

รายงานประจำปี 2559

ANNUAL REPORT 2016

บริษัท เอ็น.ซี. โฮousing จำกัด (มหาชน)

N.C. HOUSING PUBLIC COMPANY LIMITED

 NC GROUP
HOME EXPERT LIVING CARE





In Remembrance of His Majesty the Late
King Bhumibol Adulyadej

With Eternal Respect and Gratitude

The Board of Directors, Management and staff of
N.C. HOUSING PUBLIC COMPANY LIMITED



VISION

“To be a leading real estate developer with products and services of international standards by way of modern technology and management to expand the business both domestically and internationally”

MISSION

- To develop a strong and encompassing investment and business expansion strategy
- To continually develop quality products and services
- Maximize customer satisfaction and maximize stakeholders' benefit.
- Continually develop staff capability and team work
- Emphasize good corporate governance
- Strengthen network and business relationships

COMPANY'S VALUE

- Diligence, Dedication
- Honesty, Intent
- Self development
- Team working

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UNIVERSAL DESIGN

Selection of premium innovations for inhabitants
of all genders and ages with home design
for accommodating an aging society
and the environment.



SMART
INNOVATION

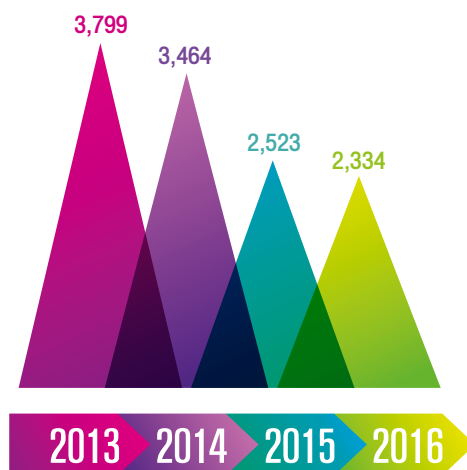


FINANCIAL HIGHLIGHTS

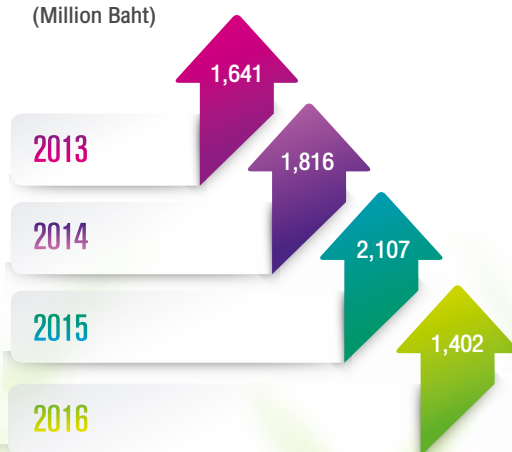


Consolidated Financial Statements	2016	2015	2014
Financial Performance (THB Million)			
Revenue from sales and services	1,422	2,121	1,820
Total Revenues	1,436	2,137	1,844
Cost of sales and services	966	1,429	1,205
Total Expenses	1,410	1,977	1,700
Gross profit	456	692	615
Net Profit (loss)	20	125	114
Financial Status (THB Million)			
Assets	5,097	5,014	5,213
Liabilities	2,632	2,563	2,843
Shareholders' equity	2,465	2,452	2,370
Paid-up share capital	1,245	1,186	1,186
Per Share (THB)			
Earnings (THB)	0.017	0.100	0.096
Book value (THB)	1.98	2.07	2.00
Dividend	-* 0.05555555555518081		0.037
Financial Ratio			
Gross Profit margin (%)	32.06	32.63	33.79
Net profit margin (%)	1.42	5.85	6.18
Return on equities (%)	0.83	5.10	4.81
Return on assets (%)	0.40	2.49	2.19
Liquidity ratio (Times)	2.49	2.44	3.18
Debt to equity ratio (Times)	1.07	1.05	1.20

Total Presale
(Million Baht)



Transferred
(Million Baht)



*Remark : In 2016, the company abstaining dividend payment. However abstaining dividend payment is still under uncertainty as it has to be approved by the 2017 Annual General Meeting of Shareholders.



MESSAGE FROM THE CHAIRMAN



S. Chatwalwong

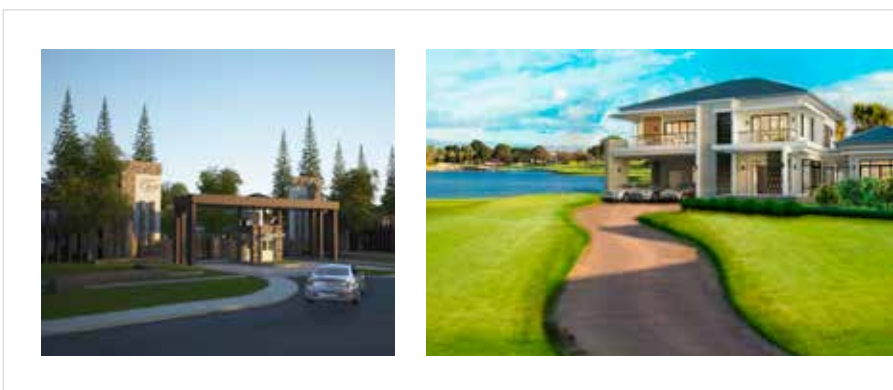
MR. SUDHAM CHATWALWONG
CHAIRMAN

In 2016, the overall real estate has stagnated, particularly in the middle to low market, because purchasing power has remained weak. Additionally, many factors have persisted all around, ranging from increasing household debt, low agricultural product prices, the strictness of financial institutions in the approval of home loans to unstable political situation. Moreover, due to the global economy that has not resumed. Due to these factors, real estate market thus encountered the stagnation.

In terms of 2016 operating results, the Company earned 1,402 million baht in revenue from sales, which is a 33% decrease from 2015. Total revenue was 1,436 million baht, which is a 33% decrease from 2015. Net profit was 20 million baht, representing an 84% decrease from 2015. Nevertheless, the Company has shifted our operating strategy to correspond to changes of marketing conditions through the expansion of each market segment. Development of projects in Bangkok and the vicinity will be emphasized, following by major cities considered as economic towns. Through the years, the Company genuinely understands and realizes customers' need. We have paid high attention to details of our products and services to ensure the best things for customers. Our rich experiences have enabled us to become a professional in housing and a creator of happy homes that have vested in us trustworthiness and renowned expertise. Currently, the Company has more than 50 residential projects which are closing and progressing. In 2016, the Company launched the newest project namely the "NC On Green Charm", a luxurious residence by the golf course featuring a village of 109 detached houses with the total project value of 1,017 million baht. Created with the "Living Charm, Living Green Passion", the project boasts the charm of unique dwelling for the highest layer of living. This

exclusive village spreads across a 32-rai plot of land in Latsawai Sub-district, Lamlukka District, Pathum Thani Province.

In 2017, it is foreseen that the real estate market will resume its growth according to the economic trend that tends to improve from government investment in large-scale infrastructure projects and private expenditure, which will become key forces of cash flow, respectively resulting in the improvement of liquidity in the economic system and household consumption. At any rate, several risk factors affecting the growth exist, including the policy rate that is expected to rise and high household debt which is considered a major factor that hinders residential purchase demand.



The company is committed to a good corporate governance management principle, realizing the importance of operating its business for sustainable growth to increase its value and provide maximum returns to all stakeholders, including shareholders, clients, business partners, employees, as well as communities, the society and environment, to be in line with NC Group's Brand Vision that says "A Happy Living Community".

On behalf of the Board of Directors, I thank all of you for being part of NC Group's success.



BOARD OF DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS



1. Mr. Sudham Chatwalwong
Chairman



2. Mr. Piboon Limpraphat, Ph.D.
Director / Independent Director /
Chairman of the Audit Committee /
Chairman of the Nomination Committee /
Chairman of the Remuneration Committee



3. Mr. Kobsak Pongponrat
Director / Independent Director /
Member of the Audit Committee /
Member of the Nomination Committee



4. Mr. Vichit Vichaisarn
Director / Independent Director /
Member of the Audit Committee /
Member of the Remuneration Committee



5. Mr. Somchao Tanthathoedtham
Director /
Member of the Remuneration Committee /
Chairman of the Board of Executive Directors

6. Mr. Wichian Silapacharanan
Director / Executive Director

7. Mr. Rungsarn Nuntakawong
Director / Executive Director

8. Mr. Somnuek Tanthathoedtham
Director /
Member of the Nomination Committee /
Executive Director



SENIOR MANAGEMENT



1. Mr. Somchao Tanthathoedtham
Chief Executive Officer
(Authorized Director)

2. Mr. Wichian Silapacharanan
Senior Executive Vice President
(Administration)
(Authorized Director)

3. Mr. Rungsarn Nuntakawong
Senior Executive Vice President (Operation 1)
(Authorized Director)

4. Mr. Somnuek Tanthathoedtham
Senior Executive Vice President (Operation 2)
(Authorized Director)



5. Mr. Warapong Nilsiri
Executive Vice President (Operation 3)

6. Mr. Boonchai Rojpanich
Senior Vice President

7. Mrs. Nampetch Tantawiriya
Senior Vice President, Human Resource Department

8. Ms. Sumanee Boonsarana
Senior Vice President, Accounting Department

9. Ms. Nopparat Wichaiyutphong
Senior Vice President, Marketing Department



10. Mrs. Ajchara Kingsai
Senior Vice President, Sales Department



11. Mr. Sanit Leejunthuek
Senior Vice President, Construction Department



12. Ms. Kamonwan Sawadchai
Vice President, Accounting Department



13. Mr. Walatchanat Rujidasirisakul
Vice President, Financial Department

14. Ms. Sureeporn Sangthongpradit
Vice President, Accounting Department

MANAGEMENT'S INFORMATION



Mr. Sudham Chatwalwong Chairman

Age 72

% of Shareholding* -

Relations -



Education / Training Background

- Master of Engineering (Hydraulic Engineering), Asian Institute of Technology (AIT)
- Bachelor of Engineering (Hydraulic Engineering) Chulalongkorn University
- Diploma, National Defense College, No. 399

