



ANNUAL REPORT 2016



SANSIRI

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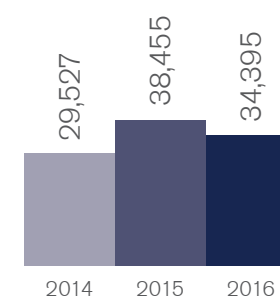
NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

FINANCIAL HIGHLIGHTS

		2014	2015	2016
Total Revenue	THB Million	29,527	38,455	34,395
Revenue from Project Sales	THB Million	27,174	35,152	30,099
Net Profit	THB Million	3,393	3,506	3,380
Total Assets	THB Million	73,147	69,451	72,774
Total Shareholders' Equity	THB Million	24,816	27,198	28,096
Gross Profit Margin (of Core Revenue)	%	32.71	29.34	30.52
Net Profit Margin	%	11.49	9.12	9.83
Debt-to-Equity	Times	1.95	1.55	1.59
Gearing Ratio	Times	1.58	1.23	1.15
Net Gearing Ratio	Times	1.45	1.13	1.02
Book Value per Share	Baht	2.40	1.91	1.97
Earnings per Share	Baht	0.33	0.25	0.24

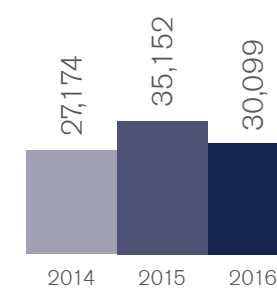
Total Revenue

Unit: Million Baht



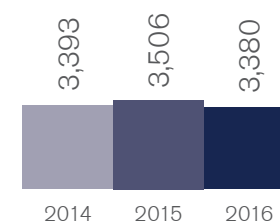
Total Revenue from Project Sales

Unit: Million Baht



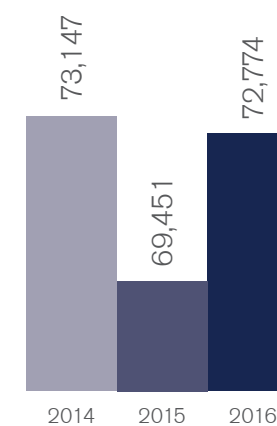
Net Profit

Unit: Million Baht



Total Assets

Unit: Million Baht



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

CHAIRMAN'S MESSAGE

In 2016, several factors contributed to a recovery in the property market – a political stability, the stimulus package of reduced real estate transfer and mortgage registration fees and government's approval of large-scale infrastructure investments. However, the slow recovery of the economy and the high household debts have dampened demands and weakened the sector recovery.

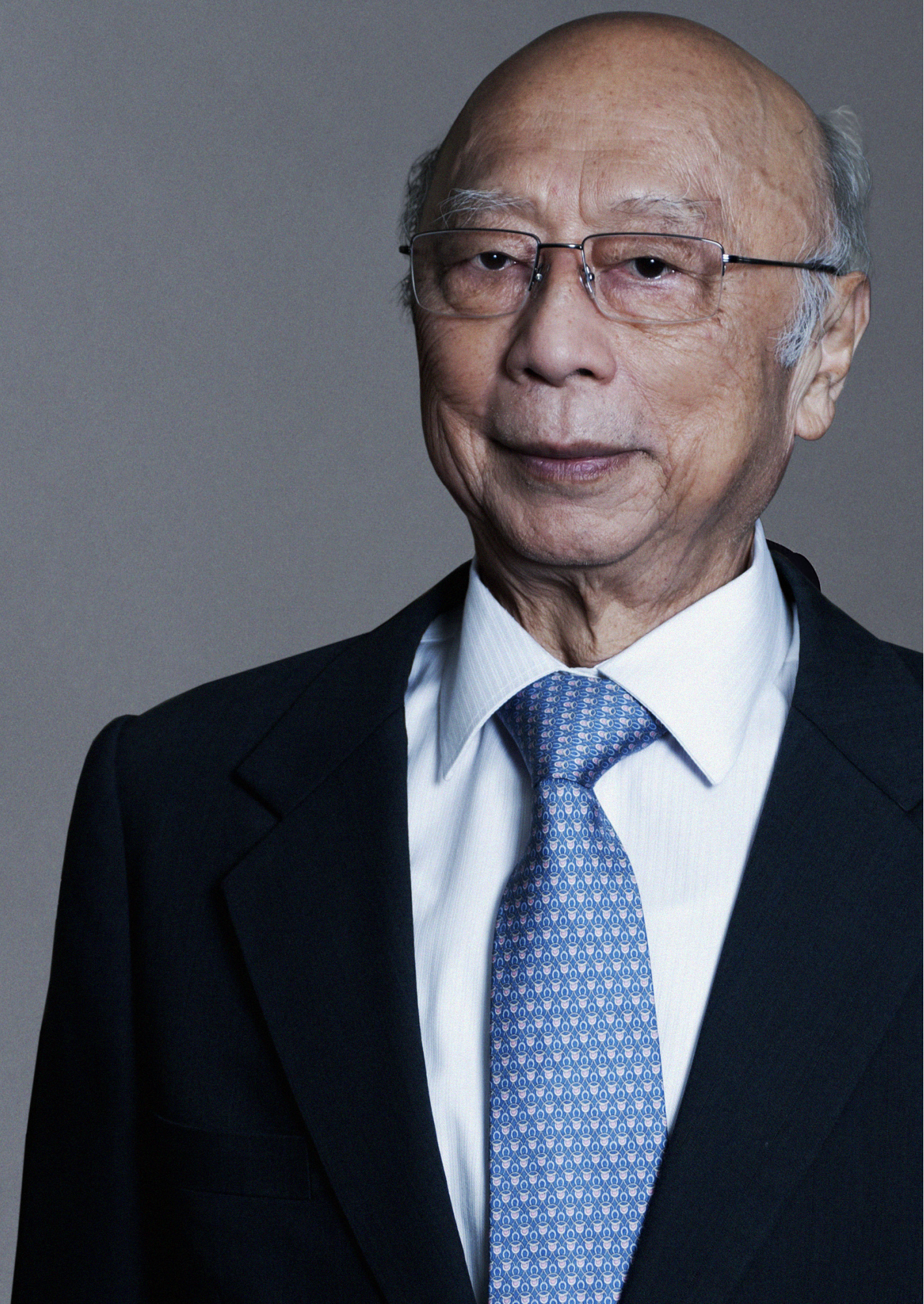
Regarding the business venture with BTS Group, five more projects valued approximately 20,000 Million Baht were launched under the joint-venture structure this year. We have also strengthened our brand in the regional markets with international sales reaching 5,000 Million Baht or a 43 percent growth from that of 2015. With BTS, recent success in bidding for the pink and yellow lines, we are confident the relationship will undoubtedly yield more project launches in prime area along these two lines in the future.

It has been more than five years now that Sansiri has maintained our focus on CSR activities in three key areas of youth development: health, education and sports. This year, we expanded our efforts to enter into an agreement with our partner UNICEF, the Ministry of Health and the World Health Organisation (WHO) to promote vaccination to youths in our construction camps. We are determined to maintain sustained growth without neglecting our responsibility to the public, the environment and all stakeholders.

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



Kovit Poshyananda
Chairman



CHIEF EXECUTIVE OFFICER'S MESSAGE

As the domestic economy modestly improved and the property market slowly recovered in 2016, Sansiri remained caution throughout the year. We had to adjust plans, move activities in line with market situation. Last year, we launched a total of 20 projects, worth 46,222 Million Baht, consisting of 7 single-detached house projects worth 12,933 Million Baht, 3 townhouse projects worth 1,470 Million Baht, and 10 condominium projects worth 31,819 Million Baht. Presales rose slightly to 31,100 Million Baht, of which 5,418 Million Baht was contributed from foreign buyers. This is the highest international sales ever recorded which proves that we have had a very good success in the international market penetration. Late last year, we started delivering units of the first joint-venture project with BTS, The LINE Sukhumvit 71, another project with high foreign buyers content of 48 percent.

In 2016, Sansiri has reported the total revenue of 34,395 Million Baht, 11 percent decrease from the previous year and the net profit of 3,380 Million Baht, equivalent to 0.24 Baht per share. We were able to reach 30,099 Million Baht revenue from our main business of property for sales, which consists of 9,616 Million Baht from single-detached houses, 1,224 Million Baht from townhouses and 19,260 Million Baht from condominiums, a 32 percent, 4 percent and 64 percent of the total revenue from project sales respectively.

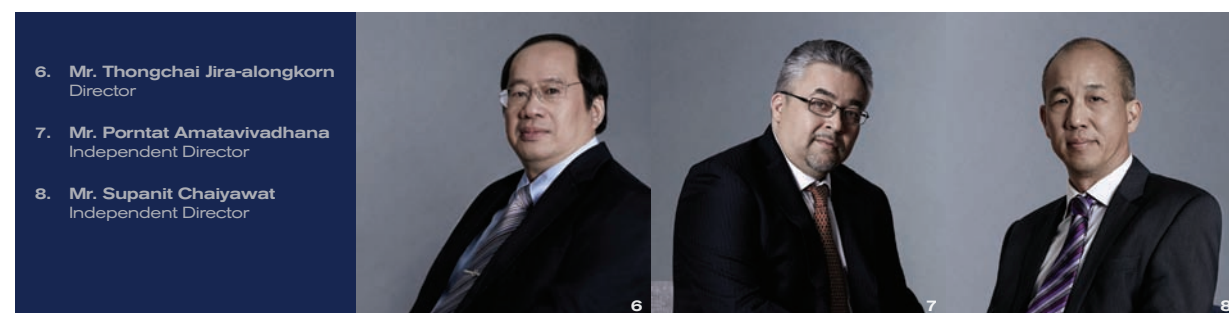
With the continual success in the international market penetration in 2016, Sansiri strives to expand its reach into new markets in 2017. I believe that every staff and management have worked extremely hard this year to reach our goals. On behalf of the Company, I would like to thank every member of the staff for their dedication and hope for their continued support in order to strengthen Sansiri as a leading Thai developer and to contribute to society 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)



NOMINATION AND COMPENSATION COMMITTEE



RISK MANAGEMENT COMMITTEE



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CORPORATE GOVERNANCE COMMITTEE



CORPORATE SOCIAL RESPONSIBILITY

Sansiri believes in incorporating social and environmental concerns into its business vision, strategy, operations and in its interactions with the stakeholders. At Sansiri, 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 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 & 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 respecting 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 construction workers' residential area 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 2016, Sansiri, in cooperation with UNICEF 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 has facilitated 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 2016, more than 50 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.

Children's Rights and Business Principles

Sansiri has piloted the UNICEF's "Children's Rights in Impact Assessments" tool to assess company policies and processes against the assessment criterion in the tool since 2014. 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. 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.



workshop, Thaipat Institute helped training and exercised sessions for the participants to understand the concept of child-friendly business and the how to apply the principles into the Company's business practice.

UNICEF Global Emergency Fund (for Children in Humanitarian Crisis)

During 2011 to 2016, Sansiri made a yearly contribution of 1 Million US Dollar to the UNICEF Global Emergency Fund accounted for 6 Million US Dollar or approximately 215 Million Baht in total which is used in supporting millions of children who affected by natural and man-made disasters around the world, such as the earthquake in Nepal, the fighting in Syria and Iraq, and the Ebola crisis in South Africa. 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.



In 2014, Sansiri participated in the field visit at Lebanon in 2014 to oversee UNICEF's work on children affected by the civil war in Syria. 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. Moreover, Sansiri was also invited by UNICEF in 2016 to visit UNICEF's camp in Turkey, the country with the largest number of Syrian refugees. UNICEF has estimated that more than 8.4 million of Syrian children affected from Civil War in Syria. In this regard, 2.4 million became refugees (as of March 2016) fled to Egypt, Jordan, Iraq, Turkey and Lebanon.



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 2016, ten 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 breastfeeding room for nursing mother and children equipped with a refrigerator to safely store mother's milk at Siripinyo Building, Rajapark Building and 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.



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 without any charges to promote play among children and also to promote their health and well-being. The training is provided by experienced and qualified coaches with certified license. 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 CAT Invitational 2016 and RBSC Youth Invitational 2016 which created valuable experiences to children for being able to show their potential, to create pride for their families and themselves, including making new friends from other academies.



Sansiri's Product Development Departments (High Rise and Low Rise) and Design Solution Department have initiated the "Knowledge Sharing" project since 2015 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 site visit around the country, in order to raise the standard of knowledge and thinking system 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 solve 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 (Sermkla) Foundation for distribution to under-privileged children and youth. Another activity is the initiative of sustainable school lunch project for children in remote areas by introducing the Sustainable Agriculture. The children has learnt to apply the Sustainable Agriculture on their daily lives including agricultural for both consuming and trading and which has led to their availability of extra income. 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 2016 are as follows:

1. Utilise joint venture with BTS Group Holdings Public Company Limited to strengthen leadership in city condominium development with 5 condominiums launched worth of 20,000 Million Baht
2. Retain market leadership in the upscale condominium segment with the launch of flagship condominium project named "98 Wireless", regarded as the country's most luxurious property
3. Expand foreign customer base through international marketing activities consistently
4. Sustain improvement of selling and administrative expenses through "EFG Programme"
5. Launch Habito Neighbourhood Mall, the first community mall in T77 Community

MILESTONE DURING THE YEAR

January 2016

- Established a new subsidiary named Siriwattana Holding Limited, with the registered capital of 100 Million Baht. The Company holds 100% of issued and paid up share capital. A new company has engaged in property development.

March 2016

- Established a new subsidiary named Pattanasiri Estate Limited, with the registered capital of 100 Million Baht. The Company holds 100% of issued and paid up share capital. A new company has engaged in property development.

May 2016

- Made dividend payment for the 2015 operating results was paid at the rate of 0.12 Baht (Twelve Stang) per share.

August 2016

- The Board of Directors approved in principle the establishment of the 10 new 50:50 joint venture company with BTS Group Holdings Public Company Limited in addition to the 15 existing joint venture companies, totaling 25 companies, under the strategic alliance framework to exclusively partner together on the developments of the residential projects for sale.
- Established a new subsidiary named AVA Holding Co., Ltd., with the registered capital of 100 Million Baht. The Company holds 100% of issued and paid up share capital. A new company has engaged in property development.

September 2016

- The Company has completed the disposal of ordinary shares in Pattanasiri Estate Limited (a subsidiary) in order to make it a joint venture company, in a proportion of 50:50, between the Company and BTS Group Holdings Public Company Limited. (Subsequently, Pattanasiri Estate Limited has changed its name to "BTS Sansiri Holding Fifteen Limited")
- Made payment of interim dividend from the operating result as from 1 January 2016 to 30 June 2016 at the rate of Baht 0.04 (Four Stang) per share.

October 2016

- The Company has completed the disposal of ordinary shares in AVA Holding Co., Ltd. (a subsidiary) in order to make it a joint venture company, in a proportion of 50:50, between the Company and BTS Group Holdings Public Company Limited. (Subsequently, AVA Holding Co., Ltd. has changed its name to "BTS Sansiri Holding Twenty Limited")

December 2016

- The Board of Directors resolved to approve the appointment of the following Sub-Committees:
 - Nomination and Compensation Committee
 - Risk Management Committee
 - Corporate Governance Committee

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. Furthermore, Sansiri operates precast factory for precast construction as well.
- B. **Property Development for Rent:** Sansiri and its subsidiaries have invested in leasehold commercial building. In 2016, Sansiri expanded its investment to complement its core business of property development for sale, by launching the community retail, "Habito Mall", with various retails shops and restaurants.

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 2014 - 2016, is as follows:

Products / Services	Operated by	% Shares Held by Sansiri	Year Ending 2014		Year Ending 2015		Year Ending 2016	
			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	11,492	38.9	10,107	26.3	9,616	28.0
- Townhouse	SIRI, PLUS, PW, PPN, AW	- , 100, 100, 100, 100	1,622	5.5	1,996	5.2	1,224	3.6
- Condominium	SIRI, RED, AW, PW, PPN, NED, TOUCH, PPS, SG	- , 100, 100, 100, 100, 100, 100, 100, 100	14,061	47.6	23,049	59.9	19,260	56.0
For Rent								
- Projects for rent	SIRI, SUN, AW, RED, PPN, NED, QT, CC	- , 100, 100, 100, 100, 100, 100, 100	23	0.1	22	0.1	23	0.1
- Leasehold rights written off	SUN, CC	100, 100	54	0.2	42	0.1	57	0.2
2. Property Services								
- Revenue from business management	SIRI, PW, PLUS, QT, TOUCH, QEW	- , 100, 100, 100, 100, 70	606	2.1	1,432	3.7	3,273	9.5
- Revenue from sales of construction materials	SIRI	-	-	-	4	0.0	57.0	0.2

Products / Services	Operated by	% Shares Held by Sansiri	Year Ending 2014		Year Ending 2015		Year Ending 2016	
			Million Baht	%	Million Baht	%	Million Baht	%
- Revenue from other services	SIRI, AW, PPN, NED, PPS, SPC, SPS	- , 100, 100, 100, 100, 100	237	0.8	304	0.8	302	0.9
3. Other Revenues								
- Interest income			15	0.1	48	0.1	104	0.3
- Revenue from common property charges			75	0.3	98	0.3	110	0.3
- Revenue from forfeiture of down payment and changed contract fee			185	0.6	215	0.6	95	0.3
- Gain on sale of assets to property fund			768	2.6	-	-	-	-
- Gain on sale of land			309	1.0	964	2.5	134	0.4
- Gain on sale of investment in subsidiary			-	-	46	0.1	14	0.0
- Other income			82	0.3	128	0.3	126	0.4
Total Revenue			29,527	100.0	38,455	100.0	34,395	100.0
% Increase (Decrease) in Revenue			1.9		30.2		(10.6)	










Remark -	SIRI	means	Sansiri Public Company Limited
	PLUS	means	Plus Property Company Limited
	CC	means	Chanachai 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
	SUN	means	S.U.N. Management 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	> 20.10 Million Baht per unit	> 7.10 Million Baht per unit	> 200,000 Baht per sqm.
			
Medium	8.10 - 20.10 Million Baht per unit	3.10 - 7.10 Million Baht per unit	100,000 - 200,000 Baht per sqm.
			
Low	2.51 - 8.10 Million Baht per unit	1.20 - 3.10 Million Baht per unit	60,000 - 100,000 Baht per sqm.
			

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 2016, Sansiri focused more on the development of high-rise projects to support the increasing demand for high-rise housings. For this year, Sansiri has launched flagship condominium project "98 Wireless" in premium segment located on Wireless Road to serve customers who desire the premium and convenient way of urban living. For condominium projects, Sansiri has 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 2016, "THE LINE Asoke-Ratchada", "THE LINE Sukhumvit 101" and "THE LINE Phahon - Pradipat" were launched, with total project values of 12,833 Million Baht. In this regards, all projects received well responses.

Sansiri continuously expanded its project development into cities with good potential. In areas where Sansiri has established presence and received good response, there were additional investments in low-rise projects. A single-detached house project, "Saransiri Kokaew" and a condominium project "dcondo Nim" were launched in Phuket province and Chiang Mai province, respectively. In 2016, a total of 20 projects were launched with 18 projects located in Bangkok and vicinities, and 2 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". Moreover, Sansiri has launched "Habito Mall" in 2016, the community retail located on T77 area on Sukhumvit 77 Road. Habito Mall gathers a variety of retail shops and restaurants for an expansive network of trendy lifestyle residential which complements Sansiri's core business - property development for sale.

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 2016, Plus manages over 188 residential and commercial projects covering an area of 4.73 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

Year 2016 was another challenging year for the real estate industry due to several unfavorable factors affected the market growth, the trend that property developers had foreseen in the same direction since in the middle of 2015. In this regard, each developer reviewed its business plan to be aligned with overall market condition.

In 2016, Sansiri has continued to achieve great success from the year 2015 by launching 20 new projects with a total project value higher than the previous year by 109 percent. Sansiri focused on medium to high segments accounted for more than 75 percent of total projects launch according to the signal of market condition pointed that the target customers of the projects were not affected by the economic situation. Additionally, Sansiri has continued the success of the joint venture with BTS Group Holdings Public Company Limited. At present, Sansiri has a total of eight joint venture projects worth over 30,000 Million Baht.

From the marketing management approach defined last year, Sansiri had operated brand management structure efficiently by reducing the number of new condominium brands in order to maximise customer's perception. Sansiri has strengthened the success of the projects under brand named "The LINE". In this regard, Sansiri was able to reduce the brand investment expense.

During the year, an affordable segment was recovered from the continued growth of the condominium segment, with the price range from 1 Million Baht to 3 Million Baht. In this regard, the sales revenue increased from 1,300 Million Baht in 2015 to 5,700 Million Baht in 2016.

In terms of international market activities, Sansiri has continued to achieve the success since 2015. In 2016, Sansiri generated sales of over 5,400 Million Baht from foreign buyers, an increase of 55 percent compared to that of last year as a result of the launch of projects that fulfilled the needs of foreign buyers. In addition, Sansiri has created trust of brand in potential markets such as Hong Kong, Singapore, Taiwan and China. Sansiri created marketing activities to continually engage with customers and real estate agents in these countries and set up a sales team for each country. Sansiri also gained the confidence from market resulting from the alliance with BTS Group Holdings Public Company Limited.

Another success from the previous years was the collaboration with world-class designers. In 2016, Sansiri worked with YOO Design Studio and Philippe Starck to inspire the architecture and interior design of KHUN by YOO and cooperation with Ralph Lauren Home for 98 Wireless.

For marketing in 2016, Sansiri emphasized the continuity of success from the previous year which was consistent with Sansiri's intention to create a solid way of working for sustainable growth in the long run.

2. Property Market in 2016 and Outlook 2017

In 2016, several risk factors including the high household debt level and the slowdown in loan growth, had continuously affected the Thai real estate sector from the previous year, resulted in a decline in property sales. The property sector has not fully recovered despite the government stimulus package which expired in April, due to the decline in farm income and the higher rejection rate of mortgage loan. Financial institutions still maintained strict lending policy with the high rejection rate of 40 percent specifically among freelancers, small and medium business owners, and start-up company owners due to their irregular incomes. Most real estate developers have run marketing campaigns on their existing housing stocks while they had delayed their new launches to cope with the slowdown in property market. The launch of new condominium projects are still on hold and big developers have adjusted their investment portfolio to focus more on the high-priced segment, which is less affected by the economic slowdown.

For the outlook in 2017, the Real Estate Information Center (REIC) forecasted that the property market will be recovered from the year 2016, supported by several factors such as the low interest rate and the increase in job security, owing to the forecast of lower unemployment rate. Therefore, it is expected that consumers will have more confident level in spending or investing in property market. Moreover, the developers will gain more advantage from the positive effect of public investment plan from the government's economic stimulus package, the development of transportation network and the expansion of BTS lines in vicinities which will lead to the sales improvement of new projects launch in those areas.

Summary of Property Market in 2016

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

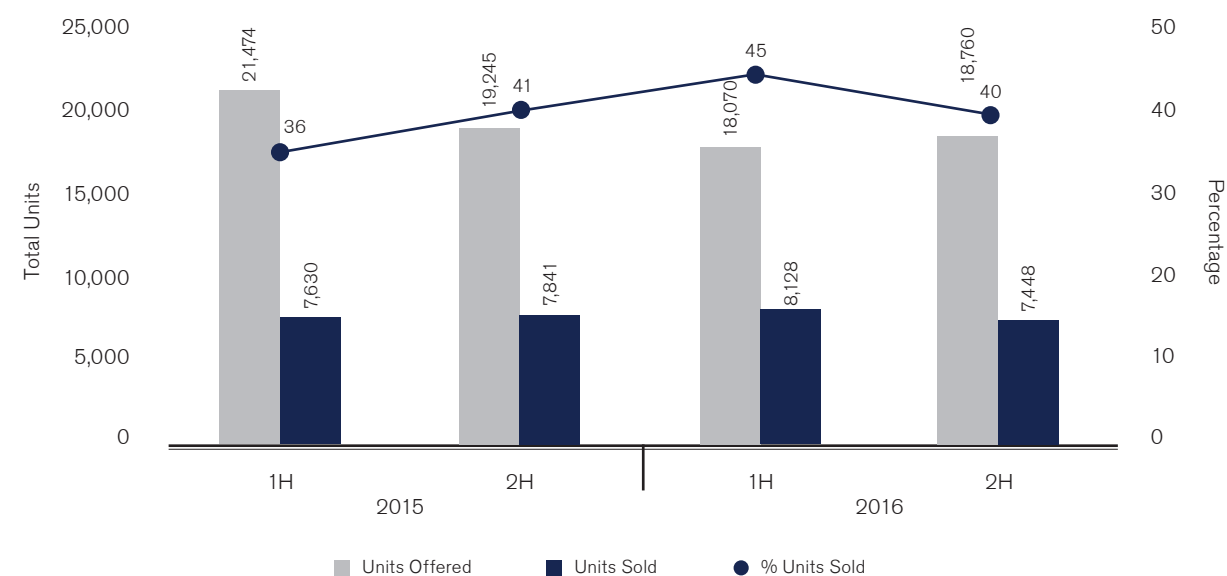
Area	Province	District
Western	Bangkok	Khlong San, Chom Thong, Taling Chan, Bang Kae, Thawi-Watthana, Thon Buri, Bangkok Noi, Bangkok Yai, Bang Bon, Bang Phlat, Pasi Charoen, Rat Burana, Nong Khaem
	Nonthaburi	Mueang (Nonthaburi), Bang Buathong, Bang Yai, Bang Kruai, Sai noi, Pak Kret
	Nakhon Pathom	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 number of units sold of single-detached houses in the latter half of 2016 amounted to 18,760 units, an increase of 4 percent compared to the first half of 2016 or a decrease of 3 percent compared to that of same period of last year mainly due to the continuous growth in demand over the previous year that was able to absorb the number of units offered well, resulted in the decline in the overall supply. Another factor is that at present the developers tend to launch projects phase-by-phase to mitigate risks from holding excessive number of units sold. Furthermore, the developers were unable to launch marketing activities towards the end of the year, therefore they delayed the launch of projects. The number of units offered declined the most in the Western area at 42 percent, followed by the Northeastern area at 19 percent, the Eastern area at 15 percent and the CBD at 6 percent. On the other hand, there was an increase in the number of units offered in the Northern area and the Southern area with a 67 percent increase and a 45 percent increase respectively mainly due to the opening of new phases within the existing projects and most were by major publicly listed companies.

