



ANNUAL REPORT 2015

SANSIRI PUBLIC COMPANY LIMITED

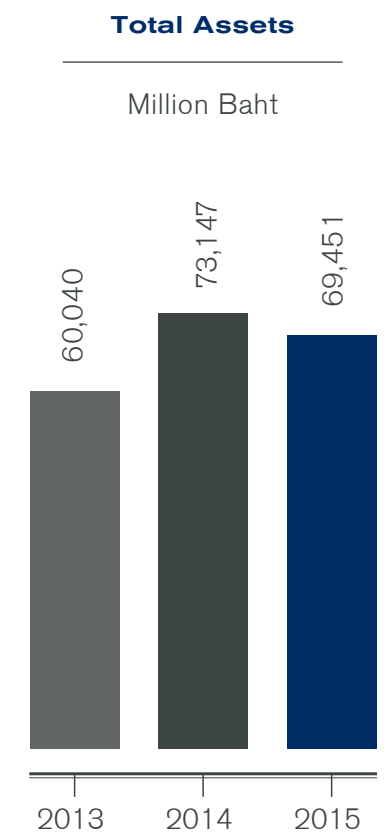
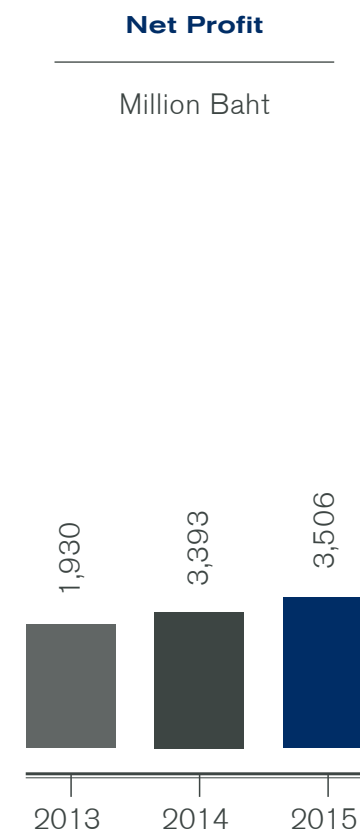
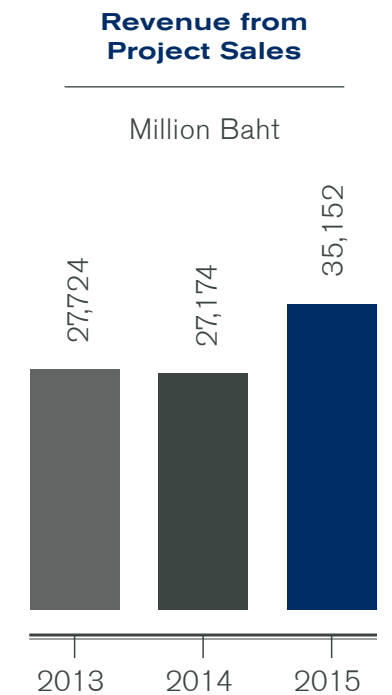
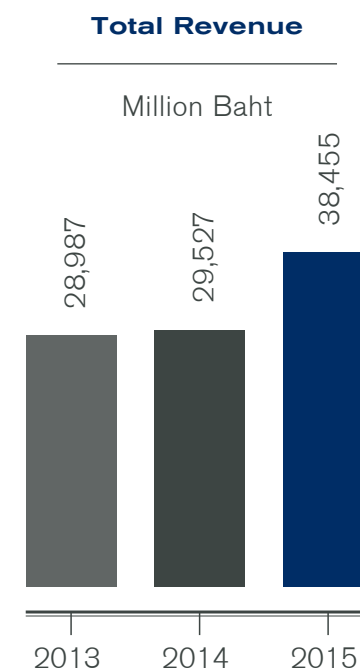


CONTENTS

06 FINANCIAL HIGHLIGHTS	09 CHAIRMAN'S MESSAGE	11 CHIEF EXECUTIVE OFFICER'S MESSAGE	12 BOARD OF DIRECTORS	13 AUDIT COMMITTEE	13 CSR COMMITTEE
14 CORPORATE SOCIAL RESPONSIBILITY	24 VISION MISSION AND CORPORATE STRATEGY	25 MILESTONE DURING THE YEAR	27 INVESTMENT STRUCTURE OF SANSIRI GROUP	30 REVENUE STRUCTURE	32 TYPE OF PRODUCTS AND SERVICES
35 MARKET AND COMPETITION	44 PRODUCT PROCUREMENT	46 RISK FACTORS	50 GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION	62 SHAREHOLDERS	63 DIVIDEND PAYMENT POLICY
64 MANAGEMENT STRUCTURE	76 DETAILS ON THE DIRECTORS AND MANAGEMENT	99 CORPORATE GOVERNANCE	114 INTERNAL CONTROLS AND RISK MANAGEMENT	117 INTER-RELATED TRANSACTIONS	118 REPORT OF THE AUDIT COMMITTEE
121 REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS	122 TABLE OF KEY FINANCIAL RATIOS	124 MANAGEMENT DISCUSSION AND ANALYSIS	129 FINANCIAL STATEMENTS	141 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	

FINANCIAL HIGHLIGHTS

		2013	2014	2015
Total Revenue	THB Million	28,987	29,527	38,455
Revenue from Project Sales	THB Million	27,724	27,174	35,152
Net Profit	THB Million	1,930	3,393	3,506
Total Assets	THB Million	60,040	73,147	69,451
Total Shareholders' Equity	THB Million	17,068	24,816	27,198
Gross Profit Margin (of Core Revenue)	%	32.62	32.71	29.34
Net Profit Margin	%	6.66	11.49	9.12
Debt-to-Equity	Times	2.52	1.95	1.55
Gearing Ratio	Times	2.03	1.58	1.23
Net Gearing Ratio	Times	1.91	1.45	1.13
Book Value per Share	Baht	1.72	2.40	1.91
Earnings per Share	Baht	0.19	0.33	0.25



Remark: Financial figures are based on the consolidated financial statements.



CHAIRMAN'S MESSAGE

Although 2015 had a more stable political climate locally, the Thai economy remained sluggish, due to volatility of the world economy. The property sector was slowly recovering, aided by the government real estate tax measures, including the reduction of the transfer fee of 2 percent and mortgage fee of 1 percent down to 0.01 percent. A first home buyer buying property valued less than 3 Million Baht was allowed income tax deduction of 20 percent of property value in each year for 5 years. These measures helped sustained the property market, especially in the last quarter of the year.

This year, Sansiri launched our first batch of joint-venture projects with BTS Group Holding called "THE LINE". The 3 joint-venture condominium projects valued at over 11,000 Million Baht were so successful and enjoyed 100 percent take-up within a few days of their respective launches. These projects also allowed us to expand our customer base in Hong Kong, Singapore and Taiwan. Sansiri plans to develop many more joint-venture projects in 2016.

Sansiri still maintained our CSR activities by focusing our efforts in 3 key areas of youth development: health, education and sport. Again UNICEF remained our global partner in CSR projects.

Finally, I would like to thank our shareholders, financial institutions, the media and all our business partners. Without whose support, Sansiri would not have been able to succeed.

A stylized, handwritten signature in white ink, appearing to read 'Kovit'.

Kovit Poshyananda
Chairman



CHIEF EXECUTIVE OFFICER'S MESSAGE

As the Thai economy was slowly recovering in 2015, Sansiri again had to be prudent in managing our business by concentrating in growing our revenue while controlling the expenses. Last year, we were successful in delivering a record high revenue of 38,455 Million Baht. On the expense side, we carried on with our Engineer for Growth programme that involved further structural changes in order to improve staff efficiencies and minimise redundancies, which resulted in a reduction in our selling and administrative expenses, from 18.6 percent of total revenue in 2014 to 16.8 percent of total revenue in 2015.

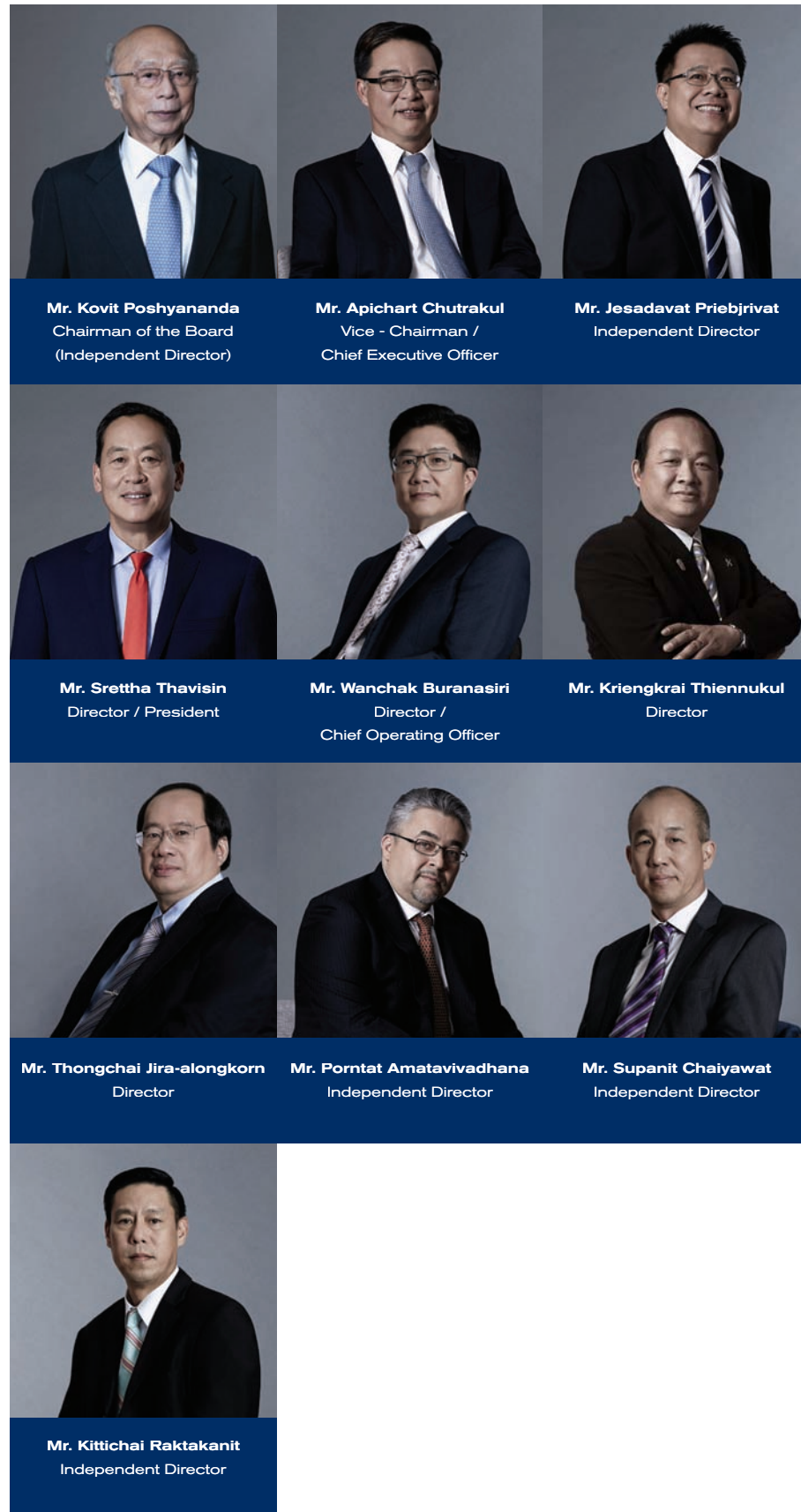
In 2015, Sansiri has reported the total revenue of 38,455 Million Baht, a 30 percent increase from the previous year and net profit of 3,506 Million Baht, equivalent to 0.25 Baht per share. We were able to reach 35,152 Million Baht from our main business of property for sales income, a 91 percent of the total revenue, which consists of 10,107 Million Baht from single-detached houses, 1,996 Million Baht from townhouses and 23,048 Million Baht from condominiums, a 29 percent, 6 percent and 66 percent of the total revenue from project sales respectively.

Our performance this year, coupled with the capital increase in late 2014 have resulted in continual fall in debt and as of 31 December 2015 our gearing ratio has fallen to 1.23 times, a sign of disciplined strength of our financial position.

With structural changes and our strive to deliver improved performances, I believe that every staff and management have worked extremely hard this year to reach our goals. On behalf of the company, I would like to thank every member of the staff for their dedication and hope for their continued support into 2016 in order to strengthen Sansiri as a leading Thai developer and to contribute to social responsibility that may lead to the country's sustainable development in the future.

Apichart Chutrakul
Chief Executive Officer

BOARD OF DIRECTORS



AUDIT COMMITTEE



CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)



CORPORATE SOCIAL RESPONSIBILITY

Sansiri PLC believes in incorporating social and environmental concerns into its business vision, strategy, operations and in its interactions with the stakeholders. At Sansiri PLC, we aim at achieving a balance of economic, environmental and social imperatives while addressing the expectations of our shareholders and stakeholders at the same time. The Company is committed at the highest level and the Board of Directors are directly involved in and are responsible for laying out the corporate policy on these fronts to ensure that the right balance is achieved.

Through an integrated approach, Sansiri's CSR Committee over the years has been addressing the key CSR issues including corporate governance, anti-corruption, stakeholder engagement, human rights, labour standards and working conditions, environmental management and community engagement.

Realising that sustainable development focuses on the needs of the present without compromising the ability of future generations to meet their own needs, Sansiri's CSR related policies and initiatives focus on children, the future generations. To design the CSR policies and initiatives that take into account the needs of this future generation, the Company works closely with the strategic partner, UNICEF Thailand and introduces such initiatives through the CSR programme called "Social Change".

Corporate Governance

Sansiri PLC adheres to business principles that emphasise good governance, fairness, and morality in achieving its missions and goals. The Company respects and complies with the law, as well as adhering to fundamental rules and regulations for conducting business. All of the Company's stakeholders including shareholders, customers, employees, the general public, and business partners, are treated fairly and with equal importance and are provided with their equitable benefits.

The Company adheres to common standards and principles that are accepted by the business community. These include avoiding any conduct that could result in business conflicts, rejecting all corrupt practices, as well as corporate espionage, and distancing itself from instances of rights violations and infringement of intellectual property rights.

Sansiri's Board of Directors constituted the Corporate Social Responsibility Committee in 2010. Sansiri's CSR Committee comprises of the President and two Independent Directors, reporting directly to the Board of Directors. Main responsibility of the committee is to oversee Company's conduct of all CSR activities and campaigns to ensure that the Company's operations, on corporate, social and environmental issues are aligned with specified policies. A detailed account on how Corporate Governance is achieved, managed and sustained in Sansiri is included in section "Corporate Governance" of this report.

Anti-corruption

Sansiri's business conduct is based on the principles of good governance and transparency. The organisation is structured in such a way that transparency and efficiency are upheld all levels, while ensuring that business goals are achieved. There are clear borders separating functions, responsibilities, processes, reporting lines and authorisations, so that checks and balances can be properly maintained and be fully functional.

The Company encourages integrity among its employees, inspiring them to conduct their duties with transparency and to comply with rules and regulations. It has a proper and transparent financial transaction approval system in place that maintains an intense examination procedure, to discourage corruption and help protect the integrity of all transactions.

Responsibility to Customers

Sansiri has clearly stated policies in place stating that the Company takes full responsibility for genuine complaints and problems that arise from genuine product and service defects. The Company has specific teams and functionaries that receive and file the complaints, inspect and provide solutions, and then follow up on progress with relevant teams. The Company also has a cross-functional evaluation process that allows it to make sure all issues are properly handled and customers are appropriately taken care of with minimum repercussions.

In cases where problems affect the living of its customers, even if the warranty period has expired or the problems are beyond the Company's scope of responsibilities as stipulated in the contract, Sansiri is determined to take the issues into serious consideration and provide the best solution for all. For instance, Sansiri set up a special task-force and activated an extraordinary contingency protocol to handle all issues during the major flood in 2011, to ensure the utmost readiness in helping customers regardless of warranty period and scope of responsibilities by contract.

"Sansiri Family", At Sansiri, we believe that a home is much more than just a place to put your feet up. Home is where individuals and families can enjoy life in a positive environment, surrounded by feelings of comfort and happiness. We endlessly strive to provide the best in after-sales services and all good things in life, if only to bring a little extra joy to yours. For further information, please visit www.sansiri.com/family.



Human Rights

Sansiri is committed to respectation and protection of human rights. In partnership with UNICEF Thailand (since 2010), Sansiri has been promoting the human rights of children in its business policies and initiatives.

Child Labour and Child Exploitation

Agreements with suppliers and contractors clearly prohibit the use of child labour and child exploitation in their conduct of business with Sansiri. The Company implements a zero-tolerance policy with its suppliers and contractors on this issue and the agreement clauses clearly state the penalty for violating the clause which is the immediate termination of contract.



Child Protection and Development

“The Good Space” which is a child-friendly space, allocated within Sansiri’s construction sites supports the children’s right to protection and development. The children of the construction workers, mainly migrants use this space for learning and playing, instead of running around aimlessly in the accident-prone areas. From 2012 to 2015, Sansiri, in cooperation with UNICEF Thailand and other partners have created “The Good Space” at 21 Sansiri construction sites in the provinces of Prachuab Khiri Khan, Chiang Mai, Udonthani, Khon Kaen, Nakhon Ratchasima, Pathum Thani, Nonthaburi, Bangkok, Pattaya, Phuket and Songkhla.



The Company is facilitating the transition of school going age migrant children from The Good Space to the formal schooling system with support from the Thai government ministries, schools, and non-governmental organisations (NGOs). In 2015, more than 40 children were placed in Wat Jedyod School in Chiang Mai. In cooperation with UNICEF Thailand, World Health Organisation (WHO) and the Ministry of Public Health, the children also received regular essential vaccinations.



The Company’s “The Good Space” project has become a case study in global forums hosted by the United Nations and UNICEF, and sets a new benchmark for the property and construction sector. The project’s success can be attributed to true and sincere collaboration between the Company’s employees, business partners, contractors and NGOs, for their contribution in terms of budgets and teachers for children at construction sites.

Realising the importance of the buy-in and support from sub-contractors for the sustainability of this initiative, the Company held an event in 2014 to recognise the eighteen sub-contractors supporting “The Good Space” project and in 2015, the number of participating sub-contractors has increased to 57.

Children’s Rights and Business Principles

In 2014, Sansiri piloted the UNICEF’s “Children’s Rights in Impact Assessments” tool to assess company policies and processes against the assessment criterion in the tool. The Company has put in place a mechanism to review and implement the assessment recommendations to continue its efforts in putting the Children’s Rights and Business Principles (launched by UNICEF, Save the Children and Global Compact) into practice. In 2015, Sansiri formally pledged to promote children’s rights and proper business ethics to UNICEF Thailand, The Stock Exchange of Thailand (SET) and the Thaipat Institute in a ceremony at the SET headquarters to emphasise Sansiri’s resolution to promote the rights and development of the children of the world under the “Social Change” concept.



United Nations Convention on the Rights of the Child

Sansiri is a private enterprise that has created a new dimension for working with United Nations agencies through the “Iodine Please” and “The Good Space” projects, namely:

1. The United Nations Forum on Business and Human Rights, in Geneva, Switzerland, in 2013: Sansiri was one of the organisations that participated in the dialogue with the United Nations Human Rights Council on the topics of children’s rights and the opposition to child labour.
2. United Nations System Private Sector Focal Point Meeting 2013, under the theme “Building Partnerships with National Companies”, in Geneva, Switzerland – a meeting on the cooperative interactions among UN agencies and the private sector. Sansiri was invited to give a presentation on the new dimension of the role of the private sector through the “Iodine Please” and “Child Space in Construction Site”

- UNICEF Child Rights and Business Workshop – Mr. Srettha Thavisin, President of Sansiri, was invited by UNICEF New York to speak on the role of the private sector and children's rights.
- Sansiri was the only Thai company that was invited and participated at the high-level meeting of the General Assembly on the 25th anniversary of the adoption of the Convention on the Rights of the Child. The meeting which was held on 20 November 2014 in New York, provided a platform for the Company to share its CSR initiatives with the meeting participants and learn from the good practices implemented by other multinational companies for integration of the human rights of children business policies and processes.



UNICEF Global Emergency Fund (for Children in Humanitarian Crisis)

The Company made a yearly contribution of 1 Million US Dollar to the UNICEF global emergency fund which is used to respond to the needs of millions of children affected by humanitarian crises around the world, such as the fighting in Syria and South Sudan, and earthquake in Nepal and cyclone in Vanuatu. In addition, the Company also provides a free channel on its official website for UNICEF to better promote its fund drive and to publicise crucial information.



Sansiri PLC participated in the field visit to Lebanon in 2014 to oversee UNICEF's work on children affected by the civil war in Syria. During this visit, Sansiri contributed by distributing child-friendly kits amongst affected children. Following the visit, Sansiri helped raised awareness on the issues faced by children in conflict areas and the role that the private sector can play to help.

In 2015, Sansiri was invited by UNICEF to join the media group to visit UNICEF's camp in Nepal following the massive 7.9 magnitude earthquake that occurred near the capital Kathmandu. Although the humanitarian assistance had made much progress, hundreds of thousands of children were still without shelter, food and water, as well as proper sanitary facilities, health care, education and protection. More than 100,000 children were still living in the area of high aftershock risks and flooding.



"Best Start" Campaign

The "Best Start" project was the collaboration among UNICEF Thailand, Sansiri, and other agencies with the common goal of working towards the development of younger children, and playing a role to educate the public to gain more understanding of the importance of the early childhood development (ECD) involving children from 0 to 6 years old, or from pre-natal to the first year of formal education. In 2015, UNICEF, Sansiri, partners and celebrities, namely, Noo Dee Vanisa Rez, Yarinda Bunnag, Boyd Kosiyapong, Suharit Siamwala, Opal Panisara Arayasakul and Niu Klom- Sarawut Hengsawad, participated in the launch of the "Best Start Programme – "First Six Years Are a Child's Golden Years". The project was aimed at raising awareness among parents and the society of the importance of the development of the children aged up to 6 years old, and to invite the public to register themselves through www.beststartthailand.com and on Facebook at Beststartthailand.

This project has enabled UNICEF Thailand to submit a petition signed by 5,000 supporters of the scheme to budget for the pre-school children through Dr. Danai Theewanda, a representative of the Ministry of Public Health and Ms. Sairung Jai-im from the Ministry of Social Development and Human Security, with the goal to initiate a budget for the development of 0-6 years old children as a strategy for the long-term sustainable development of Thailand.



Labour Standards & Working Conditions

The Company’s human resource policies comply with labour laws and go beyond the regulations. These policies include:

- A zero-tolerance policy towards child labour and illegal foreign labour.
- Systematic staff trainings & grooming, key performance indicators, evaluation processes that allow fair and transparent remuneration and staff promotion.
- Provision and promotion of safety aspects and safe working conditions specific to all types of work be it corporate offices, sales offices, factory or project sites.
- Provision of interest - free loans to employees.
- 50 Percent discount in school fees at Satit Pattana School for the children of the employees. As of 2015, seven staff have benefited from this policy.
- According to the 2012 survey on the situation of children and women in Thailand, conducted by the National Statistical Office with support from UNICEF, only 12 percent of children in Thailand are exclusively breastfed during the first six months of life. Realising the importance of breast milk towards the early childhood development, Sansiri promotes exclusive breastfeeding for at least 6 months among female employees. Sansiri nursing mother’s room initiative at two pilot sites has now been expanded to the precast factory and sales offices.
- The Company has arranged for a child-care room at its Siripinyo Building office to allow the employees to bring their children to the office during school holidays, as well as a nursing room for nursing mother and children equipped with a refrigerator to safely store mother’s milk at Rajapark Building and at the precast factory.
- Provision of additional welfare and benefits surpassing standard regulations, to improve the work-life balance of its employees that take into consideration external economic and social factors, as well as industry benchmarks.



Environmental Management

Environment Impact Assessment (EIA)

At Sansiri, we believe in conducting our business, based on responsibility, care, and concerns to the environment and comply with all relevant laws and regulations. For instance, there are several condominium projects with more than 79 units that require Sansiri and its subsidiaries to provide Environment Impact Assessment (EIA) reports in compliance with rules and regulations under National Environmental Quality Act (NEQA) of 1992, prior to receiving permission from the Environmental

Impact Evaluation Bureau within the Ministry of Natural Resources and Environment. In this regard, Sansiri works closely with professional consultancy companies, registered with the Ministry of Natural Resources and Environment in order to prepare EIA reports in compliance with these rules and regulations. Sansiri closely monitors the progress and procedures for all such housing projects, to ensure that the Company is in compliance with all rules, and approval is obtained from the Environmental Impact Evaluation Bureau as scheduled.

Precast Technology

For single-detached house and condominium projects, Sansiri has started using precast technology. Precast concrete panels including walls and other finished parts, produced at the precast factory are transported and assembled at the construction site. The key to this method of construction is the use of “Load Bearing Walls” to support the weight of buildings, instead of using columns and beams. In addition, pipes for plumbing and electricity are already embedded in the concrete walls during the production process. Therefore, the construction process can start immediately after the precast concretes are transported to site, resulting in overall reduction in construction period, cost as well as the waste which has negative impacts on the environment. In addition, this technique also allows maintaining better air quality standards at work sites. To support construction of new condominium projects and minimise usage of labour, the Company will apply precast construction techniques to allow a capacity of 42,000 square metres a year, or 10 buildings. This should accelerate the construction period to 14 months from the current 16 to 18 months in result it will lower a great amount of gas emission and construction waste. Sansiri has a precast factory in Pathum Thani on 47 rai with a maximum capacity of 52,000 square metres, or 150 units a month.



Waste Management and Recycling

A project’s waste water drainage may pollute public water sources, if there is ineffective and unstandardised wastewater treatment. In order to prevent this, Sansiri has set up waste water disposal system in each of the housing units, so waste water from each unit passes through the waste water treatment process before being drained into public water sources.

Due to the rapid growth in the real estate industry, a large amount of construction waste is created each year. Sansiri has placed significant importance on the environment by recycling construction material that is available in ample amounts at every construction site. Sansiri believes that the sustainable way to give back to society is to start doing so within its own organisation.

Sansiri has developed the “Zerowaste” project since 2013, and launched the “Earth Blox” light-weight blocks made by the reformation of old-style bricks that can be used for ventilation ports and walkways around the projects to reduce wastes that could affect the environment by as much as 30 percent, as well as reducing the construction costs. This innovation received a national award and an international recognition from “A+ Awards 2015” as judged by a global panel of experts in the category of Stone and Concrete.



Community Engagement

Sansiri understands the importance of its co-existence with the environment, ecology as well as the community. Sansiri has endeavoured to participate and engage itself in various activities with the children and youth in the community focusing on child participation.

Youth Participation and Engagement

The “Sansiri Academy” project involves football training for 7-15 year-old youth in many communities to promote play among children and also to promote their health and well-being. The training is provided by experienced and qualified coaches without any charges. Presently, there are six branches of the academy at Ramindra, Prachachuen, Bangna, Buddha Monthon, Aksa and Phuket.

In the past year, “Sansiri Academy Pro” has fielded a team in the Chang Youth Invitation Cup 2015, achieving an impressive result as they finished in second place in a field of 12 teams. In addition, some team members have qualified to be included in the under-12 national team to play in the Saitama Cup in Japan.



Sansiri’s Business Development and Project Development Divisions (High Rise and Low Rise) have initiated the “Knowledge Sharing 2015” project in cooperation with the faculties of Architecture in many universities, namely Chulalongkorn, Thammasat, Kasetsart and Rangsit to raise the potentials of students in the fields of design and construction. The Knowledge Sharing project consists of seminars, activities, “Real Estate Camp”, design contests, scholarships and visits to construction projects around the country, in order to raise the standard of knowledge and thought process as well as to open up a global vision for the future personnel in the fields of design and construction of Thailand. Best of all, they received the chance to work closely with experienced teams of architects, marketers and senior executives.



Cooperation with Charity Organisations Working on the Aid of Children

Sansiri’s social responsibility activities are mainly focused on the sustainable development of children and youth. It is important to understand every aspect of the problems and therefore, cooperate with many organisations and not exclusively with any one single agency. These include the Children’s Cornerstone (Sermkla) Foundation, Baandek Foundation and the Human Development Foundation (Mercy Centre) to extend support to children suffering various kinds of hardship. These include scholarship support for the Children’s Cornerstone Foundation for distribution to under-privileged children and youth. Another activity is the sustainable school lunch project for children in remote areas by emphasising the saving of some part of their lunches for sale which has led to the availability of school central fund, while it also allows the children to learn to trade. Sansiri through the foundation also supports children affected by HIV/AIDS.

Baandek Foundation and the Human Development Foundation are supported with funding so they can support children at construction sites to have access to education through the hiring of teachers to be stationed at job sites, as well as to purchase school supplies in Chiang Mai and Bangkok.



VISION, MISSION, AND CORPORATE STRATEGY

Vision

As the most preferred property developer in Thailand, we strive to enhance the quality of life and create a pleasurable living experience for all of our stakeholders, including customers, business partners, employees and relevant communities.

Mission

- To be an essential part of living; not only providing a home, but also a lifestyle and unique brand experience. We are truly a part of your community and are here to serve today, tomorrow and always
- To act as a one-stop, world-class property services group in Thailand that provides a fully-integrated range of products and services
- To collaborate with all local and international stakeholders, including shareholders, business partners, employees and communities, in order to create a good life for everyone
- To provide 'best in class' products and services that cover all market segments both in Thailand and overseas

Corporate Strategy

Key success factors for Sansiri's business growth in 2015 are as follows:

- Strengthen strategic alliance framework with BTS group in developing 25 residential project for sales worth of 100 Billion Baht within 5 years
- Regain market leader position in high-end condominium market under "The LINE" and "The Monument" brand
- Shift into low-rise upcountry markets by launching first project in Pitsanulok named "Town Avenue Song Khwae"
- Expand foreign customer base through Open Border activities
- Align marketing strategy structure and capability for sustainable business growth
- Sustain improvement of selling and administrative expenses through "EFG programme"

MILESTONE DURING THE YEAR

February 2015

- The Board of Directors approved in principle the establishment of a new 50 : 50 joint venture company (JVCo2) with BTS Group Holdings Public Company Limited ("BTSG") in addition to an existing joint venture company (JVCo1) under the Strategic Alliance Framework to exclusively partner together on the developments of the residential projects for sale.

May 2015

- Dividend payment for the 2014 operating results was paid at the rate of 0.12 Baht (Twelve Stang) per share.
- The Board of Directors approved in principle the establishment of 7 additional joint venture companies (JVCo3 to JVCo9) between Sansiri Public Company Limited ("the Company" or "SIRI") and BTSG to accommodate the development plan of new residential projects for sale in the next 12 months. SIRI and BTSG each invested in 50% shares in each joint venture company.

July 2015

- Mr. Jesadavat Priebjrivat, a member of the Audit Committee, was appointed by the meeting of the Board of Directors to serve as Chairman of the Audit Committee to fulfill the position vacated earlier (to substitute for Mr. Mana Noppun), effective from 24 July 2015 onwards. And the Meeting also approved to appoint Mr. Kittichai Raktakanit to serve as a director (independent director) in replacement of Mr. Mana Noppun who resigned from his position, effective from 24 July 2015 onwards.

October 2015

- SIRI had acquired ordinary shares in Nuvo Line Agency Co., Ltd. ("Nuvo Line") from BTSG on 6 October 2015, totaling 7,500,000 ordinary shares with the par value of 100 Baht each or equivalent to 50 percent of paid-up capital of Nuvo Line with the purpose to set Nuvo Line to be an additional 50 : 50 joint venture company between SIRI and BTSG for the development of residential project for sale under the Strategic Alliance Framework Agreement.

November 2015

- The Board of Directors approved in principle the establishment of 5 joint venture companies (JVCo11 to JVCo15) between SIRI and BTSG in addition to the 10 existing joint venture companies, totaling 15 companies, to accommodate the development plan of new residential projects for sale under the Strategic Alliance Framework Agreement.

As at 29 February 2016, the 50 : 50 joint venture companies between SIRI and BTSG which has been incorporated are as follows:

1. BTS Sansiri Holding One Limited
2. BTS Sansiri Holding Two Limited
3. BTS Sansiri Holding Three Limited
4. BTS Sansiri Holding Four Limited
5. BTS Sansiri Holding Five Limited
6. BTS Sansiri Holding Six Limited
7. BTS Sansiri Holding Seven Limited
8. BTS Sansiri Holding Eight Limited
9. BTS Sansiri Holding Nine Limited
10. Nuvo Line Agency Co., Ltd.
11. BTS Sansiri Holding Eleven Limited
12. BTS Sansiri Holding Twelve Limited
13. BTS Sansiri Holding Fourteen Limited

INVESTMENT STRUCTURE OF SANSIRI GROUP

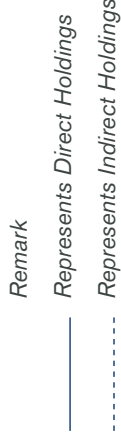
Operational Structure and Divisions of Operations within the Group

Sansiri Group is made up of Sansiri Public Company Limited as a parent company with a broad range of subsidiaries, which are directly held by Sansiri Public Company Limited and held through the subsidiaries, including joint venture companies as described in a chart of Investment Structure of Sansiri Group. Sansiri Group operates under Consolidated Supervision concept. The investment policy was classified as follows:

- 1. Property Development** consists of
- A. Property Development for Sale:** Sansiri and its subsidiaries develop single-detached houses, detached houses, townhouses, home offices, and condominium projects for all customer groups, both in Bangkok and vicinities and upcountry areas such as Phuket, Chiang Mai, Khon Kaen province, etc. Furthermore, Sansiri operates precast factory for precast construction as well.
 - B. Property Development for Rent:** Sansiri and its subsidiaries invested in leasehold commercial building.

- 2. Property Services** include fully-integrated services as follows
- Property and asset management, property brokerage services, property sales management, property development consultancy, and property management
 - Building inspection service
 - Hotel business development which generates recurring income to the total revenues
 - Educational business under the name “Satit Pattana School”
 - Personnel management for Satit Pattana School
 - Lifestyle concierge service for both individual and corporate
 - Events management and full wedding planning services in Thailand and worldwide

- 3. International Investment** Sansiri set up Sansiri Global Investment Pte. Ltd. as an international investment base. In this regard, Sansiri Guernsey (2009) Limited and Sansiri Guernsey (2015) Limited operate the property development for sale and/or for lease/rent in the United Kingdom.



REVENUE STRUCTURE

Revenue structure classified by business groups during 2013 - 2015, is as follows:

Products / Services	Operated by	% Shares Held by Sansiri	Year Ending 2013		Year Ending 2014		Year Ending 2015	
			Million Baht	%	Million Baht	%	Million Baht	%
1. Property Development For Sale								
- Single-detached house	SIRI, AW, PW, CC, RED, NED, PPS	- , 100, 100, 100, 100, 100, 100	10,166	35.1	11,488	38.9	10,107	26.3
- Townhouse	SIRI, PLUS, PW, PPN, AW	- , 100, 100,100, 100	2,367	8.2	1,622	5.5	1,996	5.2
- Condominium	SIRI, RED, AW, PW, PPN, NED, TOUCH, PPS SG	- , 100, 100, 100, 100, 100, 100, 100	15,191	52.4	14,065	47.6	23,049	59.9
For Rent								
- Projects for rent	SIRI, SUN, AW, RED, PPN, NED, QT, CC	- , 100, 100, 100, 100, 100, 100, 100	84	0.3	23	0.1	22	0.1
- Leasehold rights written off	SUN, CC	100, 100	42	0.1	54	0.2	42	0.1
2. Property Services								
- Revenue from business management	SIRI, PW, PLUS, QT, TOUCH, QEW	- , 100, 100, 100, 100, 70	500	1.7	606	2.1	1,432	3.7
- Revenue from other services	SIRI, AW, PPN, NED, PPS, SPC, SPS	- , 100, 100, 100, 100, 100, 100	246	0.9	237	0.8	304	0.8

Products / Services	Operated by	% Shares Held by Sansiri	Year Ending 2013		Year Ending 2014		Year Ending 2015	
			Million Baht	%	Million Baht	%	Million Baht	%
3. Other Revenues								
- Interest income			21	0.1	15	0.1	48	0.1
- Revenue from common property charges			66	0.2	75	0.3	98	0.3
- Revenue from forfeiture of down payment and changed contract fee			127	0.4	185	0.6	215	0.6
- Gain on sale of assets to property fund			-	-	768	2.6	-	-
- Gain on sale of land			-	-	309	1.0	964	2.5
- Gain on sale of investment in subsidiary			-	-	-	-	46	0.1
- Other income			175	0.6	82	0.3	132	0.3
Total Revenue			28,987	100.0	29,527	100.0	38,455	100.0
% Increase (Decrease) in Revenue			(3.7)		1.9		30.2	

Remark	-	SIRI	means	Sansiri Public Company Limited
		PLUS	means	Plus Property Company Limited
		CC	means	Chanachai Limited
		SV	means	Sansiri Venture Company Limited
		PW	means	Piwattana Limited
		AW	means	Arnawat Limited
		RED	means	Red Lotus Properties Limited
		PPN	means	Papanan Limited
		NED	means	NED Management Company Limited
		PCH	means	Pacific Challenge Holding Company Limited
		SUN	means	S.U.N. Management Company Limited
		PPV	means	Plus Property Venture Company Limited
		PPS	means	Plus Property Space Company Limited
		TOUCH	means	Touch Property Company Limited
		SG	means	Sansiri Guernsey (2009) Limited
		SPC	means	Satit Pattana Personnel Center Limited
		SPS	means	Satit Pattana School
		QT	means	QT Lifestyle Limited
		QEW	means	QEW (Thailand) Company Limited

TYPE OF PRODUCTS AND SERVICES

The core operation of Sansiri Group is divided into two businesses: (1) Property Development and (2) Property Services. The detailed descriptions of each product and service categories are as follows:

1. Property Development

1.1 Property Development for Sale

Price Range	Product Type		
	Single-Detached House /Detached House	Townhouse/ Shophouse/Home Office	Condominium
High	> 10.10 Million Baht per unit	> 7.10 Million Baht per unit	> 200,000 Baht per sqm.
	<div>NARASIRI</div> <div>23° villa</div> <div>BY SANSIRI</div>	<div>GARDEN SQUARE</div>	<div>THE MONUMENT</div> <div>SANAMPAO</div> <div>THE XXXIX</div>
Medium	5.10-10.10 Million Baht per unit	3.10-7.10 Million Baht per unit	100,000-200,000 Baht per sqm.
	<div>SETTHASIRI</div> <div>BURASIRI</div> <div>Habitia</div>	<div>B-AVENUE</div> <div>TOWN AVENUE</div>	<div>EDGE</div> <div>BAAN MAI KHAO</div> <div>THE LINE</div> <div>NYE</div> <div>THE DECK</div> <div>BAAN PLAI HAAD</div>
Low	2.51-5.10 Million Baht per unit	1.20-3.10 Million Baht per unit	60,000-100,000 Baht per sqm.
	<div>Habitia</div> <div>SARANSIRI</div> <div>KANASIRI</div>	<div>Habitown</div> <div>MET TOWN</div>	<div>hasu HAUS</div> <div>THE BASE</div> <div>23condo</div> <div>The valley</div> <div>dcondo</div> <div>Baan Klang Fah</div> <div>Rain</div> <div>Autumn</div> <div>Baan Imm-Aim</div>

Sansiri has developed various types of products for sale such as single-detached houses, townhouses, shophouses, home offices, and condominiums, under different brands to serve customers' needs in all segments. All products focus on the high-quality specification by Sansiri's standards. In 2015, Sansiri focused more on the development of low-rise projects to support the increasing demand for low-rise housings. For condominium projects, Sansiri had developed high-end condominiums along the BTS lines under new brand "The Monument" located in Sanampao, Phaholyothin Road, to serve customers who desire the convenience way of urban living, as well as launched condominiums under the joint venture companies between Sansiri and BTS Group Holdings (BTS) under brand "THE LINE" in prime locations along the BTS lines. In 2015, "THE LINE Jatujak-Mochit", "THE LINE Ratchathewi" and "THE LINE Sukhumvit 71" were launched, with total project values of 10,642 Million Baht. In this regards, all projects received well responses and were sold out.