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Director Certification Program (DCP 53/2005)

Experience for the past 5 years

Period	Position	Company	Business
2007 - Present	Chairman	N.C. Housing Plc.	Property Development
2007 - 2011	Chairman and Independent Director	N.C. Housing Plc.	Property Development
2003 - 2007	Director / Independent Director and Member of the Audit Committee	N.C. Housing Plc.	Property Development
2002 - 2004	Governor	Metropolitan Waterworks Authority	State Enterprise

Mr. Piboon Limpraphat, Ph.D.
Director, Independent Director,
Chairman of the Audit Committee,
Chairman of the Nomination Committee and
Chairman of the Remuneration Committee

Age 77

% of Shareholding* -

Relations -



Education / Training Background

- Ph.D. University of Illinois
- M.A. (ECON), University of Philippines
- Bachelor of Economics, Thammasat University

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Audit Committee Program (ACP 1/2004)
- Board & CEO Assessment No. 2/2003
- Director Certification Program (DCP 19/2002)
- The Role of the Chairman Program (RCP 3/2001)

Experience for the past 5 years

Period	Position	Company	Business
2007 - Present	Director / Independent Director / Chairman of the Audit Committee / Chairman of the Nomination Committee and Chairman of the Remuneration Committee	N.C. Housing Plc.	Property Development
2007 - Present	Chairman	Chu kai Plc.	Sell, repair service for cranes and provide rental service
2004 - Present	Independent Director / Chairman of the Audit Committee / Chairman of the Remuneration Committee and Chairman of the Nomination Committee	Ladprao General Hospital Plc.	Medical

Mr. Kobsak Pongponrat

Director, Independent Director,
Member of the Audit Committee and
Member of the Nomination Committee

Age 68

% of Shareholding* -

Relations -



Education / Training Background

- Master of Public Administration, Roosevelt University, Chicago, ILL, USA
- Barrister at Law, Thai-Bar Association of Thailand
- L.L.B. Thammasart University
- Diploma, National Defense College, 1996
- Financial Institute for Executive Senior Thai Band Association, No. 4/1993

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Director Certification Program (DCP 53/2005)
- Director Accreditation Program (DAP 7/2004)

Experience for the past 5 years

Period	Position	Company	Business
2007 - Present	Director / Independent Director / Member of the Audit Committee and Member of the Nomination Committee	N.C. Housing Plc.	Property Development
2003 - 2008	Senior Executive Vice President	Small and Medium Enter- prise Development Bank of Thailand	Banking
2003 - 2007	Director / Independent Director and Member of the Audit Committee	N.C. Housing Plc.	Property Development

Mr. Vichit Vichaisarn

**Director, Independent Director,
Member of the Audit Committee
and Member of the Remuneration Committee**

Age 71

% of Shareholding* -

Relations -

**Education / Training Background**

- The Executive Master of Business Administration (EMBA), Asian Institute of Technology (AIT)
- Master of Arts (Government), Chulalongkorn University
- Bachelor of Arts (Political Science), Chulalongkorn University
- The Senior Executive Development Program, Australia
- Diploma, National Defense College, No. 42
- Colombo Plan Scholarship, Urban Planning and Management Program

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Director Certification Program (DCP 96/2007)
- Finance for Non-finance Director (FND 38/2007)
- Understanding the Financial Statement (UFS 12/2007)
- Audit Committee Program (ACP 20/2007)
- Monitoring the Quality of Financial Reporting (MRF 2/2008)
- IT Governance : A Strategic Part Forward

Experience for the past 5 years

Period	Position	Company	Business
2007 - Present	Director / Independent Director / Member of the Audit Committee and Member of the Remuneration Committee	N.C. Housing Plc.	Property Development
2016 - Present	Dean of the Faculty of Management	Eastern Asia University	Educational Institution
2011 - 2016	Dean of the Faculty of Public Administration	Eastern Asia University	Educational Institution
2006 - 2008	Director	Metropolitan Electricity Authority	State Enterprise
2004 - 2006	Governor of Suratthani Province	Office of the Permanent Secretary for Interior	Government Service
2003 - 2004	Governor of Pathumthani Province	Office of the Permanent Secretary for Interior	Government Service
2001 - 2003	Governor of Satun Province	Office of the Permanent Secretary for Interior	Government Service

Mr. Somchao Tanthathoedtham

**Director, Member of the Remuneration Committee,
Chairman of the Board of Executive Directors, and
Chief Executive Officer (Authorized Director)**

Age 63

% of Shareholding* 1.88

Relations The brother of Mr. Somnuek Tanthathoedtham



Education / Training Background

- Graduate Diploma in Management of Public Economy for Executive Course (No.7), King Prajadhipok's Institute
- Graduate Diploma in Public Law and Management (No.6), King Prajadhipok's Institute
- Master of Business Administration, (Business Law), Ramkhamhaeng University
- Master of Business Administration, Thammasart University
- Bachelor of Medicine, Chulalongkorn University
- Diploma, National Defense College, No. 399

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Director Certification Program (DCP 128/2010)
- Director Accreditation Program (DAP 8/2004)
- CEO Performance Evaluation, 2004

Experience for the past 5 years

Period	Position	Company	Business
2010 - Present	Vice Chairman	Thai Appraisal Foundation	Scholarly Organizations
2007 - Present	Director / Member of the Remuneration Committee / Chairman of the Board of Executive Directors and Chief Executive Officer	N.C. Housing Plc.	Property Development
2007 - Present	Director	Ladprao General Hospital Plc.	Medical
1998 - Present	Director	N.C. Property Management Co., Ltd.	Project Management
1998 - Present	Director	Quality Living Management Co., Ltd.	Community Management to housing residential and Condominium
2005 - 2008	President	Thailand Real Estate Association	Association
2003 - 2007	Director / Executive Director and Managing Director	N.C. Housing Co., Ltd.	Property Development

Mr. Wichian Silapacharanan
Director, Executive Director and
Senior Executive Vice President
(Administration) (Authorized Director)

Age 56

% of Shareholding* 0.04

Relations -



Education / Training Background

- Master of Business Administration (Finance), Chulalongkorn University
- Bachelor of Science (Statistics), Chulalongkorn University
- Real Estate Management, Chulalongkorn University
- Organization Risk Management No. 4/2005, Listed Companies Association
- Graduate Diploma in Management of Public Economy for Executive Course, Advanced Certificate Course, King Prajadhipok's Institute (No.11/2012-2013)

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Director Certification Program (DCP 81/2006)
- Director Accreditation Program (DAP 8/2004)
- Board Performance Evaluation 2004

Experience for the past 5 years

Period	Position	Company	Business
2011 - Present	Director / Executive Director and Senior Executive Vice President (Administration)	N.C. Housing Plc.	Property Development
2007 - 2011	Director / Member of the Nomination Committee / Executive Director and Senior Executive Vice President (Administration)	N.C. Housing Plc.	Property Development
2003 - 2007	Director / Executive Director and Senior Executive Vice President (Administration)	N.C. Housing Plc.	Property Development
1994 - 2003	Deputy Managing Director (Administration)	N.C. Housing Co., Ltd.	Property Development

Mr. Rungsarn Nuntakawong

Director, Executive Director,
and Senior Executive Vice President (Operation 1)
(Authorized Director)

Age 55

% of Shareholding* -

Relations -



Education / Training Background

- Master of Regional Planning, Chulalongkorn University
- Bachelor of Arts (Political Science), Public Administration, Ramkhamhaeng University

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Director Certification Program (DCP 116/2009)
- Raising the Awareness of Corporate Fraud in Thailand, 2005
- Director Accreditation Program (DAP 8/2004)

Experience for the past 5 years

Period	Position	Company	Business
2003 - Present	Director / Executive Director / and Senior Executive Vice President (Operation 1)	N.C. Housing Plc.	Property Development
1998 - Present	Managing Director	N.C. Property Management Co., Ltd.	Project Management
1998 - Present	Director and Managing Director	Quality Living Management Co., Ltd.	Community Management to housing residential and condominium
2008 - 2011	President of property Management Association of Thailand	Property Management Association of Thailand (PMA)	Association
1994 - 2003	Deputy Managing Director (Operation 1)	N.C. Housing Co., Ltd.	Property Development

Mr. Somnuek Tanthathoedtham

**Director, Member of the Nomination Committee,
Executive Director and Senior Executive
Vice President (Operation 2)
(Authorized Director)**

Age 48

% of Shareholding* 2.38

Relations The brother of Mr. Somchao Tanthathoedtham

**Education / Training Background**

- Master of Management (SASIN), Chulalongkorn University, 2005
- Bachelor of Engineering (Systems), University of Pennsylvania, Philadelphia, 1992
- Bachelor of Science (Wharton School), Finance and Management, University of Pennsylvania, Philadelphia, 1992
- Professional Development Program for Corporate Manager : Condominium / Project Village (1/2010)
- Regional Planning for Executive (1/2008)
- Real Estate Management, Chulalongkorn University, 1993
- Thailand and ASEAN Economics Community (AEC) Class 4 of King Prajadhipok's Institute 2014
- Thammasat Leadership Program (TLP) Class 5 of Thammasat University 2014
- RE-CU Hotel Investment and Marketing Class 5 of Chulalongkorn University 2014
- RE-CU CEO Premium in Modern Real-Estate Business Class 5 Chulalongkorn University 2016

