeraphon Voranithiphong, and Mr. Sira Udol.

The minutes of the subcommittee meeting is proposed to the Board of Directors for consideration. (Please see the attendance of Subcommittee in Management Structure)

As for the meeting of Board of Directors: involves agenda of company policy, investment, financial statement, corporate governance. At least 7 days prior to every meeting, the directors will receive the materials consisted of the meeting agenda and relevant information. Chairman and directors are free to propose matters to be included as the agenda for the meeting. Each director is required to attend every board meeting, unless the proper excuse, and freely to raise and screen the agenda. Directors preserve the rights to obtain more relevant information, if needed.

In every meeting, the Chairman shall allocate considerably enough time for deliberate discussion and allow the executive management who involves in any given agenda to attend. The minutes will be recorded in detail and retained for the Board of Directors and related person to be later inspected. In 2016, each director attended fully of the entire meetings of the Board of Directors in all year. (Please see the attendance of Board of Directors in Management Structure)

Other than 2 meetings above, The Company insists on every subcommittee’s meeting for management to be efficiently.

The Audit Committee meeting was attended by non-management directors and non-management members. The Audit Committee held at least 4 meetings a year with External Auditors and occasionally extra meeting on a proper time basis. The meeting does not limited to reviewing the

Financial Statements but also being acknowledged the internal audit and suggestion from external auditor for more efficient management. In 2016, the Audit Committee had 7 meetings with the external auditors.

As for the meeting of the Nomination Committee, The board of directors has set forth the nomination committee to have a meeting at least twice a year or base on necessary and emergency basis. In every meeting, the usual agenda including, qualification of director, nomination procedure, and consider individual who fits the criteria. The result will be sent to the board of directors and therefore shareholder meeting for final decision.

As for the meeting of the Remuneration Committee, the Board of Directors specifies the Remuneration Committee to conduct the meeting at least twice a year and at times when there is an urgent need. In each of the meeting, not only considering the criteria and form of remuneration paid to the directors, but the committee also needs to consider the amount of remuneration to be paid to the directors to align with the regulations. Then, the committee is to present the amount of remuneration to be paid to the Board of Directors for an approval. As for the amount of remuneration to be paid to the committee, the Board of Directors is to further present that to the shareholders for consideration and approval.

As for the meeting of the Risk Management Committee, the Board of Directors specifies the Risk Management Committee to conduct the meeting at least once a year and at times when there is an urgent need. In each of the meeting, not only performing analysis on significant risk factors as well as applying risk management strategy, but the committee also needs to consider reviewing policy currently in place and its effectiveness.

As for the meeting of the Corporate Governance Committee, the Board of Directors specifies the Corporate Governance Committee to conduct the meeting at least once a year and at times when there is an urgent need. In each of the meeting, not only reviewing corporate governance policies along with corporate ethics in order to synchronize with international standards in terms of legal and related procedures, but the committee also need to follow up and evaluate actions of the Board of Directors to stay in line with company's good governance policies.

Before each of the subcommittee meeting, The Company is to issue out a formal invitation, meeting agenda along with other supplementary documents to all subcommittee at least seven days in advance before the day of the meeting. Moreover, The Company is to put together minutes of each meeting in written format to sum up and later present to the Board of Directors.

Additionally, The Company encourages meetings among non-management committee to freely express and discuss any topic of interests without the presence of management; feedback of the meeting could be useful and beneficial to further improve The Company's management.

5.5 Self-Assessment

The Board of Directors conducts the test annually as follow:

Board Self-Assessment

Board of Directors set up every director to evaluate the Board of Directors performance in the evaluation procedure, using the self-assessment form based on Board Self-Assessment, which are set up into 2 types in order to:

- (1) Self-Assessment of the entire Board of Directors form.
- (2) Self-Assessment of the individual director form.

The criteria of evaluation are the percentage of full score in each topic as follows:

More than	85% = Excellent
More than	75% = Very good
More than	65% = Good
More than	50% = Average
Lower than	50% = Poor

The Company secretary conclude the result of the assessment of the entire Board of Directors and the individual director and report to the Board of Directors to be informed in the next company's board meeting.

This assessment is consistent with a self-evaluation of the Board of Directors specified by the Stock Exchange of Thailand on February, 2015. This assessment will help each director and the Board of Directors to review works and obstacles during the past year and also help monitor and analysis to prove that the work of the Board of Directors is whether effective and perform all the duties of directors or not. To increase the effectiveness of the Board of Directors, the Board of Directors did the assessment test for evaluate the entire Board of Directors and the individual director in the Board of Director meeting 3/2017 on February 27, 2017 and received a score of 93.75%. Assessment and Evaluation results in categories are in the table below:

Assessment	Result (%)
1. Structure and properties of the Board of Directors	92.31
2. Role, duty, and responsibility of the Board of Directors	96.25
3. The meeting of the Board of Directors	91.67
4. The Duty of Directors	96.43
5. Relationship with the management	90.00
6. Self-development and development of management	91.67

Self-Assessment Accordingly to the Topic of Good Corporate Governance

The Board of Directors held the self-assessment accordingly to the topic of Good Corporate Governance. The Corporate Governance Committee annually reviews the Self-Assessment annually to be appropriate and comply with international standards laws, rules and regulations corresponding to the change of circumstance and presents to the Board of Directors in meeting no. 3/2017 on February 27, 2017 and received a score of 93.41%. Assessment and Evaluation results in categories are in the table below:

	Assessment	Result (%)
1.	Rights and Equalities of Shareholders	99.06
2.	Roles of the Stakeholders	92.05
3.	Information Disclosure and Transparency	92.65
4.	Responsibility of the Board of Directors	90.93

Assessment of Performance of Audit Committee

Assessment of performance of Audit Committee. The assessment consists of 2 evaluation topics which are:

- The overall performance of Audit Committee
- The Specific performance of Audit Committee

For 2016, the Company held the performance assessment in the Board of Directors in meeting no. 3/2017 on February 27, 2017, average score of Audit Committee received a score of 93.94% ranking Excellent.

Self-Assessment of Subcommittees

The Board of Directors held the performance assessment test of 4 subcommittees including Nomination Committee, Remuneration Committee, Risk Management Committee and Corporate Governance Committee in order to help monitor and order working process to increase the effectiveness of the work. There are 3 criteria for assessment as follows:

- Structure and properties of the Board of Directors
- The meeting of the Board of Directors
- Role, duty, and responsibility of the Board of Directors

This assessment is consistent with a self-evaluation of the Board of Directors specified by the Stock Exchange of Thailand on February, 2015. This assessment will help each director of subcommittee and subcommittees to review works and obstacles during the past year and also help monitor and analysis to prove that the work of the Board of Directors is whether effective and perform all the duties of directors or not.

For 2016, the Company held the self-assessment of subcommittees in the Board of Directors in meeting no. 3/2017 on February 27, 2017, average score of each subcommittee are in percentage as follows:

- Nomination Committee scored 95.83% and ranked in Excellent level
- Remuneration Committee scored 93.75% and ranked in Excellent level
- Risk Management Committee scored 96.25% and ranked in Excellent level
- Corporate Governance Committee scored 95.65% and ranked in Excellent level

Performance Assessment of Chief Executive Officer

Board of Directors has set up performance assessment of Chief Executive Officer, whereas the assessment criteria is determined by The Remuneration Committee. The assessment consists of 10 evaluation topics which are:

- Leadership
- Strategic planning
- Implementation
- Business planning and company's financial result
- Relationship with the Board of Director
- Relationship with external
- Management and relationships with employees
- Succession planning
- Knowledge in product and service
- Personal attribute

On February 27, 2017, the Board of Directors' meeting no. 3/2017, the Board of Directors has set up performance assessment of Chief Executive Officer for the year 2016 which received 99.54% ranking excellent.

5.6 Remunerations

The Company has clearly determined the policy controlling remuneration of directors which was approved at the shareholders' meeting. The Directors will received remuneration annually. Remunerations for the Board of Directors in 2016 are detailed in the "Remuneration for the year 2016" section.

The Board of Directors appointed the Remuneration committee to consider the criteria and form of remuneration paid to the directors before presenting to the Board of Director. The remunerations depend on The Company's operating results and their individual performances and comparing to the equivalent industry. The objective is to motivate and create a competitive strength, which is detailed in the "Remuneration for the year 2016" section.

5.7 Directors and Management Training

The Company arranges the meeting between Directors and each project executives to share vision and opinion that leads to a good coherence, business direction, policy, and strategy afterward. Board of Directors continues to try and enhance their value by participation in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge. All the Company's directors have passed the Director Accreditation Program (DAP) held by the Thai Institute of Directors Association (IOD) which is detailed in "Board of Directors, Audit Committee and Executive Officers" section. Besides, Board of Directors emphasis in enhancing knowledge development of directors by encouraging at least 1 director to attend Director Certification Program (DCP) or related training continuously to enhance operation knowledge, the being professional executives and Corporate Governance development, leading to The Company's sustainable success.

In 2016, two of the Board of Directors, Mr. Theeraphon Voranithiphong and Mr. Sira Udol participated in the training course of Director Accreditation Program (DAP), on August 29, 2016.

5.7.1 Directors' Orientation

Whenever the new director is appointed, the corporate secretary will provide the document indicating roles, duties, and responsibilities of The Company's director.

The Company arranges an orientation program for the new director regarding its business and other related topics including:

- Vision and goal
- Management structure
- Operating and activity
- Roles, duties and responsibility of director
- Corporate governance
- Personal profile of directors and executives
- Director compensation and qualification

5.7.2 Succession Planning

To prepare for the retirement of senior management and in order to avoid disruption in operation, The Company plans and works on in each area for instance, new project development, marketing, and sales. Each working group consists of top management and top line managers to determine working plans and coordinate together. For instance, the working group of new investment project, whose job includes acquiring a new land, consists of Deputy Chief Executive Officer, Managing Director, Chief Financial Officer, Executive Vice President and other executive in that department. The Company believes that this method can be a tool to develop the potential of junior management as well as to empower responsibility of senior management. The encouragement of participation from top to bottom will enhance the transfer of skill and experience step by step and also obligation and responsibility at the same time.

5.8 Law, Regulation, and Rule

The Company communicates to its directors, executives and employees to strictly follow law, regulation and rule of The Company, and also monitor regularly. In 2016, The Company was not incompatible with the law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. And The Company has no criminal case for fraud or offenses against morality/ethics of The Company including none of non-executive directors is resigned due to the issues of corporate governance policy of The Company.

2. Subcommittees

The Company has 5 subcommittees detail as follows.

The Audit Committee's and Scope of Duties

As of December 31, 2016, The Company has the Audit Committee as follows.

1.	Mrs. Boonperm	Jiamtiranat	The Chairman of the Audit Committee
2.	Mr. Narong	Taychachaiwong	Member of the Audit Committee
3.	Mr. Surachet	Suboonson	Member of the Audit Committee
4.	Assoc. Prof. Dr. Somchai	Supattarakul	Member of the Audit Committee

The Audit Committee's Secretary: Mrs. Angkana Intravichien

The Audit Committee is consisted of 3 members of the Audit Committee who have adequate knowledge and experiences to review creditability of the financial reports, who are Mrs. Boonperm Jiamtiranat as The Chairman of the Audit Committee, Mr. Surachet Suboonson as a member of the Audit Committee and Assoc. Prof. Dr. Somchai Supattarakul as a member of the Audit Committee. The Company indicates the committee background qualifications in the certificate and biography of the audit committee which already been submitted for SET.

Qualification of the Audit Committee

- (1) Appointed by the Board of Directors or shareholders.
- (2) Everybody must be independent director.
- (3) They are not director who is assigned by the Board of Directors to make decision for operation of Company, parent company, subsidiary company, associate company, the same level subsidiary company, or conflicting juristic person.
- (4) They are not director of Company, parent company, subsidiary company and the same level subsidiary company.
- (5) They have duty as per specified by the Stock Exchange of Thailand.

The Audit Committee of The Company is independent director who is not executive director of The Company. Therefore, there is no conflict of interest whether directly or indirectly including not participating in the administration. Thus, the Audit Committee can perform duty and comment freely.

The Audit Committee's scope of duties and responsibilities:

- (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 unit in charge of an internal audit
- (3) To review The Company's compliance with the law on securities and exchange, the Stock Exchange'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 an 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's regulations, and are reasonable and for the highest benefit of The Company
- (6) To prepare, and to disclose in The Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and to ensure that they are in compliance with the Stock Exchange's regulations
- (7) To perform any other act as assigned by The Company's Board of Directors, with the approval of the audit committee

The Audit Committee shall hold office for a term of 2 years.

In 2016, The Company had a total of 7 meetings of the Audit Committee. The details of attendance are as follows.

			Number of attendance
1.	Mrs. Boonperm	Jamtiranat	7
2.	Mr. Narong	Taychachaiwong	7
3.	Mr. Surachet	Suboonson	7
4.	Assoc. Prof. Dr. Somchai	Supattarakul	7

* There are the meetings of the Audit Committee at least a meeting per quarter and special meeting properly. The meeting of the Audit Committee will join with the external auditors to verify the financial statements in each quarter. At the meeting of the Audit Committee in the first quarter of every year, it will be the meeting about the performance of internal audit and inform the Audit Committee about internal audit results of each year

The Nomination Committee's and Scope of Duties

As of December 31, 2016, The Company has the Nomination Committee as follows:

1.	Mr. Narong	Taychachaiwong	The Chairman of the Nomination Committee
2.	Mrs. Boonperm	Jamtiranat	Member of the Nomination Committee
3.	Mr. Surachet	Suboonson	Member of the Nomination Committee
4.	Assoc. Prof. Dr. Somchai	Supattarakul	Member of the Nomination Committee
5.	Mr. Sitti	Leelakasamelark	Member of the Nomination Committee

The persons holding the position of the Nomination Committee of The Company are four independent directors and the Chairman of the Nomination Committee is independent director. Thus, the Nomination Committee can perform duty and comment freely.

The Nomination Committee's scope of duties and responsibilities:

- (1) To consider the structure and member of the Board of Directors that are suitable to the size, category and business complication, qualifications of each director regarding the skills, experiences, special ability relating to the business or industry operated by the Company.
- (2) To set the qualification requirements of directorial candidates in accordance with the balance of knowledge, experience and expertise, to consider independent directors, and devoting the time to board duties
- (3) To determine the selection process for candidates that best suites The Company's unique characters. For example, the committee may proposed the current directors be reappointed, or inquire the directors to nominate suitable candidates
- (4) To select persons whose qualifications best meet the criteria prescribed by laws and regulations to the board and the board then considers the selected candidates in the notice of the shareholders' approval

- (5) To supervise the Company to organize the orientation of the new directors and distribute document or information beneficial to the directors' duty performance as well as to prepare the knowledge development plan of the directors continuously.
- (6) To make plan to succeeded the job of the directors, CEO and high raking executives who have been retired or cannot perform their duties in order to make the Company's business to be continuously operated and review such plan annually.
- (7) Other assignment as per the Board of Directors assigned

The Nomination Committee shall hold office for a term of 3 years.

In 2016, The Company had a total of 2 meetings of the Nomination Committee. The details of attendance are as follows.

			Number of attendance
1.	Mr. Narong	Taychachaiwong	2
2.	Mrs. Boonperm	Jamtiranat	2
3.	Mr. Surachet	Suboonson	2
4.	Assoc. Prof. Dr. Somchai	Supattarakul	2
5.	Mr. Sitti	Leelakasamelerk	2

The Remuneration Committee's and Scope of Duties

As of December 31, 2016, The Company has the Remuneration Committee as follows:

1.	Mr. Surachet	Suboonson	The Chairman of the Remuneration Committee
2.	Mrs. Boonperm	Jamtiranat	Member of the Remuneration Committee
3.	Mr. Narong	Taychachaiwong	Member of the Remuneration Committee
4.	Assoc. Prof. Dr. Somchai	Supattarakul	Member of the Remuneration Committee
5.	Mr. Sitti	Leelakasamelerk	Member of the Remuneration Committee

The persons holding the position of the Remuneration Committee of The Company are four independent directors and the Chairman of the Remuneration Committee is independent director. Thus, the Remuneration Committee can perform duty and comment freely.

The Remuneration Committee's scope of duties and responsibilities:

- (1) Consider the forms of and criteria for the remuneration of directors. To construct an appropriate and fair remuneration package, the Committee should go through the following steps:
 - a. Review the forms and criteria of the existing remuneration package by referring to other remuneration packages of other companies in the same industry
 - b. Review each form of remuneration packages by considering the appropriate amount and proportion of each form. For instance, the remuneration may take in to account from performance and size of The Company, including knowledge, capabilities and experience required from directors and Chief Executive Officer. The Remuneration to the Directors should be appropriated and sufficient enough that encourages the directors to limit the number of directorship in other companies, so that directors will have sufficient time to attend board meetings and perform their duties effectively

- (2) Establish the criteria for evaluating the performance of Chief Executive Officer and propose those criteria to the Board of Directors for approval
- (3) Determine the annual remuneration packages of Directors in accordance with established criteria. For the Director's remuneration, the Board of Directors must propose to the Shareholder's meeting for considering and approval
- (4) If The Company wishes to reward its directors and employees with ESOP, the committee should consider and determine how the term and conditions of the program will encourage directors and employees to devote themselves to create long-term value for shareholders and retain high quality personnel. However, the committee should ensure that directors and employees are not overpaid and the scheme is fair to shareholders
- (5) Other assignment as per the Board of Directors assigned

The Remuneration Committee shall hold office for a term of 3 years.

In 2016, The Company had a total of 2 meetings of the Remuneration Committee. The details of attendance are as follows.

			Number of attendance
1.	Mr. Surachet	Suboonson	2
2.	Mrs. Boonperm	Jamtiranat	2
3.	Mr. Narong	Taychachaiwong	2
4.	Assoc. Prof. Dr. Somchai	Supattarakul	2
5.	Mr. Sitti	Leelakasamealer	2

The Risk Management Committee's and Scope of Duties

As of December 31, 2016, The Company has the Risk Management Committee as follows:

1.	Assoc. Prof. Dr. Somchai	Supattarakul	The Chairman of the Risk Management Committee
2.	Mr. Narong	Taychachaiwong	Member of the Risk Management Committee
3.	Miss Vasana	Thieansirisak	Member of the Risk Management Committee

The persons holding the position of the Risk management Committee of The Company are two independent directors and the Chairman of the Remuneration Committee is independent director. Thus, the Risk management Committee can perform duty and comment freely.

The Risk Management Committee's scope of duties and responsibilities:

- (1) Determine the overall risk management policy of The Company for the Board of Directors approval
- (2) Determine guidelines and strategies of the risk management in consistency with risk management policy to maintain acceptable risk levels
- (3) Analyze and monitor risk factors, both external and internal including finance risks, operating risks, investment risks, business risks and external situation risks
- (4) Ensure the risk management policy to be fully communicated and acknowledged in the organization
- (5) Review the adequacy of the overall risk management policy as well as the system's effectiveness and the implementation of the prescribed policy
- (6) Support and enhance the risk management in consistency of the universal standard
- (7) Other assignment as per the Board of Directors assigned

The Risk management Committee shall hold office for a term of 3 years.

In 2016, The Company had a meeting of the Risk Management Committee. The details of attendance are as follows.

		Number of attendance
1.	Assoc. Prof. Dr. Somchai Supattarakul	1
2.	Mr. Narong Taychachaiwong	1
3.	Miss Vasana Thieansirisak	1

The Corporate Governance Committee's and Scope of Duties

As of December 31, 2016, The Company has the Corporate Governance Committee as follows:

1.	Mrs.Boonperm Jiamtiranat	The Chairman of the Corporate Governance Committee
2.	Mr. Surachet Suboonson	Member of the Corporate Governance Committee
3.	Miss Vasana Thieansirisak	Member of the Corporate Governance Committee

The persons holding the position of the Corporate Governance Committee of The Company are two independent directors and the Chairman of the Corporate Governance Committee is independent director. Thus, the Risk management Committee can perform duty and comment freely.

The Corporate Governance Committee's scope of duties and responsibilities:

- (1) Study and formulate the Corporate Governance Policy and the Code of Conduct within the law and regulations of up to date regulatory agencies, i.e. Securities and Exchange Commission Thailand as well as guidelines for good corporate governance consistent with the universal standards
- (2) Advise the Board of Directors and directors to practice appropriately and continuously in compliance with Corporate Governance Policy as expectation of shareholders and stakeholders
- (3) Review the Corporate Governance Policy and the Code of Conduct regularly to comply with universal standards as well as laws, regulations and recommends of internal corporate governance
- (4) Encourage the public announcement of the good Corporate Governance and participate the environmental and social responsibility
- (5) Follow up and evaluate the practice of the Board of Directors and directors in compliance with the Corporate Governance Policy yearly
- (6) Arrange the yearly evaluation report of Corporate Governance Policy as clause 5 and propose to the board of directors as well as give recommends as deemed appropriate
- (7) Other assignment as per the Board of Directors assigned

The Corporate Governance Committee shall hold office for a term of 3 years.

In 2016, The Company had a total of 2 meetings of the Corporate Governance Committee. The details of attendance are as follows.

		Number of Attendance
1.	Mrs.Boonperm Jiamtiranat	2
2.	Mr. Surachet Suboonson	2
3.	Miss Vasana Thieansirisak	2

3. Nomination of the Board of Directors and Remuneration

Independent Director means a person who is fully qualified and independent as requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission. These are as follows.

- holding shares not exceeding one per cent of the total number of shares with voting rights of The Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- neither being nor used to be an executive director, employee, staff, advisor who receive salary, or controlling person of The Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the Office.
- not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of The Company or its subsidiary company.
- neither having nor used to have a business relationship with The Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with The Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office.
- The term 'business relationship' under the first paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in The Company or his counterparty being subject to indebtedness payable to the other party in the amount of three% or more of the net tangible assets of The Company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;
- neither being nor used to be an auditor of The Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of The Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office;
- neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from The Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office;

- not being a director appointed as representative of directors of The Company, major shareholder or shareholder who is related to major shareholder;
- not having any other characteristics which cause the inability to express independent opinions with regard to The Company's business operations.