In the second half of 2016, sales of single-detached houses decreased by 8 percent from the first half of 2016 and by 5 percent from the same period of last year. The number of units sold was 7,448 units, accounted for 40 percent of the total units offered, an increase of 4 percent from the first half of 2016 or a decrease of 2.5 percent from the same period of last year, as shown in Figure 1. The reduced in the number of units sold was the result of the expiration of the economic stimulus measures for real estate business mandating the reduction of the transfer and mortgage fee rates to 0.01 percent in April. The consumer confidence also took a dip causing the private investment and the consumption to slow down. Comparing the number of units sold with the same period of last year by areas, it was found that the Western area had the major decrease followed by Northeastern area and the Eastern area. Other areas showed increased number of units sold such as the Northern area, the Southern area, and the CBD. The positive results were a result of the realistic development in the construction of mass transit electric train lines through the area leading to higher demand.

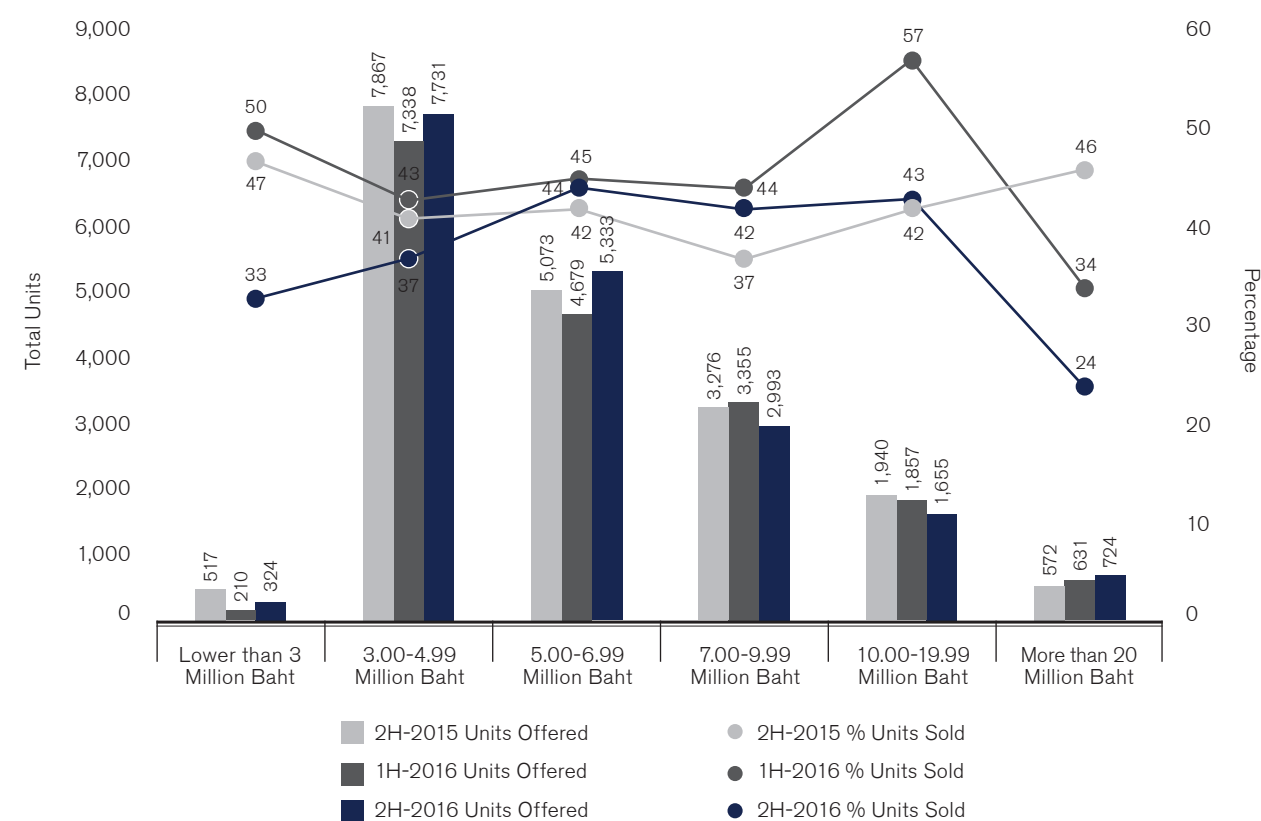
Figure 1: Total Units Offered, Total Units Sold and Percentage of Units Sold in Single-Detached House Market



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 7,731 units offered. However, the number of units offered for all price ranges in the latter half of 2016 had decreased comparing to the same period of last year except for single-detached houses in the 20 million baht and above range and those 5.00-6.99 million baht range which the number of units offered increased by 27 percent and 5 percent respectively. 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 2015, the number of units sold in most price ranges in the latter half of 2016 had decreased, with the biggest drop of 55 percent in the single-detached houses with unit price range of 3 Million Baht or lower. The single-detached houses with unit price range of 20 million baht and above, unit price range of 3.00 to 4.99 Million Baht, and unit price range of 10.00 to 19.99 Million Baht, decreased by 34 percent, 12 percent and 11 percent respectively. However, the number of units sold of housing with unit price range of 5.00 to 6.00 and unit price range of 7.00 to 9.00 Million Baht had increased by 12 percent and 3 percent respectively, compared to the same period of last year. Customers for single detached house in the 5-9 Million Baht range did not have household debt problem, and were less affected by economic volatility, while they are also less prone to be refused loan applications. In addition, financial institutions more easily release loans for purchasing of house priced over 5 Million Baht more than those priced lower than 5 Million Baht.

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 units sold of 11,555 units was approximately 9 months. It is forecasted that at least 7,000 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.

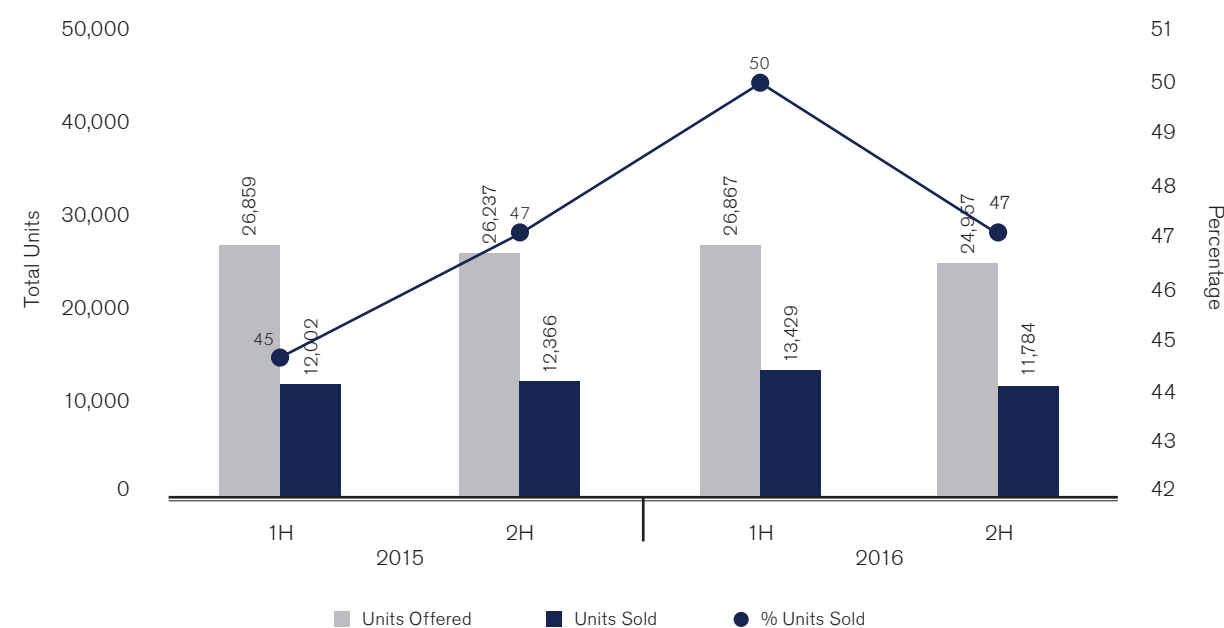
Situation of the Townhouse Market

In the second half of 2016, the number of units sold of townhouse amounted to 24,957 units or a 7 percent decrease compared to the first half of 2016, and a 5 percent decrease from the same period of last year due to an improving take-up rate of the 2- to 4-year-old stock units and a reduction of additional new units offered by the developers. The number of units offered decreased in most areas. Compared to the same period of the previous year, there were 25-percent and 24-percent decrease in the number of units offered in the Northeastern and the Eastern areas respectively as the purchasing power of the middle-class consumers in these two areas had contracted considerably caused by the persistently high household debt situation, while most developers delayed their launches of new units offered.

In the second half of 2016, the number of units sold of townhouses was 11,784 units, a 12 percent decrease from the first half of the year, and a 5 percent decrease from the same period of last year, shown in Figure 3, as a result of the delay in the revival of Thailand's economy. This has resulted in the lack of confidence in the economy while the household debt situation was still

high and the financial institutions have become more vigilant in approving loans for consumers in the real estate market thus reducing the purchasing momentum. Furthermore, the economic stimulus measures for the real estate sector that cut the fees for title deed transfer and loan application to 0.01 percent ended in April 2016, therefore it reduced the state apparatus' means to help stimulate purchasing in the latter half of 2016. The number of units sold decreased in most areas. The biggest decrease of units sold were in the Eastern and the Northeastern areas, both decreased by 31 percent. However, the number of units sold in Southern, the CBD, and the Western areas had increased by 195 percent, 36 percent, and 21 percent respectively as the consumers shifted their housing demand to areas along the BTS Sky Trains and extension lines.

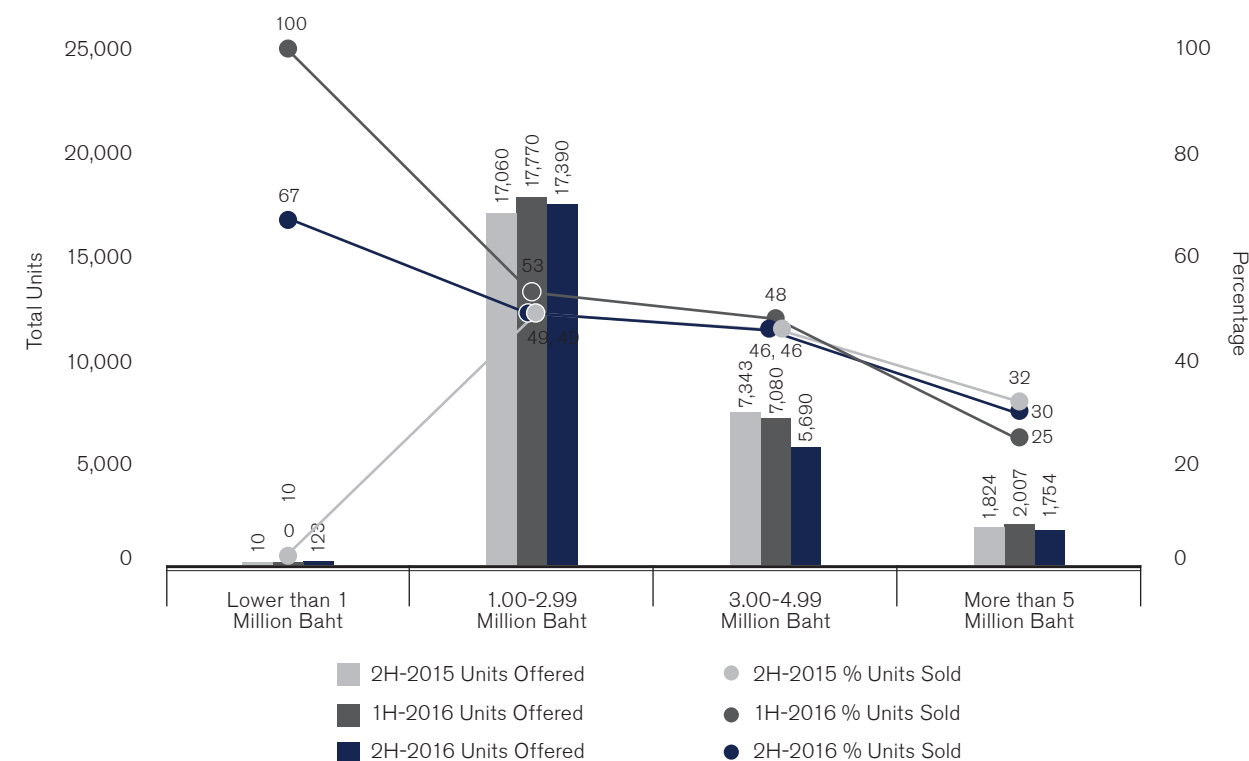
Figure 3: Total Units Offered, Total Units Sold, and Percentage of Units Sold of Townhouses Market



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

In terms of units offered and the selling price range of the townhouses in the second half of 2016, townhouses with a unit price range of 1.00 to 2.99 Million Baht dominated the market with the number of units offered of 17,390 units. Townhouses with a unit price range of 3.00 to 4.99 Million Baht had the number of units offered of 5,690 units, decreased by 23 percent from the same period of last year because the developers had launched several projects in this price segment from the first half of 2015 and the first half of 2016. Therefore, there was an accumulated supply aggravated by the slowdown in launches of new units offered in the second half of 2016. The highest growth rate of units offered in this period was the below-1-Million-Baht segment that showed a growth of 1,130 percent found in newly developed projects in the perimeter of the city where the land prices were not high. Moreover, this segment realised a 67-percent higher of sales growth from new projects in the perimeter of Bangkok that readily fulfill the needs of the consumers within the vicinities.

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 2017. The expected absorption rate for the existing townhouse supply of 13,000 units was at 8 months.

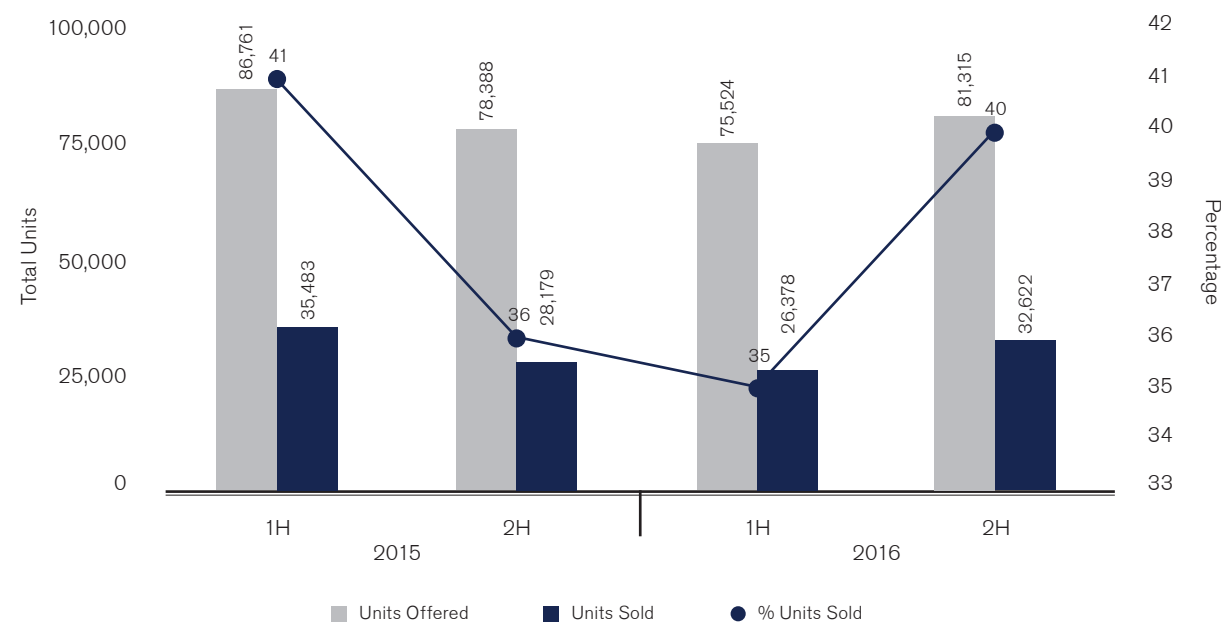
Situation of the Condominium Market

In the second half of 2016, the number of units offered of condominiums was at 81,315 units, an increase of 8 percent or 5,791 units from that of first half of the year, and 2,927 units or 4 percent increase compared to the same period of last year. The increase in the number of units offered was mainly caused by projects development in the medium-to-high market segment in the inner zone. In this regard, Phaholyothin area in the medium zone and Sukhunvit area in the inner were at the highest of units offered growth, an increase of 113 percent and 53 percent respectively. In addition, there were units offered growth in a few outer zones such as Ramkhamhaeng area with 131-percent increase, Rama 2 with 60-percent increase, while Phayathai area had a 54-percent decrease and Suvarnabhumi area had a 43-percent decrease compared to the same period of last year.

The total number of units sold in the second half of 2016 was 32,622 units, an increase of 6,244 units or 24 percent from the first half of the year, and 16 percent increase or 4,443 units compared to the same period of last year, as shown in Figure 5. This demand in the medium-end and high-end segments have replaced the lower. Therefore, the developers turned their focus into the medium-end and high-end segments situated in good, high potential mid-town locations. Up until the last quarter of the year, marketing communication to help stimulate sales might not be very effective. Nonetheless, the developers decided to change their strategy by adopting "exclusive pre-sales" directly on-site. When comparing the total sales of this period to the same period

of last year, it was found that the medium and inner zones had the increase in total sales. The Phaholyothin area in the medium zone increased the most at 424 percent and Ratchadapisek area increased 105 percent. In the inner zone, the Sukhumvit area increased the most at 71 percent, while the CBD area (Ploenchit-Chitlom and Silom-Sathorn) increased by 10 percent. However, in the outer zone, Bangsue area had a decrease in sales of 30 percent following sales splurge in 2014 including Minburi area with a decrease of 71 percent, Rama 3 area with a 57-percent decrease, and Suvarnabhumi area with a decrease of 52 percent.

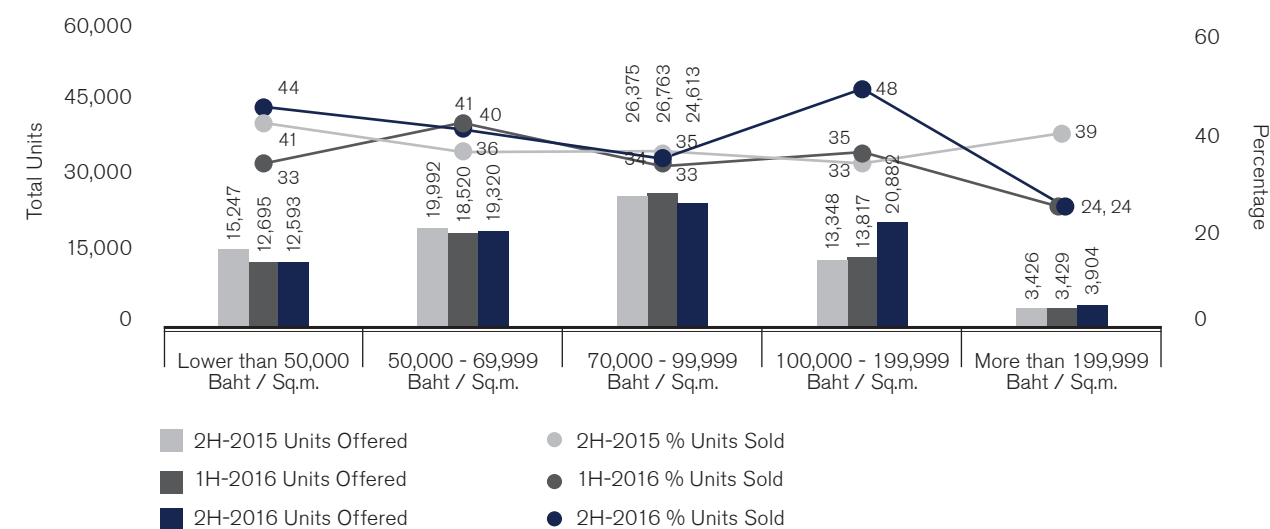
Figure 5: Total Units Offered, Total Units Sold, and Percentage of Units Sold in Condominiums Market



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

Based on the average selling price per square metre of condominiums in the second half of 2016, the condominium with price range of 70,000 to 99,999 Baht per square metre and 100,000 to 199,999 Baht per square metre dominated the market, accounted for 30 percent and 26 percent of the total units offered respectively, as shown in Figure 6. In addition, the highest growth of units offered were in the price range of 100,000 to 199,999 Baht per square metre, increased by 56 percent while the sales increased by 130 percent compared to the same period of last year. The number of units offered for condominiums with price range of 50,000 to 69,999 Baht per square metre, grew constantly due to major developer in the outer zone concentrated on location close to shopping malls and institutions of higher learnings. Accordingly, the sales of condominiums in this price range also increased by 9 percent from the same period of last year, as shown in Figure 6. In addition, the average price of the condominium was at 104,882 Baht per square metre, slightly increased by 3 percent compared to the first half of the year and the same period of last year. In this regard, the highest growth of average price was the price of condominiums in Ramkhamhaeng area, increased by 14 percent, to 65,368 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 the same or improve slightly from the second half of 2016 as there are still supporting factors from the ongoing construction of the basic infrastructure including the extension phases of many mass transit electric train lines. However, the high household debt problem directly affects the purchasing power of the consumers, while it is expected that there will be at least 25,000 additional units coming onto the market in the first half of the year especially in the inner and medium zones.

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 by 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 offline bidding process and online bidding system (E-Auction) to procure construction materials allow 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 60 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 the quality control of the construction by maintaining standards through selected and preferred vendors. In order to assess suppliers, Sansiri considers a number of criteria 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

list 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 ensure 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 provide 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

Sansiri adopts Precast technology in the construction of various single-detached house and townhouse projects due to its advantages, including the storm and earthquake resistance, the consistent quality control with international standards, the shorter construction period, the reduction of dependence on labour and the better cost control. At present, Sansiri Precast Factory is fully operated with the maximum production capacity due to the continuity of development process with the extended adoption in several brands of single-detached house projects namely Setthasiri, Burasiri, Saransiri, and Kanasiri, to support the continuous growth of the company.

In addition to the capacity increase, Sansiri Precast Factory has also improved the construction standards to achieve the goal of delivering high quality products to customers by developing the Double Protection system to reduce the risk of water leaking into the house at all joints of Precast slabs. Furthermore, Quality Control Department has implemented the system testing process to ensure the completeness of Double Protection prior to the beginning of architecture work.

For construction innovations, Sansiri also adopts Precast technology in the construction of high-rise buildings, which has been generally used in several countries in Europe, America, and Japan. The traditional Cast-in-Place construction method has been commonly used in Thailand, in which the main structure of the building is formed by cement column and Post-Tension Slab for floor system, which needs to be set and concrete on construction site. The later processes are exterior façade work, internal wall process, and finishing work consecutively. This traditional system requires long period of construction and the quality standard mainly depends on skilled labours. The traditional system also creates pollution to neighbour and community. Therefore, Sansiri continuously implements Precast technology into various process of high-rise building construction such as external wall, internal wall, stair, bathroom, etc. All these parts are prefabricated in Sansiri Precast Factory with precision and good quality control. They are delivered to and installed in construction site just-in-time.

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 as well as community areas. 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.

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, shortage of land plots in CBD area, 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 2016, the price index of construction materials decreased slightly by 3.3 percent from 2015 (Source: Bureau of Trade and Economic Indices, Ministry of Commerce). Compared to last year, price of overall construction material declined. However, the price of tile and water supply remained constant while the price of finishing material increased by 0.3 percent. The price index of cement decreased significantly at 5.0 percent, attributed to excess supply. Steel price index decreased at 3.8 percent according to declining global price, while electronic plumbing decreased at 2.2 percent, stemmed from decreased price in plastic beads. Other construction materials declined by 6.5 percent in general due to the decrease in bright bricks and bricks as well as asphalt, followed petroleum according to declining petroleum price. 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 walls 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 institutions 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 2016, 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 house 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.

7. Upcountry Market Expansion

Since 2014, Sansiri had decreased its expansion to upcountry markets after launching several projects in provincial areas in 2012. In 2016, Sansiri had launched two new projects, new single-detached house project in Phuket following the new condominium project in Chiangmai, 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 provincial area had received good feedback from customers, both in Bangkok and local areas.

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 Phayathai Sub-district, Rajthevi District, Bangkok 10400
Registration Number	0107538000665
Established	Since 1984
Registered Capital	As at 31 December 2016, the Company's registered capital was 19,251,140,783.06 Baht consisting of 17,991,720,358 ordinary shares with the par value of 1.07 Baht
Paid-up Capital	As at 31 December 2016, 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 31 December 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, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 163 Rajapark Building, 10 th Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	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> 163 Rajapark Building, 10 th Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	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> 163 Rajapark Building, 10 th Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development	20,000,000 Baht divided into 2,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Sansiri Venture Co., Ltd.</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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

(As of 31 December 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>Papanan Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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
<u>S.U.N. Management Co., Ltd.</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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
<u>NED Management Co., Ltd.</u> 163 Rajapark Building, 10 th Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	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
<u>Satit Pattana Personnel Center Limited</u> 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
<u>Plus Property Co., Ltd.</u> 163 Rajapark Building, 10 th Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua 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 31 December 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>Plus Property Space Co., Ltd.</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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
<u>Siriwattana Holding Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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
Subsidiaries in which Sansiri indirectly holds shares through Plus Property Co., Ltd.			
<u>QT Lifestyle Limited</u> 475 Siripinyo Building, 11 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 163 Rajapark Building, 14 th Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua 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
<u>QEW (Thailand) Company Limited</u> 475 Siripinyo Building, 11 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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

(As of 31 December 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Joint Venture Companies with BTS Group Holdings PCL. (50:50)			
<u>BTS Sansiri Holding One Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Four Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 31 December 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Joint Venture Companies with BTS Group Holdings PCL. (50:50)			
<u>BTS Sansiri Holding Six Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Eight Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 31 December 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Joint Venture Companies with BTS Group Holdings PCL. (50:50)			
<u>BTS Sansiri Holding Eleven Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Twelve Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Fifteen Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Sixteen Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 31 December 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Joint Venture Companies with BTS Group Holdings PCL. (50:50)			
<u>BTS Sansiri Holding Seventeen Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Eighteen Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Nineteen Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Twenty Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 Twenty One Limited</u> 475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Thanon Phayathai 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 31 December 2016)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in overseas countries in which Sansiri indirectly holds shares through Sansiri Global Investment Pte. Ltd.			
<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
<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) 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. 1/2013 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
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2016 Due 2019

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, Samsennai Sub-district, Phayathai 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. 3/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2016 Due 2019

KTB Bank Public Company Limited

4th Floor, SM Tower, 977/3 Phaholyothin Road, Samsennai Sub-district, Phayathai District
Bangkok 10400, Thailand
Telephone : (662) 298-0830-3 Ext 124
Facsimile : (662) 298-0835

Debenture under this debenture registrar consists of

- Unsecured Debenture of Sansiri Public Company Limited No. 2/2015 Due 2019

3. Debenture Holders' Representative

KTB Bank Public Company Limited

4th Floor, SM Tower, 977/3 Phaholyothin Road, Samsennai Sub-district, Phayathai District
Bangkok 10400, Thailand
Telephone : (662) 298-0830-3 Ext 120
Facsimile : (662) 298-0835

Debentures under this debenture holders' representative consist of

- 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
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2015 Due 2020
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2015 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2016 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2016 Due 2019

4. The Auditor

EY Office Limited

33rd Floor, 193/136-137, Lake Rajada Office Complex, Ratchadapisek 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 30 August 2016 (Rights Type of the closing shares register book: XD), are as follows:

No.	Major Shareholders	Number of Shares	Proportion of shareholding Percentage of paid-up capital*
1	Thai NVDR Co., Ltd. ^{1/}	1,338,952,680	9.37
2	Viriyah Insurance Public Company Limited	918,267,873	6.43
3	UBS AG Singapore Branch	722,399,177	5.06
4	Chase Nominees Limited	451,491,232	3.16
5	Mr. Wanchak Buranasiri	415,469,201	2.91
6	N.C.B. Trust Limited-Pohjola Bank PLC Client A/C EUR	275,000,000	1.93
7	N.C.B. Trust Limited-Norges Bank 11	271,562,666	1.90
8	The Bank of New York (Nominees) Limited	221,881,278	1.55
9	The Bank of New York Mellon	215,024,933	1.51
10	State Street Bank Europe Limited	194,129,371	1.36
Total		5,024,178,411	35.17

*As of 30 August 2016, the Company had the paid-up capital of 15,285,486,358.90 Baht divided into 14,285,501,270 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 structure of Company's management as of 31 December 2016 comprises of the Board of Directors and Six Sub-Committees i.e. (1) Audit Committee, (2) Nomination and Compensation Committee, (3) Corporate Social Responsibility Committee, (4) Risk Management Committee, (5) Corporate Governance Committee and (6) 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.