Attendance of Thai Institute of Directors Association (IOD) Seminar

- Director Certification Program (DCP 90/2007)
- Director Accreditation Program (DAP 8/2004)

Experience for the past 5 years

Period	Position	Company	Business
2011 - Present	Director / Member of the Nomination Committee / Executive Director and Senior Executive Vice President (Operation 2)	N.C. Housing Plc.	Property Development
2003 - Present	Director / Executive Director and Senior Executive Vice President (Operation 2)	N.C. Housing Plc.	Property Development
1998 - Present	Director	N.C. Property Management Co., Ltd.	Project Management
1994 - 2003	Deputy Managing Director (Operation 2)	N.C. Housing Co., Ltd.	Property Development

Mr. Warapong Nilsiri

Executive Vice President

(Operation 3)

Age 55

% of Shareholding* -

Relations -



Education / Training Background

- Master of Regional Planning, Chulalongkorn University
- B.S. (Geography), Chiangmai University
- Mini MBA, Business Administration, Kasetsart University
- Mini Master of Retail Management, National Institute of Development Administration

Experience for the past 5 years

Period	Position	Company	Business
2012 - Present	Executive Vice President (Operation 3)	N.C. Housing Plc.	Property Development
2008 - 2012	Executive Vice President (Operation 1)	N.C. Housing Plc.	Property Development
2007 - 2008	Senior Manager	N.C. Housing Plc.	Property Development

Mr. Boonchai Rojpanich
Senior Vice President

Age 48

% of Shareholding* -

Relations -



Education / Training Background

- Master of Business Administration, Marketing, Thammasart University
- Bachelor of Civil Engineering, Chulalongkorn University

Experience for the past 5 years

Period	Position	Company	Business
2011 - Present	Senior Vice President	N.C. Housing Plc.	Property Development
2005 - 2011	Senior Project Manager	N.C. Housing Plc.	Property Development
1996 - 2005	Project Manager	N.C. Housing Plc.	Property Development

Mrs. Nampetch Tantawiriya

Senior Vice President, Human Resource Department

Age 51

% of Shareholding* -

Relations -



Education / Training Background

- Master of Public Management, Chulalongkorn University
- Bachelor of Arts, Political Science, Chulalongkorn University
- Performance Management System
- Situation Leadership
- Culture Development
- Potential development project for judicial servants Court of Justice ; Outstanding Management, Youth and Family
- Strategic Personnel Development Planning
- Superior Development of Strategic Thinking Processes
- Sustainable Management to Propel the Organization into the Future
- Leadership and Strategy-Driven Organizations to Success
- Requirement and Interpretation to ISO 9001 : 2015
- Developing Effective Strategic Plan for Sustainable

Experience for the past 5 years

Period	Position	Company	Business
2011 - Present	Senior Manager, Human Resource Department	N.C. Housing Plc.	Property Development
2012 - 2015	Associate Judge	Juvenile and Family Court, Pathumthani Province	Court of justice
2013 - 2015	Company Secretary	N.C. Housing Plc.	Property Development

Ms. Sumanee Boonsarana
Senior Vice President, Accounting Department

Age 53

% of Shareholding* -

Relations -



Education / Training Background

- Bachelor of Business Administration, Accounting, Valaya Alongkorn Rajabhat University
- Bachelor of Business Administration, Sukhothai Thammathirat

Experience for the past 5 years

Period	Position	Company	Business
2011 - Present	Senior Vice President, Accounting Department	N.C. Housing Plc.	Property Development
2010 - 2011	Senior Manager, Accounting Department	N.C. Housing Plc.	Property Development
2003 - 2009	Manager, Accounting Department	N.C. Housing Plc.	Property Development
2001 - 2003	Assistant Manager, Accounting Department	N.C. Housing Co., Ltd.	Property Development

Ms. Nopparat Wichaiyutpong
Senior Vice President, Marketing Department

Age 45

% of Shareholding* 0.001

Relations -



Education / Training Background

- Master of Science Major in Real Estate Business Faculty of commerce and Accountancy, Thammasat University
- Bachelor of Arts Major Business Economics, Faculty of Economics, The University of The Thai Chamber of commerce
- Training in Super Brand Manager class 14, Marketing Association of Thailand
- Training in Project Management
- Training in Employee Engagement and Team Building
- Good Personality is the key success for servicing
- Training in Empower Boss, the Delegate Leadership
- Training in how to Achieve Target in Selling
- Training in power selling for real estate management, generation 1 Chulalongkorn University
- Efficient Sales Motivation Training Program, Marketing Association of Thailand
- Kasetsart Mini Financial Business Management (4/2013)
- Strategic Thinking
- Sustainable Management To Propel the Organization into the Future
- The Development of Corporate Strategy
- Development of the new leaders in order to drive organizational to success (executive level).

Experience for the past 5 years

Period	Position	Company	Business
2011 - Present	Senior vice President Marketing Department	N.C. Housing Plc.	Property Development
2011 - 2011	Senior Manager Marketing Department	N.C. Housing Plc.	Property Development
2010 - 2011	Manager Marketing Department / Manager Project	N.C. Housing Plc.	Property Development
2002 - 2010	Assistant Manager Marketing Department / Manager Marketing Department	N.C. Housing Plc.	Property Development

Mrs. Ajchara Kingsai

Senior Vice President, Sales Department

Age 54

% of Shareholding* 0.0002

Relations -



Education / Training Background

- Siam Commercial School, Marketing
- Professional Sale of Real Estate No.21

Experience for the past 5 years

Period	Position	Company	Business
2011 - Present	Senior Vice President, Sale Department	N.C. Housing Plc.	Property Development
1994 - 2011	Manager, Sale Department	N.C. Housing Plc.	Property Development

Mr. Sanit Leejunthuek

Senior Vice President, Construction Department

Age 46

% of Shareholding* -

Relations -



Education / Training Background

- Master of Business Administration, (Management), Ramkhamhaeng University
- Bachelor of Civil Engineering, Mahanakorn University of Technology

Experience for the past 5 years

Period	Position	Company	Business
2015 - Present	Senior Vice President, Construction Department	N.C. Housing Plc.	Property Development
2010 - 2014	Vice President, Construction Department	N.C. Housing Plc.	Property Development

Ms. Kamonwan Sawadchai
Vice President, Accounting Department,
Secretary of Audit Committee

Age 53

% of Shareholding* -

Relations -



Education / Training Background

- Bachelor of Accounting, Valaya Alongkorn Rajabhat University
- Bachelor of Management, Sukhothai Thammathirat Open University

Experience for the past 5 years

Period	Position	Company	Business
2010 - Present	Vice President, Accounting Department	N.C. Housing Plc.	Property Development
2010 - Present	Secretary of Audit Committee	N.C. Housing Plc.	Property Development
2005 - 2009	Assistant Manager, Accounting Department	N.C. Housing Plc.	Property Development

Mr. Walatchanat Rujidasirisakul

Vice President, Finance Department

Age 48

% of Shareholding* 0.03

Relations -



Education / Training Background

- Bachelor of Arts, Economics Finance and Banking, The University of the Thai Chamber of Commerce
- Real Estate Development No.25, Chulalongkorn University

Experience for the past 5 years

Period	Position	Company	Business
2002 - Present	Vice President, Finance Department	N.C. Housing Plc.	Property Development
1999 - 2002	Asset Management Officer	Bank of Ayudhya Plc.	Banking

Ms. Sureeporn Sangthongpradit**Vice President, Accounting Department**

Age 43

% of Shareholding* -

Relations -

**Education / Training Background**

- Bachelor of Managerial Accounting, Phranakhon Rajabhat University
- Bachelor of General Management, Phranakhon Rajabhat University

Experience for the past 5 years

Period	Position	Company	Business
2015 - Present	Vice President, Accounting Department	N.C. Housing Plc.	Property Development
2006 - 2014	Assistant Manager, Accounting Department	N.C. Housing Plc.	Property Development

Remark : - *% Shareholding based on latest register book closing date on December 30, 2016

- Director and Senior Management had no history of delinquency.

Management Positions Held within the N.C. Group

As of December 31, 2016

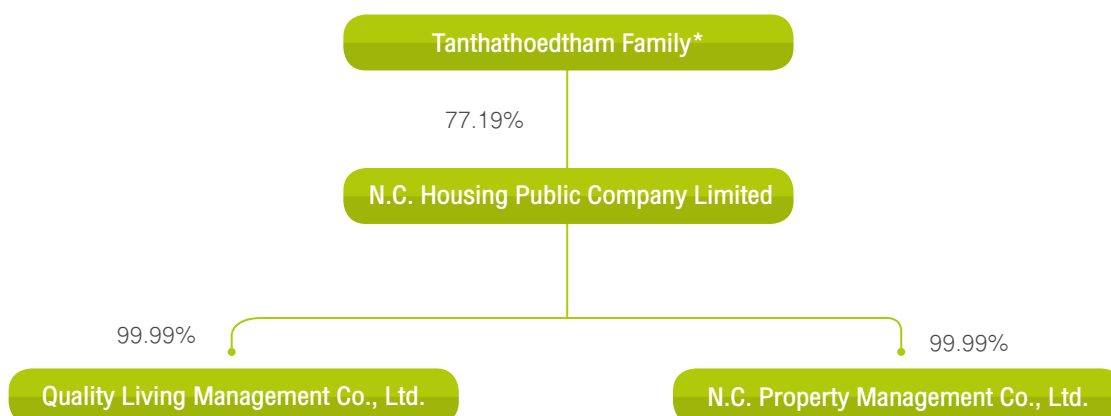
Directors		The Company	Subsidiaries		Related Companies								
		NCH	NCPM	QLM	1	2	3	4	5	6	7	8	9
1. Mr. Sudham	Chatwalwong	X											
2. Mr. Somchao	Tanthathoedtham	/, //	/	/	/	/	/	/	/	/	/	/	/
3. Mr. Somnuek	Tanthathoedtham	/, //	/		/	/		/	/	/	/		
4. Mr. Wichian	Silapacharanan	/, //											
5. Mr. Rungsarn	Nuntakawong	/, //		/									
6. Mr. Piboon	Limpraphat, Ph.D.	/											
7. Mr. Kobsak	Pongponrat	/											
8. Mr. Vichit	Vichaisarn	/											