Nomination of the Board of Directors

The nomination of the Board of Directors will be approved by the shareholder's meeting. The Nomination Committee will consider and determine the qualifications of directorial candidates that best suits with The Company and propose the candidates to The Company's directors. The Company's directors will propose the candidates in the Shareholders' meeting for elect the Board of Directors via the following manners:

- (1) In every Annual General Shareholder's meeting, one-third of the total number of directors will complete their term, if number of directors is not divisible by one-third, the closest number is acceptable. A drawing process is used to determine who will end their term in the first and second year after the registration of The Company. For the following year, directors who have served the longest period will resign. The resigning directors could be selected again and could therefore return to their positions as the director.
- (2) In other case of clause 1, whenever there is a vacancy for the position of director, the resolution of the Board of Directors not less than three-fourths of the remaining directors can select a person who meets all the relevant qualifications and who abides by the public limited company regulations as a replacement director in the next Board of Directors' meeting, except in case when the remaining term of service is less than two month, a replacement director's term is limited to the remaining term of the director he is replacing.
- (3) The shareholders' meeting will elect the Board of Directors via the following manners:
 - (3.1) Each shareholder shall have a number of votes equal to the number of shares held.
 - (3.2) Each shareholder shall use his entire vote as prescribed in previous clause to nominate one, or several persons as director but the shareholder cannot allot his votes to any person in any number.
 - (3.3) The candidates with the highest vote, ranked in descending order shall be appointed as directors until all of the director positions are filled. In case of a tie vote, the Chairman of the meeting shall have an additional casting vote.

Regard of The Company's articles of association, the shareholders' meeting may pass a resolution removing any of directors prior to the expiration of the director's term office, by the vote of not less than three quarters of the number of shareholders attending the meeting, having the right to vote with the share held in total not less than half of the total shares held by the shareholders attending the meeting and having the right to vote.

To comply with good corporate governance practice and to portray equitable and fairness treatment of all shareholders, The Company provides the opportunity for all shareholders to propose candidate to be nominated as the director prior to the Annual General Shareholders' Meeting. To consider, scrutinize, and select the qualified candidate to be nominated as the director and able to perform duty effectively for The Company's maximum benefit, The Company specified details and criteria announced on company's website www.noblehome.com

Criteria and Qualification of the candidate of the Board of Directors

The Nomination Committee determines the qualifications of directorial candidates to ensure the transparency and adhere to the good corporate governance policy. The criteria for consideration are as follows.

1. Considering the appropriateness of knowledge, ability, experience in administration and personality of the candidate of the Board of Director in various fields which are as follows.
 - Integrity and Accountability
 - Informed Judgement
 - The maturity and stability. Being a good listener and courageous to comment differently and independently.
 - Adhering to the principles and standards like a professional
2. Considering the specific knowledge and expertise that is required for the Board of Director. So the Board of Director can determine the strategy, policy and regulate to comply with strategies effectively, such as knowledge of The Company's business (Industry Knowledge), strategy and vision (Strategic Planning), risk management, and knowledge of Accounting and Finance (Accounting and Finance) and so on.
3. Considering the independence of each director to determine whether the independent director is eligible to be an independent director or not.
4. Considering the readiness to fully devote time to duty as the Director of The Company.

In addition, the person who has been nominated to be elected as directors must be qualified and not disqualified as follows.

- Qualified and not prohibited by a public limited company Law, Securities and Exchange law, other related laws and The Company's good corporate governance policy
- No directors shall operate any business which has the same nature as and is in competition with the business of the Company or become a partner in an ordinary partnership or become a partner with unlimited liability in a limited partnership or become a director of a private company or a public limited company which has the same nature as and is in competition with the business of the Company, either for his or her own benefit or for the benefit of other persons, unless he notifies such to the shareholders meeting prior to the resolution for his or her appointment.

4. Monitoring the Business Operations of Subsidiaries and Associated Companies

The Company is responsible for the supervision and control of the administration of various subsidiaries and associated companies under proportion of company's shares in each company. The Company sent a representative and a director of The Company to be a director of subsidiaries and associated companies to manage and control the operations of the subsidiaries and associated companies. They are responsible for making policy and managing major business operations including appropriate arranging the transaction, the acquisition or disposition of significant assets.

5. Monitoring the Utilization of Internal Information

The Company set the policy to avoid the abuse of The Company's internal information for personal benefit including engaging in any transaction of The Company shares within one month before the financial statements are disclosed to the public, that may affect the securities' trading prices, as follows

- The Company prohibits directors and executives including their spouses and dependents from abusing the unpublicized internal information for their personal benefits,
- The Board of Directors and executives have the duty to submit the report on any changed regarding their securities holding to The Company, SET and SEC. The Company also informed its executives of their duties and obligations in preparing such report and disclosure of securities holding, including the stipulations on penalties in Article 275 of the Securities and Exchange Act B.E.2535 (A.D.1992), which are maximum THB 500,000 fine and maximum THB 10,000 fine per day until the report in question has been filed. They must as well report same matter to The Company in the same day.
- The executives will be punished if they use the internal information for their personal benefits.
- According to Article 59 of the Securities and Exchange Act B.E.2535 (A.D.1992), the executives must report any change regarding their securities holding, SET and SEC. They must as well report same matter to The Company in the same day.

The Company has established a policy in business ethics by prohibiting directors and executives of The Company to use inside information for personal benefit including for securities trading especially within a month before the financial statements are published to the public. In addition, the regulations of The Company determine that "Informing the business of The Company or technic including financial and marketing information and others to any third party without permission from an authorized personnel of The Company is strictly prohibited" The Company has disclosed this regulations to the Board of Directors, management and employees are aware of and follow strictly. If there is an infringement or fail to comply with The Company, it is considered a serious offense and it is imposed sanctions.

In 2016, the directors and executive officers precisely followed the trading rules of the Stock Exchange and The Company is not complained about the infringement rights of the shareholders or the offense of directors and management about the insider trading of The Company's securities. This demonstrates the performance of The Company in taking care of this matter.

6. Remunerations for External Auditor Audit Fee

6.1 Audit Fee

In 2016, The Company and its subsidiaries paid the audit fee totaling Baht 3,310,000 and out of pocket expenses totaling Baht 50,670 to The Company's external auditor, PricewaterhouseCoopers ABAS Ltd.

6.2 Non-Audit Fee

In 2016, The Company and its subsidiaries have a commitment to pay for the uncompleted services, which are legal and tax matters service fee, to PricewaterhouseCoopers ABAS Ltd., totaling Baht 40,000.

7. Compliance with Good Corporate Governance Policy in Other Matters

The Company has adopted a good governance policy and emphasized on the transparency of business operations to gain the confidence of shareholders, investors and stakeholders. The principles are as follows:

1. Treats Shareholders and stakeholders equally and fairly.
2. The Board of Directors dedicates to perform duties with deliberateness and transparency to maximize the benefits of the organization, shareholders, investors and stakeholders.
3. Assigns a code of conduct to guide the operations of the Board of Directors, management and employees in accordance with good corporate governance policy.

09 Corporate Social Responsibilities

Noble Development Public Company Limited puts emphasis on doing real estate development business in conjunction with the principles of social and environmental responsibility to build a sustainable society. The Board of Directors integrates the social and environmental policies into corporate governance policies and business ethics and announces to the public. This includes the monitoring of compliance with such policies strictly.

Responsibility to Society

Being the Company of Thailand, the company realizes that even if profit seeking is a business goal, the Company makes profits truly based on fair, noninterference and responsibility to society. The Company provides social policies to be a framework for social work as follows.

1. Support and encourage the management and employees at all levels to have a responsibility to society by strictly adhering to the policies and regulations of social care.
2. Understand and communicate with society about the operation of the company, community and social responsibilities without concealing facts that can be disclosed.
3. Maintain a good living environment for every project by setting up the unit to be responsible for managing this issue.
4. Create valuable activities in regular basis to return a goodwill back to people and society
5. Encourage the management and employees at all levels to aware of community and social responsibilities in regular basis.
6. The Company integrity is the main priority without taking an advantage of people and society, the Company provides the effective system or channel for people to comment or file their complain regarding quality of product and service, or any kind of unlawfully action through the Company's website: www.noblehome.com

In addition, the Company is also carrying out the following social responsible activities

- The Company has created the new community namely "Noble ID" to bring a whole new experience and share a good thing to Noble ID member. This offer is not limited to Noble Development client, general public can participate this fun activities without any fee. One can follow up through the website: www.nobleid.com
- The Company supports and encourages management and employee of the Company to create the activities to improve society and environment regularly. One who interested in participation can follow up through the website: www.noblehome.com
- The company had continuously supported and encouraged social responsible activities. In 2016, the company together with employees participated in social responsible activity at Bankhaojanhom School, Pakchong, Nakorn Ratchasima with the objective to improving and repairing toilet to be in good and safe hygiene by provided instructional media, food, snack and drink to students. All the activities in 2016, the Company has been publicized through the company's website, www.noblehome.com

Responsibilities to Environment

The Company is aware of the importance of participation in the environment conservation. Therefore the environmental policies are provided to be a framework for all of the Company's operations as follows:

1. Strictly being the law-abiding business unit, understand the good intention of and conform to law governing real estate sector for example, The Enhancement and Conservation of National Environmental Quality Act, Land Code Act, Condominium Act, and other related law for the sake of customer, home buyer, and environment.
2. Promote the conservation of the environment and conduct the applicable procedures. The Company emphasizes the implementation of the environmental policies such as the provision of an assessment of the environmental risk, safety and health in all of the housing construction projects and monitoring and evaluating the environmental management system on a regular basis to improve and develop.
3. Provide education and training in environmental issues for the employees as defined in the policy. Giving the knowledge and awareness to management and employees including new employees on environmental conservation, energy savings. They are also encouraged to make a best effort to reduce the impacts of climate change and global warming as well.
4. Encourage to use natural resource efficiently and support the energy preserving project. The Company specifically creates the perfect combination of living space, energy saving and environmental friendly. The design mainly relies on the raw materials that can alleviate the heat from building.
5. Giving knowledge and create awareness to management and employees in environmental issue and energy preservation. With its best effort and most possible way to reduce global warming
6. Encourage management and employee to be aware of effective and efficient allocation of resources to make it last long and reach it highest potential

In addition, the Company also provides a variety of activities to promote and support the sustainable environmental development.

The Company realizes the participation of environmental conservation and reduces energy consumption. The environmental consciousness of the Company can be categorized by using variety of projects as follows

Single Detached Houses and Townhouses Projects

The following projects are all under natural concept to protect environment:

- *Noble Tara Ekamai – Rama 9 / Noble Tara Ngamwongwan/ Noble Tara Pattanakarn / Noble Tara Ngamwongwan 2*; the concept of the project to bring peace of recreation with tall fences covered by floras surrounding the project to maximize the enjoyment from nature. The Noble's differentiated concept of C-shape housing keeps every corner of the house close to nature surrounding.

- *Noble Wana Pinklao / Noble Wana Watcharapol Project/ Noble Ana Wana Pinklao Project*; the concept of “resort at home”, this is a place to take a rest with nature everyday. Every living space links with nature, no exception for bathroom whose one side is open to green garden through a floor-to-ceiling glass window.
- *Noble Geo Watcharapol / Noble Geo Rama 5 Project*, *Noble Geo* is designed under the Planning & Function concept to enable free-style arrangement of furniture. The beautiful natural landscape lawns and gardens can be accessible from every angle of the house.
- *Noble Cube Project*: The townhouse project in the city center for more private living space with designed to magnify the sight with wide mirror. *Noble Cube* divides useable area by life style. The project is located in the center of business area.
- *Noble Gable Watcharapol Project*: The New concept for living designed under the concept Every lifestyle can be fulfilled and enriched with more space available...and that is “every inch of happiness” you will experience every day. “True happiness” can simply be found from space under your roof and space around your house. *Noble Gable* also provides you with good facilities and green space that make your days relaxing.

Furthermore, In 2016 the Company presented the idea of designing under the concept “Thinking Like Zen Living Like Zen” blended with the architectural design that reflecting the Japanese living that all the elements of life will be simply organized and the balance will be maintained unrivalled to the nature with peace and relaxation.

Condominium Projects

The appreciation of energy conservation and reducing global warming simply reflect in condominium projects of the Company, under the concept of “Crash-pads”. The projects are located in downtown close to business area and transportation network, therefore increase happiness and no time and energy wasted to commute. The following projects are all built close to BTS station:

- *Noble BE19 Project*: The modern condominium 48 and 27 stories under the concept “Living Seamlessly” enjoy a life of seamless connections. Let nothing interrupt your rhythms of happiness with flawless facilities to keep your life firing smoothly in Sukhumvit 19 near BTS Asoke and MRT Sukhumvit station.
- *Noble BE33 Project*: The luxury condominium Fully Fitted, just 350 meters to The EM District. The 31-storey condominium private with only 282 units. Located in the heart of new fashion and business area for all lifestyle, near the Em District and Prompong BTS station. Turn your life into freedom with Sky Infinity Edge Pool, Sky Garden and Sky Fitness. Remarkable reflective Lobby connected to over a thousand sqm of green space.
- *Noble Recole Sukhumvit 19 Project*: 28-storey condominium in the heart of the city under the concept “Explore limitlessly” with unlimited possibilities of discovering new things and going everywhere you desired. The project is on the best location adjacent to MRT Sukhumvit station and BTS Asoke station.
- *Noble Revo Silom Project*: The condominium under concept” A new, budding branch of life that lets you design your lifestyle from an infinity of options, located at the heights interest where silom meets sathorn, closed to Surasak BTS just only 160 meters, and not far from express way.

- *Noble Revolve Ratchada and Noble Revolve Ratchada2*: the condominium with “Revolve living” life style in every life function on Ratchadapisek road, just only 80 metres from cultural centre MRT station.
- *Noble Ploenchit Project*: Condominium 51-storey height nestled among 4 rais of lush and serene garden in Ploenchit metropolitan at the heart of Bangkok’s business district. With the concept of Vertical Garden City, the resident can inhale with fresh air.
- *Noble Remix Project*: In concept “Walk above it all”. The Project is located on Soi Sukhumvit 36, with ideally located for easy access to Thonglor Station by skylink between the station and the building.
- *Noble Revent Project*: The Project is closed to Phayathai BTS station and airport link station, in the center of Bangkok surrounding by educational institutions and prime business areas.

Beside of the above projects, the Company has many other projects closed to BTS station, such as Noble Remix2 Project, Noble Reflex Project, Noble Reveal Project, Noble Reform Project, Noble Refine Project, Noble ReD Project, and Noble Lite Project.

The Company realizes that the sustainable coexistence is needed to be implemented as a sequence of correlation from large to tiny. Each level has its own mechanism, which is consistent with the natural mechanisms, to preserve the natural equilibrium by using natural as a role model to integrate both horizontally and vertically. So the Company brings this idea to design a green building and also clearly integrates with the appropriate technology and concept design, namely Passive Design. Green building is the application of appropriate technology that helps to derive benefits from the natural environment, which consists of three major components, including the relevance of weather, cozy living and uses of natural energy. The design principles are as follows.

- The design of energy efficiency and green spaces.
- The selection of low-power construction materials.
- The usage of the Modular system to minimize waste materials
- The control of pollution that building may be released.
- The management of water usage, wastewater treatment system, drainage and effectively flood protection.
- The preservation of the ecology of the area.
- The design is focused on the residents’ comfort from outdoor green space.
- The safety and health of the residents.

In addition to the housing design concept which is in accordance with the nature concept and the condominium construction along the public transportation route which is the environmental conservation and reduces global warming, the Company also selects the products that can truly save energy to install in all of the residential projects. In order to prevent and reduce pollution caused by the housing such as air pollution, water pollution, the Company installs wastewater treatment system to every house and condo projects including plants garden and trees in the project which make it shady and pleasant.

The concept that reflects the intention of creativity to offer the value-add innovation can respond to customer's needs and lifestyle in accordance with environmental conservation and energy saving. The Company can seamlessly operate business in conjunction with social and environmental responsibility which leads to sustainable development.

For more information please visit the Company's website: www.noblehome.com

10 Internal Control and Risk Management

The company's Board of Directors has set up the audit committee who are independent directors to review quality of internal control which in turn secure the company's assets and best interest of shareholders constant. The internal audit unit is endeavoring to control and diagnose all business operations for its own excellence. The noteworthy issue will be deliberately fixed, especially the issue that relates to risk management and connected transaction that can lead to conflict of interest.

The scope of internal audit can be divided into 3 workflows: construction, sales, and ownership transfer. Above all, the internal audit must ensure that every workflow corresponds with law and good corporate governance. The internal control must be adequate, appropriate and effective. The internal control including, the assessment of policies, procedures, job allocations and submitting the useful report to management in a timely manner.

The Board of Directors' Meeting No. 3/2017 held on February 27, 2017, the all four of Audit Committee attended the meeting. The Board of Directors evaluated the company's internal control for 2016 using the evaluation of the adequacy of the company's internal control. A summary is as follows:

1. Internal control

The company recognizes the importance of the business with honesty, integrity and ethics. The Board of Directors and the management define policies and practices relating to code of conduct in writing. In order that the committee, the management and all employees understand the company's code of conduct using in the business and practices. The policies set out in the code of conduct including conflict of interest policy, policy and guideline of anti-corruption and whistle blowing policy, etc. The management and all employees are informed about policies. In addition, the company provides a process of monitoring and evaluation of the compliance with the code of conduct by the Internal Audit. This includes processes that can detect the violation and can punish or deal with the contravention within a reasonable time.

The Board of Directors defines and assigns roles and responsibilities of the Board of Directors, Subcommittee, Executive Committee and Managing Director distinctly, oversees the determination of the obvious and measurable business objectives and oversees roles of the Board of Directors and the management in accordance with the law, charter, which covers the role of the Audit Committee, the Board of Directors consist of independent directors who have knowledge about company business, expertise, reliability and independence in the performance of duties, for instance, no business relationship with the company. Moreover, the Board of Directors also oversees the development and implementation of Internal Control and its surrounding, Risk assessment, Activities control, Information system and communication and Monitoring system.

The management defines the structure of organization that supports the objectives of the company. It is appropriately considered for both business and law and included the provision of effective internal control. The internal audit department reports directly to the Audit Committee. In addition, the management defines a reporting line of suitability about authority, responsibility and communication.

The company has policies and procedures to acquire, develop and retain staffs with the appropriate skills. There are performance evaluation processes, solution or preparation for the lack of proficient personnel in a timely manner and the acquisition process, develop and retain all executives and employees.

The Board of Directors and the management provide process and communication to make all staffs to be responsible for internal control. This includes determining a performance evaluation, creating proper incentives, evaluating the motivation and reward continuously and emphasizing on the link of the success of the duty in compliance with the internal control system. And also provide the operation revision if necessary. Including does not create excessive pressure on the performance of individual employees.

2. Risk Management

The company has clearly defined objectives of the organization to identify and assess the risks related to achieve the objectives and establish the risk management committee. The risk management committee approves and informs risk management policy to the management and all employees to know and comply with the policy. The company consents with the accredited accounting standards which is suitable for business and discloses complete and accurate data. The company determines the essence of the financial statement considering the important factors, such as, users of financial statement, the size of items and business trends. These make financial statement of the company completely reflect the operational activities of the company.

The company has identified the risks that may affect the enterprise, business units and departments and analyze all kinds of risks that may result from both the internal and external factors. These include the risk of strategy, operation, report, compliances and information technology and the management at all levels involved with risk management. The company assesses the important of the risks by considering the chance of events and consequences that may occur along with the measures and action plans to manage risk, for example, Acceptance, Reduction, Avoidance or Sharing. Moreover, the company considers and assesses the probability of fraud which covers corruption in different forms, such as, the preparation of fraud financial statement, the corruption, changes on the important data and the acquisition or use of the property without right. Nevertheless, the objectives are reviewed carefully by considering the possibility of the objectives as well as determining rational incentives or compensation that discourage employees to act inappropriately.

Furthermore, the company has evaluated the change in external factors, business model and corporate leaders that may affect the business, internal controls and financial statement and prepared measures to respond to the changes adequately.

3. Activities Control

The company's control measures are appropriate to the risks and characteristics of the organization. The internal control measures are given in writing which coverall procedures appropriately, such as, policies and procedures relating to financial transactions, etc., and configure a variety of appropriate internal control measures, for instance, protection and monitoring, etc. The company determines the internal control at all levels of the organization and divides the duty of approval, recording transaction, information and assets management independently in order to balance and examine properly. In addition, the company also suitably set infrastructure control, the acquisition process, development and maintenance of the technology as well as security control.

The company's policy is tightened to monitor the transactions of shareholders, directors, managements or persons related to such person to comply with the approval procedures, such as, company's regulations, the rules of the Stock Exchange of Thailand, etc. Besides, the approval of transactions must be done by persons who have no interest in the transactions, be the best interests of the company and treat as the transactions with the third parties (at arms' length basis).

In addition, the company regularly monitors the operations of its subsidiaries and associated companies and assigns guidelines to company's delegates who are appointed to be directors or managements to implement.

4. Information System and Communication

The company determines information to be used in the operation from within and outside the organization which are efficient and relevant to the jobs and considered the costs and benefits including the amount and accuracy of information. The company provides adequate information to the Board of Directors to assist the decision making and manage that the Board of Directors will receive notice of the meeting or supplementary documents which includes the necessary and adequate information for consideration before the meeting at least within the minimum period indicated by law. The minutes of meeting will be totally recorded to be able to trace back to the appropriateness of the performance of each individual.

The company's accounting-related documents are well organized and completely being stored. Never have any complaints from auditor in this internal control. And the accounting policy using are comply with generally accepted accounting principles and suitable for the business type.

The company has effective communication processes between internal and stakeholders outside the organization with a proper channel of communication to support the internal control. The important information is reported to the Board of Directors regularly and the Board of Directors can always access to necessary information for the operation or review various transactions as required. In accordance with the complaints of misconduct, the company has provided a channel of communication to all groups of stakeholders both inside and outside to report information or clues about the scam, fraud within the company, Unethical or other irregular actions that may cause damage to the company through the Website. Upon receiving the complaint, the company's the complaint agency will handle the complaint within a reasonable period of time. This company has a procedure to protect the whistleblower safety as well.

5. Monitoring System

The company oversees the operation compared to objective of business. In case of discrepancy, the company will take necessary step to overcome the obstacle and analyze the cause of failure in order to prevent the future failure. The company provides procedures to monitor compliance with the code of conduct and prohibits the management and employees to behave in a manner that may cause a conflict of interest. Similarly, the internal control will be regularly examined its effectiveness. This includes a process of monitoring and evaluation of internal control by the Internal Audit. In case of error is detected, the Board of Directors and Audit Committee must be informed. The management is entitled to report fraud, illegal activities, and other violations that may significantly affect the reputation and financial status of the company, to the Board of Directors.

Based on the evaluation of internal control of the company in five components which are Internal control, Risk management, Activities control, Information system and communication and monitoring system, the Board of Director considers that internal control of the company is appropriate and the company provides adequate personnel to implement the internal control effectively. The internal control system also sufficiently monitors the operations of its subsidiaries to protect the assets of the company and subsidiaries from the directors or the management to use improperly or without authority including transactions with persons who may have conflicts of interest and related parties. For other internal control topics, the Board of Director agrees that the Company has adequate internal controls as well.