As of 31 December 2016, the Board of Directors consists of 10 persons including:

- 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)
- three executive directors

The names and positions of the members of the Board of Directors are as follows:

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 (Independent Director) - Chairman of the Audit Committee - Chairman of the Nomination and Compensation Committee - Chairman of the Risk Management Committee - Members of the Corporate Social Responsibility Committee
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 Risk Management Committee - Member of the Corporate Governance Committee - Member of the Executive Committee - Authorised Director
6. Mr. Thongchai	Jira-alongkorn	- Director
7. Mr. Porntat	Amatavivadhana	- Director (Independent Director) - Member of the Nomination and Compensation Committee - Member of the Corporate Governance Committee - Members of the Corporate Social Responsibility Committee

8. Mr. Supanit	Chaiyawat	- Director (Independent Director) - Member of the Audit Committee - Member of the Risk Management Committee
9. Mr. Kittichai	Raktakanit	- Director (Independent Director) - Chairman of the Corporate Governance Committee - Member of the Audit Committee - Members of the Nomination and Compensation Committee
10. Mr. Vichaya	Chatikavanij	- Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee

Remark : Mr. Vichaya Chatikavanit was elected, in the Annual General Meeting of Shareholders for the Year 2016, held on 26 April 2016, in replacement of Mr. Kriengkrai Thiennukul, who retired on expiration of his term.

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.

Scope of Duty and Responsibility of the Board of Directors

- 1) To perform its duty, determination and conduct the Company's business according to Company's objectives, Articles of Association, relating laws and regulations, as well as resolutions of the shareholders' meeting. 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.
- 2) To consider and approve and the Company's vision, policies, business plan, operating direction, operating target, financial strategies, annual budget of the Company and shall supervise the management team to effectively implement such policy.
- 3) Appoint the members of the Directors to act as sub-committees to support the operation under its responsibility as seen appropriate and necessary, and regularly monitor their performance.
- 4) Approve significant transactions under its authority required by law and Company's Articles of Association.
- 5) To supervise to determine that that its operations and significant financial activities of the company are proceeding properly and efficiently approach and are compliant with all relevant laws and regulations (Compliance Control).
- 6) The Director shall not carry out his business in the same nature as and being in competition with the Company's business or be a partner in ordinary partnership or be an unlimited liability partner in limited partnership or be a Director of private company or other companies having the same nature as and being in competition with the Company's business, either for his/her own benefit or others, unless such has been notified to the shareholder's meeting prior to the resolution of his/her appointment.
- 7) The Director shall immediately notify the Company if he/she becomes an interested person, either directly or indirectly, in any contract or holds share(s) or debenture(s) in the Company or its subsidiaries.
- 8) In case any Director becomes an interested person in any matter, such Director shall not be allowed to participate in the decision-making process and shall have no right to vote in such matter.

- 9) Provide a clear and transparent process for transactions that may have conflicts of interest. By establish written policies and procedures for the authorisation of transactions between related parties, all transactions must be complied with guidelines by The Stock Exchange of Thailand.
- 10) The Board of Directors shall manage and govern the Company's operation with morality 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.
- 11) Appoint a company secretary to oversee various Company activities and assist the Board and the Company in conforming to the law and applicable regulations.
- 12) Institute clear processes for the Audit Committee's report to the board, in case of doubtful transactions or activities that could significantly affect the Company's performance.
- 13) To consider approval for interim dividend payment when it considers that the Company has sufficient profits to do so and to report such payment to the following shareholders' meeting.
- 14) Perform other shareholder-assigned duties.

Selection of Directors

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. 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. At each Annual General Meeting of Shareholders, one third of the positions on the Board become vacant, and those whose terms have expired may be re-elected for another term of office.

Board of Directors Meeting

The Company set meeting agendas and meeting dates for the Board of Directors Meetings and Shareholders Meeting for 2016 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.

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. All members are independent directors, having adequate expertise and experience to audit creditability of the Company's financial reports, details are as follow;

The names and positions of the members of the Audit Committee as of 31 December 2016 are as follows:

1.	Mr. Jesadavat	Priebjrivat	Chairman
2.	Mr. Supanit	Chaiyawat	Member
3.	Mr. Kittichai	Raktakanit	Member

Scope of Duty and Responsibility of the Audit Committee

- 1) To perform its duty, determination and conduct the Company's business according to Company's objectives, Articles of Association, relating laws and regulations, as well as resolutions of the shareholders' meeting. 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.
- 2) To consider and approve and the Company's vision, policies, business plan, operating direction, operating target, financial strategies, annual budget of the Company and shall supervise the management team to effectively implement such policy.
- 3) Appoint the members of the Directors to act as sub-committees to support the operation under its responsibility as seen appropriate and necessary, and regularly monitor their performance.
- 4) Approve significant transactions under its authority required by law and Company's Articles of Association.
- 5) To supervise to ensure that key operations and significant financial activities of the company has implemented as set forth and effectively approach including compliance audits with related laws and regulations (Compliance Control).
- 6) The Director shall not carry out his business in the same nature as and being in competition with the Company's business or be a partner in ordinary partnership or be an unlimited liability partner in limited partnership or be a Director of private company or other companies having the same nature as and being in competition with the Company's business, either for his/her own benefit or others, unless such has been notified to the shareholder's meeting prior to the resolution of his/her appointment.

(2) Nomination and Compensation Committee

The Nomination and Compensation Committee is appointed by the Board of Directors and their term is three years, consists of three non-executive directors, details are as follow;

The names and positions of the members of the Nomination and Compensation Committee as of 31 December 2016 are as follows:

1.	Mr. Jesadavat	Priebjrivat	Chairman
2.	Mr. Porntat	Amatavivadhana	Member
3.	Mr. Kittichai	Raktakanit	Member

Scope of Duty and Responsibility of the Nomination and Compensation Committee

The Nomination and Compensation Committee of the Company has the scope of duties and responsibilities to the Board of Directors on the following matters:

- (1) Nomination;
 - (a) Determine structure and composition of the Company's Board of Directors with regard to each director's qualification relating to skills, experiences and specialties that are suitable for the business and vision on a long term basis, as well as qualification as prescribed by laws and regulations of regulating agencies including the Office of the Securities and Exchange Commission, etc. Review current structure of the Board to ensure that it is suitable for the Company's strategic needs, and propose guidelines for improvement,
 - (b) Consider qualification of person who will serve as independent director, and ensure that such independence is in accord with the criteria as specified by the Office of the Securities and Exchange Commission at minimum,
 - (c) Establish policies, criteria and methods for the nomination of Company's Board of Directors, Sub-committee, Chairman of Executive Board, managing director, chief operating officer, and senior executives.
 - (d) Recruit, select and nominate qualified person to replace director who vacates office by rotation and/or fill any vacant and/or additional position, and screen and verify name list of persons being nominated as directors, with related agencies, to ensure that they are not blacklisted or repealed from the name list that has been prepared by those agencies,
 - (e) Establish director development plan in order to enhance knowledge of existing and new directors on the Company's business, rules and duties of directors, regulations or laws relating to the Company's business, etc.,
 - (f) Determine criteria and methods for performance assessment of the Company's Board of Directors, Sub-committee, Chairman of Executive Board, managing director, chief operating officer, and senior executives, in order to propose for approval of the Company's Board of Directors' meeting,
 - (g) Establish Succession Plan for the preparedness of any successors in the event that the Chairman of Executive Board, managing director, chief operating officer, and senior executives retire or could not perform their duties for the continuity of the Company's administration,
 - (h) Other operations as assigned by the Company's Board of Directors relating to the nomination.

(2) Determination of Remuneration;

- (a) Determine policies, formats and criteria on the determination of remuneration for the Company's directors, Sub-committee, Chairman of Executive Board, managing director, chief operating officer, and senior executives, and review suitability of existing criteria in order to propose for approval of the Company's Board of Directors and/or shareholders' meeting, as the case may be,
- (b) Determine suitable remuneration of each category including monetary or non-monetary remuneration on an individual basis in order to remunerate and motivate people who have been contributing to the Company's success by considering the suitability with duties and responsibilities, and procedures of other companies in the same industry, as well as the Company's overall operation, in order to propose for the Company's Board of Directors' consideration and approval of shareholders' meeting,
- (c) Report policies, principles and rationales for the determination of remuneration for directors and executives in accordance with the Stock Exchange's requirements, by disclosing in the Company's Annual Information Form (Form 56-1) and annual report,
- (d) Determine bonus and annual pay raise based on the Company's overall operation,
- (e) Consider and grant approval in the event that the Company will allocate warrants to directors and executives and/or subsidiaries exceeding 5% of all warrants, and determine name list and number of warrants to be allocated to directors and employees exceeding 5%, provided that the laws, notifications and regulations relating to these matters shall be complied with,
- (f) Consider and determine structure of salary and other benefits of the Company,
- (g) Other operations as assigned by the Company's Board of Directors relating to the determination of remuneration as specified by the Company's Board of Directors.

(3) The Corporate Social Responsibility Committee (CSR Committee)

The Corporate Social Responsibility Committee (CSR Committee) is appointed by the Board of Directors, and their term is three years, with the President as the Chairman and the other two shall be selected from amongst directors, employees, independent advisors or specialists, details are as follow;

The names and positions of the members of the Corporate Social Responsibility Committee as of 31 December 2016 are as follows:

1.	Mr. Srettha	Thavisin	Chairman
2.	Mr. Jesadavat	Priebjrivat	Member
3.	Mr. Porntat	Amatavivadhana	Member

Scope of Duty and Responsibility of the Corporate Social Responsibility 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 Risk Management Committee

The Risk Management Committee is appointed by the Board of Directors, and their term is three years, constitutes of at least five directors, details are as follow;

The names and positions of the members of the Risk Management Committee as of 31 December 2016 are as follows:

1.	Mr. Jesadavat	Priebjrivat	Chairman
2.	Mr. Supanit	Chaiyawat	Member
3.	Mr. Kittichai	Raktakanit	Member
4.	Mr. Vichaya	Chatikavanij	Member
5.	Mr. Wanchak	Buranasiri	Member

Scope of Duty and Responsibility of the Risk Management Committee

- 1) Establish strategies, policies and framework for risk management, as well as risk management system, and establish risk management standards as guidelines for various units in the Company;
- 2) Acknowledge and offer feedback on the Company's direction on risk management;
- 3) Monitor, inspect, analyse and review action plan in accordance with risk management framework on a regular basis in order to respond to ongoing changes;
- 4) Review and offer feedback in order to minimise and manage risk in acceptable level;
- 5) Supervise to ensure that risk management measures are communicated and implemented throughout the organisation, and support and promote timely and appropriate risk reporting;
- 6) Coordinate and exchange information with Audit Committee and internal auditing unit in the Company with regard to significant risks;
- 7) Other operations as assigned by the Company's Board of Directors relating to risk management.

(5) The Corporate Governance Committee

The Corporate Governance Committee is appointed by the Board of Directors, and their term is three years, constitutes of at least four directors, details are as follow;

The names and positions of the members of the Corporate Governance Committee as of 31 December 2016 are as follows:

1.	Mr. Kittichai	Raktakanit	Chairman
2.	Mr. Vichaya	Chatikavanij	Member
3.	Mr. Porntat	Amatavivadhana	Member
4.	Mr. Wanchak	Buranasiri	Member

Scope of Duty and Responsibility of the Corporate Governance Committee

- 1) Establish and review policies and criteria in accordance with good corporate governance principles, as well as requirements relating to business code of ethics, in order to implement those principles for the establishment of the Company's rules and regulations in accordance with good corporate governance, for the Company's directors, executives and employees;
- 2) Establish policies on the Company's sustainable development, and offer feedback on procedures and recommendation for improvement as appropriate;
- 3) Review, promote and encourage the Company's personnel of all levels to adhere and comply with good corporate governance principles;
- 4) Review and improve policies on good corporate governance on a regular basis in accordance with the procedures of supervisory agencies;
- 5) The Corporate Governance Committee shall have power to invite concerned parties or any person as it deems appropriate to attend the meeting or explain any related matters;
- 6) Other operations as assigned by the Company's Board of Directors relating to the corporate governance as specified by the Company's Board of Directors.

Details on the Sub-Committee of the members of the Board of Directors

Name of Directors			Board of Directors	Audit Committee	CSR Committee	Nomination and Compensation Committee	Risk Management Committee	CG Committee
1	Mr. Kovit	Poshyananda	C	-	-	-	-	-
2	Mr. Apichart	Chutrakul	M	-	-	-	-	-
3	Mr. Jasadavat	Priebjrivat	M	C	M	C	C	-
4	Mr. Srettha	Thavisin	M	-	C	-	-	-
5	Mr. Wanchak	Buranasiri	M	-	-	-	M	M
6	Mr. Kriengkrai	Thiennukul ⁽¹⁾	M	-	-	-	-	-
7	Mr. Thongchai	Jira-alongkorn	M	-	-	-	-	-
8	Mr. Porntat	Amatavivadhana	M	-	M	M	-	M
9	Mr. Supanit	Chaiyawat	M	M	-	-	M	-
10	Mr. Kittichai	Raktakanit	M	M	-	M	M	C
11	Mr. Vichaya	Chatikavanit ⁽²⁾	M	-	-	-	M	M

Remark : C - Chairman means Chairman
M - Member means Member
⁽¹⁾ Mr. Kriengkrai Thiennukul, who retired on expiration of his term in the Annual General Meeting of Shareholders for the Year 2016, held on 26 April 2016
⁽²⁾ Mr. Vichaya Chatikavanit was elected, in the Annual General Meeting of Shareholders for the Year 2016, held on 26 April 2016, in replacement of Mr. Kriengkrai Thiennukul

Details of meeting attendance the Board of Directors' meeting and other sub-committees' meeting

In 2016, the details of meeting attendance the Board of Directors' meeting and other sub-committees' meeting are as follow;

Name of Directors			Position	Meeting Attendance (Meeting)			
				Board of Directors 10 Meetings	Audit Committee	Nomination and Compensation Committee	CSR Committee ⁽¹⁾
1	Mr. Kovit	Poshyananda	- Chairman of the Board of Directors	8/10	-	-	-
2	Mr. Apichart	Chutrakul	- Vice - Chairman of the Board of Directors	10/10	-	-	-
3	Mr. Jasadavat	Priebjrivat	- Independent Director - Chairman of the Audit Committee - Chairman of the Nomination and Compensation Committee - Chairman of the Risk Management Committee - Members of the Corporate Social Responsibility Committee	10/10	5/5	4/4	1/1
4	Mr. Srettha	Thavisin	- Director - Chairman of the Corporate Social Responsibility Committee	10/10	-	4/4	-
5	Mr. Wanchak	Buranasiri	- Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee	10/10	-	-	-
6	Mr. Kriengkrai	Thiennukul ⁽²⁾	- Director	2/3	-	-	-
7	Mr. Thongchai	Jira-alongkorn	- Director	9/10	-	-	-
8	Mr. Porntat	Amatavivadhana	- Independent Director - Member of the Nomination and Compensation Committee - Member of the Corporate Governance Committee - Members of the Corporate Social Responsibility Committee	9/10	-	4/4	1/1
9	Mr. Supanit	Chaiyawat	- Independent Director - Member of the Audit Committee - Member of the Risk Management Committee	10/10	5/5	-	-
10	Mr. Kittichai	Raktakanit	- Independent Director - Chairman of the Corporate Governance Committee - Member of the Audit Committee - Member of the Nomination and Compensation Committee	9/10	4/5	-	1/1
11	Mr. Vichaya	Chatikavanit ⁽³⁾	- Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee	6/7	-	-	-

Remark : ⁽¹⁾ The Board of Directors of Sansiri Plc., in meeting No. 10/2016 held on 15 December 2016, approved the appointment of (1) the Nomination and Compensation Committee (2) the Risk Management Committee and (3) the Corporate Governance Committee
⁽²⁾ Mr. Kriengkrai Thiennukul, who retired on expiration of his term in the Annual General Meeting of Shareholders for the Year 2016, held on 26 April 2016
⁽³⁾ Mr. Vichaya Chatikavanit was elected, in the Annual General Meeting of Shareholders for the Year 2016, held on 26 April 2016, in replacement of Mr. Kriengkrai Thiennukul who resigned from his position. There were three board meetings held before his appointment date.

(6) 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).

The names and positions of the members of the Executive Committee as of 31 December 2016 are as follows:

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 Aeimtitiwat	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. Somchai Charntanawet	Member of the Executive Committee
9.	Mr. Poomipak Julmanichoti	Member of the Executive Committee
10.	Miss Vilasinee Dejamornthan ⁽¹⁾	Member of the Executive Committee
11.	Mr. Samatcha Promsiri ⁽²⁾	Member of the Executive Committee
12.	Miss Natthaluck Sakulpoonyapond	Member of the Executive Committee and Secretary to the Executive Committee

Remark : ⁽¹⁾ Miss Vilasinee Dejamornthan was appointed as a member of the Executive Committee, effective from 6 July 2016 (in replacement of Mr. Suriya Wannabuit who resigned from his position).
⁽²⁾ Mr. Samatcha Promsiri was appointed as a member of the Executive Committee, effective from 6 July 2016 (in replacement of Mr. Manu Trakulwattanakit 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.

Management Team

On 31 December 2016, 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
1.	Mr. Apichart Chutrakul	Chief Executive Officer
2.	Mr. Srettha Thavisin	President
3.	Mr. Wanchak Buranasiri	Chief Operating Officer
4.	Mr. Thalin Aeimtitiwat	Senior Executive Vice President - Accounting Department
5.	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
6.	Mr. Metha Angwatanapanich	Senior Executive Vice President - Business Development and Project Development Division (Low Rise)
7.	Mr. Nopporn Boonthanom	General Counsel - Legal Office and Government Affairs
8.	Mr. Somchai Charntanawet	Executive Vice President - Finance and Information Technology Department
9.	Miss Vilasinee Dejamornthan	Executive Vice President - Project Management Department (Low Rise) - Northern Bangkok and Up-country Executive Vice President - Project Management Department (Low Rise) - Eastern Bangkok and Up-country Executive Vice President - Marketing Communication Department (Low Rise)
10.	Mr. Tasanin Maha-amatayatibodee	Executive Vice President - Project Support Division
11.	Mr. Somkiat Hongsuppinyo	Executive Vice President - Project Management Department (Low Rise) - Western Bangkok and Up-country

The Name of Management		Position
12. Miss Natthaluck Sakulpoonyapond		Deputy Executive Vice President - Customer Relations Department
		Deputy Executive Vice President - Business Support Department
		Deputy Executive Vice President - Asset Management Department
		Deputy Executive Vice President - Human Resources and Office Management Department
13. Mr. Chookiat Joomthong		Deputy Executive Vice President - Government Affairs Department
14. Mr. Supol Sombathwichathon		Deputy Executive Vice President - Home Care Department (Low Rise)
15. Mrs. Sirindra Mongkolnavin		Assistant Executive Vice President - Investor Relations and Organisation Development Department
16. Mr. Samatcha Promsiri		Assistant Executive Vice President - Corporate Communication and Marketing Intelligence Department
17. Mr. Piti Jarukamjorn		Assistant Executive Vice President - Project Management Department (High Rise 2)
18. Mrs. Jariya Janjersak		Assistant Executive Vice President - Product Development Division
19. Mr. Apisit Srisakulpong		Senior Vice President - Project Management Department (High Rise 1)
		Senior Vice President - Quantity Surveyor Department
20. Mr. Prasert Trakranvachirahut		Senior Vice President - Project Procurement Department
21. Miss Suwannee Mahanarongchai		Senior Vice President - Plus and Touch Business Support Department
22. Miss Varangkana Artkarasatapon		Vice President - Business Development (High Rise) and New Business Development Department
23. Mr. Ong-art Suwannakul		Vice President - Project Management Department (High Rise 3)

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.

Profile and information about the Company Secretary listed below:

(As of 31 December 2016)

Name - Surname	Mr. Nopporn Boonthanom
Position	Company Secretary
Age	52 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 Nomination and 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 2016 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	200,000	2,000,000	-	2,200,000
Mr. Apichart	Chutrakul	200,000	-	-	200,000
Mr. Jesadavat	Priebjrivat	200,000	1,500,000	600,000	2,300,000
Mr. Srettha	Thavisin	200,000	-	-	200,000
Mr. Wanchak	Buranasiri	200,000	-	-	200,000
Mr. Kriengkrai	Thiennukul ⁽¹⁾	60,000	1,500,000	-	1,560,000
Mr. Thongchai	Jira-alongkorn	200,000	1,500,000	-	1,700,000
Mr. Porntat	Amatavivadhana	200,000	1,500,000	-	1,700,000
Mr. Supanit	Chaiyawat	200,000	1,500,000	360,000	2,060,000
Mr. Kittichai	Raktakanit	200,000	1,500,000	360,000	2,060,000
Mr. Vichaya	Chatikavanit ⁽²⁾	140,000	-	-	140,000
Total					14,320,000

Remark : ⁽¹⁾ Mr. Kriengkrai Thiennukul, who retired on expiration of his term in the Annual General Meeting of Shareholders for the Year 2016, held on 26 April 2016
⁽²⁾ Mr. Vichaya Chatikavanit was elected in the Annual General Meeting of Shareholders for the Year 2016, held on 26 April 2016, in replacement of Mr. Kriengkrai Thiennukul

Remuneration of the Company's Management Team

The total remuneration for the year 2016, comprising salary and bonus, paid to the Company's management, totaling 25 persons (including the managements who were resigned during the year) was 384.27 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. As of the year ended 2016 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
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>1st Year: 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>2nd Year: 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>3rd Year: 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>

Details	ESOP # 7
Exercise Period (cont.)	<div>4th Year: 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.</div> <div>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.</div> <div>5th Year: 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.</div>

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 2016, the contributions for 25 persons (including the managements who were resigned during the year) were paid to their provident funds in an amount of 12.82 Million Baht.

Staff

The Company has total staff of 1,555 people (only Sansiri Public Company Limited, as of 31 December 2016). The Company’s compensation to employees was 1,550.19 Million Baht including salary, bonus, provident fund, etc.

Human Resources Development

Sansiri believes that human resources are the solid foundation that drives the sustainable growth of the Company. Consequently, Sansiri has developed human resources management strategy for all HR processes including selection and recruitment, the performance management, the human resources development, leadership development and employee retention, in order to keep employees happy and productive. The Company also adopts data analytics to better analyse information for human resources management and staff efficiency improvement. In this regard, the Company has launched several programmes as follows:

1. Branding and Recruitment

Sansiri realises the importance of employer branding as one of key success factors to attract and retain the desired staff for the Company. Accordingly, Sansiri has launched public relations campaign to promote the Company as the employer of choice to a desired target group. The PR campaign not only clearly communicates the HR development policy and organisational cultures, but also illustrates the work environment at Sansiri to the target audience. The programmes include:

- Employer Branding Project, to communicate the human resources development policy and organisational cultures as well as to illustrate the work environment at Sansiri to the target audience, through various communication channels including Career Roadshow and Job Fair. The career events are held consistently in collaboration with private sectors at all levels; national, provincial, and institutional levels, to attract applicants and provide them with the information of the Company.
- Cooperation with Colleges and Universities, to provide vocational training for students from various colleges and universities as an opportunity to work in the real business sector under the supervision of professors and Sansiri’s staff. The work experience will not only help equip the students with skills necessary for their career but also give the Company an opportunity to select and recruit high calibre personnel.

2. Performance Management and Reward and Recognition

Sansiri has developed the performance management holistically including setting Key Performance Indicator (KPI) to evaluate employees’ performance, providing feedback during the year (Performance Review) which help employees in improving their performance prior to the next evaluation session, and sending feedback by the supervisors for self-development. Apart from using KPI, the competency assessment is also crucial for the performance management.

- 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
- Special gift for promoted employees, to congratulate and recognise their services to the Company, along with a message from CEO via E-card and online bulletin to create morale among staff.
- Salary survey and salary structure revision, to ensure that the remuneration is fair, updated, and competitive with the industry.
- Organisational 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.
- Employee Branding Programme, to educate and create awareness among the staff of the importance of corporate branding and the staff as a brand ambassador, by encouraging the staff to always impress the customers with good personality and service excellence.