- Notes :
1. NCH = N.C. Housing Plc.
NCPM = N.C. Property Management Co., Ltd.
QLM = Quality Living Management Co., Ltd.
 2. X = Chairman, / = Director, // = Executive Director
 3. Related Companies :
 - 1) S.C. Construction and Decoration Co., Ltd.
 - 2) Sathaporn Wattana Trading Co., Ltd.
 - 3) Sathaporn Wattana Transportation Limited Partnership
 - 4) Sap Namchai Pattana Co., Ltd.
 - 5) Namchai Property Development Co., Ltd.
 - 6) NCH 2555 Holding Co., Ltd.
 - 7) Namchai Golf Management Co., Ltd.
 - 8) Tanya Cart Management Co., Ltd.
 - 9) Living On Green Co.,Ltd. (Organizations was registered on August 19, 2016)

COMPANY AND SUBSIDIARIES' BUSINESS PROFILE

Shareholder Structure of N.C. Group

as of December 31, 2016



Remark : * Tanthathoedtham family includes Tanthathoedtham shareholders and related parties

Business Overview

N.C. Group is a full scale residential housing developer brand “Baa Pha” that has a special design concept for each of its projects and after sales service with a community management service.

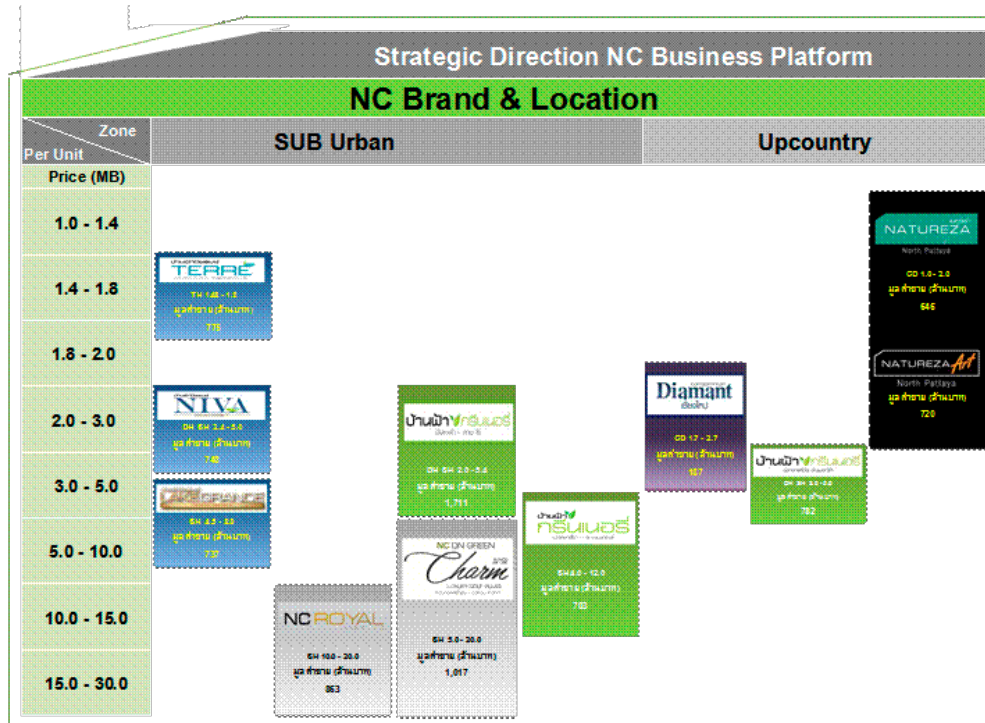
N.C. Group puts emphasis on the selection of its project sites located within the city and its vicinity. The key for site selection is an area that has comprehensive public infrastructure with a high growth potential. These features distinguish N.C. Housing communities from others.

The Company successfully developed 50 projects with total project value of 32 Billion Baht as of December 2016 and The Company's projects classified by zones are as follows:

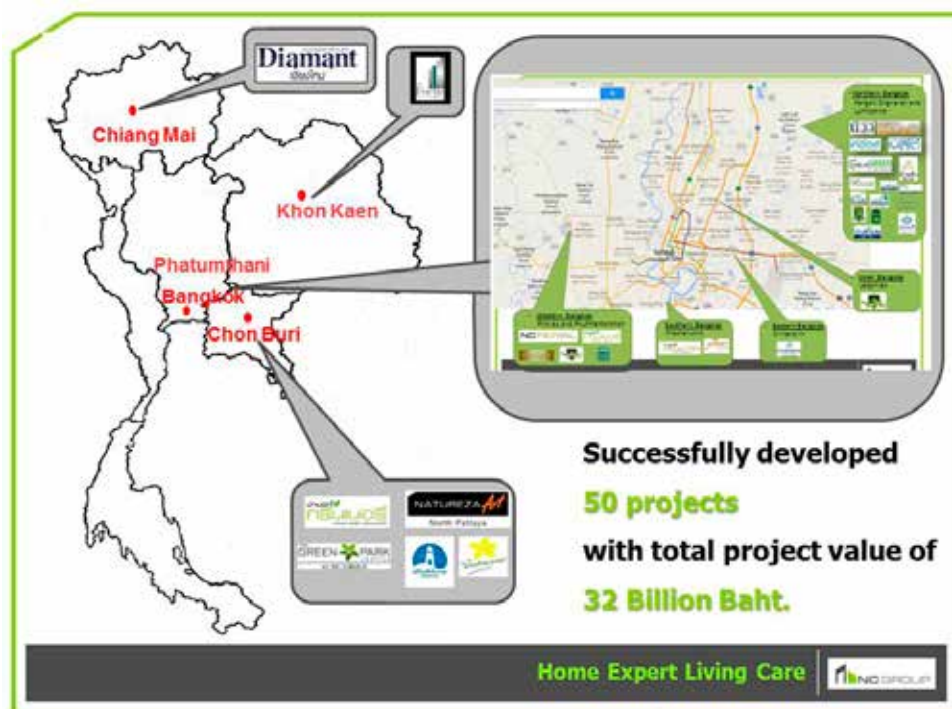
Northern Bangkok	: in the area of Rangsit - Ongkarak and Lumlookka Baan Pha Piyarom Terre (P.12) Baan Pha Piyarom Lake Grande (P.13) Baan Pha Piyarom Niva (P.14) NC on Green Charm Thanyathani Home on Green 2, (Closed)
Southern Bangkok	: in the area of Pracha Uthit Road Baan Pha Green Park Royal Thonburirom (Closed) Narisa Thonburirom (Closed)
Western Bangkok	: in the area of Pinklao Ring Road and Budhamonthon NC Royal Pinklao Baan Pha Greenery Pinklao-Sai 5, Baan Pha Greenery Pakkred-Ratchapruek
Other areas	: in the area of North Pattaya, Chaiyapornvitee Road, Chonburi Natureza Condominium (P.1-2) Baan Pha Greenery North Pattaya Chalyaponvitee, Natureza North Pattaya (Closed) in the area of Muang District, Chiang mai Diamant Condominium

Strategic Direction NC Business Platform

As of December 2016



Successfully Developed



NEW
PROJECT
2016



NC ON GREEN
Charm นกสู
LUXURY GOLF VILLAS
อันนอดวิลล่า - บ้านหรู

NC on Green Charm Project

Our single-family detached houses start from 5.9 million baht. This is a 1,017 million baht project with 109 units in 32-3-20.2 rais located in Lat Sawai Sub-district, Lam Luk Ka District, Pathum Thani Province. Under the concept “Living Charm, Living Green Passion”, the design is intended to bring the outer atmosphere inside making the inner living feel close to the pleasant nature and the fresh air out in the green golf course. The Mass & Void aspect was taken into account in designing the houses to get enough light and air flow while being protected from strong direct sunlight. Design with continual architecture also fits to application.



Shock Absorption Floor พื้นลดแรงกระแทก

ลดแรงกระแทกในกรณีหกล้มลดความรุนแรง
ช่วยลดการบาดเจ็บในกรณีหกล้ม

ที่นั่งพับได้บนกะโหลกน้ำ

อำนวยความสะดวกในการอาบน้ำ
มีถาดพับได้ สามารถพับเก็บได้

สุขภัณฑ์แบบอัตโนมัติ

พร้อมฟังก์ชันเปิดปิดไฟอัตโนมัติ
พร้อมระบบการแจ้งเตือนเมื่อเกิดเหตุฉุกเฉิน พร้อมฟังก์ชัน
ระบบแจ้งเตือน ระบบความปลอดภัย

Ramp สำหรับรถเข็น

พร้อมฟังก์ชันเปิดปิดกะโหลกน้ำ
พร้อมฟังก์ชันแจ้งเตือนเมื่อเกิดเหตุฉุกเฉิน

NC on Green Charm is a single-family detached house with big usable area and innovation to suit the needs of the elderly. By adapting the technology SCG Eldercare Solution, our bathrooms are designed to maximize safety and convenience for the elderly and the Shock Absorption Floor can reduce injuries from falls. The design of space outside the house also allows older people to walk around freely and safely. There is a proper safety system across the whole project. The technology ACTIVE AIRflow™ promotes good air ventilation and cooler temperature in the house which makes it comfortable and safe for all family members.