Sansiri continuously expanded its project development into major cities with good potential. In areas where Sansiri has established presence and received good response, there were additional investments in low-rise projects. Two single-detached housing projects, "Saransiri Korat" and "Burasiri San Phi Suea" were launched in Nakhon Ratchasima province and Chiang Mai province, respectively. In addition, "Town Avenue Song Khwae" was launched as the first housing project by Sansiri in Phitsanulok province. In 2015, a total of 11 projects were launched with 7 projects located in Bangkok and vicinities, and 4 projects located in upcountry areas.

1.2 Property Development for Rent

Sansiri has recurring income from properties for rent including a leasehold commercial building in the Silom area named "Sun Square Silom" and a leasehold residential building named "Baan Sansiri".

2. Property Services

2.1 Property Services

The Property Services business provided by Plus Property Company Limited ("Plus") suitably complements Sansiri's core business - property development for sale - by not only creating customer satisfaction with fully-integrated services but also expanding its sources of recurring incomes and allowing it to capitalise upon its database to further improve its property development projects and more effectively satisfy the needs of market demand. The Property Services business consists of three core services (1) Brokerage Service and Sales Management (2) Property Management; both Property Management for residential projects and Facility Management for commercial buildings. As of 31 December 2015, Plus manages over 185 residential and commercial projects covering an area of 4.75 million square meters and (3) Consultancy services for real estate which include the consulting services of project feasibility studies, market surveys and analysis, and financial feasibility analysis, as well as the building inspection service provided by Touch Property Company Limited.

2.2 Educational Business

Sansiri has operated a school under the name “Satit Pattana School” for recurring income, which creates opportunity to expand business and synergy to several of Sansiri's property projects for sale located nearby.

2.3 Hotel Business

At present, Sansiri operates 2 hotels, a 46-key hotel named Escape Sansiri Hotel Collection Hua Hin located in Hua Hin District, Prachuap Khiri Khan Province and a 56-key named Escape Sansiri Hotel Collection Khao Yai at Pak Chong District, Nakhon Ratchasima Province.

2.4 Other Businesses

Sansiri's other businesses include lifestyle concierge service for both individual and corporate, which is operated by QT Lifestyle Limited, as well as events management and full wedding planning services in Thailand and worldwide, which is operated by QEW (Thailand) Company Limited.

MARKET AND COMPETITION

1. Marketing Activities

In 2015, Sansiri launched a total of 11 projects, consisting of six single-house projects, one townhouse project, and four condominium projects. During the year, marketing activities were organised periodically and strategically to promote sales while the market situation remained volatile.

In the first quarter, Sansiri launched a single-detached house project named “Setthasiri Charan-Pinklao” in Western Bangkok, where the demand for housing was still high and the urban area expanded significantly. Additionally, limited availability of housing units by Sansiri in this zone has resulted in the impressive sales of the project. Following the successful launch of Saransiri Tiwanon-Chaeng-wattana, Sansiri launched the second phase of this project in Northern Bangkok. For upcountry projects in the first quarter, Sansiri launched a townhouse project, Town Avenue Song Khwae, in Pitsanulok Province.

Following the announcement of partnership between Sansiri and BTS Group Holdings Public Company Limited at the end of 2014 with the aim to jointly develop condominium projects, the joint venture launched the first project named “THE LINE Jatujak-Mochit” in the second quarter of 2015. Based on the strong brand recognition of both Sansiri and BTS, “THE LINE Jatujak-Mochit” was sold out within only one week after the launch.

In the second quarter of 2015, Sansiri also launched the premium condominium project, “The Monument Sanampao”, located right next to Sanampao BTS station, to attract the existing residents in Phaholyothin area. Similar to “THE LINE Jatujak-Mochit”, the project was sold out within a few weeks after the launch.

Following the successful launch of Setthasiri San Sai in the previous year together with the strong demand for housing in Burasiri segment in the high potential area of San Phi Suea, Sansiri launched the second single-detached house project in Chiang Mai Province, named “Burasiri San Phi Suea” in the third quarter of 2015.

The joint venture continuously unveiled new projects with the launch of “THE LINE Sukhumvit 71” in the third quarter and “THE LINE Ratchathewi” in the fourth quarter of 2015. Both projects were sold out within a few weeks after launches despite the intense competition in those areas, reflecting the strong brand recognition and synergy of Sansiri and BTS Group.

In addition, Sansiri launched two single-detached house projects in mid-priced and affordable segments, Saransiri Korat in Nakhon Ratchasima province and Kanasiri Wongwaen-Lamlukka, to offer the variety of product portfolio.

In 2015, Sansiri also initiated marketing campaigns to support the sale of complete projects both in Bangkok and other major cities, by directly reaching out to customer groups through housing fairs held at the leading department stores. Additionally, Sansiri used digital media that were more effective in reaching the preferred customer base, than the mainstream media.

Another marketing challenge in 2015 was the penetration of foreign markets with the goal to increase portion of foreign customers significantly, from the minimal portion of total customers. In this regard, Sansiri has set both medium-term and long-term business plans that have been realistically implemented on a continuing basis during the past 2 to 3 years.

2. Property Market in 2015 and Outlook 2016

In 2015, several risk factors had continuously affected the Thai real estate sector. The economy has not fully recovered whereas commercial banks and financial institutions continue lending prudently on housing loans, resulted in the slowdown in investment in property market. The real estate sector also experienced the rising costs of construction materials, labour, and land prices. Nonetheless, the property market managed to gradually recover in the latter half of the year, owing to several supporting factors including the stimulus package announced in October 2015. The stimulus plan included the 10-Billion Baht housing loans made available for low-income people whose applications for mortgage loans have earlier been turned down by commercial banks. In this regard, the Government Housing Bank must complete the approval process within one year. Other measures were the reduction of property transfer fee and mortgage registration fee from 2 percent and 1 percent respectively, to 0.01 percent for both fees. The stimulus also included the personal tax deduction of 20 percent of the house cost during the next five years for those who buy houses with unit price less than 3 Million Baht.

For the property market outlook in 2016, it is forecasted that the real estate sector will perform similar to the previous year with tendency to grow if there is no significant political and economic risk factors affecting the market. The government measures to stimulate real estate sector are expected to speed up the transfer of the residential projects. The consumers would have more confidence to buy housing whereas the developers would make more investments as well, especially in condominium projects along the BTS extension lines. It is also forecasted that the property market will benefit from the official implementation of the ASEAN Economic Community or AEC as it will lead to the property market expansion in major cities together with the higher foreign investments in the real estate sector.

Summary of Property Market in 2015

The survey was made in 6 areas of Bangkok and its vicinities, as follows;

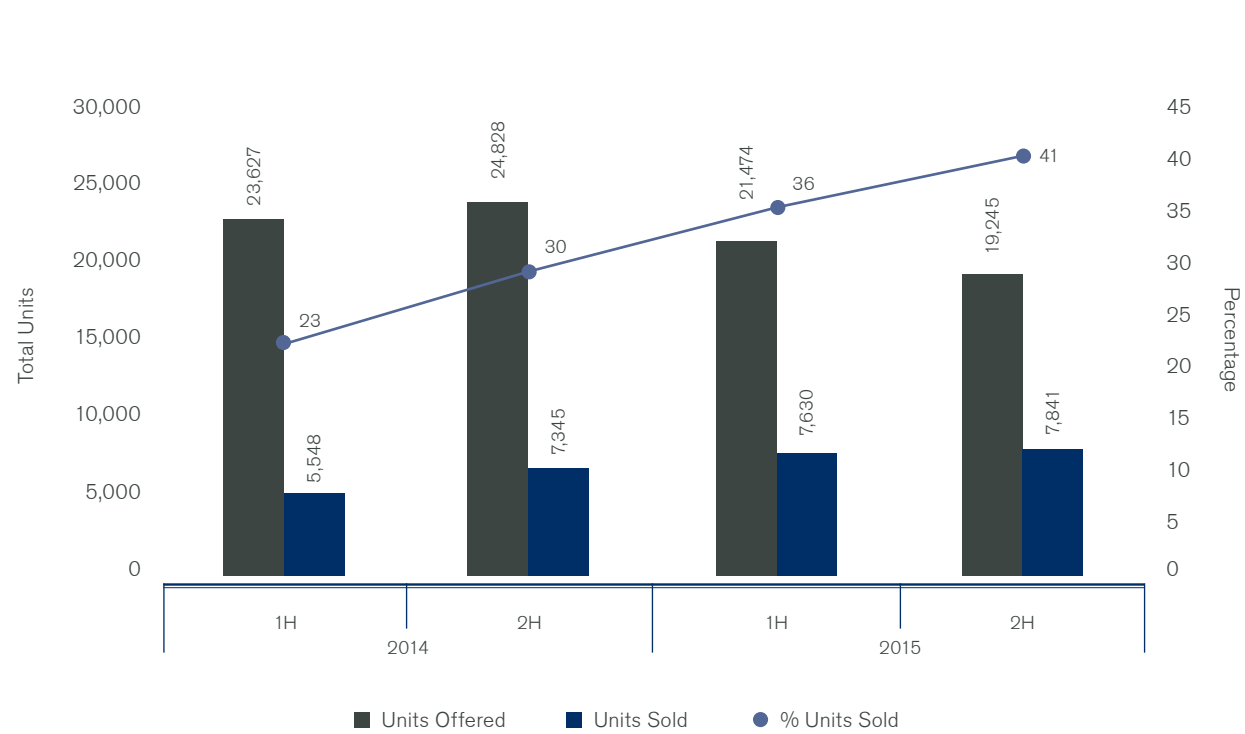
Area	Province	District
Central Bangkok	Bangkok	Khlong Toei, Din Daeng, Dusit, Bang Kho Laem, Bang Sue, Bang Rak, Pathum Wan, Pom Prap Sattru Phai, Phaya Thai, Phra Nakhon, Yan Nawa, Ratchathewi, Watthana, Samphanthawong, Sathon
Northern	Bangkok	Chatuchak, Lak si, Don Muang, Lad Prao, Bang Khen, Sai Mai
	Pathum Thani	Muang (Pathum Thani), Thanyaburi, Lum luk ka, Khlong Luang, Nong Sua, Sam Khok, Lat Lum Kaeo
Northeastern	Bangkok	Bang Kapi, Wang Thonglang, Saphan Sung, Khlong Samwa, Nong Chok, Min Buri, Bung Kum, Kannayao, Lat Krabang, Suan Luang, Huai Khwang
Eastern	Bangkok	Phra Khanong, Bangna, Bang Bo, Pravet
	Samut Prakarn	Muang (Samut Prakan), Bang Sao Thong, Bang Phli
Western	Bangkok	Khlong San, Chom Thong, Taling Chan, Bang Kae, Thawi - Watthana, Thon Buri, Bangkok Noi, Bangkok Yai, Bang Bon, Bang Phlat, Pasi Charoen, Rat Burana, Nong Khaem
	Nonthaburi	Mueang (Nonthaburi), Bang Buathong, Bang Yai, Bang Kruai, Sai noi, Pak Kret
	Nakhon Pathom	Budhamonthon
Southern	Bangkok	Bang Khunthian, Thung Kru
	Samut Sakorn	Muang (Samut Sakorn), Krathum Baen
	Samut Prakarn	Phrasamut Ja Dee, Phra Pradaeng
	Nakhon Pathom	Sam Phran

Situation of the Single-Detached House Market

The supply of single-detached houses in the latter half of 2015 amounted to 19,245 units, a decrease of 10 percent compared to the first half of 2015 and a 22 percent decrease compared to the same period of last year. The decrease in the supply was mainly due to the slowdown in the new units offered in some areas, together with an impressive take-up rate of the existing units in several projects. As a result, the units offered in the latter half of 2015 decreased in several areas except in the Central Bangkok, Northeastern Bangkok, and Western Bangkok where the number of units offered increased by 167 percent, 26 percent, and 11 percent, respectively.

In the second half of 2015, sales of single-detached houses increased by 3 percent from the first half of 2015 and by 7 percent from the same period of last year. The number of units sold was 7,841 units, accounted for 41 percent of the total units offered, an increase of 5 percent from the first half of 2015 and 11 percent from the same period of last year, as shown in Figure 1. The stimulus package including the reduction of property transfer fee and mortgage registration fee to 0.01 percent, an unchanged policy interest rate of 1.5 percent, and the declining oil price, helped stimulate the property sales. The take-up rate of single-detached houses improved in most areas except in the Southern and Northern areas where the units offered and units sold were declining accordingly with the low take-up rate of the newly launched projects in these areas.

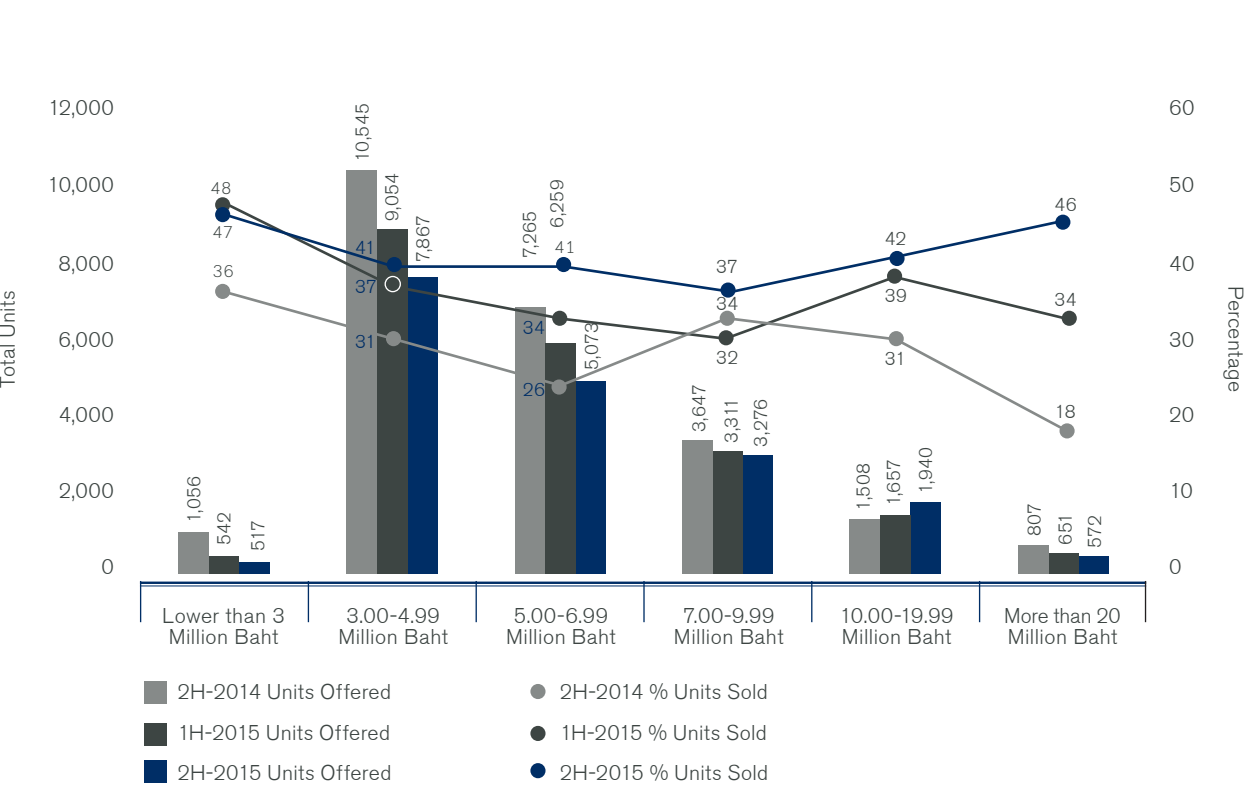
Figure 1: Total Units Offered, Total Units Sold and Percentage of Units Sold in Single-Detached House Market



Source: Research & Development Department, Plus Property Co., Ltd.

In terms of the number of units offered and units sold in all price ranges, single-detached houses with unit price range of 3.00 to 4.99 Million Baht dominated the market, with a total of 7,867 units offered. However, the number of units offered for all price ranges in the latter half of 2015 had decreased comparing to the same period of last year except for single-detached houses in the price range of 10.00 to 19.99 Million Baht per unit in which the number of units offered had increased by 29 percent. In this regard, developers has adjusted their portfolio to invest more in the high-priced segment due to the softer demand in the mid- to low-priced segment triggered by the high level of household debts. Compared to the latter half of 2014, the number of units sold in most price ranges in the latter half of 2015 had increased, with the highest growth of 84 percent in the single-detached houses with unit price range of more than 20 Million Baht. The single-detached houses with unit price range of 10.00 to 19.99 Million Baht and unit price range of 5.00 to 6.99 Million Baht increased by 71 percent and 13 percent, respectively. However, the number of units sold of housing with unit price range of under 3 Million Baht had declined by 37 percent, compared to the same period of last year. The declining units sold in the low-priced segment was in accordance with the low existing stock units and the limited number of new supply caused by rising prices of construction materials, as shown in Figure 2.

Figure 2: Percentage of Units Sold and Units Offered of Single-Detached Houses in Bangkok and Vicinities by Price Levels



Source: Research & Development Department, Plus Property Co., Ltd.

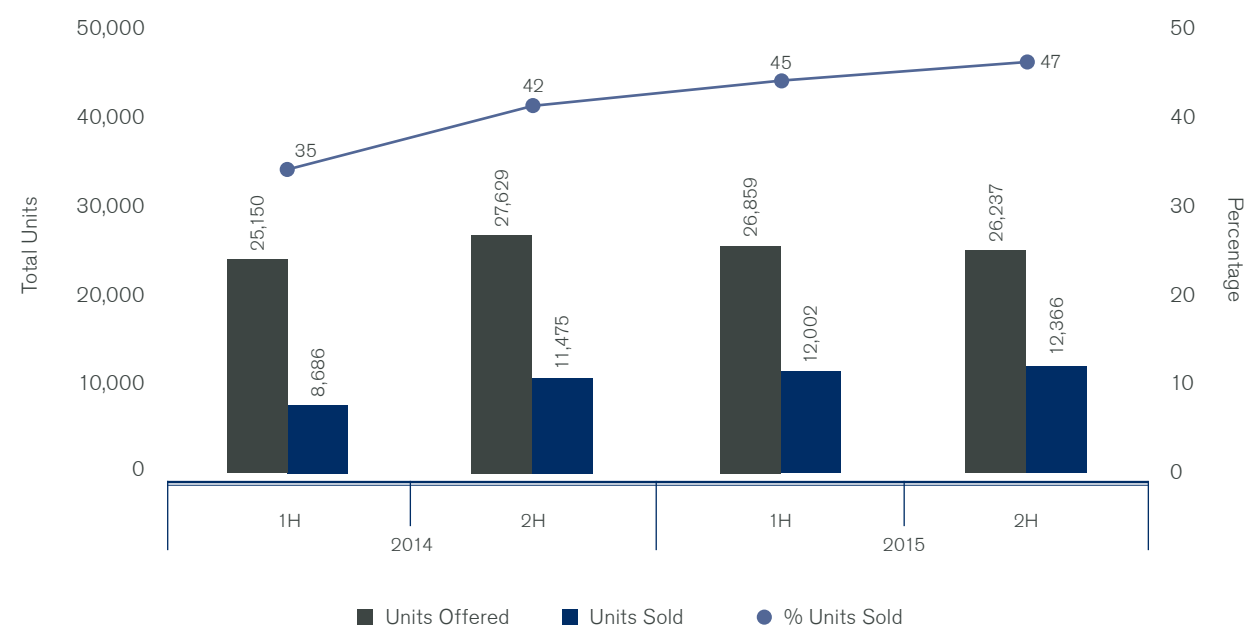
In this regard, the expected absorption rate of the remaining supply of 11,404 units was approximately 9 months. It is forecasted that at least 6,000 units of new single-detached houses will be launched, with more investment in single-detached houses with unit price range of 5.00 to 9.99 Million Baht.

Situation of the Townhouse Market

In the second half of 2015, the townhouse supply amounted to 26,237 units or a 2 percent decrease compared to the first half of 2015, and a 5 percent decrease from the same period of last year. The decrease in overall supply and declining units offered in most areas were due to an improving take-up rate of the 2- to 4-year-old stock units. Furthermore, the declining demand for housing of the middle-income customers had led to the delay of new launches with the highest decrease of 32 percent in the Northern Bangkok, and the 28 percent decrease of units offered in the Southern Bangkok. Nonetheless, the units offered increased by 105 percent in the Central Business District, and 27 percent in the Northeastern Bangkok.

In the second half of 2015, the number of units sold of townhouses was 12,366 units, a 3 percent increase from the first half of the year, and an 8 percent increase from the same period of last year, as shown in Figure 3. The sales growth was due to the improving political situation, the government measures to stimulate economic growth, and the unchanged policy interest rate of 1.5 percent. As a result, the number of units sold increased in most areas. The biggest increase of units sold was in the Eastern area, increased by 72 percent, owing to its location with easy access to the central business areas and the 60 percent progress in construction of BTS extension line (Dark-Green Line). However, the number of units sold in Southern and Northern areas had decreased by 65 percent and 23 percent respectively as the consumers shifted their housing demand to areas along the BTS Sky Trains and extension lines.

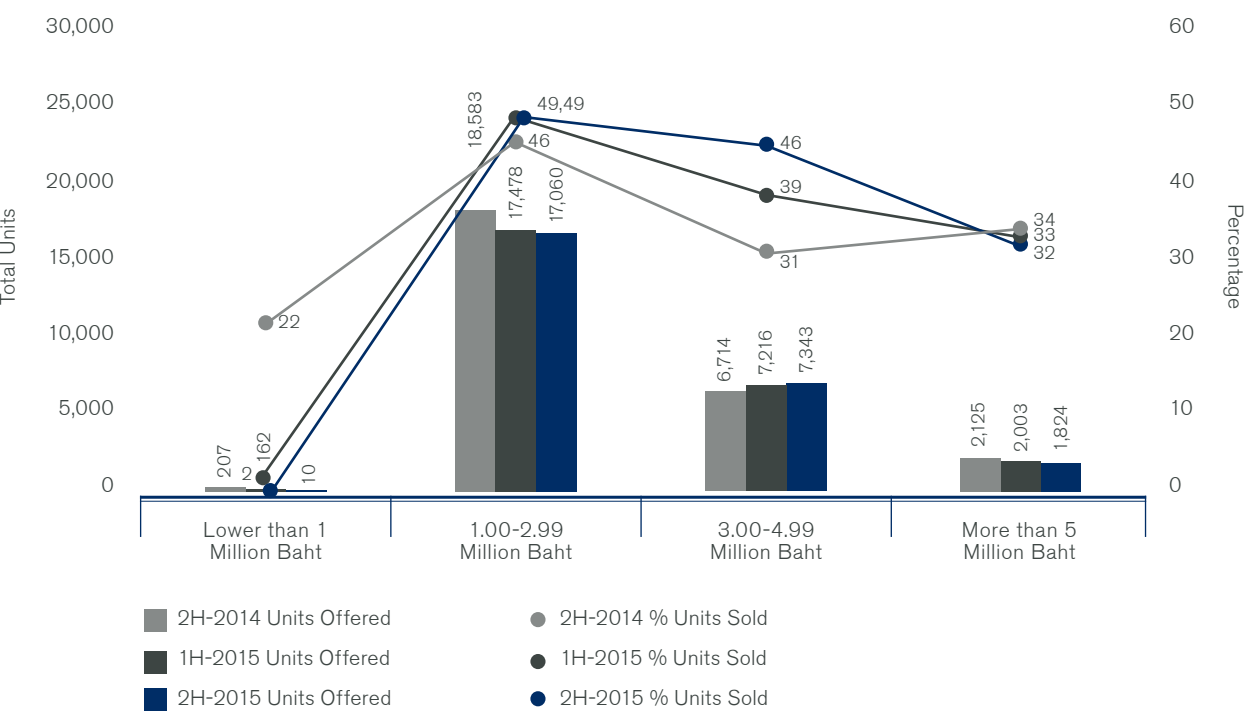
Figure 3: Total Units Offered, Total Units Sold, and Percentage of Units Sold of Townhouses Market



Source: Research & Development Department, Plus Property Co., Ltd.

In terms of units offered and the selling price range of the townhouse supply in the second half of 2015, townhouses with a unit price range of 1.00 to 2.99 Million Baht dominated the market with the supply of 17,060 units. Townhouses with a unit price range of 3.00 to 4.99 Million Baht had supply of 7,343 units, increasing 9 percent from the same period of last year. The biggest increase in number of units sold was also in this price range, increased by 15 percent, as the consumers in this price range increased their spending following the announcement of stimulus package throughout the year 2015. On the other hand, the units sold of townhouses with a unit price range of less than 1 Million Baht dropped by 95 percent due to the increasing land price and cost of project development, making it more difficult to develop projects in this price range. The units sold then declined by 22 percent since the consumers did not prefer the locations that are far from the city centre.

Figure 4: Percentage of Units Sold and Units Offered of Townhouses in Bangkok and Vicinities by Price Levels



Source: Research & Development Department, Plus Property Co., Ltd.

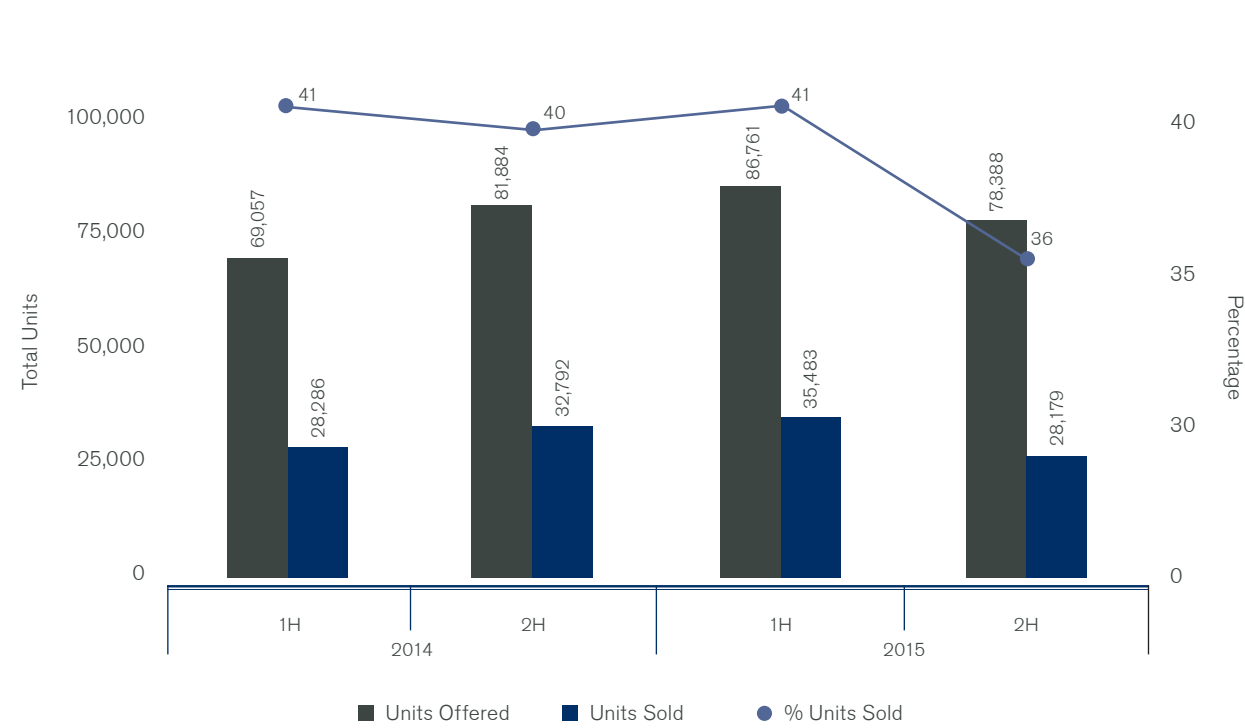
It is forecasted that over 10,000 units of new townhouses will be launched in the first half of 2016. The expected absorption rate for the existing townhouse supply of 13,000 units was at 7 months.

Situation of the Condominium Market

In the second half of 2015, the supply of condominiums was 78,388 units, a decrease of 10 percent or 8,373 units from that of first half of the year, and 3,496 units or 4 percent decrease compared to the same period of last year. The decrease in the total supply was caused by the decrease in the new units launched in the latter half of 2015 in order to boost sales of existing stock units. In this regard, the biggest decreases in condominium supply were in Phayathai area and Phaholyothin area, by 65 percent and 50 percent respectively. On the other hand, the biggest increases in condominium supply, compared to the same period of last year, were in Central Business District area (Ploenchit-Chidlom and Silom-Sathorn areas) and Nonthaburi area, by 21 percent and 18 percent respectively due to high existing supply in the market.

The total number of units sold in the second half of 2015 was 28,179 units, a decrease of 7,304 units or 21 percent from the first half of the year, and 14 percent decrease or 4,613 units compared to the same period of last year, as shown in Figure 5. The high level of household debts and the strict lending policy for middle-to-low income customers who were the main target group of this market, had led to the slowdown in sales. Despite the stimulus package announced during the end of last year, the sales of condominiums had slightly improved as only a few complete condominium projects have benefited from the reduction of property transfer fee and mortgage registration fee. Compared to the same period of last year, condominium sales decreased in most areas, with the biggest decrease of number of units sold in Phaholyothin and Phayathai area, decreasing by 78 percent and 74 percent respectively. Nonetheless, the condominium sales in Central Business Districts (Ploenchit-Chidlom and Silom-Sathorn) increased by 98 percent due to the launches of high-priced condominium projects in this area, increasing the overall units sold in this inner Bangkok area.

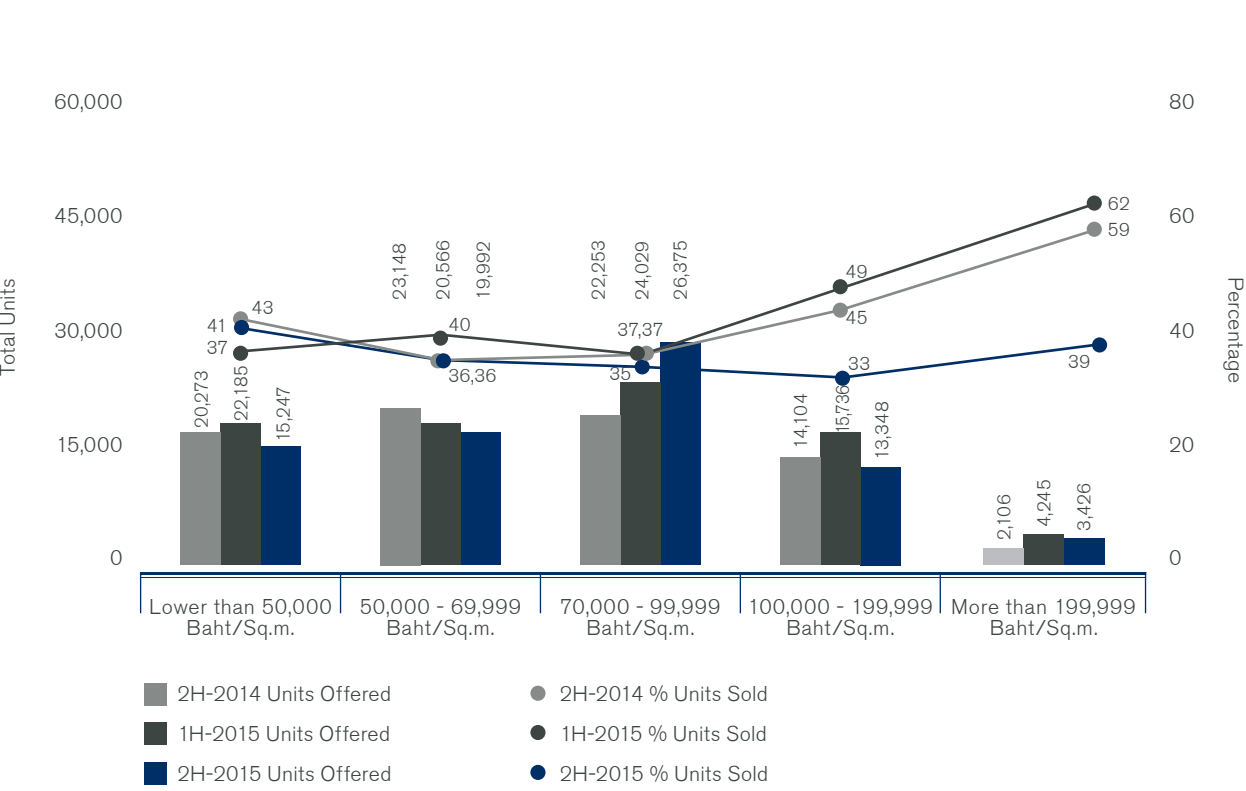
Figure 5: Total Units Offered, Total Units Sold, and Percentage of Units Sold in Condominiums Market



Source: Research & Development Department, Plus Property Co., Ltd.

Based on the average selling price per square metre of condominiums in the second half of 2015, the condominium with price range of 70,000 to 99,999 Baht per square metre and 50,000 to 69,999 Baht per square metre dominated the market, accounted for 34 percent and 26 percent of the total units offered respectively, as shown in Figure 6. In addition, the highest growth of condominium supply were in the price range of more than 199,999 Baht per square metre, increased by 63 percent while the sales increased by 8 percent compared to the same period of last year. The number of units offered for condominiums with price range of 70,000 to 99,999 Baht per square metre, grew constantly due to the launches of new high-rise projects with a lot of units in the outer areas along the BTS Extension Lines. Accordingly, the sales of condominiums in this price range also increased by 11 percent from the same period of last year, as shown in Figure 6. In addition, the average price of the condominium was at 101,996 Baht per square metre, remained unchanged from the first half of the year, and increased by 8 percent from the same period of last year. In this regard, the highest growth of average price was the price of condominiums in Sukhumvit area, increased by 20 percent, to 161,055 Baht per square metre.

Figure 6: Percentage of Units Sold and Units Offered of Condominiums in Bangkok and Vicinities by Price Levels



Source: Research & Development Department, Plus Property Co., Ltd.

The condominium market in 2016 is expected to remain unchanged from the second half of 2015 despite supporting factors including the government's investment in infrastructure, the unchanged policy interest rate of 1.5 percent, as well as the government's real estate stimulus measures. Nonetheless, the high level of household debts and the existing stock of 50,209 units, as well as the new 52,000 units to be launched in the future are negative factors that may result in the market slowdown.

PRODUCT PROCUREMENT

1. Selection of Locations for Project Development

Sansiri has a dedicated business development division that focuses on selecting locations for the company's project development. To select suitable locations for development, the division has to work closely with Sansiri's brokerage network and with Plus Property Company Limited (Plus), in addition to relying upon site surveys compiled with the business development team. For further convenience, Sansiri has increased channels to gain land information through its website "www.sansiri.com" and the company's call centre. The business development division, in cooperation with other departments, including government affairs, legal, finance, product development, project development and marketing department, analyses and studies the feasibility of project development at each location, as well as selecting suitable product types among single-detached houses, townhouses, condominiums and commercial buildings. The company's business development division, together with the legal and government affairs teams, undertakes feasibility studies covering matters such as building heights and set-back areas, while the product development and marketing teams select the product most suited for each particular plot of land and decide on the target customer group for that project. At this stage, the project development team completes a feasibility study on construction costs. Finally, in order to establish an accurate and realistic sales forecast, the business development team reviews relevant market information in consultation with the sales and marketing teams.

2. Procurement of Construction Materials

Sansiri has transparent and clear procedures for the procurement of construction materials to keep purchasing prices and high quality standards aligned. The bidding process to procure construction materials allows Sansiri to compare price versus quality. Sansiri also gains economies of scale by consolidating volume and negotiating in bulk with manufacturers. Construction material price volatility has been mitigated by assigning specific teams to closely monitor key construction material price changes and preset the delivery prices of necessary material. Sansiri copes with the fluctuation in construction material prices for single-detached house and townhouse projects by purchasing the materials directly from manufacturers, which accounts for approximately 40 to 45 percent of the total project construction costs. Sansiri also purchases some materials for condominium projects on a lump sum amount and enjoys the benefits from economies of scales, and mitigates the risk of increasing material costs through turnkey construction contracts with contractors. Moreover, Sansiri also highly emphasises on the quality control of the construction by maintaining standards through selected and preferred vendors. In order to assess suppliers, Sansiri considers a number of criterias including price competitiveness and production capacity, as well as the capability to source raw materials and ensure the timely delivery of construction materials. Sansiri regularly updates the qualified supplier listed by closely monitoring and evaluating the timely delivery of every supplier on a semi-annual basis, in order to ensure that they maintain their services according to Sansiri's predetermined standards. To guarantee the high standards of suppliers, additional incentives are given to those who have performed exceptionally.