3. People Development

Sansiri aims for employee development including aligning the behavior of employees with corporate culture, developing knowledge and skills to work professionally and updating knowledge to cope with changes. In addition to developing internal employees, Sansiri also realises the importance on youth development by utilising employees' knowledge which specialise in property development, design, marketing and property management. The sharing of knowledge and experience to students as being the future of nation is described as following projects:

Employee Development

- 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 counselling for both professional and personal matters, to ensure that the new staff will get supports and follow-up constantly.
- Development Roadmap, to improve efficiency of staff by providing the training courses and career development plan for each staff individually.
- Leadership Development, to ensure that the Company can grow sustainably by developing leaders at all levels (Leadership Pipeline) ranged from high-potential development and succession management for seamless business management, to manage the situation and changes promptly.
- 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.
- 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.
- Seminars and excursions, to help improve skills and knowledge, to explore new visions, and to reward the staff for their great services.
- 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.
- 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. Employees can access information anytime, anywhere via siriintranet.

Youth Development

- Internship Programme, a training programme for students as the opportunity to work in the real workplace. The students are supervised by Sansiri's staff during the programme. This includes the orientation and excursions which will provide work experience for students.
- Knowledge Sharing Programme, a share of knowledge and experience for students by Sansiri's staff as a mentor in the project including arranging the contest to encourage students to submit their projects, motivating the contestants with award, and inspiring them with determination to create their masterpiece in the future.

4. Employee Engagement

The employee engagement and the happiness in workplace will bring in good results in several aspects of the business including decreasing turnover rate and increasing productivity, commitment to work, and service excellence. Sansiri assesses employee engagement to the organisation as follows:

- Employee Engagement Survey, to evaluate the employees' 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.
- 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.
- Recreational Activities, to encourage the staff to build good relations among the team and across the Company.
- Site-Visit Activities, to provide the opportunity for back-office employees to meet regularly with employees on sites in order to communicate the Company's policies, mission and welfare and to strengthen relationship among staff.

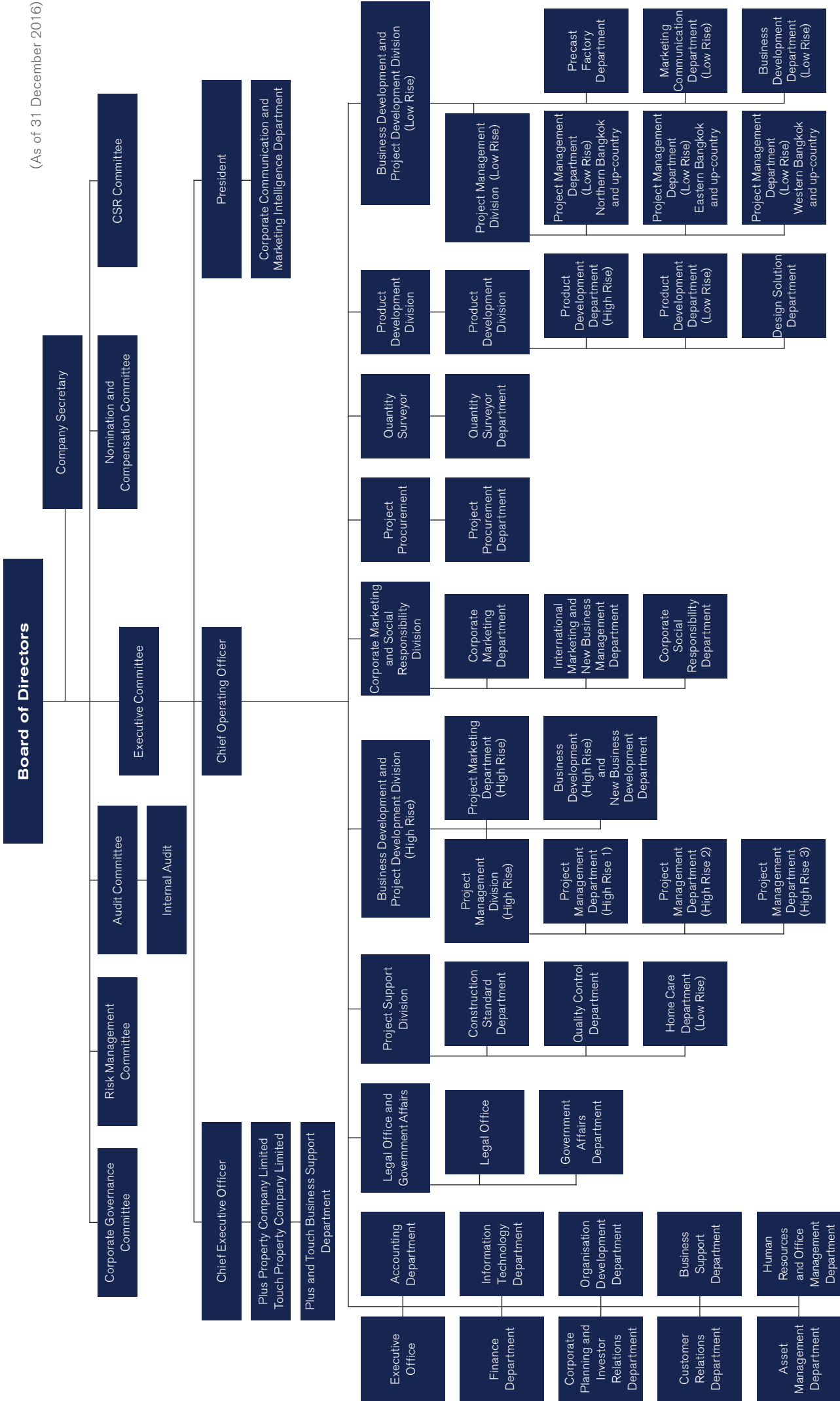
5. Digital HR

Sansiri realises that technology has been as disruptive in human resources management as in other aspects. The Company has adopted technology to facilitate the way of working for staff both at head office and at sites across the country. Disruptive technologies also provide the Company with insights to better manage human resources under the changing environment, cater for the needs of staff at each location, improve work process flow, reduce paperwork and storage, and improve overall staff efficiency. The programmes launched during the last year include:

- E-service system, to facilitate the work process flow with features; user-friendly, accessible through internet, paperless, and cost-effective.
- Digital HR, for integrated human resources management covering selection and recruitment through retention and recognition.

ORGANISATION CHART
SANSIRI PUBLIC COMPANY LIMITED

(As of 31 December 2016)



DETAILS ON
THE DIRECTORS AND
MANAGEMENT

(as of 31 December 2016)

Mr. Kovit Poshyananda Chairman of the Board of Directors (Independent Director)	
Age	81 years
Date of Being a Director of the Company	19 November 2000
% of Shares Held in the Company	0.08% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Ph.D. (Economics) Cornell University United States
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 : Director The Office of the Council States of Thailand 2001 - 2016 : Independent Director, Chairman of the Audit Committee Glow Energy Public Company Limited 1999 - 2016 : 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	56 years
Date of Being a Director of the Company	22 November 1995
% of Shares Held in the Company	1.22% (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 2016 - Present : Director Siriwattana Holding Limited 2009 - Present : Director NED Management Company Limited 2009 - Present : Director Touch Property Company Limited 2008 - Present : Director Plus Property Space Company Limited 2006 - Present : Director Papanan 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 1998 - Present : Director Plus Property Company Limited 1990 - Present : Director Chanachai Limited Aug - Oct 2016 : Director AVA Holding Limited (This Company changed its name to BTS Sansiri Holding Twenty Limited) Mar - Aug 2016 : Director Pattanasiri Estate Limited (This Company changed its name to BTS Sansiri Holding Fifteen Limited) 2006 - 2016 : Director Pacific Challenge Holding Company Limited 2008 - 2015 : Director Plus Property Venture Company 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	54 years
Date of Being a Director of the Company	22 November 1995
% of Shares Held in the Company	0.74% (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 2016 - Present : Director Siriwattana Holding 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 2006 - 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 QT Lifestyle Limited 1998 - Present : Director Plus Property Company Limited 1990 - Present : Director Chanachai Limited Aug - Oct 2016 : Director AVA Holding Limited (This Company changed its name to BTS Sansiri Holding Twenty Limited) Mar - Aug 2016 : Director Pattanasiri Estate Limited (This Company changed its name to BTS Sansiri Holding Fifteen Limited) 2006 - 2016 : Director Pacific Challenge Holding Company Limited 2008 - 2015 : Director Plus Property Venture Company Limited 1994 - 2012 : Director Rojnaruemit Limited
Illegal Record in the Last 10 Years	None

Mr. Wanchak Buranasiri Director / Member of the Risk Management Committee / Member of the Corporate Governance Committee / Member of the Executive Committee / Authorised Director	
Age	51 years
Date of Being a Director of the Company	22 November 1995
% of Shares Held in the Company	2.93% (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 2016 - Present : Director Siriwattana Holding Limited 2009 - Present : Director NED Management Company Limited 2008 - Present : Director Plus Property Space Company Limited 2007 - Present : Director Touch Property Company Limited 2006 - Present : Director Papanan 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 1998 - Present : Director Plus Property Company Limited 1993 - Present : Director Chanachai Limited Aug - Oct 2016 : Director AVA Holding Limited (This Company changed its name to BTS Sansiri Holding Twenty Limited) Mar - Aug 2016 : Director Pattanasiri Estate Limited (This Company changed its name to BTS Sansiri Holding Fifteen Limited) 2006 - 2016 : Director Pacific Challenge Holding Company Limited 2008 - 2015 : Director Plus Property Venture Company Limited 1994 - 2012 : Director Rojnaruemit Limited
Illegal Record in the Last 10 Years	None

Mr. Jesadavat Priebjrivat Director (Independent Director) / Chairman of the Audit Committee / Chairman of the Nomination and Compensation Committee / Chairman of the Risk Management Committee / Member of the Corporate Social Responsibility Committee	
Age	59 years
Date of Being a Director of the Company	13 June 2008
% of Shares Held in the Company	None (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. Thongchai Jira-alongkorn Director	
Age	57 years
Date of Being a Director of the Company	20 May 2013
% of Shares Held in the Company	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 (Independent Director) / Member of the Nomination and Compensation Committee / Member of the Corporate Governance Committee / Member of the Corporate Social Responsibility Committee	
Age	47 years
Date of Being a Director of the Company	13 June 2008
% of Shares Held in the Company	0.01% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Science in Management Boston University United Kingdom 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	2007 - Present : Chief Executive Officer Infinite Capital Company Limited 2015 - Present : Director Donaco International Limited 2012 - 2014 : Director Beyond Green Company Limited 2008 - 2011 : Director K-Tech Construction Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Supanit Chaipayat Director (Independent Director) / Member of the Audit Committee / Member of the Risk Management Committee	
Age	56 years
Date of Being a Director of the Company	16 October 2014
% 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 The National Defence College (The Joint State-Private Sector Course 26/2013) 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	2015 - Present : Managing Director Arno's Eatery Co., Ltd. 2011 - Present : Chief Executive Officer Hilco Global Asia Limited 1998 - Present : Managing Director Prabhvasu Co., Ltd.
Illegal Record in the Last 10 Years	None

Mr. Kittichai Raktakanit Director (Independent Director) / Chairman of the Corporate Governance Committee / Member of the Audit Committee / Member of the Nomination and Compensation Committee	
Age	57 years
Date of Being a Director of the Company	27 July 2015
% of Shares Held in the Company	0.0003% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Business Administration Indiana State University United States The National Defence College (The Joint State-Private Sector Course 26/2013) Attended the following Training Course held by the Thai Institute of Directors Association (IOD): - Director Certification Programme (DCP) - Audit Committee Programme (ACP)
Working Experience during the Past 5 Years	2016 - Present : Chairman Loxley Wireless System Integrator Co., Ltd. 2016 - Present : Director Law Enforcement Technology Solutions Co., Ltd. 2015 - Present : Director and Executive Director Mainstay Property Solutions Co., Ltd. 2012 - Present : President L-Green Solution Co., Ltd. 2011 - Present : Director and Chairman of the Executive Director L-Elevator and Engineering Co., Ltd. 2010 - Present : Executive Vice President Loxley Public Company Limited 2011 - 2016 : Director Department of Public Works and Town & Country Planning 2013 - 2014 : Director Cholkij Sakol Co., Ltd.
Illegal Record in the Last 10 Years	None

Mr. Vichaya Chatikavanij Director / Member of the Risk Management Committee / Member of the Corporate Governance Committee	
Age	52 years
Date of Being a Director of the Company	29 April 2016
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Marketing University of Tennessee United States Attended the following Training Course held by the Thai Institute of Directors Association (IOD): - Director Certification Programme (DCP) - Advanced Audit Committee Programme (AACP)
Working Experience during the Past 5 Years	2014 - Present : Independent Director and Member of the Audit Committee JWD InfoLogistics Public Company Limited 2009 - Present : Director Zin Suapah Company Limited 1999 - Present : Director Loxley Infra Company Limited 1997 - Present : Director Parinda Public Company Limited 2010 - Present : Assistant Managing Director Loxley Property Development Company Limited 2009 - 2015 : Advisor Loxley Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Thalin Aeimtitiwat Member of the Executive Committee / Secretary to the Audit Committee	
Age	55 years
% of Shares Held in the Company	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 2010 - Present : Director S.U.N. 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 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	48 years
% of Shares Held in the Company	0.14% (including the shares held by spouse and minor children)
Highest Academic Qualifications	Master of Business Administration Middle Tennessee State University United States
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 2016 - Present : Director BTS Sansiri Holding Twenty One Limited 2016 - Present : Director BTS Sansiri Holding Twenty Limited 2016 - Present : Director BTS Sansiri Holding Nineteen Limited 2016 - Present : Director BTS Sansiri Holding Eighteen Limited 2016 - Present : Director BTS Sansiri Holding Seventeen Limited 2016 - Present : Director BTS Sansiri Holding Sixteen Limited 2016 - Present : Director BTS Sansiri Holding Fifteen Limited 2016 - Present : Director Siriwattana Holding Limited 2016 - Present : Director BTS Sansiri Holding Fourteen 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

Mr. Uthai Uthaisangsuk Member of the Executive Committee	
Working Experience during the Past 5 Years (cont.)	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 2004 - Present : Director QT Lifestyle Limited 2004 - 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	49 years
% of Shares Held in the Company	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 (CMA14) Capital Market Academy Attended National Defense Joint Public/Private Sector Course (Class 25) National Defence College (NDC55)
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 2003 - Present : Director Piwattana Limited 2003 - Present : Director Arnawat Limited
Illegal Record in the Last 10 Years	None

Mr. Nopporn Boonthanom Member of the Executive Committee / Company Secretary	
Age	52 years
% of Shares Held in the Company	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)
Working Experience during the Past 5 Years	Present : General Counsel - Legal Office and Government Affairs Sansiri Public Company Limited 2016 - Present : Director BTS Sansiri Holding Twenty One Limited 2016 - Present : Director BTS Sansiri Holding Twenty Limited 2016 - Present : Director BTS Sansiri Holding Nineteen Limited 2016 - Present : Director BTS Sansiri Holding Eighteen Limited 2016 - Present : Director BTS Sansiri Holding Seventeen Limited 2016 - Present : Director BTS Sansiri Holding Sixteen Limited 2016 - Present : Director BTS Sansiri Holding Fifteen Limited 2016 - Present : Director Siriwattana Holding Limited 2016 - Present : Director BTS Sansiri Holding Fourteen 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

Mr. Nopporn Boonthanom Member of the Executive Committee / Company Secretary	
Working Experience during the Past 5 Years (cont.)	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. Somchai Charntanawet Member of the Executive Committee	
Age	56 years
% of Shares Held in the Company	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	41 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 2013 - Present : Director QT Lifestyle 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 Vilasinee Dejamornthan Member of the Executive Committee	
Age	45 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) - Northern Bangkok and Up-country : 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. Samatcha Promsiri Member of the Executive Committee	
Age	43 years
% of Shares Held in the Company	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 : Assistant Executive 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

Miss Natthaluck Sakulpoonyapond Member of the Executive Committee / Secretary to the Executive Committee	
Age	57 years
% of Shares Held in the Company	0.003% (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 : Deputy Executive Vice President - Customer Relations Department : Deputy Executive Vice President - Business Support Department : Deputy Executive Vice President - Asset Management Department : Deputy Executive 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

Mr. Tasanin Maha-amatayatibodee Executive Vice President - Project Support Division	
Age	53 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. Somkiat Hongsuppinyo Executive Vice President - Project Management Department (Low Rise) - Western Bangkok and Up-country	
Age	52 years
% of Shares Held in the Company	None (including the shares held by spouse and minor children)
Highest Academic Qualifications	Bachelor of Engineering Chulalongkorn University
Working Experience during the Past 5 Years	Present : Executive Vice President - Project Management Department (Low Rise) - Western Bangkok and Up-country Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Chookiat Joomthong Deputy Executive Vice President - Government Affairs Department	
Age	49 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 : Deputy Executive Vice President - Government Affairs Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Supol Sombathwichathon Deputy Executive Vice President - Home Care Department (Low Rise)	
Age	57 years
% of Shares Held in the Company	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 : Deputy Executive Vice President - Home Care Department (Low Rise) 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	51 years
% of Shares Held in the Company	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 Assistant Executive Vice President - Investor Relations and Organisation Development Department	
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 Tepper School of Business Carnegie Mellon University United States
Working Experience during the Past 5 Years	Present : Assistant Executive Vice President - Investor Relations and Organisation Development Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Piti Jarukamjorn Assistant Executive Vice President - Project Management Department (High Rise 2)	
Age	39 years
% of Shares Held in the Company	0.003% (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 : Assistant Executive Vice President - Project Management Department (High Rise 2) Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mrs. Jariya Janjerdskak Assistant Executive Vice President - Product Development Division	
Age	47 years
% of Shares Held in the Company	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 : Assistant Executive Vice President - Product Development Division Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Mr. Prasert Trakranvachirahut Senior Vice President - Project Procurement Department	
Age	44 years
% of Shares Held in the Company	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 : Senior Vice President - Project Procurement Department Sansiri Public Company Limited
Illegal Record in the Last 10 Years	None

Miss Suwannee Mahanarongchai Senior Vice President - Plus and Touch Business Support Department	
Age	41 years
% of Shares Held in the Company	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 : Senior Vice President - Plus and Touch Business Support Department 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	39 years
% of Shares Held in the Company	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	39 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

Directors and Executives Holding SIRI shares in 2016

(As of 31 December 2016)

No.	Name	Position	As of 1 January 2016			As of 31 December 2016		
			No. of Shares		Total	No. of Shares		Total
			Direct	Indirect ⁽¹⁾		Direct	Indirect ⁽¹⁾	
1	Mr. Kovit	Chairman of the Board of Directors (Independent Director)	-	11,405,333	11,405,333	-	11,405,333	11,405,333
2	Mr. Apichart	Vice - Chairman of the Board of Directors	138,400,400	-	138,400,400	174,400,000	-	174,400,000
3	Mr. Sretha	Director	56,920,567	-	56,920,567	106,356,067	-	106,356,067
4	Mr. Wanchak	Director	390,469,201	3,111,397	393,580,598	415,469,201	3,111,397	418,580,598
5	Mr. Jesadavat	Director (Independent Director)	-	-	-	-	-	-
6	Mr. Thongchai	Director	3,169,802	-	3,169,802	3,169,802	-	3,169,802
7	Mr. Porntat	Director (Independent Director)	4,755,000	-	4,755,000	1,000,000	-	1,000,000
8	Mr. Supanit	Director (Independent Director)	-	-	-	-	-	-
9	Mr. Kittichai	Director (Independent Director)	39,448	-	39,448	39,448	-	39,448
10	Mr. Vichaya	Director	-	-	-	-	-	-
11	Mr. Thalin	Member of the Executive Committee / Secretary to the Audit Committee	22,666,600	-	22,666,600	22,666,600	-	22,666,600
12	Mr. Uthai	Member of the Executive Committee	20,174,118	-	20,174,118	20,174,118	-	20,174,118
13	Mr. Metha	Member of the Executive Committee	7,000,092	-	7,000,092	7,000,092	-	7,000,092
14	Mr. Nopporn	Member of the Executive Committee / Company Secretary	-	8,536,220	8,536,220	-	8,536,220	8,536,220
15	Mr. Somchai	Member of the Executive Committee	1,213,420	-	1,213,420	1,213,420	-	1,213,420
16	Mr. Poomipak	Member of the Executive Committee	-	-	-	-	-	-
17	Miss Vilasinee	Member of the Executive Committee	-	-	-	-	-	-

Remark: (1) Securities held by a spouse and/or children under the legal age of Directors or Executive Officers.

Directors and Executives Holding SIRI shares in 2016 (cont.)

(As of 31 December 2016)

No.	Name	Position	As of 1 January 2016		As of 31 December 2016	
			No. of Shares		No. of Shares	
			Direct	Indirect ⁽¹⁾	Direct	Indirect ⁽¹⁾
18	Mr. Samatcha Promsiri	Member of the Executive Committee	2,492,874	-	2,492,874	2,781,874
19	Miss Natthaluck Sakulpoonyapond	Member of the Executive Committee / Secretary to the Executive Committee	428,799	-	428,799	428,799
20	Mr. Tasarin Maha-amatayatiboddee	Executive Vice President - Project Support Division	-	-	-	-
21	Mr. Somkiat Hongsuppiyino	Executive Vice President - Project Management Department (Low Rise) - Western Bangkok and Up-country	-	-	-	-
22	Mr. Chookiat Joomthong	Deputy Executive Vice President - Government Affairs Department	-	-	-	-
23	Mr. Supol Sombathwichathon	Deputy Executive Vice President - Home Care Department (Low Rise)	100,000	5,500,000	5,600,000	6,000,000
24	Mr. Apisit Srisakulpong	Assistant Executive Vice President - Project Management Department (High Rise 1) and Quantity Surveyor Department	1,602,506	-	1,602,506	1,602,506
25	Mrs. Sirindra Mongkolhavin	Assistant Executive Vice President - Investor Relations and Organisation Development Department	-	-	-	-
26	Mr. Piti Jarukamjorn	Assistant Executive Vice President - Project Management Department (High Rise 2)	712,528	-	712,528	412,528
27	Mrs. Jariya Jarjedsak	Assistant Executive Vice President - Product Development Division	2,689,866	-	2,689,866	2,689,866
28	Mr. Prasert Trakranvachirahut	Senior Vice President - Project Procurement Department	1,321,000	-	1,321,000	1,321,000
29	Miss Suwannee Mahanarongchai	Senior Vice President - Plus and Touch Business Support Department	3,300,000	-	3,300,000	3,300,000
30	Miss Varangkana Artkarasatapon	Vice President - Business Development (High Rise) and New Business Development Department	2,709,395	-	2,709,395	2,709,395
31	Mr. Ong-art Suwannakul	Vice President - Project Management Department (High Rise 3)	-	-	-	-

Remark: (1) Securities held by a spouse and/or children under the legal age of Directors or Executive Officers.

Details on the Management of the Subsidiaries or Related Companies

(As of 31 December 2016)

Name	Samsiri PCL	Subsidiaries																Joint Venture Companies with BTS Group Holdings PCL (50:50)
		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	Samsiri 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	Sriwattana 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, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
1	Mr. Kovit Poshyananda	X	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
2	Mr. Apichart Chutrakul	D	D	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-
3	Mr. Srettha Thavisin	D	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-	-
4	Mr. Wanchak Buranasiri	D	D	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-
5	Mr. Jesadavat Priebjirivat	D, XO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Mr. Thongchai Jira-alongkorn	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Mr. Pomtat Amatavivadhana	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Mr. Supanit Chaiyawat	D, O	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Mr. Kittichai Raktakanit	D, O	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Mr. Vichaya Chatikavanit	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Mr. Thalin Aeimtitiwat	-	D	D	D	D	D	-	-	-	-	-	-	-	-	-	-	-

Note X = Chairman of the Board
BS1 = BTS Samsiri Holding One Limited
BS2 = BTS Samsiri Holding Two Limited
BS3 = BTS Samsiri Holding Three Limited
BS4 = BTS Samsiri Holding Four Limited
BS5 = BTS Samsiri Holding Five Limited
* Pacific Challenge Holding Co., Ltd. had already registered the dissolution with the Business Development Department, the Ministry of Commerce, on 20 December 2016.

XO = Chairman of the Audit Committee
BS6 = BTS Samsiri Holding Six Limited
BS7 = BTS Samsiri Holding Seven Limited
BS8 = BTS Samsiri Holding Eight Limited
BS9 = BTS Samsiri Holding Nine Limited
NV = Nuvo Line Agency Co., Ltd.

D = Director
BS11 = BTS Samsiri Holding Eleven Limited
BS12 = BTS Samsiri Holding Twelve Limited
BS14 = BTS Samsiri Holding Fourteen Limited
BS15 = BTS Samsiri Holding Fifteen Limited
BS16 = BTS Samsiri Holding Sixteen Limited

O = Member of the Audit Committee
BS17 = BTS Samsiri Holding Seventeen Limited
BS18 = BTS Samsiri Holding Eighteen Limited
BS19 = BTS Samsiri Holding Nineteen Limited
BS20 = BTS Samsiri Holding Twenty Limited
BS21 = BTS Samsiri Holding Twenty One Limited

Details on the Management of the Subsidiaries or Related Companies (cont.)

(As of 31 December 2016)

		Subsidiaries																Joint Venture Companies with BTS Group Holdings 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	Sirivattana Holding Limited	Pacific Challenge Holding Co., Ltd. *	OT Lifestyle Limited	Touch Property Co., Ltd.	QEW (Thailand) Co., Ltd.	
12	Mr. Uthai	Uthaisangsuk	-	D	D	D	D	D	D	-	D	D	D	-	D	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
13	Mr. Metha	Angwatanapanich	-	D	-	-	D	-	-	-	-	D	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
14	Mr. Nopporn	Boonthanom	-	D	D	D	D	-	-	-	D	D	D	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
15	Mr. Somchai	Chamtanawet	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
16	Mr. Poomipak	Julmanichoti	-	-	-	-	-	-	-	D	-	-	-	-	D	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
17	Ms. Vilasinee	Dejamornthan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
18	Mr. Samatcha	Promsiri	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
19	Ms. Natthaluck	Sakulpoonyapond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
20	Mr. Tasarin	Maha-amatayaitibodee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
21	Mr. Somkiat	Hongsuppinyo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
22	Mr. Chookiat	Joomthong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21

Note

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BS5 = BTS Sansiri Holding Five Limited

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BS7 = BTS Sansiri Holding Seven Limited

BS8 = BTS Sansiri Holding Eight Limited

BS9 = BTS Sansiri Holding Nine Limited

NV = Nuvo Line Agency Co., Ltd.