Moreover, together with Panasonic, the world's leading brand, we looked for innovation that enhances safety. At NC on Green Charm, we use 4K cameras which give 4 times clearer and sharper performance than normal full HD cameras. And with sensors, they work well even in low-light conditions. An important advantage is that they can work with mobile phones via both ios and Android systems and also web browsers.



All N.C. Housing projects are also distinguished from each other in architectural design and features depending on the individual project concept. There are three types of housing for which N.C. Housing customers can choose from. “Pre-built” units (construction has been completed and is ready for ownership right transfer), “Semi-pre-built” units (construction has been partially completed), and “Pre-Sales” units (construction starts upon customer order) depending on the site and its prospective customers.

Sales Revenue Breakdown by Purchase Preference

Type	Down Payment Installment	% of Sales Revenue		
		2016	2015	2014
1.Pre-built units	(0-2 Payments)	77.8	63.3	74.7
2.Semi Pre-built units	(3-6 Payments)	2.9	7.9	11.2
3.By order units	(> 7 Payments)	19.3	28.8	14.1
Total		100	100	100

Operating Policy of N.C. Housing Public Company Limited and its Subsidiaries

N.C. Group aims to develop all N.C. Housing’s projects under the name “Baan Pha” or under previous project’s names acquired as projects that are either Non Performing Loans (NPL) or Non Performing Assets (NPA).

Subsidiaries of N.C. Housing Public Company Limited are as follows:

- **N.C. Property Management Company Limited (NCPM)** renders a full scale property management service, including sales management, marketing, and construction through rehabilitation of the project and/or renegotiate with existing purchasers as well as creditors. Projects that NCPM renders services to include Baan Suan Lalana Pattaya, Jantima Park Budhamonton 5, Baan Suan Doi Saked Chiangmai, and Thanyathani Home on Green projects.
- **Quality Living Management Company Limited (QLM)** renders community management services such as security services, cleaning services, and utility services to housing projects and condominiums. In 2016, the Company managed a total of 13 communities.

Income Structure of N.C. Group

The majority of the Company's revenue is derived from property development business including:

1. Revenue from property development for sale includes revenue from sales and construction where sales revenue is derived from 4 product lines - single detached houses, duplexes, townhouses, condominium and other.
2. Revenue from project management services includes revenue from construction and revenue from project management services.
3. Revenue from management of residential community
4. Other revenue

Business Type/Revenue	Operated by	2016		2015		2014	
		THB mn.	%	THB mn.	%	THB mn.	%
Property development for sale	NC	1,402	97.6	2,107	98.5	1,816	98.5,
- Revenue from sales							
- Single detached houses		509	35.4	845	39.5	926	50.2
- Duplexes		205	14.3	310	14.5	491	26.6
- Townhouses		292	20.3	567	26.5	398	21.6
- Commercial buildings		396	27.6	384	18.0	-	-
Project management services	NCPM*	-	-	-	-	-	-
- Construction revenue		-	-	-	-	-	-
Community management service /							
Property investment	QLM*, NC	21	1.4	14	0.7	5	0.3
- Rental income and service revenue		21	1.4	14	0.7	5	0.3
Other revenue ***	NC, NCPM*, QLM*	14	1.0	17	0.8	23	12
Total Revenue		1,436	100.0	2,137	100.0	1,844	100.0

Remarks	*	The Company holds a 99.99% stake in NCPM and QLM.
	**	Rental income and service revenue part comes from property investment in 2016..
	***	Rental fees, fees for altering contracts, interest receivables, gains from sales of assets and other non-core business transaction form a large part of the Company's other revenue.
	NC	: N.C. Housing Plc.
	NCPM	: N.C. Property Management Co., Ltd.
	QLM	: Quality Living Management Co., Ltd.

Currently Active Projects as of December 31, 2016

As of December 31, 2016, the company and its subsidiaries launched a total of 15 property development projects with 71.4% or 8,862 million baht backed by sales contracts. (The project is developing and projects to be developed in the future total 7 projects).

Project Name	Location	Project Area (Rai-Ngan-Sq.wah)	Project Type	# of Units	Project Value (THB mn)	Sales Progress (based on Sales Value as of Dec 31, 2016)
Northern Bangkok						
1. Thanyathani Home on Green 2	Ring Road Lumlookka Klong 5	123-0-34.2	SDH	236	1,639	97.0
2. Baan Pha Green Park Rangsit Klong 3	Rangsit Klong 2	90-0-95.6	SDH	405	1,077	99.3
3. Baan Pha Piyarom Terre (P.12)	Ring Road Lumlookka Klong 6	42-87-0	TH	456	775	99.5
4. Baan Pha Piyarom Lake Grande (P.13)	Ring Road Lumlookka Klong 6	40-3-37	SDH	144	737	57.0
5. Baan Pha Piyarom Niva (P.14)	Ring Road Lumlookka Klong 6	43-2-84	SDH, DH, TH	295	748	56.1
6. *NC on Green Charm	Ring Road Lumlookka Klong 5	32.3.20.2	SDH	109	1,017	18.7
Western Bangkok						
7. NC Royal Pinklao	Kanjanapisek Road , Bangkae	29-2-33.9	SDH	61	863	71.0
8. Baan Pha Greenery Pinklao-Sai5	Borommaratchachonnani Road, Sam Phran, Nakorn Pathom	82-1-94	SDH, DH, TH	466	1,711	70.4
9. Baan Pha Greenery Pakkred-Ratchapruet	Pakkred, Nonthaburi	24-1-0.8	SDH	128	703	11.8
Southern Bangkok						
10. Narisa Thonburirom	Pracha Uthit Road, Ratburana	51-2-69.6	SDH	60	403	98.0
11. Baan Pha Green Park Royal Thonburirom	Pracha Uthit Road, Thungkhru	65-1-54.1	SDH	258	1,214	98.2
Others Areas						
12. Baan Pha Greenery North Pattaya	Banglamung, Chonburi	35-2-85	SDH, DH	206	782	99.3
13. Natureza North Pattaya Condominium (P.1)	Banglamung, Chonburi	4-0-66	CD	406	646	84.6
14. Natureza North Pattaya Condominium (P.2)	Banglamung, Chonburi	4-0-66	CD	406	720	36.7
15. Diamant Condominium	Mueang Chiang Mai	4-0-28.4	CD	77	187	34.5

Notes : 1* New Project 2016 : NC on Green Charm.

2. SDH = Single Detached House, DH = Duplex, TH = Townhouse, CD = Condominium

Corporate Objectives

N.C. Group strives to expand and go and become a leading property developer with intent of bringing uniqueness to each of its projects. This includes project planning, architectural design, quality construction, as well as a quality living environment and community, comprehensive

infrastructure, and quality after sales community management.

All of above aims to further create community unity and happiness. Projects are confidence in the quality and performance of every project to the consumers in every zone with the policy to also offer a full scale project management service.

SMART CARE

Applied technology from SCG Eldercare Solution with consideration to design safety and comfort.

Ramp is for carts with wide doors for usage comfort and safety.



SMART
INNOVATION



INDUSTRY CONDITIONS



The Real Estate Information Center has analyzed and reported on the current real estate situation, which is summarized below.

In 2016, Bangkok and its vicinities (Nonthaburi, Pathum Thani, Samut Prakarn, Samut Sakhon and Nakhon Pathom) had approximately 123,400 newly completed and registered housing units, which is a 0.4% decrease from 123,800 units in 2015.

The monthly statistics of 123,400 newly completed and registered housing units are as follows:

- January-approximately 9,500 units
- February-approximately 18,000 units
- March-approximately 13,700 units
- April-approximately 7,300 units
- May-approximately 5,900 units
- June-approximately 5,700 units
- July-approximately 12,200 units
- August-approximately 12,900 units
- September-approximately 14,600 units
- October-approximately 8,800 units
- November-approximately 9,100 units
- December-approximately 5,700 units

Of all newly completed and registered housing units in 2016, approximately 62,400 units are in Bangkok, a decrease of 9% from 2015 and the vicinities have a combined total of approximately 61,000 units, amounting to 10% increase from 2015. Condominiums, totaling about 69,700 units, command 56% of all newly completed and registered housing units, follow by single-detached houses with 26% or 31,900 units. The rest are townhouses (approximately 16,400 units, 13%), commercial buildings (3,400 units, 3%) and duplexes (2,000 units, 2%).

Top five areas with the highest number of low-rise newly completed and registered housing units in 2016 were Muang Pathum Thani (3,800 units), Bang Bua Thong (3,300 units), Muang Samut Sakhon (2,900 units), Bang Phli (2,700 units) and Muang Samut Prakarn (2,600 units).

Top five areas with the highest number of newly completed and registered condominium units in 2016 were Thanyaburi (8,700 units), Muang Nonthaburi (6,600 units), Samut Prakarn (5,900 units, 900 of which belonged to Baan Klong Suen and the rest belonged to commercial projects), Chatuchak (4,300 units), and Bang Rak (3,300 units). There were also 7 newly completed and registered Baan Eua Athorn housing projects, totaling 113 buildings and 5,200 units in 2016.

In 2016, newly transferred housing units in Bangkok and its vicinities (Nonthaburi, Pathum Thani, Samut Prakarn, Samut Sakhon and Nakhon Pathom) totaled about 175,300 units, a 11% decrease from 196,600 units in 2015.

The monthly statistics of 175,300 newly transferred residential units are as follows:

- January-approximately 11,400 units
- February-approximately 14,700 units
- March-approximately 22,000 units
- April-approximately 32,900 units
- May-approximately 7,700 units
- June-approximately 12,400 units
- July-approximately 9,000 units
- August-approximately 11,100 units
- September-approximately 13,100 units
- October-approximately 12,400 units
- November-approximately 13,400 units
- December-approximately 15,200 units

Condominiums still maintain its number one spot with 90,100 newly transferred units (51% of all transferred housing units), while townhouses come in close with 51,100 units (29%). The rest are single-detached houses (20,400 units, 12%), commercial buildings (8,900 units, 5) and duplexes (approximately 4,800 units).