3. Selection of Contractors

The ability to procure the services of first-rate and trustworthy contractors is important in the real estate business. Sansiri selects contractors based on their specifications, in conjunction with their construction capability in ensuring timely construction and ability to operate within Sansiri's budgetary and standards criteria. Utilising small contractors for single-detached house and townhouse projects provides more flexibility in managing the construction plan and coping with changes that may occur. For condominium projects, Sansiri uses turnkey construction contracts with contractors for cost control. Furthermore, Sansiri closely monitors and meticulously inspects to ensure construction is of a high quality and completed within schedule. Currently, Sansiri is able to coordinate its construction requirements through more than 70 medium and large scale contractors.

4. Construction Technology

Precast technology is an eco-friendly technology that has become more popular among real estate developers due to its advantages. Compared to the conventional concrete, precast concrete is exceptionally resistant to impact, weathering, and earthquakes, with better quality assurance and control system that leads to high-quality and up to acceptable standard construction materials. In addition, the use of standard prefabricated building components has led to several benefits including shorter construction period, better control of labour, and better project management with higher turnover for business.

At present, Sansiri's Precast Factory is operated under the latest production technology from Germany. The two phases of factory are now fully operated with the maximum production capacity of 500,000 square metres per year to cover the precast concrete production needed for single-detached house, townhouse, or commercial building projects. Moreover, with the integrated of the management system and manpower, Sansiri has expanded its product variations to include other finished parts such as fences, paving slabs and concrete curbs.

In addition, Sansiri precast factory also produces facade precast for number of condominium projects. In 2016, there is a preparation for façade precast production for "THE LINE" and "The Monument" projects. Sansiri also does a research about "Fully Precast" construction technology for Low Rise condominiums, which is an internationally recognized technology, to support the continuous growth of the company.

5. Environmental Impacts

Developing a housing project may have an adverse impact on the environment. A project's waste water drainage in particular, may pollute public water sources if there is an ineffective and unstandardised wastewater treatment. In order to prevent this, Sansiri has set up a waste water disposal system in each housing unit, so that waste water from each housing unit will pass through the waste water treatment process before being drained into public water sources.

RISK FACTORS

1. Land Acquisition

Sansiri obtains high potential land plots for project development of single-detached houses, townhouses and condominiums at reasonable prices. For condominium projects, Sansiri generally selects mid-city locations near key business areas, mainly close to the BTS Sky train and MRT subway lines, in areas where extensions of transit lines have already been approved and construction has commenced. Sansiri also acquires land plots close to the local community and in other major cities. For single-detached house and townhouse projects, Sansiri selects locations with easy access to the heart of the city and close to office areas such as Kanchanaphisek road and expressway exits.

Nevertheless, searching for land in Bangkok and other major cities faces the risk of not acquiring prime locations for developing projects due to a sharp rise in land price and intense competition among developers. Sansiri mitigates the risk through land banking strategy, which is applicable to only land plots with tendency for high price appreciation. In general, project development will start within a few years following land acquisition; one year for condominium projects and two to three years for single-detached house and townhouse projects. In addition, Sansiri also creates an extensive network of both individual brokers, brokerage firms, and local brokers who have in-depth market insight, covering all areas. There are similarly two channels for land sourcing, notably through the company's website, "www.sansiri.com" and the "1685" Call Centre. Furthermore, Sansiri has a wholly-owned subsidiary named "Plus Property Company Limited" (Plus) which operates brokerage services, property management and conducts research on the property market. Plus also has a valuable real estate database, with property information and market movements which effectively provides market intelligence for Sansiri.

2. Fluctuation in Construction Material Prices

In 2015, the price index of construction materials decreased slightly by 4.9 percent from 2014 (Source: Bureau of Trade and Economic Indices, Ministry of Commerce). Compared to last year, the price of concrete ingredient, steels, sanitary ware, and electrical equipment and water supply decreased mainly due to the decrease in price of raw materials including petroleum, copper, and steel. In addition, excess capacity in China's steel industry resulted in lower prices. Besides, the price index of woods and tiles increased due to the increase of management cost such as raw materials and management expenses. Meanwhile, the price index of plastering materials remained unchanged. The overall construction has not recovered yet because of the sluggish economy compared to previous year as well as the slowdown of real estate investment from private sector. These construction materials are the key components for project development, thus the construction material price volatility will directly impact the cost of project development.

Sansiri is aware of construction material price volatility risk and has carefully planned to mitigate such risk by purchasing directly from manufacturers through a bidding process and pre-agreeing delivery prices, as well as sourcing more trade partners to support the expansion of new projects.

In this regard, Sansiri has focused on increasing its bargaining power and negotiating deeper discounts on large volume purchases for several projects under construction. Direct procurement of some construction materials for single-detached house and townhouse projects, such as pile, roof tiles, and aluminum, has increased to 45 percent of total construction cost. For condominium project development, direct procurement has been applied for several items such as tiles, sanitary ware, kitchen ware, and air conditioners. In addition, Sansiri also mitigated the risk of higher material cost of condominium projects through turnkey construction contracts with contractors, resulting in better cost and quality control.

Special units have been established to closely monitor and to promptly react when the price of major construction material categories change. These responses include, but are not limited to, re-negotiating future contract prices with manufacturers or contractors when the construction material price significantly decreases. Sansiri usually receives good cooperation from manufacturers or contractors due to its status as a valuable and reputable business partner with long-standing experience in the real estate business.

In order to select qualified suppliers, Sansiri considers not only the competitive price and production capacity but also the sourcing capability to ensure the timely delivery of construction materials. Sansiri regularly updates its qualified supplier lists by closely monitoring and evaluating the performance of every supplier on a semi-annual basis as well as giving awards to those suppliers with best performance in order to motivate them to continuously deliver high quality work to Sansiri.

3. A Shortage of Contractors

Sansiri and its subsidiaries have successfully launched housing projects in various locations, leading to several active projects in progress. Sansiri has the risk of contractor and skilled labour shortages, which may result in construction quality not aligning with Sansiri's high standards. However, Sansiri mitigates the risk by establishing strong relationships with a group of contractors to create a valuable database and finding alternatives for construction. In addition to the conventional construction, Sansiri has adopted the precast construction technology. Some wall and finished parts were produced from precast factories, helping Sansiri reduce its dependence on skilled labour. Besides, Sansiri tends to increase the proportion of precast construction systems applied in single-detached house and townhouse projects.

Following the preliminary selection process, Sansiri evaluates construction capabilities to ensure reliable and timely construction. Having several small contractors for a single project often provides more flexibility but also introduces some difficulties in coordination with the associated risk of delay or defective construction delivery. Given such risks, Sansiri closely monitors and meticulously inspects via the company's Quality Control Department to ensure the high standard of every housing project. Relying on its efficient operational system and transparent selection process, Sansiri currently has a list of more than 70 qualified contractors, ranging from medium to large, which helps reinforce the company's development progress and growth.

4. Unsold Units

Sansiri plans construction progress based on sales forecasts, which are regularly updated by the sales and marketing team. However, the economic slowdown could lead to decreasing sales and temporary unsold housing stock. Sansiri has reduced this inventory risk through efficient inventory management. To enhance the ability to cope with the changing environment, single-detached house and townhouse projects have been phased with both pre-built houses and semi pre-built houses available for sale. Consequently, Sansiri is able to adjust construction plans to correspond to softer housing demand, as well as to modify subsequent project phases that satisfy consumer preferences and affordability.

For condominium projects, Sansiri steadfastly conducts in-depth research on consumer behavior before launching any projects, along with creating attractive sales promotions to stimulate sales transactions.

5. A Change in Interest Rate and Accessibility to Sources of Funds

Sansiri has earned a reputation as the leading property developer with a strong track record in achieving its planned quantity of high presales, as well as exceeding targets in a number of housing projects. This has resulted in an established credibility among the financial institution community and consequent continual financial support. Moreover, Sansiri has established strong relationships with various commercial banks and always negotiated to achieve competitive prices on project-financing loans. All current projects are secured by project-financing loans and other credit facilities made available by domestic financial institutions.

In 2015, interest rates remained unchanged from the previous year, causing no risk on the increasing cost of funding. Nevertheless, Sansiri had issued fixed rate unsecured debentures in the past several years in which the placements were successful and well-received by investors, thus providing alternative sources of funding for Sansiri’s future project development and mitigating the risk of higher interest rate in the future.

6. Environmental Impact Assessment (EIA) Report Approval

There are several housing projects that require Sansiri and its subsidiaries to provide an environment impact assessment report prior to receiving permission from the Environmental Impact Evaluation Bureau within the Ministry of Natural Resources and Environment. In this regard, Sansiri has worked closely with professional consultancy companies, registered with the Ministry of Natural Resources and Environment in order to prepare EIA reports in compliance with rules and regulations under National Environmental Quality Act (NEQA) of 1992. Housing projects requiring EIA approvals are condominium projects with more than 79 units, while single-detached houses and townhouse projects are not required to get EIA approval.

Sansiri and its subsidiaries fully comply with EIA rules and regulations for all housing projects which require approval from the Environmental Impact Evaluation Bureau. In this regard, Sansiri and its subsidiaries work closely with contractors to ensure that construction is carried out pursuant to the

specifications approved by EIA committee to prevent controversy, claims and litigations, and thus no additional environmental investment is required. Sansiri closely monitors the progress and procedures for all housing projects, to ensure that the company is in compliance with all rules, and approval is obtained from the Environmental Impact Evaluation Bureau as scheduled.

8. Upcountry Market Expansion

In 2015, Sansiri had decreased its expansion to upcountry markets after launching several projects in provincial areas since 2012. In 2015, Sansiri had launched new single-detached house project following the condominium projects, as planned. However, Sansiri still faced several market risks in expansion to upcountry areas due to unique lifestyle, needs, and preferences of local customer groups. Those market risks involved the differences in housing demand, customer preferences, and brand recognition of local customers in each area. In addition, laws and regulations in different areas varied as well. To mitigate the risks and to reach customers in the new areas, Sansiri has continuously conducted in-depth market research before launching new projects. Sansiri also focuses on the standard, quality, and location of every residential project, as well as effective marketing strategies. The market expansion to upcountry area in 2015, therefore, received good feedback from customers, both in Bangkok and local areas. Sansiri now aims to expand and cover more markets and major cities in other regions of Thailand.

GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION

General Information

Company Name	Sansiri Public Company Limited
Security Symbol	SIRI
Type of Business	Property Development
Head Office Address	475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400
Registration Number	0107538000665
Established	Since 1984
Registered Capital	As at 31 December 2015, the Company's registered capital was 19,278,911,911.88 Baht consisting of 18,017,674,684 ordinary shares with the par value of 1.07 Baht
Paid-up Capital	As at 31 December 2015, the Company's paid-up capital was 15,285,486,358.90 Baht, with issued and paid-up capital 14,285,501,270 ordinary shares
Telephone Number	(662) 201 3905, (662) 201 3906
Facsimile	(662) 201 3904
Home Page	www.sansiri.com

The Company's subsidiaries are as follows:

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>Chanachai Limited</u> 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	90,000,000 Baht divided into 90,000 ordinary shares with a par value of 1,000 Baht each	100
<u>Arnawat Limited</u> 12 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 306-8000 Fax. (662) 306-8029	Property Development	10,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Piwattana Limited</u> 10 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 306-8000 Fax. (662) 306-8029	Property Development	100,000,000 Baht divided into 10,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Red Lotus Properties Limited</u> 16 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	20,000,000 Baht divided into 2,000,000 ordinary shares with a par value of 10 Baht each	100

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
Sansiri Venture Co., Ltd. 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	3,000,000 Baht divided into 300,000 ordinary shares with a par value of 10 Baht each	100
S.U.N. Management Co., Ltd. 16 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 10 Baht each	100
Papanan Limited 12 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	20,000,000 Baht divided into 2,000,000 ordinary shares with a par value of 10 Baht each	100
Plus Property Co., Ltd. 10 th Floor, 163 Rajchapark Building, Sukhumvit 21 (Asoke), North Klongtoey Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development, Brokerage, Sales Management, Property Management	150,000,000 Baht divided into 15,000,000 ordinary shares with a par value of 10 Baht each	100

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
Plus Property Space Co., Ltd. 12 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development and Hotel Business	2,500,000 Baht divided into 250,000 ordinary shares with a par value of 10 Baht each	100
NED Management Co., Ltd. (formerly named "National Education Development Co., Ltd.") 12 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Educational Business named "Satit Pattana School" and Property Development	40,000,000 Baht divided into 400,000 ordinary shares with a par value of 100 Baht each	100
Satit Pattana Personnel Center Limited 380 Panya-Indra Road, West Samwa Sub-district, Klong Samwa District, Bangkok 10510 Tel. (662) 915-5390-2 Fax. (662) 915-5501	Consultancy and Advisory Services Pertaining to Business Administration	1,000,000 Baht divided into 100,000 ordinary shares with a par value of 10 Baht each	100
Siriwattana Holding Limited (It has been incorporated on 25 January 2016) 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	100

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>Pacific Challenge Holding Co., Ltd.</u> 6 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3922 Fax. (662) 201-3992	Property Development	2,500,000 Baht divided into 250,000 ordinary shares with a par value of 10 Baht each	85
<u>BTS Sansiri Holding One Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Two Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Three Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>BTS Sansiri Holding Four Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Five Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Six Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Seven Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>BTS Sansiri Holding Eight Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Nine Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>Nuvo Line Agency Company Limited</u> 21 Soi Choi Phuang, Viphavadi - Rangsit Road, Jompol Sub-district, Jattujak District, Bangkok 10900 Tel. (662) 273-8511-5 Fax. (662) 273-8516	Property Development	1,500,000,000 Baht divided into 15,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Eleven Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>BTS Sansiri Holding Twelve Limited</u> 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Fourteen Limited</u> (It has been incorporated on 8 February 2016) 8 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
Subsidiaries in which Sansiri indirectly holds shares through Plus Property Co., Ltd.			
<u>QT Lifestyle Limited</u> (formerly named "Sansiri Land Limited") 11 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Individual and corporate lifestyle concierge service	1,000,000 Baht divided into 100,000 ordinary shares with a par value of 10 Baht each	100
<u>Touch Property Co., Ltd.</u> 14 th Floor, 163 Rajchapark Building, Sukhumvit 21 (Asoke), North Klongtoey Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7333 Fax. (662) 661-7893	Building Inspection	5,000,000 Baht divided into 500,000 ordinary shares with a par value of 10 Baht each	100

(As of 29 February 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri indirectly holds shares through Plus Property Co., Ltd.			
<u>QEW (Thailand) Company Limited</u> (It has been incorporated on 19 December 2014) 11 th Floor, 475 Siripinyo Building, Sri Ayutthaya Road, Thanon Payathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Events management and full wedding planning services in Thailand and worldwide	4,000,000 Baht divided into 40,000 ordinary shares with a par value of 100 Baht each	70
Subsidiaries in overseas countries in which Sansiri indirectly holds shares			
<u>Sansiri Global Investment Pte. Ltd.</u> (Registered in Singapore) 3 PHILLIP STREET #18-00 COMMERCE POINT SINGAPORE (048693)	Holding Company	50,000 Singapore Dollars divided into 50,000 ordinary shares	100
Subsidiaries in overseas countries in which Sansiri indirectly holds shares through Sansiri Global Investment Pte. Ltd.			
<u>Sansiri Guernsey (2009) Limited</u> (Registered in Guernsey) La Tonnelle House Les Banques St Sampson GUERNSEY GY1 3HS	Real Estate Development for Sale and Lease in United Kingdom	10,000 Pound divided into 10,000 ordinary shares	100
<u>Sansiri Guernsey (2015) Limited</u> (Registered in Guernsey) (It has been incorporated on 22 May 2015) La Tonnelle House Les Banques St Sampson GUERNSEY GY1 3HS	Real Estate Development for Sale in United Kingdom	10,000 Pound divided into 10,000 ordinary shares	100

Other References

1. Securities Registrar

Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
 Telephone : (662) 009-9000
 Facsimile : (662) 009-9991
 SET Contact Center : (662) 009-9999
 Website : <http://www.set.or.th/tsd>
 E-mail : SETContactCenter@set.or.th

2. Debenture Registrar

Siam Commercial Bank Public Company Limited

1060 Phetchaburi Road, Makkasan Sub-district, Rajthevi District, Bangkok 10400, Thailand
 Telephone : (662) 256-2323-6
 Facsimile : (662) 256-2406

Debentures under this debenture registrar consist of

- Unsecured Debenture of Sansiri Public Company Limited No. 2/2010 Due 2017
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2011 Due 2016
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2012 Due 2015
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2012 Due 2015
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 4/2013 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2015 Due 2020

Bangkok Bank Public Company Limited

333 Silom Road, Bang Rak District, Bangkok 10500, Thailand
 Telephone : (662) 230-1893
 Facsimile : (662) 626-4545-6

Debenture under this debenture registrar consists of

- Unsecured Debenture of Sansiri Public Company Limited No. 2/2013 Due 2018

Kasikornbank Public Company Limited

400/22 Phaholyothin Road, Sam Sen Nai Sub-district, Payathai District, Bangkok 10400, Thailand
 Telephone : (662) 470-1994
 Facsimile : (662) 470-1998

Debentures under this debenture registrar consist of

- Unsecured Debenture of Sansiri Public Company Limited No. 2/2011 Due 2016
- Unsecured Debenture of Sansiri Public Company Limited No. 3/2013 Due 2018

Krungthai Bank Public Company Limited

4th Floor, SM Tower, 977/3 Phaholyothin Road, Samsennai Sub-district, Phaya Thai District
Bangkok 10900, Thailand
Telephone : (662) 298-0830-3 Ext 108
Facsimile : (662) 298-0835

Debentures under this debenture registrar consists of
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2015 Due 2019

3. Debenture Holders’ Representative

TMB Bank Public Company Limited

3000 Phaholyothin Road, Chom Phon Sub-district, Chatuchak District, Bangkok 10900, Thailand
Telephone : (662) 299-2807
Facsimile : (662) 299-1278

Debentures under this debenture holders' representative consist of
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2011 Due 2016
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2011 Due 2016
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2012 Due 2015
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2012 Due 2015
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 3/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 4/2013 Due 2019

Krungthai Bank Public Company Limited

4th Floor, SM Tower, 977/3 Phaholyothin Road, Samsennai Sub-district, Phaya Thai District
Bangkok 10900, Thailand
Telephone : (662) 298-0830-3 Ext 108
Facsimile : (662) 298-0835

Debentures under this debenture holders' representative consist of
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2015 Due 2020
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2015 Due 2019

4. The Auditor

EY Office Limited

33rd Floor, 193/136-137, Lake Rajada Office Complex, Rachadapisek Road, Klongtoey,
Bangkok 10110, Thailand
Telephone : (662) 264-0777
Facsimile : (662) 264-0790

5. Legal Advisor

-None-

Other Significant Information

-None-

SHAREHOLDERS

The ten largest shareholders according to the latest registry of shareholders on 18 March 2015 (the share register book closing date for the right to attend the 2015 Annual General Meeting of Shareholders), are as follows:

No.	Major Shareholders	Number of Shares	Proportion of shareholding Percentage of paid-up capital*
1	Viriyah Insurance Public Company Limited	898,415,373	6.29
2	UBS AG Singapore Branch	670,185,962	4.70
3	Thai NVDR Co., Ltd. ^{1/}	668,667,427	4.68
4	Chase Nominees Limited 188	394,862,900	2.77
5	Mr. Wanchak Buranasiri	375,469,201	2.63
6	N.C.B.Trust Limited - Pohjola Bank PLC Client A/C EUR	280,000,000	1.96
7	Miss Chayapa Chutrakul	277,649,520	1.95
8	HSBC (Singapore) Nominees Pte. Ltd.	267,558,270	1.87
9	Natural Park Public Company Limited (at present, its name changed to "U City Public Company Limited")	250,000,000	1.75
10	N.C.B. Trust Limited-Norges Bank 11	238,216,866	1.67
Total		4,321,025,519	30.27

*As of 18 March 2015, the Company has the paid-up capital of 15,271,983,646.91 Baht divided into 14,272,881,913 ordinary shares at a par value of 1.07 Baht each.

Remark:

1/ Thai NVDR Co., Ltd., a wholly owned subsidiary of the SET, is responsible for executing the purchase or sale of those listed Company shares whose investors wish to trade through NVDRs. This service is offered to all, irrespective of the number of securities held or the holder's nationality. NVDR holders receive the same full financial benefits as they would receive by investment directly in shares (i.e. dividends, rights, and warrants). However, there are no voting rights for NVDR holders except in motions involving delisting. The investor can find the report of investment in securities of Thai NVDR Co., Ltd. at www.set.or.th/nvdr/, that shown the proportion of investment as at the end of the working day prior to the date on which the investor's checking.

DIVIDEND PAYMENT POLICY

The Company's dividend policy is to pay dividends at a rate of approximately 50 percent of its consolidated net income, after deduction of all reserves as required by law and the Company. However, the dividend payment shall conform to the law and the Articles of Association of the Company, as well as being subject to the Company and its affiliates' cash flow and investment plans, including justifications and other future considerations as deemed appropriate.

As for the dividend policy of the Company's subsidiaries, the Company does not set any particular rate of dividend payment. The dividend policy is dependent on the operational results of each individual subsidiary, and the Board of Directors of that subsidiary will make decisions concerning dividends on a case-by-case basis.

MANAGEMENT STRUCTURE

The Board of Directors

As of 31 December 2015, the Company has ten directors, comprised of seven non-executive directors (five of which are independent directors), and three executive directors. Their names, directorship were listed as below:

1.	Mr. Kovit	Poshyananda	Chairman of the Board of Directors (Independent Director)
2.	Mr. Apichart	Chutrakul	Vice-Chairman of the Board of Directors / Chairman of the Executive Committee / Authorised Director
3.	Mr. Jesadavat	Priebjrivat	Director / Chairman of the Audit Committee / Chairman of the Compensation Committee / Members of the Corporate Social Responsibility Committee (Independent Director)
4.	Mr. Srettha	Thavisin	Director / Deputy Chairman of the Executive Committee / Chairman of the Corporate Social Responsibility Committee / Authorised Director
5.	Mr. Wanchak	Buranasiri	Director / Member of the Executive Committee / Authorised Director
6.	Mr. Kriengkrai	Thiennukul	Director
7.	Mr. Thongchai	Jira-alongkorn	Director
8.	Mr. Porntat	Amatavivadhana	Director / Member of the Compensation Committee / Members of the Corporate Social Responsibility Committee (Independent Director)
9.	Mr. Supanit	Chaiyawat	Director / Member of the Audit Committee (Independent Director)
10.	Mr. Kittichai	Raktakanit	Director / Member of the Audit Committee / Members of the Corporate Social Responsibility Committee (Independent Director)

Remark – Mr. Kittichai Raktakanit was appointed by the meeting of the Board of Directors No. 7/2015 held on 24 July 2015, as a director (independent director) in replacement of Mr. Mana Noppun who resigned from his position, effective from 24 July 2015 onwards.

Authorised Directors as the Company's Signatory : Mr. Apichart Chutrakul, Mr. Srettha Thavisin, Mr. Wanchak Buranasiri, any two of these three directors co-sign their names and affix the company seal.

Board of Directors Meeting

The Company set meeting agendas and meeting dates for the Board of Directors Meetings and Shareholders Meeting for 2015 in advance. This allowed all its directors to be informed well in advance and be able to properly allocate their time to attend all the meetings. The Company sets at least six board meetings a year. The schedule is flexible and allows possible adjustments as necessary; additional meetings can also be added if needed. The Company Secretary shall send the meeting invitations, meeting agendas and attached information documents which are relevant and sufficient in detail for board members to consider in advance. These meeting agendas and the attachments thereof shall be sent to each board member at least 7 days prior to the date of the meeting in order to allow the board members adequate time to study the matters prior to attending the meetings.

During each of the board meetings, the Company's Secretary shall take notes and prepare the Minutes of the Meeting. The minutes shall be submitted within 14 days of the meeting date to each board member for their consideration. All directors can always request copies of any past minutes from the Company's Secretary for further review.

The Chairman of each meeting allocates adequate time for management to present documents and supplementary information for review and discussion of important issues. Each director is entitled to express independent opinions and to present any concerned agenda items.

It is responsibility of the Company secretary to determine the meeting date, prepare adequate supplementary documents and send notice of Board of Directors Meeting to all directors at least 7 days prior to the date of meeting to ensure that all directors will have sufficient time to understand all matters unless there was an emergency or urgent matter. The Company Secretary shall also record all agendas of the meetings and carry out minutes of the meeting. The minute of Board of Directors Meeting which has been approved by the Board shall be kept by the Company Secretary in conventional form for reference in the future.

The Number of Meeting and the Number of Attendance of each Director

The Board of Directors holds board meetings at least once every quarter. In 2015, the Board held 12 meetings. The following table shows details of the Board's meetings attendant.

Name			Number of Meeting/ Number of Attendance Year 2015
1.	Mr. Kovit	Poshyananda	12/12
2.	Mr. Apichart	Chutrakul	10/12
3.	Mr. Jesadavat	Priebjrivat	12/12
4.	Mr. Srettha	Thavisin	10/12
5.	Mr. Wanchak	Buranasiri	12/12
6.	Mr. Kriengkrai	Thiennukul	9/12
7.	Mr. Thongchai	Jira-alongkorn	10/12
8.	Mr. Porntat	Amatavivadhana	10/12
9.	Mr. Supanit	Chaiyawat	11/12
10.	Mr. Kittichai	Raktakanit	5/5

Remark – Mr. Kittichai Raktakanit was appointed by the meeting of the Board of Directors No. 7/2015 held on 24 July 2015, as a director (independent director) in replacement of Mr. Mana Noppun who resigned from his position, effective from 24 July 2015 onwards. There were seven board meetings held before his appointment date.

Management Team

On 31 December 2015, the Company’s Management Team as shown in the organisation structure and in accordance with the definition stipulated in the notification of The Securities and Exchange Commission, namely:

The Name of Management		Position
Mr. Apichart	Chutrakul	Chief Executive Officer
Mr. Srettha	Thavisin	President
Mr. Wanchak	Buranasiri	Chief Operating Officer
Mr. Thalin	Aeimtitiwat	Senior Executive Vice President - Accounting Department
Mr. Uthai	Uthaisangsuk	Senior Executive Vice President - Business Development and Project Development Division (High Rise) Senior Executive Vice President - Corporate Marketing and Corporate Social Responsibility Division Senior Executive Vice President - Project Procurement
Mr. Metha	Angwatanapanich	Senior Executive Vice President - Business Development and Project Development Division (Low Rise)
Mr. Nopporn	Boonthanom	General Counsel - Legal Office and Government Affairs
Mr. Manu	Trakulwattanakit	Executive Vice President - Project Management Department (Low Rise) - Northern Bangkok and up-country Executive Vice President - Product Development Department (Low Rise) Executive Vice President - Production Cost Management Department Executive Vice President - Design Solution Department
Mr. Suriya	Wannabuit	Executive Vice President - Project Management Department (Low Rise) - Western Bangkok and up-country Executive Vice President - Precast Factory
Mr. Somchai	Charntanawet	Executive Vice President - Finance and Information Technology Department
Miss Vilasinee	Dejamornthan	Executive Vice President - Project Management Department (Low Rise) - Eastern Bangkok and up-country Executive Vice President -Marketing Communication Department (Low Rise)
Mr. Tasanin	Maha-amatayatibodee	Executive Vice President - Project Support Division

The Name of Management		Position
Miss Natthaluck	Sakulpoonyapond	Senior Vice President - Customer Relations Department Senior Vice President - Business Support Department Senior Vice President - Asset Management Department Senior Vice President - Human Resources and Office Management Department
Mr. Chookiat	Joomthong	Senior Vice President - Government Affairs Department
Mr. Supol	Sombathwichathon	Senior Vice President - Quality Control and Estimation Department
Mr. Apisit	Srisakulpong	Senior Vice President - Project Management Department (High Rise 1) Senior Vice President - Quantity Surveyor Department
Mrs. Sirindra	Mongkolnavin	Senior Vice President - Investor Relations Department and Organisation Development Department
Mr. Piti	Jarukamjorn	Senior Vice President - Project Management Department (High Rise 2)
Mr. Samatcha	Promsiri	Vice President - Corporate Communication and Marketing Intelligence Department
Mr. Prasert	Trakranvachirahut	Vice President - Project Procurement Department
Miss Suwannee	Mahanarongchai	Vice President - Plus and Touch Business Support Department (Research-Business Development and Consultant)
Miss Varangkana	Artkarasatapon	Vice President - Business Development (High Rise) and New Business Development Department
Mr. Ong-art	Suwannakul	Vice President - Project Management Department (High Rise 3)
Mrs. Jariya	Janjersak	Vice President - Product Development Department (High Rise)

Note : Information of directors and the management of the Company are explained in detail under the topic “Details on the Directors and the Management”

Company Secretary

The Board of Directors appointed Mr. Nopporn Boonthanom as the Company Secretary, became effective on 13 August 2008 with the principle duty and scope of responsibility as specified by The Securities and Exchange Acts (No.4) B.E. 2551. The Company Secretary takes responsibility in providing advices to the Board of Directors and Management regarding the applicable laws and regulations that they must recognise and act upon, as well as arranging the Board of Directors meeting, sub-committee meeting and the meeting of shareholders. In this regard, The Company Secretary also coordinates with all involved parties to ensure that all information is properly disclosed as regulated by related organisations, that activities of the Company conform to relevant laws, objectives, article of association, and that the Board of Directors and shareholders' resolutions are fully complied of information.

Profile and information about the Company Secretary listed below:

(As of 31 December 2015)

Name - Surname	Mr. Nopporn Boonthanom
Position	Company Secretary
Age	51 years
Education	Master of Law, Chulalongkorn University
Company Secretary Training Programme	Corporate Secretary Development Programme held by the Thai Listed Companies Association
% of Shares Held	0.06% (including the shares held by spouse and minor children)
Relationship with Director and Management	- None –
Working Experience	2005 - present General Counsel - Legal Office and Government Affairs Sansiri Public Company Limited

Remuneration of Directors and Management

The Compensation Committee will propose remuneration of the Company's directors and members of the Audit Committee, to the Board of Directors for approval. Then, the proposed remuneration shall be submitted for approval at the shareholders' meeting which is held on an annual basis.

(1) Monetary Remuneration

Remuneration of the Board of Directors consists of meeting allowances, special remuneration of Non-executive Directors and salary of the Audit Committee.

The monetary remuneration of each director in year 2015 is as follows:

Name		Meeting Allowances (Baht / Year)	Special Remuneration of Non-Executive Directors (Baht / Year)	Salary of the Audit Committee (Baht / Year)	Total Amount (Baht / Year)
Mr. Kovit	Poshyananda	240,000	2,000,000	-	2,240,000
Mr. Apichart	Chutrakul	240,000	-	-	240,000
Mr. Jesadavat	Priebjrivat	240,000	1,500,000	460,000	2,200,000
Mr. Srettha	Thavisin	240,000	-	-	240,000
Mr. Wanchak	Buranasiri	240,000	-	-	240,000
Mr. Kriengkrai	Thiennukul	240,000	1,500,000	-	1,740,000
Mr. Thongchai	Jira-alongkorn	240,000	1,500,000	-	1,740,000
Mr. Porntat	Amatavivadhana	240,000	1,500,000	-	1,740,000
Mr. Supanit	Chaiyawat	240,000	1,500,000	360,000	2,100,000
Mr. Kittichai	Raktakanit	100,000	-	150,000	250,000
Mr. Mana	Noppun	120,000	1,500,000	300,000	1,920,000
Total					14,650,000

Remark - Mr. Mana Noppun was resigned from his directorship since 22 June 2015

- Mr. Kittichai Raktakanit was appointed by the meeting of the Board of Directors No. 7/2015 held on 24 July 2015, as a director (independent director) in replacement of Mr. Mana Noppun who resigned from his position, effective from 24 July 2015 onwards.

Remuneration of the Company's Management Team

The total remuneration for the year 2015, comprising salary and bonus, paid to the Company's management, totaling 28 persons (including the managements who were resigned during the year) was 435.07 Million Baht.

(2) Other Remuneration

The Plan to issue and offer ESOP Warrants to Directors of the Company and its subsidiaries (ESOP Scheme)

The Company introduced the ESOP scheme with the purpose of motivating its directors and employees to participate in the Company as an owner, as well as improving the working morale and stimulating and encouraging employees to perform their best for the highest benefit of the Company. In addition, the ESOP scheme will be an incentive that helps retain employees with high capability and efficiency to work with the Company in the long term. In 2015, the issuance of the stock options under ESOP # 6 scheme was expired on 5 August 2015. As of the year ended 2015 there was ESOP scheme which is summarised as follows:

Details	ESOP # 7
Number of Warrants Offered	300,000,000 units
Offering Price	0 baht
Maturity	5 years from the issuance of warrant (from issuance date of 1 September 2015 to the date the Warrants reach the term of 31 August 2020)
Exercise Ratio	1 unit of warrant is entitled to purchase 1 ordinary share
Exercising Price	2.50 Baht per unit

Details	ESOP # 7
Exercise Period	<p>The warrant holders are entitled to exercise warrants once every calendar month on the last working day until the maturity of warrants subject to the following conditions:</p> <p><u>1st Year</u> : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 1st year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p><u>2nd Year</u> : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 2nd year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p><u>3rd Year</u> : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 3rd year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p><u>4th Year</u> : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 4th year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p><u>5th Year</u> : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p>

Any director of Sansiri Public Company Limited does not receive the allotment of the warrants ESOP # 7. And any Management/Employees were not entitled to receive the allotment of the warrants ESOP # 7 more than 5% of the total warrants issued under this plan.

Contributions to the Provident Fund

The Company had not paid any contributions to the provident funds of directors, except for directors who are employees of the Company, and the Management. In year 2015, the contributions for 28 persons (including the managements who were resigned during the year) were paid to their provident funds in an amount of 12.76 Million Baht.

Staff

The Company has total staff of 1,400 people (only Sansiri Public Company Limited, as of 31 December 2015). The Company's compensation to employees was 1,387.31 Million Baht including salary, bonus, provident fund, etc.

Human Resources Development

Sansiri realises that the competent staff working under the supportive environment is essential for achieving the business goal. Consequently, the Company has launched several programmes as follows:

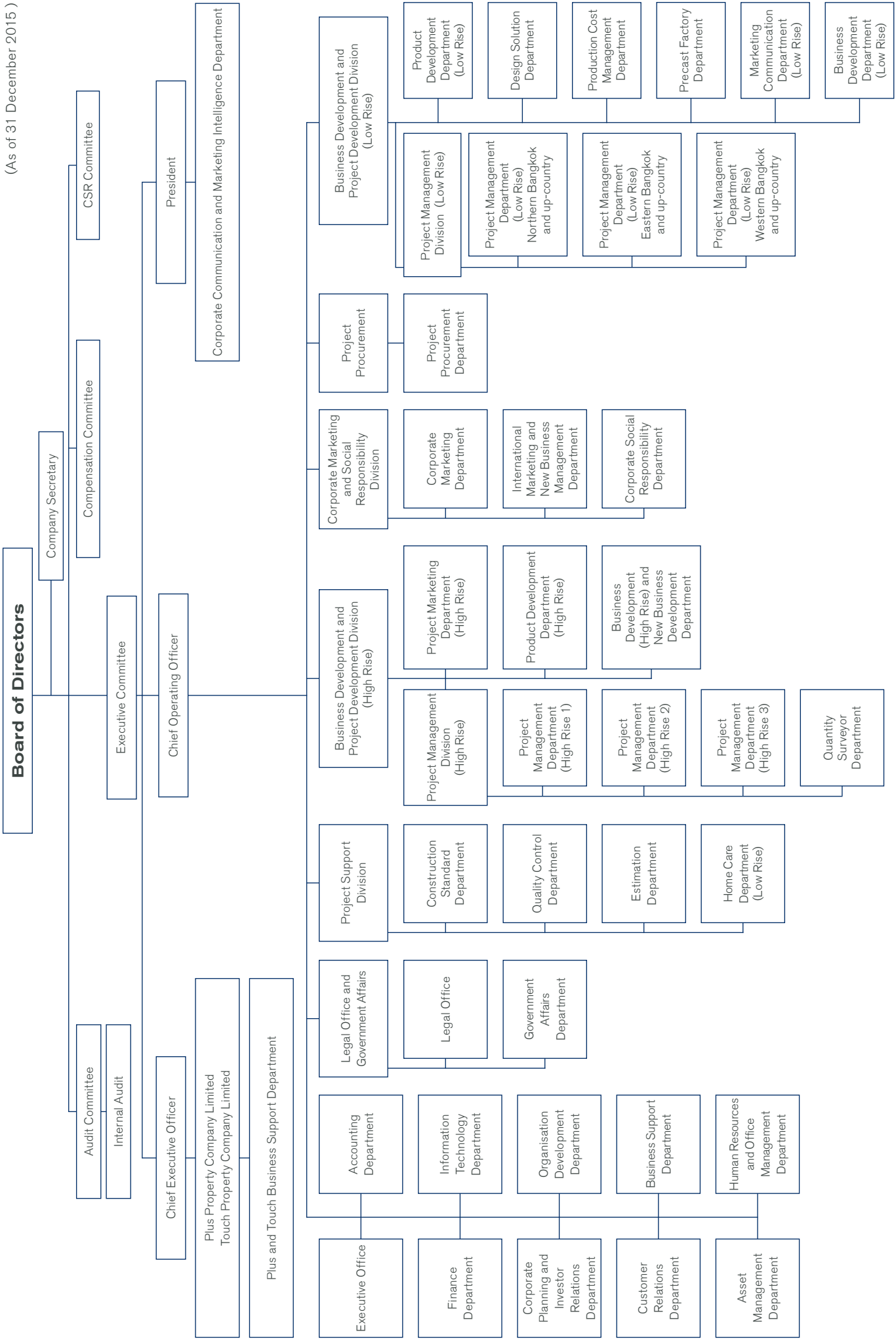
1. Evaluation system with well-defined Key Performance Indicators and detailed manual provided, to ensure that the evaluation process has been done efficiently with fairness and transparency.
2. Salary survey and salary structure revision, to ensure that the remuneration is fair, updated, and competitive with the industry.
3. Sansiri Leadership Programme (SLP), a training programme to support the staff of a high calibre, in which the staff will learn the procedures and strategies of the modern management, as well as leadership skills, in preparation to be the executives.
4. Employee survey, to evaluate the staff's participation in corporate culture and use the feedback for organisation improvement as well as proper implementation of organisational and human resources management, in both short-term and long-term.
5. Corporate culture, to ensure that the staff are proud of the Company, realise the importance of customers, always pay attention to detail of delivering quality housing units and services to customers, being service-minded and creative, and value the teamwork.
6. The Good Life activities, to promote Sansiri as a pleasant workplace with supportive teamwork and working environment, which encourages the staff to work happily with creativity, determination, and continuous improvement.
7. Seminars and excursions, to help improve skills and knowledge, to explore new visions, and to reward the staffs for their great services.
8. Competency-based management, to improve efficiency of staff by providing the training model and career development plan for each staff individually.
9. Training course on Quality Control, to educate the operating staff about the quality control processes and to instill the concept of attention to detail in the staff, to ensure that all property products and services are inspected prior to delivery to the customers.