The Head of Internal Audit of the Company

Currently, the head of Internal Audit of the company is Ms. Narissara Pengsopa. She graduated with a Bachelor of Arts (Accounting), Thammasat University and a Master of Business Administration, Ramkhamheang University. She has experienced in performing the external audit at famous audit firm for not less than 5 years. Nowadays, she has been Assistant Vice President Internal Audit of the company for more than 9 years. In 2016, head of Internal Audit have attended the courses related to internal audit operation which are the 2016 annual seminar “The IA Insights: The Professional of Sustainable Development”, organized by the institute of Internal Auditors of Thailand. Seminar “Management of Internal Audit” organized by Federation of Accounting Professions (FAP). Seminar “Direction of CSR 2016: New SD Paradigm” and “Social Business: A Solution to achieve SDGs” arranged by Thaipat Institute with Thailand Social Business Initiative (TSBI). Seminar “CSR for Corporate Sustainability”, “S01: Strategic CSR Management”, “S02: Supply Chain and Stakeholder Engagement”, “S03: Corporate Social Initiative for Sustainable Development”, “Introduction of Business Strategic” and “S06: Sustainability Reporting” organized by The Stock Exchange of Thailand. Moreover, the head of internal audit excellently comprehend the activities and operations of the company.

The head of Internal Audit, Ms. Narissara Pengsopa, is well-qualified to perform such duties which have been approved by the Audit Committee because of the independence and experienced in working in both external audit and internal audit of the company. Besides, she had been trained in internal audit courses and other related courses. In order to consider and approve, appoint, dismissal or transfer the head of the internal audit of the company, it must be approved by the Audit Committee.

The Audit Committee's Report

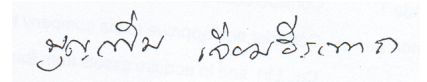
The Audit Committee of Noble Development Public Company Limited comprises of 4 independent directors. The chairman of the Audit Committee is Mrs. Boonperm Jiamtiranat and members of the Committee are Mr. Narong Taychachaiwong, Mr. Surachet Suboonson and Asst. Prof. Dr. Somchai Supattarakul. The 4 independent directors are neither involved with management nor hired by Company. The chairman of the Audit Committee and two of the independent directors has knowledge and experiences in accounting field.

The Audit Committee of the Company has the scope of duties and responsibilities to the Board of Director to ensure that the Company has established appropriate and effective internal control system and internal audit system and review that the Company abides by the law and the regulations of the Stock Exchange of Thailand or any relevant laws governing the Company's business. In 2016, the Audit Committee held 7 meetings and 1 meeting in 2017, adding together 8 meetings until the day of issued report to review and regulate the operations in accordance with assigned scope of duties and responsibilities and report to the Board of Directors. The details can be summarized as follows:

1. Review of quarterly and annual financial statements: The meetings with the Company's auditor, PricewaterhouseCoopers ABAS Ltd, were held in order to acknowledge the matters and exchange opinions, to evaluate the quality and accuracy of the 2016 quarterly and annual Financial Statements prepared by the Management, and also to assess the adequacy of disclosure in financial statement information. In conclusion, the Audit Committee agreed with the Company's auditor that the financial statement per se present fairly in all material respects in accordance with generally accepted accounting principles.
2. Review of internal audit assessment: The Audit Committee reviewed the internal control system to evaluate the efficiency, adequacy, and appropriateness of the Company's internal control system, which could affect the reliability and accuracy of the financial statements. The meetings with the internal audit team were also held to acknowledge the result of the Company's internal control system, as well as suggestions to improve the Company's internal control system to be sufficient and more efficient and to comply with the announcement of SEC and SET. The Audit Committee agreed with the Company's auditor that the Company had a decent internal audit system as well as internal control for subsidiaries both adequate and effective.
3. Review of rules and regulation conformity: The Audit Committee had verified the Company's compliance with the Securities and Exchange Act of the Stock Exchange of Thailand, and also laws, rules, and regulations related to the Company's operation. Significantly, no violation of related law, rules and regulation were found.
4. Review of risk management: The Audit Committee reviewed and revised the connection between internal audit and risk management from all of the Company's operations, including the re-assessment of policy risk, risk management, risk management framework, and the progress of risk management. The Audit Committee concluded that the Company had adequacy and appropriateness together with efficiency and effective risk management and constantly adjustment to the changing situation.
5. Review of connected transactions: The Audit Committee reviewed and revised the Company's disclosure of connected transactions or conflict of interest transactions. According to rules and regulations set by SET and SEC, The Audit Committee found that the Company's financial statement disclosure of that transactions were adequately and suitable.
6. Review of related party transactions: The Audit Committee reviewed and revised the Company's disclosure of related party transactions. According to rules and regulations set by SEC, The Audit Committee found that the Company's financial statement disclosure of that transactions were adequately and suitable.

7. Reappointment of external auditor: The Audit Committee considered and proposed to reappoint PricewaterhouseCoopers ABAS Ltd.'s auditor as the Company's auditor for another year in 2016. The auditor reappointment and auditing fee would be considered and proposed to the Board of Directors and afterward it would be proposed to the Annual General Shareholders' Meeting onward.
8. Review of works in during the past year: The Audit Committee annually arranges performance evaluation on a self-assessment basis. The evaluation covers their overall and specific performance in accordance with the Audit Committee Charter. The outcome of the evaluation revealed that the Committee has fully complied with its assigned duties and responsibilities.

From the acts of auditing independently and thoroughly within the appointed scopes and responsibilities, the Audit Committee concluded that the Company had an sufficient and efficient internal control system that was appropriate to the Company's operation and no significant transaction or situation related to internal control system that could become significant weakness which might affect the Company's financial status and operating performance. The Company's financial statements were disclosed adequately and properly regarding related transactions and conflict of interest transactions. In addition, the Audit Committee found no situation that the Company operated against the laws, rules and regulations significantly. Furthermore, the Company's operation and good governance framework worked together in a perfect harmony making the operation itself better and fit to the business environment.



Mrs. Boonperm Jiamtiranat

Chairman of the Audit Committee

February 27, 2017

11 Connected Transaction

In 2016, The Company has connected transaction with subsidiaries person and disclosed these subjects in the notes no.11 and no.15 of consolidated and Company financial statements as of December 31, 2016.

As of December 31, 2016, the Company declares short term loans to and interest receivable from subsidiaries in the amount of 20.09 Million Baht details are as follows:

Unit : Million Baht

	Share Holding %	Loans	Adjustment	Accrued Interest	Other A/R	Allowance for Doubtful
S&P Property Management Company Limited	100%	13.43	0.00	6.66	-	20.09
Total		13.43	0.00	6.66	-	20.09

The Relationships between the Company and related companies as follow:

	Relationship with the Company
S&P Property Management Company Limited	<ul style="list-style-type: none"> • A subsidiary company which the Company holds 100% of shares. • The Director of the Company (Mr. Kittti Thanakitamnuy, Mr. Sitti Leelakasamelek, Miss Vasana Thieansirisak, Mr. Theeraphon Voranithiphong, Mr. Sira Udol, Mrs. Boonperm Jiamtiranat, Mr. Narong Taychachaiwong, Mr. Surachet Suboonson and Assoc. Prof. Dr. Somchai Supattarakul) are the director of S&P Property Management Company Limited

The above loans are aimed to help subsidiaries in developing projects and business expansion as well as to boost up their liquidation. They are necessary and reasonably considering the Company's group wide benefits. In order that, the Company charges an interest at the rate not lower than that of the market standard and closely monitor the subsidiaries' repayments.

In meeting no. 1/2017 on February 27, 2017, the Audit Committee endorsed 2016 annual financial statement which covers information disclosure in the Notes to the Consolidated and Company Financial Statement by it certified public accountant. The committee found that the financial statement was adequately accurate and in accordance with generally accepted accounting principles as well as its connected transactions which were suitable and purposely for normal business use.

In the future, the following connected transaction between the Company or subsidiaries and director or executives or related person can be approved by the management and doesn't require the approval of the Board of Directors or Shareholder's meeting resolution, regarding the rules and regulations of SET and SEC.

- (1) Ordinary transaction whose business term and condition is done in normal practice and would have been the same with the otherwise general counter party, without negotiation power from director, executive, or related person.
- (2) The transaction has been done under the rights of employee, given that rights are not a special treat for particular person.

Regarding the policy toward connected transaction and conflicted of interest person, it has been done strictly under the rules and regulations of SET and SEC. In addition, price, compensation, and fee of connected transactions are determined based on market price with the intention that the transaction will be fair and best interest of the Company.

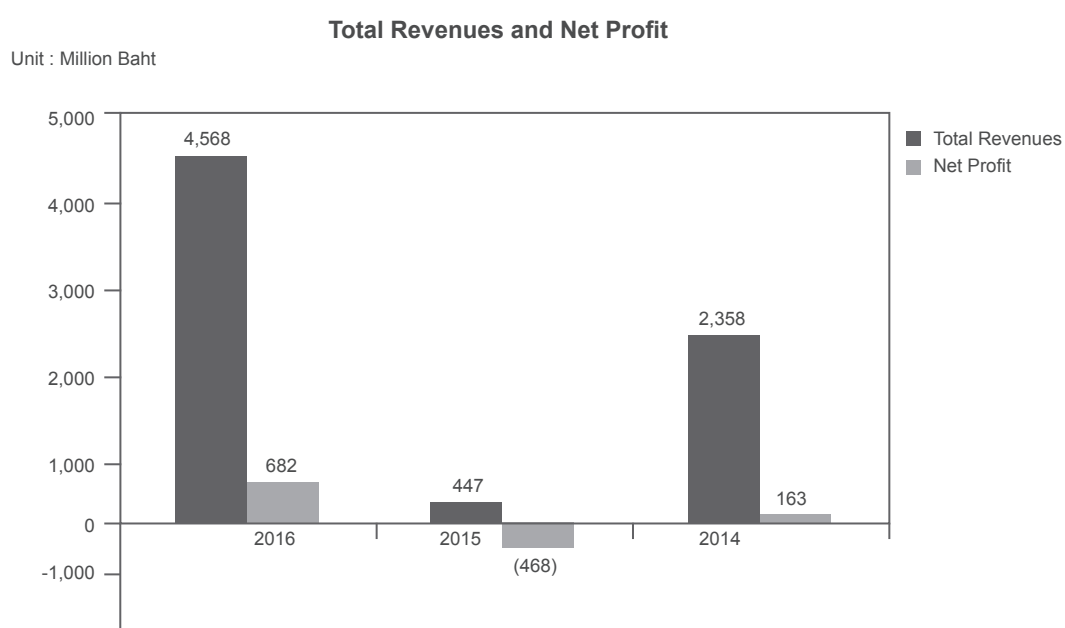
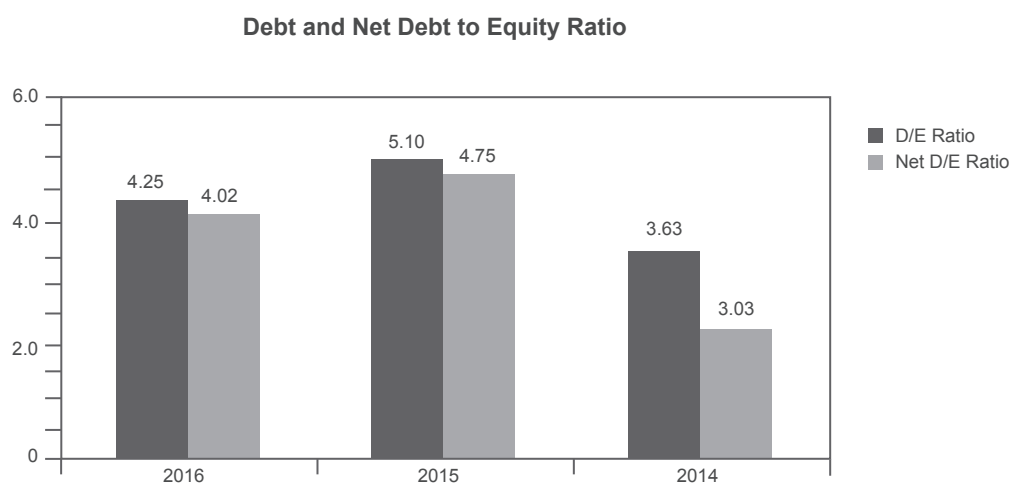
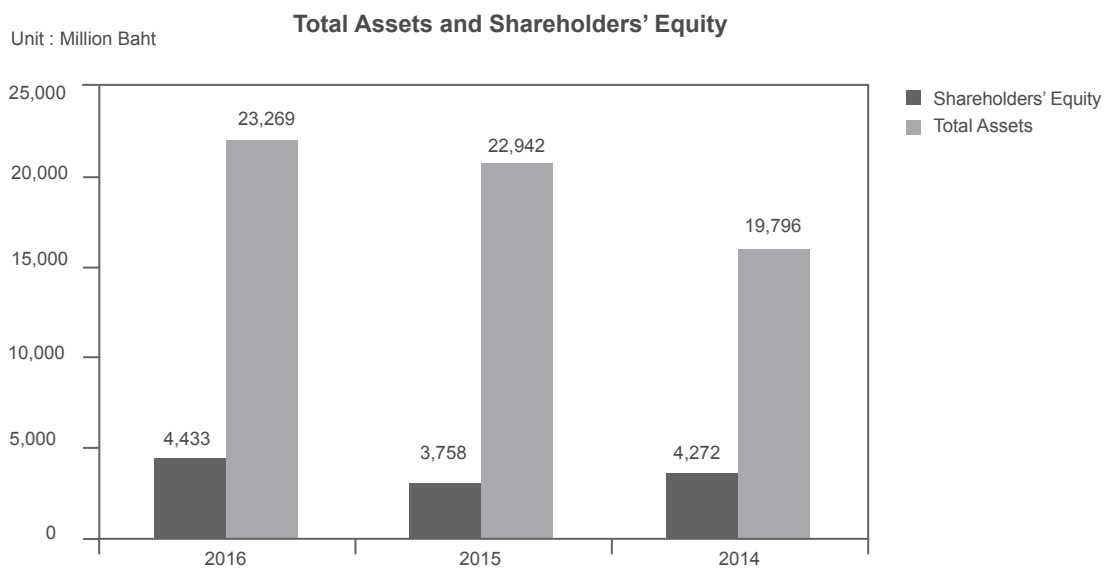
In case there were doubtful items in connected transactions which require opinions from a specialist, the Company would arrange one for its Audit Committee, either a specialist or its certified accountant, in order to fulfill its need as necessary. Then, the feedback would be part of the decision making by the Board of Directors or the shareholders depending on the situation and the Company will disclose related information in the Notes to the Consolidated and Company Financial Statement.

12 Financial Highlight

Unit : THB Million

	2016	2015	2014
<u>Operating Performance</u>			
Revenue from Sales-Real Estate Development Business	4,409	287	2,205
Revenue from Rental and Services	93	86	72
Total Revenues	4,568	447	2,358
Gross Profit from Real Estate Development Business	1,928	128	910
Revenue from Rental and Services	27	19	8
Net Profit	682	(468)	163
<u>Financial Status</u>			
Total Assets	23,269	22,942	19,796
Total Liabilities	18,836	19,184	15,524
Issued and Paid-up Share Capital	1,369	1,369	1,369
Shareholders' Equity	4,433	3,758	4,272
<u>Financial Ratio</u>			
Gross Profit Margin from Real Estate Development Business	43.72	44.47	41.30
Gross Profit Margin from Rental and Services	28.54	21.83	11.34
Net Profit Margin	14.94	(104.58)	6.92
Return on Assets	2.95	(2.19)	0.88
Return on Equity	16.66	(11.65)	3.83
Debt to Equity Ratio	4.25	5.10	3.63
Net Debt to Equity Ratio	4.02	4.75	3.03
Net Interest-Bearing Debt Ratio	3.00	3.43	2.07
Book Value per Share (Baht)	9.71	8.23	9.36
Earning per Share (Baht)	1.49	(1.02)	0.36

Charts of Operating Performance

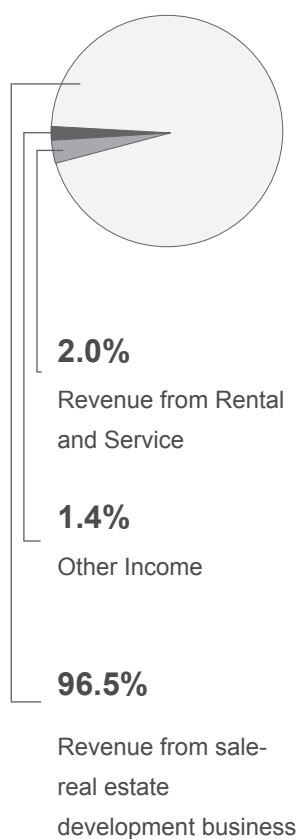


Charts of Revenue Structure

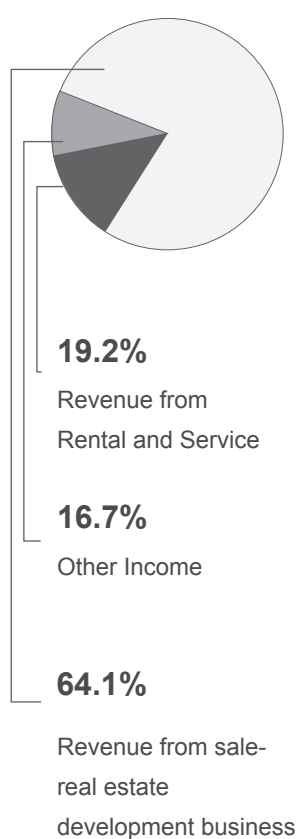
Unit : Million Baht

	2016	2015	2014
Revenue from sales-real estate development business	4,409	287	2,205
Revenue from rental and service	93	86	72
Other Income	65	75	82
Total	4,568	447	2,358

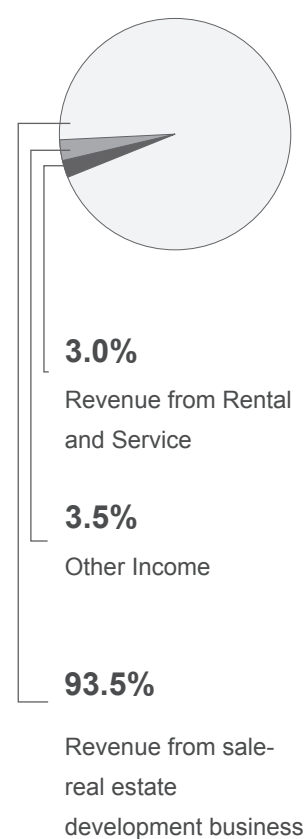
2016 Revenue Structure



2015 Revenue Structure



2014 Revenue Structure



13 Management Discussion and Analysis

Operating Results

As for the Company's operation results in 2016, net profit was Baht 682.20 million, which increased from net loss of Baht 467.66 million in 2015. The details of the operating results are as follows.

- In 2016, the Company's revenue from the transfer of ownership was increase. The revenue from sales – real estate development business was Baht 4,409.32 million, increase of Baht 4,122.57 million compared to the previous year, the increase was mainly due to the recognition of revenue from the Noble Ploenchit which construction was completed and started transfer of ownership since September 2016. As of December 31, 2016, the Company still had sales that are not transferred (unrecognized revenue) approximately Baht 18,400 million.

(Unit : THB Million)

Revenue	For the year ended 31 December			
	2015		2016	
	Amount	%	Amount	%
Revenues from sales-real estate development business	286.75	64.13	4,409.32	96.54
Revenue from rental and services	85.82	19.19	93.24	2.04
Other income	74.59	16.68	64.97	1.42
Total income	447.16	100.00	4,567.53	100.00

The sales of the Company (presale) in 2016 was approximately Baht 2,500 million, which slightly decreased from Baht 2,600 million in 2015. In 2016, the Company launched a project which was the Noble BE19.

- Cost of sales – real estate development business in 2016 amounted to Baht 2,481.51 million, increased of Baht 2,322.26 million from the previous year. The cost of sales increased in proportion to the increase in revenue from sale - real estate development business.
- The Company's gross profit margin in 2016 was 43.4 percent, which increase from 39.3 percent in the previous year. Gross profit margin from real estate business was 43.7 percent which slightly decreased from 44.5 percent in the previous year due to in 2015, there were sales and transfers of ownership of the Company's projects that selling prices had been adjusted to match the current market price.
- Total expenses of the Company in 2016 amounted to Baht 1,167.05 million, increased of Baht 365.00 million from the previous year, mainly due to the increase of transfer fee and specific business tax including the increase in financial costs.
- The Company's net profit margin in 2016 compared to total revenue was 14.9 percent, which increase from net loss of 104.6 percent in the previous year.
- Return on equity ratio in 2016 was 16.7 percent which increased from -11.6 percent in the previous year.

Financial Status

As of December 31, 2016, the total assets of the Company and its subsidiaries amounted to Baht 23,268.97 million which increased of Baht 326.62 million compared to the previous year. The details of the assets are as follows.

- Cash and deposits with financial institutions with on obligations amounted to Baht 1,021.73 million, which decreased of Baht 314.20 million compared to the previous year.
- Trade and other receivables (net) amounted to Baht 263.38 million, increased of Baht 29.22 million mainly due to an increase in advance payments of the construction contract of the projects which has been started in 2016.
Overdue customer of existing real estate projects as of December 31, 2016, was 0.03 percent of the total sales value. Details are shown in Table 1 and 2.
- The real estate development costs amounted to Baht 18,857.65 million which increased of Baht 488.34 million. An increase of the real estate development costs was caused by the progress of the construction project and the acquisition of land for future project development.
- Inventories (net) in 2016 amounted to Baht 1,105.65 million which decreased of Baht 71.43 million in the previous year due to the sales of the completed construction projects.

Total liabilities as of December 31, 2016, amounted to Baht 18,836.02 million which decreased of Baht 348.02 million from the year 2015 due to outstanding loans increased of Baht 92.20 million, deposits and advances received from customers decreased of Baht 365.74 million. The primary cause of the decrease in deposits and advances received from customers was the transfer of ownership of the Noble Ploenchit. Furthermore, in 2016, the Company redeemed debentures of the Company worth of Baht 1,500 million in July and issued debentures worth total of Baht 1,500 million in June.