D = Director

BS11 = BTS Sansiri Holding Eleven Limited

BS12 = BTS Sansiri Holding Twelve Limited

BS14 = BTS Sansiri Holding Fourteen Limited

BS15 = BTS Sansiri Holding Fifteen Limited

BS16 = BTS Sansiri Holding Sixteen Limited

O = Member of the Audit Committee

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BS18 = BTS Sansiri Holding Eighteen Limited

BS19 = BTS Sansiri Holding Nineteen Limited

BS20 = BTS Sansiri Holding Twenty Limited

BS21 = BTS Sansiri Holding Twenty One Limited

Details on the Management of the Subsidiaries or Related Companies (cont.)

(As of 31 December 2016)

Name		Sansiri PCL.	Subsidiaries																Joint Venture Companies with BTS Group Holdings PCL. (50:50)
			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	Sirivattana 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, BS14, BS15, BS16, BS17, BS18, BS19, BS20 and BS21
23	Mr. Supol	Sombathwichathon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Mr. Apisit	Srisakulpong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Mrs. Sirindra	Mongkolnavin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Mr. Piti	Jarukanjorn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Mrs. Jariya	Janjersak	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Mr. Prasert	Trakranvachirahut	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Ms. Suwannee	Mahanarongchai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Ms. Varangkana	Artkarasatapon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Mr. Ong-art	Suwannakul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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BS18 = BTS Sansiri Holding Eighteen Limited

BS19 = BTS Sansiri Holding Nineteen Limited

BS20 = BTS Sansiri Holding Twenty Limited

BS21 = BTS Sansiri Holding Twenty One Limited

Details on the Subsidiaries' Director

(As of 31 December 2016)

Name		Subsidiaries															
		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.	Saitt Pattana Personnel Center Limited	Sir Wattana Holding Limited	Pacific Challenge Holding Co., Ltd. *	QT Lifestyle Limited	Touch Property Co., Ltd.	QEW (Thailand) Co., Ltd.
1	Mr. Apichart		D	D	D	D	D	D	D	D	D	D	D	D	D	D	-
2	Mr. Sreththa		D	D	D	D	D	D	D	D	D	D	D	D	D	-	-
3	Mr. Wanchak		D	D	D	D	D	D	D	D	D	D	D	D	D	D	-
4	Mr. Thalin		D	D	D	D	D	-	-	-	-	-	-	-	-	-	-
5	Mr. Nopporn		D	D	D	D	D	-	-	-	D	D	D	-	-	-	-
6	Mr. Uthai	-	D	-	D	D	D	D	D	-	D	D	D	-	D	-	-
7	Mr. Metha	-	D	D	-	-	-	D	-	-	-	-	-	-	-	-	-
8	Mrs. Ob-oom	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	D
9	Mr. Poomipak	-	-	-	-	-	-	-	D	-	D	D	-	-	D	-	-
10	Mrs. Nirada	-	-	-	-	-	-	-	-	-	D	D	-	-	-	-	-
11	Mr. Chan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-
12	Mr. Jirayu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-
13	Ms. Natthaluck	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D
14	Mr. Samatcha	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D
15	Ms. Viwan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D
16	Mr. Choangravee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D

Note D = Director

* Pacific Challenge Holding Co., Ltd. had already registered the dissolution with the Business Development Department, the Ministry of Commerce, on 20 December 2016.

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, fairness to all stakeholder groups 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. From such reasons, the Company stipulates the corporate governance Policy, having content covering the important principle on the rights of shareholders, equitable treatment of shareholders, roles of stakeholders, disclosure and transparency, and Board responsibility.

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 this 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 2016, the Company held the shareholders' meeting for 1 time, i.e. an Annual General Meeting of Shareholders held on 28 April 2016. 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 2016, 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 2016 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.

Policies and Guidelines on Intellectual Property

The Company has a policy to respect intellectual property of others, employees are equipped with knowledge and understanding with regards to legal regulations or the rules regarding rights in intellectual property, and must strictly adhere to such law and shall not support any actions which represent a violation of intellectual property of others. If in doubt, seek advice from the legal department for being able to perform properly. Moreover, the use of licensed computer programs, whereby all programs must pass the qualifications and be installed by the Information Technology (IT) Department only.

Policies and Guidelines on Legal Compliance and Human Rights Principle

The Company has a policy to comply with the rules of law and human rights principle inclusive of customs, traditions and cultures. Staff encourages understanding and strictly obeying the law relating to one's own duties and responsibility. If in doubt, seek advice from the legal department for being able to perform properly. The Company realizes the importance of value and human dignity, the Company supports the protection of human rights and ensures that the Company's business is not involved in any infringements of human rights, e.g. forced labour and child labour by signing of a cooperation agreement with the contractor to prohibit the use of child labour in all Sansiri's construction site, also on fair treatment towards all groups of stakeholders on the basis of human dignity, regardless of origins, race, gender, age, skin color, religion, physical condition, status, and nobility.

Policies and Guidelines on Anti-Corruption

The Company places importance on and intent to operating its business with transparency, honesty and strictly combines with the law. The Company is confident that conducting its business with integrity and fairness to involved parties, business ethics, and responsibilities to social and all stakeholders in accordance with the good corporate governance will be a good way to develop into a sustainable organization.

In the meantime, the company is in the process of studying and preparing in various areas to lead to concrete the policy, including of appropriate anti-corruption practices that are in consistency with the company's business direction, this would be then further implementing.

Whistle Blowing Policy

In case of suspecting or seeing any action that may not in accordance with law, regulation, and business ethics including the petition for right violation, stakeholders can inquire or complain by sending the evidence details to the related person or department through channels as defined below. The Company effectively safeguards information and strictly kept confidential, only responsible officers to the particular subjects are accessible to such information.

The following are available communication channels for report the Whistleblowing / Non-compliance with laws or Corruption issue

1. via e-mail address to CG@sansiri.com
2. via postal mail addressed to one of the committees with the address stated below;
 - Chairman of the Corporate Governance Committee (Independent director)
 - Chairman of the Audit Committee (Independent director)
 - Company Secretary (Legal Office)

Address: Sansiri PLC.

475 Sri Ayutthaya Road, Thanon-Phayathai Sub-District, Rajthevi District, Bangkok 10400
3. website: www.sansiri.com/CorporateGovernance

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 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.

The Company informs Directors and Executives to acknowledge the laws and regulations of The Securities and Exchange Commission, Thailand (SEC) which prescribed that Directors and Executives has the duty, under Section 59 of SECURITIES AND EXCHANGE ACT, B.E. 2535 (1992), to report of change in securities holding must also be filed with the SEC within 3 business days from the date of purchase, sale, transfer or acceptance of transfer of securities. And also inform company secretary to record such change and summarize the number of securities on each person's securities holding.

Investor Relations Office

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.

Analysts Meeting

The Company normally arranges a session for analysts, investors and interested shareholders to announce the operating results including publishing of Investor Releases on a quarterly basis.

The Board's structure

The Board consists of five independent directors out of ten, more than one-third of the total. A list of independent directors' names and information appears under "Details on directors and management", fully qualified under the company's standard, independent directors can effectively and efficiently discharge their duties for the Company.

The Sub-Committee

To ensure an inclusive supervision of all operational aspects under CG principles, the Company has set up Sub-Committees, Executive Committee, as well as appointing the Company Secretary to help the Board of Directors in performing its duties. Relevant details appear under "Management Structure".

The Chairman of the Board and President

The Chairman of the Board and the President are not the same person, so that roles are clearly separated and balance of power remains in all aspects of operations.

The Chairman of the Board is supposed to assume duties and responsibilities as director under the Law including Company's Articles of Association and relating regulations, abide by corporate governance policies to serve as a role model for Directors, executives and employees. In this regard, the Chairman of the Board also takes the role of the chairman of the Board of Directors' meeting and shareholders' meeting, monitoring effective proceeding of the meeting, and allowing opportunities for Directors and shareholders to express their constructive opinions independently.

The President is responsible for effectively managing and administering the Company as part of executing the strategic plan, vision and mission being formulated. The scope of authority has been specified under the law, objectives, the Company's regulations as well as resolutions from the Board of Directors' meeting and shareholder's meeting.

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.

Apart from the roles and responsibilities and authorities of the Board of Directors specified under the topic "Management Structure", the following are additional roles of the Board of Directors:

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.

The Company has appointed the Audit Committee which is formed entirely of Independent Directors in order to verify accuracy of information disclosure and ensure reliability of financial statements. The Committee is also responsible for regulating good governance and internal control, with its roles and responsibilities of the Audit Committee detailed under the topic "Management Structure".

The Company has the Nomination and Compensation Committee to determine the procedures and criteria in the recruitment of the Company's Directors and determining remuneration or any other benefits that are fair and reasonable, and propose to the shareholders' meeting for approval.

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.

The Board of Directors of Sansiri Plc., in meeting No. 10/2016 held on 15 December 2016, approved the appointment of the Nomination and Compensation committees to responsible to nominate directors and executives, such as establish policies, criteria and methods for the nomination by review suitability of existing criteria in order to propose for approval of the Company's Board of Directors and approval of shareholders' meeting.

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.

The Board Orientation

The Company has policy to organize orientation to every newly appointed Director in order to acknowledge the roles, duty, and responsibility, including giving knowledge, understanding of business and operating in every part of the Company including relating law and regulations. By presenting information that will assist newly appointed Directors in performing their roles such as Company's Articles of Association, capital and shareholding structures, annual report, Form 56-1, business performance, laws and best practices guidelines, as well as other information related to the business operation.

Procedures and Criteria for the Board of Directors' Performance Evaluation

The Company has assigned the Nomination and Compensation Committee (appointed on 15 December 2016) to determine the criteria for performance evaluation for the Board of Directors as a group on an annual basis, which expected to implement in the year 2017. The objective of the annual performance evaluation is to enhance the Board of Directors' effectiveness and to figure out ways to improve evaluation criteria for the next evaluation period.

Remuneration of Directors and the Management

The Company's policy on remuneration of directors is straightforward 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".

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.

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 to supervise such subsidiaries to appropriately retain information and record accounting transactions in order to facilitate the Company in the reviewing and gathering of subsidiaries' financial statements to be consolidated with the financial statements of the group in an appropriate timeframe 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 2016, the Company and its subsidiaries paid a total audit fee of 6.3 Million Baht to EY Office Limited, which is the auditor of the Company. On this amount, the Company paid 2 Million Baht and 4.3 Million Baht for its subsidiaries.

Non-audit Fee

For the fiscal year 2016, the Company and its subsidiaries paid for non-audit fee to EY Office Limited, which is the auditor of the Company as follows:

- (a) Audit Instruction Charge: - None -
- (b) Other non-audit fee to be paid in the future as the agreed services are not completed: - None -

INTERNAL CONTROL 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 judgement 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 10 times in 2016, 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.3/2017 held on 27 February 2017, 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 significant problems nor deficiencies that would damage Sansiri's operations.

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 Audit Committee is responsible for approving the appointment, removal, and transfer of the Internal Audit Manager.

The details of the Internal Audit Manager are as follows:

Name - Surname	Mrs. Supanan Rueangjirapa
Position	Senior Section Manager - Internal Audit
Age	61 years
Education	Bachelor of Business Administration (Accounting), Thammasat University
Training	Internal Audit Role Internal Audit Conference 2010
Shareholding (Percent)	-None-
Relationship with Executives	-None-
Working Experience in the Past 5 Years	Senior Section Manager - Internal Audit Sansiri Public Company Limited

INTER-RELATED TRANSACTIONS

The related transactions between the Company and the related parties were the normal business activities. The price of products and services as well as the terms and conditions under these transactions were conducted at fair value and were disclosed in Notes 6 to the financial statements as at 31 December 2016

Connected Transactions in 2016

Related Party	Relationship	Description of Transaction and Transaction Value	Opinion of the Audit Committee / Need and Reasonableness
Mr. Apichart Chutrakul	Chief Executive Officer of Sansiri Public Company Limited	The Company had enter into the transaction of sell and purchase the condominium unit of the Company, i.e. a condominium unit in The XXXIX Project, Unit no. 003101 (Unit Code no. PH2), on the 31 st floor with Mr. Apichart Chutrakul (the Chief Executive Officer), a connected person of the Company, at the selling price of 84,592,193 baht with the discount rate at 10% of the selling price which is granted in according with the rules relating to the welfare benefits for the employees regarding the purchasing real property of Sansiri Public Company Limited and its subsidiaries. The net selling price (after deducting discount) is 76,132,974 baht.	The Audit Committee's Meeting No. 5/2016 held on 15 December 2016 considered the matters and was of the opinion that the transaction as mentioned above is reasonable due to the fact that the purchase of the condominium unit of the Company with having discount is made in according with the rules relating to the welfare benefits for the employees regarding the purchasing real property of Sansiri Public Company Limited and its subsidiaries.

Approval Procedures of Related Transactions

For related transactions with the normal course of business operations, the approval procedures are in accordance with the regulations of the company, the subsidiaries, and the associated companies, just like the transactions provided to other unrelated business. For other related transactions, the Company has control measures in compliance with related regulations of Securities Exchange Commission (SEC) and Stock Exchange of Thailand. In addition, for the consideration of the related transactions between the Company and the persons who might have conflict of interest, vested interest, or may have other conflicts of interest with the Company, such Directors shall not have the right to vote in that matter. Furthermore, the transaction shall not be conducted in such a manner of authorization

which allows the authorized person to have the power in any other way to approve the transaction with interest of such authorized person or person with interest or conflict of interest with the Company or its subsidiaries.

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 Priebjivat as a Chairman of the Audit Committee with other two members, Mr. Supanit Chaiyawat and Mr. Kittichai Raktakanit.

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 2016, the Audit Committee held six meetings; consisting of five 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 2016 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 Audit Committee is of the opinion 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.

7. Selection of the Auditors for 2016

The Audit Committee had considered, select and nominate the Auditors as well as the appropriateness of the auditing fee for 2016. It was deemed appropriate to propose that the Board of Directors request approval from the Shareholders' Meeting to re-appoint the auditors from EY Office Limited, as the Company's auditor for the fiscal year ending 31 December 2016, considering that they are qualified under the regulations of the Office of Securities Exchange Commission, having expertise in auditing, and have shown satisfactory performance.

In 2016, 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 Priebjivat
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 2016 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

Sansiri Public Company Limited and Subsidiaries		2014	2015	2016
Liquidity Ratio				
Current Ratio	Times	2.37	2.96	2.69
Quick Ratio	Times	0.13	0.14	0.18
Operating Cash Flow to Total Debt	Times	(0.12)	0.22	0.19
Accounts Receivable Turnover	Times	587.42	558.67	268.69
Average Collection Period	Days	0.61	0.64	1.34
Inventory Turnover	Times	0.35	0.46	0.41
Average Sales Period	Days	1,023.54	789.13	873.50
Accounts Payable Turnover	Times	8.88	15.45	15.48
Payment Period	Days	40.56	23.30	23.26
Cash Cycle	Days	983.59	766.47	851.59
Profitability Ratio				
Gross Profit Margin (of Core Revenue)	%	32.71	29.34	30.52
Gross Profit Margin (of Revenue from Project Sales)	%	33.56	29.86	31.47
Net Profit Margin	%	11.49	9.12	9.83
Return on Equity	%	16.20	13.48	12.23

Sansiri Public Company Limited and Subsidiaries		2014	2015	2016
Efficiency Ratio				
Return on Total Assets	%	5.10	4.92	4.75
Return on Fixed Assets	%	59.27	56.48	43.18
Asset Turnover	Times	0.42	0.52	0.48
Financial Policy Ratio				
Debt-to-Equity Ratio	Times	1.95	1.55	1.59
Gearing Ratio	Times	1.58	1.23	1.15
Net Gearing Ratio	Times	1.45	1.13	1.02
Interest Coverage	Times	2.54	3.24	3.52
Debt Service Coverage Ratio	Times	0.44	0.39	0.52
Payout Ratio	%	50.00	50.00	50.00
Per Share				
Book Value per Share	Baht	2.40	1.91	1.97
Earnings per Share	Baht	0.33	0.25	0.24
Dividend per Share	Baht	0.12	0.12	0.12
Growth Ratio				
Total Assets	%	21.83	(5.05)	4.78
Total Liabilities	%	12.47	(12.58)	5.74
Total Shareholders' Equity	%	45.40	9.60	3.30
Revenue from Sales and Services	%	(1.76)	31.54	(8.51)
Operating Expenses	%	(19.12)	17.33	(9.79)
Net Profit	%	75.84	3.32	(3.58)

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of Market Condition for the Year 2016 and Economic Outlook for the Year 2017

In 2016, Thai economy grew by 3.2 percent (Source: Office of the National Economic and Social Development Board or NESDB), compared to a 2.9 percent growth of last year. For the expenditure, export of goods, government expenditure, total investment, as well as household consumption continued to grow while export of service slowed down. On the production side, the agricultural, manufacturing and wholesale and retail trade sectors accelerated while hotel and restaurant sectors experienced a slowdown.

In 2016, the household consumption expanded by 3.1 percent, higher than a 2.2 percent growth in 2015 whereas the private investment expanded by 0.4 percent. The export value was at USD 214,112 Million, remained unchanged compared to that of last year.

The construction sector expanded by 8.3 percent, corresponding to the growth of construction in both public and private sectors. The hotel and restaurant sectors grew by 10.3 percent, in line with an 11.1 percent increase in tourism income, totaling 2,510.8 Billion Baht whereas manufacturing sector increased by 1.4 percent. The agricultural sector rose by 0.6 percent due to the end of drought while the unemployment rate remained at low level of 1.0 percent. Nonetheless, the inflation rate increased whereas the interest rate declined.

The real estate sector in 2016 slowed down from the previous year, as can be seen from the 8 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 2016 was 123,383 units, a slight decrease of 0.4 percent from that of last year. The new registration units of single-detached houses and condominiums increased by 2 percent and 3 percent respectively, while the new registration units of townhouses decreased by 13 percent from that of the previous year. The real estate sector in 2016 experienced a slowdown in both demand and supply aspects, specifically on the supply side due to fewer launches of new housing projects.

For the economic outlook for 2017, the NESDB forecasts that the economy will expand at the rate of 3.0 to 4.0 percent, mainly driven by an increase in export value that will result in recovery of manufacturing and private sectors. In addition, the recovery of agricultural sector and the increase of farm income will continually support the increase in private consumption expenditure. Moreover, the public investment has remained at the high level whereas the tourism sector has continually supported the expansion of the economy. Nonetheless, there are several risk factors for the economic recovery including the volatility of the global recovery, the capital control by the US Government's Policy, the political conditions of the EU, the Chinese economic instability, the progress of Greece resolution, as well as the financial sector weaknesses in the EU.

Financial Results

Total revenue in 2016 amounted to 34,395 Million Baht, decreased by 11 percent from 38,455 Million Baht in 2015. The decrease of total revenue was caused by a 14 percent decrease in the revenue from project sales which was the core revenue accounted for 88 percent of total revenue and a 61 percent decrease in other revenues respectively. Nonetheless, revenue from business management in 2016 increased by 129 percent compared to that of 2015. For the year 2016, Sansiri and its subsidiaries reported net profit of 3,380 Million Baht, a decrease of 4 percent from net profit of 3,506 Million Baht in 2015.

Revenue from Property Development for Sale

The breakdown of revenue from property for sale during 2014 – 2016 is as follows:

	2014		2015		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached houses	11,488	42.2	10,107	28.8	9,616	31.9
Townhouses / Home Office	1,622	6.0	1,996	5.7	1,224	4.1
Condominiums	14,045	51.7	23,048	65.6	19,260	64.0
Others	20	0.1	1	0.0	-	-
Total	27,174	100.0	35,152	100.0	30,099	100.0

In 2016, Sansiri and its subsidiaries reported the revenue from project sales amounted to 30,099 Million Baht, resulting in a 14 percent decrease in revenue from project sales from 35,152 Million Baht in 2015 due to the unfavorable market condition for investment and spending. Revenue from condominium projects decreased due to fewer launches of condominium projects during the past two years. In addition, several condominium projects have been operated under joint venture companies between Sansiri Public Company Limited and BTS Group Holdings Public Company Limited, making the revenue from those projects been excluded from revenue from property development for sale accordingly. To the total revenue from project sales in 2016, 19,260 Million Baht revenue from condominium projects contributed 64 percent, 9,616 Million Baht revenue from single-detached house projects contributed 32 percent, and the revenue of 1,224 Million Baht from townhouse projects contributed 4 percent.

Revenue from single-detached house projects in 2016 amounted to 9,616 Million Baht, a 5 percent decrease from 10,107 Million Baht in 2015. The revenue from single-detached house was mainly from four projects, including Setthasiri Charun-Pinklao, Setthasiri Krungthep Kreetha, Setthasiri Pattanakarn and Narasiri Bangna, which altogether contributed 3,521 Million Baht or 12 percent of total revenue from project sales.

Revenue from townhouse projects in 2016 amounted to 1,224 Million Baht, a decrease of 39 percent compared to that of last year. In this regard, the main contributors were the 598-Million Baht revenue from five townhouse projects under the brand "Town Avenue", together with the 180-Million Baht revenue from two townhouse projects under the brand "Habitown". Town Avenue 60's Vibhavadi 60 contributed the biggest portion to the total revenue from townhouse projects in 2016.

In 2016, revenue from condominium projects amounted to 19,260 Million Baht or 64 percent of the total revenue from project sales, a decrease of 16 percent from 23,048 Million Baht in 2015. In this regard, The BASE Central Pattaya, The XXXIX, EDGE Sukhumvit 23, 98 Wireless, and HASU HAUS were the five highest contributors in 2016, contributing revenue of 10,139 Million Baht or accounting for 34 percent of the total revenue for project.

Revenue from Property Services

Revenue from projects for rent increased by 25 percent from 64 Million Baht in 2015 to 80 Million Baht in 2016. Revenue from business management in 2016 amounted to 3,273 Million Baht, with a significant increase of 1,432 Million Baht or 129 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 302 Million Baht, a slight decrease of 1 percent compared to that of last year.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For the year 2016, cost of project sales amounted to 20,628 Million Baht, a 16 percent decrease from that of the year 2015, in accordance with a decrease in revenue from project sales. Gross profit margin of project sales increased from 29.9 percent in 2015 to 31.5 percent in 2016, driven by the cost efficiency management. Cost of projects for rent amounted to 55 Million Baht, an increase of 20 percent from that of last year, while cost of business management amounted to 2,428 Million Baht, an increase by 129 percent corresponding to the increase in revenue from business management. In addition, cost of other services including hotel business and education business decreased by 2 percent from last year.

Selling, General and Administrative Expenses

In 2016, Sansiri and its subsidiaries recorded selling and administrative expense of 5,828 Million Baht or 16.9 percent of total revenue, a slight increase from 16.8 percent of total revenue of last year. Selling expenses in 2016 were at 3,039 Million Baht or 8.8 percent of total revenue, a decrease from 3,312 Million Baht or 8.6 percent of total revenue in 2015 due to the rise of marketing and promotion expenses for stock management. The administrative expenses (including management benefit expenses) decreased to 2,789 Million Baht or 8.1 percent of total revenue in 2016 from 3,148 Million Baht or 8.2 percent of total revenue in 2015.

Financial Expense

In 2016, financial expense decreased from 728 Million Baht in 2015 to 615 Million Baht due to the developing land plots process and the increase in project sales of complete projects.

Net Profit

For the year 2016, Sansiri and its subsidiaries reported net profit of 3,380 Million Baht, a slight decrease of 4 percent from 3,506 Million Baht in 2015. In this regard, the net profit margin increased from 9.1 percent of total revenue in 2015 to 9.8 percent of total revenue in 2016 due to the increase in the gross profit margin. In addition, an effective corporate income tax in 2016 was at 21.8 percent of earnings before corporate income tax.

Assets

Total assets of Sansiri and its subsidiaries as of 31 December 2016 amounted to 72,774 Million Baht, an increase of 3,323 Million Baht from that of 31 December 2015. Current assets as of 31 December 2016 was at 57,289 Million Baht, decreased from 59,135 Million Baht as of 31 December 2015 due to the decrease in cost of property development for sale. Nonetheless, total non-current assets as of 31 December 2016 was at 15,485 Million Baht, increased by 5,168 Million Baht from that of 31 December 2015 due to the increase in land plots and the increase in current portion of loans to related parties.

Liabilities

Total liabilities of Sansiri Group amounted to 44,678 Million Baht as of 31 December 2016, an increase of 2,425 Million Baht from that of 31 December 2015. Total current liabilities was at 21,290 Million Baht, an increase of 1,341 Million Baht from that of 31 December 2015 due to the increase in short-term loans. On the other hand, non-current liabilities increased by 1,085 Million Baht from that of 31 December 2015 to 23,388 Million Baht mainly due to the increase in long-term promissory notes - purchase of land. The interest bearing debt decreased from 33,369 Million Baht as of 31 December 2015 to 32,276 Million Baht as of 31 December 2016. The debt-to-equity ratio was 1.59 times with the interest-bearing debt-to-equity ratio (Gearing ratio) of 1.15 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 2016 amounted to 28,096 Million Baht, an increase of 898 Million Baht from that of 31 December 2015, mainly driven by the net profit of 3,380 Million Baht. Sansiri paid dividend from 2015 net profit of 2,286 Million Baht as well.

Cashflow

For the year 2016, beginning cash balance was 2,672 Million Baht with net cash used in operating activities of 8,511 Million Baht, net cash used in investing activities of 2,599 Million Baht, and net cash used in financing activities of 4,826 Million Baht, resulting in the ending cash balance of 3,541 Million Baht, as of 31 December 2016. In this regard, profit from operating activities before changes in operating assets and liabilities was at 26,319 Million Baht, whereas, cash outflow as development costs for property development for sale amounted to 20,609 Million Baht. For investing activities, loans to related parties and investments in joint venture amounted to 3,914 Million Baht and 308 Million Baht respectively. For financing activities, cash outflow for loan repayment including interest payment to financial institutions amounted to 7,828 Million Baht, while cash outflow from repayment of debentures and dividend payment amounted to 2,000 Million Baht and 2,286 Million Baht respectively.

Liquidity Ratio

The liquidity ratio of Sansiri Group decreased from 2.96 times as of 31 December 2015 to 2.69 times as of 31 December 2016 as total current liabilities increased by 6.72 percent due to the increase in short-term loans whereas total current assets decreased by 3.12 percent from that of 31 December 2015.

Return on Equity

As of 31 December 2016, the return on equity was 12.23 percent, a decrease from 13.48 percent as of 31 December 2015 mainly due to a decrease in the return on assets to 4.75 percent from 4.92 percent in 2015 while the debt-to-equity ratio increased from 1.55 times as of 31 December 2015 to 1.59 times as of 31 December 2016.