10. Recreational activities, to encourage the staff to build good relations among the team and across the Company.
11. Sansiri Passport Project, a one-year mentor programme aiming not only to equip the new staff with the knowledge and skills necessary for a job but also to provide counsellor for both professional and personal matters, to ensure that the new staff will get supports and follow-up constantly.
12. Employee Branding Programme, to educate and create awareness among the staff of the importance of branding and the staff as a brand ambassador, by encouraging the staff to always impress the customers with good personality and service excellence.
13. Knowledge Management Project, to encourage learning of the staff by providing knowledge centre with a full range of availability from both internal and external knowledge and an easy accessibility to offer learning from anywhere at any time.
14. Mini MBA Programme, to equip the middle management with the managerial skills necessary for teamwork and human resources management, as well as the analytical thinking process to support the business expansion of the Company

ORGANISATION CHART

SANSIRI PUBLIC COMPANY LIMITED

(As of 31 December 2015)



DETAILS ON THE DIRECTORS AND MANAGEMENT

(As of 31 December 2015)

Mr. Kovit Poshyananda Chairman of the Board of Directors (Independent Director)	
Age	81 years
% of Shares Held in the Company	11,405,333 shares, equivalent to 0.08% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Ph.D. (Economics) Cornell University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)
Working Experience During The Past 5 Years	Present : Independent Director, Chairman of the Nomination and Remuneration Committee Bangkok Bank Public Company Limited Present : Independent Director, Chairman of the Audit Committee Shangri-La Hotel Public Company Limited Present : Vice Chairman Walailak University Present : Independent Director, Chairman of the Audit Committee Glow Energy Public Company Limited Present : Director The Office of the Council States of Thailand 1999 - 2015 : Independent Director, Chairman of the Audit Committee Furukawa Metal (Thailand) Company Limited 2007 - 2014 : The Expert on Finance Office of Insurance Commission
Illegal Record in the Last 10 Years	None

Mr. Apichart Chutrakul Vice - Chairman of the Board of Directors / Chairman of the Executive Committee / Authorised Director	
Age	55 years
% of Shares Held in the Company	140,059,496 shares, equivalent to 0.98% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration University of San Diego United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - None –
Working Experience During The Past 5 Years	Present : Chief Executive Officer Sansiri Public Company Limited Present : Member of the Central Land Development Sub-Commission Real Estate Business Promotion Bureau, Department of Lands 2009 - Present : Director NED Management Company Limited 2009 - Present : Director Touch Property Company Limited 2008 - Present : Director Plus Property Space Company Limited 2008 - Present : Director Plus Property Venture Company Limited 2006 - Present : Director Papanan Limited 2006 - Present : Director Pacific Challenge Holding Company Limited 2006 - Present : Director Red Lotus Properties Limited 2003 - Present : Director Arnawat Limited 2003 - Present : Director Piwattana Limited 2003 - Present : Director Satit Pattana Personnel Center Limited 2002 - Present : Director S.U.N. Management Company Limited 2002 - Present : Director Sansiri Venture Company Limited 2000 - Present : Director QT Lifestyle Limited (Previously named Sansiri Land Limited) 1998 - Present : Director Plus Property Company Limited 1990 - Present : Director Chanachai Limited 1990 - 2012 : Director Rojnaruemit Limited
Illegal Record in the Last 10 Years	None

Mr. Srettha Thavisin Director / Deputy Chairman of the Executive Committee / Chairman of the Corporate Social Responsibility Committee / Authorised Director	
Age	53 years
% of Shares Held in the Company	56,920,567 shares, equivalent to 0.40% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration (Finance) Claremont Graduate School United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - None –
Working Experience During The Past 5 Years	Present : President Sansiri Public Company Limited 2013 - Present : Director Papanan Limited 2010 - Present : Director S.U.N. Management Company Limited 2009 - Present : Director NED Management Company Limited 2008 - Present : Director Plus Property Space Company Limited 2008 - Present : Director Plus Property Venture Company Limited 2006 - Present : Director Sansiri Venture Company Limited 2006 - Present : Director Pacific Challenge Holding Company Limited 2006 - Present : Director Red Lotus Properties Limited 2003 - Present : Director Arnawat Limited 2003 - Present : Director Piwattana Limited 2003 - Present : Director Satit Pattana Personnel Center Limited 2000 - Present : Director QT Lifestyle Limited (Previously named Sansiri Land Limited) 1998 - Present : Director Plus Property Company Limited 1990 - Present : Director Chanachai Limited 1994 - 2012 : Director Rojnaruemit Limited
Illegal Record in the Last 10 Years	None

Mr. Wanchak Buranasiri Director / Member of the Executive Committee / Authorised Director	
Age	50 years
% of Shares Held in the Company	393,580,598 shares, equivalent to 2.76% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Engineering (Chemical Engineering) Imperial College of Science, Technology and Medicine University of London United Kingdom Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)
Working Experience During The Past 5 Years	Present : Chief Operating Officer Sansiri Public Company Limited 2009 - Present : Director NED Management Company Limited 2008 - Present : Director Plus Property Space Company Limited 2008 - Present : Director Plus Property Venture Company Limited 2007 - Present : Director Touch Property Company Limited 2006 - Present : Director Papanan Limited 2006 - Present : Director Pacific Challenge Holding Company Limited 2006 - Present : Director Red Lotus Properties Limited 2003 - Present : Director Arnawat Limited 2003 - Present : Director Piwattana Limited 2003 - Present : Director Satit Pattana Personnel Center Limited 2002 - Present : Director S.U.N. Management Company Limited 2002 - Present : Director Sansiri Venture Company Limited 2000 - Present : Director QT Lifestyle Limited (Previously named Sansiri Land Limited) 1998 - Present : Director Plus Property Company Limited 1993 - Present : Director Chanachai Limited 1994 - 2012 : Director Rojnaruemit Limited
Illegal Record in the Last 10 Years	None

Mr. Jesadavat Priebjrivat Director / Chairman of the Audit Committee / Chairman of the Compensation Committee / Members of the Corporate Social Responsibility Committee (Independent Director)	
Age	58 years
% of Shares Held in the Company	4,585,200 shares, equivalent to 0.03% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration New York University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP) - Director Certification Programme (DCP) - Audit Committee Programme (ACP) - Monitoring the System of Internal Control and Risk Management (MIR) - Monitoring the Internal Audit Function (MIA) - Monitoring the Quality of Financial Reporting (MRF) - Monitoring Fraud Risk Management (MFM) - Role of the Chairman Programme (RCP)
Working Experience During The Past 5 Years	2013 - Present : Independent Director Seamico Securities Public Company Limited 2010 - 2012 : Chief Financial Officer CAT Telecom Public Company Limited 2008 - 2011 : Director and Chairman of the Risk Management Committee Islamic Bank of Thailand
Illegal Record in the Last 10 Years	None

Mr. Kriengkrai Thiennukul Director	
Age	56 years
% of Shares Held in the Company	4,206,552 shares, equivalent to 0.03% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Arts in Economics Thammasat University Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Certification Programme (DCP) - Audit Committee Programme (ACP) Attended the Leadership Programme held by the Capital Market Academy Attended the Training Course held by the National Defense College Attended the Training Course : - Top Executive Programme in Commerce and Trade (TEPCoT6) - Thailand Energy Academy (TEA3) - Institute of Business and Industrial Development (ISID1) - National Justice Academy (NJA19)

Mr. Kriengkrai Thiennukul Director	
Working Experience During The Past 5 Years	Present : Vice Chairman The Federation of Thai Industries Present : Chief Executive Officer New Waitek Company Limited Present : Executive Director Prestige Direct Marketing Company Limited Present : Chairman Thai - Russian Business Council Present : Executive Director Media Shaker Company Limited Present : Executive Director Bangkok Binding Company Limited 2009 - Present : Member of The Board The Thammasat Economics Association 2012 - 2014 : Secretary Suankularb College Alumni Association under the Royal Patronage 2010 - 2013 : Independent Director PTT Global Chemical Public Company Limited 2008 - 2010 : Deputy Secretary The Federation of Thai Industries 2008 - 2010 : Member of the Board Thailand Institute of Scientific and Technological Research (TISTR) 2006 - 2010 : Chairman The Printing and Paper Packing Industry Club (F.T.I.) 2006 - 2010 : Advisor Committee Checks and Follow Work Police Administration Bangrak Metro Police
Illegal Record in the Last 10 Years	None

Mr. Thongchai Jira-alongkorn Director	
Age	57 years
% of Shares Held in the Company	3,169,802 shares, equivalent to 0.02% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Business Administration Bangkok University Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)
Working Experience During The Past 5 Years	2009 - Present : Deputy Managing Director Viriyah Insurance Company Limited 1997 - Present : Managing Director Viriyah International Broker Company Limited 1996 - Present : Committee and Managing Director Thonburi Automotive Commercial Company Limited 1994 - Present : Committee and Managing Director Thonburi Panich Leasing Company Limited 1987 - Present : General Manager Viriyah Leasing Company Limited
Illegal Record in the Last 10 Years	None

Mr. Porntat Amatavivadhana Director / Member of the Compensation Committee / Members of the Corporate Social Responsibility Committee (Independent Director)	
Age	46 years
% of Shares Held in the Company	4,755,000 shares, equivalent to 0.03% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Science in Management Boston University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP) - Audit Committee Programme (ACP) - Director Certification Programme (DCP)
Working Experience During The Past 5 Years	2012 - Present : Director Beyond Green Company Limited 2008 - Present : Director Eurotech Engineering International Company Limited 2007 - Present : Chief Executive Officer Infinite Capital Company Limited 2008 - 2011 : Director K-Tech Construction Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Supanit Chaiyawat Director / Member of the Audit Committee (Independent Director)	
Age	55 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration University of Pittsburgh United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Certification Programme (DCP)
Working Experience During The Past 5 Years	2011 - present : Chief Executive Officer Hilco Global Asia Limited 1998 - present : Managing Director Prabhavas Co., Ltd.
Illegal Record in the Last 10 Years	None

Mr. Kittichai Raktakanit Director / Member of the Audit Committee / Members of the Corporate Social Responsibility Committee (Independent Director)	
Age	55 years
% of Shares Held in the Company	39,448 shares, equivalent to 0.00% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Business Administration Indiana State University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Certification Programme (DCP) - Audit Committee Programme (ACP) Attended the Joint State-Private Sector Course 26 held by the National Defense College
Working Experience During The Past 5 Years	2015 - Present : Director and Executive Director Mainstay Property Solutions Co., Ltd. 2012 - Present : President L-Green Solution Co., Ltd. 2011 - Present : Director Department of Public works and Town & Country Planning 2011 - Present : Director and Chairman of the Executive Director L-Elevator and Engineering Co., Ltd. 2010 - Present : Senior Vice President Loxley Public Company Limited 2000 - Present : Director Filatex Planner Co., Ltd. 1997 - Present : Director Thai Filatex Public Company Limited 1999 - 2014 : Director Duang Tawan Quarry Co., Ltd. 1999 - 2013 : Director Prinda Public Company Limited 1999 - 2010 : Director Pongtawin Quarry Co., Ltd.
Illegal Record in the Last 10 Years	None

Mr. Thalin Aeimtitiwat Member of the Executive Committee / Secretary to the Audit Committee	
Age	54 years
% of Shares Held in the Company	22,666,600 shares, equivalent to 0.16% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Western Michigan University United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)
Working Experience During The Past 5 Years	Present : Senior Executive Vice President - Accounting Department Sansiri Public Company Limited 2008 - Present : Director Sansiri Venture Company Limited 2006 - Present : Director Red Lotus Properties Limited 2003 - Present : Director Arnawat Limited 2003 - Present : Director Piwattana Limited 2000 - Present : Director Chanachai Limited 2003 - 2009 : Director Satit Pattana Personnel Center Limited
Illegal Record in the Last 10 Years	None

Mr. Uthai Uthaisangsuk Member of the Executive Committee	
Age	47 years
% of Shares Held in the Company	20,174,118 shares, equivalent to 0.14% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Middle Tennessee State University United States

Mr. Uthai Uthaisangsuk Member of the Executive Committee	
Working Experience During The Past 5 Years	Present : Senior Executive Vice President - Business Development and Project Development Division (High Rise) : Senior Executive Vice President - Corporate Marketing and Corporate Social Responsibility Division : Senior Executive Vice President - Project Procurement Sansiri Public Company Limited 2015 - Present : Director Plus Property Company Limited 2015 - Present : Director BTS Sansiri Holding Twelve Limited 2015 - Present : Director BTS Sansiri Holding Eleven Limited 2015 - Present : Director Nuvo Line Agency Limited 2015 - Present : Director BTS Sansiri Holding Nine Limited 2015 - Present : Director BTS Sansiri Holding Eight Limited 2015 - Present : Director BTS Sansiri Holding Seven Limited 2015 - Present : Director BTS Sansiri Holding Six Limited 2015 - Present : Director BTS Sansiri Holding Five Limited 2015 - Present : Director BTS Sansiri Holding Four Limited 2015 - Present : Director BTS Sansiri Holding Three Limited 2015 - Present : Director BTS Sansiri Holding Two Limited 2014 - Present : Director BTS Sansiri Holding One Limited 2011 - Present : Director Papanan Limited 2009 - Present : Director NED Management Company Limited 2009 - Present : Director Satit Pattana Personnel Center Limited 2008 - Present : Director Sansiri Venture Company Limited 2006 - Present : Director Red Lotus Properties Limited 2006 - Present : Director Arnawat Limited 2547 - Present : Director Sansiri Land Limited 2547 - Present : Director S.U.N. Management Company Limited
Illegal Record in the Last 10 Years	None

Mr. Metha Angwatanapanich Member of the Executive Committee	
Age	48 years
% of Shares Held in the Company	7,000,092 shares, equivalent to 0.05% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration National Institute of Development Administration (NIDA) Attended the Leadership Programme (Class 14) Capital Market Academy Attended National Defense Joint Public/Private Sector Course (Class 55) National Defence College
Working Experience During The Past 5 Years	Present : Senior Executive Vice President - Business Development and Project Development Division (Low Rise) Sansiri Public Company Limited 2011 - Present : Director Papanan Limited 2009 - Present : Director Piwattana Limited 2009 - Present : Director Arnawat Limited
Illegal Record in the Last 10 Years	None

Mr. Nopporn Boonthanom Member of the Executive Committee / Company Secretary	
Age	51 years
% of Shares Held in the Company	8,536,220 shares, equivalent to 0.06% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Law Chulalongkorn University Attended the following Training Course held by the Thai Institute of Directors Association (IOD) : - Director Accreditation Programme (DAP)

Mr. Nopporn Boonthanom Member of the Executive Committee / Company Secretary	
Working Experience During The Past 5 Years	Present : General Counsel - Legal Office and Government Affairs Sansiri Public Company Limited 2015 - Present : Director BTS Sansiri Holding Twelve Limited 2015 - Present : Director BTS Sansiri Holding Eleven Limited 2015 - Present : Director Nuvo Line Agency Limited 2015 - Present : Director BTS Sansiri Holding Nine Limited 2015 - Present : Director BTS Sansiri Holding Eight Limited 2015 - Present : Director BTS Sansiri Holding Seven Limited 2015 - Present : Director BTS Sansiri Holding Six Limited 2015 - Present : Director BTS Sansiri Holding Five Limited 2015 - Present : Director BTS Sansiri Holding Four Limited 2015 - Present : Director BTS Sansiri Holding Three Limited 2015 - Present : Director BTS Sansiri Holding Two Limited 2014 - Present : Director BTS Sansiri Holding One Limited 2010 - Present : Director S.U.N. Management Company Limited 2009 - Present : Director NED Management Company Limited 2008 - Present : Director Sansiri Venture Company Limited 2006 - Present : Director Red Lotus Properties Limited 2003 - Present : Director Arnawat Limited 2003 - Present : Director Piwattana Limited 2003 - Present : Director Satit Pattana Personnel Center Limited 2000 - Present : Director Chanachai Limited
Illegal Record in the Last 10 Years	None

Mr. Manu Trakulwattanakit Member of the Executive Committee	
Age	55 years
% of Shares Held in the Company	533,636 shares, equivalent to 0.00% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration National Institute of Development Administration (NIDA)
Working Experience During The Past 5 Years	Present : Executive Vice President - Project Management Department (Low Rise) - Northern Bangkok and up-country : Executive Vice President - Product Development Department (Low Rise) : Executive Vice President - Production Cost Management Department : Executive Vice President - Design Solution Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Suriya Wannabuit Member of the Executive Committee	
Age	45 years
% of Shares Held in the Company	2,800,800 shares, equivalent to 0.02% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Chulalongkorn University
Working Experience During The Past 5 Years	Present : Executive Vice President - Project Management Department (Low Rise) - Western Bangkok and up-country : Executive Vice President - Precast Factory Sansiri Public Company Limited 2008 - 2010 : Managing Director Piwattana Limited 2008 - 2010 : Managing Director Arnawat Limited
Illegal Record in the Last 10 Years	None

Mr. Somchai Charntanawet Member of the Executive Committee	
Age	55 years
% of Shares Held in the Company	1,213,420 shares, equivalent to 0.01% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Chulalongkorn University Attended the Leadership Programme (Class 18) Capital Market Academy
Working Experience During The Past 5 Years	Present : Executive Vice President - Finance and Information Technology Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr.Poomipak Julmanichoti Member of the Executive Committee	
Age	40 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration (Corporate Finance) University of Miami - Coral Gables, Florida United States
Working Experience During The Past 5 Years	2013 - Present : Managing Director Plus Property Company Limited 2013 - Present : Managing Director Touch Property Company Limited 2011 - 2013 : Senior Executive Vice President Plus Property Company Limited 2011 - 2013 : Senior Executive Vice President Touch Property Company Limited 2005 - 2010 : Vice President - New Business Development Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Miss Natthaluck Sakulpoonyapond Member of the Executive Committee / Secretary to the Executive Committee	
Age	56 years
% of Shares Held in the Company	428,799 shares, equivalent to 0.00% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Science in Human Resources and Organisation Development National Institute of Development Administration (NIDA)
Working Experience During The Past 5 Years	Present : Senior Vice President - Customer Relations Department Senior Vice President - Business Support Department Senior Vice President - Asset Management Department Senior Vice President - Human Resources and Office Management Department Sansiri Public Company Limited 2014 - Present : Director QEW (Thailand) Company Limited
Illegal Record in the Last 10 Years	None

Miss Vilasinee Dejamornthan Executive Vice President - Project Management Department (Low Rise) - Eastern Bangkok and up-country /Executive Vice President - Marketing Communication Department (Low Rise)	
Age	44 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Assumption University
Working Experience During The Past 5 Years	Present : Executive Vice President - Project Management Department (Low Rise) - Eastern Bangkok and up-country : Executive Vice President - Marketing Communication Department (Low Rise) Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Tasanin Maha-amataytibodee Executive Vice President - Project Support Division	
Age	52 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Architecture King Mongkut's Institute of Technology Ladkrabang
Working Experience During The Past 5 Years	Present : Executive Vice President - Project Support Division Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Chookiat Joomthong Senior Vice President - Government Affairs Department	
Age	48 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Law Thammasat University
Working Experience During The Past 5 Years	Present : Senior Vice President - Government Affairs Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Supol Sombathwichathon Senior Vice President - Quality Control and Estimation Department	
Age	56 years
% of Shares Held in the Company	5,600,000 shares, equivalent to 0.04% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Executive Master of Business Administration (XMBA) Thammasat University
Working Experience During The Past 5 Years	Present : Senior Vice President - Quality Control and Estimation Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Apisit Srisakulpong Senior Vice President - Project Management Department (High Rise 1) and Quantity Surveyor Department	
Age	50 years
% of Shares Held in the Company	1,602,506 shares, equivalent to 0.01% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Chulalongkorn University
Working Experience During The Past 5 Years	Present : Senior Vice President - Project Management Department (High Rise 1) Senior Vice President - Quantity Surveyor Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mrs. Sirindra Mongkolnavin Senior Vice President - Investor Relations and Organisation Development Department	
Age	43 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Tepper School of Business Carnegie Mellon University United States
Working Experience During The Past 5 Years	Present : Senior Vice President - Investor Relations Department and Organisation Development Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Piti Jarukamjorn Senior Vice President - Project Management Department (High Rise 2)	
Age	38 years
% of Shares Held in the Company	7 12,528 shares, equivalent to 0.00% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Engineering (Construction Management) North Carolina State University United States
Working Experience During The Past 5 Years	Present : Senior Vice President - Project Management Department (High Rise 2) Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Samatcha Promsiri Vice President - Corporate Communication and Marketing Intelligence Department	
Age	42 years
% of Shares Held in the Company	2,492,874 shares, equivalent to 0.02% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Arts (International Relations) University of Nottingham United Kingdom Master of Arts (International Political Economy) University of Warwick United Kingdom
Working Experience During The Past 5 Years	Present : Vice President - Corporate Communication and Marketing Intelligence Department Sansiri Public Company Limited 2014 - Present : Director QEW (Thailand) Company Limited
Illegal Record in the Last 10 Years	None

Mr. Prasert Trakranvachirahut Vice President - Project Procurement Department	
Age	43 years
% of Shares Held in the Company	1,321,000 shares, equivalent to 0.01% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration National Institute of Development Administration (NIDA)
Working Experience During The Past 5 Years	Present : Vice President - Project Procurement Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Miss Suwannee Mahanarongchai Vice President - Plus and Touch Business Support Department (Research-Business Development and Consultant)	
Age	40 years
% of Shares Held in the Company	3,200,000 shares, equivalent to 0.02% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration (Finance) Assumption University
Working Experience During The Past 5 Years	Present : Vice President - Plus and Touch Business Support Department (Research-Business Development and Consultant) Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Miss Varangkana Artkarasatapon Vice President - Business Development (High Rise) and New Business Development Department	
Age	37 years
% of Shares Held in the Company	2,709,395 shares, equivalent to 0.02% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration (Innovation in Management) Mahidol University
Working Experience During The Past 5 Years	Present : Vice President - Business Development (High Rise) and New Business Development Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Ong-art Suwannakul Vice President - Project Management Department (High Rise 3)	
Age	38 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration (Management) Srinakharinwirot University
Working Experience During The Past 5 Years	Present : Vice President - Project Management Department (High Rise 3) Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mrs. Jariya Janjertsak Vice President - Product Development Department (High Rise)	
Age	46 years
% of Shares Held in the Company	2,689,866 shares, equivalent to 0.02% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration (General Management) National Institute of Development Administration (NIDA)
Working Experience During The Past 5 Years	Present : Vice President - Product Development Department (High Rise) Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

DETAILS ON THE MANAGEMENT OF THE SUBSIDIARIES OR RELATED COMPANIES

(As of 1 March 2016)

Name		Subsidiaries																Joint Venture Companies with BTS Group Holding PCL. (50:50)
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
	Sansiri PCL.	Chanachai Limited	Arnawat Limited	Piwattana Limited	Red Lotus Properties Limited	Sansiri Venture Co.,Ltd.	S,U,N Management Co.,Ltd.	Papanan Limited	Plus Property Co.,Ltd.	Plus Property Space Co.,Ltd.	NED Management Co., Ltd.	Satit Pattana Personnel Center Limited	Sir Wattana Holding Limited	Pacific Challenge Holding Co.,Ltd.	QT Lifestyle Limited	Touch Property Co.,Ltd.	QEW (Thailand) Co., Ltd.	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12 and BS14
1	Mr. Kovit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Mr. Apichart	D	D	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-
3	Mr. Srethha	D	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-	-
4	Mr. Wanchak	D	D	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-
5	Mr. Jasadavat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Mr. Kriengkrai	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Mr. Thongchai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Mr. Pornrat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Mr. Supanit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Mr. Kittichai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Mr. Thalin	D	D	D	D	D	D	-	-	-	-	-	-	-	-	-	-	-
12	Mr. Uthai	-	D	-	D	D	D	D	D	-	D	D	D	-	D	-	-	D

NoteX = Chairman of the Board

XO = Chairman of the Audit Committee

D = Director

O = Member of the Audit Committee

BS1 = BTS Sansiri Holding One Limited

BS2 = BTS Sansiri Holding Two Limited

BS3 = BTS Sansiri Holding Three Limited

BS4 = BTS Sansiri Holding Four Limited

BS5 = BTS Sansiri Holding Five Limited

BS6 = BTS Sansiri Holding Six Limited

BS7 = BTS Sansiri Holding Seven Limited

BS8 = BTS Sansiri Holding Eight Limited

BS9 = BTS Sansiri Holding Nine Limited

NV = Nuvo Line Agency Co., Ltd.

BS11 = BTS Sansiri Holding Eleven Limited

BS12 = BTS Sansiri Holding Twelve Limited

BS14 = BTS Sansiri Holding Fourteen Limited

DETAILS ON THE MANAGEMENT OF THE SUBSIDIARIES OR RELATED COMPANIES (CONTINUED)

(As of 1 March 2016)

Name		Subsidiaries																Joint Venture Companies with BTS Group Holding PCL. (50:50)
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Name	Sansiri PCL.	Chanachai Limited	Arnawat Limited	Piwattana Limited	Red Lotus Properties Limited	Sansiri Venture Co.,Ltd.	S.U.N Management Co.,Ltd.	Papanan Limited	Plus Property Co.,Ltd.	Plus Property Space Co.,Ltd.	NED Management Co., Ltd.	Satit Pattana Personnel Center Limited	Sir Wattana Holding Limited	Pacific Challenge Holding Co.,Ltd.	QT Lifestyle Limited	Touch Property Co.,Ltd.	QEW (Thailand) Co., Ltd.	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12 and BS14
	-	-	D	-	-	-	D	-	-	-	-	-	-	-	-	-	-	-
	-	D	D	D	D	D	D	-	-	-	D	D	D	-	-	-	-	D
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	D	-	D	D	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Mr. Metha	Angwatanapanich	-	-	-	-	-	D	-	-	-	-	-	-	-	-	-	-
14	Mr. Noppom	Boonthanom	D	D	D	D	D	-	-	-	D	D	D	-	-	-	-	D
15	Mr. Manu	Trakulwattanakit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Mr. Suriya	Wannabuit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Mr. Somchai	Charntanawet	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Mr. Poomipak	Julmanichoti	-	-	-	-	-	-	-	D	-	D	-	-	-	-	-	-
19	Miss Natthaluck	Sakulpoonyapond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-
20	Miss Vilasinee	Dejamornthan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Mr. Tasanin	Maha-amatayattibodee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Mr. Chookiat	Joomthong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note

X = Chairman of the Board

XO = Chairman of the Audit Committee

D = Director

O = Member of the Audit Committee

BS1 = BTS Sansiri Holding One Limited

BS2 = BTS Sansiri Holding Two Limited

BS3 = BTS Sansiri Holding Three Limited

BS4 = BTS Sansiri Holding Four Limited

BS5 = BTS Sansiri Holding Five Limited

BS6 = BTS Sansiri Holding Six Limited

BS7 = BTS Sansiri Holding Seven Limited

BS8 = BTS Sansiri Holding Eight Limited

BS9 = BTS Sansiri Holding Nine Limited

NV = Nuvo Line Agency Co., Ltd.

BS11 = BTS Sansiri Holding Eleven Limited

BS12 = BTS Sansiri Holding Twelve Limited

BS14 = BTS Sansiri Holding Fourteen Limited

DETAILS ON THE MANAGEMENT OF THE SUBSIDIARIES OR RELATED COMPANIES (CONTINUED)

(As of 1 March 2016)

Name		Subsidiaries																Joint Venture Companies with BTS Group Holding PCL. (50-50)	
		Sansiri PCL.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		16
			Chanachai Limited	Arnawat Limited	Piwattana Limited	Red Lotus Properties Limited	Sansiri Venture Co.,Ltd.	S.U.N Management Co.,Ltd.	Papanan Limited	Plus Property Co.,Ltd.	Plus Property Space Co.,Ltd.	NED Management Co., Ltd.	Satit Pattana Personnel Center Limited	Sir Wattana Holding Limited	Pacific Challenge Holding Co.,Ltd.	QT Lifestyle Limited	Touch Property Co.,Ltd.		QEW (Thailand) Co., Ltd.
23	Mr. Supol	Sombathwichathon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12 and BS14
24	Mr. Apisit	Srisakulpong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Mrs. Sirindra	Mongkolhavin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Mr. Piti	Jarukamjorn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Mr. Samatcha	Promsiri	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-
28	Mr. Prasert	Trakranvachirahut	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Miss Suwannee	Mahanarongchai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Miss Varangkana	Artkarasatapon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Mr. Ong-art	Suwannakul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Mrs. Jariya	Janjedsak	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<div>Note<div>X = Chairman of the Board</div><div>XO = Chairman of the Audit Committee</div><div>D = Director</div><div>O = Member of the Audit Committee</div><div>BS1 = BTS Sansiri Holding One Limited</div><div>BS2 = BTS Sansiri Holding Two Limited</div><div>BS3 = BTS Sansiri Holding Three Limited</div><div>BS4 = BTS Sansiri Holding Four Limited</div><div>BS5 = BTS Sansiri Holding Five Limited</div><div>BS6 = BTS Sansiri Holding Six Limited</div><div>BS7 = BTS Sansiri Holding Seven Limited</div><div>BS8 = BTS Sansiri Holding Eight Limited</div><div>BS9 = BTS Sansiri Holding Nine Limited</div><div>NV = Nuvo Line Agency Co., Ltd.</div><div>BS11 = BTS Sansiri Holding Eleven Limited</div><div>BS12 = BTS Sansiri Holding Twelve Limited</div><div>BS14 = BTS Sansiri Holding Fourteen Limited</div></div>																			

Name		Subsidiaries															
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Mr. Apichart	Chutrakul	D	D	D	D	D	D	D	D	D	D	D	D	D	D	QEW (Thailand) Co., Ltd.
2	Mr. Sreetha	Thavisin	D	D	D	D	D	D	D	D	D	D	D	D	D	-	Touch Property Co.,Ltd.
3	Mr. Wanchak	Buranasiri	D	D	D	D	D	D	D	D	D	D	D	D	D	D	-
4	Mr. Thalin	Aeimtiwat	D	D	D	D	D	-	-	-	-	-	-	-	-	-	-
5	Mr. Nopporn	Boonthanom	D	D	D	D	D	-	-	-	D	D	D	-	-	-	-
6	Mr. Uthai	Uthaisangskul	-	D	D	D	D	-	D	-	D	D	D	-	D	-	-
7	Mr. Metha	Angwatanapanich	-	D	-	-	-	D	-	-	-	-	-	-	-	-	-
8	Mrs. Ob-oom	Chutrakul	-	-	-	-	-	-	-	-	-	-	-	-	D	-	D
9	Mr. Poomipak	Julmanichoti	-	-	-	-	-	-	D	-	D	D	-	-	-	-	-
10	Mrs. Nirada	Wongananitkul	-	-	-	-	-	-	-	-	D	D	-	-	-	-	-
11	Mr. Chan	Sirirat	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-
12	Mr. Jirayu	Archacharoensuk	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-
13	Miss Natthaluck	Sakulpoonyapond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D
14	Mr. Samatcha	Promsiri	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D
15	Miss Viwan	Karnasut	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D
16	Mr. Choangravee	Karnasut	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D

Note

D = Director

CORPORATE GOVERNANCE

Corporate Governance Policy and Compliance with Good Corporate Governance

The Company is aware of the significance of operating its business with the good corporate governance as well as supporting the responsibility for one's position through transparency and enhances corporate competitiveness as a means to preserving capital and adding value to shareholders' equity in the long term. Corporate governance is a code of business ethics that protects various interested parties and society as a whole, which is a crucial part of the sustainability.

Regarding the compliance with principles and guidelines set forth by The Stock Exchange of Thailand, the Company is herewith explained as follows:

Rights of Shareholders

To increase transparency, competitive advantage and the confidence of shareholders, investors and all stakeholders of the Company, the Board of Directors has set a guideline for protection of fundamental rights of shareholders (such as the rights to trade and transfer shares, to receive dividend from profits of the Company, to receive sufficient news and information from the Company, to attend and exercise their voting rights in the shareholders' meeting, etc.) including the following principles:

- (a) The Company provides information about the shareholders' meeting by sending the invitation letter along with the meeting agenda within sufficient timeframe (14 days prior to the meeting date). The invitation letter and the meeting agenda contain details of the meeting including date, time, venue, agenda of the meeting and other necessary information required for decision making process together with comments from directors for each agenda, and proxy form for shareholders who are unable to attend the meeting, etc. Furthermore, the Company also advertises these information on the Company's website before sending documents to shareholders.
- (b) The Chairman of the meeting allocates sufficient and appropriate time and facilitates the meeting according to the agenda. During the meeting, the Chairman allows shareholders to freely express their opinions and raise their questions in relation to the Company's business.
- (c) The Chairman of the Board, the Chairman of the sub-committee, and all directors (unless with reasonable cause) are to attend the meeting and answer the questions from shareholders.
- (d) The Company operates business with efficiency, transparency, accountability, and sufficient information disclosure for the utmost benefits of shareholders and stakeholders.

Equitable Treatment of Shareholders

General Rights

The Company realises its duty to protect the rights and benefits of shareholders and to place importance on fair and equal treatment of all shareholders. It is the Company's policy to disclose information with respect to business operation with accuracy and transparency, including any issues that could impact the Company's business and the rights in which shareholders are entitled to, such as shareholders' participation in the shareholders' meeting to exercise their voting rights, the rights to receive dividend, or the rights to approve a decrease or an increase of capital, etc.

The Shareholders' Meeting

The Company has established the policy to hold the shareholders' meeting in accordance with applicable laws and regulations of The Stock Exchange of Thailand, including sending invitation letter and the meeting agenda to shareholders prior to the meeting, taking the minutes of the meeting, and also facilitating shareholders at the shareholders' meetings.

- Prior to the Meeting

In 2015, the Company held the shareholders' meeting for 1 time, i.e. an Annual General Meeting of Shareholders held on 29 April 2015. The Company sent the invitation letter along with the meeting agenda to shareholders no less than 14 days prior to the meeting date. To provide shareholders an opportunity to study the key information of the meeting before receiving documents, the Company also publicised such information on the Company's website for approximately 30 days prior to the meeting date and had informed The Stock Exchange of Thailand of such broadcasting.

For the Annual General Meeting, the Company has provided shareholders with the following information to help them make decisions:

- Facts and rationale along with the opinion of the Board of Directors for each agenda
- Key information such as the biography of the person being appointed as a director (for the agenda to appoint the new director as a replacement for the director who retired upon completion of their terms), details of remuneration of directors and sub-committee, etc.
- Proxy of shareholders in which the Company has provided an alternative for shareholders to propose at least one independent director to be their proxy to attend the meeting and to vote, in case that the shareholder is unable to attend the meeting

The Company realises the importance of the shareholder's rights to access the Company's information. At present the Company has the policy to better provide key information for the shareholders' meeting with more details of the important agenda to be considered, reasons for necessity, the positive and negative impacts of that agenda.

Furthermore, the Company has facilitated shareholders and their proxy at each shareholders' meeting by using the barcode registration system and the voting form for each agenda.

- During the Meeting

In the shareholders' meeting held in 2015, the Chairman of the Board of Directors acted as Chairman of the meeting with the Chairman of the sub-committee and directors of the Company attended the meeting (the names were shown in the minutes of the meeting) to report or to answer to any questions from shareholders. Before proceeding with the meeting agenda, the Chairman explained to the meeting the procedure of voting for each agenda and informed the meeting of the voting result after completing the consideration of each agenda.

The Company conducted the meeting according to the agenda stated in the invitation letter, and allowed shareholders to vote for the new director according to the agenda to appoint the new director. Furthermore, the Company holds on to the principle in which to give shareholders an opportunity to study the information before making decision, and the Company will not add any agenda without informing shareholders in advance.

During the meeting, the Chairman gave equal opportunity to shareholders to examine the Company's business operations, to ask questions, and to express their opinions and suggestions. Every shareholder, minor and major shareholders, all received the same and equal information about the Company's business operations and financial information, including equal rights to receive dividend.

- After the Meeting

The Company has taken the minutes of the meeting with accuracy and completeness. Voting result of each agenda, issues or questions that were raised in the meeting, and opinions or suggestions from shareholders were also included in the minutes of the meeting. The minutes of the shareholders' meeting held in 2015 were submitted to The Stock Exchange of Thailand within 14 days after the meeting date, and also were publicised on the Company's website, www.sansiri.com, for future reference and examination by the shareholders.

Roles of Stakeholders

The Company places importance on all groups of its stakeholders regardless of whether they are internal stakeholders such as employees and the management of the Company and its subsidiaries, or external stakeholders such as shareholders, customers, competitors, and creditors. The Company is fully aware that supports from all stakeholders will enable the Company to build the competitive advantage and create profits, which is the long term success of the Company.

For such purpose, the Company provides fair, transparent, and timely disclosure of the key information to ensure that all stakeholders are treated equally.

Shareholders

The Company aims to ensure that shareholders receive appropriate returns on their investment by delivering solid business operation results and continuing business development. The Company also implements an effective and efficient internal control system to ensure that the benefits of the Company and the shareholders are well-protected.

Customers

The Company recognises the importance of customers and therefore, determines to create customer satisfaction appropriately by offering high quality products and services in response to the customers' needs.

Employees

The Company recruits and retains high potential and experienced employees with determination to continuously develop and increase skills of employees as well as to encourage employees to be successful and feel secure in their profession. The Company treats every employee equally, provides employees with reasonable welfares and other benefits such as provident fund, health and life insurance, etc.

Management

The Company realises that the management is one of the key success factors, and therefore, has arranged for an appropriate remuneration of the management.

Creditors and Business Partners

The Company operates and deals business with its creditors and all groups of its trade partners on principles of fairness and ethical manners by complying with the laws and regulations and on the agreed terms and conditions.

Competitors

The Company treats its competitors fairly and does not seek for any information of the competitors dishonestly.

Responsibility to the Community, Society, and Environment

The Company operates its business based on responsibility, care, and concerns to the overall community, society, and the environment, and also complies with all relevant laws and regulations.