(Unit : THB Million)

Financial Liabilities	31 December 2015	31 December 2016
Short-term borrowings	883.32	1,723.14
Current portion of long-term borrowings	1,499.18	4,855.02
Long-term borrowings	11,826.70	7,723.24
Total	14,209.20	14,301.40

Financial liabilities as of December 31, 2016, are as follows.

- Short-term borrowings – bills of exchange amounted to Baht 1,723.14 million, with a discount rate of 3.60 – 4.00 percent per annum. These Loans are gradually due within August 2017.
- Loans from financial institutions amounted to Baht 7,736.11 million with an interest rate based on the Minimum loan rate (MLR) of commercial banks who are lenders. As of December 31, 2016, MLR is 6.25 - 6.65 percent per annum. According to the condition of the loans, the Company must maintain the debt to equity ratio not exceeding 5.0 as of the end of each fiscal quarter until the fourth fiscal quarter of 2016 and starting at the first fiscal quarter of 2017 onwards, the Company must maintain the debt to equity ratio not exceeding 2.2 or 2.5 (as specified in each loan contract) as of the end of each fiscal quarter throughout the loan period. These Loans amounted to Baht 3,355.63 million are due within 2017.

- Debentures amounted to Baht 4,842.15 million, three-year term loan period, interest rate of 4.15 - 5.50 percent per annum. The debenture's financial covenant is that starting at the first fiscal quarter of 2017 onwards, the Company must maintain the net interest bearing debt ratio not exceeding 2.2 or 2.5 (according to the conditions specified in the regulations on the rights and obligations of the issuer and shareholders of each debenture) as of the end of each fiscal quarter throughout the loan period. In the case that the Company is unable to maintain the net interest bearing debt ratio according to the terms and conditions, this could result in a default under the terms and conditions of the debentures. This may cause the debentures to be paid promptly.

As of December 31, 2016, the Company's debt to equity ratio was 4.25, down from 5.10 in 2015, which was at a high level compared to the average ratio of the companies in the same industry that was 1.31. The Company's net interest bearing debt ratio as of December 31, 2016, which was calculated from financial obligations which are obligated to pay interest minus cash, deposits at financial institutions, cash equivalents, and investment at financial institutions with no obligation was 3.0 which decreased from 3.43 at the end of 2015, the average ratio of the companies in the same industry that was 0.94.

Collateral financial liabilities as of December 31, 2016, amounted to 33.3 percent of the total assets which decreased from 37.0 percent at the end of 2015.

The Company's current ratio was 1.97 in 2016, decreased from 2.93 in 2015. The current ratio declined because the Company had long-term loans which are due within 2017 amounted to Baht 3,355.63 million.

The Company's interest coverage ratio in 2016 was 1.38, increased from -0.6 in 2015. The Company's obligations coverage ratio in 2016 was 0.05, increased from -0.02 in 2015. The reason that interest coverage ratio and obligations coverage ratio increased mainly due to the Company's net profit from operating results in 2016.

Shareholders' equity as of December 31, 2016, amounted to Baht 4,432.95 million, increased of Baht 674.64 million from December 31, 2015, due to net profit from operating results in 2016. The book value per share equals to Baht 9.71 per share, increased from Baht 8.23 per share in 2015.

Cash Flow Status

- Cash flow from operating activities of the Company in 2016 was a net deficit of Baht 154.74 million compared to a net deficit of Baht 3,825.06 million in 2015. The reason that cash flow from operating activities of the Company was negative in 2015 and 2016 due to the accelerated construction of condominium projects to be ready for transferring of ownership and the acquisition of land for project development.
- Cash flow from investing activities of the Company in 2016 was a net deficit of Baht 44.83 million compared to a net deficit of Baht 360.11 million in 2015. The reason that cash flow from investing activities of the Company was negative in 2015 and 2016 due to the construction and development of Noble Ploenchit.
- Cash flow from financing activities of the Company in 2016 was a net value of Baht 85.32 million, decreased from a net value of Baht 2,746.75 million in 2015, mainly due to the repayment of loans of the Noble Ploenchit.

In 2016, Thailand's economic growth rate was higher in the first half of the year due to the reduction of the transfer of ownership fee, the economic stimulus measures, the government accelerated spending and minor investments including the growth of the tourism sector. However, the growth rate was slowdown in the second half of the year due to the decline in the public and private spending and the flood disaster in the south so the government has issued measures to stimulate the economy at the end of last year.

The overview of the real estate sector in 2016, despite the support from government measures, since the beginning of the year, the growth rate was still slowdown due to the rising of household debt and the stringent lending of the financial institutions.

For the operating results of the Company in 2016, the total sales of the projects were around Baht 2,500 million. The project launched in 2016 was the Noble BE19 and the recognition of revenue from sales - real estate development business amounted to Baht 4,409.32 million. The increase in the sales revenue was from the transfer of ownership of Noble Ploenchit.

In 2017, the factors that will help stimulate the domestic economy are the clear and continuous expansion of the government investment. The expansion of the export sector has begun to improve since late 2016 as well as the expansion of the tourism sector. However, Thailand economic recovery is still subject to risks from the global economic uncertainty due to the monetary and economic policy of the new President of the United States, the weakness of financial institutions in Europe and China's economic slowdown. Moreover, starting at the end of 2016, there was a crisis of bills of exchange or B/E default that occurred with many companies. This problem has greatly affected investors' confidence in investing in bonds and caused the disruption of bills of exchange investment and it has a huge impacted on the financing by issuing bills of exchange. This problem continues to persist in 2017, so the issuers of the bills of exchange need to prepare reserve funds for redemption in order to build investors' confidence.

To support the ongoing expansion, the Company expects to launch about 4 projects worth approximately Baht 10,400 million in 2017. All four projects located in the heart of the city, close to the mass transit line and Central Business District equipped with utilities and facilities to meet diverse needs and lifestyles including in 2017, the Company has 2 projects to be transferred which are the Noble Revolve Ratchada and the Noble Revo Silom amounted to Baht 4,500 million. Thus, the Company need to accelerate the construction to keep pace with the transfer of ownership which should be completed by the third quarter of 2017.

Table 1 Details of existing project payment as of December 31, 2016

Project	Sale value (Million Baht)	Accumulated Due Payment Amount		Accumulated Paid Amount		Accumulated Overdue Amount		Remaining of Not Due Amount
		Million Baht	Percentage of Sale Value	Million Baht	Percentage of Accumulated Due Payment	Million Baht	Percentage of Accumulated Due Payment	
Noble Ploenchit	10,945.88	1,991.40	18%	1,990.98	100%	0.41	0%	8,954.48
Noble Revolve Ratchada	2,215.84	356.02	16%	355.97	100%	0.05	0%	1,859.82
Noble Revolve Ratchada2	2,269.46	338.11	15%	337.84	100%	0.27	0%	1,931.35
Noble Revo Silom	1,670.82	268.30	16%	268.29	100%	0.02	0%	1,402.52
Noble Recole	2,344.73	434.78	19%	431.68	99%	3.10	1%	1,909.95
Noble BE33	1,402.46	229.50	16%	229.30	100%	0.20	0%	1,172.96
Noble BE19	1,632.74	212.88	13%	209.76	99%	3.12	1%	1,419.86

Table 2 Details of Default in payment as of December 31, 2016

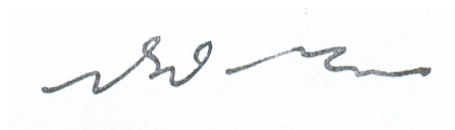
Project	Accumulated Overdue Amount			1-3 Months Overdue			3-6 Months Overdue			More than 6 Months Overdue		
	Total	Baht	Percentage of Sale Value	Total	Baht	Percentage of Accumulated Due Payment	Total	Baht	Percentage of Accumulated Due Payment	Total	Baht	Percentage of Accumulated Due Payment
Noble Ploenchit	9	413,633.67	18%	9	413,633.67	100%	-	-	0%	-	-	0%
Noble Revolve Ratchada	2	50,622.84	16%	2	50,622.84	100%	-	-	0%	-	-	0%
Noble Revolve Ratchada2	11	272,629.03	15%	11	272,629.03	100%	-	-	0%	-	-	0%
Noble Revo Silom	1	18,200.00	16%	1	18,200.00	100%	-	-	0%	-	-	0%
Noble Recole	34	3,100,863.19	19%	33	2,976,863.19	99%	1	124,000.00	1%	-	-	1%
Noble BE33	3	195,709.10	16%	3	195,709.10	100%	-	-	0%	-	-	0%
Noble BE19	9	3,120,238.50	13%	8	918,238.50	99%	-	-	1%	1	2,202,000.00	87%

14 Report of The Board of Directors' Responsibilities for Financial Reporting

The financial statements of Noble Development Public Company Limited and the consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with generally accepted accounting standards that presented the accuracy and completeness of information. The accounting policies pursued are appropriate and consistent with sufficient disclosure of information in the notes of financial statement.

The Board of Directors has appointed an audit committee comprise of independent directors to review the quality of financial reporting, disclosure connected transactions, conflict of interest transactions, risk management, and internal control to be efficiency. The views of the audit committee are disclosed in the audit committee's report in this annual report.

In the Board of Directors' opinion, the company's internal control is adequate, appropriate and should inspire reasonable confidence that the financial statements for the year ended Dec 31, 2016 of the Company, and the consolidated financial statements of the Company and its subsidiaries represent the financial status and performance of the company correctly, in accordance with generally accepted accounting standards.



Mr.Kitti Thanakitamuay

Chairman

2

Independent Auditor's Report

To the shareholders and the Board of Directors of Noble Development Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Noble Development Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2016, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

I have audited the accompanying consolidated and separate financial statements of the Group and the Company, which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p>Valuation of inventory</p> <p>Refer to Note 2.7 'Accounting policies' and Note 12 'Inventories (net)'.</p> <p>Inventory comprises land, houses and condominiums for sale and others.</p> <p>In the consolidated and separate financial statements, the Company recorded an allowance for inventory for impaired condominium units for sale. Management calculated the estimated loss by comparing the net realisable value of the inventory with its book value.</p> <p>I focussed on this area because of the judgements made by management in setting the appropriate level of allowance for inventories considering the net realisable value and book value.</p>	<p>I evaluated management's assessment of the inventory valuation by:</p> <ul style="list-style-type: none">• understanding and challenging the future business plan and source of information that management used to determine the net realisable value of inventories• comparing the net realisable value assessed by management with other reliable sources of information, and comparing the results to the inventory book value, and• visiting the project sites to assess the condition of the impaired project for which the allowance was made. <p>Based on above procedures, I found that management's inventory valuation assessment is appropriate.</p>
<p>Valuation of investment property</p> <p>Refer to Note 2.10 'Accounting policies' and Note 16 'Investment property (net)'.</p> <p>The Group's investment property comprises land and condominiums for lease. Investment property is initially recorded at cost. Management assessed the valuation of investment property by comparing the value-in-use with their book values.</p> <p>I focussed on this area because of the nature of the judgements made by management when assessing the level of value-in-use from such condominiums for lease using future cash flows together with relevant assumptions and discount with the weighted average costs of capital.</p>	<p>I evaluated management's assessment of the valuation of investment property by:</p> <ul style="list-style-type: none">• understanding and challenging management about the key assumptions used in forecasting cash flows, such as the rent increase rate, vacancy rate and discount rate.• assessing the reasonableness of those assumptions by:<ol style="list-style-type: none">1. comparing the rent increase and vacancy rates with historical and current information2. assessing the appropriateness of the source of information and method that management used to estimate the discount rate• recalculating the discounted cash flows. <p>Based on above procedures, I found that management's investment property valuation assessment is appropriate.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of Management for the consolidated and separate financial statements

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

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

The audit committee assists management in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in dark ink, reading "krit chatchavalwong." The signature is written in a cursive, lowercase style.

Krit Chatchavalwong

Certified Public Accountant (Thailand) No. 5016

Bangkok

27 February 2017

Noble Development Public Company Limited
Statements of Financial Position
As at 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents (net)	7	1,021,734,370	1,135,984,193	194,121,445	194,144,876
Temporary investments					
at financial institutions (net)	8	43,249,491	242,179,898	43,057,491	42,020,991
Trade and other receivables (net)	9	263,384,440	234,162,397	189,724,101	230,480,423
Short-term loans to and interest receivable					
- other company (net)	10	-	-	-	-
- subsidiary (net)	11 c)	-	-	-	-
Inventories (net)	12	1,105,647,655	1,177,078,929	1,099,731,218	1,167,880,532
Real estate development cost	13	18,857,645,539	18,369,306,310	13,856,048,361	13,646,851,735
Other current assets	14	508,369,075	330,741,298	505,490,742	328,374,160
Total current assets		21,800,030,570	21,489,453,025	15,888,173,358	15,609,752,717
Non-current assets					
Investments in subsidiaries, associate					
and other company (net)	15	-	-	4,701,630,506	4,701,630,506
Investment properties (net)	16	441,141,058	636,671,774	239,687,546	417,127,023
Property, plant and equipment (net)	17	867,017,510	553,087,594	816,733,806	468,057,160
Intangible assets (net)	18	2,008,879	4,048,793	1,904,401	3,851,770
Deferred tax assets (net)	19	150,006,778	250,772,586	81,189,433	220,003,850
Other non-current assets (net)	20	8,768,589	8,323,455	7,539,770	7,551,345
Total non-current assets		1,468,942,814	1,452,904,202	5,848,685,462	5,818,221,654
Total assets		23,268,973,384	22,942,357,227	21,736,858,820	21,427,974,371

Director _____

Director _____

The accompanying notes on pages 13 to 62 are an integral part of these consolidated and Separate financial statements.

Noble Development Public Company Limited
Statements of Financial Position
As at 31 December 2016

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings - bills of exchange	21	1,723,144,706	883,317,809	1,723,144,706	883,317,809
Short-term loans from and accrued interest expenses to subsidiaries	11 d)	-	-	2,752,832,685	1,458,778,020
Current portion of long-term borrowings (net)	21	4,855,015,633	1,499,181,629	4,855,015,633	1,499,181,629
Trade and other payables	22	609,281,316	714,111,633	554,574,248	695,244,882
Deposits and advances received from customers		3,846,272,687	4,212,015,674	2,975,533,130	3,809,006,108
Accrued income tax		17,818,260	6,771,640	11,051,720	-
Other current liabilities	23	14,852,873	10,176,314	13,693,984	9,893,005
Total current liabilities		11,066,385,475	7,325,574,699	12,885,846,106	8,355,421,453
Non-current liabilities					
Rental guarantee received from customers		14,142,111	10,535,403	4,841,051	4,438,501
Long-term borrowings (net)	21	7,723,240,258	11,826,702,581	4,720,510,915	9,730,366,218
Employee benefit obligations	24	32,252,079	21,230,471	32,197,217	21,207,332
Total non-current liabilities		7,769,634,448	11,858,468,455	4,757,549,183	9,756,012,051
Total liabilities		18,836,019,923	19,184,043,154	17,643,395,289	18,111,433,504
Equity					
Share capital					
Authorised share capital					
456,471,175 ordinary shares of par Baht 3 each	25	1,369,413,525	1,369,413,525	1,369,413,525	1,369,413,525
Issued and fully paid-up share capital					
456,471,175 ordinary shares of par Baht 3 each		1,369,413,525	1,369,413,525	1,369,413,525	1,369,413,525
Share premium		69,174,340	69,174,340	69,174,340	69,174,340
Retained earnings					
Appropriated - Legal reserve	27	145,228,172	145,228,172	145,228,172	145,228,172
Unappropriated		2,856,152,382	2,173,954,558	2,517,207,854	1,732,724,830
Other components of equity		(7,560,360)	-	(7,560,360)	-
Equity attributable to owners of the parent		4,432,408,059	3,757,770,595	4,093,463,531	3,316,540,867
Non-controlling interests	28	545,402	543,478	-	-
Total equity		4,432,953,461	3,758,314,073	4,093,463,531	3,316,540,867
Total liabilities and equity		23,268,973,384	22,942,357,227	21,736,858,820	21,427,974,371

The accompanying notes on pages 13 to 62 are an integral part of these consolidated and Separate financial statements.

Noble Development Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2016

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2016	2015	2016	2015
		Baht	Baht	Baht	Baht
Revenues from sales					
- real estate development business		4,409,324,369	286,751,700	4,409,324,369	266,095,700
Revenues from rental and services		93,238,058	85,815,832	63,620,578	62,904,689
Cost of sales - real estate development business	29	(2,481,506,460)	(159,245,253)	(2,469,894,704)	(152,080,686)
Cost of rental and services	29	(66,625,437)	(67,081,418)	(40,464,668)	(39,281,047)
Gross profit		1,954,430,530	146,240,861	1,962,585,575	137,638,656
Other income	30	64,971,914	74,592,242	24,770,960	31,846,173
Profit before expenses		2,019,402,444	220,833,103	1,987,356,535	169,484,829
Selling and servicing expenses	29	(430,207,974)	(262,844,800)	(310,139,155)	(171,827,916)
Administrative expenses	29	(439,923,396)	(384,788,851)	(400,322,351)	(350,692,735)
Other expenses	31	(23,709,371)	(1,949,825)	(4,553,400)	(1,804,140)
Finance costs	32	(273,214,181)	(152,474,764)	(291,100,941)	(204,975,227)
Total expenses		(1,167,054,922)	(802,058,240)	(1,006,115,847)	(729,300,018)
Profit (loss) before income tax		852,347,522	(581,225,137)	981,240,688	(559,815,189)
Income tax income (expense)	33	(170,147,774)	113,574,407	(196,757,664)	109,344,376
Profit (loss) for the year		682,199,748	(467,650,730)	784,483,024	(450,470,813)
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of employee benefit obligations		(9,450,449)	-	(9,450,449)	-
Income tax related to remeasurements of employee benefit obligations		1,890,089	-	1,890,089	-
Other comprehensive income for the year, net off tax		(7,560,360)	-	(7,560,360)	-
Total comprehensive income (expenses) for the year		674,639,388	(467,650,730)	776,922,664	(450,470,813)
Profit (loss) attributable to:					
Owners of the parent		682,197,824	(467,657,098)	784,483,024	(450,470,813)
Non-controlling interests		1,924	6,368	-	-
Total comprehensive income (expenses) attributable to:					
Owners of the parent		674,637,464	(467,657,098)	776,922,664	(450,470,813)
Non-controlling interests		1,924	6,368	-	-
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	34	1.49	(1.02)	1.72	(0.99)

The accompanying notes on pages 13 to 62 are an integral part of these consolidated and Separate financial statements.

Noble Development Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2016

Consolidated financial statements (Baht)									
Attributable to owners of the parent									
					Other components of equity				
					Other comprehensive income				
		Authorised, issued and fully paid-up share capital	Share premium	Retained earnings		Remeasurements of employee benefit obligations (net)	Total owners of the parent	Non- controlling interest	Total equity
Note				Appropriated - legal reserve	Unappropriated				
Opening balance as at 1 January 2015		1,369,413,525	69,174,340	145,228,172	2,687,257,464	-	4,271,073,501	537,110	4,271,610,611
Changes in equity for the year 2015									
Dividend payment	26	-	-	-	(45,645,808)	-	(45,645,808)	-	(45,645,808)
Total comprehensive income (expenses) for the year		-	-	-	(467,657,098)	-	(467,657,098)	6,368	(467,650,730)
Closing balance as at 31 December 2015		1,369,413,525	69,174,340	145,228,172	2,173,954,558	-	3,757,770,595	543,478	3,758,314,073
Changes in equity for the year 2016									
Total comprehensive income (expenses) for the year		-	-	-	682,197,824	(7,560,360)	674,637,464	1,924	674,639,388
Closing balance as at 31 December 2016		1,369,413,525	69,174,340	145,228,172	2,856,152,382	(7,560,360)	4,432,408,059	545,402	4,432,953,461

The accompanying notes on pages 13 to 62 are an integral part of these consolidated and Separate financial statements.

Noble Development Public Company Limited
Statements of Changes in Equity (Cont'd)
For the year ended 31 December 2016

Separate financial statements (Baht)						
Note	Authorised, issued and fully paid-up share capital	Share premium	Retained earnings		Other components of equity	Total equity
			Appropriated - legal reserve	Unappropriated	Other comprehensive income Remeasurement of employee benefit obligations (net)	
Opening balance as at 1 January 2015	1,369,413,525	69,174,340	145,228,172	2,228,841,451	-	3,812,657,488
Changes in equity for the year 2015						
Dividend payment	26	-	-	(45,645,808)	-	(45,645,808)
Total comprehensive income (expenses) for the year		-	-	(450,470,813)	-	(450,470,813)
Closing balance as at 31 December 2015	1,369,413,525	69,174,340	145,228,172	1,732,724,830	-	3,316,540,867
Changes in equity for the year 2016						
Total comprehensive income for the year		-	-	784,483,024	(7,560,360)	776,922,664
Closing balance as at 31 December 2016	<u>1,369,413,525</u>	<u>69,174,340</u>	<u>145,228,172</u>	<u>2,517,207,854</u>	<u>(7,560,360)</u>	<u>4,093,463,531</u>

The accompanying notes on pages 13 to 62 are an integral part of these consolidated and Separate financial statements.