Summary of Factors Affecting the Future Operations

The external factors which will affect Sansiri's performance include the economic slowdown that will negatively impacted the overall demand and supply in the real estate sector as well as the declining household income for residences. 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

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

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

Recognition of revenue from sale of real estate

Revenue from sale of real estate is the most significant amount in the statements of comprehensive income and it is a key performance indication in the real estate industry on which the financial statements' users focus. In addition, the Company and its subsidiaries have a significant number of property units for sale and property sale agreements. There are therefore risks with respect to the occurrence of revenue from sale of real estate presented in the financial statements, and the relation between business and revenue.

I have examined the recognition of revenue from sale of real estate of the Group by:

- Assessing and testing the Group's IT system and their internal controls with respect to the cycle of revenue from sale of real estate by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales agreements to assess whether recognition of revenue from sale of real estate was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions of revenue from sale of real estate throughout the period, particularly for accounting entries made through journal vouchers.

Impairment of project development for sale

Estimating the net realisable value of project development for sale, as disclosed in Note 10 to the financial statements, is an area of significant management judgement, particularly with regard to the estimation of allowance for diminution in the value of project development for sale with impairment indicators. This requires detailed analysis of the project nature, the competitive environment, economic circumstances and the situation within real estate business. There is a risk with respect to the amount of allowance for diminution in value of project development for sale.

I gained an understanding of the internal controls of the Group relevant to the determination of allowance for diminution in value of project development for sale by making enquiry of responsible executives, and assessed the method and the assumptions applied by management in determining such allowance. The procedures that I performed included:

- Reviewing the basis applied in determining the allowance for diminution in value of real estate development costs, the consistency of the application of that basis, and the rationale for the recording of allowance for diminution in the value of project development for sale.
- Comparing the holding periods of the project development for sale and their movements with indicators of lower than normal inventory turnover including the consideration of related internal and external information to assess whether real estate development projects have any impairment indicators.
- Comparing details of sales transactions occurring after the date of the financial statements with the cost of real estate development costs for each project.

Reviewing the estimation of the net realisable value of project development for sale prepared by the management of the Group or appraisal reports of independent appraisers.

Compliance with loan covenants in loan agreements and prospectus

Compliance with loan covenants in loan agreements and prospectus is a key audit matter as the Group have significant loan and debenture balances, which is the biggest item of the Group's liabilities, comprising a number of loan agreements and prospectus. Each loan agreement and prospectus has specified loan covenants, for example, debt to equity ratio.

As stipulated in the Thai Financial Reporting Standards, in case loan covenants are violated on or before the period end, the Group have to classify all outstanding balances of loan and/or debenture as current liabilities since the liabilities become payable on demand.

We have read the significant conditions in loan agreements and prospectus and verified the Group's financial ratio calculation and compared with the applicable debt covenants for all outstanding loans and debentures as at 31 December 2016. In addition, I reviewed the presentation and disclosure of information with respect to loans and debentures in the financial statements.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter

should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Sophon Permsirivallop.



Sophon Permsirivallop
Certified Public Accountant (Thailand) No. 3182

EY Office Limited
Bangkok: 27 February 2017

Sansiri Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Assets					
Current assets					
Cash and cash equivalents	7	3,540,857,501	2,671,766,924	1,991,082,691	1,471,532,541
Trade accounts receivable	8	170,498,593	81,171,467	99,541,611	30,838,355
Short-term note receivable - sale of land	9	360,000,000	-	-	-
Prepaid expenses		69,739,412	40,527,827	47,059,872	15,761,267
Current portion of loans to related parties	6.3	157,000,000	-	2,112,712,972	4,973,794,127
Property development for sale	10	49,057,240,019	51,045,236,837	33,528,029,133	29,227,792,320
Advance payment to contractors		1,233,225,686	1,464,229,768	1,117,403,073	967,429,209
Deposits for land and purchase of assets		2,424,553,880	3,672,530,680	2,318,258,750	3,488,744,350
Other current assets		<u>276,384,745</u>	<u>159,074,746</u>	<u>195,745,981</u>	<u>110,121,421</u>
Total current assets		<u>57,289,499,836</u>	<u>59,134,538,249</u>	<u>41,409,834,083</u>	<u>40,286,013,590</u>
Non-current assets					
Loans to related parties - net of current portion	6.3	4,306,688,269	1,598,688,269	13,632,770,631	11,725,891,660
Investments in subsidiaries	11	-	-	1,841,396,605	1,743,521,605
Investments in joint ventures	12	467,170,192	954,869,328	1,026,882,009	1,319,018,704
Other long-term investment		330,400	330,400	330,400	330,400
Investment properties	13	314,085,964	87,793,609	261,727,707	18,417,322
Land held for development	14	7,041,573,266	4,032,577,434	4,761,829,377	1,901,856,532
Land, building and equipment	15	2,079,656,373	2,439,804,028	935,190,181	1,233,860,416
Deferred tax asset	31	755,867,099	656,551,464	189,264,592	203,429,975
Other intangible assets	16	144,552,122	120,097,850	130,443,655	105,206,822
Leasehold rights	17	282,252,913	311,023,661	34,891,706	36,993,145
Other non-current assets		<u>92,362,644</u>	<u>114,748,787</u>	<u>38,877,048</u>	<u>48,777,185</u>
Total non-current assets		<u>15,484,539,242</u>	<u>10,316,484,830</u>	<u>22,853,603,911</u>	<u>18,337,303,766</u>
Total assets		<u>72,774,039,078</u>	<u>69,451,023,079</u>	<u>64,263,437,994</u>	<u>58,623,317,356</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 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	18	4,316,000,000	1,966,000,000	4,316,000,000	1,966,000,000
Bills of exchange	18	4,475,672,522	4,473,797,378	4,475,672,522	4,473,797,378
Trade accounts payable	19	1,349,361,191	1,371,139,997	1,175,330,562	860,596,002
Current portion of long-term loans	20	2,986,359,029	4,285,290,939	2,014,826,501	2,294,383,669
Current portion of loans from related parties	6.3	-	-	-	172,000,000
Current portion of long-term promissory note - purchase of land	21	314,875,697	-	314,875,697	-
Unsecured debentures - due within one year	22	1,999,102,405	1,998,320,328	1,999,102,405	1,998,320,328
Corporate income tax payable		409,859,028	471,028,993	193,041,947	171,761,025
Short-term provisions	24	111,558,412	125,134,185	60,329,424	55,313,620
Current portion of provision for guarantee to property fund	25	5,556,206	-	-	-
Unearned income	10.5	1,230,687,888	2,225,919,386	903,651,177	1,380,109,802
Other current liabilities					
Advance received from customers		1,579,986,277	569,673,818	1,498,274,507	496,609,566
Construction retention		552,967,814	764,959,201	364,265,362	335,090,631
Accrued expenses		900,300,900	1,020,992,208	708,152,583	836,863,761
Accrued construction costs		721,683,860	459,094,006	448,190,717	228,595,491
Others		<u>336,205,823</u>	<u>217,952,888</u>	<u>215,668,219</u>	<u>133,126,745</u>
Total current liabilities		<u>21,290,177,052</u>	<u>19,949,303,327</u>	<u>18,687,381,623</u>	<u>15,402,568,018</u>
Non-current liabilities					
Deferred leasehold revenue		385,681,705	429,334,727	-	-
Loans from related parties - net of current portion	6.3	-	-	473,586,426	-
Long term loans - net of current portion	20	6,526,669,140	8,677,701,785	4,970,328,995	6,053,328,585
Long-term promissory note - purchase of land - net of current portion	21	3,199,563,731	314,875,697	3,199,563,731	314,875,697
Unsecured debentures - net of current portion	22	11,972,648,612	11,968,135,147	11,972,648,612	11,968,135,147
Provision for transaction under equity method of investments in joint ventures	12	856,606,109	594,063,532	-	-
Provision for long-term employee benefits	23	129,781,852	114,915,324	91,359,589	79,259,746
Long-term provisions	24	170,872,814	149,493,877	128,784,089	103,494,097
Provision for guarantee to property fund	25	-	28,022,606	-	-
Other non-current liabilities		<u>146,016,407</u>	<u>26,727,203</u>	<u>46,362,811</u>	<u>20,477,451</u>
Total non-current liabilities		<u>23,387,840,370</u>	<u>22,303,269,898</u>	<u>20,882,634,253</u>	<u>18,539,570,723</u>
Total liabilities		<u>44,678,017,422</u>	<u>42,252,573,225</u>	<u>39,570,015,876</u>	<u>33,942,138,741</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 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Shareholders' equity					
Share capital	26				
Registered					
17,991,720,358 ordinary shares of Baht 1.07 each (31 December 2015: 18,017,674,684 ordinary shares of Baht 1.07 each)		19,251,140,783	19,278,911,912	19,251,140,783	19,278,911,912
Issued and paid-up					
14,285,501,270 ordinary shares of Baht 1.07 each		15,285,486,359	15,285,486,359	15,285,486,359	15,285,486,359
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	40,700,825	20,022,180	40,700,825	20,022,180
Retained earnings					
Appropriated - statutory reserve	27	1,287,942,107	1,118,932,009	1,287,942,107	1,118,932,009
Unappropriated		10,187,554,606	9,261,803,278	6,609,105,488	6,786,550,728
Other components of shareholders' equity		(176,460,252)	41,178,898	-	-
Equity attributable to owners of the Company		28,095,410,984	27,197,610,063	24,693,422,118	24,681,178,615
Non-controlling interest of subsidiaries		610,672	839,791	-	-
Total shareholders' equity		28,096,021,656	27,198,449,854	24,693,422,118	24,681,178,615
Total liabilities and shareholders' equity		72,774,039,078	69,451,023,079	64,263,437,994	58,623,317,356

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 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Revenues					
Revenues from project sales		30,099,392,283	35,151,790,895	15,457,965,863	14,902,475,522
Revenues from business management		3,272,663,269	1,431,695,141	4,427,631,593	1,099,262,981
Revenues from projects for rent		79,789,921	63,702,830	16,819,623	3,240,914
Revenues from sales of construction materials		56,630,047	4,195,454	74,266,326	30,771,765
Revenues from other services	29	302,140,860	303,904,068	32,380,127	29,867,611
Other revenues					
Gain on sale of land		133,730,143	963,760,784	58,723,532	1,151,846,861
Gain on sale of investment in subsidiaries		14,599,844	46,434,840	-	-
Interest income		104,570,325	48,008,602	570,038,454	601,024,875
Dividend income	11	59,472	-	39,209,472	868,880,000
Others		331,503,198	441,761,425	149,170,218	194,438,845
Total revenues		34,395,079,362	38,455,254,039	20,826,205,208	18,881,809,374
Expenses					
Cost of project sales		20,627,790,235	24,656,320,981	10,175,524,018	10,322,734,207
Cost of business management		2,427,560,754	1,061,047,125	3,461,238,433	845,206,380
Cost of projects for rent		54,694,301	45,735,912	14,989,253	3,744,753
Cost of construction materials sales		40,241,792	2,497,114	56,079,854	16,705,729
Cost of other services	29	342,818,993	348,466,577	35,244,838	30,762,352
Selling expenses		3,039,065,665	3,311,903,012	1,805,902,361	1,762,973,154
Administrative expenses		2,788,636,646	3,148,179,685	2,106,597,165	2,280,534,761
Other expenses					
Loss on diminution in value of property development for sale and land held for development (reversal)	10.4	45,435,317	167,439,463	(153,385,100)	164,000,000
Loss on diminution in value of investment properties	13	11,460,000	-	11,460,000	-
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)
Total expenses		29,377,703,703	32,745,855,169	17,513,650,822	15,193,661,336
Profit before share of losses from investments in joint ventures, finance cost and income tax expenses		5,017,375,659	5,709,398,870	3,312,554,386	3,688,148,038
Share of losses from investments in joint ventures	12.2	(77,739,624)	(233,712,510)	-	-
Profit before finance cost and income tax expenses		4,939,636,035	5,475,686,360	3,312,554,386	3,688,148,038
Finance cost		(615,146,698)	(728,129,600)	(448,419,480)	(527,480,126)
Profit before income tax expenses		4,324,489,337	4,747,556,760	2,864,134,906	3,160,667,912
Income tax expenses	31	(944,287,370)	(1,241,997,814)	(586,900,388)	(528,949,833)
Profit for the year		3,380,201,967	3,505,558,946	2,277,234,518	2,631,718,079

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 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements in foreign currency		(217,639,150)	54,899,621	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		(217,639,150)	54,899,621	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Actuarial losses - net of income tax	23	-	(22,572,994)	-	(17,424,850)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(22,572,994)	-	(17,424,850)
Other comprehensive income for the year		(217,639,150)	32,326,627	-	(17,424,850)
Total comprehensive income for the year		3,162,562,817	3,537,885,573	2,277,234,518	2,614,293,229
Profit attributable to:					
Equity holders of the Company		3,380,431,086	3,505,920,709	2,277,234,518	2,631,718,079
Non-controlling interest of the subsidiaries		(229,119)	(361,763)		
		3,380,201,967	3,505,558,946		
Total comprehensive income attributable to:					
Equity holders of the Company		3,162,791,936	3,538,247,336	2,277,234,518	2,614,293,229
Non-controlling interest of the subsidiaries		(229,119)	(361,763)		
		3,162,562,817	3,537,885,573		
Earnings per share	28.2				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.24	0.25	0.16	0.18
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.24	0.25	0.16	0.18

Sansiri Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before tax	4,324,489,337	4,747,556,760	2,864,134,906	3,160,667,912
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	20,627,790,235	24,656,320,981	10,175,524,018	10,322,734,207
Depreciation of investment properties	15,354,557	5,323,971	12,038,752	1,226,407
Depreciation of land, building and equipment	192,858,438	217,228,658	114,770,981	125,080,731
Write-off of building and equipment	154,767	-	120,702	-
Amortisation of intangible assets	21,061,167	19,440,023	17,100,277	15,113,037
Amortisation of leasehold rights	28,770,747	28,770,747	2,101,439	2,101,439
Gain on sales of investment properties	(10,706,692)	(21,846,088)	(7,952,092)	(8,859,037)
Gain on sales of equipment	(43,889)	(10,890,347)	(27,719)	(7,218,540)
Deferred profit of transactions between the Company and joint ventures	365,765,552	724,354,996	-	-
Reversal of provision for guarantee to property fund	(10,868,275)	(3,669,449)	-	-
Loss on dissolution of subsidiary	-	-	2,125,000	-
Net loss (gain) on sale of investment in subsidiaries	14,599,844	(46,434,840)	-	-
Loss on diminution in value of property development for sale and land held for development (reversal)	45,435,317	167,439,463	(153,385,100)	164,000,000
Loss on diminution in value of investment properties	11,460,000	-	11,460,000	-
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)
Allowance for doubtful accounts	13,601,446	3,117,024	7,949,775	4,756,237
Leasehold revenue amortisation	(43,653,022)	(44,233,182)	-	-
Unrealised gain on exchanges	3,911,369	-	3,911,369	-
Homecare warranty and housing estate juristic persons expenses	66,348,569	113,697,708	49,482,129	57,179,121
Loss on provision for law suits	-	202,798	-	202,798
Long-term employee benefits expenses	15,737,372	11,754,667	12,660,243	7,472,596
Provision for hotel maintenance	2,441,199	-	668,808	-
Expense for share-based payment transactions	20,678,645	20,022,180	20,678,645	20,022,180
Share of loss from investments in joint ventures	77,739,624	233,712,510	-	-
Dividend income	(59,472)	-	(39,209,472)	(868,880,000)
Interest income	(104,570,325)	(48,008,602)	(570,038,454)	(601,024,875)
Interest expense	<u>640,216,901</u>	<u>728,129,600</u>	<u>473,489,683</u>	<u>527,480,126</u>
Profit from operating activities before changes in operating assets and liabilities	26,318,513,411	31,506,254,878	12,997,603,890	12,689,054,339
(Increase) decrease in operating assets				
Trade accounts receivable	(102,928,572)	(34,430,956)	(76,653,031)	83,091,209
Short-term note receivable - sale of land	(360,000,000)	-	-	-
Property development for sale	(20,608,716,923)	(18,914,658,276)	(16,130,495,250)	(10,998,555,723)
Deposits for land	1,247,976,800	(1,292,502,403)	1,170,485,600	(1,372,067,073)
Other current assets	152,802,969	999,446,350	(256,373,193)	193,713,336
Other non-current assets	<u>31,376,973</u>	<u>7,572,072</u>	<u>9,900,137</u>	<u>8,301,443</u>

Sansiri Public Company Limited and its subsidiaries
Cash flow statement (continued)
For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Increase (decrease) in operating liabilities				
Trade accounts payable	(21,778,806)	(638,402,913)	314,734,560	(218,910,737)
Long-term promissory note - purchase of land	3,199,563,731	314,875,697	3,199,563,731	314,875,697
Advances received from customers and unearned income	(995,231,498)	(1,183,115,222)	(476,458,625)	199,186,485
Other current liabilities	710,972,434	534,622,225	944,192,325	586,345,790
Other liabilities	17,184,920	(20,283,717)	(4,974,888)	8,671,282
Cash flows used in operating activities	9,589,735,439	11,279,377,735	1,691,525,256	1,493,706,048
Cash paid for corporate income tax	(1,078,345,539)	(1,775,945,077)	(525,884,635)	(690,488,926)
Net cash from operating activities	8,511,389,900	9,503,432,658	1,165,640,621	803,217,122
Cash flows from investing activities				
Decrease in current investments	-	556,519,003	-	500,000,000
Increase in loans to related parties	(3,913,500,000)	(2,452,756,000)	(9,466,887,198)	(9,129,173,663)
Decrease in loans to related parties	1,186,000,000	1,554,067,731	10,558,589,382	11,099,194,920
Payment on purchase of investment properties	(27,122,577)	-	(27,122,577)	-
Payment on purchase of land, building and equipment	(78,936,315)	(229,876,551)	(56,012,823)	(203,106,224)
Payment on purchase of intangible assets	(45,515,439)	(32,506,924)	(42,337,110)	(23,763,198)
Proceeds from sales of equipment	72,750	20,610,032	27,757	12,361,520
Payment on purchase of investments in joint ventures	(307,863,306)	(1,269,018,703)	(307,863,306)	(1,269,018,703)
Net proceed from decrease in capital of joint venture	562,500,000	-	562,500,000	-
Proceed from decrease in subsidiary's capital	-	-	-	450,000,000
Payment on purchase of investment in subsidiaries	(200,000,000)	-	(300,000,000)	(334,585,002)
Proceeds from sales investment in subsidiaries	100,000,000	513,590,254	100,000,000	-
Proceeds from sales of investment properties	32,133,883	37,126,445	23,641,136	15,496,836
Interest income	93,412,899	47,165,367	559,514,619	626,633,844
Dividend income	59,472	-	39,209,472	868,880,000
Net cash from (used in) investing activities	(2,598,758,633)	(1,255,079,346)	1,643,259,352	2,612,920,330
Cash flows from financing activities				
Increase in bills of exchange	1,875,144	997,871,783	1,875,144	997,871,783
Increase (decrease) in short-term loans from banks	2,350,000,000	(1,634,000,000)	2,350,000,000	(1,634,000,000)
Increase in loans from related parties	-	-	318,911,935	750,110,900
Decrease in loans from related parties	-	-	(17,325,509)	(719,053,196)
Increase in long-term loans	2,948,786,939	4,360,277,100	2,556,130,000	3,265,916,800
Repayment of long-term loans	(6,402,662,864)	(10,452,156,359)	(3,922,598,126)	(4,588,345,203)
Proceeds from debentures issuance	2,000,000,000	3,000,000,000	2,000,000,000	3,000,000,000
Payment of transaction costs related to debenture issuance	(9,630,000)	(14,445,000)	(9,630,000)	(14,445,000)
Repayment of debentures	(2,000,000,000)	(2,000,000,000)	(2,000,000,000)	(2,000,000,000)
Payment of interest expenses	(1,425,144,330)	(1,761,547,104)	(1,277,586,838)	(1,415,309,942)
Dividend paid	(2,285,669,660)	(1,712,723,466)	(2,285,669,660)	(1,712,723,466)
Payment of finance lease payables	(3,456,769)	(3,121,838)	(3,456,769)	(3,121,838)
Proceeds from capital increase	-	537,065,478	-	537,065,478
Net cash used in financing activities	(4,825,901,540)	(8,682,779,406)	(2,289,349,823)	(3,536,033,684)
Translation adjustment	(217,639,150)	54,899,621	-	-
Net increase (decrease) in cash and cash equivalents	869,090,577	(379,526,473)	519,550,150	(119,896,232)
Cash and cash equivalents at beginning of the year	2,671,766,924	3,051,293,397	1,471,532,541	1,591,428,773
Cash and cash equivalents at end of the year	3,540,857,501	2,671,766,924	1,991,082,691	1,471,532,541

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 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Supplementary cash flows information				
Non-cash item:				
Interest recorded as cost of projects	740,271,352	1,042,938,617	762,064,599	906,979,562
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	60,958,752	77,721,786	17,752,503	7,804,156
Transfer investment properties to property development for sale	53,338,562	66,135,885	2,168,235	5,370,874
Transfer of land, building and equipment to investment properties	239,791,337	-	239,791,337	-
Decrease in investment in joint venture by offselling the cash received from the capital reduction with loan from the Company	137,500,000	-	137,500,000	-
Transfer of land, building and equipment to property development for sale	6,250,567	-	-	-
Investments in subsidiaries changed to investments in joint ventures	100,000,000	-	100,000,000	-

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2016

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 30 August 2016 the latest closing date of the shares register book, are as following:

	Percentage of shareholding (based on paid-up capital)
1. Thai NVDR Co., Ltd.	9.37
2. Thai Viriyah Insurance Public Co., Ltd.	6.43
3. UBS AG Singapore Branch	5.06
4. Chase Nominees Limited	3.16
5. Mr. Wanchak Buranasiri	2.91

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	
			2016	2015
			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
Sansiri Global Investment Pte. Ltd.	Property development	Singapore	100	100
Plus Property Space Co., Ltd.	Property development	Thailand	100	100
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
Siriwattana Holding Ltd.	Property development	Thailand	100	-
<u>Indirectly owned</u>				
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	100

Details of changes in the composition of the group of companies during the current year are presented in Note 11 and 12.

- 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

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

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

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

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

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

TAS 27 (revised 2016) Separate Financial Statements

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

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

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 value 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 on an accrual basis based on the effective interest rate.

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 on production of an asset or development 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 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).
- b) Investments in joint ventures are accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries and joint ventures are accounted for in the separate financial statements using the cost method.

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 other components of 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 - 30 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 in the period when the asset is derecognised.

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 and system	5 - 8 years
Fixtures and equipment	2 - 20 years
Motor vehicles and system	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 land, building 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 (if any).

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 (if any). 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 individuals or enterprises 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 or enterprises 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 land, building 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 land, building 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 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, the subsidiaries and their 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 the subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

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

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

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

4.17 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 Derivatives

Cross currency and interest rate swap contracts

Payables and receivables arising from cross currency swap agreements are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are recognised in profit or loss.

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

4.21 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement 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 judgements 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 judgement.

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 judgements 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.

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has exercised judgement 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 warranty

In recording provision for home care warranty, 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
	2016	2015	2016	2015	
<u>Transactions with subsidiary companies</u> (eliminated from the consolidated financial statements)					
Sales of precast concrete	-	-	17,636	26,576	Cost plus certain margin of 5%
Revenues from business management and project management	-	-	17,019	6,055	Based on agreement (1)
Interest income	-	-	470,075	559,173	3.25 - 3.50% p.a.
Revenue from sale of land	-	-	1,465,531	-	Cost plus certain margin

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2016	2015	2016	2015	
Commission income	-	-	39,697	35,511	Based on agreement (3)
Project management fee and other expenses	-	-	23,404	18,476	Based on agreement (2)
Commission expenses	-	-	53,071	64,168	Based on agreement (3)
Interest expenses	-	-	8,601	6,966	3.50% p.a. (2015: 3.25 - 3.50% p.a.)
<u>Transactions with joint ventures</u>					
Revenue from business management and project management	2,303,655	664,769	4,243,442	1,052,132	Based on agreement (1)
Revenue from sale of land	755,263	653,109	1,510,526	841,195	Cost plus certain margin
Interest income	92,434	32,879	92,434	32,879	3.50 - 3.85% p.a. (2015: 3.25 - 3.50% p.a.)
Commission income	120,878	105,547	-	-	Based on agreement (3)
<u>Transactions with related persons</u>					
Revenues from project sales	86,376	11,519	76,133	-	Cost plus certain margin at average rates of 17% - 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 - 2% 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 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2016	2015
Short-term employee benefits	411,764	461,852
Post-employment benefits	3,508	2,971
Total	415,272	464,823

6.3 The balances of the accounts as at 31 December 2016 and 2015 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Accounts receivable				
Subsidiaries	-	-	39,686	19,350
Joint ventures	46,127	5,123	3,461	1,890
Total	46,127	5,123	43,147	21,240
Loans to related parties				
Subsidiaries	-	-	11,281,795	15,100,998
Joint ventures	4,463,688	1,598,688	4,463,688	1,598,688
Related party	5,000	5,000	-	-
Total	4,468,688	1,603,688	15,745,483	16,699,686
Current portion	157,000	-	2,112,713	4,973,794
Less: Allowance for doubtful accounts	-	-	-	-
Net	157,000	-	2,112,713	4,973,794
Long-term portion	4,311,688	1,603,688	13,632,770	11,725,892
Less: Allowance for doubtful accounts	(5,000)	(5,000)	-	-
Net	4,306,688	1,598,688	13,632,770	11,725,892

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Interest receivables				
Subsidiaries	-	-	42,208	42,856
Joint ventures	12,521	1,349	12,521	1,349
Related party	333	333	-	-
Total	12,854	1,682	54,729	44,205
Less: Allowance for doubtful accounts	(333)	(333)	-	-
Net	12,521	1,349	54,729	44,205

During the year 2015, the Company reversed allowance for doubtful accounts of loans to subsidiaries and interest receivable amounting to Baht 233 million (2016: Nil).