Information Disclosure and Transparency

The Company places importance on the disclosure of information with accuracy, completeness, transparency and equality for financial statements and general information, and also other information that would impact the Company's share price. To ensure that investors and all other related parties have free access to the information, the Company publicises the information through different media channels such as website of The Stock Exchange of Thailand, Form 56-1, Annual Reports, and at the Annual General Meeting of shareholders.

In addition, the Company's information which has been reported to The Stock Exchange of Thailand, shareholders and investors, will be publicised in both Thai and English language on the Company's website www.sansiri.com. This is another communication channel which is very timely and provides an easy access to the users. The Company has set up the Investor Relations Office to be responsible for the communication and provision of the Company's information and activities for shareholders, analysts and other investors, fairly and equally. The role of the Investor Relations Office also refers to creating and maintaining positive image and attitude, and confidence among analysts and investors. Investors or any interest parties can contact the Investor Relations Office at the telephone number (662) 201-3905 or at the e-mail address: IR@sansiri.com.

The key information of the Company consists of financial statements and other non-financial information in accordance with the regulations of The Securities and Exchange Commission, and The Stock Exchange of Thailand. The Company's financial statements which have been reported to The Stock Exchange of Thailand, were verified and examined by the Company's auditor and were approved by the Board of Directors, who is responsible for the consolidated financial statements of the Company and its subsidiaries and the financial information that appears in the Annual Report. The financial statements are prepared according to accounting principles generally accepted in Thailand with proper accounting policies and estimation. The aforementioned statements disclose all significant information related to them in the Notes to the Financial Statements. Furthermore, the Board of Directors has instituted an effective system of internal controls to ensure with reasonable certainty that all accounts are accurate, complete, and adequate for the purpose of maintaining the Company's assets. They must also identify weak points vulnerable to significant occurrences of fraud and dishonest business practices.

For this reason, the Board of Directors has appointed the Audit Committee consisting of non-executive directors to examine the quality of the Company's financial reports and system of internal controls. Their opinions in this regard are compiled in the Report of the Audit Committee, which appears in the Annual Report and Form 56-1.

Responsibility of the Board of Directors

(1) Role, Duty, and Responsibility of the Board of Directors

The Board of Directors has the obligation and responsibility to perform its duty in accordance with laws, objectives, regulations, code of conducts, and resolutions of the shareholders' meeting, as well as to consider and approve the Company's policy and management direction, financial target, and annual budgets. The Board of Directors also oversees and monitors to ensure that business operations are managed effectively and according to the Company's policy for the utmost benefits of shareholders under ethical standards with honesty and carefulness.

Business Ethics

The Board of Directors has clear policies on business ethics, which have been communicated to the management and employees on a regular basis. All concerned individuals are expected to adopt these policies and implement them with integrity, honesty, and fairness in their dealings with the Company, involved parties, the public, and society. Interactions between individuals concerned and other parties are constantly monitored. The Company has compiled and published a code of professional ethics for staff and specified penalties for violating the aforementioned code.

Conflicts of Interest

To prevent conflicts of interest, the Board of Directors carefully reviews any item that could be construed as a conflict of interest, and to establish written policies and procedures for the authorisation of transactions between related parties. The Article of Association of the Company and its subsidiaries were revised to stipulate that if there is any transaction between the Company and its subsidiaries, or the sale and acquisition of the Company's and its subsidiaries' assets, all transactions must be complied with guidelines by The Stock Exchange of Thailand regarding the inter-related transaction.

The Board of Directors is aware of each incidence of a potential conflict of interest or inter-related transaction and considers the appropriateness of each occurrence. The Company complies with principles of The Stock Exchange of Thailand whereby prices and conditions are negotiated strictly on an arm's-length basis. Details of each transaction, its value, the parties involved, and the reason or necessity of the transaction are explained in the Annual Report and Form 56-1. In particular, directors, the management and employees are not allowed to consider or vote on matters in which they may have a potential conflict of interest.

Internal Control and Internal Audit

The Company places importance on an effective and appropriate internal control system for business operations, both at the managerial and operational levels. Therefore, the Company has adjusted the structure of the organisation to be in line with the Company's objectives, business, duty, and responsibility of each strategic business unit. The Company has also clearly established the written guideline of the obligation, and scope of authority of staff and the management, has the control and monitoring system for the utilisation of the Company's assets, and has clear separation and segregation of duty and obligation for operators, the monitoring party and the evaluator. This is to balance the power and authorisation and enables appropriate cross examination among all parties involved. Furthermore, the Company also has an internal control of financial system, by setting the financial reporting structure according to the respective management in charge.

The Company conducts investigation to determine that its operations and financial activities are proceeding properly and efficiently, and are compliant with all relevant laws and regulations. In order that an internal auditing unit be independent, capable, and balanced, the Board of Directors has stipulated that its reports must be made directly to the Audit Committee and that its activities be evaluated by the Audit Committee as well.

Risk Management

The Company places great importance on risk management. The risk involved in each corporate activity is evaluated, along with measures to prevent and mitigate risk and its effect on corporate operations. The task of the management is to assess economic, financial, social, and legal risks produced by changes in circumstance, along with their impacts on competitiveness in the industry, and to decide on appropriate solutions.

(2) Meetings of the Board of Directors

The normal frequency of meetings of the Board of Directors is on quarterly basis. Other special meetings may be held as the need arises. Each meeting has a well-defined agenda, determined in advance, part of which is a regular review of operational results. The secretary to the Board issues invitation letter, along with the meeting agenda and all relevant documents, seven days in advance, so that directors may have sufficient time to study all pertinent information prior to attending the meeting. Each meeting normally lasts approximately one to two hours. In 2015, the Board of Directors held six regular meetings and six extraordinary meetings, totaling twelve meetings. The meeting attendance information in the previous year are provided under the topic “Management Structure”

The Chairman of the Board of Directors has allocated sufficient time for the proposal of issues for consideration, and encouraged directors to freely and thoroughly discuss the issue. The secretary to the Board takes the minutes of the meeting with all important details of the meeting including the discussion of the meeting and opinions of directors being clearly recorded. The minutes of the previous meetings which were approved by the Board of Directors shall be kept and ready for the examination by the directors and other related parties.

(3) Self-Evaluation of the Board of Directors

The Company is kept abreast of the performance evaluation of the Board of Directors according to the regulation set by The Stock Exchange of Thailand. The Company evaluates the performance of the Board of Directors from time to time. At present, the Company intends to carefully and appropriately set a guideline for performance evaluation of the Board of Directors, and to use evaluation results to improve performance of the Board of Directors.

(4) Remuneration of Directors and the Management

The Company's policy on remuneration of directors is straight forward and transparent. Remuneration is comparable to an industry standard and is high enough to attract and retain directors who are qualified. Having been approved by the shareholders' meeting, directors who are appointed as the Audit Committee are given increased remuneration appropriate to their greater workload.

The Board of Directors appointed the Compensation Committee, composing of members of the Audit Committee and non-executive directors, so as to give impartial and appropriate consideration to the remuneration of the Board of Directors, and the Audit Committee. Their recommendations must then be approved by the shareholders' meeting. Details of the remuneration of directors and the management are provided under the topic “Management Structure”

(5) Development of Directors and the Management

Development of Directors

The Company recognises the importance of directors who play important roles in determining the Company's policy and business plan to achieve corporate goal as well as maximising business benefits of all shareholders who trust and appoint directors to set the policy and supervise the management on business affairs operations. Therefore, the Company has aimed at continuously and consistently developing directors to be knowledgeable in all matters necessary and related to their works and the Company's business. This includes support in terms of time allocation and any related expenses for directors, the Audit Committee, the management, and employees in charge of corporate secretarial tasks, to attend or participate in training courses and seminars with various institutions such as The Stock Exchange of Thailand, The Securities and Exchange Commission, Thai Institute of Directors, and Thai Listed Companies Association. The purpose of attending training courses and seminars is to gain knowledge and understanding, as well as to be informed of any laws, rules, responsibilities, and any useful information which could be utilised and be beneficial for the business in the future.

In addition, in case of an appointment of a new director, the secretary to the Board of Directors as a person in charge of the corporate secretarial tasks of the Company will be preparing the necessary documents and information which are useful and beneficial for a director to learn and be aware of his role, obligation and responsibility. Documentation includes Directors' Manual for Thai Listed Company issued by The Securities and Exchange Commission and the Rules on obligations and responsibilities to disclose reports to the Office on each person's securities holding in accordance with section 59, and its penalty in accordance with section 275 of The Securities and Exchange Act B.E. 2535. These documents contain details of obligation and responsibility in which directors must abide by legally, including the Code of Best Practice which is a guideline of internationally accepted standards and business practices.

Development of Management and Succession Plan

The Company determines to develop the management from the middle level to the top level. For continuing business succession plan, for planning and business operations in various functions including product development, sales and marketing, finance, and other supporting functions. The Company sets up the committee consisting of the top management as deemed appropriate, and the management of each strategic business unit. Consequently, the committee holds meetings to set the working plan and coordination. The Committees include the investment committee considering and making decisions on land acquisition or other investments, the committee responsible for the Company's financial information, and the committee for product development and marketing. These committees comprise of the Chief Executive Officer, the President, and the Chief Operating Officer as core members, with the management of relevant strategic business units as members of each committee. The Company is confident that this working structure will be a good way to develop the potential of the management as they will have an opportunity to participate and be part of the team to set the plan and business operational process, and also to closely work with the management from other strategic business units. Furthermore, it is a good opportunity for them to study and learn from the experiences of the higher level management in actual business operations. Apart from being a good way to develop the potential of the management, the working structure also enables the continuity of business and the succession and transfer of responsibility among the same level of management in different strategic business units or from the higher level of management without any interruption. This is due to the fact that the working structure does not rely on an individual, but on teamwork. The coordination of each individual in a team working together synchronously has enabled the succession of works gradually in forms of learning and knowledge transmission, together with significant responsibility.

For the middle management, the Company also has development and succession plans. The top level management of each respective strategic business unit will consider and support their middle management and staff of their strategic business units who have high potential to develop and become their successors. The names of middle management will be proposed and selected to participate in the SLP (Sansiri Leadership Programme) which is a training programme to support and enhance the potential of the middle management in preparation to be executives. Employees will learn about procedures and strategies of the modern management theories, including how to become a good and effective management in the future. Furthermore, this is the building of networks for coordination among different strategic business units as employees who participate in the programme will attend classes and join the activities together. The Company also provides a training course for lower level employees of a high calibre. The top level management from different but related strategic business units will be discussing and selecting skilled employees with positive attitude to participate in on-the-job training to enable them to grow and become the middle management respectively.

Furthermore, the Company also supports seminars and excursions both domestically and overseas to help employees to gain knowledge, improve skills, and explore new visions in order to apply these skills and knowledge to their works. Every middle level management will have an opportunity to attend these training courses and seminars to improve their skills and equip themselves to be leaders and the management in the future.

The Structure of the Company’s Directors

The structure of the Company's directors comprises of the Board of Directors and four sub-committees which are appointed by the Board of Directors in order to assist in corporate administration and supervision, namely: the Audit Committee, the Compensation Committee, the Corporate Social Responsibility Committee (CSR Committee) and the Executive Committee.

The Board of Directors

The Board of Directors has been elected by the shareholder's meeting in accordance with the Company's Article of Associations. The Board consists of experts who are fully qualified, under the Public Limited Companies Act, without any prohibited characteristics, for election as directors of the Company, under the criteria of the Office of The Securities and Exchange Commission and other regulatory agencies. The directors shall also be able to dedicate themselves and time to fully perform duties and responsibility.

On 31 December 2015, the Board of Directors' structure has total of ten directors, which is appropriate to the size of business. It is divided into seven non-executive directors (there are five independent directors on the board which is more than one third (1/3) of total numbers of directors on board); and three executive directors: Chief Executive Officer, President and Chief Operating Officer. The information of non-executive directors, independent directors and executive directors of the Company are provided under the topic “Details on Directors and the Management”

In this regard, non-executive directors, including the independent directors of the Company are highly experienced and knowledgeable persons who work independently with no influence of the management. Thus the Executive Committee of the Company is guided and supervised impartially by non-executive directors and the independent directors, providing sufficient balance in the opinion of the Company.

Scope of Authority and Responsibility of the Board of Directors

According to corporate regulations, the Board of Directors is authorised to make decisions and ensure that activities of the Company conform to objectives and rules of the Company, resolutions of shareholders' meetings, and all relevant laws. This decision-making authorisation does not include matters that must first be approved by the shareholders' meeting as specified by the law and regulations of The Securities and Exchange Commission and The Stock Exchange of Thailand. The corporate regulations permit the Board of Directors to appoint the Executive Committee that controls daily affairs of the Company in accordance with policies and budget approved by the Board of Directors and any other matters assigned to it by the Board. Activities include operations that fall within the scope of responsibility assigned to the Executive Committee and screening for other matters beyond that scope for the Board of Directors to consider. The corporate regulations, moreover, authorise the Board of Directors to appoint other committees to assist the Board in its managerial responsibility.

Sub-Committees of the Company

1. The Audit Committee

The Audit Committee is appointed by the Board of Directors and their term is three years. The committee members have the required knowledge and qualifications as stipulated by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand. On 31 December 2015, the Committee members are Mr. Jesadavat Priebjrivat who is a Chairman of the Audit Committee with other members, Mr. Supanit Chaiyawat and Mr. Kittichai Raktakanit.

In addition, Mr. Mana Noppun has resigned from his position, effective on 22 June 2015. Then the meeting of the Board of Directors No. 7/2015 held on 24 July 2015 has resolved to appoint Mr. Kittichai Raktakanit as a member of the Audit Committee to fulfill the position vacated earlier, effective from 24 July 2015 onwards. All members are independent directors, having adequate expertise and experience to audit creditability of the Company's financial reports.

Scope of Duty and Responsibility of the Audit Committee

The Audit Committee of the Company has the scope of duty and responsibility as appointed by the Board of Directors on the following matters:

- (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
- (3) To review the Company's compliance with the law on securities and exchange, the regulations of The Stock Exchange of Thailand, and the laws relating to the Company's business
- (4) To consider, select and nominate an independent person as 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 transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and regulations of The Stock Exchange of Thailand, 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 Chairman of the Audit Committee and consist of at least the following information:

- (a) An opinion on the accuracy, completeness and creditability of the Company's financial report
 - (b) An opinion on the adequacy of the Company's internal control system
 - (c) An opinion on the compliance with the law on securities and exchange, the regulations of The Stock Exchange of Thailand, or the laws relating to the Company's business
 - (d) An opinion on the suitability of an auditor
 - (e) An opinion on transactions that may lead to conflicts of interest
 - (f) The number of the Audit Committee meetings, and the attendance of each member at such meetings
 - (g) An opinion or overview comment received by the Audit Committee from its performance of duty in accordance with the charter, and
 - (h) Other transactions which, according to the Audit Committee's opinion, should be known to shareholders and general investors, subject to the scope of duty and responsibility assigned by the Company's Board of Directors
- (7) To perform any other act as assigned by the Board of Directors, with an approval of the Audit Committee

In its performance of duty as described above, the Audit Committee must be directly responsible to the Board of Directors, while the Board of Directors shall remain responsible to third parties for operations of the Company.

2. The Compensation Committee

The Compensation Committee consists of three non-executive directors, namely: Mr. Jesadavat Priebjivat who is a Chairman of the Compensation Committee with other members, Mr. Porntat Amatavivadhana and Mr. Kittichai Raktakanit.

On 22 June 2015, Mr. Mana Noppun has resigned from the position of a Chairman of the Compensation Committee. Then the meeting of the Board of Directors No. 7/2015 held on 24 July 2015 has resolved to appoint Mr. Jesadavat Priebjivat, who is its member, as a Chairman of the Compensation Committee to fulfill the position vacated earlier, effective from 24 July 2015 onwards, and also appoint Mr. Kittichai Raktakanit, an independent director as a member of the Compensation Committee, effective from 24 July 2015 onwards.

Scope of Authority and Responsibility of the Compensation Committee

- (1) To provide recommendation to the Board of Directors with respect to the policy and criteria for determining annual remuneration, both cash and non-cash reward, to be given to directors by considering the justifiable, reasonable and appropriate remuneration for the scope of duty and responsibility of directors that is comparable with the remuneration rate of other companies in the same industry, provided that such remuneration is submitted for approval in the shareholders' meeting
- (2) To consider the annual remuneration, annual salary adjustment, change in salary rates, and other remuneration according to positions, benefits, as well as terms and conditions of employment, of the Chief Executive Officer and the President

- (3) To provide recommendation to the Board of Directors with respect to the policy and criteria for determining annual remuneration and other benefits to be given to senior executives, according to their positions
- (4) To consider and provide opinions in the event that the Company would like to issue and allot warrants, which are more than five percent of total warrants issued in each lot of allocation, to directors and executive employees of the Company and/or its subsidiaries, as well as determine the name of directors and executive employees being entitled to receive warrants more than five percent and number of warrants to be issued and allotted to each of them, subject to relevant laws, rules and regulations
- (5) To perform any other act as assigned by the Board of Directors in relation to the determination of significant compensation

3. The Corporate Social Responsibility Committee (CSR Committee)

The Corporate Social Responsibility Committee (CSR Committee) is appointed by the Board of Directors namely: Mr. Srettha Thavisin who is a Chairman of the CSR Committee with other members, Mr. Jesadavat Priebjivat and Mr. Porntat Amatavivadhana.

The CSR Committee consists of three directors with the President as the Chairman and the other two shall be selected from amongst directors, employees, independent advisors or specialists. Members of the CSR Committee who are directors or independent specialists have a three-year term and could be re-elected for the purpose of continuity. Members of the CSR Committee who are employees including the President have the term of office as deemed appropriate by the Board of Directors.

Scope of Duty and Responsibility of the CSR Committee

- (1) To review CSR policy and activities and submit to the Board of Directors for approval
- (2) To agree and establish a CSR strategy of Sansiri Group's to ensure that it remains an integral part of the group strategy and its implementation in practice and that the Group's social, environmental and economic activities are aligned
- (3) To review the CSR annual plan and budget and submit to the Board of Directors for approval
- (4) To review and monitor progress of CSR activities and evaluate the success and quality of CSR Programmes
- (5) To promote CSR programmes and encourage participation among directors and employees
- (6) To elect the CSR Working Group to develop the CSR Plan and create CSR Programmes
- (7) To conduct CSR-related issues as assigned by the Board of Directors

4. The Executive Committee

The Executive Committee is appointed by the Board of Directors to supervise and control daily affairs of the Company. Being selected from a list of the Company's top management or independent advisors, members of the Executive Committee must not be directors of the Company (except members of the Executive Committee no. 1-3 on the list as shown below).

On 31 December 2015, the Executive Committee presently consists of:

Name	Positions
1. Mr. Apichart Chutrakul	Chairman of the Executive Committee
2. Mr. Srettha Thavisin	Deputy Chairman of the Executive Committee
3. Mr. Wanchak Buranasiri	Member of the Executive Committee
4. Mr. Thalin Aeimtitawat	Member of the Executive Committee
5. Mr. Uthai Uthaisangsuk	Member of the Executive Committee
6. Mr. Metha Angwatanapanich	Member of the Executive Committee
7. Mr. Nopporn Boonthanom	Member of the Executive Committee
8. Mr. Manu Trakulwattanakit	Member of the Executive Committee
9. Mr. Somchai Charntanawet	Member of the Executive Committee
10. Mr. Suriya Wannabuit	Member of the Executive Committee
11. Mr. Poomipak Julmanichoti	Member of the Executive Committee
12. Miss Natthaluck Sakulpoonyapond	Member of the Executive Committee and Secretary to the Executive Committee

Remark - Mr. Poomipak Julmanichoti was appointed as a member of the Executive Committee, effective from 13 August 2015 (in replacement of Mr. Monthian Soisuwan who resigned from his position).

Scope of Authority and Responsibility of the Executive Committee

- (1) To supervise and control daily affairs of the Company so that they conform to policies and budget approved for them by the Board of Directors. This includes making business plans, directions, strategies, and organisational structures, and managing the Company's operations. Corporate expenditures must conform to economic conditions and the competition encountered by the Company, according to the aforementioned policies and budget. The Committee must also monitor results of corporate operations and ensure that they accord with the approved business plan of the Company.
- (2) To conduct any other affairs assigned to it by the Board of Directors, including authorisation of operations that fall within the scope of authority assigned to the Executive Committee by the Board of Directors, which authority is subject to periodic review.
- (3) To screen for other matters beyond the Committee's scope of authority before passing them to the Board of Directors for consideration.

Nonetheless, the authorisation assigned by the Board of Directors shall not cause the Executive Committee, the President or any proxy to approve transactions that he or potentially conflicted persons may involve directly or indirectly in advantage/disadvantage, or any involvement causing

conflicts of interest to the Company or any related transactions which referred by the Articles of Association of the Company, the regulations of The Securities and Exchange Commission, except normal business transactions such as buying or selling products or services of the Company in accordance with the policy, rules and budget which were approved by the Board of Directors.

Selection of Directors and the Management

Selection of the Company's directors must be approved by the shareholders' meeting, unless a position falls vacant for some other reasons than the normal expiry of a director's term of office. The Board of Directors may then elect a replacement at its next meeting to fill that position only for the remaining term, unless the remaining period is less than two months. Appointments of independent directors and the Audit Committee will be made by the Board of Directors from a list of qualified persons generally accepted by the business sector and appropriate academic realm and nominated by the Chief Executive Officer and the President for that purpose, or proposed for appointment at the shareholders' meeting, as is the case with directors of the Board whose names are proposed jointly by the Chief Executive Officer and the President.

Method of Election of Directors at the Shareholders' Meeting

The Company's regulations differ from the method stipulated by Article 70, Clause 1 of the Public Companies Act of B.E. 2535. The Company's regulations require that the Board of Directors must be approved by a majority of votes in the shareholders' meeting, with one vote for each share. Election may be of individuals or of groups, as the shareholders' meeting deems appropriate. A shareholder may not divide his/her votes among several individuals or groups. At each Annual General Meeting of Shareholders, one third of the positions on the Board becomes vacant, and those whose terms have expired may be re-elected for another term of office.

Selection of Independent Director

The Company specifies the qualification of its independent director in accordance with the requirements of The Securities and Exchange Commission and The Stock Exchange of Thailand, as follows:

- (1) Holds shares not exceeding one percent of total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the Company, provided that shares held by related parties of an independent director shall be included
- (2) Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling party of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the Company
- (3) Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of the management, major shareholders, controlling party or the person who is in the process of nomination as the management or controlling party of the Company or its subsidiaries
- (4) Has no or never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company in respect of controlling which may harm an independent decision-making, including not being or never been a significant shareholder, or controlling party of any persons having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company

- (5) Is not or has never been an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of Company, and is not a significant shareholder, controlling party, or partner of the auditing firm which employs an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company
- (6) Is not or has never been the professional service provider, including but not limited to legal consultant or financial advisor who received the service fee more than two million baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not a significant shareholder, controlling party, or partner of the aforementioned service firms
- (7) Is not a director who is nominated as the representative of directors of the Company, major shareholders, or any other shareholders related to major shareholders
- (8) Do not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares exceeding one percent of total voting shares of any other companies which operate the same and competitive business with the business of the Company, or its subsidiaries
- (9) Is not any otherwise which is unable to have an independent opinion regarding the business operation of the Company.

After being appointed as an independent director in accordance with the conditions under the article (1) - (9), the independent director may be assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of Company.

The definition of the independent director of the Company is equal to the minimum requirement of The Securities and Exchange Commission and The Stock Exchange of Thailand.

Supervision of Subsidiaries’ Operations

The Board of Directors has appointed the Chief Executive Officer, President, Chief Operating Officer and other senior executives to serve as members on the boards in the subsidiaries that the Company held 100 percent of the shares. This policy states that those individuals have the duty and responsibility to act in the best interest of the company they serve as a director, and also controlling that important policies set by its subsidiaries will perform in the same direction with the Company.

Supervising the Use of Inside Information

The Company determines the management and directors who are obliged to report their holdings of the securities according to the definition of Securities and Exchange Commission regulations, have signed an acknowledgement to report any change to their shareholding in the Company within 3 working days of any transaction. This responsibility is assumed upon their appointment to their position. And also report their holdings of the Company’s securities with every change in the holdings of the Company’s shares. This is one measure to enable the Company to determine whether any purchase of shares relied on the use of inside information by the abovementioned persons.

In addition, according to the Company’s policy on the disclosure of significant corporate information, the Board of Directors and the management, along with relevant department heads who may have significant inside information that would affect the Company’s share price, are prohibited to sell or buy the Company’s securities during one month prior to the release of financial statements or the inside information to the public. The Company has reiterated that significant information must be strictly shared among those who need to know. Other executives should only come to know of the information at the same time as it is disclosed to the public. By these methods, the Company believes that if inside information were used for personal gain, the scope of an investigation would be effectively limited and the persons responsible will be quickly identified and penalised.

Audit Fee and Non-audit Fee

Audit Fee

For the fiscal year 2015, the Company and its subsidiaries paid a total audit fee of 6.6 Million Baht to EY Office Limited, which is the auditor of the Company. On this amount, the Company paid 2 Million Baht and 4.6 Million Baht for its subsidiaries.

Non-audit Fee

For the fiscal year 2015, the Company and its subsidiaries paid for non-audit fee to EY Office Limited, which is the auditor of the Company as follows:

- (a) A total of 100,149 Baht is paid for Audit Instruction Charge
- (b) Other non-audit fee to be paid in the future as the agreed services are not completed: - None -

INTERNAL CONTROLS AND RISK MANAGEMENT

Sansiri highly recognises the importance of internal control system and ensures a suitable monitoring and supervision to bring about higher efficiency. The Board of Directors has assigned the Audit Committee, which work independently, to regularly oversee and review the internal control system to ensure appropriateness and effectiveness of the current system. Thus, the internal control system must be efficient enough to protect the assets of Sansiri Group while preventing the misuse of assets by the Management. The thorough disclosure is required to ensure transparency and ability to be audited, according to Good Corporate Governance practice. This system, therefore, is meant to safeguard the interests of shareholders and provide justice for all groups of stakeholders.

Sansiri's internal control system is set up to harmonise with corporate operations and management in five areas, consist of: (1) the organisation and its surroundings; (2) risk management; (3) control of management's operations; (4) information and communication systems; (5) monitoring systems.

1. The Organisation and its Surroundings

Sansiri's organisation structure was set up in a way that operations of the management can be easily controlled. The Board of Directors, consists of three directors from the Management, along with seven external directors who are either qualified individuals of eminence or the Audit Committee. This composition of the Board facilitates checks and balances for fair, effective decision-making. According to the management structure, responsibilities have been clearly divided among three basic areas of internal control, consist of authorising, recording financial data and other information, and asset management.

In this regard, Sansiri has set up the Office of Internal Audits, which acts independently and reports directly to the Audit Committee. The Office of Internal Audits helps in monitoring, evaluating, and improving the internal control system. It consistently examines important issues in accounting and finance as well as compliance with the relevant rules in order to ensure that the operations of the Company are carried out according to the objectives of the internal control in an efficient and effective way. If a fault is detected, it will notify the relevant authorities to provide solutions or improvements in which will be further reported to the Audit Committee and the Board of Directors.

2. Risk Management

Sansiri's annual business plan sets forth clear and measurable targets conforming to the corporate vision. The analysis of various types of risks is utilised to draw up the annual plan as well as determine operational strategies, benchmarks, and monitoring tools. An accounting system measures costs of each business activity on a separate basis, enabling Sansiri to evaluate the gain or loss in each activity and make a judgment on competitiveness of each business activity. During implementation

of the plan, moreover, the relevant risk factors are regularly monitored and assessed to determine the likelihood of the risk. If any single factor changes or becomes more prominent than originally anticipated, Sansiri will be able to adjust strategies or institute measures to prevent or prepare for the risk in time.

3. Control of the Management's Operations

The Board of Directors has appointed two committees, the Audit Committee and the Compensation Committee, both of which strictly adhere to the scope of authority, duty, and responsibility assigned to them.

Sansiri sets the scope of authority and responsibility for each function properly, in accordance with the decentralisation and high efficiency. Sansiri constantly monitors operations of subsidiaries, and has put in place means whereby to monitor their operations and ensure that both Sansiri and subsidiaries are in compliance with regulations and all relevant legislation. Sansiri has, furthermore, determined a clear vision that serves as a guideline directing the work of all units within the organisation, and propagated it throughout the Company on a consistent basis. Sansiri has, besides this, selected a corporate culture and promoted activities that reinforce the culture, thereby promoting the same, harmonious companywide values, procedures, and workplace environment. It is the corporate culture that will strengthen honesty, responsibility, and integrity of all employees and ensure Sansiri's sustainable success.

4. Information and Communication Systems

In light of the importance of information and communication systems, Sansiri has upgraded its computerised database management system. The new process will facilitate the gathering and management of data as well as improve the accuracy and efficiency of operational reports. Sansiri currently possesses, moreover, an internal computer network that links outside agencies to the Company, thus making overall communications within and outside the Company more rapid and effective. These systems have been established with sufficiently elaborate information security safeguards.

5. Monitoring Systems

The Board of Directors met 12 times in 2015, and the Audit Committee reported on its findings to the Board of Directors every quarter. The Management is responsible for examining and monitoring operational results to do an analysis of financial impact on a continual basis. Sansiri holds a meeting of senior management from every department to report on progress according to the corporate plan at least once a year. This is in addition to the regular monitoring of Sansiri's operational systems and conformity to the plan's benchmarks at various levels of command within the organisation.

These meetings facilitate, by other means, the flow of information across departmental boundaries. If any defect is found, a report of it is made to the Audit Committee or the Board of Directors for decision and resolution.

During the Board of Directors' meeting No.3/2016 held on 26 February 2016, the Audit Committee had presented the assessment on Sansiri's internal control system in accordance with an evaluation form provided by The Securities and Exchange Commission. Following an inquiry into details with the management, the Board of Directors had agreed upon the Audit committee that Sansiri Group has complied with generally accepted standards of accounting, guidelines by The Securities and Exchange Commission, and regulations of The Stock Exchange of Thailand in making quarterly financial reports, the yearly financial statements, and the consolidated financial statements of subsidiaries, correctly and consistently. It was agreed that the preparation and disclosure of these financial statements were accurate, adequate, and timely, and that Sansiri's internal control system was sufficient, appropriate, and could be adjusted effectively to changing circumstances. It was agreed, moreover, that by these means Sansiri and subsidiaries would achieve objectives, and that they were in compliance with all relevant legislation and regulations. Neither body discovered any deficiencies that would damage Sansiri's operations.

In addition, the Company's financial statements in 2015, which was audited by a Certified Public Accountant of EY Office Limited, present no significant flaw of the internal control that have impact on the financial statements.

Internal Audit Manager

Mrs. Supanan Rueangjirapa acts as an internal audit manager of the Company. The Audit Committee has agreed that the person has knowledge, skills, work experiences and adequate trainings to perform her duties. During the past year, Mrs. Supanan Rueangjirapa had presented the procedure of the internal audit department to the Audit Committee in order to ensure the efficiency and effectiveness of the internal audit.

The details of the Internal Audit Manager are as follows:

Name - Surname	Mrs. Supanan Rueangjirapa
Position	Senior Section Manager- Internal Audit
Age	60 years
Education	Bachelor of Business Administration (Accounting), Thammasat University
Training	Internal Audit Role Internal Audit Conference 2010
Shareholding (Percent)	-none-
Relationship with executives	-none-
Work experience in the past 5 years	Senior Section Manager - Internal Audit Sansiri Public Company Limited

INTER-RELATED TRANSACTION

During the financial year ending 31 December 2015, the Company and its subsidiaries had no inter-related transaction with major shareholders, directors, and related persons.

Policies or Tendency for Inter-Related Transactions in the Future

The Company's policy is to engage in transactions to the extent that such transactions serve the best interests of the Company at the time. The conditions applicable to such transactions are those that obtained during normal periods of business, at normal market rates, for entities or businesses that are non-related.

For future inter-related transactions, the Audit Committee and the Company will jointly ensure that they comply with the laws and regulations pertaining to securities, guidelines set by The Stock Exchange of Thailand, as well as the requirement regarding the disclosure of such transactions and the acquisition or sale of assets belonging to the Company and its subsidiaries.

REPORT OF THE AUDIT COMMITTEE

Dear Shareholders,

The Audit Committee of Sansiri Public Company Limited composes of three independent directors, who have professional proficiency in the fields of management. They are Mr. Jesadavat Priebjrivat as a Chairman of the Audit Committee with other two members, Mr. Supanit Chaiyawat and Mr. Kittichai Raktakanit. In addition, Mr. Mana Noppun has resigned from the position of a committee member, effective on 22 June 2015. Then the Board of Directors has resolved to appoint Mr. Supanit Chaiyawat as a member of the Audit Committee to fulfill the position vacated earlier, effective from 24 July 2015 onwards.

The Audit Committee performs the tasks assigned to it by the Board of Directors. It acts independently, however, and is unconstrained in its access to information and always receives good cooperation from the Company, in conformity to regulations of The Stock Exchange of Thailand. In 2015, the Audit Committee held five meetings; consisting of four regular meetings and one special meeting attended only by the committee members and the Company's external auditors without the presence of any management of the Company. Moreover, the Audit Committee also discussed and exchanged views with the management, the external auditors, as well as its internal audit officer as deemed appropriate.

The Audit Committee has not only supported the Board of Directors to perform its duties and responsibilities, but also closely monitored to ensure the good corporate governance. Its performance are summarised as follows:

1. Review of The 2015 Financial Statements

The Audit Committee reviewed the quarterly and annual financial statements of Sansiri Public Company Limited, as well as its consolidated quarterly and annual financial statements that were reviewed and audited by the independent auditors, who are certified public accountants to the Board of Directors for approval; the Audit Committee had reviewed these statements based on its queries and explanations provided by the management. The review shows that these financial reports were in conformity to generally accepted accounting principles, accurate, complete, and reliable with a sensible choice of accounting policies, as well as provided sufficient disclosure.

2. Review of Internal Control System

The Audit Committee, regularly in cooperation with the internal audit officer, and also has made suggestions on improving effectiveness of internal control. The review shows that the Company's internal control system is sufficient, appropriate and being regularly updated to cope with the changing environment, as well as comply with all applicable laws and relevant regulations affecting operations of the Company. In addition, the Audit Committee has emphasised that the management must continue improving the internal control system to be highly effective at all times.

3. Review of Disclosure of Connected Transactions and Potential Conflicts of Interest

The Audit Committee has examined and reviewed the disclosure of intercompany transactions that might have occurred between the Company, its subsidiaries and its associated companies which may represent conflicts of interest. The review showed full and sufficient disclosure that complied accordingly with requirements of The Stock Exchange of Thailand. The Audit Committee is of the opinion that such transactions were part of the normal course of business, on an arm's length basis and fair conditions, and in the best interests for the Company.

4. Review of Compliance with Laws and Regulations

The Audit Committee had regularly reviewed the processes and procedures to ensure compliance with regulations regarding securities and The Stock Exchange of Thailand, guidelines by The Stock Exchange of Thailand, and other related business acts. The Audit Committee is of the opinion that the Company has always acted in compliance with laws, regulations and relevant rules.

5. Overseeing and Monitoring the Internal Control Matters

The Audit Committee, in cooperation with the internal audit officer, has reviewed the report on internal control matters on quarterly basis. The information technology system was also continuously developed and fully utilised to support the auditing work. The Audit Committee is of the opinion that the internal control was conducted in the independent and effective manners with the sufficiently elaborate information security safeguards. Moreover, the summary of findings and the guidelines to prevent or mitigate any potential risks were sent to the involved parties for their further actions.

6. Good Corporate Governance

The Company realises the importance of good corporate governance and has focused our operations to ensure the efficiency, transparency, and good business ethics, resulting in our integrity known among shareholders, investors, and all parties involved.

In 2015, the Audit Committee had fully utilised its expertise and capabilities without any constraints in its access to information from the directors, the management, employees, and all involved parties, to independently perform its duties as appointed by the Board of Directors. The Audit Committee also expressed opinions and made recommendations for equitable benefits to all relevant stakeholders.

Considering the overall operations of the Company, the Audit Committee is convinced that the Company adheres to good business ethics, that the Board of Directors and the management have determined to professionally perform their duties to successfully run the Company and achieve corporate goal as planned, that the reports on financial information and operation are correct, that its internal control systems and internal audit systems are effective, that its corporate governance is based on the principles including transparency, integrity, accountability, competitiveness, and credibility, and that its financial reports are in conformity to generally accepted accounting principles with sufficient disclosure of accurate and reliable information. The Company has always acted in compliance with all related regulations.

On behalf of the Audit Committee,



Mr. Jesadavat Priebjrivat
Chairman of the Audit Committee

REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors of Sansiri Public Company Limited is responsible for the financial statements and the consolidated financial statements of the Company and its subsidiaries, including all other financial information stated in its annual report. The financial statements have been prepared in accordance with the generally accepted accounting principles and standard under appropriate accounting policies and regular adherence to them with prudence and rationality. All material information has been sufficiently disclosed in the notes to financial statements, which is useful to all shareholders and investors.

The Board of Directors has provided and maintained appropriate internal control system and risk management to ensure accurate and comprehensive financial records on a timely basis to maintain assets and prevent fraud or significantly unusual operation. In this connection, the Board of Directors has appointed the Audit Committee, which is comprised of independent directors, to oversee and review the financial statements to ensure the reliability and accuracy, as well as to assess the efficiency and effectiveness of internal control and internal audit. The Audit Committee has expressed an opinion regarding aforementioned matters in the report of the Audit Committee included in the annual report.

The Board of Directors has an opinion that Sansiri Public Company Limited has maintained effective internal control system to provide reasonable assurance that the financial statements and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2015 are reliable in accordance with generally accepted accounting principles and comply with all relevant and applicable rules and regulations.