Noble Development Public Company Limited
Statements of Cash Flows
For the year ended 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash flows from operating activities					
Profit (loss) before income tax		852,347,522	(581,225,137)	981,240,688	(559,815,189)
Adjustments:					
Depreciation	16, 17	89,962,619	76,932,918	44,934,920	35,429,008
Amortisation	18	2,656,754	3,330,252	2,481,827	3,225,376
Allowance for doubtful accounts:					
- short-term loans to and interest receivable from other company	10, 29	270,611	268,514	270,611	268,514
- short-term loans to and interest receivable from subsidiaries	11 c), 29	-	-	816,088	1,206,726
Allowance for impairment (reversal)					
- inventories		5,873,655	-	5,873,655	-
- investment properties	16	(1,290,776)	-	(1,290,776)	-
Loss from write-off					
- real estate development cost	29	17,598,825	12,646,891	-	12,646,891
- investment properties	31	-	157,160	-	-
- intangible asset	31	1,641,146	-	1,641,140	-
Net loss from disposals property, plant and equipment	31	22,068,225	1,792,665	2,912,260	1,804,140
Employee benefit obligations	24	1,571,159	1,929,279	1,539,436	1,906,140
Income from contracts cancellation	30	(14,968,100)	(2,658,700)	(12,678,100)	(1,818,700)
Interest income	30	(41,535,554)	(49,652,174)	(6,997,540)	(9,970,080)
Finance costs	32				
- interest expense		268,023,782	147,635,406	285,910,542	200,135,869
- amortisation of prepaid underwriting fee for debentures		5,190,399	4,839,358	5,190,399	4,839,358
		1,209,410,267	(384,003,568)	1,311,845,150	(310,141,947)
Changes in working capital					
- trade and other receivables		(29,268,070)	71,136,964	40,756,322	73,988,719
- inventories		92,694,334	143,607,971	92,765,491	136,443,406
- real estate development cost		(7,117,877)	(3,718,503,210)	224,187,752	(3,741,836,021)
- other current assets		(240,911,762)	(120,773,810)	(240,911,762)	(260,773,810)
- other non-current assets		(445,134)	(879,752)	11,575	(378,946)
- trade and other payables		(66,835,503)	93,265,812	(103,485,157)	110,408,458
- deposits and advances received from customers		(350,774,887)	772,294,152	(820,794,878)	529,215,218
- other current liabilities		4,676,559	1,786	3,800,979	545,326
- rental guarantee received from customers		3,606,708	-	402,550	-
- employee benefits paid	24	-	(152,200)	-	(152,200)
Cash generated from (used in) operations		615,034,635	(3,144,005,855)	508,578,022	(3,462,681,797)
Interest received		41,310,970	51,165,178	5,910,841	31,426,950
Finance costs paid - interest expense		(817,925,605)	(710,063,442)	(723,066,717)	(601,049,945)
Income tax - proceeds		64,581,787	-	63,795,180	-
- payment		(57,743,058)	(22,159,908)	(45,001,437)	(3,805,170)
Net cash generated from (used in) operating activities		(154,741,271)	(3,825,064,027)	(189,784,111)	(4,036,109,962)

The accompanying notes on pages 13 to 62 are an integral part of these consolidated and Separate financial statements.

Noble Development Public Company Limited
Statements of Cash Flows (Cont'd)
For the year ended 31 December 2016

		Consolidated		Separate	
		financial statements		financial statements	
		2016	2015	2016	2015
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
(Increase) decrease in temporary investments at financial institutions		198,930,407	(235,383,892)	(1,036,500)	(35,440,985)
Short-term loans to subsidiaries - proceeds	11 c)	-	-	-	800,000,000
- repayments	11 c)	-	-	-	(350,000)
Purchases of - investment properties		(176,824,642)	(55,205,142)	(175,808,726)	(55,205,142)
- property, plant and equipment		(65,111,347)	(67,253,628)	(53,218,512)	(14,576,258)
- intangible assets		(2,706,102)	(2,613,847)	(2,623,714)	(2,534,774)
Proceeds from disposals of property, plant and equipment		878,637	349,524	878,637	175,000
Net cash receipts from (used in) investing activities		(44,833,047)	(360,106,985)	(231,808,815)	692,067,841
Cash flows from financing activities					
Short-term loans from financial institutions					
- proceeds	21.1	1,647,826,897	609,092,575	1,647,826,897	609,092,575
- repayments	21.1	(808,000,000)	(351,000,000)	(808,000,000)	(351,000,000)
Short-term borrowings from subsidiary					
- proceeds	11 d)	-	-	2,830,000,000	2,150,000,000
- repayments	11 d)	-	-	(1,588,950,000)	(720,150,000)
Long-term borrowings from financial institutions					
- proceeds	21.2	2,264,500,000	2,190,000,000	1,357,000,000	1,250,000,000
- repayments	21.2	(3,010,330,000)	-	(3,010,330,000)	-
Cash paid for front - end fee from borrowings		(3,547,000)	-	(852,000)	-
Long-term borrowings from issue of debenture					
- proceeds	21.3	1,500,000,000	1,850,000,000	1,500,000,000	1,850,000,000
- repayments	21.3	(1,500,000,000)	(1,500,000,000)	(1,500,000,000)	(1,500,000,000)
Payment for prepaid underwriting fee for debentures	21.3	(5,125,402)	(5,696,407)	(5,125,402)	(5,696,407)
Dividend payment	26	-	(45,645,808)	-	(45,645,808)
Net cash receipts from financing activities		85,324,495	2,746,750,360	421,569,495	3,236,600,360
Net decrease in cash and cash equivalents		(114,249,823)	(1,438,420,652)	(23,431)	(107,441,761)
Cash and cash equivalents - beginning balance		1,135,984,193	2,574,404,845	194,144,876	301,586,637
Cash and cash equivalents - ending balance		1,021,734,370	1,135,984,193	194,121,445	194,144,876
Non-cash transactions					
Transfer real estate development cost to investment properties	16	-	191,990,029		191,990,029
Transfer investment properties to					
- real estate development cost	16	-	48,604,399	-	-
- property, plant and equipment	16	329,945,998	-	330,341,873	-
Purchases of assets during the year which have not been paid					
- investment properties		1,620,578	31,207,200	1,620,578	31,207,200
- plant and equipment		8,161,048	1,309,679	8,043,841	174,813
- intangible assets		-	448,116	-	448,116
Reversal of allowance for impairment of property, plant and equipment from disposals of assets	17	37,064,147	-	37,064,147	-

The accompanying notes on pages 13 to 62 are an integral part of these consolidated and Separate financial statements.

1 General information

Noble Development Public Company Limited ("the Company") is a public limited company incorporated and resident in Thailand. The address of its registered office is 1035 Noble Building, Ploenchit Road, Lumpini, Pathumwan, Bangkok (2015 : 900 Tonson Tower, 19th Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok).

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to hereafter as "the Group".

The principal business operations of the Company and its subsidiaries ("the Group") are development of real estate for sale, providing construction, rental and service, and construction consulting services in Thailand.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 27 February 2017.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in note 4.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 New accounting standards, revised accounting standards, revised financial reporting standards and related interpretations

2.2.1 New financial reporting standards, revised accounting standards, and financial reporting standards and related interpretation are effective on 1 January 2016.

a) Accounting standards and financial reporting standards and interpretation, which have a significant changes are as follows:

TAS 16 (revised 2015)	Property, plant and equipment
TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 27 (revised 2015)	Separate financial statements
TAS 36 (revised 2015)	Impairment of assets
TAS 38 (revised 2015)	Intangible assets
TAS 40 (revised 2015)	Investment property
TAS 41 (revised 2015)	Agriculture
TFRS 2 (revised 2015)	Share-based payment
TFRS 3 (revised 2015)	Business combinations
TFRS 4 (revised 2015)	Insurance contracts
TFRS 8 (revised 2015)	Operating segments
TFRS 10 (revised 2015)	Consolidated financial statements
TFRS 12 (revised 2015)	Disclosure of interests in other entities
TFRS 13 (revised 2015)	Fair value measurement
TFRIC 21 (revised 2015)	Leases

2 Accounting policies (Cont'd)

2.2 New accounting standards, revised accounting standards, revised financial reporting standards and related interpretations (Cont'd)

2.2.1 New financial reporting standards, revised accounting standards, and financial reporting standards and related interpretation are effective on 1 January 2016. (Cont'd)

- a) Accounting standards and financial reporting standards and interpretation, which have a significant changes are as follows: (Cont'd)

The standards which related to the Group and adopted since 1 January 2016 are as follows:

TAS 16 (revised 2015), 'Property, plant and equipment' clarifies how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required.

TAS 27 (revised 2015), 'Separate financial statements' allows an investment entity that is exempted from consolidating its subsidiaries presenting separate financial statements as its only financial statements. It requires the investment entity to measure its investment in subsidiaries at fair value through profit or loss.

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy, 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption.

TAS 38 (revised 2015), 'Intangible assets' is amended to clarify how the gross carrying amount and the accumulated amortisation are treated where an entity uses the revaluation model.

TAS 40 (revised 2015), 'Investment property' clarifies that TFRS 3 should be applied when determining whether an acquisition of an investment property is a business combination.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker.

TFRS10 (revised 2015), 'Consolidated financial statements' is amended to define an investment entity and introduce an exception from consolidation. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or TFRS 9 (when announced).

The management has already assessed and considered the above revised standards have not a material impact on the Group.

2 Accounting policies (Cont'd)

2.2 New accounting standards, revised accounting standards, revised financial reporting standards and related interpretations (Cont'd)

2.2.1 New financial reporting standards, revised accounting standards, and financial reporting standards and related interpretation are effective on 1 January 2016. (Cont'd)

b) Revised accounting standards and financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

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
TAS 10 (revised 2015)	Events after the reporting period
TAS 11 (revised 2015)	Construction contracts
TAS 12 (revised 2015)	Income taxes
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
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 26 (revised 2015)	Accounting and reporting by retirement benefit plans
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 37 (revised 2015)	Provisions, contingent liabilities and contingent assets
TFRS 5 (revised 2015)	Non-current assets held for sale and discontinued operations
TFRS 6 (revised 2015)	Exploration for and evaluation of mineral resources
TFRS 11 (revised 2015)	Joint arrangements
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 entity or its shareholders
TSIC 27 (revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2015)	Service concession arrangements: Disclosures
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 2014) Financial reporting in hyperinflationary economies
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 - 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

2 Accounting policies (Cont'd)

2.2 New accounting standards, revised accounting standards, revised financial reporting standards and related interpretations (Cont'd)

2.2.2 Revised accounting standards and financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards.

a) Revised accounting standards and financial reporting standards, which have significant changes and are relevant to the Group

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TAS 41(revised 2016)	Agriculture
TFRS 5 (revised 2016)	Non-current assets held for sale and discontinued operations
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements
TFRS 12 (revised 2016)	Disclosure of interests in other entities

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28 (revised 2016). While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 28 (revised 2016), the significant changes are 1) the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture and 2) the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method.

TAS 34 (revised 2016), the amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements.

2 Accounting policies (Cont'd)

2.2 New accounting standards, revised accounting standards, revised financial reporting standards and related interpretations (Cont'd)

2.2.2 Revised accounting standards and financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards. (Cont'd)

- a) Revised accounting standards and financial reporting standards, which have significant changes and are relevant to the Group (Cont'd)

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

TAS 41 (revised 2016), the amendments align with the accounting guidance for the measurement and recognition of bearer plants issued by the FAP in 2015.

TFRS 5 (revised 2016), the amendments clarify that when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution' or vice versa, this does not constitute a change to a plan of sale or distribution and does not have to be accounted for as such.

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.

TFRS 11 (revised 2016), the amendments clarify that 1) the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting and 2) existing interests in the joint operation are not remeasured on acquisition of an additional interest, provided joint control is maintained.

TFRS 12 (revised 2016), the amendments clarify the disclosure requirements of an entity which is an investment entity and exception from preparing consolidated financial statement and instead measured its subsidiaries at fair value is required to disclose information of its subsidiaries according to the requirement in TFRS 12.

The management has assessed and considered that the above revised standards will not have a material impact on the Group.

- b) Revised accounting standards and financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of cash flows
TAS 8 (revised 2016)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2016)	Events after the reporting period
TAS 11 (revised 2016)	Construction contracts
TAS 12 (revised 2016)	Income taxes
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 20 (revised 2016)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2016)	The effects of changes in foreign exchange rates
TAS 23 (revised 2016)	Borrowing costs
TAS 24 (revised 2016)	Related party disclosures
TAS 26 (revised 2016)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2016)	Financial reporting in hyper-inflationary economies
TAS 33 (revised 2016)	Earnings per share
TAS 36 (revised 2016)	Impairment of assets
TAS 37 (revised 2016)	Provisions, contingent liabilities and contingent assets
TAS 40 (revised 2016)	Investment property
TFRS 2 (revised 2016)	Share-based payment

2 Accounting policies (Cont'd)

2.2 New accounting standards, revised accounting standards, revised financial reporting standards and related interpretations (Cont'd)

2.2.2 Revised accounting standards and financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards. (Cont'd)

b) Revised accounting standards and financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows: (Cont'd)

TFRS 3 (revised 2016)	Business combinations
TFRS 4 (revised 2016)	Insurance contracts
TFRS 6 (revised 2016)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2016)	Operating segments
TFRS 13 (revised 2016)	Fair value measurement
TSIC 10 (revised 2016)	Government Assistance - No specific relation to operating activities
TSIC 15 (revised 2016)	Operating leases - Incentives
TSIC 25 (revised 2016)	Income taxes - Changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2016)	Evaluating the substance of transactions in the legal form of a lease
TSIC 29 (revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2016)	Revenue - Barter transactions involving advertising services
TSIC 32 (revised 2016)	Intangible assets - Web site costs
TFRIC 1 (revised 2016)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2016)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2016)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2016)	Applying the restatement approach under TAS 29 (revised 2016) Financial reporting in hyper-inflationary economies
TFRIC 10 (revised 2016)	Interim financial reporting and impairment
TFRIC 12 (revised 2016)	Service concession arrangements
TFRIC 13 (revised 2016)	Customer loyalty programmes
TFRIC 14 (revised 2016)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2016)	Agreements for the construction of real estate
TFRIC 17 (revised 2016)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2016)	Transfers of assets from customers
TFRIC 20 (revised 2016)	Stripping costs in the production phase of a surface mine
TFRIC 21 (revised 2016)	Levies
TAS 104 (revised 2016)	Accounting for Troubled Debt Restructurings
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation

2.3 Group Accounting - Investments in subsidiaries and associates

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gain or losses arising from such re-measurement are recognised in profit or loss.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries and associates (Cont'd)

(a) Subsidiaries (Cont'd)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

(b) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(d) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries and associates (Cont'd)

(d) Associates (Cont'd)

The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in profit or loss.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in profit or loss.

In the separate financial statements, investments in associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2.4 Foreign currency translation

2.4.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Thai Baht which is the Company's functional and the Group's presentation currency.

2.4.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in the profit and loss, any exchange component of that gain or loss is recognised in profit or loss.

2.5 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in the profit or loss within administrative expense.

2 Accounting policies (Cont'd)

2.7 Inventories

The Group's inventories comprise condominium units, land and single detached houses for sale, food and beverage and interior equipment for sale. Inventories are stated at the lower of cost or net realisable value. Costs of inventories are determined on the following basis:

- Costs of condominium units, land and single detached houses for sale are determined by the specific method.
- Cost of food and beverage and supplies are determined by weighted average cost method.
- Costs of interior equipment for sale are determined by the specific method.

The cost of inventory comprises purchase and construction costs and other direct costs. Net realisable value is the estimate of the selling price in the ordinary course of business less costs of completions and applicable variable selling expenses. Allowance is made, where necessary, for impaired and obsolete inventories.

2.8 Real estate development cost

Real estate development cost is stated at cost less allowance for loss on projects. Costs include cost of land, cost of land development, costs of constructions of real estate projects and infrastructure and related borrowing costs.

The Group recognises cost of sales from real estate development cost upon the transfer of title to the buyer.

2.9 Investments

Investments in non-marketable equity securities are classified as general investments. General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to profit or loss.

On disposals of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

2.10 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Building for lease held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs, which are incurred for the purpose of acquiring, constructing or producing a qualifying investment property, are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at cost less accumulated depreciation and accumulated impairment loss.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method except building improvements purchased from 1 January 2010 onwards using double declining method, to write off their residual values over their estimated useful lives, as follows:

Buildings and building improvements

5 - 20 years

2 Accounting policies (Cont'd)

2.11 Property, plant and equipment

Property, plant and equipment comprise land of clubhouses, clubhouses, building and its improvements (Hotel business), office building, sale office building and its improvements, furnitures and fixtures, office equipment and vehicles. Clubhouses comprise clubhouse buildings, swimming pools and sports clubs. Land of clubhouses is stated at cost less an allowance for impairment. Clubhouses, building and its improvements (Hotel business), office building, sale office building and its improvements and equipment are initially recorded at cost less accumulated depreciation and an allowance for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred

Land is not depreciated. Depreciation on other assets is calculated using the straight line method, except furniture and fixtures, and equipment purchase from 1 January 2010 onwards using double declining method, to write off the cost of each assets to its residual value over the estimate useful lives as follows:

Clubhouses	5 - 20 years
Building	20 years
Building improvement	3 - 10 years
Office building and sales office building	20 years
Office building and sale office building improvements	3 - 5 years
Furniture and fixtures, and office equipment	5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (see in Note 2.13).

Gains or losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within other income or other expenses the profit or loss.

2.12 Intangible assets

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product;
- there is an ability to use the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 3 years.

2 Accounting policies (Cont'd)

2.13 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.14 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax asset against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Leases - where the Group is the lessee

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases - where the Group is the lessor

Operating leases

Assets leased out under operating leases are included in investment property in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar investment property owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2 Accounting policies (Cont'd)

2.16 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.17 Employee benefits

The Group operate various retirement benefit schemes. The Group has both defined contribution plans and defined benefit plans.

A defined contribution plan is a retirement plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Company pays contributions to provident fund which is managed by external fund manager in accordance with the Provident Fund Act B.E. 2530. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by the independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Remeasurement gains and losses arising from experience adjustments and changed in actuarial assumptions are charged or credited to the equity through other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately to profit or loss.

2 Accounting policies (Cont'd)

2.18 Provisions - general

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.19 Revenue recognition

Real estate development business

Revenues from sales of land and single detached house and condominium units are recognised upon the transfer of the title to buyer.

Installment under the contract is shown as "Deposits and advances received from customers".

Other revenues

Other revenues comprise the fair value for the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of output tax, returns, rebates and discounts. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from services is recognised as revenue in the year in which the service is rendered.

Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Income from contracts cancellation is recognised when contracts are cancelled by customers.

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

2.20 Dividend distribution

Dividend distribution to the Group's shareholders is recorded in the consolidated and separate financial statements in the period in which the dividends are approved by the shareholders.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive Officer that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department under policies approved by the Board of Directors. The Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment excess liquidity.

3.1.1 Foreign exchange risk

The Group has no significant exposure to foreign exchange risk due to there are no significant financial assets and liabilities denominated in foreign currency. As a result, the Group considers that it is not necessary to use derivative financial instruments to hedge such risk since management believes that future movements in market foreign exchange will not materially affect the Group's operating results.

3.1.2 Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the Authorised Officer in Financial department before execution. The Group has no significant interest-bearing assets. However, the Group has entered into long-term borrowing agreements with financial institutions bearing floating interest rates. The Group has not entered into interest rate swap contract covering the interest rate risk because the management believe that effect of interest rate fluctuation will not materially affect the Group.

3.1.3 Credit risk

The Group has no significant concentrations of credit risk. Cash is placed with reputable financial institutions. Concentrations of credit risk with respect to trade accounts receivable are limited due to the Group's large number of customers in a variety of businesses. Due to these factors, management believes that no additional credit risk beyond the recorded allowance for doubtful accounts for uncollectible debts.

3.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as market prices) or indirectly (that is, derived from market prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of investment properties and long-term borrowings are presented in Note 16 and 21.4 respectively.

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Deferred tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt

6 Segment information

As at 31 December 2016 and 2015 performance of each operating segment is measured by profit or loss from operation which is using the same basis that the Group measures its profit or loss from operation in the financial information. Revenue and costs are eliminated from transaction within the Group. Income tax are not allocated to each reporting segment.

Financial information by business segment

	As at 31 December									
	Condominium		House and land		Rental and service business		Others		Consolidated financial statements	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Segment assets	19,821,195	18,898,352	2,072,533	2,275,737	520,936	555,258	415	524	22,415,079	21,729,871
Unallocated assets									853,894	1,212,486
Consolidated total assets									23,268,973	22,942,357
Segment liabilities	12,044,696	13,243,109	78,406	97,387	17,951	15,169	185	185	12,141,238	13,355,850
Unallocated liabilities									6,694,782	5,828,193
Consolidated total liabilities									18,836,020	19,184,043

6 Segment information (Cont'd)

Financial information by business segment (Cont'd)

	For the years ended 31 December									
	Condominium		House and land		Rental and service business		Others		Consolidated financial statements	
	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000	2016 Baht'000	2015 Baht'000
Revenues	4,298,807	220,802	110,517	65,950	93,238	85,816	-	-	4,502,562	372,568
Segment results	1,900,446	107,533	25,274	19,973	28,711	18,735	-	-	1,954,431	146,241
Other income - allocated	16,144	3,318	32,976	52,897	3,961	2,707	1	1	53,082	58,923
- unallocated	-	-	-	-	-	-	-	-	11,890	15,669
Selling expenses - allocated	(385,468)	(169,024)	(27,620)	(33,319)	(306)	(674)	-	-	(413,394)	(203,017)
- unallocated	-	-	-	-	-	-	-	-	(16,814)	(59,828)
Administrative expenses - allocated	(140,090)	(89,821)	(20,081)	(14,464)	(28,651)	(30,320)	(109)	(108)	(188,931)	(134,713)
- unallocated	-	-	-	-	-	-	-	-	(250,993)	(250,076)
Other expenses - allocated	(21,446)	(2,136)	(25)	175	-	11	-	-	(21,471)	(1,950)
- unallocated	-	-	-	-	-	-	-	-	(2,238)	-
Finance costs - allocated	(149,197)	(48,190)	(42,377)	(38,408)	(14,867)	(17,383)	-	-	(206,441)	(103,981)
- unallocated	-	-	-	-	-	-	-	-	(66,773)	(48,493)
Operating profit (loss)	<u>1,220,389</u>	<u>(198,320)</u>	<u>(31,853)</u>	<u>(13,146)</u>	<u>(11,152)</u>	<u>(26,924)</u>	<u>(108)</u>	<u>(107)</u>	852,348	(581,225)
Income tax (Note 33)									(170,148)	113,574
Net profit (loss) for the year									680,200	(467,651)
Other comprehensive income for the year, net off tax									(7,560)	-
Total comprehensive income attributable to non-controlling interests									(2)	(6)
Total comprehensive income (expense) attribute to owners of the parent									<u>674,638</u>	<u>(467,657)</u>

7 Cash and cash equivalents (net)

Cash and cash equivalents (net) as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash on hand	263,855	252,245	234,265	240,000
Cheque on hand	1,103,274	-	1,103,274	-
Deposits held at call, fixed deposits accounts, bills of exchange, fixed deposit receipts and bonds with maturity of 3 months or less (net)	1,020,367,241	1,135,731,948	192,783,906	193,904,876
Total cash and cash equivalents (net)	1,021,734,370	1,135,984,193	194,121,445	194,144,876

As at 31 December 2016, deposits held at call, fixed deposits accounts, bills of exchange, fixed deposit receipts and bonds with maturity of 3 months or less (net) at local financial institutions in consolidated financial statements carry interest at the rates of 0.10% - 4.00% per annum (2015 : 0.10% - 4.00% per annum) and in separate financial statements carry interest at the rates of 0.10% - 1.30% per annum (2015 : 0.10% - 1.50% per annum).