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Unearned income				
Related parties	-	14,019	-	12,011
Total	-	14,019	-	12,011
Trade accounts payable				
Subsidiaries	-	-	9,819	11,101
Total	-	-	9,819	11,101
Loans from related parties				
Subsidiaries	-	-	473,586	172,000
Total	-	-	473,586	172,000
Current portion	-	-	-	172,000
Long-term portion	-	-	473,586	-
Total	-	-	473,586	172,000

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Interest payable				
Subsidiaries	-	-	4,652	2,512
Total	-	-	4,652	2,512
Advance received from customers				
Joint ventures	1,495,029	495,040	1,495,029	495,040
Total	1,495,029	495,040	1,495,029	495,040

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 2016	During the year		Balance as at 31 December 2016
		Increase	Decrease	
Joint ventures				
BTS Sansiri Holding One Limited	280.00	290.00	(275.00)	295.00
BTS Sansiri Holding Two Limited	126.69	-	-	126.69
BTS Sansiri Holding Three Limited	161.00	170.00	(174.00)	157.00
BTS Sansiri Holding Four Limited	180.00	501.00	-	681.00
BTS Sansiri Holding Five Limited	28.00	-	-	28.00
BTS Sansiri Holding Six Limited	330.00	490.00	-	820.00
BTS Sansiri Holding Seven Limited	5.00	105.00	(50.00)	60.00
BTS Sansiri Holding Eight Limited	169.00	60.00	(30.00)	199.00
BTS Sansiri Holding Nine Limited	36.00	155.00	(111.00)	80.00
Nuvo Line Agency Co., Ltd.	-	251.50	-	251.50
BTS Sansiri Holding Eleven Limited	283.00	140.00	(220.00)	203.00

(Unit: Million Baht)

Loans to	Consolidated financial statements			
	Balance as at 1 January 2016	During the year		Balance as at 31 December 2016
		Increase	Decrease	
BTS Sansiri Holding Twelve Limited	-	438.00	-	438.00
BTS Sansiri Holding Fourteen Limited	-	101.00	(76.00)	25.00
BTS Sansiri Holding Fifteen Limited	-	314.00	-	314.00
BTS Sansiri Holding Sixteen Limited	-	626.50	(250.00)	376.50
BTS Sansiri Holding Nineteen Limited	-	359.00	-	359.00
BTS Sansiri Holding Twenty one Limited	-	50.00	-	50.00
Related party				
Regency One Co., Ltd.	5.00	-	-	5.00
Total	1,603.69	4,051.00	(1,186.00)	4,468.69

(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at 1 January 2016	During the year		Balance as at 31 December 2016
		Increase	Decrease	
Subsidiaries				
Arnawat Ltd.	6,322.75	637.89	(1,885.92)	5,074.72
Plus Property Co., Ltd.	-	50.00	(50.00)	-
Piwattana Ltd.	3,264.13	588.67	(1,462.99)	2,389.81
Red Lotus Properties Ltd.	1,268.76	0.99	(1,190.90)	78.85
Plus Property Space Co., Ltd.	756.62	15.20	(282.15)	489.67
NED Management Co., Ltd.	3,445.62	2,091.00	(2,728.48)	2,808.14
Sansiri Venture Co., Ltd.	5.60	-	-	5.60
Papanan Ltd.	37.52	-	(37.52)	-
Siriwattana Holding Ltd.	-	435.00	-	435.00
Pattanasiri Estate Ltd.	-	1,734.63	(1,734.63)	-

(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at 1 January 2016	During the year		Balance as at 31 December 2016
		Increase	Decrease	
Joint ventures				
BTS Sansiri Holding One Limited	280.00	290.00	(275.00)	295.00
BTS Sansiri Holding Two Limited	126.69	-	-	126.69
BTS Sansiri Holding Three Limited	161.00	170.00	(174.00)	157.00
BTS Sansiri Holding Four Limited	180.00	501.00	-	681.00
BTS Sansiri Holding Five Limited	28.00	-	-	28.00
BTS Sansiri Holding Six Limited	330.00	490.00	-	820.00
BTS Sansiri Holding Seven Limited	5.00	105.00	(50.00)	60.00
BTS Sansiri Holding Eight Limited	169.00	60.00	(30.00)	199.00
BTS Sansiri Holding Nine Limited	36.00	155.00	(111.00)	80.00
Nuvo Line Agency Co., Ltd.	-	251.50	-	251.50
BTS Sansiri Holding Eleven Limited	283.00	140.00	(220.00)	203.00
BTS Sansiri Holding Twelve Limited	-	438.00	-	438.00
BTS Sansiri Holding Fourteen Limited	-	101.00	(76.00)	25.00
BTS Sansiri Holding Fifteen Limited	-	314.00	-	314.00
BTS Sansiri Holding Sixteen Limited	-	626.50	(250.00)	376.50
BTS Sansiri Holding Nineteen Limited	-	359.00	-	359.00
BTS Sansiri Holding Twenty one Limited	-	50.00	-	50.00
Total	<u>16,699.69</u>	<u>9,604.38</u>	<u>(10,558.59)</u>	<u>15,745.48</u>

(Unit: Million Baht)

Loans from	Separate financial statements			
	Balance as at 1 January 2016	During the year		Balance as at 31 December 2016
		Increase	Decrease	
Subsidiaries				
Papanan Ltd.	-	194.91	(7.32)	187.59
Chanachai Ltd.	172.00	-	(10.00)	162.00
Plus Property Co., Ltd.	-	124.00	-	124.00
	<u>172.00</u>	<u>318.91</u>	<u>(17.32)</u>	<u>473.59</u>

As at 31 December 2016, loans to and loans from related parties are clean loans, due for repayment at call, and carried interest at rates of 3.25 - 3.85 percent per annum (2015: 3.25 - 3.50 percent per annum).

6.5 Guarantees to related companies

As at 31 December 2016 and 2015, the Company has the following obligation in respect of guarantee provided to bank for loans facility:

(Unit: Million Baht)

Guarantor	Guarantee	2016	2015
Sansiri Plc.	Arnawat Ltd.	-	395
Total		<u>-</u>	<u>395</u>

7. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash	6.87	6.24	2.00	1.34
Bank deposits	3,472.15	2,607.50	1,987.47	1,470.19
Bills of exchange	<u>61.84</u>	<u>58.02</u>	<u>1.61</u>	-
Total	<u>3,540.86</u>	<u>2,671.76</u>	<u>1,991.08</u>	<u>1,471.53</u>

As at 31 December 2016, bank deposits in saving accounts, fixed deposits and bills of exchange carried interests between 0.13 - 2.35 percent per annum (2015: between 0.13 - 2.38 percent per annum).

8. Trade accounts receivable

Trade accounts receivable as at 31 December 2016 and 2015 presented as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	-	3.23	-	-
Past due				
Up to 3 months	44.23	1.89	40.37	14.91
3 - 6 months	0.45	-	0.82	5.23
6 - 12 months	0.11	-	0.58	-
Over 12 months	1.34	-	1.38	1.10
Total trade receivables - related parties	46.13	5.12	43.15	21.24
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	59.54	43.16	-	-
Past due				
Up to 3 months	46.74	22.90	43.07	9.50
3 - 6 months	8.97	2.49	16.87	1.40
6 - 12 months	17.13	12.56	2.78	3.97
Over 12 months	24.33	12.72	8.11	1.26
Total	156.71	93.83	70.83	16.13
Less: Allowance for doubtful debts	(32.34)	(17.78)	(14.44)	(6.53)
Total trade receivables - unrelated parties, net	124.37	76.05	56.39	9.60
Total trade receivables - net	170.50	81.17	99.54	30.84

9. Short-term note receivable - sale of land

As at 31 December 2016, note receivable - sale of land is a note which a subsidiary received from a land buyer. The note matures in May 2017, is interest free, and are avaled by a bank (2015: Nil).

10. Property development for sale

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Land	43,930.81	36,931.34	29,315.25	23,990.65
Construction cost	59,343.19	56,501.33	26,700.62	24,273.46
Utility costs	16,701.00	15,181.13	10,162.55	8,624.59
Construction materials	43.87	36.48	43.19	24.06
Capitalised interest and financial costs	4,600.75	4,149.91	3,850.00	3,308.67
Total	124,619.62	112,800.19	70,071.61	60,221.43
Less : Accumulated transfer to cost of project	(75,286.43)	(61,471.95)	(36,522.97)	(30,819.64)
Allowance for diminution in value of project	(275.95)	(283.00)	(20.61)	(174.00)
Balance	49,057.24	51,045.24	33,528.03	29,227.79

10.1 As at 31 December 2016 and 2015, land and construction thereon of projects of the Company and its subsidiaries amounting Baht 21,001 million and Baht 30,459 million, respectively (Separate financial statements: Baht 16,236 million and Baht 19,159 million, respectively) were pledged as collateral for loans obtained from banks.

10.2 As at 31 December 2016 and 2015, 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 56,258 million and Baht 47,563 million, respectively (Separate financial statements: Baht 45,902 million and Baht 34,098 million, respectively).

10.3 During the year 2016 and 2015, the Company and its subsidiaries included borrowing costs in the cost of property development amounting to Baht 451 million and Baht 1,057 million, respectively (Separate financial statements: Baht 541 million and Baht 931 million, respectively). Capitalisation rates for the years 2016 and 2015 were 4.07% and 4.43%, respectively (Separate financial statements: 4.01% and 4.42% respectively).

10.4 Loss on diminution in value of property development for sale and land held for development (reversal) for the year 2016 and 2015 are as follow:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Property development for sale (Note 10)	(7.05)	219.93	(153.39)	164.00
Land held for development (Note 14)	52.49	(52.49)	-	-
Total	45.44	167.44	(153.39)	164.00

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Sales with signed agreements	124,091	112,000	65,131	59,513
Total estimated project value	181,732	172,465	104,444	94,144
The ratio of sales with signed agreements to total estimated project sales	68.28%	64.94%	62.36%	63.21%
Unearned income	1,231	2,226	904	1,380

11. Investments in subsidiaries

Investments in subsidiaries as stated in the separate financial statements as at 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received during the year	
	2016	2015	2016 (%)	2015 (%)	2016	2015	2016	2015
Subsidiaries - Directly owned								
Chanachai Ltd.	90.00	90.00	100	100	101,524	101,524	39,150	109,080
Plus Property Co., Ltd.	150.00	150.00	100	100	160,524	160,524	-	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	-	85	-	2,125	-	-
Papanan Ltd.	20.00	20.00	100	100	20,000	20,000	-	230,000
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	1,267.18	100	100	1,267,181	1,267,181	-	-
Siriwattana Holding Ltd.	100.00	-	100	-	100,000	-	-	-
Total investment in subsidiaries					<u>1,841,397</u>	<u>1,743,522</u>	<u>39,150</u>	<u>868,880</u>

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. The new company has engaged in property development and registered its incorporation on 25 January 2016.

On 17 June 2016, the Extraordinary General Meeting of the Shareholders of Pacific Challenge Holding Co., Ltd. (subsidiary) No. 1/2016 passed a resolution to approve the dissolution of the subsidiary. The subsidiary registered its dissolution with the Ministry of Commerce and the registrar registered it on 21 June 2016. The subsidiary registered the dissolution with the Business Development Department, the Ministry of Commerce, on 20 December 2016.

On 26 February 2016, the Company's Board of Directors meeting No. 3/2016 passed a resolution to approve the setting up of a new subsidiary named Pattanasiri Estate Limited, with the registered capital of Baht 100 million. The Company holds 100% of issued and paid up share capital. The new company has engaged in property development and registered its incorporation on 4 March 2016.

On 11 August 2016, the Company's Board of Directors meeting No. 7/2016 passed a resolution to approve the setting up of a new subsidiary named AVA Holding Co., Ltd., with the registered capital of Baht 100 million. The Company holds 100% of issued and paid up share capital. The new company has engaged in property development and registered its incorporation on 16 August 2016.

During the current year, the Company sells of its ordinary shares in Pattanasiri Estate Limited and AVA Holding Co., Ltd. resulting in both subsidiaries have been turned to joint venture companies as described in Note 12.

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 company. 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	
		2016 (%)	2015 (%)	2016	2015	2016	2015
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	- ⁽¹⁾
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	- ⁽¹⁾
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000	114,502	- ⁽¹⁾
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	- ⁽¹⁾
BTS Sansiri Holding Five Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	- ⁽¹⁾
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	- ⁽¹⁾
BTS Sansiri Holding Seven Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	40,958
BTS Sansiri Holding Eight Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	293
BTS Sansiri Holding Nine Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	49,822
Nuvo Line Agency Co., Ltd.	Property development	50	50	76,882	769,019	38,741	764,068
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	49,864

(Unit: Thousand Baht)

Joint ventures	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2016 (%)	2015 (%)	2016	2015	2016	2015
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000	- ⁽¹⁾	49,864
BTS Sansiri Holding Fourteen Limited	Property development	50	-	50,000	-	41,413	-
BTS Sansiri Holding Fifteen Limited	Property development	50	-	50,000	-	25,353	-
BTS Sansiri Holding Sixteen Limited	Property development	50	-	50,000	-	- ⁽¹⁾	-
BTS Sansiri Holding Seventeen Limited	Property development	50	-	50,000	-	49,830	-
BTS Sansiri Holding Eighteen Limited	Property development	50	-	50,000	-	48,938	-
BTS Sansiri Holding Nineteen Limited	Property development	50	-	50,000	-	49,854	-
BTS Sansiri Holding Twenty Limited	Property development	50	-	50,000	-	49,814	-
BTS Sansiri Holding Twenty one Limited	Property development	50	-	50,000	-	48,725	-
Total				1,026,882	1,319,019	467,170	954,869

⁽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	
	2016	2015
BTS Sansiri Holding One Limited	171,086	106,137
BTS Sansiri Holding Two Limited	150,535	136,881
BTS Sansiri Holding Three Limited	-	87,184
BTS Sansiri Holding Four Limited	225,227	138,706
BTS Sansiri Holding Five Limited	10,789	6,269
BTS Sansiri Holding Six Limited	144,183	118,887

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	2016	2015
BTS Sansiri Holding Seven Limited	21,674	-
BTS Sansiri Holding Eight Limited	39,504	-
BTS Sansiri Holding Nine Limited	59,171	-
BTS Sansiri Holding Eleven Limited	9,112	-
BTS Sansiri Holding Twelve Limited	18,466	-
BTS Sansiri Holding Sixteen Limited	6,859	-
Total	856,606	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	
		2016 (%)	2015 (%)	2016	2015
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Five Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seven Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Eight Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Nine Limited	Property development	50	50	50,000	50,000

(Unit: Thousand Baht)

Joint ventures	Nature of business	Separate financial statements			
		Shareholding percentage		Cost/Carrying amounts based on cost method - net	
		2016 (%)	2015 (%)	2016	2015
Nuvo Line Agency Co., Ltd.	Property development	50	50	76,882	769,019
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Fourteen Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Fifteen Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Sixteen Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Seventeen Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Eighteen Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Nineteen Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Twenty Limited	Property development	50	-	50,000	-
BTS Sansiri Holding Twenty One Limited	Property development	50	-	50,000	-
Total				1,026,882	1,319,019

The establishment of joint ventures during the year

On 13 November 2015 and 11 August 2016, the Company's Board of Directors meeting No. 11/2015 and 7/2016 passed a resolution to establish of 50:50 additional joint venture companies with BTS Group Holding Limited for the residential projects for sale under the Strategic Alliance Framework Agreement.

During the current year, the joint ventures were registered as detailed below:

	Registered date
BTS Sansiri Holding Fourteen Limited	8 February 2016
BTS Sansiri Holding Sixteen Limited	1 September 2016
BTS Sansiri Holding Seventeen Limited	1 September 2016
BTS Sansiri Holding Eighteen Limited	1 September 2016
BTS Sansiri Holding Nineteen Limited	30 November 2016
BTS Sansiri Holding Twenty One Limited	19 December 2016

Decrease in registered capital of joint venture

On 8 February 2016 and 18 April 2016, the Extraordinary General Meeting of the shareholders of Nuvo Line Agency Co., Ltd. (a joint venture) No. 1/2016 and No. 2/2016 passed a resolution to approve the decrease in its registered capital by Baht 1,125 million and Baht 275 million, respectively. The Company received cash payment from the decrease in registered capital of the joint venture on 21 March 2016 amounting to Baht 562.5 million. On 1 June 2016, the joint venture entered into the memorandum of understanding with the Company by agreeing to offset the cash received from the second capital reduction with loan from the Company amounting to Baht 137.5 million.

Sale of ordinary shares in subsidiaries and change of the status from subsidiaries to joint ventures

On 31 August 2016, the Company completed the sale of ordinary shares in Pattanasiri Estate Limited (a subsidiary), totaling 500,000 shares with a par value of 100 Baht each or accounting for 50% of the subsidiary's paid-up capital, to Unicorn Enterprise Co., Ltd., ("Unicorn") a subsidiary of BTS Group Holdings Public Company Limited ("BTSG") with a total selling price of Baht 50 million.

On 7 October 2016, the Company completed the sale of ordinary shares in AVA Holding Co., Ltd. (a subsidiary), totaling 500,000 shares with a par value of 100 Baht each or accounting for 50% of the subsidiary's paid-up capital, to Unicorn Enterprise Co., Ltd., a subsidiary of BTS Group Holdings Public Company Limited ("BTSG") with a total selling price of Baht 50 million.

The selling price was mutually agreed by and between the Company and Unicorn. The purpose of the sales is to turn the subsidiaries into another 50:50 joint venture companies between the Company and BTSG to implement the development plan of new residential projects for sale under the Strategic Alliance Framework Agreement. As a result of the completion of these transactions, the Company's shareholding in the subsidiaries has been decreased from 100% to 50%. Following the above sale of investments, the Company determined that it does not have control over the businesses of those companies and therefore the status of investments has been changed from subsidiaries to a joint ventures.

Pattanasiri Estate Limited registered the change of its name to "BTS Sansiri Holding Fifteen Limited" and AVA Holding Co., Ltd. registered the change of its name to "BTS Sansiri Holding Twenty Limited" on 30 September 2016 and 7 October 2016, respectively.

12.2 Share of comprehensive income (loss)

During the years, the Company recognised its share of comprehensive 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		Share of other comprehensive income (loss) from investments in joint ventures during the year	
	2016	2015	2016	2015
BTS Sansiri Holding One Limited	(14,009)	(119,918)	-	-
BTS Sansiri Holding Two Limited	(13,654)	(9,672)	-	-
BTS Sansiri Holding Three Limited	237,911	(59,198)	-	-
BTS Sansiri Holding Four Limited	(27,357)	(1,835)	-	-
BTS Sansiri Holding Five Limited	(4,520)	(966)	-	-
BTS Sansiri Holding Six Limited	(1,927)	(1,101)	-	-
BTS Sansiri Holding Seven Limited	(42,616)	(168)	-	-
BTS Sansiri Holding Eight Limited	(15,161)	(42,235)	-	-
BTS Sansiri Holding Nine Limited	(87,623)	(178)	-	-
Nuvo Line Agency Co., Ltd.	(9,852)	1,829	-	-
BTS Sansiri Holding Eleven Limited	(38,905)	(135)	-	-
BTS Sansiri Holding Twelve Limited	(29,701)	(135)	-	-
BTS Sansiri Holding Fourteen Limited	(4,372)	-	-	-
BTS Sansiri Holding Fifteen Limited	(1,313)	-	-	-
BTS Sansiri Holding Sixteen Limited	(23,663)	-	-	-
BTS Sansiri Holding Seventeen Limited	(170)	-	-	-
BTS Sansiri Holding Eighteen Limited	(482)	-	-	-
BTS Sansiri Holding Nineteen Limited	(146)	-	-	-
BTS Sansiri Holding Twenty Limited	(15)	-	-	-
BTS Sansiri Holding Twenty One Limited	(164)	-	-	-
Total	(77,739)	(233,712)	-	-

12.3 Summarised financial information about material joint ventures

Summarised information about financial position:

(Unit: Million Baht)

	BTS Sanrisi Holding One Limited		BTS Sanrisi Holding Two Limited		BTS Sanrisi Holding Three Limited		BTS Sanrisi Holding Four Limited		BTS Sanrisi Holding Six Limited	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Cash and cash equivalent	7	124	17	51	282	36	189	56	23	18
Other current assets	3,212	2,201	-	-	410	749	2,088	1,249	2,298	1,320
Non-current assets	67	60	869	863	3	30	15	1	2	1
Long-term loans from related parties	(590)	(560)	(253)	(253)	-	(322)	(1,362)	(360)	(1,640)	(660)
Long-term loans	(1,473)	(988)	(579)	(579)	-	(211)	(849)	(849)	(578)	(578)
Other current liabilities	(1,391)	(977)	(1)	(1)	(400)	(300)	(40)	(1)	(11)	(3)
Net assets	(168)	(140)	53	81	295	(18)	41	96	94	98
Shareholding percentage (%)	50	50	50	50	50	50	50	50	50	50
Share of net assets	(84)	(70)	27	41	148	(9)	21	48	47	49
Elimination entries	(87)	(36)	(177)	(178)	(33)	(78)	(246)	(187)	(191)	(168)
Currying amounts of Joint ventures based on equity method	(171)	(106)	(150)	(137)	115	(87)	(225)	(139)	(144)	(119)

Summarised information about comprehensive income:

(Unit: Million Baht)

	BTS Sanrisi Holding One Limited		BTS Sanrisi Holding Two Limited		BTS Sanrisi Holding Three Limited		BTS Sanrisi Holding Four Limited		BTS Sanrisi Holding Six Limited	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue	8	2	-	-	1,477	2	-	-	-	-
Finance cost	-	-	(34)	(24)	(4)	-	-	(4)	-	-
Income tax expenses	7	60	7	5	(78)	(30)	14	1	1	1
Profit (loss) for the year	(28)	(240)	(27)	(19)	313	(118)	(65)	(4)	(4)	(2)
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss)	(28)	(240)	(27)	(19)	313	(118)	(65)	(4)	(4)	(2)

12.4 Aggregate amount of share of comprehensive income (loss) from other joint ventures (exclude joint ventures named in 12.3).

(Unit: Thousand Baht)

	For the years ended 31 December	
	2016	2015
Losses for the years	(526,415)	(83,978)
Other comprehensive income (loss)	-	-
Total comprehensive income (loss)	(526,415)	(83,978)

13. Investment properties

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

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements		
	House for rent	Condominium units for rent	Community mall for rent	Total	House for rent	Community mall for rent	Total
As at 31 December 2016:							
Cost	54.26	17.05	266.91	338.22	17.76	266.91	284.67
Less: Accumulated depreciation	(0.77)	(0.69)	(11.22)	(12.68)	(0.26)	(11.22)	(11.48)
Less: Allowance for diminution in value	-	-	(11.46)	(11.46)	-	(11.46)	(11.46)
Net book value	53.49	16.36	244.23	314.08	17.50	244.23	261.73

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statments
	Condominium units for rent	Condominium units 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

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Net book value at beginning of year	87.79	96.81	18.42	23.85
Acquisition of assets	27.12	-	27.12	-
Transfer from building and equipment	239.79	-	239.79	-
Transfer from property development for sale	7.62	77.72	15.58	7.81
Disposals - net book value	(21.43)	(81.42)	(15.69)	(12.01)
Depreciation charged	(15.35)	(5.32)	(12.03)	(1.23)
Loss on diminution in value	(11.46)	-	(11.46)	-
Net book value at end of year	<u>314.08</u>	<u>87.79</u>	<u>261.73</u>	<u>18.42</u>

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

During the year 2016, the Company recorded allowance for diminution in value of investment properties of Baht 11 million (2015: Nil)

As at 31 December 2016, the subsidiary's investment properties which the net book value amounted Baht 25 million, were mortgaged to secure loan from bank (2015: Nil).

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Houses for rent	74.36	-	23.96	-
Condominium units for rent	25.30	140.53	-	32.23
Community mall for rent	<u>244.23</u>	<u>-</u>	<u>244.23</u>	<u>-</u>
Total	<u>343.89</u>	<u>140.53</u>	<u>268.19</u>	<u>32.23</u>

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 and community mall for rent has been determined based on income approach. The main assumptions used in the valuation are yield rate, long-term vacancy rate and long-term growth in rental rates. The fair value of condominium units for rent has been determined based on market price.

14. Land held for development

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Land held for development	7,094.06	4,032.58	4,761.83	1,901.86
Less: Allowance for diminution in value of project	<u>(52.49)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net	<u>7,041.57</u>	<u>4,032.58</u>	<u>4,761.83</u>	<u>1,901.86</u>

As at 31 December 2016 and 2015, land held for development of the Company and its subsidiaries amounting to Baht 3,442 million and Baht 2,834 million were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 1,614 million and Baht 1,205 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 2015	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	<u>6.52</u>	<u>4.78</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4.42)</u>	<u>6.88</u>
Balance as at 31 December 2015	403.14	1,966.40	1,046.03	30.10	7.13	214.95	3,667.75
Purchases	-	3.93	38.00	1.11	-	35.90	78.94
Disposals/Write off	-	-	(3.65)	-	(1.81)	-	(5.46)
Transfer to investment properties	-	-	-	-	-	(239.79)	(239.79)
Transfer to property development for sale	<u>(1.05)</u>	<u>(5.92)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6.97)</u>
Balance as at 31 December 2016	<u>402.09</u>	<u>1,964.41</u>	<u>1,080.38</u>	<u>31.21</u>	<u>5.32</u>	<u>11.06</u>	<u>3,494.47</u>

(Unit: Million Baht)

	Consolidated financial statements						
	Land	Buildings and improvement	Fixtures and eqitment	Motor vehicle	Temporary sales office	Construction in progress	Total
Accumulated depreciation							
Balance as at 1 January 2015	-	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
Depreciation for the year	-	87.40	99.61	4.95	0.90	-	192.86
Disposals/Write off	-	-	(3.47)	-	(1.81)	-	(5.28)
Transfer to property development for sale	-	(0.72)	-	-	-	-	(0.72)
Balance as at 31 December 2016	-	589.40	737.81	19.39	5.25	-	1,351.85
Allowance for impairment loss							
Balance as at 1 January 2015	1.57	57.12	-	-	-	-	58.69
Increase	4.27	-	-	-	-	-	4.27
Balance as at 31 December 2015 and 2016	5.84	57.12	-	-	-	-	62.96
Net book value							
Balance as at 31 December 2015	<u>397.30</u>	<u>1,406.56</u>	<u>404.36</u>	<u>15.66</u>	<u>0.97</u>	<u>214.95</u>	<u>2,439.80</u>
Balance as at 31 December 2016	<u>396.25</u>	<u>1,317.89</u>	<u>342.57</u>	<u>11.82</u>	<u>0.07</u>	<u>11.06</u>	<u>2,079.66</u>
Depreciation for the year							
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)							<u>217.23</u>
2016 (Baht 50.20 million included in cost of other services, Baht 42.92 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							<u>192.86</u>

(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 2015	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
Purchases	-	0.15	22.48	1.10	-	32.29	56.02
Disposals/Write off	-	-	(1.48)	-	-	-	(1.48)
Transfer to investment properties	-	-	-	-	-	(239.79)	(239.79)
Balance as at 31 December 2016	152.82	688.38	792.57	24.23	-	-	1,658.00
Accumulated depreciation							
Balance as at 1 January 2015	-	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
Depreciation for the year	-	34.70	75.54	4.54	-	-	114.78
Disposals/Write off	-	-	(1.36)	-	-	-	(1.36)
Balance as at 31 December 2016	-	206.61	502.35	12.43	-	-	721.39
Allowance for impairment loss							
Balance as at 1 January 2015, 31 December 2015 and 2016	1.42	-	-	-	-	-	1.42
Net book value							
Balance as at 31 December 2015	<u>151.40</u>	<u>516.32</u>	<u>343.40</u>	<u>15.24</u>	<u>-</u>	<u>207.50</u>	<u>1,233.86</u>
Balance as at 31 December 2016	<u>151.40</u>	<u>481.77</u>	<u>290.22</u>	<u>11.80</u>	<u>-</u>	<u>-</u>	<u>935.19</u>
Depreciation for the year							
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)							<u>125.08</u>
2016 (Baht 9.41 million included in cost of other services, Baht 42.92 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							<u>114.78</u>

As at 31 December 2016 and 2015, 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 533 million and Baht 547 million, respectively (Separate financial statements: Baht 279 million and Baht 251 million, respectively).