Mr. Kovit Poshyananda
Chairman of the Board of Directors



Mr. Apichart Chutrakul
Chairman of the Executive Committee

TABLE OF KEY FINANCIAL RATIOS

Financial Ratios		2013	2014	2015
Liquidity Ratios				
Current Ratio	Times	2.73	2.37	2.96
Quick Ratio	Times	0.11	0.13	0.14
Operating Cash Flow to Total Debt	Times	(0.22)	(0.12)	0.22
Accounts Receivable Turnover	Times	667.23	587.42	558.67
Collection Period	Days	0.54	0.61	0.64
Inventory Turnover	Times	0.46	0.35	0.46
Inventory Turnover	Days	774.57	1,023.54	789.13
Accounts Payable Turnover	Times	9.51	8.88	15.45
Payment Period	Days	37.84	40.56	23.30
Cash Cycle	Days	737.27	983.59	766.47
Profitability Ratios				
Gross Profit Margin (of Core Revenue)	%	32.62	32.71	29.34
Gross Profit Margin (of Revenue from Project Sales)	%	33.04	33.56	29.86
Net Profit Margin	%	6.66	11.49	9.12
Return on Equity	%	11.95	16.20	13.48

Financial Ratios		2013	2014	2015
Efficiency Ratios				
Return on Total Assets	%	3.62	5.10	4.92
Return on Fixed Assets	%	40.35	59.27	52.43
Asset Turnover	Times	0.54	0.42	0.52
Financial Ratios				
Debt-to-Equity Ratio	Times	2.52	1.95	1.55
Gearing Ratio	Times	2.03	1.58	1.23
Net Gearing Ratio	Times	1.91	1.45	1.13
Interest Coverage	Times	1.98	2.54	3.24
Debt Service Coverage Ratio	Times	0.35	0.44	0.39
Payout Ratio	%	50.00	50.00	50.00
Per Share				
Book Value per Share	Baht	1.72	2.40	1.91
Earnings per Share	Baht	0.19	0.33	0.25
Dividend per Share	Baht	0.10	0.12	0.12
Growth Ratios				
Total Assets	%	29.13	21.83	(5.05)
Total Liabilities	%	37.42	12.47	(12.58)
Total Shareholders' Equity	%	12.11	45.40	9.60
Revenue from Sales and Services	%	(4.10)	(1.76)	31.54
Operating Expenses	%	12.83	(19.12)	17.33
Net Profit	%	(34.33)	75.84	3.32

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of Market Condition for the Year 2015 and Economic Outlook for the Year 2016

In 2015, Thai economy grew by 2.8 percent (Source: Office of the National Economic and Social Development Board or NESDB), compared to a 0.8 percent growth of last year. In this regard, the public investment, public and private consumption expenditure, as well as private investment accelerated. Moreover, the industrial sector, construction sector, hotel and restaurant sector, and other service sector also expanded. Nevertheless, the export sector contracted.

In 2015, the household consumption expanded by 2.1 percent, higher than a 0.6 percent growth in 2014 whereas the private investment contracted by 2.0 percent in accordance with the decline in the machinery and equipment. The export value was at USD 212,109 Million, a decrease of 5.6 percent compared to that of last year.

The construction sector expanded by 15.8 percent, corresponding to the growth in public construction. The hotel and restaurant sector grew by 14.0 percent, in line with a 20.4 percent increase in the number of tourists, totaling 29.9 million visitors. Nonetheless, the agricultural sector dropped by 4.2 percent due to the decline in production caused by draught. In addition, both the inflation rate and the interest rate remained at low level, with the acceptable level of the employment rate and low unemployment rate of 0.9 percent.

The real estate sector in 2015 slowed down from the previous year, as can be seen from the 9 percent decrease in housing transfer value in Bangkok and its vicinities. Based on the report by the Real Estate Information Center (REIC), the number of new registration units in Bangkok and its vicinities in 2015 was 121,470 units, a decrease of 9 percent from that of last year. The new registration units of single-detached houses and condominiums dropped by 5 percent and 14 percent respectively, while the new registration units of townhouses increased by 23 percent from that of the previous year. The real estate sector in the first half of 2015 experienced a slowdown. Nevertheless, there were supporting factors including the government's real estate stimulus measures, the investment of the government's infrastructure projects, as well as the low interest rate of mortgage loans.

For the economic outlook for 2016, the NESDB forecasts that the economy will expand at the rate of 2.8 to 3.8 percent. The main driving factors for this growth include the increase in public expenditure and investment as well as the government's stimulus package. In addition, the Thai Baht depreciation that will continue to enhance income and liquidity for Thai exporters, the low crude oil price, as well as the growth of tourism sector, would help contribute to the economic growth. Nevertheless, the delay in the global economic recovery and unattractive export price are some of the risk factors and the limitations to the growth of the economy.

Financial Results

Total revenue in 2015 amounted to 38,455 Million Baht, increased by 30 percent from 29,527 Million Baht in 2014. An increase of total revenue was driven by a 29 percent increase in the revenue from project sales, which was the core revenue, as well as a 136 percent and a 28 percent increase in revenue from business management and revenue from other service respectively. For the year 2015, Sansiri and its subsidiaries reported net profit of 3,506 Million Baht, an increase of 3 percent from net profit of 3,393 Million Baht in 2014.

Revenue from Property Development for Sale

The breakdown of revenue from property for sale during 2013 – 2015 is as follows:

	2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached houses	10,166	36.7	11,488	42.2	10,107	28.8
Townhouses / Home Office	2,367	8.5	1,622	6.0	1,996	5.7
Condominiums	15,157	54.7	14,045	51.7	23,048	65.6
Others	34	0.1	20	0.1	1	0.0
Total	27,724	100.0	27,174	100.0	35,152	100.0

In 2015, Sansiri and its subsidiaries reported a significant increase in revenue from townhouse and condominium projects, resulting in a 29 percent increase in revenue from project sales from 27,174 Million Baht in 2014 to 35,152 Million Baht in 2015. To the total revenue from project sales in 2015, 23,048 Million Baht revenue from condominium projects contributed 65.6 percent, 10,107 Million Baht revenue from single-detached house projects contributed 28.8 percent, and the revenue of 1,996 Million Baht from townhouse projects contributed 5.7 percent.

Revenue from single-detached house projects in 2015 amounted to 10,107 Million Baht, a 12 percent decrease from 11,488 Million Baht in 2014. The main contributors were the eight single-detached house projects under the brand “Setthasiri” which contributed 3,906 Million Baht of revenue, and the five single-detached house projects under the brand “Narasiri” which contributed 1,536 Million Baht of revenue. Altogether, they contributed 15.0 percent of total revenue from project sales. In this regard, Setthasiri Charun-Pinklao had the highest contribution to the total revenue from single-detached house project in 2015, amounted to 1,083 Million Baht.

Revenue from townhouse projects in 2015 amounted to 1,996 Million Baht, an increase of 23 percent compared to the previous year. In this regard, the main contributors were the 946-Million Baht revenue from seven townhouse projects under the brand “Town Avenue”, together with the 572-Million Baht revenue from three townhouse projects under the brand “Habitown”. Habitown Nest Thakham-Rama 2 project contributed the biggest portion to the total revenue from townhouse projects in 2015.

In 2015, revenue from condominium projects accounted for 66 percent of the total revenue from project sales. The revenue significantly increased by 64 percent, from 14,045 Million Baht in 2014 to 23,048 Million Baht in 2015. The revenue was mainly from condominium projects in upcountry, accounted for 67 percent of total revenue from condominium projects or contributed revenue of 15,497 Million Baht. In this regard, NYE by Sansiri, dcondo Kanchanavanich, and The BASE Park West Sukhumvit 77 were the three highest contributors in 2015, contributing revenue of 5,870 Million Baht or accounting for 17 percent of the total revenue for project.

Revenue from Property Services

Revenue from projects for rent decreased by 16 percent from 76 Million Baht in 2014 to 64 Million Baht in 2015. Revenue from business management in 2015 amounted to 1,432 Million Baht, with an increase of 606 Million Baht or 136 percent from last year. The increase was driven by the revenue from property management of joint venture. Moreover, revenue from other services including revenue from hotel business and education business amounted to 304 Million Baht, an increase of 28 percent compared to last year. In addition, Sansiri and subsidiaries reported a gain from sale of land of 964 Million Baht in 2015.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For the year 2015, cost of project sales amounted to 24,656 Million Baht, a 37 percent increase from that of the year 2014, in accordance with an increase in revenue from project sales. Gross profit margin of project sales decreased from 33.6 percent in 2014 to 29.9 percent in 2015 as a result from stock management as the selling price of some units was adjusted down. Cost of projects for rent amounted to 46 Million Baht, a decrease of 24 percent from that of last year, while cost of business management amounted to 1,061 Million Baht, an increase by 111 percent corresponding to the increase in revenue from business management. In addition, cost of other services including hotel business and education business increased by 22 percent compared to last year.

Selling, General and Administrative Expenses

Sansiri and its subsidiaries recorded selling and administrative expense in 2015 of 6,460 Million Baht, accounted for 16.8 percent of total revenue, a decline from 18.6 percent from that of last year. Selling expenses in 2015 were at 3,312 Million Baht, an increase from 2,633 Million Baht in 2014 due to the increasing expenses related to transfer of ownership. Nevertheless, the selling expense in 2015 accounted for 8.6 percent of total revenue, a decrease from 8.9 percent of total revenue in 2014. The administrative expenses (including management benefit expenses) amounted to 3,148 Million Baht, an increase from 2,873 Million Baht in 2014. The administrative expense accounted for 8.2 percent of total revenue, a decrease from 9.7 percent of total revenue in 2014.

Financial Expense

In 2015, financial expense increased from 646 Million Baht in 2014 to 728 Million Baht due to the interest expenses incurred by the undeveloped land plots, which were acquired and still in the design and marketing process. In addition, the interest expense of completed condominium projects that were ready for transfer of ownership was included in the financial expenses as well.

Net Profit

For the year 2015, Sansiri and its subsidiaries reported net profit of 3,506 Million Baht, an increase of 3 percent from 3,393 Million Baht in 2014. In this regard, the net profit margin decreased from 11.5 percent of total revenue in 2014 to 9.1 percent of total revenue in 2015 due to the decrease in the gross profit margin. In addition, an effective corporate income tax in 2015 was at 26.2 percent of earnings before corporate income tax.

Assets

Total assets of Sansiri and its subsidiaries as of 31 December 2015 amounted to 69,451 Million Baht, a decrease of 3,696 Million Baht from that of 31 December 2014. Current assets as of 31 December 2015 was at 59,135 Million Baht, decreased by 6,146 Million Baht from that of 31 December 2014 due to the decrease in property development for sale. Total non-current assets as of 31 December 2015 was at 10,316 Million Baht, increased by 2,450 Million Baht from that of 31 December 2014 due to an increase in current portion of loans to related parties and the investment in joint venture.

Liabilities

Total liabilities of Sansiri Group amounted to 42,253 Million Baht as of 31 December 2015, a decrease of 6,078 Million Baht from that of 31 December 2014. Total current liabilities amounted to 19,949 Million Baht or decreased by 7,619 Million Baht from that of 31 December 2014 due to the decrease in short-term loans and current portion of long-term loans. On the other hand, total non-current liabilities increased by 1,541 Million Baht from that of 31 December 2014 to 22,303 Million Baht as of 31 December 2015. An increase was mainly due to the issuance of new unsecured debentures as source of fund for project development. In this regard, the interest bearing debt decreased from 39,097 Million Baht as of 31 December 2014 to 33,369 Million Baht as of 31 December 2015. The debt-to-equity ratio was 1.55 times with the interest-bearing debt-to-equity ratio (Gearing ratio) of 1.23 times. In this regard, Sansiri has been operating under restrictive financial covenants with gearing ratio less than 2.5 to 1.

Shareholders' Equity

Shareholders' Equity as of 31 December 2015 amounted to 27,198 Million Baht, an increase of 2,382 Million Baht from that of 31 December 2014, mainly driven by the net profit of 3,506 Million Baht, together with proceeds from the exercise of ESOP#6 allocating to directors and employees of Sansiri and its subsidiaries, and of SIRI-W1 amounted to 537 Million Baht. Sansiri paid dividend from 2014 net profit of 1,713 Million Baht as well.

Cashflow

For the year 2015, beginning cash balance was 3,051 Million Baht with net cash from operating activities of 9,503 Million Baht and net cash used in investing activities and financing activities of 1,255 Million Baht and 8,683 Million Baht respectively, resulting in the ending cash balance of 2,672 Million Baht, as of 31 December 2015. In this regard, profit from operating activities before changes in operating assets and liabilities was at 31,506 Million Baht. In this regard, cash outflow as development costs for property development for sale amounted to 18,915 Million Baht. For investing activities, loans to related parties and investments in joint venture amounted to 899 Million Baht and 1,269 Million Baht respectively. For financing activities, cash outflow for loan repayment including

interest payment to financial institutions amounted to 12,214 Million Baht, cash outflow from repayment of debentures and dividend payment amounted to 2,000 Million Baht and 1,713 Million Baht respectively.

Liquidity Ratio

The liquidity ratio of Sansiri Group increased from 2.37 times as of 31 December 2014 to 2.96 times as of 31 December 2015 as total current liabilities decreased by 28 percent from that of 31 December 2014 in accordance with the decrease in short-term loans and current portion of long-term loans whereas the total current assets decreased by 9 percent from that of 31 December 2014.

Return on Equity

As of 31 December 2015, the return on equity was 13.48 percent, a decrease from 16.20 percent as of 31 December 2014 mainly due to a decrease in net profit margin from 11.5 percent in 2014 to 9.1 percent in 2015. The return on assets was at 4.9 percent, a decrease from 5.1 percent in 2014 while the debt-to-equity ratio decreased from 1.95 times as of 31 December 2014 to 1.55 times as of 31 December 2015.

Summary of Factors Affecting the Future Operations

The external factors which will affect Sansiri’s performance include higher construction cost, more severe labour shortage situation as well as political uncertainty affecting consumers’ confidence and declining purchasing power due to the economic slowdown. Consequently, Sansiri may not achieve the target as forecasted or the performance may change significantly from the previous year. However, Sansiri realises the effect of these external factors and attempts to adapt the business strategies to cope with the changing situation consistently.

FINANCIAL STATEMENTS

Independent Auditor’s Report

To the Shareholders of Sansiri Public Company Limited

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sansiri Public Company Limited and its subsidiaries and of Sansiri Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Rungnapa Lertsuwankul

Rungnapa Lertsuwankul
Certified Public Accountant (Thailand) No. 3516

EY Office Limited
Bangkok: 26 February 2016

Sansiri Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	7	2,671,766,924	3,051,293,397	1,471,532,541	1,591,428,773
Current investments	8	-	556,519,003	-	500,000,000
Trade accounts receivable	9	81,171,467	51,125,792	30,838,355	118,685,801
Prepaid expenses		40,527,827	38,769,250	15,761,267	19,804,192
Current portion of loans to related parties	6.3	-	-	4,973,794,127	9,975,855,810
Property development for sale	10	51,045,236,837	57,049,290,504	29,227,792,320	27,052,435,811
Advance payment to contractors		1,464,229,768	2,016,827,944	967,429,209	955,769,278
Deposits for land and purchase of assets		3,672,530,680	2,380,028,277	3,488,744,350	2,116,677,277
Other current assets		<u>159,074,746</u>	<u>136,663,379</u>	<u>110,121,421</u>	<u>124,160,550</u>
Total current assets		<u>59,134,538,249</u>	<u>65,280,517,546</u>	<u>40,286,013,590</u>	<u>42,454,817,492</u>
Non-current assets					
Loans to related parties - net of current portion	6.3	1,598,688,269	700,000,000	11,725,891,660	9,366,338,947
Investments in subsidiaries	11	-	-	1,743,521,605	927,526,709
Investments in joint ventures	12	954,869,328	49,854,599	1,319,018,704	50,000,000
Other investment		330,400	330,400	330,400	330,400
Investment properties	13	87,793,609	96,812,036	18,417,322	23,848,246
Land held for development	14	4,032,577,434	3,404,745,882	1,901,856,532	2,653,904,213
Land, building and equipment	15	2,439,804,028	2,434,259,351	1,233,860,416	1,160,977,904
Deferred tax asset	31	656,551,464	611,498,334	203,429,975	196,274,083
Other intangible assets	16	120,097,850	107,030,949	105,206,822	96,556,661
Leasehold rights	17	311,023,661	339,794,409	36,993,145	39,094,584
Other non-current assets		<u>114,748,787</u>	<u>122,320,859</u>	<u>48,777,185</u>	<u>57,078,628</u>
Total non-current assets		<u>10,316,484,830</u>	<u>7,866,646,819</u>	<u>18,337,303,766</u>	<u>14,571,930,375</u>
Total assets		<u><u>69,451,023,079</u></u>	<u><u>73,147,164,365</u></u>	<u><u>58,623,317,356</u></u>	<u><u>57,026,747,867</u></u>

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

Sansiri Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	18	1,966,000,000	3,600,000,000	1,966,000,000	3,600,000,000
Bills of exchange	18	4,473,797,378	3,475,925,595	4,473,797,378	3,475,925,595
Trade accounts payable	19	1,371,139,997	2,009,542,910	860,596,002	1,079,506,739
Current portion of long-term loans	20	4,285,290,939	10,043,346,263	2,294,383,669	4,383,619,207
Short-term loans from related party	6.3	-	-	172,000,000	140,942,296
Unsecured debentures - due within one year	25	1,998,320,328	1,997,845,342	1,998,320,328	1,997,845,342
Corporate income tax payable		471,028,993	495,391,491	171,761,025	91,678,078
Short-term provisions	23	125,134,185	110,318,985	55,313,620	50,228,225
Unearned income	10.5	2,225,919,386	3,409,034,608	1,380,109,802	1,180,923,317
Other current liabilities					
Advance received from customers		569,673,818	77,704,403	496,609,566	823,196
Construction retention		764,959,201	738,220,358	335,090,631	305,632,712
Accrued expenses		1,020,992,208	886,686,503	836,863,761	709,148,458
Accrued construction costs		459,094,006	504,571,425	228,595,491	241,052,415
Others		<u>217,952,888</u>	<u>219,874,643</u>	<u>133,126,745</u>	<u>130,875,081</u>
Total current liabilities		<u>19,949,303,327</u>	<u>27,568,462,526</u>	<u>15,402,568,018</u>	<u>17,388,200,661</u>
Non-current liabilities					
Deferred leasehold revenue		429,334,727	474,836,167	-	-
Long term loans - net of current portion	20	8,677,701,785	9,011,525,720	6,053,328,585	5,286,521,450
Long-term promissory note - purchase of land	21	314,875,697	-	314,875,697	-
Unsecured debentures - net of current portion	25	11,968,135,147	10,968,017,405	11,968,135,147	10,968,017,405
Provision for transaction under equity method of investments in joint ventures	12.1	594,063,532	-	-	-
Provision for long-term employee benefits	22	114,915,324	80,236,699	79,259,746	53,215,487
Long-term provisions	23	149,493,877	163,213,285	103,494,097	100,256,803
Provision for guarantee to property fund	24	28,022,606	51,489,006	-	-
Other non-current liabilities		<u>26,727,203</u>	<u>13,183,468</u>	<u>20,477,451</u>	<u>8,014,867</u>
Total non-current liabilities		<u>22,303,269,898</u>	<u>20,762,501,750</u>	<u>18,539,570,723</u>	<u>16,416,026,012</u>
Total liabilities		<u>42,252,573,225</u>	<u>48,330,964,276</u>	<u>33,942,138,741</u>	<u>33,804,226,673</u>

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

Sansiri Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Shareholders' equity					
Share capital	26				
Registered					
18,017,674,684 ordinary shares of Baht 1.07 each (31 December 2014: 18,526,761,251 ordinary shares of Baht 1.07 each)		<u>19,278,911,912</u>	<u>19,823,634,539</u>	<u>19,278,911,912</u>	<u>19,823,634,539</u>
Issued and paid-up					
14,285,501,270 ordinary shares of Baht 1.07 each (31 December 2014: 13,627,931,023 ordinary shares of Baht 1.07 each)		15,285,486,359	14,581,886,194	15,285,486,359	14,581,886,194
Share premium	26	1,470,187,339	1,470,187,339	1,470,187,339	1,470,187,339
Capital reserve for share-based payment	28	20,022,180	-	20,022,180	-
Share subscriptions received in advance	26	-	166,534,687	-	166,534,687
Retained earnings					
Appropriated - statutory reserve	27	1,118,932,009	943,654,062	1,118,932,009	943,654,062
Unappropriated		9,261,803,278	7,666,456,976	6,786,550,728	6,060,258,912
Other components of shareholders' equity		<u>41,178,898</u>	<u>(13,720,723)</u>	-	-
Equity attributable to owners of the Company		27,197,610,063	24,814,998,535	24,681,178,615	23,222,521,194
Non-controlling interest of subsidiaries		<u>839,791</u>	<u>1,201,554</u>	-	-
Total shareholders' equity		<u>27,198,449,854</u>	<u>24,816,200,089</u>	<u>24,681,178,615</u>	<u>23,222,521,194</u>
Total liabilities and shareholders' equity		<u>69,451,023,079</u>	<u>73,147,164,365</u>	<u>58,623,317,356</u>	<u>57,026,747,867</u>

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

Sansiri Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Revenues					
Revenues from project sales		35,151,790,895	27,174,303,041	14,902,475,522	13,507,255,230
Revenues from sales of construction materials		4,195,454	-	30,771,765	79,750,096
Revenues from projects for rent		63,702,830	76,285,846	3,240,914	2,392,164
Revenues from business management		1,431,695,141	605,742,628	1,099,262,981	39,272,635
Revenues from other services	29	303,904,068	237,057,439	29,867,611	25,849,224
Other revenues					
Gain on sale of assets to property fund	24	-	767,504,771	-	-
Gain on sale of land		963,760,784	309,417,307	1,151,846,861	304,201,595
Gain on sale of investment in subsidiary		46,434,840	-	-	-
Interest income		48,008,602	14,810,129	601,024,875	548,445,837
Dividend income	11	-	33,040	868,880,000	914,993,040
Others		<u>441,761,425</u>	<u>341,996,965</u>	<u>194,438,845</u>	<u>167,263,950</u>
Total revenues		<u>38,455,254,039</u>	<u>29,527,151,166</u>	<u>18,881,809,374</u>	<u>15,589,423,771</u>
Expenses					
Cost of project sales		24,656,320,981	18,055,626,155	10,322,734,207	9,126,612,239
Cost of construction materials sales		2,497,114	-	16,705,729	54,668,863
Cost of projects for rent		45,735,912	59,963,539	3,744,753	3,469,764
Cost of business management		1,061,047,125	504,028,001	845,206,380	13,213,815
Cost of other services	29	348,466,577	285,539,687	30,762,352	28,494,772
Selling expenses		3,311,903,012	2,633,462,601	1,762,973,154	1,523,308,428
Administrative expenses		3,148,179,685	2,872,674,815	2,280,534,761	2,118,747,906
Other expenses					
Write-off of goodwill		-	141,253,448	-	-
Loss on diminution in value of property development for sale and land held for development (reversal)	10.4	167,439,463	(1,567,450)	164,000,000	10,000,000
Loss on diminution in value of land building and equipment		4,265,300	-	-	-
Reversal of allowance for doubtful accounts of loans to subsidiaries and interest receivables	6.3	-	-	(233,000,000)	(442,375,714)
Reversal of impairment of investment in subsidiary	11	-	-	-	(20,000,000)
Total expenses		<u>32,745,855,169</u>	<u>24,550,980,796</u>	<u>15,193,661,336</u>	<u>12,416,140,073</u>
Profit before share of losses from investments in joint ventures, finance cost and income tax expenses		5,709,398,870	4,976,170,370	3,688,148,038	3,173,283,698
Share of losses from investments in joint ventures	12.2	<u>(233,712,510)</u>	<u>(145,401)</u>	-	-
Profit before finance cost and income tax expenses		5,475,686,360	4,976,024,969	3,688,148,038	3,173,283,698
Finance cost		<u>(728,129,600)</u>	<u>(645,785,898)</u>	<u>(527,480,126)</u>	<u>(558,389,142)</u>

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

Sansiri Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Profit before income tax expenses		4,747,556,760	4,330,239,071	3,160,667,912	2,614,894,556
Income tax expenses	31	<u>(1,241,997,814)</u>	<u>(937,287,997)</u>	<u>(528,949,833)</u>	<u>(257,590,289)</u>
Profit for the year		<u>3,505,558,946</u>	<u>3,392,951,074</u>	<u>2,631,718,079</u>	<u>2,357,304,267</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		<u>54,899,621</u>	<u>(18,135,610)</u>	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		54,899,621	(18,135,610)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial losses - net of income tax	22	<u>(22,572,994)</u>	-	<u>(17,424,850)</u>	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(22,572,994)</u>	-	<u>(17,424,850)</u>	-
Other comprehensive income for the year		<u>32,326,627</u>	<u>(18,135,610)</u>	<u>(17,424,850)</u>	-
Total comprehensive income for the year		<u>3,537,885,573</u>	<u>3,374,815,464</u>	<u>2,614,293,229</u>	<u>2,357,304,267</u>
Profit attributable to:					
Equity holders of the Company		3,505,920,709	3,393,137,128	<u>2,631,718,079</u>	<u>2,357,304,267</u>
Non-controlling interest of the subsidiaries		<u>(361,763)</u>	<u>(186,054)</u>		
		<u>3,505,558,946</u>	<u>3,392,951,074</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		3,538,247,336	3,375,001,518	<u>2,614,293,229</u>	<u>2,357,304,267</u>
Non-controlling interest of the subsidiaries		<u>(361,763)</u>	<u>(186,054)</u>		
		<u>3,537,885,573</u>	<u>3,374,815,464</u>		
Earnings per share	28.2				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.25</u>	<u>0.33</u>	<u>0.18</u>	<u>0.23</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.25</u>	<u>0.31</u>	<u>0.18</u>	<u>0.22</u>

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

Sansiri Public Company Limited and its subsidiaries
Cash flow statement
For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	4,747,556,760	4,330,239,071	3,160,667,912	2,614,894,556
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Decrease in property development for sale from transferring to cost of project sales	24,656,320,981	18,055,626,155	10,322,734,207	9,126,612,239
Depreciation of investment properties	5,323,971	14,292,651	1,226,407	720,336
Depreciation of land, building and equipment	217,228,658	257,107,864	125,080,731	152,511,417
Write-off of building and equipment	-	13,439,506	-	-
Amortisation of intangible assets	19,440,023	16,861,275	15,113,037	13,002,618
Amortisation of leasehold rights	28,770,747	28,770,747	2,101,439	2,101,439
Gain on sales of investment properties	(21,846,088)	(784,414,965)	(8,859,037)	-
Gain on sales of equipment	(10,890,347)	(12,758,533)	(7,218,540)	(10,032,879)
Deferred profit of transactions between the Company and joint ventures	724,354,996	-	-	-
Reversal of provision for guarantee to property fund	(3,669,449)	-	-	-
Gain on sale of investment in subsidiary	(46,434,840)	-	-	-
Write-off of goodwill	-	141,253,448	-	-
Loss on diminution in value of property development for sale, investment properties and land held for development (reversal)	167,439,463	(1,567,450)	164,000,000	10,000,000
Loss on diminution in value of land building and equipment	4,265,300	-	-	-
Reversal of allowances for doubtful accounts of loans to subsidiaries and interest receivables	-	-	(233,000,000)	(442,375,714)
Reversal of loss on impairment of investments in subsidiaries	-	-	-	(20,000,000)
Allowance for doubtful accounts (reversal)	3,117,024	(3,695,270)	4,756,237	48,590
Leasehold revenue amortisation	(44,233,182)	(41,669,252)	-	-
Unrealised gain on exchanges	-	-	-	25,004,955
Homecare warranty and housing estate juristic persons expenses	113,697,708	105,411,672	57,179,121	54,400,082
Loss on provision for law suits	202,798	12,000,000	202,798	-
Long-term employee benefits expenses	11,754,667	10,519,781	7,472,596	6,814,431
Expense for share-based payment transactions	20,022,180	-	20,022,180	-
Share of loss from investments in joint ventures	233,712,510	145,401	-	-
Dividend income	-	(33,040)	(868,880,000)	(914,993,040)
Interest income	(48,008,602)	(14,810,129)	(601,024,875)	(548,445,837)
Interest expense	<u>728,129,600</u>	<u>645,785,898</u>	<u>527,480,126</u>	<u>558,389,142</u>
Profit from operating activities before changes in operating assets and liabilities	31,506,254,878	22,772,504,830	12,689,054,339	10,628,652,335

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

Sansiri Public Company Limited and its subsidiaries
Cash flow statement (continued)
For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
(Increase) decrease in operating assets				
Trade accounts receivable	(34,430,956)	(2,905,707)	83,091,209	296,853,253
Property development for sale	(18,914,658,276)	(29,180,666,498)	(10,998,555,723)	(11,779,951,346)
Deposits for land	(1,292,502,403)	(1,021,809,839)	(1,372,067,073)	(1,257,616,177)
Other current assets	999,446,350	1,909,190,828	193,713,336	894,046,192
Other non-current assets	7,572,072	2,485,797	8,301,443	27,171,951
Increase (decrease) in operating liabilities				
Trade accounts payable	(638,402,913)	(241,078,028)	(218,910,737)	(146,152,449)
Long-term promissory note - purchase of land	314,875,697	-	314,875,697	-
Advances received from customers and unearned income	(1,183,115,222)	407,446,597	199,186,485	(31,870,602)
Other current liabilities	534,622,225	333,167,215	586,345,790	192,138,496
Other liabilities	<u>(20,283,717)</u>	<u>(9,563,373)</u>	<u>8,671,282</u>	<u>(1,577,836)</u>
Cash flows used in operating activities	11,279,377,735	(5,031,228,178)	1,493,706,048	(1,178,306,183)
Cash paid for corporate income tax	<u>(1,775,945,077)</u>	<u>(940,606,993)</u>	<u>(690,488,926)</u>	<u>(406,758,838)</u>
Net cash used in operating activities	<u>9,503,432,658</u>	<u>(5,971,835,171)</u>	<u>803,217,122</u>	<u>(1,585,065,021)</u>
Cash flows from investing activities				
Decrease (increase) in current investments	556,519,003	(520,374,700)	500,000,000	(500,000,000)
Decrease in restricted bank deposits	-	6,660,030	-	-
Decrease (increase) in loans to related parties	(898,688,269)	(700,000,000)	1,970,021,257	(3,947,178,293)
Payment on purchase of investment properties	-	(542,824)	-	-
Payment on purchase of land, building and equipment	(229,876,551)	(258,926,078)	(203,106,224)	(131,169,341)
Payment on purchase of intangible assets	(32,506,924)	(25,356,878)	(23,763,198)	(22,793,839)
Proceeds from sales of equipment	20,610,032	24,502,720	12,361,520	16,043,194
Payment on purchase of investments in joint ventures	(1,269,018,703)	(50,000,000)	(1,269,018,703)	(50,000,000)
Proceed from decrease in subsidiary's capital	-	-	450,000,000	-
Payment on purchase of investment in subsidiary	-	-	(334,585,002)	-
Proceeds from sales investment in subsidiary	513,590,254	-	-	-
Proceeds from sale of asset to property fund	-	1,604,145,495	-	-
Proceeds from sales of investment properties	37,126,445	-	15,496,836	-
Interest income	47,165,367	14,810,129	626,633,844	548,445,837
Dividend income	<u>-</u>	<u>33,040</u>	<u>868,880,000</u>	<u>914,993,040</u>
Net cash from (used in) investing activities	<u>(1,255,079,346)</u>	<u>94,950,934</u>	<u>2,612,920,330</u>	<u>(3,171,659,402)</u>

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

Sansiri Public Company Limited and its subsidiaries
Cash flow statement (continued)
For the year ended 31 December 2015

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from financing activities				
Increase in bills of exchange	997,871,783	992,640,695	997,871,783	992,640,695
Increase (decrease) in short-term loans from banks	(1,634,000,000)	50,000,000	(1,634,000,000)	50,000,000
Increase in short-term loans from related parties	-	-	31,057,704	140,942,296
Increase in long-term loans	4,360,277,100	14,401,783,700	3,265,916,800	6,327,863,999
Repayment of long-term loans	(10,452,156,359)	(11,031,927,548)	(4,588,345,203)	(5,076,121,632)
Proceeds from debentures issuance	3,000,000,000	-	3,000,000,000	-
Payment of transaction costs related to debenture issuance	(14,445,000)	-	(14,445,000)	-
Repayment of debentures	(2,000,000,000)	-	(2,000,000,000)	-
Payment of interest expenses	(1,761,547,104)	(1,955,897,799)	(1,415,309,942)	(1,431,450,238)
Dividend paid	(1,712,723,466)	(956,223,257)	(1,712,723,466)	(956,223,257)
Payment of finance lease payables	(3,121,838)	(3,642,603)	(3,121,838)	(3,642,603)
Proceeds from capital increase	537,065,478	5,328,807,070	537,065,478	5,328,807,070
Increase in non-controlling interests of the subsidiaries	-	1,200,000	-	-
Net cash from (used in) financing activities	<u>(8,682,779,406)</u>	<u>6,826,740,258</u>	<u>(3,536,033,684)</u>	<u>5,372,816,330</u>
Translation adjustment	<u>54,899,621</u>	<u>(18,135,610)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(379,526,473)	931,720,411	(119,896,232)	616,091,907
Cash and cash equivalents at beginning of the year	<u>3,051,293,397</u>	<u>2,119,572,986</u>	<u>1,591,428,773</u>	<u>975,336,866</u>
Cash and cash equivalents at end of the year	<u><u>2,671,766,924</u></u>	<u><u>3,051,293,397</u></u>	<u><u>1,471,532,541</u></u>	<u><u>1,591,428,773</u></u>
Supplementary cash flows information				
Non-cash item:				
Interest recorded as cost of projects	1,042,938,617	1,313,760,790	906,979,562	872,629,913
Increase in investment in subsidiary by offsetting with loan to related party and interest receivable	-	-	931,409,894	-
Transfer property development for sale to investment properties	77,721,786	-	7,804,156	-
Transfer investment properties to property development for sale	66,135,885	-	5,370,874	-

(Unit: Baht)

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

Sansiri Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2015

(Unit: Baht)

Consolidated financial statements											
Note	Equity attributable to the parent's shareholders										
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Share subscriptions received in advance	Retained earnings		Other components of equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity	
					Appropriated	Unappropriated					Other comprehensive income
	10,200,884,167	656,624,039	-	32,292,944	774,006,508	5,399,190,659	4,414,887	17,067,413,204	187,608	17,067,600,812	
	-	-	-	-	-	3,393,137,128	-	3,393,137,128	(186,054)	3,392,951,074	
	-	-	-	-	-	-	(18,135,610)	(18,135,610)	-	(18,135,610)	
	-	-	-	-	-	3,393,137,128	(18,135,610)	3,375,001,518	(186,054)	3,374,815,464	
	-	-	-	-	-	-	-	-	1,200,000	1,200,000	
26	4,381,002,027	813,563,300	-	134,241,743	-	-	-	5,328,807,070	-	5,328,807,070	
33	-	-	-	-	-	(956,223,257)	-	(956,223,257)	-	(956,223,257)	
	-	-	-	-	169,647,554	(169,647,554)	-	-	-	-	
	14,581,886,194	1,470,187,339	-	166,534,687	943,654,062	7,666,456,976	(13,720,723)	24,814,998,535	1,201,554	24,816,200,089	
	14,581,886,194	1,470,187,339	-	166,534,687	943,654,062	7,666,456,976	(13,720,723)	24,814,998,535	1,201,554	24,816,200,089	
	-	-	-	-	-	3,505,920,709	-	3,505,920,709	(361,763)	3,505,558,946	
	-	-	-	-	-	(22,572,994)	54,899,621	32,326,627	-	32,326,627	
26	703,600,165	-	-	(166,534,687)	-	3,483,347,715	54,899,621	3,538,247,336	(361,763)	3,537,885,573	
28.1	-	-	20,022,180	-	-	-	-	20,022,180	-	20,022,180	
33	-	-	-	-	-	(1,712,723,466)	-	(1,712,723,466)	-	(1,712,723,466)	
	-	-	-	-	175,277,947	(175,277,947)	-	-	-	-	
	15,285,486,359	1,470,187,339	20,022,180	-	1,118,932,009	9,261,803,278	41,178,898	27,197,610,063	839,791	27,198,449,854	

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

		Separate financial statements					
		Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Share subscriptions received in advance	Retained earnings	Total shareholders' equity
Note						Appropriated	Unappropriated
	Balance as at 1 January 2014	10,200,884,167	656,624,039	-	32,292,944	774,006,508	4,828,825,456
	Profit for the year	-	-	-	-	-	2,357,304,267
	Total comprehensive income for the year	-	-	-	-	-	2,357,304,267
	Increase capital	4,381,002,027	813,563,300	-	134,241,743	-	-
	Dividend paid	-	-	-	-	-	(956,223,257)
	Statutory reserve	-	-	-	-	169,647,554	(169,647,554)
	Balance as at 31 December 2014	14,581,886,194	1,470,187,339	-	166,534,687	943,654,062	23,222,521,194
	Balance as at 1 January 2015	14,581,886,194	1,470,187,339	-	166,534,687	943,654,062	23,222,521,194
	Profit for the year	-	-	-	-	-	2,631,718,079
	Other comprehensive income for the year	-	-	-	-	-	(17,424,850)
	Total comprehensive income for the year	-	-	-	-	-	2,614,293,229
	Increase capital	703,600,165	-	-	(166,534,687)	-	-
	Share-based payment transactions	-	-	20,022,180	-	-	-
	Dividend paid	-	-	-	-	-	(1,712,723,466)
	Statutory reserve	-	-	-	-	175,277,947	(175,277,947)
	Balance as at 31 December 2015	15,285,486,359	1,470,187,339	20,022,180	-	1,118,932,009	24,681,178,615

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Corporate information

Sansiri Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development.

The Company's top 5 major shareholders as at 18 March 2015 the latest closing date of the shares register book, are as following:

	Percentage of shareholding (based on paid-up capital)
1. Thai Viriyah Insurance Co., Ltd.	6.29
2. UBS AG SINGAPORE BRANCH	4.70
3. Thai NVDR Co., Ltd.	4.68
4. CHASE NOMINEES LIMITED 47	2.77
5. Mr. Wanchak Buranasiri	2.63

The registered office of the Company is at 475, Siripinyo Building, Sri Ayutthaya Road, Phayathai, Rajthevi, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Sansiri Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of Incorporation	Percentage of Shareholding	
			2015	2014
			Percent	Percent
<u>Directly Owned</u>				
Chanachai Ltd.	Property development	Thailand	100	100
Plus Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Venture Co., Ltd.	Property development	Thailand	100	100
S.U.N. Management Co., Ltd.	Property development	Thailand	100	100
Arnawat Ltd.	Property development	Thailand	100	100
Piwattana Ltd.	Property development	Thailand	100	100
Red Lotus Properties Ltd.	Property development	Thailand	100	100
Pacific Challenge Holding Co., Ltd.	Property development	Thailand	85	85
Sansiri Global Investment Pte. Ltd.	Property development	Singapore	100	100
Plus Property Space Co., Ltd.	Property development	Thailand	100	100

Company's name	Nature of business	Country of Incorporation	Percentage of Shareholding	
			2015	2014
			Percent	Percent
Papanan Ltd.	Property development	Thailand	100	100
NED Management Co., Ltd.	Property development and holder of Satit Pattana School's license	Thailand	100	100
Satit Pattana Personnel Center Ltd.	Provision of administrative services to Satit Pattana School	Thailand	100	100
<u>Indirectly owned</u>				
Plus Property Venture Co., Ltd.	Property development	Thailand	-	100
QT Lifestyle Co., Ltd.	Property development	Thailand	100	100
Touch Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Guernsey (2009) Limited	Property development	Guernsey	100	100
Satit Pattana School	Education business	Thailand	100	100
QEW (Thailand) Co., Ltd.	Events management and full wedding planning services	Thailand	70	70
Sansiri Guernsey (2015) Limited	Property development	Guernsey	100	-

In the second quarter of year 2015, Sansiri Global Investment Pte. Ltd. ("subsidiary") has invested by establishing a wholly owned subsidiary company in Guernsey, named "Sansiri Guernsey (2015) Limited". It has been incorporated on 22 May 2015 with registered capital of 10,000 Pound to engage in the business of property development in United Kingdom.