8 Temporary investments at financial institutions (net)

Temporary investments at financial institutions (net) as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Fixed deposits accounts pledged at banks	43,249,491	42,224,991	43,057,491	42,020,991
Bills of exchange with maturity more than 3 months (net)	-	199,954,907	-	-
Total temporary investments at financial institutions (net)	43,249,491	242,179,898	43,057,491	42,020,991

As at 31 December 2016 and 2015, temporary investments at financial institutions (net) in consolidated and separate financial information represent fixed deposits accounts at local financial institutions and bill of exchange with maturity more than 3 months (net) at local financial institutions bearing interest at the rates as following:

	Consolidated financial statements		Separate financial statements	
	2016 % per annum	2015 % per annum	2016 % per annum	2015 % per annum
Fixed deposits accounts pledged at banks	0.80 - 1.30	0.80 - 1.00	0.80 - 1.30	0.80 - 1.00
Bills of exchange with maturity more than 3 months (net)	-	2.80	-	-

As at 31 December 2016, fixed deposits accounts in the consolidated and separate financial statements of Baht 43.25 million and Baht 43.06 million (2015 : Baht 42.22 million and Baht 42.02 million), respectively, are pledged with banks for letters of guarantee issued by the banks to guarantee the electricity usage and guarantee the public utilities maintenance (Note 36).

9 Trade and other receivables (net)

Trade and other receivables (net) as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Short-term trade accounts receivable				
- rental and services business	2,501,848	1,558,972	2,162,131	1,170,148
Advance to contractors	231,673,131	189,072,459	163,313,912	189,072,459
Accrued management fee income				
- related company (Note 11 b))	-	-	2,274,114	2,274,114
- other companies	446,693	446,693	446,693	446,693
Accrued rental and service income				
- other companies	4,965,881	3,315,142	483,734	670,371
Interest receivable				
- other companies	19,726,806	19,726,806	19,726,806	19,726,806
- financial institutions	192,329	238,356	-	-
Advances to employees	200,000	33,833	-	33,833
Advances to juristic person	19,830,162	35,744,184	19,830,162	35,744,184
Prepaid expense	2,415,190	2,357,371	2,355,895	1,904,094
Other receivables				
- related company (Note 11 b))	-	-	-	21,223
- other companies	3,246,555	3,482,736	3,218,923	3,504,767
Total	285,198,595	255,976,552	213,812,370	254,568,692
<u>Less</u> Allowance for doubtful accounts				
from accrued management fee income				
- related company (Note 11 b))	-	-	(2,274,114)	(2,274,114)
- other companies	(446,693)	(446,693)	(446,693)	(446,693)
Allowance for doubtful accounts from interest receivable				
- other companies	(19,726,806)	(19,726,806)	(19,726,806)	(19,726,806)
Allowance for doubtful accounts from other receivables	(1,640,656)	(1,640,656)	(1,640,656)	(1,640,656)
Total trade and other receivables (net)	263,384,440	234,162,397	189,724,101	230,480,423

10 Short-term loans to and interest receivable from other company (net)

Short-term loans to and interest receivable from other company (net) as at 31 December 2016 and 2015 comprise the following:

Consolidated and Separate financial statements					
2016 (Baht)					
Short-term loans to and interest receivable from other company (net)	Interest rate % per annum	Short-term loans	Interest receivable	Less allowance for doubtful account	Total (net)
Research & Consultant Company Limited	7.25	3,722,360	4,224,406	(7,946,766)	-
Consolidated and Separate financial statements					
2015 (Baht)					
Short-term loans to and interest receivable from other company (net)	Interest rate % per annum	Short-term loans	Interest receivable	Less allowance for doubtful account	Total (net)
Research & Consultant Company Limited	7.25	3,722,360	3,953,795	(7,676,155)	-

The movements of the short-term loans to and interest receivable from other company (net) for the years ended 31 December 2016 and 2015 comprises the following:

Consolidated and Separate financial statements		
	2016 Baht	2015 Baht
Opening net book value	-	-
Increase in - interest receivable	270,611	268,514
- allowance for doubtful accounts (Note 29)	(270,611)	(268,514)
Ending net book value	-	-

11 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and follow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationships between the Company and related companies are as follows:

Related company name	Relationship with the Company
Ban Suk Sabai Company Limited	a subsidiary company
Continental City Company Limited	a subsidiary company
S&P Property Management Company Limited	a subsidiary company

The majority of the Company's shares are widely held by public through the Stock Exchange of Thailand.

11 Related party transactions (Cont'd)

- a) The following significant transactions incurred during the years ended 31 December 2016 and 2015 carried out with related parties are as follows:

		Separate financial statements	
		2016 Baht	2015 Baht
	Individual/Subsidiaries		
Purchase of land	Continental City Company Limited	-	49,000,000
Interest income (Note 11 c))	S&P Property Management Company Limited	816,088	856,726
	Continental City Company Limited	-	4,036,272
		<u>816,088</u>	<u>4,892,998</u>
Interest expense (Note 11 d))	Ban Suk Sabai Company Limited	27,197,671	20,815,726
	Continental City Company Limited	74,077,166	15,110,798
		<u>101,274,837</u>	<u>35,926,524</u>
		Consolidated and Separate financial statements	
		2016 Baht	2015 Baht
Management benefit expenses			
- short-term employee benefits		59,722,720	60,711,600
- post employment benefits		8,808,249	1,031,593
		<u>68,530,969</u>	<u>61,743,193</u>
Directors' remuneration			
- short-term employee benefits		<u>3,145,000</u>	<u>3,145,000</u>

Purchase of land are transacted under prices and term as agreed between parties.

Interest income was charged to subsidiaries at the rate of 6.06% per annum (2015 : 6.06% - 6.68% per annum).

Interest expense was paid to subsidiary at the rate of 3.00% - 6.06% per annum (2015 : 3.00% - 6.68% per annum).

Management benefit expenses represent benefits which management has received from the Company. The definition of "management" is in accordance with the laws on securities and stock exchange.

Management's post employment benefits represent retirement benefits which is calculated by independent actuary.

Directors' remuneration is approved at the Annual General Meeting of the Company's shareholders.

11 Related party transactions (Cont'd)

- b) Outstanding balances as at 31 December 2016 and 2015 arising from services provided, other expenses and advance payment comprise the following:

		Separate financial statements	
		2016 Baht	2015 Baht
	Individual/Subsidiaries		
Accrued management fee income (Note 9)	S & P Property Management Company Limited	2,274,114	2,274,114
<u>Less</u> Allowance for doubtful account (Note 9)		<u>(2,274,114)</u>	<u>(2,274,114)</u>
Total accrued management fee income (net)		<u>-</u>	<u>-</u>
Other receivable (Note 9)	Continental City Company Limited	<u>-</u>	<u>21,223</u>
		Consolidated and Separate financial statements	
		2016 Baht	2015 Baht
Accrued directors' remuneration (Note 22)		<u>3,145,000</u>	<u>3,145,000</u>

- c) Short-term loans to and interest receivable from subsidiary (net)

Short-term loans to and interest receivable from subsidiary (net) as at 31 December 2016 and 2015 comprise the following:

Separate financial statement					
2016 (Baht)					
Short-term loans to and interest receivable from subsidiary (net)	Interest rate % per annum	Short-term loans	Interest receivable	<u>Less</u> allowance for doubtful account	Total (net)
S&P Property Company Limited	6.06	<u>13,430,000</u>	<u>6,659,741</u>	<u>(20,089,741)</u>	<u>-</u>
Separate financial statement					
2015 (Baht)					
Short-term loans to and interest receivable from subsidiary (net)	Interest rate % per annum	Short-term loans	Interest receivable	<u>Less</u> allowance for doubtful account	Total (net)
S&P Property Company Limited	6.06	<u>13,430,000</u>	<u>5,843,653</u>	<u>(19,273,653)</u>	<u>-</u>

As at 31 December 2016 and 2015, short-term loans to subsidiary are unsecured loans denominated in Thai Baht and called on demand.

11 Related party transactions (Cont'd)

c) Short-term loans to and interest receivable from subsidiary (net) (Cont'd)

The movement of short-term loans to and interest receivable from subsidiary (net) for the years ended 31 December 2016 and 2015 comprise the following:

	Separate financial statements	
	2016 Baht	2015 Baht
Opening net book value	-	822,557,452
Increase in - short-term loans	-	350,000
- interest receivable (Note 11 a))	816,088	4,892,998
- allowance for doubtful accounts (Note 29)	(816,088)	(1,206,726)
Receipts of - short-term loan repayment	-	(800,000,000)
- interest receivable	-	(26,593,724)
Ending net book value	-	-

d) Short-term loans from and accrued interest expenses to subsidiaries

Short-term loans from and accrued interest expenses to subsidiaries as at 31 December 2016 and 2015 comprise the following:

		Separate financial statements		
		2016 (Baht)		
Short-term loans from and accrued interest expenses to subsidiaries	Interest rate % per annum	Short-term loan	Accrued interest expense	Total
Ban Suk Sabai Company Limited	3.00	1,120,000,000	14,873,424	1,134,873,424
Continental City Company Limited	6.06	1,550,900,000	67,059,261	1,617,959,261
		<u>2,670,900,000</u>	<u>81,932,685</u>	<u>2,752,832,685</u>
		Separate financial statements		
		2015 (Baht)		
Short-term loans from and accrued interest expenses to subsidiaries	Interest rate % per annum	Short-term loan	Accrued interest expense	Total
Ban Suk Sabai Company Limited	3.00	945,000,000	14,678,219	959,678,219
Continental City Company Limited	6.06	484,850,000	14,249,801	499,099,801
		<u>1,429,850,000</u>	<u>28,928,020</u>	<u>1,458,778,020</u>

As at 31 December 2016 and 2015, short-term loans from subsidiaries are unsecured loans denominated in Thai Baht and called on demand.

11 Related party transactions (Cont'd)

d) Short-term loans from and accrued interest expenses to subsidiaries (Cont'd)

The movements of short-term loans from and accrued interest expenses to subsidiaries for the years ended 31 December 2016 and 2015 comprise the following:

	Separate financial statements	
	2016 Baht	2015 Baht
Opening net book value	1,458,778,020	-
Increase in - short-term loans	2,830,000,000	2,150,000,000
- accrued interest expenses (Note 11 a))	101,274,837	35,926,524
Repayment of - short-term loans	(1,588,950,000)	(720,150,000)
- accrued interest expenses	(48,270,172)	(6,998,504)
Ending net book value	<u>2,752,832,685</u>	<u>1,458,778,020</u>

12 Inventories (net)

Inventories (net) as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Land for sale	252,923,526	250,588,434	252,923,526	250,588,434
Houses for sale	778,367,832	836,257,119	781,649,792	836,257,119
Condominium units for sale	110,177,437	121,946,707	100,979,040	112,748,310
Food and beverage	2,000,901	2,041,915	2,000,901	2,041,915
Interior equipment for sale	1,806,860	-	1,806,860	-
Retail merchandise	-	207,225	-	207,225
	<u>1,145,276,556</u>	<u>1,211,041,400</u>	<u>1,139,360,119</u>	<u>1,201,843,003</u>
<u>Less</u> Allowance for impairment				
- condominium units for sale	(39,628,901)	(33,755,246)	(39,628,901)	(33,755,246)
- retail merchandise	-	(207,225)	-	(207,225)
Total inventories (net)	<u>1,105,647,655</u>	<u>1,177,078,929</u>	<u>1,099,731,218</u>	<u>1,167,880,532</u>

The cost of inventories recognised as expense and included in cost of sales from real estate development business in consolidated and separate financial statements is Baht 97,083,941 and Baht 97,371,790 (2015 : Baht 146,598,362 and Baht 139,433,795), respectively.

The cost of food and beverage recognised as expense and included in cost of rental and services in consolidated and separate financial statements is Baht 8,357,583 and Baht 8,357,583 (2015 : Baht 8,262,033 and Baht 8,262,033), respectively.

During 2016, loss from impairment of Baht 5,873,655 (2015 : nil) was charged to profit or loss within administrative expenses for condominium units for sale.

13 Real estate development cost

Real estate development cost as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Land development	11,607,339,691	12,119,232,118	7,156,271,164	7,668,163,592
Construction in progress and other related costs	5,261,389,344	4,474,467,243	4,987,189,903	4,409,101,276
Capitalised interest	1,988,916,504	1,775,606,949	1,712,587,294	1,569,586,867
Total real estate development cost	18,857,645,539	18,369,306,310	13,856,048,361	13,646,851,735
Capitalised interest during the year	524,273,209	559,897,752	463,778,507	432,926,909
Total value of contracts signed	23,480,880,210	21,001,308,000	17,770,678,382	17,093,630,000

During 2016, the cost of real estate development costs recognised as expense and included in cost of sale from real estate development business in consolidated and separate financial statements is Baht 2,366,823,695 and Baht 2,372,522,913 respectively.

As at 31 December 2016, real estate development costs in the consolidated and separate financial statements of Baht 16,497 million and Baht 11,757 million (2015 : Baht 15,291 million and Baht 12,098 million), respectively, were being used as collaterals against the borrowings of the Company from local banks amounting to Baht 7,743 million and Baht 4,733 million (2015 : Baht 8,488 million and Baht 6,387 million), respectively (Note 21.2).

14 Other current assets

Other current assets as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Land and building deposits	500,000,000	260,000,000	500,000,000	260,000,000
Prepaid income tax	6,571,556	69,855,541	3,805,170	67,600,350
Value added tax refundable	1,797,519	885,757	1,685,572	773,810
Total other current assets	508,369,075	330,741,298	505,490,742	328,374,160

15 Investments in subsidiaries, associate and other company (net)

		Separate financial statements			
	Principal activities	Paid-up share capital		Percentage of holding	
		2016	2015	2016	2015
		Million Baht	Million Baht	%	%
Investments in subsidiaries					
Ban Suk Sabai Company Limited	Real estate	1,700.0	1,700.0	99.9	99.9
Continental City Company Limited	Real estate	3,000.0	3,000.0	99.9	99.9
S&P Property Management Company Limited	Management service	2.0	2.0	100.0	100.0

15 Investments in subsidiaries, associate and other company (net) (Cont'd)

Consolidated and Separate financial statements					
Principal activities	Paid-up share capital		Percentage of holding		
	2016 Million Baht	2015 Million Baht	2016 %	2015 %	
Investment in associate					
N.K. Energy Conservation Company Limited	Light weight wall panel	6.5	6.5	49.9	49.9
Investment in other company					
Khonkaenland Development Group Company Limited	Real estate	265.0	265.0	1.9	1.9
		Consolidated financial statements	Separate financial statements		
		Equity method	Cost method		
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Investments in subsidiaries					
Ban Suk Sabai Company Limited	-	-	1,698,850,600	1,698,850,600	
Continental City Company Limited	-	-	3,002,779,906	3,002,779,906	
S&P Property Management Company Limited	-	-	5,000	5,000	
	-	-	4,701,635,506	4,701,635,506	
<u>Less</u> Allowance for impairment of investment in associate	-	-	(5,000)	(5,000)	
Total investments in subsidiaries (net)	-	-	4,701,630,506	4,701,630,506	
Investment in associate*					
N.K. Energy Conservation Company Limited	3,247,400	3,247,400	3,247,400	3,247,400	
<u>Less</u> Allowance for impairment of investment in associate	(3,247,400)	(3,247,400)	(3,247,400)	(3,247,400)	
Investment in associate (net)	-	-	-	-	
Other company**					
Khonkaenland Development Group Company Limited	5,000,000	5,000,000	5,000,000	5,000,000	
<u>Less</u> Allowance for impairment of other investment	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	
Other investment (net)	-	-	-	-	
Total investments in subsidiaries, associate and other company (net)	-	-	4,701,630,506	4,701,630,506	

* According to Group's policy, investment in associate is presented in consolidated financial statements by using equity method. However, the operation of this associate does not form significant part to the Group. In addition, the Group has already provided full allowance for impairment for this investment. Therefore, the Group has presented investment in associate in consolidated financial statements by using cost method.

** Other company is presented at cost in consolidated financial statement.

16 Investment properties (net)

The movements of investment properties (net) for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements (Baht)				Separate financial statements (Baht)			
	Land	Buildings and building improvements	Construction in progress	Total	Land	Buildings and building improvements	Construction in progress	Total
As at 1 January 2015								
Cost	186,763,285	411,281,485	35,399,502	633,444,272	128,748,808	73,341,482	35,399,502	237,489,792
<u>Less</u> Accumulated depreciation	-	(127,084,811)	-	(127,084,811)	-	(20,187,972)	-	(20,187,972)
Allowance for impairment	(58,290,776)	-	-	(58,290,776)	(58,290,776)	-	-	(58,290,776)
Net book value	<u>128,472,509</u>	<u>284,196,674</u>	<u>35,399,502</u>	<u>448,068,685</u>	<u>70,458,032</u>	<u>53,153,510</u>	<u>35,399,502</u>	<u>159,011,044</u>
For the year ended 31 December 2015								
Opening net book value	128,472,509	284,196,674	35,399,502	448,068,685	70,458,032	53,153,510	35,399,502	159,011,044
Additions	-	-	70,109,959	70,109,959	-	-	70,109,959	70,109,959
Transfer from real estate development cost	187,095,594	-	4,894,435	191,990,029	187,095,594	-	4,894,435	191,990,029
Transfer to real estate development cost	(48,604,399)	-	-	(48,604,399)	-	-	-	-
Write-off - cost	(157,160)	-	-	(157,160)	-	-	-	-
Depreciation charge (Note 29)	-	(24,735,340)	-	(24,735,340)	-	(3,984,009)	-	(3,984,009)
Closing net book amount	<u>266,806,544</u>	<u>259,461,334</u>	<u>110,403,896</u>	<u>636,671,774</u>	<u>257,553,626</u>	<u>49,169,501</u>	<u>110,403,896</u>	<u>417,127,023</u>
As at 31 December 2015								
Cost	325,097,320	411,281,485	110,403,896	846,782,701	315,844,402	73,341,482	110,403,896	499,589,780
<u>Less</u> Accumulated depreciation	-	(151,820,151)	-	(151,820,151)	-	(24,171,981)	-	(24,171,981)
Allowance for impairment	(58,290,776)	-	-	(58,290,776)	(58,290,776)	-	-	(58,290,776)
Net book value	<u>266,806,544</u>	<u>259,461,334</u>	<u>110,403,896</u>	<u>636,671,774</u>	<u>257,553,626</u>	<u>49,169,501</u>	<u>110,403,896</u>	<u>417,127,023</u>
Fair value as at 31 December 2015				<u>1,153,604,252</u>				<u>558,475,398</u>

16 Investment properties (net) (Cont'd)

The movements of investment properties (net) for the years ended 31 December 2016 and 2015 comprise the following: (Cont'd)

	Consolidated financial statements (Baht)				Separate financial statements (Baht)			
	Land	Buildings and building improvements	Construction in progress	Total	Land	Buildings and building improvements	Construction in progress	Total
For the year ended 31 December 2016								
Opening net book value	266,806,544	259,461,334	110,403,896	636,671,774	257,553,626	49,169,501	110,403,896	417,127,023
Additions	-	1,015,916	157,039,273	158,055,189	-	-	157,584,670	157,584,670
Transfer in (out)	(51,292,509)	124,592,765	(73,300,256)	-	(51,292,509)	124,742,287	(73,449,778)	-
Transfer to property, plant and equipment (net) (Note 17)	(135,803,085)	-	(194,142,913)	(329,945,998)	(135,803,085)	-	(194,538,788)	(330,341,873)
Reversal of allowance for impairment	1,290,776	-	-	1,290,776	1,290,776	-	-	1,290,776
Depreciation charge (Note 29)	-	(24,930,683)	-	(24,930,683)	-	(5,973,050)	-	(5,973,050)
	<u>81,001,726</u>	<u>360,139,332</u>	<u>-</u>	<u>441,141,058</u>	<u>71,748,808</u>	<u>167,938,738</u>	<u>-</u>	<u>239,687,546</u>
As at 31 December 2016								
Cost	138,001,726	536,890,166	-	674,891,892	128,748,808	198,083,769	-	326,832,577
<u>Less</u> Accumulated depreciation	-	(176,750,834)	-	(176,750,834)	-	(30,145,031)	-	(30,145,031)
Allowance for impairment	(57,000,000)	-	-	(57,000,000)	(57,000,000)	-	-	(57,000,000)
Net book value	<u>81,001,726</u>	<u>360,139,332</u>	<u>-</u>	<u>441,141,058</u>	<u>71,748,808</u>	<u>167,938,738</u>	<u>-</u>	<u>239,687,546</u>
Fair value as at 31 December 2016				<u>924,735,158</u>				<u>543,347,424</u>

16 Investment properties (net) (Cont'd)

The Group's managements have estimated fair value of investment properties as at 31 December 2016 and 2015 by using the methods as follows:

- Land blank
 - Appraisal value by external independent valuers or appraisal value of Land Department (Level 2).
- Building for lease
 - Discount cash flow projections based on reliable estimates of future cash flows, supported by the terms of existing lease and other assumptions and discounted by the Company's weighted average cost of capital (Level 3).

Amounts recognised in profit or loss that are related to investment properties are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Rental income	41,181,109	33,779,614	15,089,030	14,301,702
Direct operating expense arise from investment property that generated rental income for the year	18,645,111	13,311,356	3,939,724	3,601,832
Direct operating expense arise from investment property that did not generate rental income for the year	10,323,424	14,989,134	2,098,698	439,787

Depreciation charge in the consolidated and separate financial statements are Baht 24,930,683 and Baht 5,973,050 (2015 : Baht 24,735,340 and Baht 3,984,009), respectively is recorded in cost of rental and services.

During 2016, Borrowing costs of Baht 10,817,169 and Baht 11,362,566 (2015 : Baht 41,831,265 and Baht 41,831,265), respectively were capitalised and included in additions in consolidated and separate financial statements.

As at 31 December 2016, Building for lease in the consolidated and separate financial statements with net book value approximately Baht 173 million and Baht 45 million (2015 : Baht 128 million and Baht 44 million), respectively are under a 3-year operating lease agreement with a non-related company. The non-related company has an option to renew this operating lease agreement for another 3-year period.

As at 31 December 2016, Building for lease in consolidated and separate financial statements with book value of Baht 122 million and Baht 122 million (2015 : Baht 297 million and Baht 297 million), respectively are under pledged as collateral for borrowings from financial institutions (Note 21.2).