The combined value of all newly transferred housing units in 2016 was approximately baht 444,100 million. Of that, baht 195,700 million belonged to condominium transfers (44% of total combined value of all transferred housing units). Approximately baht 107,300 million came from single-detached houses (24%), baht 91,700 million from townhouses (21%), baht 34,600 million from commercial buildings (8%) and twin houses contributed baht 14,800 million (3%).

Of all transferred condominium units, Bangkok still holds the highest number with 59,200 units, follow by Nonthaburi (8,900 units), Samut Prakarn (9,300 units), Prathum Thani (10,400 units), Samut Sakhon (1,100 units) and Nakhon Pathom (1,200 units).

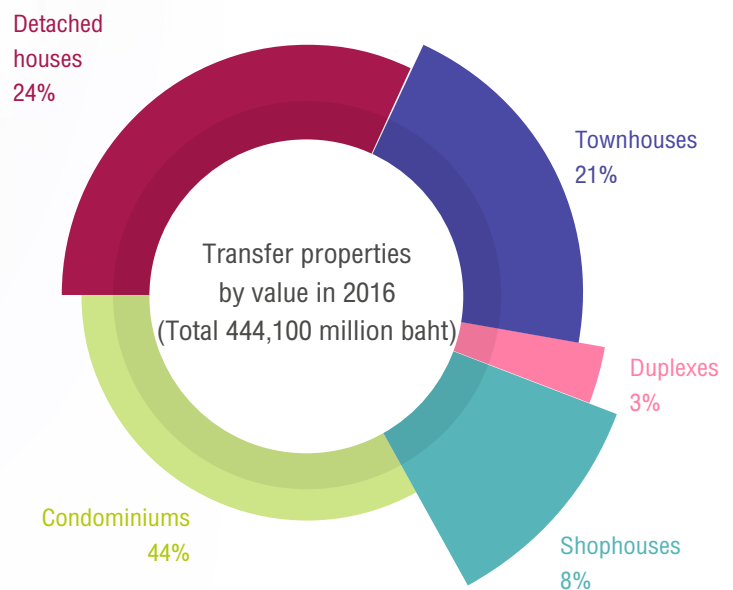
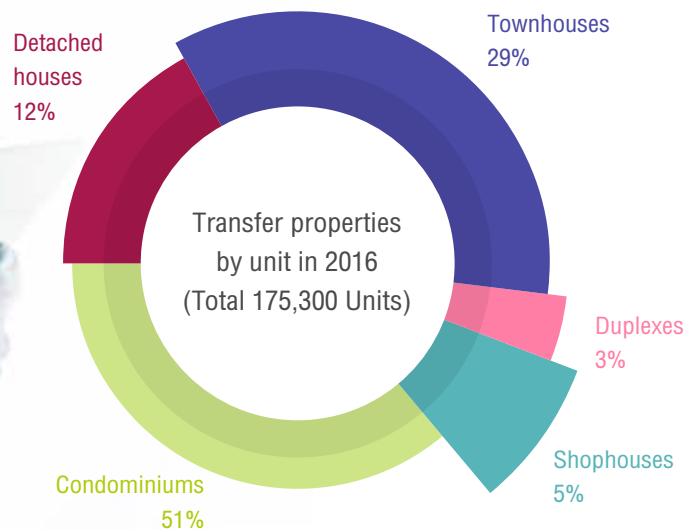
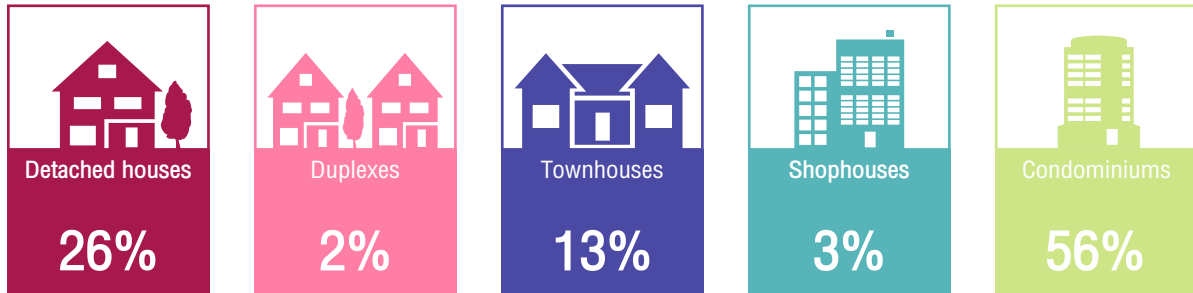
Top five areas with the highest number of new condominium unit transfer (transferred from developer) in 2016 were Muang Nonthaburi, Lad Krabang, Klong Luang, Bang Phii and Thanyaburi and top five areas with the highest number of second-hand condominium unit transfer (transferred from previous owner) were Chatuchak, Huai Khwang, Prawet, Wadthana and Pra Khanong respectively.

Top five areas with the highest number of new single-detached house unit transfer in 2016 were Lam Lukka, Bang Phli, Pathum Thani, Sai Mai and Thanyaburi and top five areas with the highest number of second-hand single-detached house transfer were Bangkapi, Bang Khen, Lam Lukka, Samut Prakarn and Pra Khanong respectively.

Top five areas with the highest number of new townhouse unit transfer in 2016 were Bang Phli, Muang, Samutprakarn, Pra Samut Jedee, Bang Bua Thong, and Prawet and top five areas with the highest number of second-hand townhouse unit transfer were Muang Samut Prakarn, Bang Bua Thong, Bang Khen, Bangkapi and Klong Luang respectively.