On 30 October 2015, Plus Property Co., Ltd. (a subsidiary) disposed of 1,000,000 shares with a par value of 10 Baht per share, representing 100% shares in Plus Property Venture Co., Ltd. (an indirect subsidiary) which engages in property development business, to unrelated person. The selling price is Baht 32 million in which the value came from the negotiation between the Buyer and the Seller based on the value of the net assets of such indirect subsidiary (include loan from related party amounting to Baht 482 million) as of the transaction date according to the management account (internal account).

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

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

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current year

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

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

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the consolidated financial statements, and at cost in the separate financial statements.

This standard does not have any impact on the financial statements since the Company and its subsidiaries already apply the equity method to account for the investment in a joint venture.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) **Financial reporting standard that will become effective in the future**

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Significant accounting policies

4.1 Revenue recognition

a) **Revenue from property development for sales**

Revenues from sales of land and houses and sales of residential condominium are recognised as income when the significant risks and rewards of ownership have been transferred to the buyer that the Company and the subsidiaries retains neither continuing managerial involvement nor effective control over the land and houses and the condominium sold, directly and indirectly. The recognised amount and cost incurred in respect of the transaction can be measured reliably.

b) **Revenue from sales of goods**

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

c) **Rental income**

Rental income is recognised in the statement of comprehensive income on an accrual basis over the term of the lease. Initial expenses are recorded as a part of total rental as lease agreement.

d) **Revenue from hotel business**

Room revenues are recognised on an accrual basis over the period of the guests stay. Food and beverage revenues are recognised after the food and beverages have been served. Recognised revenue does not include valued added tax and state net of discounts.

e) **School fees income**

Tuition fees, transportation fees and canteen income are recognised as income of the school term to which they relate. Entrance fees are recognised as income at the time of acceptance of the pupil by the subsidiary.

f) **Service income**

Service income is recognised when service rendered by reference to the stage of completion.

g) **Interest income**

Interest income is recognised as interest accrues based on the effective rate method.

h) **Dividends**

Dividends are recognised when the right to receive the dividends is established.

4.2 Cost of property development for sale and cost of project sold

Property development for sale are stated at the lower of cost and net realisable value, consisting of the cost of land, design fees, utilities, construction costs, and directly related interest and expenses.

In determining the costs of land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses and residential condominium units on the basis of the saleable area.

Construction materials are valued at the lower of cost (under weighted average method) or net realisable value.

The Company and its subsidiaries recognise loss on diminution in value of projects (if any) in profit or loss.

4.3 Cash and cash equivalents

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

4.4 Trade accounts receivable and allowance for doubtful accounts

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

4.5 Borrowing costs

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

To the extent that funds are borrowed specifically for the development of projects, interest costs are presented as the actual borrowing costs less any investment income from the temporary investment of those borrowings. To the extent that funds are borrowed and used for the general purposes, the interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year, other than borrowings made for specific purposes.

4.6 Investments

- a) Investments in securities held for trading are stated at fair value. Change in the fair value of these securities are recorded in profit or loss.
- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- c) Investments in subsidiaries and joint ventures are accounted for in the separate financial statements using the cost method.
- d) Investments in joint ventures are accounted for in the consolidated financial statements using the equity method.

The fair value of unit trusts is determined from their net asset value.

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

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.7 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10 - 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss.

4.8 Land, building and equipment/Depreciation

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

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

Buildings and improvements	5 - 40 years
Buildings decoration	5 - 8 years
Fixtures and equipment	2 - 20 years
Motor vehicles	5 years
Temporary sales office	1 - 5 years

Depreciation of equipment (machinery operating in precast factory) is calculated by reference to their costs on a unit-of-production basis.

Depreciation is included in determining income.

No depreciation is provided for land and construction in progress.

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

4.9 Leasehold rights and amortisation

Leasehold rights are stated at cost less accumulated amortisation. The Company and its subsidiaries amortise leasehold rights on a straight-line basis over the leasehold period.

The amortisation is included in determining income.

4.10 Intangible assets and amortisation

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	Useful lives
Computer software	3 - 10 years
Franchise fee	5 years

The amortisation is included in determining income.

4.11 Land held for development

Land held for development is stated at cost less allowance for loss on diminution in value of projects. It is consisted of cost of land, land fulfill, public utilities cost, project development cost and borrowing cost which occurred during the developed period in the past.

4.12 Related party transactions

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

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

4.13 Long-term leases

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

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

4.14 Foreign currencies

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.15 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the land, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and the subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

4.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.19 Equity-settled share-based payment transactions

The Company recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in "Capital reserve for share-based payment transactions" in shareholders' equity.

Estimating fair value for share-based payment transactions requires management to exercise judgement, and to apply assumptions, including as to the expected life of the share options, share price volatility and dividend yield.

4.20 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgments and estimates

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

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risks and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgments and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of property development for sale, investment properties and land held for development

The Company and its subsidiaries treat property development for sale, investment properties and land held for development as impaired when the management judges that there has been a significant decline in the fair value below their cost. The management determines the devaluation of such properties and land held for development based on net realisable value. The determination of what is "significant" and such devaluation requires the management to exercise judgment.

Project development costs estimation

In calculating cost of land and houses and condominium sold, the Company and its subsidiaries have to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utility costs, borrowing costs and other related costs. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Land, building and equipment/Depreciation

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of the Company and its subsidiaries' building and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review land, building and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Impairment of investment

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

Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has exercised judgment to assess of the results of the litigation and recorded certain contingent liabilities as at the end of reporting period.

Compensation for Housing Estate Juristic Persons

The Company and its subsidiaries estimate the compensation for Housing Estate Juristic Persons using the rate specified by the regulator and the budgeted public utilities costs as a basis for the calculation.

Provision for home care warrantee

In recording provision for home care warrantee, the management estimates the expenses expected to be incurred as a result of providing such warrantee based on past experiences of actual expenses claimed.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

6.1 During the year, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Details of subsidiaries are presented in Note 2.2 a) to the financial statements.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2015	2014	2015	2014	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of precast concrete	-	-	26,576	79,750	Cost plus certain margin of 5%
Revenues from business management and project management	-	-	6,055	8,299	Based on agreement (1)
Interest income	-	-	559,173	539,575	3.25 - 3.50% p.a. (2014: 3.25% p.a.)
Commission income	-	-	35,511	27,077	Based on agreement (3)
Project management fee and other expenses	-	-	18,476	23,107	Based on agreement (2)
Commission expenses	-	-	64,168	37,183	Based on agreement (3)
Purchase of land	-	-	-	453,386	Cost plus certain margin
Interest expenses	-	-	6,966	611	3.25 - 3.50% p.a. (2014: 3.25% p.a.)
<u>Transactions with joint ventures</u>					
Revenue from business management and project management	664,769	-	1,052,132	-	Based on agreement (1)
Sale of land	653,109	-	841,195	-	Cost plus certain margin
Interest income	32,879	374	32,879	374	3.25 - 3.50% p.a. (2014: 3.25% p.a.)
Commission income	105,547	-	-	-	Based on agreement (3)
<u>Transactions with related persons</u>					
Revenues from project sales	11,519	6,155	-	-	Cost plus certain margin at average rates of 28% - 46%

Transactions, pricing policies and related contracts are as follows: -

- (1) Revenue from business service and project management fees is charged based on costs plus certain margin. Those charges are allocated to subsidiaries and joint ventures based on revenue and project costs, respectively.

(2) Project management fees are charged monthly, depended upon the size of the project.

(3) Commission from sales of projects are charged at a rate of 1% of selling price per the contract, with payments divided between the time the customer executes the agreement and when the properties are transferred.

6.2 Directors and management's benefits

During the year ended 31 December 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2015	2014
Short-term employee benefits	461,852	447,009
Post-employment benefits	2,971	2,777
Total	<u>464,823</u>	<u>449,786</u>

6.3 The balances of the accounts as at 31 December 2015 and 2014 between the Company and those related companies are as follows: -

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounts receivable				
Subsidiaries	-	-	19,350	111,821
Joint ventures	5,123	277	1,890	277
Total	<u>5,123</u>	<u>277</u>	<u>21,240</u>	<u>112,098</u>
Prepaid rental expenses				
Subsidiaries	-	-	-	160
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>160</u>

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loans to related parties				
Subsidiaries	-	-	15,100,998	18,875,195
Joint ventures	1,598,688	700,000	1,598,688	700,000
Related party	5,000	5,000	-	-
Total	<u>1,603,688</u>	<u>705,000</u>	<u>16,699,686</u>	<u>19,575,195</u>
Current portion	-	-	4,973,794	9,975,856
Less: Allowance for doubtful accounts	-	-	-	-
Net	<u>-</u>	<u>-</u>	<u>4,973,794</u>	<u>9,975,856</u>
Long-term portion	1,603,688	705,000	11,725,892	9,599,339
Less: Allowance for doubtful accounts	(5,000)	(5,000)	-	(233,000)
Net	<u>1,598,688</u>	<u>700,000</u>	<u>11,725,892</u>	<u>9,366,339</u>
Interest receivables				
Subsidiaries	-	-	42,856	95,362
Joint ventures	1,349	374	1,349	374
Related party	333	333	-	-
Total	<u>1,682</u>	<u>707</u>	<u>44,205</u>	<u>95,736</u>
Less: Allowance for doubtful accounts	(333)	(333)	-	-
Net	<u>1,349</u>	<u>374</u>	<u>44,205</u>	<u>95,736</u>

During the year 2015, the Company reversed allowance for doubtful accounts of loans to subsidiaries and interest receivable amounting to Baht 233 million (2014: Baht 442 million).

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Unearned income</u>				
Subsidiary	-	-	-	3,180
Related parties	14,019	14,622	12,011	10,892
Total	<u>14,019</u>	<u>14,622</u>	<u>12,011</u>	<u>14,072</u>
<u>Trade accounts payable</u>				
Subsidiaries	-	-	11,101	364,439
Total	<u>-</u>	<u>-</u>	<u>11,101</u>	<u>364,439</u>
<u>Short-term loans from related party</u>				
Subsidiary	-	-	172,000	140,942
Total	<u>-</u>	<u>-</u>	<u>172,000</u>	<u>140,942</u>
<u>Interest payable</u>				
Subsidiary	-	-	2,512	-
Total	<u>-</u>	<u>-</u>	<u>2,512</u>	<u>-</u>
<u>Advance received from customers</u>				
Joint ventures	495,040	-	495,040	-
Total	<u>495,040</u>	<u>-</u>	<u>495,040</u>	<u>-</u>

6.4 During the year, movements of loans to and loan from related parties were as follow: -

(Unit: Million Baht)

Loans to	Consolidated financial statements			
	Balance as at 1 January 2015	During the year		Balance as at 31 December 2015
		Increase	Decrease	
Joint ventures				
BTS Sansiri Holding One Ltd.	700.00	120.00	(540.00)	280.00
BTS Sansiri Holding Two Ltd.	-	373.76	(247.07)	126.69
BTS Sansiri Holding Three Ltd.	-	291.00	(130.00)	161.00
BTS Sansiri Holding Four Ltd.	-	600.00	(420.00)	180.00
BTS Sansiri Holding Five Ltd.	-	175.00	(147.00)	28.00
BTS Sansiri Holding Six Ltd.	-	330.00	-	330.00
BTS Sansiri Holding Seven Ltd.	-	75.00	(70.00)	5.00
BTS Sansiri Holding Eight Ltd.	-	169.00	-	169.00
BTS Sansiri Holding Nine Ltd.	-	36.00	-	36.00
BTS Sansiri Holding Eleven Ltd.	-	283.00	-	283.00
Related party				
Regency One Co., Ltd.	5.00	-	-	5.00
Total	<u>705.00</u>	<u>2,452.76</u>	<u>(1,554.07)</u>	<u>1,603.69</u>

(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at 1 January 2015	During the year		Balance as at 31 December 2015
		Increase	Decrease	
Subsidiaries				
Arnawat Ltd.	7,746.93	1,967.30	(3,391.48)	6,322.75
Plus Property Co., Ltd.	218.00	25.00	(243.00)	-
Piwattana Ltd.	3,231.46	2,244.27	(2,211.60)	3,264.13
Red Lotus Properties Ltd.	2,269.02	585.85	(1,586.11)	1,268.76
Sansiri Global Investment Pte. Ltd.	905.49	29.65	(935.14)	-

(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at 1 January 2015	During the year		Balance as at 31 December 2015
		Increase	Decrease	
Plus Property Space Co., Ltd.	652.73	216.16	(112.27)	756.62
NED Management Co., Ltd.	3,845.46	1,567.65	(1,967.49)	3,445.62
Sansiri Venture Co., Ltd.	5.60	-	-	5.60
Pacific Challenge Holding Co., Ltd.	0.50	-	(0.50)	-
Papanan Ltd.	-	70.19	(32.67)	37.52
Joint ventures				
BTS Sansiri Holding One Ltd.	700.00	120.00	(540.00)	280.00
BTS Sansiri Holding Two Ltd.	-	373.76	(247.07)	126.69
BTS Sansiri Holding Three Ltd.	-	291.00	(130.00)	161.00
BTS Sansiri Holding Four Ltd.	-	600.00	(420.00)	180.00
BTS Sansiri Holding Five Ltd.	-	175.00	(147.00)	28.00
BTS Sansiri Holding Six Ltd.	-	330.00	-	330.00
BTS Sansiri Holding Seven Ltd.	-	75.00	(70.00)	5.00
BTS Sansiri Holding Eight Ltd.	-	169.00	-	169.00
BTS Sansiri Holding Nine Ltd.	-	36.00	-	36.00
BTS Sansiri Holding Eleven Ltd.	-	283.00	-	283.00
Total	19,575.19	9,158.83	(12,034.33)	16,699.69

(Unit: Million Baht)

Loans From	Separate financial statements			
	Balance as at 1 January 2015	During the year		Balance as at 31 December 2015
		Increase	Decrease	
Subsidiaries				
Papanan Ltd.	140.94	123.11	(264.05)	-
Chanachai Ltd.	-	172.00	-	172.00
Plus Property Co, Ltd.	-	455.00	(455.00)	-
	140.94	750.11	(719.05)	172.00

As at 31 December 2015, loans to and loans from related parties are clean loans, due for repayment at call, and carried interest at rates of 3.25 - 3.50 percent per annum (2014: 3.25 percent per annum).

6.5 Guarantees to related companies

As at 31 December 2015 and 2014, the Company has the following obligation in respect of guarantee provided to bank for loans facility: -

(Unit: Million Baht)

Guarantor	Guarantee	2015	2014
Sansiri Plc.	Arnawat Ltd.	395	395
Total		395	395

7. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash	6.24	6.88	1.34	1.76
Bank deposits	2,607.50	3,043.93	1,470.19	1,589.67
Bills of exchange	58.02	0.48	-	-
Total	2,671.76	3,051.29	1,471.53	1,591.43

As at 31 December 2015, bank deposits in saving accounts, fixed deposits and bills of exchange carried interests between 0.13 - 2.38 percent per annum (2014: between 0.13 - 2.65 percent per annum).

8. Current investments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trading security - Investment in debt securities open-ended fund	-	500.00	-	500.00
Term deposits at financial institutions	-	56.52	-	-
Total current investments	-	556.52	-	500.00

9. Trade accounts receivable

Trade accounts receivable as at 31 December 2015 and 2014 presented as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	3.23	-	-	-
Past due				
Up to 3 months	1.89	0.27	14.91	41.48
3 - 6 months	-	-	5.23	3.02
6 - 12 months	-	-	-	0.10
Over 12 months	-	-	1.10	67.50
Total trade receivables - related parties	5.12	0.27	21.24	112.10

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	43.16	18.55	-	-
Past due				
Up to 3 months	22.90	26.88	9.50	6.53
3 - 6 months	2.49	5.45	1.40	0.16
6 - 12 months	12.56	5.10	3.97	0.96
Over 12 months	12.72	8.52	1.26	-
Total	93.83	64.50	16.13	7.65
Less: Allowance for doubtful debts	(17.78)	(13.64)	(6.53)	(1.07)
Total trade receivables - unrelated parties, net	76.05	50.86	9.60	6.58
Total trade receivables - net	81.17	51.13	30.84	118.68

10. Property development for sale

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Land	36,931.34	33,153.62	23,990.65	18,688.05
Construction cost	56,501.33	45,241.33	24,273.46	19,618.62
Utility costs	15,181.13	12,321.84	8,624.59	6,799.88
Construction materials	36.48	24.05	24.06	21.72
Capitalised interest and financial costs	4,149.91	3,221.08	3,308.67	2,431.39
Total	112,800.19	93,961.92	60,221.43	47,559.66

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Less: Accumulated transfer to cost of project	(61,471.95)	(36,884.03)	(30,819.64)	(20,497.22)
Allowance for diminution in value of project	(283.00)	(28.60)	(174.00)	(10.00)
Balance	51,045.24	57,049.29	29,227.79	27,052.44

10.1 As at 31 December 2015 and 2014, land and construction thereon of projects of the Company and its subsidiaries amounting Baht 30,459 million and Baht 44,355 million, respectively (Separate financial statements: Baht 19,159 million and Baht 22,305 million, respectively) were pledged as collateral for loans obtained from banks.

10.2 As at 31 December 2015 and 2014, the estimated expense to the Company and its subsidiaries of development and construction for completion of the opened projects (excluding the costs of land and construction already recorded) is Baht 47,563 million and Baht 39,671 million, respectively (Separate financial statements: Baht 34,098 million and Baht 20,542 million, respectively).

10.3 During the year 2015 and 2014, the Company and its subsidiaries included borrowing costs in the cost of property development amounting to Baht 1,057 million and Baht 1,293 million, respectively (Separate financial statements: Baht 931 million and Baht 879 million, respectively). Capitalisation rates for the years 2015 and 2014 were 4.43% and 4.68%, respectively (Separate financial statements: 4.42% and 4.65% respectively).

10.4 Loss on diminution in value of property development for sale and land held for development (reversal) for the year 2015 and 2014 are as follow.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Property development for sale (Note 10)	219.93	(1.57)	164.00	10.00
Land held for development (Note 14)	(52.49)	-	-	-
Total	167.44	(1.57)	164.00	10.00

10.5 Additional information of the Company and its subsidiaries' projects are as follow.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Sales with signed agreements	112,000	94,953	59,513	50,678
Total estimated project value	172,465	157,287	94,144	79,432
The ratio of sales with signed agreements to total estimated project sales	64.94%	60.37%	63.21%	63.80%
Unearned income	2,226	3,409	1,380	1,181

11. Investments in subsidiaries

Investments in subsidiaries as stated in the separate financial statements as at 31 December 2015 and 2014 are as follows: -

(Unit: Thousand Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received during the year	
	2015	2014	2015 (%)	2014 (%)	2015	2014	2015	2014
<u>Subsidiaries - Directly owned</u>								
Chanachai Ltd.	90.00	90.00	100	100	101,524	101,524	109,080	444,960
Plus Property Co., Ltd.	150.00	600.00	100	100	160,524	610,524	529,800	-
Sansiri Venture Co., Ltd.	3.00	3.00	100	100	4,521	4,521	-	-
S.U.N. Management Co., Ltd.	10.00	10.00	100	100	20,084	20,084	-	-
Arnawat Ltd.	2.50	2.50	100	100	2,500	2,500	-	-
Piwattana Ltd.	100.00	100.00	100	100	100,000	100,000	-	-
Red Lotus Properties Ltd.	20.00	20.00	100	100	20,000	20,000	-	-
Plus Propety Space Co., Ltd.	2.50	2.50	100	100	4,063	4,063	-	-
Pacific Challenge Holding Co., Ltd.	2.50	2.50	85	85	2,125	2,125	-	-

(Unit: Thousand Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received during the year	
	2015	2014	2015 (%)	2014 (%)	2015	2014	2015	2014
Papanan Ltd.	20.00	20.00	100	100	20,000	20,000	230,000	470,000
Satit Pattana Personnel Center Ltd.	1.00	1.00	100	100	1,000	1,000	-	-
NED Management Co., Ltd.	40.00	40.00	100	100	40,000	40,000	-	-
Sansiri Global Investment Pte. Ltd.	1,267.18	1.19	100	100	1,267,181	1,186	-	-
Total investment in subsidiaries					<u>1,743,522</u>	<u>927,527</u>	<u>868,880</u>	<u>914,960</u>

On 26 February 2015, the Extraordinary General Meeting of the Sansiri Global Investment Pte.Ltd. (a subsidiary) passed a resolution to approve the increase in the subsidiary's preference share of GBP 18.8 Million. The Company subscribed and paid for newly issued preference shares on 1 March 2015 by offsetting the share subscription payable against with all outstanding loans between the Company and such subsidiary by bartering all outstanding loans for share subscription payment.

On 7 September 2015, the meeting of the Board of Directors of the Sansiri Global Investment Pte. Ltd. (a subsidiary) passed a resolution to approve the increase in the subsidiary's preference share of GBP 6.1 million. The Company subscribed and paid for newly issued shares on 18 September 2015.

On 13 November 2015, the Extraordinary General Meeting of Plus Property Co., Ltd. (a subsidiary)'s shareholders No.2/2015 passed a resolution to approve the decrease in the registered capital of a subsidiary by Baht 450 million, from the existing registered capital of Baht 600 million to the new registered capital of Baht 150 million (15,000,000 shares with a par value of Baht 10). The subsidiary registered the decrease in the registered share capital with the Ministry of Commerce on 29 December 2015.

During the year 2014, the Company reversal impairment of investments of Baht 20 million (2015: Nil).

12. Investments in joint ventures

12.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

(Unit: Thousand Baht)

Joint ventures	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2015 (%)	2014 (%)	2015	2014	2015	2014
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	49,855
BTS Sansiri Holding Two Limited	Property development	50	-	50,000	-	- ⁽¹⁾	-
BTS Sansiri Holding Three Limited	Property development	50	-	50,000	-	- ⁽¹⁾	-
BTS Sansiri Holding Four Limited	Property development	50	-	50,000	-	- ⁽¹⁾	-
BTS Sansiri Holding Five Limited	Property development	50	-	50,000	-	- ⁽¹⁾	-
BTS Sansiri Holding Six Limited	Property development	50	-	50,000	-	- ⁽¹⁾	-
BTS Sansiri Holding Seven Limited	Property development	50	-	50,000	-	40,958	-
BTS Sansiri Holding Eight Limited	Property development	50	-	50,000	-	293	-
BTS Sansiri Holding Nine Limited	Property development	50	-	50,000	-	49,822	-
Nuvo Line Agency Co., Ltd.	Property development	50	-	769,019	-	764,068	-
BTS Sansiri Holding Eleven Limited	Property development	50	-	50,000	-	49,864	-
BTS Sansiri Holding Twelve Limited	Property development	50	-	50,000	-	49,864	-
Total				<u>1,319,019</u>	<u>50,000</u>	<u>954,869</u>	<u>49,855</u>

⁽¹⁾ Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures."

Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures" were detailed as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	2015	2014
BTS Sansiri Holding One Ltd.	106,137	-
BTS Sansiri Holding Two Ltd.	136,881	-
BTS Sansiri Holding Three Ltd.	87,184	-
BTS Sansiri Holding Four Ltd.	138,706	-
BTS Sansiri Holding Five Ltd.	6,269	-
BTS Sansiri Holding Six Ltd.	118,887	-
Total	594,064	-

The Company presented the negative investment value based on equity method as "Provision for transaction under equity method of investments in joint ventures" in the consolidated statement of financial position. The negative investment value was resulted from elimination of gain on related party transactions in proportion to the Company's shareholding in jointly controlled entities.

(Unit: Thousand Baht)

Joint ventures	Nature of business	Separate financial statements			
		Shareholding percentage		Cost/Carrying amounts based on cost method - net	
		2015 (%)	2014 (%)	2015	2014
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Two Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Three Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Four Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Five Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Six Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Seven Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Eight Limited	Property development	50	-	50,000	-

(Unit: Thousand Baht)

Joint ventures	Nature of business	Separate financial statements			
		Shareholding percentage		Cost/Carrying amounts based on cost method - net	
		2015 (%)	2014 (%)	2015	2014
BTS Sansiri Holding Nine Limited	Property development	50	-	50,000	-
Nuvo Line Agency Co.,Ltd.	Property development	50	-	769,019	-
BTS Sansiri Holding Eleven Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Twelve Limited	Property development	50	-	50,000	-
Total				1,319,019	50,000

12.2 Share of income (loss)

During the years, the Company recognised its share of income (loss) from investments in the joint ventures in the consolidated financial statements as follows.

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements	
	Share of income (loss) from investments in joint ventures during the years	
	2015	2014
BTS Sansiri Holding One Limited	(119,918)	(145)
BTS Sansiri Holding Two Limited	(9,672)	-
BTS Sansiri Holding Three Limited	(59,198)	-
BTS Sansiri Holding Four Limited	(1,835)	-
BTS Sansiri Holding Five Limited	(966)	-
BTS Sansiri Holding Six Limited	(1,101)	-
BTS Sansiri Holding Seven Limited	(168)	-
BTS Sansiri Holding Eight Limited	(42,235)	-
BTS Sansiri Holding Nine Limited	(178)	-
Nuvo Line Agency Co.,Ltd.	1,829	-
BTS Sansiri Holding Eleven Limited	(135)	-
BTS Sansiri Holding Twelve Limited	(135)	-
Total	(233,712)	(145)

On 27 February 2015, 7 May 2015 and 3 November 2015, a meeting of the Executive Committee of the Company passed a resolution approving the establishment of 50:50 joint venture companies with BTS for the residential projects for sale with a registered share capital of Baht 100 million each (1,000,000 ordinary shares with a par value of Baht 100 each). The details were as follows:

	Registered date
BTS Sansiri Holding Two Ltd.	13 March 2015
BTS Sansiri Holding Three Ltd.	16 June 2015
BTS Sansiri Holding Four Ltd.	16 June 2015
BTS Sansiri Holding Five Ltd.	16 June 2015
BTS Sansiri Holding Six Ltd.	16 June 2015
BTS Sansiri Holding Seven Ltd.	14 July 2015
BTS Sansiri Holding Eight Ltd.	8 September 2015
BTS Sansiri Holding Nine Ltd.	28 September 2015
BTS Sansiri Holding Eleven Ltd.	14 December 2015
BTS Sansiri Holding Twelve Ltd.	14 December 2015

On 6 October 2015, the Company has acquired ordinary shares in Nuvo Line Agency Co., Ltd. ("Nuvo Line") from BTS Group Holdings Public Company Limited ("BTS"), totaling 7,500,000 ordinary shares with the par value of Baht 100 each or equivalent to 50% of paid-up capital of Nuvo Line, a subsidiary of BTS that engaging in land owning and property development business at the total purchase price of Baht 769 million (equivalent to 50% of the book value of Nuvo Line as of 25 September 2015 according to the management account (internal account)). The purpose of this transaction is to set Nuvo Line to be an additional 50:50 joint venture company between the Company and BTS for the development of residential project for sale under the Strategic Alliance Framework Agreement dated 16 October 2014.

12.3 Aggregate amount of share of losses from joint ventures

(Unit: Thousand Baht)

	For the years ended 31 December	
	2015	2014
Losses for the years	(467,424)	(290)

13. Investment properties

The net book value of investment properties as at 31 December 2015 and 2014 are presented below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
	Condominium for rent	Condominium for rent
As at 31 December 2015:		
Cost	90.70	19.59
Less: Accumulated depreciation	(2.91)	(1.17)
Net book value	87.79	18.42

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements
	House for rent	Condominium for rent	Total	Condominium for rent
As at 31 December 2014:				
Cost	130.98	46.55	177.53	24.96
Less: Accumulated depreciation	(43.50)	(2.75)	(46.25)	(1.11)
Less: Allowance for diminution in value	(34.47)	-	(34.47)	-
Net book value	53.01	43.80	96.81	23.85

A reconciliation of the net book value of investment properties for the year 2015 and 2014 is presented below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	96.81	597.16	23.85	8.73
Acquisition of assets	-	0.54	-	-
Transfer from property development for sale	77.72	35.97	7.81	15.84

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Disposals - net book value	(81.42)	(522.57)	(12.01)	-
Depreciation charged	(5.32)	(14.29)	(1.23)	(0.72)
Net book value at end of year	87.79	96.81	18.42	23.85

The depreciation of investment properties has been charged to cost of project for rent.

The fair value of the investment properties as at 31 December 2015 and 2014 stated below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
House for rent	-	73.40	-	-
Condominium for rent	140.53	45.39	32.23	19.92
Total	140.53	118.79	32.23	19.92

The fair values of the above investment properties have been determined based on valuations performed by the management of the Company. The fair value of house for rent has been determined based on income approach. The main assumptions used in the valuation are yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates. The fair value of condominium for rent has been determined based on market price.

14. Land held for development

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Land held for development	4,032.58	3,457.24	1,901.86	2,653.90
Less: Allowance for diminution in value of project	-	(52.49)	-	-
Net	4,032.58	3,404.75	1,901.86	2,653.90

As at 31 December 2015 and 2014, land held for development of the Company and its subsidiaries amounting Baht 2,834 million and Baht 3,037 million were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 1,205 million and Baht 2,640 million).

15. Land, buildings and equipment

(Unit: Million Baht)

	Consolidated financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Cost							
Balance as at 1 January 2014	523.87	1,535.85	991.25	43.79	82.14	436.89	3,613.79
Purchases	-	16.72	51.28	9.50	8.04	173.39	258.93
Disposals/Write off	(126.52)	(90.00)	(54.56)	(23.47)	(51.03)	(19.24)	(364.82)
Transfer in/Transfer out	1.30	475.73	20.54	-	(3.25)	(513.38)	(19.06)
Balance as at 31 December 2014	398.65	1,938.30	1,008.51	29.82	35.90	77.66	3,488.84
Purchases	-	34.59	44.22	9.21	0.15	141.71	229.88
Disposals/Write off	(2.03)	(11.27)	(6.70)	(8.93)	(28.92)	-	(57.85)
Transfer in/Transfer out	6.52	4.78	-	-	-	(4.42)	6.88
Balance as at 31 December 2015	403.14	1,966.40	1,046.03	30.10	7.13	214.95	3,667.75
Accumulated depreciation							
Balance as at 1 January 2014	-	325.49	462.08	35.32	32.67	-	855.56
Depreciation for the year	-	91.92	119.95	5.11	40.13	-	257.11
Disposals/Write off	-	(3.00)	(21.71)	(22.48)	(45.54)	-	(92.73)
Transfer in/Transfer out	-	-	(20.80)	-	(3.25)	-	(24.05)
Balance as at 31 December 2014	-	414.41	539.52	17.95	24.01	-	995.89
Depreciation for the year	-	92.33	108.53	5.31	11.06	-	217.23
Disposals/Write off	-	(4.02)	(6.38)	(8.82)	(28.91)	-	(48.13)
Balance as at 31 December 2015	-	502.72	641.67	14.44	6.16	-	1,164.99

(Unit: Million Baht)

	Consolidated financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Allowance for impairment loss							
Balance as at 1 January 2014 and 31 December 2014	1.57	57.12	-	-	-	-	58.69
Increase	4.27	-	-	-	-	-	4.27
Balance as at 31 December 2015	5.84	57.12	-	-	-	-	62.96
Net book value							
Balance as at 31 December 2014	397.08	1,466.77	468.99	11.87	11.89	77.66	2,434.26
Balance as at 31 December 2015	397.30	1,406.56	404.36	15.66	0.97	214.95	2,439.80
Depreciation for the year							
2014 (Baht 52.75 million included in cost of other services, Baht 48.75 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							257.11
2015 (Baht 66.01 million included in cost of other services, Baht 42.63 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							217.23

(Unit: Million Baht)

	Separate financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Cost							
Balance as at 1 January 2014	156.74	662.16	742.25	36.73	36.35	6.80	1,641.03
Purchases	-	15.70	40.04	9.50	6.05	59.88	131.17
Disposals/Write off	(1.89)	(3.59)	(13.56)	(23.47)	(20.51)	(0.23)	(63.25)
Transfer in/Transfer out	-	0.38	(27.88)	-	-	-	(27.50)
Balance as at 31 December 2014	154.85	674.65	740.85	22.76	21.89	66.45	1,681.45
Purchases	-	17.35	35.51	9.19	-	141.05	203.10
Disposals/Write off	(2.03)	(3.77)	(4.79)	(8.82)	(21.89)	-	(41.30)
Balance as at 31 December 2015	152.82	688.23	771.57	23.13	-	207.50	1,843.25

(Unit: Million Baht)

	Separate financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Accumulated depreciation							
Balance as at 1 January 2014	-	105.56	297.02	30.75	9.16	-	442.49
Depreciation for the year	-	33.88	88.77	4.06	25.80	-	152.51
Disposals/Write off	-	(0.74)	(13.27)	(22.48)	(20.51)	-	(57.00)
Transfer in/Transfer out	-	-	(18.95)	-	-	-	(18.95)
Balance as at 31 December 2014	-	138.70	353.57	12.33	14.45	-	519.05
Depreciation for the year	-	34.15	79.21	4.28	7.44	-	125.08
Disposals/Write off	-	(0.94)	(4.61)	(8.72)	(21.89)	-	(36.16)
Balance as at 31 December 2015	-	171.91	428.17	7.89	-	-	607.97
Allowance for impairment loss							
Balance as at 1 January 2014, 31 December 2014 and 2015	1.42	-	-	-	-	-	1.42
Net book value							
Balance as at 31 December 2014	153.43	535.95	387.28	10.43	7.44	66.45	1,160.98
Balance as at 31 December 2015	151.40	516.32	343.40	15.24	-	207.50	1,233.86
Depreciation for the year							
2014 (Baht 6.19 million included in cost of other services, Baht 48.75 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							152.51
2015 (Baht 8.73 million included in cost of other services, Baht 42.63 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							125.08

As at 31 December 2015 and 2014, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 457 million and Baht 344 million, respectively (Separate financial statements: Baht 251 million and Baht 196 million, respectively).

During the year 2014, the Company included borrowings costs in the costs of assets amounting to Baht 4 million with capitalisation rate of 4.91% (2015: Nil).

As at 31 December 2015 and 2014, the Company and its subsidiaries had vehicles and equipment under finance lease agreements with net book values amounting to Baht 15 million and Baht 10 million, respectively (Separate financial statements: Baht 15 million and Baht 10 million, respectively).

As at 31 December 2015 and 2014, the Company's land and construction thereon which the net book value amounted Baht 1,047 million and Baht 1,062 million, respectively, were mortgaged to secure loans from banks (Separate financial statements: Baht 697 million and Baht 715 million, respectively).

16. Other intangible assets

The net book value of other intangible assets as at 31 December 2015 and 2014 is presented below.

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements	
	Franchise	Computer software	Total	Computer software	Total
As at 31 December 2015					
Cost	26.91	275.39	302.30	230.30	230.30
Less: Accumulated amortisation	(24.02)	(158.18)	(182.20)	(125.09)	(125.09)
Net book value	2.89	117.21	120.10	105.21	105.21
As at 31 December 2014					
Cost	22.99	246.80	269.79	206.53	206.53
Less: Accumulated amortisation	(22.26)	(140.50)	(162.76)	(109.98)	(109.98)
Net book value	0.73	106.30	107.03	96.55	96.55

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Net book value at beginning of year	107.03	91.98	96.55	77.83
Acquisition of computer software	32.51	25.36	23.77	22.79
Transfer in	-	6.55	-	8.93
Amortisation	(19.44)	(16.86)	(15.11)	(13.00)
Net book value at end of year	120.10	107.03	105.21	96.55

Franchise fee of the Company was fully amortised. However, the franchise fee has renewal annually and the Company intends to continue the renewal in the future.

As at 31 December 2015 and 2014, certain computer software of the Company and its subsidiaries have been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation) of these assets amounted to approximately Baht 90 million and Baht 84 million, respectively (Separate financial statements: Baht 71 million and Baht 66 million, respectively).

17. Leasehold rights

(Unit: Million Baht)

Project	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Habito	41.99	41.99	41.99	41.99
Baan Sansiri Condominium	609.98	609.98	-	-
Sun Square Silom	192.76	192.76	-	-
Total	844.73	844.73	41.99	41.99
Less: Accumulated amortisation	(533.71)	(504.94)	(5.00)	(2.89)
Leasehold rights - net	311.02	339.79	36.99	39.10
Amortisation expenses for the year	28.77	28.78	2.11	2.10

The amortisation of leasehold rights has been charged to cost of project for rent.

18. Short-term loans from banks/Bill of exchange

(Unit: Million Baht)

	Consolidated / Separate financial statements	
	2015	2014
Short-term loans from banks		
Promissory notes	1,966.00	3,600.00
Bills of exchange		
Face value	4,500.00	3,500.00
Less: Prepaid interest expense	(26.20)	(24.07)
Net	4,473.80	3,475.93

As at 31 December 2015, short-term loans from banks carry interest at rates of 2.70 to 4.25 percent per annum and are secured by land and constructions of projects of the Company and its subsidiaries (2014: 3.35 to 4.78 percent per annum). Bills of exchange carry interest at rates of 2.60 to 2.80 percent per annum (2014: 3.10 to 3.17 percent per annum).