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17 Property, plant and equipment (net)

The movements of property, plant and equipment (net) for the years ended 31 December 2016 and 2015 comprise the following:

Consolidated financial statements (Baht)									
	Land	Office building, sale office and improvements	Furniture and fixtures, office equipment and vehicles	Clubhouses	Hotel business			Construction in progress and advance payment	Total
					Building	Building improvement	Equipment	Furniture and fixtures	
As at 1 January 2015									
Cost	328,677,016	93,525,330	115,374,244	101,663,271	171,491,143	64,749,036	9,703,242	76,009,154	972,815,111
<u>Less</u> Accumulated depreciation	-	(28,371,129)	(100,638,085)	(48,750,760)	(55,686,129)	(42,088,703)	(8,122,146)	(74,920,444)	(358,577,396)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	(63,271,041)
Net book value	314,937,016	65,154,201	14,736,159	3,381,470	115,805,014	22,660,333	1,581,096	1,088,710	550,966,674
For the year ended 31 December 2015									
Opening net book value	314,937,016	65,154,201	14,736,159	3,381,470	115,805,014	22,660,333	1,581,096	1,088,710	550,966,674
Additions	-	5,277,926	9,779,409	899,417	-	-	217,340	35,348	56,460,687
Transfer in (out)	-	39,645,536	702,571	-	-	-	-	-	-
Disposals - cost	-	(6,081,120)	(1,347,245)	-	-	-	-	-	(7,428,365)
- accumulated depreciation	-	4,101,985	1,184,191	-	-	-	-	-	5,286,176
Depreciation charge (Note 29)	-	(26,069,826)	(9,520,489)	(570,482)	(8,572,086)	(6,474,904)	(485,352)	(504,439)	(52,197,578)
Closing net book value	314,937,016	82,028,702	15,534,596	3,710,405	107,232,928	16,185,429	1,313,084	619,619	553,087,594
As at 31 December 2015									
Cost	328,677,016	132,367,672	124,508,979	102,562,688	171,491,143	64,749,036	9,920,582	76,044,502	1,021,847,433
<u>Less</u> Accumulated depreciation	-	(50,338,970)	(108,974,383)	(49,321,242)	(64,258,215)	(48,563,607)	(8,607,498)	(75,424,883)	(405,488,798)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	(63,271,041)
Net book value	314,937,016	82,028,702	15,534,596	3,710,405	107,232,928	16,185,429	1,313,084	619,619	553,087,594

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17 Property, plant and equipment (net) (Cont'd)

The movements of property, plant and equipment (net) for the years ended 31 December 2016 and 2015 comprise the following: (Cont'd)

Consolidated financial statements (Baht)									
	Land	Office building, sale office and improvements	Furniture and fixtures, office equipment and vehicles	Clubhouses	Hotel business			Construction in progress and advance payment	Total
					Building	Building improvement	Equipment	Furniture and fixtures	
For the year ended 31 December 2016									
Opening net book value	314,937,016	82,028,702	15,534,596	3,710,405	107,232,928	16,185,429	1,313,084	619,619	553,087,594
Additions	-	48,020,876	12,546,228	-	-	-	666,810	156,482	71,962,716
Transfer in (out)	-	14,453,039	-	-	-	-	-	-	(14,453,039)
Transfer from investment properties (net) (Note 16)	-	329,945,998	-	-	-	-	-	-	329,945,998
Disposals - cost	-	(44,937,708)	(82,557,617)	(70,948,245)	-	-	-	-	(198,443,570)
- accumulated depreciation	-	23,528,349	81,579,448	33,324,764	-	-	-	-	138,432,561
- allowance for impairment	-	-	-	37,064,147	-	-	-	-	37,064,147
Depreciation charge (Note 29)	-	(39,481,522)	(9,629,720)	(35,409)	(8,571,298)	(6,474,904)	(518,753)	(320,330)	(65,031,936)
Closing net book value	314,937,016	413,557,734	17,472,935	3,115,662	98,661,630	9,710,525	1,461,141	455,771	867,017,510
As at 31 December 2016									
Cost	328,677,016	479,849,877	54,497,590	31,614,443	171,491,143	64,749,036	10,587,392	76,200,984	1,225,312,577
<u>Less</u> Accumulated depreciation	-	(66,292,143)	(37,024,655)	(16,031,887)	(72,829,513)	(55,038,511)	(9,126,251)	(75,745,213)	(332,088,173)
Allowance for impairment	(13,740,000)	-	-	(12,466,894)	-	-	-	-	(26,206,894)
Net book value	314,937,016	413,557,734	17,472,935	3,115,662	98,661,630	9,710,525	1,461,141	455,771	867,017,510

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17 Property, plant and equipment (net) (Cont'd)

The movements of property, plant and equipment (net) for the years ended 31 December 2016 and 2015 comprise the following: (Cont'd)

Separate financial statements (Baht)										
					Hotel business					
	Land	Office building, sale office and improvements	Furniture and fixtures, office equipment and vehicles	Clubhouses	Building	Building improvement	Equipment	Furniture and fixtures	Construction in progress	Total
As at 1 January 2015										
Cost	327,113,554	37,451,726	113,015,845	101,663,271	171,491,143	64,749,036	9,703,242	76,009,154	3,958,202	905,155,173
<u>Less</u> Accumulated depreciation	-	(24,550,353)	(99,516,767)	(48,750,760)	(55,686,129)	(42,088,703)	(8,122,146)	(74,920,444)	-	(353,635,302)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	313,373,554	12,901,373	13,499,078	3,381,470	115,805,014	22,660,333	1,581,096	1,088,710	3,958,202	488,248,830
For the year ended 31 December 2015										
Opening net book value	313,373,554	12,901,373	13,499,078	3,381,470	115,805,014	22,660,333	1,581,096	1,088,710	3,958,202	488,248,830
Additions	-	4,512,602	7,567,762	899,417	-	-	217,340	35,348	-	13,232,469
Disposals - cost	-	(6,081,120)	(1,172,720)	-	-	-	-	-	-	(7,253,840)
- accumulated depreciation	-	4,101,985	1,172,715	-	-	-	-	-	-	5,274,700
Depreciation charge (Note 29)	-	(6,614,303)	(8,223,433)	(570,482)	(8,572,086)	(6,474,904)	(485,352)	(504,439)	-	(31,444,999)
Closing net book value	313,373,554	8,820,537	12,843,402	3,710,405	107,232,928	16,185,429	1,313,084	619,619	3,958,202	468,057,160
As at 31 December 2015										
Cost	327,113,554	35,883,208	119,410,887	102,562,688	171,491,143	64,749,036	9,920,582	76,044,502	3,958,202	911,133,802
<u>Less</u> Accumulated depreciation	-	(27,062,671)	(106,567,485)	(49,321,242)	(64,258,215)	(48,563,607)	(8,607,498)	(75,424,883)	-	(379,805,601)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	313,373,554	8,820,537	12,843,402	3,710,405	107,232,928	16,185,429	1,313,084	619,619	3,958,202	468,057,160

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17 Property, plant and equipment (net) (Cont'd)

The movements of property, plant and equipment (net) for the years ended 31 December 2016 and 2015 comprise the following: (Cont'd)

Separate financial statements (Baht)											
		Hotel business									
		Office building, sale office and improvements	Furniture and fixtures, office equipment and vehicles	Clubhouses	Building	Building improvement	Equipment	Furniture and fixtures	Construction in progress	Total	
		Land									
For the year ended 31 December 2016											
Opening net book value		313,373,554	8,820,537	12,843,402	3,710,405	107,232,928	16,185,429	1,313,084	619,619	3,958,202	468,057,160
Additions		-	48,020,876	11,781,553	-	-	-	666,810	156,482	461,819	61,087,540
Transfer from investment properties (net) (Note 16)		-	330,341,873	-	-	-	-	-	-	-	330,341,873
Disposals - cost		-	(11,446,904)	(81,885,169)	(70,948,245)	-	-	-	-	-	(164,280,318)
- accumulated depreciation		-	9,193,482	80,907,028	33,324,764	-	-	-	-	-	123,425,274
- allowance for impairment		-	-	-	37,064,147	-	-	-	-	-	37,064,147
Depreciation charge (Note 29)		-	(14,875,573)	(8,165,603)	(35,409)	(8,571,298)	(6,474,904)	(518,753)	(320,330)	-	(38,961,870)
Closing net book value		313,373,554	370,054,291	15,481,211	3,115,662	98,661,630	9,710,525	1,461,141	455,771	4,420,021	816,733,806
As at 31 December 2016											
Cost		327,113,554	402,799,053	49,307,271	31,614,443	171,491,143	64,749,036	10,587,392	76,200,984	4,420,021	1,138,282,897
<u>Less</u> Accumulated depreciation		-	(32,744,762)	(33,826,060)	(16,031,887)	(72,829,513)	(55,038,511)	(9,126,251)	(75,745,213)	-	(295,342,197)
Allowance for impairment		(13,740,000)	-	-	(12,466,894)	-	-	-	-	-	(26,206,894)
Net book value		313,373,554	370,054,291	15,481,211	3,115,662	98,661,630	9,710,525	1,461,141	455,771	4,420,021	816,733,806

Depreciation charge in the consolidated and separate financial statements are Baht 65,031,936 and Baht 38,961,870 (2015: Baht 52,197,578 and Baht 31,444,999) will be recorded in cost of rental and services amounting to Baht 15,885,285 and Baht 15,885,285 (2015 : Baht 16,036,781 and Baht 16,036,781) and administrative expenses amounting to Baht 49,146,651 and Baht 23,076,585 (2015 : Baht 36,160,797 and Baht 15,408,218), respectively.

As at 31 December 2016, the gross carrying amounts before a deduction of accumulated depreciation of fully depreciated plant and equipment that still in use in the consolidated and separate financial statements are Baht 107 million and Baht 106 million (2015 : Baht 179 million and Baht 178 million), respectively.

As at 31 December 2016, office building in consolidated and separate financial statements with book value of Baht 324 million and Baht 325 million (2015: nil), respectively are under pledged as collateral for borrowings from financial institutions (Note 21.2).

18 Intangible assets (net)

The movements of intangible assets (net) for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements (Baht)			Separate financial statements (Baht)		
	Computer software	Advance payment	Total	Computer software	Advance payment	Total
As at 1 January 2015						
Cost	16,094,751	555,116	16,649,867	15,071,929	555,116	15,627,045
<u>Less</u> Accumulated amortisation	<u>(12,332,785)</u>	<u>-</u>	<u>(12,332,785)</u>	<u>(11,532,789)</u>	<u>-</u>	<u>(11,532,789)</u>
Net book value	<u>3,761,966</u>	<u>555,116</u>	<u>4,317,082</u>	<u>3,539,140</u>	<u>555,116</u>	<u>4,094,256</u>
For the year ended 31 December 2015						
Opening net book value	3,761,966	555,116	4,317,082	3,539,140	555,116	4,094,256
Additions	2,230,811	831,152	3,061,963	2,151,738	831,152	2,982,890
Transfer in (out)	938,152	(938,152)	-	938,152	(938,152)	-
Amortisation charge (Note 29)	<u>(3,330,252)</u>	<u>-</u>	<u>(3,330,252)</u>	<u>(3,225,376)</u>	<u>-</u>	<u>(3,225,376)</u>
Closing net book value	<u>3,600,677</u>	<u>448,116</u>	<u>4,048,793</u>	<u>3,403,654</u>	<u>448,116</u>	<u>3,851,770</u>
As at 31 December 2015						
Cost	19,263,714	448,116	19,711,830	18,161,819	448,116	18,609,935
<u>Less</u> Accumulated amortisation	<u>(15,663,037)</u>	<u>-</u>	<u>(15,663,037)</u>	<u>(14,758,165)</u>	<u>-</u>	<u>(14,758,165)</u>
Net book value	<u>3,600,677</u>	<u>448,116</u>	<u>4,048,793</u>	<u>3,403,654</u>	<u>448,116</u>	<u>3,851,770</u>
For the year ended 31 December 2016						
Opening net book value	3,600,677	448,116	4,048,793	3,403,654	448,116	3,851,770
Additions	1,347,602	910,384	2,257,986	1,265,214	910,384	2,175,598
Transfer in (out)	448,116	(448,116)	-	448,116	(448,116)	-
Write-off - cost	(6,003,773)	-	(6,003,773)	(5,233,043)	-	(5,233,043)
- accumulated	4,362,627	-	4,362,627	3,591,903	-	3,591,903
Amortisation charge (Note 29)	<u>(2,656,754)</u>	<u>-</u>	<u>(2,656,754)</u>	<u>(2,481,827)</u>	<u>-</u>	<u>(2,481,827)</u>
Closing net book value	<u>1,098,495</u>	<u>910,384</u>	<u>2,008,879</u>	<u>994,017</u>	<u>910,384</u>	<u>1,904,401</u>
As at 31 December 2016						
Cost	15,055,659	910,384	15,966,043	14,642,106	910,384	15,552,490
<u>Less</u> Accumulated amortisation	<u>(13,957,164)</u>	<u>-</u>	<u>(13,957,164)</u>	<u>(13,648,089)</u>	<u>-</u>	<u>(13,648,089)</u>
Net book value	<u>1,098,495</u>	<u>910,384</u>	<u>2,008,879</u>	<u>994,017</u>	<u>910,384</u>	<u>1,904,401</u>

Amortisation charge in the consolidated and separate financial statements are Baht 2,656,754 and Baht 2,481,827 (2015 : Baht 3,330,252 and Baht 3,225,376), respectively is recorded in administrative expenses.

As at 31 December 2016, the gross carrying amount before a deduction of accumulated amortisation of fully amortised intangible assets that still in use in the consolidated and Separate financial statements are Baht 13 million and Baht 13 million (2015 : Baht 14 million and Baht 13 million), respectively.

19 Deferred taxes (net)

Deferred taxes (net) as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Deferred tax assets:				
Deferred tax assets to be recovered				
- within 12 months	392,640	-	392,640	-
- after more than 12 months	165,540,956	264,759,891	80,893,540	220,137,458
Total deferred tax assets	165,933,596	264,759,891	81,286,180	220,137,458
Deferred tax liabilities:				
Deferred tax liabilities to be settled				
- within 12 months	(449,480)	(287,004)	(70,921)	(82,056)
- after more than 12 months	(15,477,338)	(13,700,301)	(25,826)	(51,552)
Total deferred tax liabilities	(15,926,818)	(13,987,305)	(96,747)	(133,608)
Total deferred tax (net)	150,006,778	250,772,586	81,189,433	220,003,850

The movement of deferred taxes (net) for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
As at 1 January	250,772,586	125,724,035	220,003,850	110,659,474
(Debit)/credit to profit or loss (Note 33)	(102,655,898)	125,048,551	(140,704,507)	109,344,376
(Debit)/credit to other comprehensive income	1,890,090	-	1,890,090	-
As at 31 December	150,006,778	250,772,586	81,189,433	220,003,850

19 Deferred taxes (net) (Cont'd)

The movement of deferred taxes (net) for the years ended 31 December 2016 and 2015 comprise the following: (Cont'd)

	Consolidated financial statements			
	(Debit)/credit to			
	1 January 2016 Baht	Profit or loss Baht	Other comprehensive income Baht	31 December 2016 Baht
Deferred tax assets:				
Allowance for doubtful account of short-term loans to and interest receivable from other company	1,535,231	54,122	-	1,589,353
Allowance for impairment and obsolescence in inventories	6,792,494	1,133,286	-	7,925,780
Allowance for impairment in investment properties	11,658,155	(258,155)	-	11,400,000
Deposits and advances received from customers	71,573,324	(33,820,159)	-	37,753,165
Employee benefits obligation	4,246,094	314,232	1,890,090	6,450,416
Difference in useful life of building and equipment	2,957,178	2,373,619	-	5,330,797
Borrowing costs of real estate development cost	14,698,651	17,504,411	-	32,203,062
Taxable losses carried forward	146,872,608	(87,948,343)	-	58,924,265
Others	4,426,156	(69,398)	-	4,356,758
	264,759,891	(100,716,385)	1,890,090	165,933,596
Deferred tax liabilities:				
Borrowing costs of real estate development cost	(13,408,522)	(1,758,894)	-	(15,167,416)
Accrued rental and service income	(578,783)	(180,619)	-	(759,402)
	(13,987,305)	(1,939,513)	-	(15,926,818)
Defer tax assets (net)	250,772,586	(102,655,898)	1,890,090	150,006,778

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19 Deferred taxes (net) (Cont'd)

The movement of deferred taxes (net) for the years ended 31 December 2016 and 2015 comprise the following: (Cont'd)

	Consolidated financial statements			
	(Debit)/credit to			
	1 January 2015 Baht	Profit or loss Baht	Other comprehensive income Baht	31 December 2015 Baht
Deferred tax assets:				
Allowance for doubtful account of short-term loans to and interest receivable from other company	1,481,528	53,703	-	1,535,231
Allowance for impairment and obsolescence in inventories	6,792,494	-	-	6,792,494
Allowance for impairment in investment properties	11,658,155	-	-	11,658,155
Deposits and advances received from customers	71,574,254	(930)	-	71,573,324
Employee benefits obligation	3,890,678	355,416	-	4,246,094
Difference in useful life of building and equipment	1,273,546	1,683,632	-	2,957,178
Borrowing costs of				
- real estate development cost	3,971,873	10,726,778	-	14,698,651
- land deposits	336,819	(336,819)	-	-
Taxable losses carried forward	26,072,641	120,799,967	-	146,872,608
Others	4,534,815	(108,659)	-	4,426,156
	131,586,803	133,173,088	-	264,759,891
Deferred tax liabilities:				
Borrowing costs of real estate development cost	(5,862,768)	(7,545,754)	-	(13,408,522)
Accrued rental and service income	-	(578,783)	-	(578,783)
	(5,862,768)	(8,124,537)	-	(13,987,305)
Defer tax assets (net)	125,724,035	125,048,551	-	250,772,586

Noble Development Public Company Limited
Notes to the Consolidated and Separate financial statements
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19 Deferred taxes (net) (Cont'd)

The movement of deferred taxes (net) for the years ended 31 December 2016 and 2015 comprise the following:
(Cont'd)

	Separate financial statements (Debit)/credit to			31 December 2016 Baht
	1 January 2016 Baht	Profit or loss Baht	Other comprehensive income Baht	
Deferred tax assets:				
Allowance for doubtful account of short-term loans to and interest receivable from other company	1,535,231	54,122	-	1,589,353
Allowance for impairment and obsolescence in inventories	6,792,494	1,133,286	-	7,925,780
Allowance for impairment in investment properties	11,658,155	(258,155)	-	11,400,000
Deposits and advances received from customers	71,573,324	(33,820,159)	-	37,753,165
Employee benefits obligation	4,241,466	307,888	1,890,090	6,439,444
Difference in useful life of building and equipment	1,360,728	368,975	-	1,729,703
Borrowing costs of real estate development cost	9,825,437	266,540	-	10,091,977
Taxable losses carried forward	108,724,467	(108,724,467)	-	-
Others	4,426,156	(69,398)	-	4,356,758
	<u>220,137,458</u>	<u>(140,741,368)</u>	<u>1,890,090</u>	<u>81,286,180</u>
Deferred tax liability:				
Accrued rental and service income	(133,608)	36,861	-	(96,747)
Defer tax assets (net)	<u>220,003,850</u>	<u>(140,704,507)</u>	<u>1,890,090</u>	<u>81,189,433</u>
	Separate financial statements (Debit)/credit to			31 December 2015 Baht
	1 January 2015 Baht	profit or loss Baht	Other comprehensive income Baht	
Deferred tax assets:				
Allowance for doubtful account of short-term loans to and interest receivable from other company	1,481,528	53,703	-	1,535,231
Allowance for impairment and obsolescence in inventories	6,792,494	-	-	6,792,494
Allowance for impairment in investment properties	11,658,155	-	-	11,658,155
Deposits and advances received from customers	71,574,254	(930)	-	71,573,324
Employee benefits obligation	3,890,678	350,788	-	4,241,466
Difference in useful life of building and equipment	1,036,700	324,028	-	1,360,728
Borrowing costs of real estate development cost	3,971,873	5,853,564	-	9,825,437
Taxable losses carried forward	5,718,977	103,005,490	-	108,724,467
Others	4,534,815	(108,659)	-	4,426,156
	<u>110,659,474</u>	<u>109,477,984</u>	<u>-</u>	<u>220,137,458</u>
Deferred tax liability:				
Accrued rental and service income	-	(133,608)	-	(133,608)
Defer tax assets (net)	<u>110,659,474</u>	<u>109,344,376</u>	<u>-</u>	<u>220,003,850</u>

19 Deferred taxes (net) (Cont'd)

On 22 January 2016, the National Legislative Assembly approved the draft on Act to change the statutory corporate income tax rate in the Revenue Code from 30% to 20%. The change will be effective for companies and juristic partnerships with accounting periods beginning on or after 1 January 2016. Then deferred tax have been measured using tax rate of 20%.

20 Other non-current assets (net)

Other non-current assets (net) as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
General deposits	8,788,589	8,343,455	7,559,770	7,571,345
Deposits for investment	4,000,000	4,000,000	4,000,000	4,000,000
	12,788,589	12,343,455	11,559,770	11,571,345
<u>Less</u> Allowance for doubtful accounts				
- general deposits	(20,000)	(20,000)	(20,000)	(20,000)
- deposits for investment	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Total other non-current assets (net)	<u>8,768,589</u>	<u>8,323,455</u>	<u>7,539,770</u>	<u>7,551,345</u>

As at 31 December 2016 and 2015, deposits for investment of Baht 4 million is a deposit in a fund to jointly bid in loan portfolios from the Financial Restructuring Authority Sector. The Company has a right to invest at 10% of the bid price or the minimum amount of Baht 37.5 million. At present, the restructuring process has not yet been completed. However, as at 31 December 2016 and 2015, the Company has set up an allowance for unrecoverable for deposits for investment in full.

21 Borrowings from financial institutions and other investors (net)

Borrowings from financial institutions and other investors (net) as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<u>Current</u>				
Short-term borrowings				
- bills of exchange	1,723,144,706	883,317,809	1,723,144,706	883,317,809
Current portion of long-term borrowings	3,355,635,000	-	3,355,635,000	-
Current portion of debentures (net)	1,499,380,633	1,499,181,629	1,499,380,633	1,499,181,629
<u>Non-current</u>				
Long-term borrowings from financial institutions	4,380,473,047	8,483,801,363	1,377,743,704	6,387,465,000
Debentures (net)	3,342,767,211	3,342,901,218	3,342,767,211	3,342,901,218
Total borrowings (net)	<u>14,301,400,597</u>	<u>14,209,202,019</u>	<u>11,298,671,254</u>	<u>12,112,865,656</u>

21 Borrowings from financial institutions and other investors (net) (Cont'd)

21.1 The movements of short-term borrowings for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Opening balance	883,317,809	625,225,234	883,317,809	625,225,234
Additional borrowings	1,647,826,897	609,092,575	1,647,826,897	609,092,575
Repayments of borrowings	(808,000,000)	(351,000,000)	(808,000,000)	(351,000,000)
Ending balance	<u>1,723,144,706</u>	<u>883,317,809</u>	<u>1,723,144,706</u>	<u>883,317,809</u>

As at 31 December 2016, the Company's short-term borrowings represent bills of exchange due within 1 year issued to local financial institutions with interest at the rates of 3.60% - 4.00% per annum (2015 : 3.80% - 4.00% per annum).