As at 31 December 2016 and 2015, the Company and its subsidiaries had vehicles and equipment under finance lease agreements with net book values amounting to Baht 11 million and Baht 15 million, respectively (Separate financial statements: Baht 11 million and Baht 15 million, respectively).

As at 31 December 2016 and 2015, the Company's and its subsidiaries' land and construction thereon which the net book value amounted Baht 1,014 million and Baht 1,047 million, respectively, were mortgaged to secure loans from banks (Separate financial statements: Baht 670 million and Baht 697 million, respectively).

16. Other intangible assets

The net book value of other intangible assets as at 31 December 2016 and 2015 is presented below.

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements	
	Franchise	Computer software	Total	Computer software	Total
As at 31 December 2016					
Cost	26.91	320.91	347.82	272.63	272.63
Less: Accumulated amortisation	(25.30)	(177.97)	(203.27)	(142.19)	(142.19)
Net book value	<u>1.61</u>	<u>142.94</u>	<u>144.55</u>	<u>130.44</u>	<u>130.44</u>
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	<u>2.89</u>	<u>117.21</u>	<u>120.10</u>	<u>105.21</u>	<u>105.21</u>

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Net book value at beginning of year	120.10	107.03	105.21	96.55
Acquisition of computer software	45.51	32.51	42.33	23.77
Amortisation	(21.06)	(19.44)	(17.10)	(15.11)
Net book value at end of year	<u>144.55</u>	<u>120.10</u>	<u>130.44</u>	<u>105.21</u>

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 2016 and 2015, 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 100 million and Baht 90 million, respectively (Separate financial statements: Baht 76 million and Baht 71 million, respectively).

17. Leasehold rights

(Unit: Million Baht)

Project	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Habito community mall	41.99	41.99	41.99	41.99
Baan Sansiri Condominium	609.98	609.98	-	-
Sun Square Silom	<u>192.76</u>	<u>192.76</u>	-	-
Total	844.73	844.73	41.99	41.99
Less: Accumulated amortisation	(562.48)	(533.71)	(7.10)	(5.00)
Leasehold rights - net	<u>282.25</u>	<u>311.02</u>	<u>34.89</u>	<u>36.99</u>
Amortisation expenses for the years	<u>28.77</u>	<u>28.77</u>	<u>2.10</u>	<u>2.11</u>

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	
	2016	2015
<u>Short-term loans from banks</u>		
Promissory notes	<u>4,316.00</u>	<u>1,966.00</u>
<u>Bills of exchange</u>		
Face value	4,500.00	4,500.00
Less: Prepaid interest expense	<u>(24.33)</u>	<u>(26.20)</u>
Net	<u>4,475.67</u>	<u>4,473.80</u>

As at 31 December 2016, short-term loans from banks carry interest at rates of 2.80 to 5.37 percent per annum. Short-term loan from bank amounted Baht 816 million is secured by land and constructions of projects of the Company (2015: 2.70 to 4.25 percent per annum). Bills of exchange carry interest at rates of 2.25 to 2.35 percent per annum (2015: 2.60 to 2.80 percent per annum).

19. Trade accounts payable

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables - related parties	-	-	9.82	11.10
Trade payables - unrelated parties	<u>1,349.36</u>	<u>1,371.14</u>	<u>1,165.51</u>	<u>849.50</u>
Total	<u>1,349.36</u>	<u>1,371.14</u>	<u>1,175.33</u>	<u>860.60</u>

20. Long-term loans

As at 31 December 2016 and 2015, long-term loans presented below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Loans from banks	9,513.03	12,962.99	6,985.15	8,347.71
Less: Current portion of long-term loans	<u>(2,986.36)</u>	<u>(4,285.29)</u>	<u>(2,014.82)</u>	<u>(2,294.38)</u>
Net	<u>6,526.67</u>	<u>8,677.70</u>	<u>4,970.33</u>	<u>6,053.33</u>

Movements in the long-term loans account during the years ended 31 December 2016 and 2015 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2015	19,054.87	9,670.14
Add: Additional borrowings	4,360.28	3,265.92
Less: Repayment	<u>(10,452.16)</u>	<u>(4,588.35)</u>
Balance as at 31 December 2015	12,962.99	8,347.71
Add: Additional borrowings	2,948.79	2,556.13
Less: Repayment	<u>(6,402.66)</u>	<u>(3,922.60)</u>
Add: Exchange difference	<u>3.91</u>	<u>3.91</u>
Balance as at 31 December 2016	<u>9,513.03</u>	<u>6,985.15</u>

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
	2016	2015	2016	2015	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
Sansiri Plc.	6,985	8,348	MLR - 2.625% to MLR - 1.25%	MLR - 2.68% to 4.80%	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 2023
Red Lotus Properties Ltd.	30	250	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.	660	1,263	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.	1,062	1,033	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 2022
Papanan Ltd.	-	67	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.	113	134	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

Company's name	Balance of long-term loans		Interest rate per agreement		Condition of payment
	2016	2015	2016	2015	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
NED Management Co., Ltd.	481	1,868	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
Sansiri Global Investment Pte. Ltd.	182	-	LIBOR + 3.5%	-	Payments of principal to be made in installment and full payment is to be made within 2021
Total	9,513	12,963			

As at 31 December 2016 and 2015, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 44,287 million and Baht 39,051 million, respectively (Separate financial statements: Baht 36,044 million and Baht 26,377 million, respectively).

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

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 land sellers. The notes mature in September 2017, August 2018 and October 2018 (2015: mature in September 2.17), are interest free, and are avaled by a bank.

22. 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	
				2016	2015
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	5 years	21 July 2016	-	1,000.00
Debentures # 2/2011	6.00% p.a. for 4th - 5th year	5 years	3 October 2016	-	1,000.00
	5.40% p.a. for 1st - 3rd year				
	6.00% p.a. for 4th - 5th year				
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 years	30 May 2018	1,000.00	1,000.00
	5.00% p.a. for 3rd - 4th year				
	5.30% p.a. for 5th year				
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	2,000.00
Debentures # 2/2015	3.90% p.a.	3 years 6 months	19 April 2019	1,000.00	1,000.00
Debentures # 1/2016	3.50% p.a.	3 years	21 July 2019	1,000.00	-
Debentures # 2/2016	3.25% p.a.	3 years	3 October 2019	1,000.00	-
Total debentures, at face value				14,000.00	14,000.00
Less: Unamortised portion of deferred transaction costs				(28.25)	(33.54)
Total debentures				13,971.75	13,966.46
Less: Debentures due within one year				(1,999.10)	(1,998.32)
Debentures - due over one year				11,972.65	11,968.14

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 (2015: 2.5:1) along with debentures' periods (debts mean interest bearing loans).

23. 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	
	2016	2015	2016	2015
Balance at the beginning of the year	114.92	80.24	79.26	53.22
Items were recognised in profit or loss:				
Current service cost	12.32	8.56	7.75	5.19
Interest cost	3.42	3.19	2.54	2.28
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	(0.88)	(5.29)	(0.56)	(3.21)
Transfer from subsidiary	-	-	2.37	-
Balance at the end of the year	129.78	114.92	91.36	79.26

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

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost of sales	4,374	3,490	367	304
Selling and administrative expenses	11,363	8,265	12,293	7,169
	15,737	11,755	12,660	7,473

The Company and its subsidiaries expect to pay Baht 1 million of long-term employee benefits during the next year (Separate financial statements: Baht 1 million) (2015: Baht 8 million, separate financial statements: Baht 2 million).

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefit is 20 years (Separate financial statements: 20 years) (2015: 20 years, separate financial statements: 20 years).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	3.2	3.2	3.2	3.2
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 2016 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(13.32)	15.83	(9.34)	11.04
Salary increase rate	15.30	(13.18)	10.68	(9.25)

24. Provisions

Provisions for the years ended 31 December 2016 and 2015 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 2015	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	3.15	121.98	125.13	3.15	52.16	55.31
Increase during the year	-	113.34	113.34	-	59.17	59.17
Paid during the year	(2.00)	(77.93)	(79.93)	(2.00)	(42.47)	(44.47)
Reverse	-	(46.99)	(46.99)	-	(9.69)	(9.69)
Balance as at 31 December 2016	1.15	110.40	111.55	1.15	59.17	60.32

Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Total	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Total
Balance as at 1 January 2015	161.55	1.66	163.21	99.47	0.78	100.25
Increase during the year	10.71	2.37	13.08	10.41	0.90	11.31
Paid during the year	(11.86)	-	(11.86)	(3.70)	-	(3.70)
Reverse	(14.94)	-	(14.94)	(4.37)	-	(4.37)
Balance as at 31 December 2015	145.46	4.03	149.49	101.81	1.68	103.49
Increase during the year	36.86	2.44	39.30	33.56	0.67	34.23
Paid during the year	(10.45)	(1.66)	(12.11)	(8.19)	-	(8.19)
Reverse	(5.81)	-	(5.81)	(0.75)	-	(0.75)
Balance as at 31 December 2016	166.06	4.81	170.87	126.43	2.35	128.78

25. 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.

Movements in the provision for guarantee to property fund during the years 2016 and 2015 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements
Balance as at 1 January 2015	51.49
Increase during the year	(19.80)
Paid during the year	(3.67)
Balance as at 31 December 2015	28.02
Paid during the year	(11.59)
Reverse	(10.87)
Balance as at 31 December 2016	5.56

26. Share capital

During the year 2015, the Company received payment for the exercise of ESOP # 6 allocated to directors and employees of the Company and its subsidiaries, and of SIRI-W1 (2016: Nil). 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 # 6					
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	17,211,106	22,408,858			
SIRI-W1					
20 January 2015	368,296,188	479,521,495	1.070	29 January 2015	3 February 2015
Total exercise in 2015	368,296,188	479,521,495			

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 2015	18,526,761,251	1.07	19,823,634,539
Decrease during the year ⁽¹⁾	(509,086,567)	1.07	(544,722,627)
Number of ordinary shares as at 31 December 2015	18,017,674,684	1.07	19,278,911,912
Decrease during the year ⁽²⁾	(25,954,326)	1.07	(27,771,129)
Number of ordinary shares as at 31 December 2016	<u>17,991,720,358</u>	<u>1.07</u>	<u>19,251,140,783</u>

	Number of shares	Par value	Paid up capital	Share premium
	(Shares)	(Baht)	(Baht)	(Baht)
Issued and paid-up ordinary shares				
Number of ordinary shares as at 1 January 2015	13,627,931,023	1.07	14,581,886,194	1,470,187,339
Increase due to exercise of warrants	657,570,247	1.07	703,600,165	-
Number of ordinary shares as at 31 December 2015 and 2016	14,285,501,270	1.07	15,285,486,359	1,470,187,339

⁽¹⁾ On 29 April 2015, the Annual General Meeting of the Company's shareholders for the year 2015 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.

⁽²⁾ On 26 April 2016, the Annual General Meeting of the Company's shareholders for the year 2016 approved the decrease of the registered capital of the Company from the existing registered capital of Baht 19,278,911,912 to be the registered capital of Baht 19,251,140,783 by canceling 25,954,326 registered but un-issued shares. The Company registered the change in the registered share capital with the Ministry of Commerce on 29 April 2016.

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 2016	Number of warrants issued and offered during the year	Number of warrants exercised during the year	Number of warrants outstanding as at 31 December 2016
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

During the current year, the Company recorded expenses of the ESOP # 7 amounting to Baht 20.68 million (2015: 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 2016 and 2015					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	3,380,431	3,505,921	14,285,501	14,252,590	0.24	0.25
Effect of dilutive potential ordinary shares						
ESOP # 6	-	-	-	11,249		
SIRI-W1	-	-	-	9,484		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares	<u>3,380,431</u>	<u>3,505,921</u>	<u>14,285,501</u>	<u>14,273,323</u>	0.24	0.25

	Separate financial statements					
	For the year ended 31 December 2016 and 2015					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the parent	2,277,235	2,631,718	14,285,501	14,252,590	0.16	0.18
Effect of dilutive potential ordinary shares						
ESOP # 6	-	-	-	11,249		
SIRI-W1	-	-	-	9,484		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares	<u>2,277,235</u>	<u>2,631,718</u>	<u>14,285,501</u>	<u>14,273,323</u>	0.16	0.18

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 2016 and 2015 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)

Revenues from other services	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Revenues from other service				
Revenues from hotel business	90.33	76.82	32.38	29.87
Revenues from education business	211.81	227.08	-	-
Total	<u>302.14</u>	<u>303.90</u>	<u>32.38</u>	<u>29.87</u>
Cost of other services				
Cost of hotel business	96.51	83.70	35.24	30.76
Cost of education business	246.31	264.76	-	-
Total	<u>342.82</u>	<u>348.46</u>	<u>35.24</u>	<u>30.76</u>

30. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Purchase of land and payments of construction costs	21,031.96	18,721.34	16,495.46	11,312.22
Changes in property development for sale	(57.44)	5,499.70	(5,133.86)	(1,265.35)
Salary and wages and other employee benefits	2,221.30	2,080.33	1,550.19	1,449.20
Depreciation of investments properties	15.35	5.32	12.04	1.23
Depreciation of land, buildings and equipment	192.86	217.23	114.77	125.08
Amortisation of intangible assets	21.06	19.54	17.10	15.10
Amortisation of leasehold rights	28.77	28.77	2.10	2.11
Provision for home care warrantee	55.48	132.85	49.48	57.18
Rental expenses from operating lease agreements	141.62	147.76	112.95	104.83
Bad debts and allowance for doubtful accounts	14.56	4.14	7.91	5.46

31. Income tax

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Current income tax:				
Current income tax charge	1,043,603	1,281,408	572,735	531,750
Deferred tax:				
Relating to origination and reversal of temporary differences	(99,316)	(39,410)	14,165	(2,800)
Income tax expense reported in the statement of comprehensive income	944,287	1,241,998	586,900	528,950

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax relating to actuarial loss arising from defined benefit plan of employees	-	5,643	-	4,356
	-	5,643	-	4,356

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2016 and 2015.

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Accounting profit before tax	4,324,489	4,747,557	2,864,135	3,160,668
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	872,556	957,521	572,827	632,134
Effects of:				
Tax exempted income and non-deductible expenses	45,239	178,253	14,073	(128,753)
Income under revenue code	19,230	105,958	-	25,569
Unused tax losses	7,262	266	-	-
Total	71,731	284,477	14,073	(103,184)
Income tax expenses reported in the statement of comprehensive income	944,287	1,241,998	586,900	528,950

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	
	2016	2015	2016	2015
Deferred tax assets				
Allowance for doubtful accounts	19,452	3,398	16,608	1,318
Property development for sale	686,174	607,483	145,206	181,906
Short-term provisions	22,312	25,027	12,066	11,063
Provision for guarantee to property fund	1,111	5,605	-	-
Provision for hotel maintenance	962	-	470	-
Provision for long-term employee benefits	24,635	21,747	18,272	15,852
Unused tax loss	8,817	-	-	-
Allowance for diminution in value of investment properties	2,292	-	2,292	-
Total	765,755	663,260	194,914	210,139
Deferred tax liabilities				
Unamortised portion of deferred transaction costs	5,650	6,709	5,650	6,709
Land rental received in advance	4,238	-	-	-
Total	9,888	6,709	5,650	6,709
Deferred tax assets - net	755,867	656,551	189,264	203,430

As at 31 December 2016, the Company has unused tax losses totaling Baht 36 million (2015: Baht 10.8 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 44 million will expire by 2021.

32. Provident fund

The Company, subsidiaries and their 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 2016 and 2015 amounting to approximately Baht 101 million and Baht 89 million, respectively (Separate financial statements: Baht 70 million and Baht 60 million, respectively).

33. Dividend paid

(Unit: Baht)

Dividends	Approved by	Total dividend	Dividend per share	Date of dividends payment
Interim dividend from earnings for the six-month period ended 30 June 2016	The Board of Director's meeting on 11 August 2016	571,420,051 ⁽¹⁾	0.04	9 September 2016
Final dividend from 2015 earnings	The Annual General Meeting of the Shareholders on 26 April 2016	1,714,260,152 ⁽²⁾	0.12	19 May 2016
Final dividend from 2014 earnings	The Annual General Meeting of the Shareholders on 29 April 2015	1,712,745,830 ⁽³⁾	0.12	19 May 2015

⁽¹⁾ Actual dividend paid amounted to Baht 571,418,579 because some shareholders were not entitled to receive dividend.
⁽²⁾ Actual dividend paid amounted to Baht 1,714,251,081 because some shareholders were not entitled to receive dividend.
⁽³⁾ Actual dividend paid amounted to Baht 1,712,723,466 because some shareholders were not entitled to receive dividend.

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2016 and 2015, the Company and its subsidiaries have the following capital commitments:

- a) The Company and its subsidiaries have commitments of Baht 13,877 million and Baht 8,193 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development agreements (Separate financial statements: Baht 11,685 million and Baht 4,825 million, respectively).
- b) The Company and its subsidiaries have commitments of Baht 5,555 million and Baht 8,210 million, respectively, under land and condominium units purchase agreements (Separate financial statements: Baht 5,464 million and Baht 5,973 million, respectively).

34.2 Operating lease and service commitments

- a) 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 2016 and 2015, future minimum lease payments required under non-cancellable operating leases contracts are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Payable:				
In up to 1 year	96	103	92	88
In over 1 and up to 5 years	144	212	137	204
Total	240	315	229	292

- b) As at 31 December 2016 and 2015, the Company and its subsidiaries have commitments of Baht 78 million and Baht 44 million, respectively in relation to advertising and public relations for the projects (Separate financial statements: Baht 55 million and Baht 26 million, respectively).
- c) As at 31 December 2016 and 2015, the Company and its subsidiaries have servitude over land of approximately 38 rai and 32 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 2016 and 2015, there were the outstanding bank guarantees for Baht 2,469 million and Baht 2,137 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 1,918 million and Baht 1,545 million, respectively).

34.4 Litigations

As at 31 December 2016 and 2015, 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 107 million and Baht 90 million, respectively (Separate financial statements: Baht 33 million and Baht 38 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 24).

34.5 Cross Currency and Interest Rate Swap agreement

The details of the cross Currency and Interest Rate Swap agreement outstanding as at 31 December 2016 are as follows:

	Currency and Interest Revenue Rate Swap agreement		Currency and Interest Expense Rate Swap agreement		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 623 million	Fixed rate at 4.80% per annum	GBP 14.10 million	Floating rate 3-month LIBOR plus 3.45%	December 2019

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, project management and real estate brokerage business segment consists of the provision of building management service, property project management 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 2016 and 2015, respectively.

(Unit: Million Baht)

Year ended 31 December 2016	Real estate	Building management, project management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	30,236	3,273	302	33,811	-	33,811
Inter-segment revenue	37	2,157	43	2,237	(2,237)	-
Interest revenue	581	2	7	590	(485)	105
Interest expense	(807)	-	(54)	(861)	246	(615)
Depreciation and amortisation	(91)	(9)	(1)	(101)	-	(101)
Loss on diminution in value of property development for sale and land held for development	(45)	-	-	(45)	-	(45)
Loss on diminution in value of investment properties	(11)	-	-	(11)	-	(11)

(Unit: Million Baht)

Year ended 31 December 2016	Real estate	Building management, project management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
Segment profit (loss)	6,686	2,995	(46)	9,635	(2,476)	7,159
Other income						480
Common expense						(3,237)
Share of losses from investments in joint ventures						(78)
Income tax expense						(944)
Profit for the year						3,380

(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 amortisation	(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						3,505

Geographic information

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

(Unit: Million Baht)

	2016	2015
Revenue from external customers		
Thailand	33,811	36,819
Others	-	136
Total	33,811	36,955
Non-current assets (other than financial instruments, deferred tax assets)		
Thailand	9,862	6,991

Major customers

For the year 2016 and 2015, 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 2016 and 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			
	31 December 2016			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	344	344
Liabilities for which fair value are disclosed				
Unsecured debentures	-	14,198	-	14,198

(Unit: Million Baht)

	Consolidated Financial Statements			
	31 December 2015			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	141	141
Liabilities for which fair value are disclosed				
Unsecured debentures	-	14,389	-	14,389

(Unit: Million Baht)

	Separate Financial Statements			
	31 December 2016			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	268	268
Liabilities for which fair value are disclosed				
Unsecured debentures	-	14,198	-	14,198

(Unit: Million Baht)

	Separate Financial Statements			
	31 December 2015			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	32	32
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' 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 are 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 2016							
	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)	-	-	-	-	3,402	132	3,534	0.13 - 1.50
- Trade accounts receivable	-	-	-	-	-	171	171	-
- Short-term note receivable - sale of land	-	-	-	-	-	360	360	Note 9
- Loans to related parties	-	-	-	4,464	-	-	4,464	3.50 - 3.85
	-	-	-	4,464	3,402	663	8,529	

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2016							
	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 liabilities								
- Short-term loans from banks	4,316	-	-	-	-	-	4,316	2.00 - 4.25
- Bills of exchange	4,476	-	-	-	-	-	4,476	2.25 - 3.00
- Trade accounts payable	-	-	-	-	-	1,349	1,349	-
- Long-term loans	-	-	-	-	9,513	-	9,513	Note 20
- Long-term promissory note - purchase of land	-	-	-	-	-	3,514	3,514	Note 21
- Unsecured debentures	1,999	11,973	-	-	-	-	13,972	Note 22
	10,791	11,973	-	-	9,513	4,863	37,140	

(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 receivable	-	-	-	-	-	81	81	-
- Loans to related parties	-	-	-	1,599	-	-	1,599	3.25 - 3.50
	-	-	-	1,599	2,512	235	4,346	
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	-	-	-	-	-	1,371	1,371	-
- Long-term loans	-	-	-	-	-	315	315	Note 20
- Long-term promissory note - purchase of land	-	-	-	-	12,963	-	12,963	Note 21
- Unsecured debentures	1,998	11,968	-	-	-	-	13,966	Note 22
	8,438	11,968	-	-	12,963	1,686	35,055	

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2016							
	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)	-	-	-	-	1,989	-	1,989	0.13 - 1.50
- Trade accounts receivable	-	-	-	-	-	100	100	-
- Loans to related parties	-	-	-	15,745	-	-	15,745	3.50 - 3.85
	-	-	-	15,745	1,989	100	17,834	
Financial liabilities								
- Short-term loans from banks	4,316	-	-	-	-	-	4,316	2.00 - 4.25
- Bills of exchange	4,476	-	-	-	-	-	4,476	2.25 - 3.00
- Trade accounts payable	-	-	-	-	-	1,175	1,175	-
- Loans from related parties	-	-	-	474	-	-	474	3.50 - 3.85
- Long-term loans	-	-	-	-	6,985	-	6,985	Note 20
- Long-term promissory note - purchase of land	-	-	-	-	-	3,514	3,514	Note 21
- Unsecured debentures	1,999	11,973	-	-	-	-	13,972	Note 22
	10,791	11,973	-	474	6,985	4,689	34,912	

(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	-
- Loans to related parties	-	-	-	16,700	-	-	16,700	3.25 - 3.50
	-	-	-	16,700	1,470	31	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	-
- Loans from related parties	-	-	-	172	-	-	172	3.25
- Long-term loans	-	-	-	-	8,348	-	8,348	Note 20
- Long-term promissory note- purchase of land	-	-	-	-	-	315	315	Note 21
- Unsecured debentures	1,998	11,968	-	-	-	-	13,966	Note 22
	8,438	11,968	-	172	8,348	1,176	30,102	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arise mainly from purchasing of goods and services 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:

- a) 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.
- b) 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.
- c) 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	
	2016	2015	2016	2015
Financial liabilities				
Unsecured debentures	13,972	13,966	14,198	14,389

38. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

The Company manages its capital position with reference to its debt-to-equity ratio in order to comply with a condition in loan agreements and a covenant of debentures, which requires the Company to maintain a debt-to-equity ratio of not more than 2.5:1 (2015: 2.5:1). Debt means to interest bearing debts.

No changes were made in the objectives, policies or processes during the years end 31 December 2016 and 2015.

39. Events after the reporting period

- 39.1 On 15 February 2017, the Company's Board of Directors meeting No. 2/2017 passed a resolution to approve the setting up of a new subsidiary named Jirapas Realty Co., Ltd, with the registered capital of Baht 10 million. The Company holds 100% of issued and paid-up share capital. The new company has engaged in property development and registered its incorporation on 22 February 2017.
- 39.2 On 22 February 2017, BTS Sansiri Holding Twenty Two Limited registered its incorporation. This company is an additional joint venture company in a proportion of 50:50, between the Company and BTS Group Holdings Public Company Limited for the residential projects for sale under the Strategic Alliance Framework Agreement as approved by the Company's Board of Directors meeting No. 7/2016 on 11 August 2016.

39.3 On 27 February 2017, the Company's Board of Directors meeting No. 3/2017 approved the following resolutions:

- (a) To propose to Annual General Meeting of the Company's shareholders for approval of dividend payment from the operating results from 1 January 2016 to 31 December 2016. The dividend will be paid by cash at the rate of Baht 0.12 per share. As the Company's Board of Directors Meeting held on 11 August 2016 has the resolution to approve interim dividend payment to the shareholders as cash dividend of Baht 0.04 per share. The interim dividend was paid on 9 September 2016. The Company will pay a final dividend of Baht 0.08 per share within May 2017. The payment of the final dividend is dependent on approval being granted by the shareholders.
- (b) To approve the issuance and offering of not more than Baht 10,000 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 2017 Annual General Meeting of the Company's shareholders.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2017.