19. Trade accounts payable

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade payables - related parties	-	-	11.10	364.44
Trade payables - unrelated parties	1,371.14	2,009.54	849.50	715.07
Total	1,371.14	2,009.54	860.60	1,079.51

20. Long-term loans

As at 31 December 2015 and 2014, long-term loans presented below: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Loans from banks	12,962.99	19,054.87	8,347.71	9,670.14
Less: Current portion of long-term loans	(4,285.29)	(10,043.35)	(2,294.38)	(4,383.62)
Net	8,677.70	9,011.52	6,053.33	5,286.52

Movements in the long-term loans account during the years ended 31 December 2015 and 2014 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2014	15,685.02	8,418.40
Add: Additional borrowings	14,401.78	6,327.86
Less: Repayment	(11,031.93)	(5,076.12)
Balance as at 31 December 2014	19,054.87	9,670.14
Add: Additional borrowings	4,360.28	3,265.92
Less: Repayment	(10,452.16)	(4,588.35)
Balance as at 31 December 2015	12,962.99	8,347.71

The details of long-term loans classified by the Company and its subsidiaries are presented below.

Company's name	Balance of long-term loans		Interest rate per agreement		Condition of payment
	2015	2014	2015	2014	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
Sansiri Plc.	8,348	9,670	MLR - 2.68% and 4.80%	MLR - 2.63% to MLR - 1.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2022

Company's name	Balance of long-term loans		Interest rate per agreement		Condition of payment
	2015	2014	2015	2014	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
Red Lotus Properties Ltd.	250	1,193	MLR - 2.00%	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2019
Arnawat Ltd.	1,263	3,054	MLR - 2.00% to MLR - 1.75%	MLR - 2.00% to MLR - 1.75%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2018
Piwattana Ltd.	1,033	1,976	MLR - 2.00%	MLR - 2.00% to MLR - 1.25%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2020
Papanan Ltd.	67	264	MLR - 2.00%	MLR - 2.00%	Quarterly installment repayment and payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2017
Plus Property Space Co., Ltd.	134	396	MLR - 2.00% to MLR - 1.75%	MLR - 2.00% to MLR - 1.75%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2018
NED Management Co., Ltd.	1,868	2,502	MLR - 2.00%	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2020
Total	<u>12,963</u>	<u>19,055</u>			

As at 31 December 2015 and 2014, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 39,051 million and Baht 39,824 million, respectively (Separate financial statements: Baht 26,377 million and Baht 18,313 million, respectively).

Land and constructions of projects of the Company and its subsidiaries, and investment properties of the subsidiaries are mortgaged as collaterals for loans obtained from banks.

Most of loans agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loans guarantees, change in directors and maintenance of a debt to equity ratio.

21. Long-term promissory notes - purchase of land

Promissory notes - purchase of land are notes which the Company issued to a land seller. The notes mature in 2017, are interest free, and are avaled by a bank.

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Balance at the beginning of the year	80.24	69.72	53.22	46.40
Items were recognised in profit or loss:				
Current service cost	8.56	7.79	5.19	4.84
Interest cost	3.19	2.73	2.28	1.98
Items were recognised in other comprehensive income:				
Actuarial loss arising from				
Financial assumptions charges	14.20	-	9.67	-
Experience adjustments	14.02	-	12.11	-
Benefits paid during the year	(5.29)	-	(3.21)	-
Balance at the end of the year	<u>114.92</u>	<u>80.24</u>	<u>79.26</u>	<u>53.22</u>

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thoused Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost of sales	3,490	3,139	304	261
Selling and administrative expenses	8,265	7,381	7,169	6,553
	<u>11,755</u>	<u>10,520</u>	<u>7,473</u>	<u>6,184</u>

The Company and its subsidiaries expect to pay Baht 8 million of long-term employee benefits during the next year (Separate financial statements: Baht 2 million) (2014: Baht 5 million, separate financial statements: Baht 3 million).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 20 years (Separate financial statements: 20 years) (2014: 22 years, separate financial statements: 22 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Discount rate	3.2	4.4	3.2	4.4
Salary increase rate	5.0 - 12.0	5.0 - 12.0	5.0 - 12.0	5.0 - 12.0

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(12.04)	14.32	(8.19)	9.67
Salary increase rate	13.84	(11.92)	9.35	(8.10)

23. Provisions

Provisions for liabilities on law suit, home care warranty and compensation for Housing Estate Juristic Persons for the years ended 31 December 2015 and 2014 had the following movements: -

Short-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Provisions for law suits	Provisions for home care warranty	Total	Provisions for law suits	Provisions for home care warranty	Total
Beginning balance as at 1 January 2014	2.95	95.36	98.31	2.95	60.34	63.29
Increase during the year	12.00	105.41	117.41	-	54.40	54.40
Paid during the year	-	(105.41)	(105.41)	-	(67.47)	(67.47)
Balance as at 31 December 2014	14.95	95.36	110.31	2.95	47.27	50.22
Increase during the year	0.20	121.98	122.18	0.20	57.18	57.38
Paid during the year	(12.00)	(87.08)	(99.08)	-	(52.29)	(52.29)
Reverse	-	(8.28)	(8.28)	-	-	-
Balance as at 31 December 2015	<u>3.15</u>	<u>121.98</u>	<u>125.13</u>	<u>3.15</u>	<u>52.16</u>	<u>55.31</u>

Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
	Compensation for Housing Estate Juristic Persons	Compensation for Housing Estate Juristic Persons
Balance as at 1 January 2014	159.98	99.34
Increase during the year	27.75	18.51
Paid during the year	(12.50)	(6.02)
Reverse	<u>(12.02)</u>	<u>(11.58)</u>
Balance as at 31 December 2014	163.21	100.25
Increase during the year	13.08	11.31
Paid during the year	(11.86)	(3.70)
Reverse	<u>(14.94)</u>	<u>(4.37)</u>
Balance as at 31 December 2015	<u>149.49</u>	<u>103.49</u>

24. Provision for guarantee to property fund

On 28 March 2014, Papanan Limited ("the subsidiary") entered into agreements to purchase and to sell, whereby it agreed to sell to Sansiri Prime Office Property Fund ("the Fund") the assets of Siripinyo office building for a total consideration of Baht 1,699.44 million. These assets consisted of the land, building, related utility systems and equipment of that office building ("property") and were recorded under investment property, and property, plant and equipment, with net book values of Baht 522.57 million and Baht 242.68 million, respectively. The Company registered the transfer of the ownership of the property to the Fund on 31 March 2014.

In addition, the subsidiary entered into an agreement to guarantee.

- (1) Tenants for vacant areas and rental of guaranteed areas for 3 years as from the date that transfer of the ownership of the property was registered.
- (2) An increase in capital expenditures, which are expenditures incurred to improve and develop the property and increase its value other than on normal repair or maintenance, for a period of 1 year as from the date that transfer of the ownership of the property was registered.
- (3) Payment of the difference in profit from operation of the properties in which the Fund initially invested, for a period of 1 year, if the Fund's total operating profit is less than Baht 114.2 million.

The subsidiary has estimated the expenses it expects to incur and pay to the Fund as a result of such guarantees at a total of Baht 71.40 million, and recorded this as a deduction from the gain from the sale of the property to the Fund.

The subsidiary recognised a gain from sale of the property to the Fund (net of related selling expenses and the guarantee expenses) of Baht 767.50 million in consolidated profit or loss for the year 2014.

Movements in the provision for guarantee to property fund during the years 2015 and 2014 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements
Balance as at 1 January 2014	-
Increase during the year	71.40
Paid during the year	(19.91)
Balance as at 31 December 2014	51.49
Paid during the year	(19.80)
Reverse	(3.67)
Balance as at 31 December 2015	28.02

25. Unsecured debentures

The Company's debentures which are unsecured, issued with a registered certificate and unsubordinated are summarised below:

(Unit: Million Baht)

Debentures	Interest rate	Terms	Due date	Consolidated / Separate financial statements	
				2015	2014
Debentures # 2/2010	5.60% p.a.	7 years	24 May 2017	2,000.00	2,000.00
Debentures # 1/2011	5.40% p.a. for 1st - 3rd year 6.00% p.a. for 4th - 5th year	5 years	21 July 2016	1,000.00	1,000.00
Debentures # 2/2011	5.40% p.a. for 1st - 3rd year 6.00% p.a. for 4th - 5th year	5 years	3 October 2016	1,000.00	1,000.00
Debentures # 1/2012	4.50% p.a. for 1st year 5.00% p.a. for 2nd year 5.50% p.a. for 3rd year	3 years	31 May 2015	-	1,000.00
Debentures # 2/2012	4.80% p.a.	3 years	19 October 2015	-	1,000.00
Debentures # 1/2013	4.99% p.a.	5 years	24 January 2018	3,000.00	3,000.00
Debentures # 2/2013	4.75% p.a. for 1st - 2nd year 5.00% p.a. for 3rd - 4th year 5.30% p.a. for 5th year	5 years	30 May 2018	1,000.00	1,000.00
Debentures # 3/2013	4.95% p.a.	5 years	23 August 2018	2,000.00	2,000.00
Debentures # 4/2013	5.20% p.a.	5 years 6 months	4 April 2019	1,000.00	1,000.00
Debentures # 1/2015	4.75% p.a.	5 years	22 June 2020	2,000.00	-
Debentures # 2/2015	3.90% p.a.	3 years 6 months	19 April 2019	1,000.00	-
Total debentures, at face value				14,000.00	13,000.00
Less: Unamortised portion of deferred transaction costs				(33.54)	(34.14)
Total debentures				13,966.46	12,965.86
Less: Debentures due within one year				(1,998.32)	(1,997.85)
Debentures - due over one year				11,968.14	10,968.01

Under rights and responsibilities of debenture issuer, the Company has to comply with certain covenants and restrictions including maintenance of a debt to equity ratio of consolidated financial statements with no excess of 2.5:1 (2014: 2.5:1) along with debentures' periods (debts mean interest bearing loans).

26. Share capital

During the years 2015 and 2014, the Company received payment for the exercise of ESOP#5 and ESOP#6 allocated to directors and employees of the Company and its subsidiaries, and of SIRI-W1. The detail is below.

Date of exercise	Quantity of exercised warrants	Ordinary shares issued for exercised warrants	Exercise price	Date of registration with the Ministry of Commerce	Date that the Stock Exchange of Thailand approved ordinary shares as listed securities
	(Units)	(Shares)	(Baht)		
ESOP#5					
30 June 2014	1,428,961	1,667,597	1.072	1 July 2014	7 July 2014
Total exercise in 2014	<u>1,428,961</u>	<u>1,667,597</u>			
ESOP#6					
30 June 2014	200,000	233,400	1.114	1 July 2014	7 July 2014
31 July 2014	100,000	116,700	1.114	31 July 2014	5 August 2014
30 September 2014	15,681,210	18,299,971	1.114	1 October 2014	6 October 2014
28 November 2014	1,340,000	1,744,680	1.070	1 December 2014	4 December 2014
30 December 2014	200,000	260,400	1.070	6 January 2015	12 January 2015
Total exercise in 2014	<u>17,521,210</u>	<u>20,655,151</u>			
30 January 2015	3,300,000	4,296,600	1.070	4 February 2015	9 February 2015
27 February 2015	4,218,818	5,492,901	1.070	27 February 2015	5 March 2015
30 April 2015	200,000	260,400	1.070	6 May 2015	11 May 2015
29 May 2015	1,018,904	1,326,612	1.070	3 June 2015	5 June 2015
30 June 2015	2,260,830	2,943,600	1.070	2 July 2015	7 July 2015
31 July 2015	6,212,554	8,088,745	1.070	4 August 2015	6 August 2015
Total exercise in 2015	<u>17,211,106</u>	<u>22,408,858</u>			
SIRI-W1					
31 March 2014	28,619,841	33,399,350	1.114	2 April 2014	8 April 2014
30 June 2014	42,475,704	49,569,143	1.114	1 July 2014	7 July 2014
30 September 2014	474,855,384	554,156,209	1.114	1 October 2014	6 October 2014
30 December 2014	119,339,095	155,379,494	1.070	6 January 2015	12 January 2015
Total exercise in 2014	<u>665,290,024</u>	<u>792,504,196</u>			
20 January 2015	368,296,188	479,521,495	1.070	29 January 2015	3 February 2015
Total exercise in 2015	<u>368,296,188</u>	<u>479,521,495</u>			

The exercise of the warrants above resulting in increasing the registered and paid up share capital of the Company. The details are summarised below.

Reconciliation of number of ordinary shares

	Number of shares	Par value	Paid up capital
	(Shares)	(Baht)	(Baht)
<u>Registered ordinary shares</u>			
Number of ordinary shares as at 1 January 2014	10,879,971,108	1.07	11,641,569,086
Decrease during the year ⁽¹⁾	(25,207,449)	1.07	(26,971,970)
Increase during the year ⁽¹⁾	<u>7,671,997,592</u>	<u>1.07</u>	<u>8,209,037,423</u>
Number of ordinary shares as at 31 December 2014	18,526,761,251	1.07	19,823,634,539
Decrease during the year ⁽²⁾	<u>(509,086,567)</u>	<u>1.07</u>	<u>(544,722,627)</u>
Number of ordinary shares as at 31 December 2015	<u>18,017,674,684</u>	<u>1.07</u>	<u>19,278,911,912</u>

	Number of shares	Par value	Paid up capital	Share premium
	(Shares)	(Baht)	(Baht)	(Baht)
<u>Issued and paid-up ordinary shares</u>				
Number of ordinary shares as at 1 January 2014	9,533,536,605	1.07	10,200,884,167	656,624,039
Increase in ordinary shares ⁽³⁾	3,406,219,088	1.07	3,644,654,424	783,430,390
Increase due to exercise of warrants	<u>688,175,330</u>	<u>1.07</u>	<u>736,347,603</u>	<u>30,132,910</u>
Number of ordinary shares as at 31 December 2014	13,627,931,023	1.07	14,581,886,194	1,470,187,339
Increase due to exercise of warrants	<u>657,570,247</u>	<u>1.07</u>	<u>703,600,165</u>	<u>-</u>
Number of ordinary shares as at 31 December 2015	<u>14,285,501,270</u>	<u>1.07</u>	<u>15,285,486,359</u>	<u>1,470,187,339</u>

⁽¹⁾ *Decrease and Increase registered share capital during the year 2014*

On 12 September 2014, the Extraordinary General Meeting of the Company's shareholders No. 1/2014 approved the following matters:

- Approved the decrease of the registered capital of the Company from the existing registered capital of Baht 11,641,569,085.56 to be the registered capital of Baht 11,614,597,115.13 by canceling its registered but un-issued share in the number of 25,207,449 shares.*
- Approved the increase of the registered capital of the Company which would be increased up to Baht 8,209,037,423.44, from the existing registered capital of Baht 11,614,597,115.13 to be the new registered capital of Baht 19,823,634,538.57 by issuing new ordinary shares in the number of not exceeding 7,671,997,592 shares with the par value of Baht 1.07 per share.*

The Company registered the above changes in the registered share capital with the Ministry of Commerce on 23 September 2014 and 24 September 2014 respectively.

(2) *Decrease registered share capital during the year 2015*

On 29 April 2015, the Annual General Meeting of the Company's shareholders passed resolutions to approve the decrease of the registered capital of the Company, which was made from the existing registered capital of Baht 19,823,634,539 to be the new registered capital of Baht 19,278,911,912 by canceling its registered but un-issued share in the number of 509,086,567 shares. The Company registered the changes in the registered share capital with the Ministry of Commerce on 12 May 2015.

(3) *Increase in ordinary shares during the year 2014*

As the Extraordinary General Meeting of Shareholders of the Company No. 1/2014 held on 12 September 2014 which has approved the allotment of newly issued ordinary shares in the number of not exceeding 3,614,411,191 shares with the par value of 1.07 Baht per share for offering to the existing shareholders in proportion of their shareholdings (the Right Offering), at an offering ratio of 3 existing ordinary shares to 1 new ordinary share, at an offering price of 1.30 Baht. The Company will also allot the Ordinary Share-Purchase Warrants of Sansiri Public Company Limited # 2 (SIRI-W2) to its existing shareholders who subscribe for the new ordinary shares being allotted in this time on a pro rata basis at the ratio of 1 new ordinary share allotted and subscribed to 1 unit of Warrant for free.

It has carried out the offering process with respect to the newly issued ordinary shares for the existing shareholders during 27 October 2014 to 31 October 2014, whereby the result of sale of the Company's newly issued ordinary shares is in an amount of 3,406,219,088 shares, equivalent to 100% of the total number of the newly issued ordinary shares being offered (totally sold out). The Company has received proceeds from this offering of the newly issued ordinary shares in the total amount of Baht 4,428,084,814. The Company has registered the change of the paid-up capital with the Ministry of Commerce on 10 November 2014.

Cash receipt amounting to Baht 166,534,687 from the exercise of right to purchase the Company's share on 31 December 2014 was recorded as share subscriptions received in advance in shareholders' equity because the Company registered its paid-up capital increase with the Ministry of Commerce on 6 January 2015.

27. Statutory reserve

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

28. Warrants to purchase ordinary shares of the Company/Earnings per share

28.1 Warrants to purchase ordinary shares of the Company

The Company's warrants are as follows: -

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2015	Number of warrants issued and offered during the year	Number of warrants exercised during the year	Number of warrants outstanding as at 31 December 2015
ESOP# 6	1.070	1:1.302	41,620,411	-	(17,211,106)	-(2)
SIRI-W1	1.070	1:1.302	381,456,154	-	(368,296,188)	-(1)

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2015	Number of warrants issued and offered during the year	Number of warrants exercised during the year	Number of warrants outstanding as at 31 December 2015
SIRI-W2	2.500	1:1.000	3,406,219,088	-	-	3,406,219,088
ESOP#7	2.500	1:1.000	-	300,000,000	-	300,000,000

(1) The Company's warrants SIRI-W1 expired 20 January 2015

(2) The Company's warrants ESOP#6 expired 18 August 2015

ESOP#7

On 12 September 2014, the Extraordinary General Meeting of the Company's shareholders No. 1/2014 has passed a resolution to issue and offer the 300,000,000 units of warrants of Sansiri Public Company Limited to the directors and management/ employees of the Company and or its Subsidiaries # 7 (ESOP#7). On 1 September 2015, the Company issued and allocated of 300,000,000 units of warrants under the Employee Stock Option Plan (ESOP#7) to the directors and employees of the Company and its subsidiaries. Details are as follows:

Type	: Registered and non-transferable
Offering price per unit	: Baht 0.00
Maturity of warrants	: not over 5 years from the date of issuance and offering of warrants
Conversion ratio	: 1 ordinary share per 1 warrant
Exercise price	: Baht 2.50 per share
Conditions and period of exercise	: 1) Exercises of the warrants in each year can be made as stipulated in next paragraph once a month. The first exercise date is in September 2015 and the final exercise date is in August 2020. 2) The warrant holders are entitled to exercise not over one fifth of their allotted warrants in each year. 3) For any unexercised warrants left in each exercise period, the remaining units can be accumulated and exercised during the following exercise period, until maturity of the warrants.
Other conditions	: If the warrant holders resign or are otherwise no longer directors or employees of the Company and/or its subsidiaries, the warrant holders have to return the outstanding warrants to the Company, and the Board of Directors of the Company can re-allot the warrants to other directors and/or employees who are qualified.

The estimated fair value of each share option granted is Baht 0.1969. This was calculated using the Black-Scholes-Merton Model. The model inputs were the share price at price determination date of Baht 1.59, exercise price of Baht 2.50, expected volatility of 37.68%, expected dividend yield of 4.70%, life of share options of 5 years, and a risk-free interest rate of 2.20%.

During the current year, the Company recorded expenses of the ESOP#7 amounting to Baht 20.02 million as employee related expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

28.2 Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, plus the weighted average number of ordinary shares which might need to be issued for the conversion of all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share and diluted earnings per share.

	Consolidated financial statements					
	For the year ended 31 December 2015 and 2014					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2015	2014	2015	2014	2015	2014
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	3,505,921	3,393,137	14,252,590	10,339,382	0.25	0.33
Effect of dilutive potential ordinary shares						
ESOP#5	-	-	-	5,868		
ESOP#6	-	-	11,249	28,282		
SIRI-W1	-	-	9,484	450,384		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares	<u>3,505,921</u>	<u>3,393,137</u>	<u>14,273,323</u>	<u>10,823,916</u>	0.25	0.31

	Separate financial statements					
	For the year ended 31 December 2015 and 2014					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2015	2014	2015	2014	2015	2014
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	2,631,718	2,357,304	14,252,590	10,339,382	0.18	0.23
Effect of dilutive potential ordinary shares						
ESOP#5	-	-	-	5,868		
ESOP#6	-	-	11,249	28,282		
SIRI-W1	-	-	9,484	450,384		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares	<u>2,631,718</u>	<u>2,357,304</u>	<u>14,273,323</u>	<u>10,823,916</u>	0.18	0.22

There is no disclosure of diluted earnings per share from the effect of SIRI-W2 and ESOP#7 warrants in the financial statements for the year ended 31 December 2015 and 2014 since the exercise aggregated amounts of price and the fair value of warrants exceeded the fair value of the Company's ordinary shares.

29. Revenues from other services/Cost of other services

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<u>Revenues from other services</u>				
Revenues from hotel business	76.82	52.80	29.87	25.85
Revenues from education business	<u>227.08</u>	<u>184.26</u>	-	-
Total	<u>303.90</u>	<u>237.06</u>	<u>29.87</u>	<u>25.85</u>
<u>Cost of other services</u>				
Cost of hotel business	83.70	52.24	30.76	28.49
Cost of education business	<u>264.76</u>	<u>233.30</u>	-	-
Total	<u>348.46</u>	<u>285.54</u>	<u>30.76</u>	<u>28.49</u>

30. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Purchase of land and payments of construction costs	18,721.34	28,150.75	11,312.22	11,064.23
Changes in property development for sale	5,499.70	(11,424.75)	(1,265.35)	(2,816.05)
Salary and wages and other employee benefits	2,018.44	1,624.39	1,387.31	1,398.98
Depreciation of investments properties	5.32	14.29	1.23	0.72
Depreciation of land, buildings and equipment	217.23	257.11	125.08	152.51
Amortisation of intangible assets	19.54	16.86	15.10	13.00
Amortisation of leasehold rights	28.77	28.78	2.11	2.10
Provision for home care warrantee	132.85	105.41	57.18	54.40
Rental expenses from operating lease agreements	147.76	123.83	104.83	115.94

31. Income tax

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current income tax:				
Current income tax charge	1,281,408	927,528	531,750	284,176
Deferred tax:				
Relating to origination and reversal of temporary differences	(39,410)	9,760	(2,800)	(26,586)
Income tax expense reported in the statement of comprehensive income	1,241,998	937,288	528,950	257,590

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Deferred tax relating to actuarial loss arising from defined benefit plan of employees	5,643	-	4,356	-
	<u>5,643</u>	<u>-</u>	<u>4,356</u>	<u>-</u>

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2015 and 2014.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounting profit before tax	4,747,557	4,330,239	3,160,668	2,614,895
Applicable tax rate	0%, 20%	0%, 20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	957,521	873,324	632,134	522,979
Effects of:				
Tax exempted income and non-deductible expenses	178,253	61,211	(128,753)	(265,389)
Income under revenue code	105,958	-	25,569	-
Unused tax losses	266	2,753	-	-
Total	284,477	63,964	(103,184)	(265,389)
Income tax expenses reported in the statement of comprehensive income	<u>1,241,998</u>	<u>937,288</u>	<u>528,950</u>	<u>257,590</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Deferred tax assets				
Allowance for doubtful accounts	3,398	2,621	1,318	214
Property development for sale	607,483	564,585	181,906	182,199
Short-term provisions	25,027	22,064	11,063	10,046
Provision for guarantee to property fund	5,605	10,298	-	-
Provision for long-term employee benefits	21,747	16,047	15,852	10,643
Unused tax loss	-	2,711	-	-
Total	663,260	618,326	210,139	203,102
Deferred tax liabilities				
Unamortised portion of deferred transaction costs	6,709	6,828	6,709	6,828
Total	6,709	6,828	6,709	6,828
Deferred tax assets - net	656,551	611,498	203,430	196,274

As at 31 December 2015, the Company has unused tax losses totaling Baht 10.8 million (2014: Baht 13.9 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 10.8 million will expire by 2020.

32. Provident fund

The Company, subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, subsidiaries and their employees contributed to the fund monthly at the rate of 5-12 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the years 2015 and 2014 amounting to approximately Baht 89 million and Baht 84 million, respectively (Separate financial statements: Baht 60 million and Baht 57 million, respectively).

33. Dividend paid

(Unit: Baht)

Dividends	Approved by	Total dividend	Dividend per share	Date of dividends payment
Final dividend from 2014 earnings	The Annual General Meeting of the Shareholders on 29 April 2015	1,712,745,830 ⁽¹⁾	0.12	19 May 2015
Final dividend from 2013 earnings	The Annual General Meeting of the Shareholders on 30 April 2014	956,252,489 ⁽²⁾	0.10	27 May 2014

⁽¹⁾ Actual dividend paid amounted to Baht 1,712,723,466 because some shareholders were not entitled to receive dividend

⁽²⁾ Actual dividend paid amounted to Baht 956,223,257 because some shareholders were not entitled to receive dividend

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2015 and 2014, the Company and its subsidiaries have the following capital commitments: -

- The Company and its subsidiaries had commitments of Baht 8,193 million and Baht 12,631 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development agreements (Separate financial statements: Baht 4,825 million and Baht 5,729 million, respectively).
- The Company and its subsidiaries has commitments of Baht 8,210 million and Baht 7,538 million, respectively, under land and condominium units purchase agreements (Separate financial statements: Baht 5,973 million and Baht 4,963 million, respectively).

34.2 Operating lease and service commitments

- The Company and its subsidiaries have entered into several lease agreements in respect of the lease of motor vehicles and equipment. The terms of the agreements are generally between 3 and 4 years.

As at 31 December 2015 and 2014, future minimum lease payments required under non-cancellable operating leases contracts were as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Payable:				
In up to 1 year	103	98	88	81
In over 1 and up to 5 years	212	327	204	303
Total	315	425	292	384

- b) As at 31 December 2015 and 2014, the Company and its subsidiaries had commitments of Baht 44 million and Baht 56 million, respectively in relation to advertising and public relations for the projects (Separate financial statements: Baht 26 million and Baht 27 million, respectively).
- c) As at 31 December 2015 and 2014, the Company and its subsidiaries have servitude over land of approximately 32 rai and 23 rai, respectively, of which the cost is included in the cost of projects.
- d) The significant long-term lease agreements are as follow: -
- Sansiri Public Company Limited entered into a 30-year land rental agreement at Sukhumvit 77 alley for construction of a community mall for the Habito Project, covering the period from 16 August 2013 to 15 August 2043. Total amounts to Baht 42 million are to be paid, divided into by 3 installments. In August 2013, the Company made an initial payment of Baht 21 million and the remainder is to be paid Baht 10.5 million each over the period of 10 and 20 years of rental agreement.
 - Chanachai Limited entered into a 30-year land rental agreement with the Office of The Privy Purse for construction of a condominium for the Baan Sansiri Project, covering the period from 1 November 1993 to 31 October 2023. Total amounts to Baht 118 million. On the agreement date, Chanachai Limited made an initial payment of Baht 30 million and the remainder is to be paid over the period of 30 years as stipulated in the agreement.
 - S.U.N. Management Company Limited entered into a land rental agreement with the Crown Property Bureau in order to construct buildings and structures on such land. The agreement is for 30 years, from 16 September 2002, and the total rental payable is approximately Baht 88 million. The subsidiary paid this rental in full in July 2004.

34.3 Bank guarantees

As at 31 December 2015 and 2014, there were the outstanding bank guarantees for Baht 2,137 million and Baht 2,061 million, respectively, issued by the banks in respect of requirements of the Company and its subsidiaries arising in the normal course of business. These included letters of guarantee to guarantee contractual performance regarding

preparation and maintenance of public utilities, public services and land improvement and to guarantee electricity use (Separate financial statements: Baht 1,545 million and Baht 1,412 million, respectively).

34.4 Litigations

As at 31 December 2015 and 2014, the Company and its subsidiaries have various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and torts. Total damages claimed amount to Baht 90 million and Baht 93 million, respectively (Separate financial statements: Baht 38 million and Baht 39 million, respectively). However, the Company and its subsidiaries are defending the lawsuits, and since the Company's lawyers and management believe that the Company and its subsidiaries will not incur any losses from the litigation, no addition entries have been made in respect of these cases beyond provision already recorded (Note 23).

34.5 Other commitments

The Company has commitments regarding contribution to the United Nations International Emergency Children's Fund (UNICEF) at a minimum of USD 1 million per year for the three-year period between 2011 and 2013. This is in accordance with memorandum of understanding between the Company and UNICEF dated 28 December 2010. However, the board of director considered and approved extension for the commitments to 3 years from 2014 to 2016.

35. Segment information

Operating segment information is reported in a manner consistent with the internal reporting the chief operating decision maker has received and regularly reviewed to make decisions about resources to be allocated to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows:

- Property development business segment consists of land and housing projects, residential condominium projects, serviced apartments for rent, and office buildings for rent.
- Building management and real estate brokerage business segment consists of the provision of building management service and real estate brokerage.
- Other business segment consists of hotel and education business.

No operating segments have been aggregated to form the above reportable operating segments.

Chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2015 and 2014, respectively.

(Unit: Million Baht)

Year ended 31 December 2015	Real estate	Building management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	35,219	1,432	304	36,955	-	36,955
Inter-segment revenue	32	646	44	722	(722)	-
Interest revenue	610	17	7	634	(586)	48
Interest expense	(867)	(13)	(62)	(942)	214	(728)
Depreciation and amortization	(99)	(11)	(1)	(111)	-	(111)
Loss on diminution in value of property development for sale and land held for development	(167)	-	-	(167)	-	(167)
Loss on diminution in value of land,building and equipment	(4)	-	-	(4)	-	(4)
Segment profit (loss)	7,846	1,009	(56)	8,799	(1,094)	7,705
Other income						1,452
Loss on exchange						(22)
Common expense						(4,154)
Share of losses from investments in joint ventures						(234)
Income tax expense						(1,242)
Profit for the year						<u>3,505</u>

(Unit: Million Baht)

Year ended 31 December 2014	Real estate	Building management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	27,250	606	237	28,093	-	28,093
Inter-segment revenue	184	200	69	453	(453)	-
Interest revenue	554	27	6	587	(572)	15
Interest expense	(761)	(26)	(53)	(840)	194	(646)

(Unit: Million Baht)

Year ended 31 December 2014	Real estate	Building management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
Depreciation and amortization	(132)	(13)	(12)	(157)	-	(157)
Reversal of loss on diminution in value of property development for sale	2	-	-	2	-	2
Segment profit (loss)	6,808	290	(39)	7,059	(831)	6,228
Other income						1,419
Common expense						(3,176)
Write off of goodwill						(141)
Income tax expense						(937)
Profit for the year						<u>3,393</u>

Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Million Baht)

	2015	2014
Revenue from external customers		
Thailand	36,819	28,093
Others	<u>136</u>	<u>-</u>
Total	<u>36,955</u>	<u>28,093</u>
Non-current assets (other than financial instruments, deferred tax assets)		
Thailand	6,991	6,505

Major customers

For the year 2015 and 2014, the Company and its subsidiaries have no major customer with revenue of 10% or more of an entity's revenues.

36. Fair value hierarchy

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

(Unit: Million Baht)

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed	-	-	141	141
Investment property				
Liabilities for which fair value are disclosed				
Unsecured debentures	-	14,389	-	14,389

(Unit: Million Baht)

	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed	-	-	32	32
Investment property				
Liabilities for which fair value are disclosed				
Unsecured debentures	-	14,389	-	14,389

37. Financial instruments

37.1 Financial risk management

The Company and its subsidiaries's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, trade accounts payable and loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and loans. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, short-term loans, debentures and long-term borrowings. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2015 and 2014 classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2015							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within one year	1-5 years	Over 5 years	At call				
Financial Assets								
- Cash equivalents (excluding cash)	-	-	-	-	2,512	154	2,666	0.13 - 1.70
- Trade accounts receivables	-	-	-	-	-	81	81	-
- Loans to related parties	-	-	-	1,599	-	-	1,599	3.25
	-	-	-	1,599	2,512	235	4,346	
Financial liabilities								
- Short-term loans from banks	1,966	-	-	-	-	-	1,966	2.70 - 4.25
- Bill of exchange	4,474	-	-	-	-	-	4,474	2.60 - 2.80
- Trade accounts payable	-	-	-	-	-	1,371	1,371	-

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2015							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within one year	1-5 years	Over 5 years	At call				
- Long-term promissory note	-	-	-	-	-	315	315	Note 21
- purchase of land	-	-	-	-	-	-	-	
- Long-term loans	-	-	-	-	12,963	-	12,963	Note 20
- Unsecured debentures	1,998	11,968	-	-	-	-	13,966	Note 25
	8,438	11,968	-	-	12,963	1,686	35,055	

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2014							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within one year	1-5 years	Over 5 years	At call				
Financial Assets								
- Cash equivalents (excluding cash)	-	-	-	-	2,812	232	3,044	0.13 - 2.65
- Current investments	57	-	-	-	-	500	557	2.65
- Trade accounts receivables	-	-	-	-	-	51	51	-
- Loan to related party	-	-	-	700	-	-	700	3.25
	57	-	-	700	2,812	783	4,352	
Financial liabilities								
- Short-term loans from banks	3,600	-	-	-	-	-	3,600	3.35 - 4.78
- Bill of exchange	3,476	-	-	-	-	-	3,476	3.10 - 3.17
- Trade accounts payable	-	-	-	-	-	2,010	2,010	-
- Long-term loans	-	-	-	-	19,055	-	19,055	Note 20
- Unsecured debentures	1,998	10,968	-	-	-	-	12,966	Note 25
	9,074	10,968	-	-	19,055	2,010	41,107	

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2015							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within one year	1-5 years	Over 5 years	At call				
Financial Assets								
- Cash equivalents (excluding cash)	-	-	-	-	1,470	-	1,470	0.13 - 0.75
- Trade accounts receivables	-	-	-	-	-	31	31	-
- Short-term loans to related parties	-	-	-	16,700	-	-	16,700	3.25
	-	-	-	16,700	1,475	26	18,201	
Financial liabilities								
- Short-term loans from banks	1,966	-	-	-	-	-	1,966	2.70 - 4.25
- Bills of exchange	4,474	-	-	-	-	-	4,474	2.60 - 2.80
- Trade accounts payable	-	-	-	-	-	861	861	-
- Short-term loans to related parties	-	-	-	172	-	-	172	3.25
- Long-term promissory note	-	-	-	-	-	-	-	
- purchase of land	-	-	-	-	-	315	315	Note 21
- Long-term loans	-	-	-	-	8,348	-	8,348	Note 20
- Unsecured debentures	1,998	11,968	-	-	-	-	13,966	Note 25
	8,438	11,968	-	172	8,348	1,176	30,102	

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2014							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within one year	1-5 years	Over 5 years	At call				
Financial Assets								
- Cash equivalents (excluding cash)	-	-	-	-	1,377	213	1,590	0.13 - 1.25
- Current investment	-	-	-	-	-	500	500	-
- Trade accounts receivables	-	-	-	-	-	119	119	-
- Short-term loans to related parties	-	-	-	19,342	-	-	19,342	3.25
	-	-	-	19,342	1,377	832	21,551	
Financial liabilities								
- Short-term loans from banks	3,600	-	-	-	-	-	3,600	3.35 - 4.78
- Bills of exchange	3,476	-	-	-	-	-	3,476	3.10 - 3.17
- Trade accounts payable	-	-	-	-	-	1,080	1,080	-
- Short-term loans to related parties	-	-	-	141	-	-	141	3.25
- Long-term loans	-	-	-	-	9,670	-	9,670	Note 20
- Unsecured debentures	1,998	10,968	-	-	-	-	12,966	Note 25
	9,074	10,968	-	141	9,670	1,080	30,933	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arise mainly from loans denominated in foreign currencies. Since liabilities denominated in foreign currencies are not significant and due in short period, the Company and its subsidiaries do not use any derivatives to manage such risk.

37.2 Fair values of financial instruments

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash at banks, accounts receivable and accounts payable, their carrying amounts in the statement of financial position approximate their fair value.
- For debt securities, their fair value is generally derived from quoted market prices.
- For fixed rate debentures, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- For short-term and long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

During the current year, there were no transfers within the fair value hierarchy.

The fair values of the Company and its subsidiaries' financial instruments are estimated to approximately the amounts presented in the statements of financial position, except for the following:

(Unit: Million Baht)

	Consolidated / Separate financial statements			
	Carrying amount		Fair value	
	2015	2014	2015	2014
<u>Financial liabilities</u>				
Unsecured debentures	13,966	12,966	14,389	12,267

38. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

The Company manages its capital position with reference to its debt-to-equity ratio in order to comply with a condition in loan agreements with banks and debenture issuance, which requires the Company to maintain a debt-to-equity ratio of not more than 2.5:1 (2014: 2.5:1). Debt means to interest bearing debts.

The Company's capital used to calculate above financial ratio includes ordinary shares, and retained earnings less the net unrealised gains reserve.

As at 31 December 2015, the Group's debt-to-equity ratio was 1.55:1.00 (2014: 1.95: 1.00) and the Company's was 1.38:1.00 (2014: 1.46:1.00).

No changes were made in the objectives, policies or processes during the years end 31 December 2015 and 2014.

39. Events after the reporting period

39.1 On 25 January 2016, the Company's Board of Directors meeting No. 1/2016 passed a resolution to approve the setting up of a new subsidiary named Siriwattana Holding Limited, with the registered capital of Baht 100 million. The Company holds 100% of issued and paid up share capital. A new company has engaged in property development.

39.2 On 26 February 2016, the Company's Board of Directors meeting No. 3/2016 approved the following resolutions:

- (a) To approve payment of annual dividend for the operating results from 1 January 2015 to 31 December 2015 at the rate of Baht 0.12 (Twelve Stang) per share.
 - (b) On 26 February 2016 the meeting of the Company's Board of Directors passed a resolution to approve the issuance and offering of not more than Baht 7,000 million of debentures, or the equivalent in other currencies. The debentures to be issued may be of any type and in any form (secured or unsecured debentures), depending on prevailing market conditions at the time the debentures are issued and offered, and they are to have a term of not over 10 years. This resolution will be proposed for approval at the 2016 Annual General Meeting of the Company's shareholders.
 - (c) To approve the decrease of the registered capital of the Company, which was made from the existing registered capital of Baht 19,278,911,911.88 to be the new registered capital of Baht 19,251,140,783.06 by canceling its registered but un-issued shares.
-

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2016.

Sansiri Public Company Limited
16th Floor, Siripinyo Building
475 Sri Ayutthaya Road, Rajthevi
Bangkok 10400 Thailand
Tel. (662) 201 3905-6 Fax. (662) 201 3904
www.sansiri.com