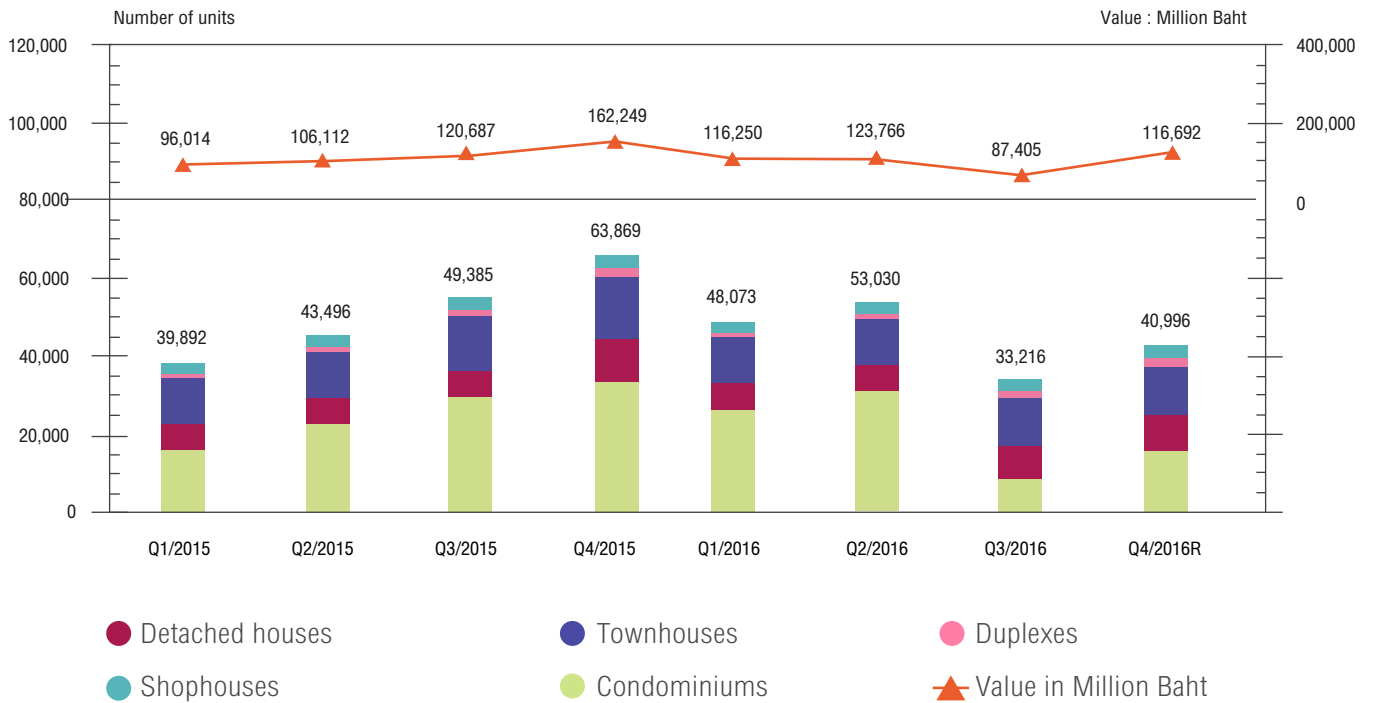
Key Statistical Data

Newly completed and registered by type January - December 2016



Transferred Residential,

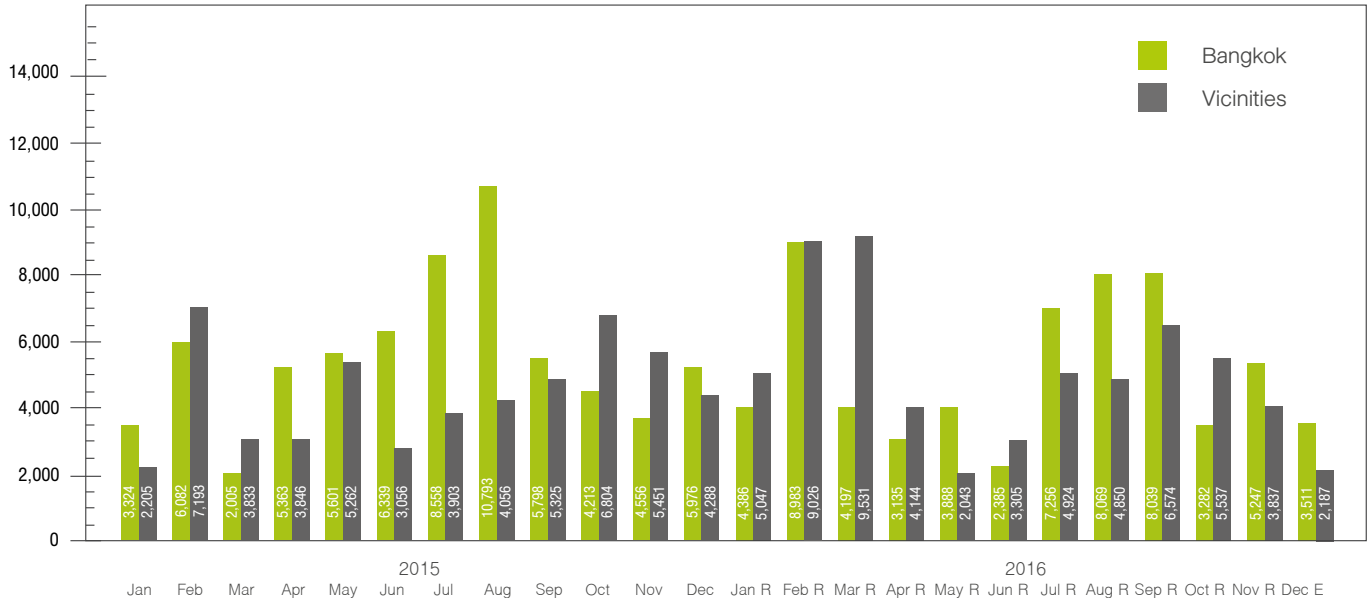
Shown in units and value - Bangkok and Vicinities, By Quarter



Remark : 1) Only Deed. NS3 and NS3A
 2) R means revised
 Sources : Department of Land
 Compiled By : Real Estate Information Center.

Newly Completed and Registered Housing Units in Bangkok and Vicinities,

Showing Total Number of Units categorized by area, By Month



Remark : E means estimated by Real Estate Information Center

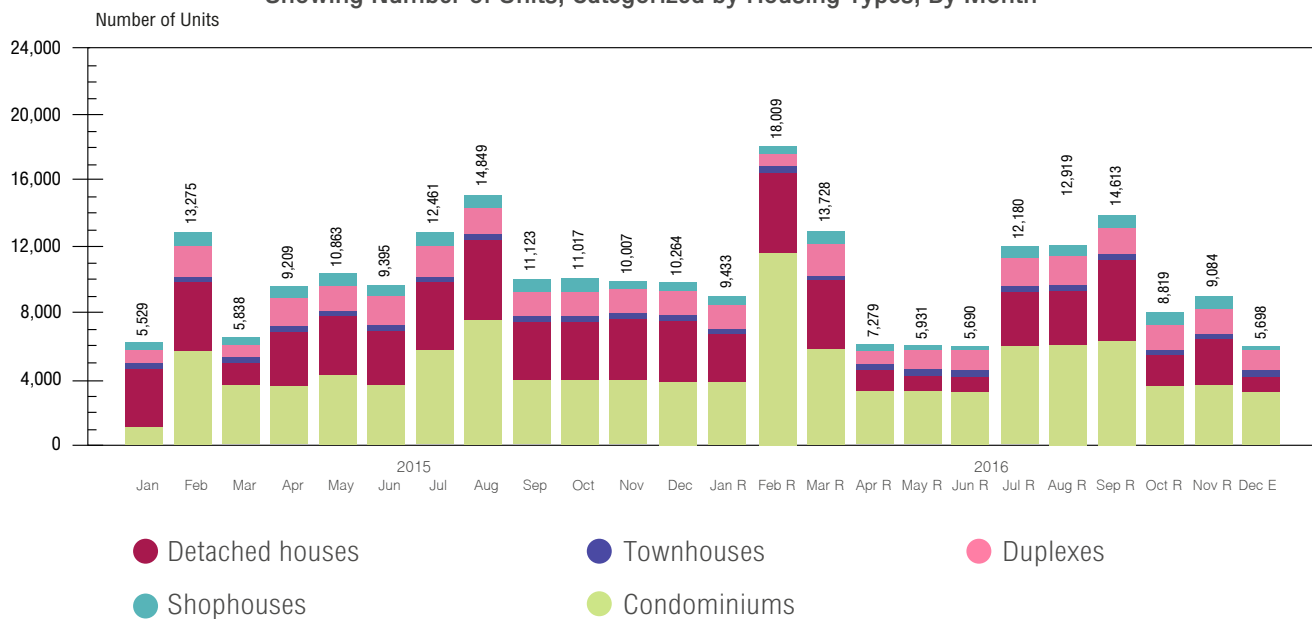
R means revised

Sources : (1) Bangkok District Offices (2) Municipal and Provincial Offices in Surrounding Provinces (3) Department of Lands

Complied By : Real Estate Information Center

Newly Completed and Registered Housing Units in Bangkok and Vicinities,

Showing Number of Units, Categorized by Housing Types, By Month



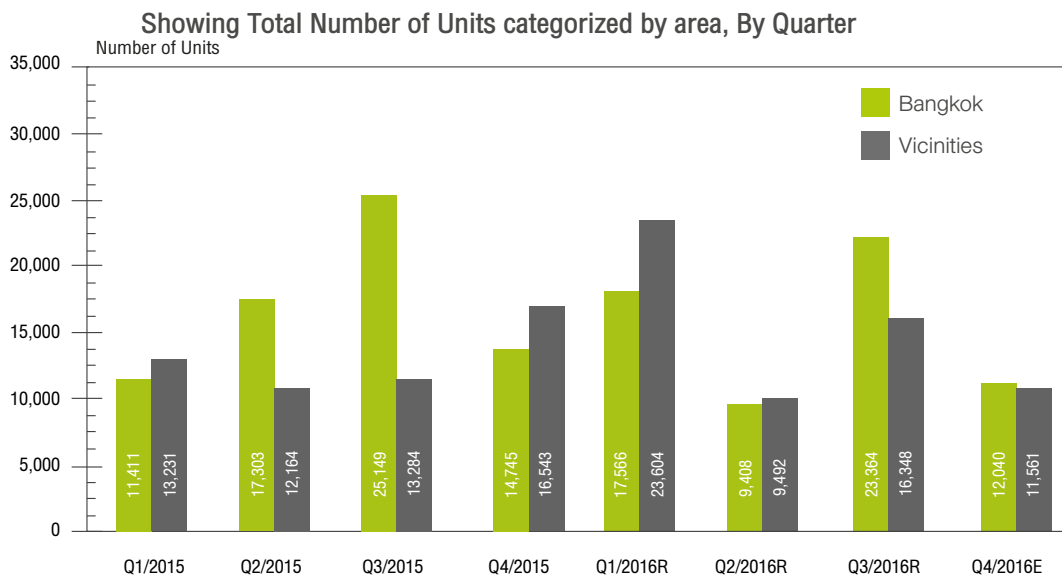
Remark : E means estimated by Real Estate Information Center

R means revised

Sources : (1) Bangkok District Offices (2) Municipal and Provincial Offices in Surrounding Provinces (3) Department of Lands

Complied By : Real Estate Information Center

Newly Completed and Registered Housing Units in Bangkok and Vicinities,



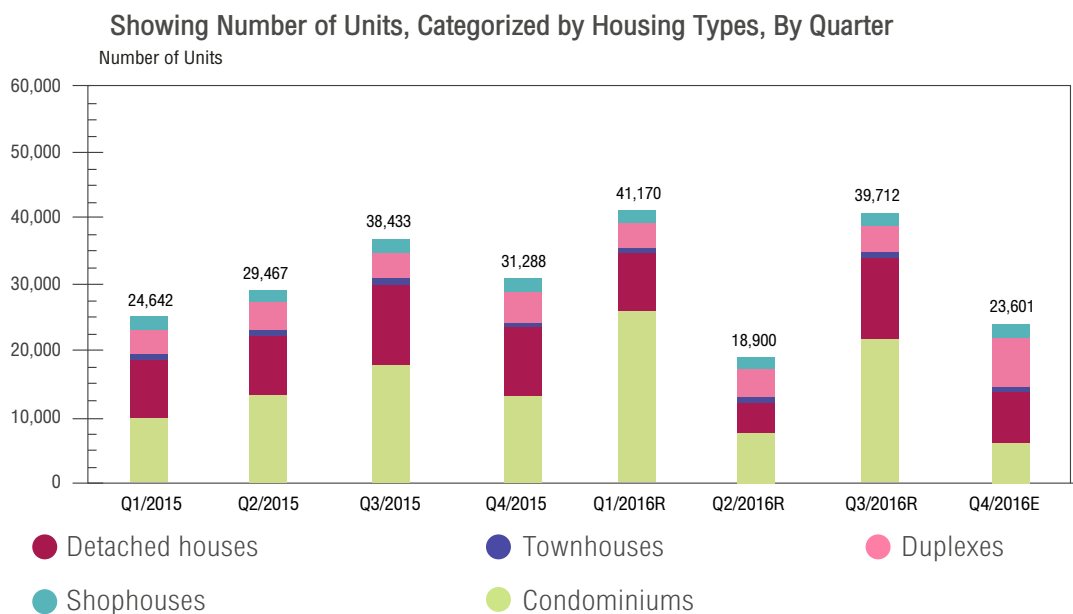
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Sources : (1) Bangkok District Offices (2) Municipal and Provincial Offices in Surrounding Provinces (3) Department of Lands