21.2 The movements of the long-term borrowings for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<u>Current portions of long-term borrowings</u>				
Opening balance	-	-	-	-
Transfer from long-term borrowings	3,355,635,000	-	3,355,635,000	-
Ending balance	<u>3,355,635,000</u>	<u>-</u>	<u>3,355,635,000</u>	<u>-</u>
<u>Long-term borrowings</u>				
Opening balance	8,483,801,363	6,298,465,000	6,387,465,000	5,137,465,000
Increase in				
- borrowings	2,264,500,000	2,190,000,000	1,357,000,000	1,250,000,000
- deferred front end fee	(3,547,000)	(5,700,000)	(852,000)	-
Transfer to current portions of long-term borrowings	(3,355,635,000)	-	(3,355,635,000)	-
Repayment of borrowings	(3,010,330,000)	-	(3,010,330,000)	-
Amortisation of deferred front end fee	1,683,684	1,036,363	95,704	-
Ending balance	<u>4,380,473,047</u>	<u>8,483,801,363</u>	<u>1,377,743,704</u>	<u>6,387,465,000</u>

21 Borrowings from financial institutions and other investors (net) (Cont'd)

21.2 The movements of the long-term borrowings for the years ended 31 December 2016 and 2015 comprise the following: (Cont'd)

The long-term borrowings as at 31 December 2016 and 2015 comprise the following:

Type of loan	Maturity date	Interest rate (% per annum)		Interest payment	Collateral		Extent due date
		2016	2015		2016	2015	
<u>Company</u>							
Long-term loan	31 January 2017*	MLR-1.00	MLR-1.25	Monthly basis	A	A	No
Long-term loan	6 November 2017	MLR-1.25	MLR-1.25	Monthly basis	A	A	Yes
Long-term loan	20 November 2017	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	23 January 2018*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	27 June 2019*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
<u>Subsidiary</u>							
Long-term loan	26 December 2019*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	26 December 2019*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	2 February 2020*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	25 August 2020**	MLR-1.50	-	Monthly basis	A	-	No
Long-term loan	25 February 2022**	MLR-1.50	-	Monthly basis	A	-	No

Remarks

A : Pledged its lands of related projects, including real estate development cost and investment properties (Note 13 and 16).

* : The Company will maintain the net debt to equity ratio as details specified in each borrowing agreement.

** : The Company will maintain the net debt to equity ratio as details specified in each borrowing agreement since first quarter of 2017.

21.3 Debentures (net) as at 31 December 2016 and 2015 representative as follows:

	Consolidated and Separate financial statements	
	2016 Baht	2015 Baht
Debentures - par value	4,850,000,000	4,850,000,000
Less Prepaid underwriting fee for debenture	(7,852,156)	(7,917,153)
Debentures (net)	4,842,147,844	4,842,082,847
Current portion of debentures (net)	(1,499,380,633)	(1,499,181,629)
	<u>3,342,767,211</u>	<u>3,342,901,218</u>

The movements of debentures (net) for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated and Separate financial statements	
	2016 Baht	2015 Baht
Opening net book value	4,842,082,847	4,492,939,896
Increase in - debentures	1,500,000,000	1,850,000,000
- prepaid underwriting fee	(5,125,402)	(5,696,407)
Repayment of debentures	(1,500,000,000)	(1,500,000,000)
Amortisation of prepaid underwriting fee (Note 32)	5,190,399	4,839,358
Ending net book value	<u>4,842,147,844</u>	<u>4,842,082,847</u>

21 Borrowings from financial institutions and other investors (net) (Cont'd)

21.3 Debentures (net) as at 31 December 2016 and 2015 representative as follows: (Cont'd)

At the Extraordinary shareholders' meeting held on 8 March 2005 and at the Annual General Meeting of the Company's Shareholders held on 27 April 2012 it was unanimously resolved to approve the issuance and offering of debentures not over than Baht 1,500 million and Baht 5,000 million, respectively.

Afterwards, Board of directors' meeting held on 27 May 2013, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have bond holders' representative for 3 years bond amount not over than Baht 1,500 million to public and/or institution investors. During 23 - 25 July 2013, the Company offered the debenture at 1,500,000 units in par value of Baht 1,000 per unit aggregating to Baht 1,500 million. Interest was carried at the rate of 5.00%, 5.25% and 5.50% per annum in 1st, 2nd and 3rd year, respectively. Moreover, interest is repaid every three months. Debenture holds a lifespan of 3 years and maturity on 26 July 2016.

Afterwards, Board of Directors' meeting held on 2 April 2014, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have bond holders' representative for 3 years bond amount not over than Baht 1,500 million to public and/or institution investors. During 19 - 21 May 2014, the Company offered the debenture at 1,500,000 units in par value of Baht 1,000 per unit aggregating to Baht 1,500 million. Interest was carried at the rate of 5.10%, 5.30% and 5.50% per annum in 1st, 2nd and 3rd year, respectively. Moreover, interest is repaid every three months. Debenture holds a lifespan of 3 years and maturity on 22 May 2017.

Afterwards, Board of Directors' meeting held on 10 April 2015, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have no bond holders' representative for 3 years bond amount not over than Baht 200 million under private placement not exceeding 10 investors. On 29 April 2015, the Company offered the debenture at 200,000 units in par value of Baht 1,000 per unit aggregating to Baht 200 million. Interest was carried at the rate of 4.15% per annum throughout the contractual period. Moreover, interest expense is repaid every 3 months. Debenture holds a lifespan of 3 years and maturity on 29 April 2018.

Afterwards, Board of Directors' meeting held on 14 May 2015, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have bond holder's representative for 3 years bond amount not over than Baht 1,500 million to public and/or institution investors. On 24, 27 and 28 July 2015, the Company offered the debenture 1,500,000 units in per value of Baht 1,000 per unit aggregating to Baht 1,500 million. Interest was carried at the rate of 4.60% per annum throughout the contractual period. Moreover, interest expense is repaid every 3 months. Debenture holds a lifespan of 3 years and maturity on 29 July 2018.

Afterwards, Board of Directors' meeting held on 14 September 2015, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have no bond holders' representative for 3 years bond amount not over than Baht 150 million under private placement not exceeding 10 investors. On 24 September 2015, the Company offered the debenture at 150,000 units in par value of Baht 1,000 per unit aggregating to Baht 150 million. Interest was carried at the rate of 4.50% per annum throughout the contractual period. Moreover, interest expense is repaid every 3 months. Debenture holds a lifespan of 3 years and maturity on 24 September 2018.

Afterwards, Board of Directors' meeting held on 11 May 2016, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have bond holders' representative for 3 years bond amount not over than Baht 1,500 million to public and/or institution investors. During 27 - 29 June 2016, the Company offered the debenture at 1,500,000 units in per value of Baht 1,000 per unit aggregating to Baht 1,500 million. Interest was carried at the rate of 4.20% per annum throughout the contractual period. Moreover, interest expense is repaid every 3 months. Debenture holds a lifespan of 3 years and maturity on 30 June 2019.

Remark

The Company must comply with terms and conditions governing the rights and obligations of the Issuer and the Debentureholders as stipulated in the Prospectus of the Debentures.

21 Borrowings from financial institutions and other investors (net) (Cont'd)

21.4 As at 31 December 2016 and 2015, fair value of certain long-term borrowings are as follows:

	Consolidated financial statements		Separate financial statements	
	Fair value			
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Long-term borrowings from financial institutions	7,742,635,000	8,488,465,000	4,734,135,000	6,387,465,000
Debentures	4,853,103,637	4,888,546,485	4,853,103,637	4,888,546,485
Total fair value of long-term borrowings	<u>12,595,738,637</u>	<u>13,377,011,485</u>	<u>9,587,238,637</u>	<u>11,276,011,485</u>

As at 31 December 2016 and 2015, the fair value of long-term borrowings from financial institutions are based on discounted cash flows using a discount rate based on the marketable borrowing rate (Level 2 in fair value hierarchy). There was no change in valuation technique during the period. However, the fair value of long-term borrowings from financial institutions equal their carrying amount as the borrowing rate close to market rate.

As at 31 December 2016 and 2015, the fair value of debentures refer from market prices at the date of statement of financial position (Level 1 in fair value hierarchy).

21.5 As at 31 December 2016 and 2015, the undrawn borrowings facilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Million Baht	2015 Million Baht	2016 Million Baht	2015 Million Baht
Unused credit lines				
Floating interest rate				
Short-term borrowings	-	-	-	-
Long-term borrowings				
- Expiring within 1 year	-	-	-	-
- Expiring beyond 1 year	5,546	6,368	1,633	3,704
Total unused credit lines	<u>5,546</u>	<u>6,368</u>	<u>1,633</u>	<u>3,704</u>

22 Trade and other payables

Trade and other payables as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Trade accounts payable				
- construction	256,285,296	443,755,184	231,160,172	442,727,983
- others	10,278,971	1,844,262	6,646,687	783,663
Retention payable	200,787,606	136,588,796	190,229,430	131,642,223
Other accounts payable	33,742,484	12,195,799	23,717,086	11,478,318
Accrued expenses	79,549,446	75,005,566	75,189,699	64,755,773
Accrued interest expenses				
- financial institutions and other investors	25,315,974	40,127,419	24,485,986	39,505,753
Accrued director's remunerations (Note 11 b))	3,145,000	3,145,000	3,145,000	3,145,000
Others	176,539	1,449,607	188	1,206,169
Total trade and other payables	<u>609,281,316</u>	<u>714,111,633</u>	<u>554,574,248</u>	<u>695,244,882</u>

23 Other current liabilities

Other current liabilities as at 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Withholding tax payable	14,589,291	10,064,085	13,693,984	9,893,005
Value added tax payable	263,582	112,229	-	-
Total other current liabilities	14,852,873	10,176,314	13,693,984	9,893,005

24 Employee benefit obligations

The movement of employee benefit obligations for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Opening balances as at 1 January	21,230,471	19,453,392	21,207,332	19,453,392
Increase during the year (Note 29)				
- current service cost	985,642	1,191,095	954,753	1,168,067
- interest cost	585,517	738,184	584,683	738,073
- remeasurement of post-employment benefit obligation	9,450,449	-	9,450,449	-
Payment during the year	-	(152,200)	-	(152,200)
Closing balances as at 31 December	32,252,079	21,230,471	32,197,217	21,207,332

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2016 %	2015 %	2016 %	2015 %
Discount rate	3.1 - 3.6	3.6 - 4.2	3.1	4.2
Future salary increases	5.0 - 8.0	5.0 - 8.0	5.0 - 8.0	5.0 - 8.0

Sensitivity analysis for each significant assumption are as follows:

		Impact on employee benefit obligations			
		Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Change in assumption					
Discount rate	Increase by 1%	(2,178,294)	(983,135)	(2,166,551)	(978,182)
Discount rate	Decrease by 1%	2,475,751	1,131,868	2,460,406	1,125,396
Salary growth rate	Increase by 1%	2,402,295	1,110,305	2,387,479	1,104,056
Salary growth rate	Decrease by 1%	(2,159,750)	(984,278)	(2,148,111)	(979,369)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the employee benefit obligations to significant actuarial assumptions use the projected unit credit method.

As at 31 December 2016, the weighted average duration of the employee benefit obligations for the consolidated and separate financial statements is 28 years and 12 years, respectively.

24 Employee benefit obligations (Cont'd)

Expected maturity analysis of undiscounted employee is as follows:

Maturity within	Consolidated and Separate financial statements	
	2016 Baht	2015 Baht
1 year	1,963,200	1,355,411
1 - 5 years	15,336,501	5,065,392
Over 5 years	6,278,882	-
	23,578,583	6,420,803

25 Share capital and share premium

	Consolidated and Separate financial statements			
	Number of shares Shares	Ordinary shares Baht	Share premium Baht	Total Baht
Registered share capital				
As at 1 January 2015	656,471,175	1,969,413,525	-	1,969,413,525
Decrease in registered share capital	(200,000,000)	(600,000,000)	-	(600,000,000)
As at 31 December 2015	456,471,175	1,369,413,525	-	1,369,413,525
Increase in registered share capital	-	-	-	-
As at 31 December 2016	456,471,175	1,369,413,525	-	1,369,413,525
Issued and fully paid-up share capital				
As at 1 January 2015	456,471,175	1,369,413,525	69,174,340	1,438,587,865
Issue of shares during the year	-	-	-	-
As at 31 December 2015	456,471,175	1,369,413,525	69,174,340	1,438,587,865
Issue of shares during the year	-	-	-	-
As at 31 December 2016	456,471,175	1,369,413,525	69,174,340	1,438,587,865

On 9 October 2015, the Southern Bangkok civil court had order to revoke the increasing in the authorised share capital of 200,000,000 shares at a par value of Baht 3 and amend the Memorandum of Association which been registered by Department of Business Development's registrar on 28 April 2014. Therefore, Department of Business's registrar revoked the increasing in the authorised shares capital and additional amendment the 4th clause of memorandum of association, effective from court's order date onwards.

As at 31 December 2016 and 2015, the total authorised number of ordinary shares is 456,471,175 shares with a par value of Baht 3 per share. The ordinary shares are issued and fully paid for 456,471,175 shares.

26 Dividend payment

During 2016, there was no dividend declaration

At the Annual General Meeting of the Company's shareholders held on 28 April 2015, the shareholders approved to pay dividend in respect of the year 2014 of Baht 0.10 per share. Dividends totalling of Baht 45.65 million were paid to the shareholders on 22 May 2015.

27 Legal reserve

The movement of legal reserve for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated and Separate financial statements	
	2016 Baht	2015 Baht
Opening balance	145,228,172	145,228,172
Appropriation during the year	-	-
Ending balance	145,228,172	145,228,172

Under the Public Companies Act, the Company is required to set aside as a statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is not distributable as a dividend.

28 Non-controlling interest

The movement of non-controlling interest for the years ended 31 December 2016 and 2015 comprise the following:

	Consolidated financial statements	
	2016 Baht	2015 Baht
Opening balance	543,478	537,110
Share of net profit of subsidiaries	1,924	6,368
Ending balance	545,402	543,478

29 Expenses by nature

The following significant expenditure items, classified by nature for the years ended 31 December 2016 and 2015 have been charged in the profit before finance costs and income tax:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cost of real estate development sold during the year	2,463,907,635	146,598,362	2,469,894,704	139,433,795
Loss on write-off real estate development cost recorded to cost of sales				
- real estate business	17,598,825	12,646,891	-	12,646,891
Employee costs	238,943,966	226,364,840	221,343,455	209,417,999
Contribution to provident fund	9,933,343	9,446,395	9,839,755	9,439,465
Employee benefit obligations (Note 24)	1,571,159	1,929,279	1,539,436	1,906,140
Sales promotion expenses	190,478,358	202,597,436	99,291,603	139,142,063
Construction management fee	62,532,652	53,704,370	56,492,502	53,704,370
Specific business tax	145,863,113	11,593,132	145,863,113	9,294,484
Allowance for doubtful accounts:				
- short-term loans to and interest receivable from other company (Note 10)	270,611	268,514	270,611	268,514
- short-term loans to and interest receivable from subsidiaries (Note 11 c))	-	-	816,088	1,206,726
Depreciation charge (Note 16 and 17)	89,962,619	76,932,918	44,934,920	35,429,008
Amortisation charge (Note 18)	2,656,754	3,330,252	2,481,827	3,225,376

30 Other income

Other income for the years ended 31 December 2016 and 2015 comprise the following:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Interest income	41,535,554	49,652,174	6,997,540	9,970,080
Income from contracts cancellation	14,968,100	2,658,700	12,678,100	1,818,700
Income from expropriate land	-	15,555,250	-	15,555,250
Others	8,468,260	6,726,118	5,095,320	4,502,143
Total other income	64,971,914	74,592,242	24,770,960	31,846,173

31 Other expenses

Other expenses for the years ended 31 December 2016 and 2015 comprise the following:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Net loss on disposals of property, plant and equipment	22,068,225	1,792,665	2,912,260	1,804,140
Loss from write-off of				
- investment properties	-	157,160	-	-
- intangible assets	1,641,146	-	1,641,140	-
Total other expenses	23,709,371	1,949,825	4,553,400	1,804,140

32 Finance costs

Finance costs for the years ended 31 December 2016 and 2015 comprise the following:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Interest expense	268,023,782	147,635,406	285,910,542	200,135,869
Amortisation of prepaid underwriting fee for debentures (Note 21.3)	5,190,399	4,839,358	5,190,399	4,839,358
Total finance costs	273,214,181	152,474,764	291,100,941	204,975,227

33 Income tax

Reconciliation of income tax expenses for the years ended 31 December 2016 and 2015 is as follows:

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Current income tax:				
Current income tax on taxable profit for the year	67,492,436	11,474,653	56,053,157	-
Over recorded prior year income tax (net)	(560)	(509)	-	-
Total current income tax	67,491,876	11,474,144	56,053,157	-
Deferred tax:				
Origination and reversal of temporary differences (Note 19)	102,655,898	(125,048,551)	140,704,507	(109,344,376)
Total income tax	170,147,774	(113,574,407)	196,757,664	(109,344,376)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Profit (loss) before tax accounting base	852,347,522	(581,225,137)	981,240,688	(559,815,189)
Tax calculated at the rate of 20%	(170,469,504)	116,245,027	(196,248,138)	111,963,038
Tax effect of:				
Non deductible expenses	(89,194)	(1,084,807)	(117,876)	(1,078,049)
Additionally deductible expense	2,376,344	-	2,285,048	-
Temporary difference for which no deferred income tax assets was recognised	(1,781,513)	(1,394,006)	(2,676,698)	(1,540,613)
Tax losses for which no deferred income tax asset was recognised	(184,467)	(192,316)	-	-
Adjustment in respect of over recorded prior year income tax (net)	560	509	-	-
Tax charge	(170,147,774)	113,574,407	(196,757,664)	109,344,376

34 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) for the year attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the year.

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Net profit (loss) for the year attributable to shareholders of the parent (Baht)	682,197,824	(467,657,098)	784,483,024	(450,470,813)
Weighted average number of paid-up ordinary shares in issue (Shares)	456,471,175	456,471,175	456,471,175	456,471,175
Basic earnings (loss) per share (Baht per share)	1.49	(1.02)	1.72	(0.99)

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2016 and 2015.

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35 Financial instruments

Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2016 and 2015 are summarised as follows:

Consolidated financial statements							
2016							
Baht'000							
	Floating interest rate	Fixed interest rate		Without interest	Total	Interest rate (% per annum)	
		Remaining period before maturity date or repricing date				Floating rate	Fixed rate
		Less than 1 year	1-5 years				
Financial assets							
Cash and cash equivalents	323,530	697,940	-	264	1,021,734	0.10 - 1.30	0.80 - 4.00
Temporary investments at financial institutions	-	43,249	-	-	43,249	-	0.80 - 1.30
Trade and other receivables (net)	-	-	-	263,384	263,384	-	-
Total financial assets	323,530	741,189	-	263,648	1,328,367	-	-
Financial liabilities							
Short-term borrowings							
- bills of exchanges	-	1,723,145	-	-	1,723,145	-	3.60 - 4.00
Trade and other payables	-	-	-	609,281	609,281	-	-
Current portion of long-term borrowings (net)	3,355,635	1,499,381	-	-	4,855,016	5.03 - 5.65	5.10 - 5.50
Deposits and advance received from customers	-	-	-	3,846,273	3,846,273	-	-
Long-term borrowings (net)	4,380,473	-	3,342,767	-	7,723,240	5.03 - 5.65	4.15 - 5.50
Total financial liabilities	7,736,108	3,222,526	3,342,767	4,455,554	18,756,955		

Consolidated financial statements							
2015							
Baht'000							
	Floating interest rate	Fixed interest rate		Without interest	Total	Interest rate (% per annum)	
		Remaining period before maturity date or repricing date				Floating rate	Fixed rate
		Less than 1 year	1-5 years				
Financial assets							
Cash and cash equivalents	337,745	797,987	-	252	1,135,984	0.10 - 1.10	0.80 - 4.00
Temporary investments at financial institutions	-	242,180	-	-	242,180	-	0.80 - 2.80
Trade and other receivables (net)	-	-	-	234,162	234,162	-	-
Total financial assets	337,745	1,040,167	-	234,414	1,612,326		
Financial liabilities							
Short-term borrowings							
- bills of exchanges	-	883,318	-	-	883,318	-	3.80 - 4.00
Trade and other payables	-	-	-	724,647	724,647	-	-
Current portion of long-term borrowings (net)	-	1,499,182	-	-	1,499,182	-	5.50
Deposits and advance received from customers	-	-	-	4,212,016	4,212,016	-	-
Long-term borrowings (net)	8,483,801	-	3,342,901	-	11,826,702	5.03 - 5.65	4.15 - 5.50
Total financial liabilities	8,483,801	2,382,500	3,342,901	4,936,663	19,145,865		

36 Commitments and contingent liabilities

As at 31 December 2016 and 2015, the Group and the Company have commitments and contingent liabilities as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Million Baht	2015 Million Baht	2016 Million Baht	2015 Million Baht
Capital commitments				
- under purchase of land agreement	535	954	535	954
- under contracts to invest in development projects until completion	1,702	1,614	1,053	1,569
- purchase of property, plant and equipment	13	13	13	1
Total capital commitments	<u>2,250</u>	<u>2,581</u>	<u>1,601</u>	<u>2,524</u>
Service contract commitments				
- under service contracts	45	44	41	26
- construction management fee	52	63	32	63
- under office rental agreements	-	18	-	18
Total service contract commitments	<u>97</u>	<u>125</u>	<u>73</u>	<u>107</u>
Contingent liabilities in respect of bank guarantees (Note 8)	<u>45</u>	<u>44</u>	<u>45</u>	<u>44</u>

37 Subsequent events

At the Board of Director's Meeting of the Company held on 27 February 2017 approved to propose on Annual General Meeting of shareholders of 2017 to approve to pay dividend from the operation results for the year 2016 at the rate of Baht 0.22 per share which will be paid to shareholders within 16 May 2017.