Complied By : Real Estate Information Center

Newly Completed and Registered Housing Units in Bangkok and Vicinities,



Remark : E means estimated by Real Estate Information Center

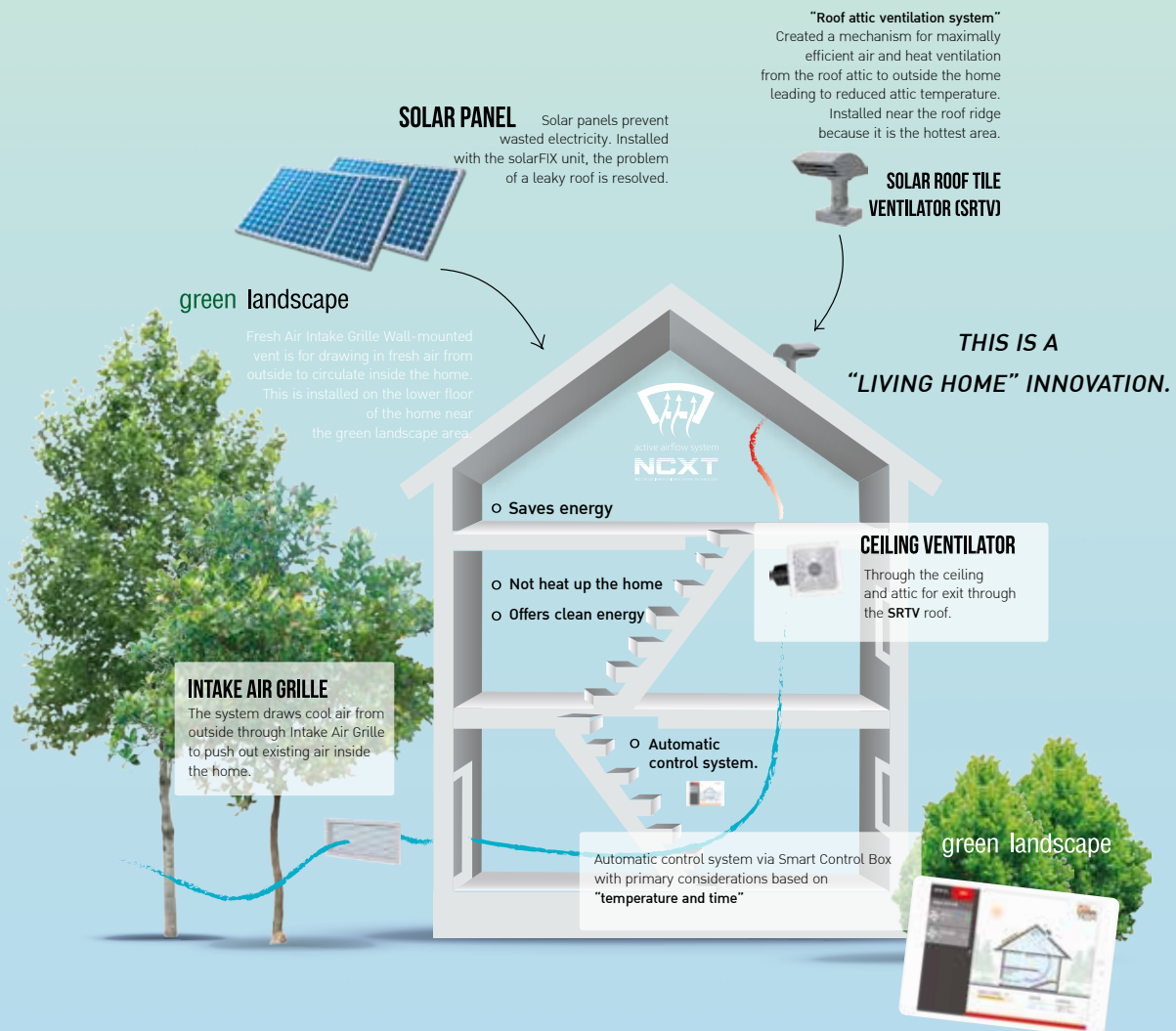
R means revised

Sources : (1) Bangkok District Offices (2) Municipal and Provincial Offices in Surrounding Provinces (3) Department of Lands

Complied By : Real Estate Information Center

SMART ECO

Applied technology of Active AIRflow™ System
and SCG, environmentally-friendly
and energy conservation home innovations
for sustainable development.





RISK FACTORS

In 2016, the Risk Management Work Group set risk management plans, continually monitored and evaluated results and made quarterly performance reports to the board of directors. The main contents concerning risk factors can be summarized as follows:

1. Risk of Construction Cost

Construction materials are considered the main cost in the real estate development business and the company needs to control quality to meet standards. However, the company has not drafted construction material purchase/sales agreements in advance. Thus, the company is subject risks due to fluctuations in construction material prices.

The company placed measures for the prevention of long-term construction cost problems in several characteristics, Such as prefab development, enhancing material costs management such as project management based on market situations and customers' needs and material requirement planning, pricing strategy planning and systematically procuring substitute products with comparable quality. Moreover, company is in the position of large entrepreneurs with high bargaining power in term of material price and quantity. including the ability to build business connection with many construction entrepreneurs.

2. Management Risk Major shareholder owns over 75% of total shares

As of December 30, 2016, the Company's major shareholder, the Tanthathoedtham Family holds 77.19% (details appear in the Shareholder and Management Structure section) or more than three in fourth of the Company's paid-up shares, enabling the Tanthathoedtham group to control and make all management decisions regarding all issues requiring consensus from shareholders. Therefore, there is risk for minority shareholders in regards to a check and balance system. Moreover, the concentrated shareholding of the Company's shares may prevent potential investors who see value in the Company to consider a takeover.

Nevertheless, the Company's management structure includes a Board of Directors, a Board of Executive Directors, Independent Director, Audit Committee, Nomination Committee, and Remuneration Committee. The Company's management structure and principles were established by capable and knowledgeable individuals with business background. The directors' authorities are limited by the Company's corporate governance policies. The major shareholders and connected parties cannot cast vote on issues with conflicts of interest.

Furthermore, other risk characteristics discussed and assessed by the Risk Management Work Group are at acceptable levels. In addition, plans have been made to support the aforementioned risks: 1) land readiness or procurement for future development; 2) business operations to construct ready-to-move-in homes requiring large amounts of circulating capital; 3) minimum wage rate adjustments which have effects on construction costs and 4) risks from natural disasters, etc

SHAREHOLDER AND MANAGEMENT STRUCTURE



Capital Structure

Equity

As of December 31, 2016, the Company has registered capital of THB 1,245,284,305 divided into 1,245,284,305 common shares with a par value of THB 1 per share. The paid-up capital was THB 1,245,283,691 representing 1,245,283,691 common shares with a par value of THB 1 each

Major Shareholders As of December 30, 2016

No.	Shareholders' Name	Number of Shares	% to Paid up Share Capital
1	NCH 2555 Holding Co., Ltd.	635,094,995	51.00
2	Mrs. Sunee Tanthathoedtham	44,024,190	3.54
3	Mr. Somnuek Tanthathoedtham	29,610,000	2.38
4	Mr. Sujin Tanthathoedtham	27,962,025	2.25
5	Mr. Prasit Tanthathoedtham	27,378,035	2.20
6	Mr. Somchao Tanthathoedtham	23,412,690	1.88
7	Ms. Hataichanok Jeadsadarangoon	21,504,075	1.73
8	Ms. Rattana Tanthathoedtham	17,130,960	1.38
9	Ms. Amporn Tanthathoedtham	17,130,960	1.38
10	Mrs. Nongluck Tanthathoedtham	13,981,590	1.12
11	Mrs. Somporn Decharin	13,980,960	1.12
12	Mrs. Somsong Lawanprasert	13,980,960	1.12
13	Mrs. Jintana Jeadsadarangoon	13,980,960	1.12
14	Mrs. Sataporn Pitakteeratum	13,980,960	1.12
15	Mr. Nattawit Tanthathoedtham	9,057,825	0.73
16	Mr. Nattawut Tanthathoedtham	9,057,825	0.73
17	Mr. Pakaphol Terakulvanich	3,538,290	0.28
18	Ms. Natchaya Tanthathoedtham	2,028,290	0.16
19	Mr. Atip Lawanprasert	1,963,290	0.16
20	Mr. Chawin Pitakteeratum	1,963,290	0.16
21	Ms. Arisa Tanthathoedtham	1,963,290	0.16
22	Ms. Napasorn Tanthathoedtham	1,963,290	0.16
23	Mr. Alek Lawanprasert	1,963,290	0.16
24	Ms. Chanakarn Pitakteeratum	1,963,290	0.16
25	Mr. Pasakorn Jeadsadaranggool	1,963,290	0.16
26	Ms. Nudchanard Tanthathoedtham	1,963,290	0.16

No.	Shareholders' Name	Number of Shares	% to Paid up Share Capital
27	Ms. Suporn Decharin	1,438,290	0.12
28	Mr. Aukrit Tanthathoedtham	1,438,290	0.12
29	Ms. Papit Decharin	1,438,290	0.12
30	Ms. Chutima Tanthathoedtham	1,438,290	0.12
31	Ms. Pattama Tanthathoedtham	1,438,290	0.12
32	Ms. Paporn Decharin	1,438,290	0.12
33	Mr. Somchao, Mr. Sujin, Mr. Prasit and Mr. Somnuek Tanthathoedtham	864	0.00
34	Sabina Public Company Limited	52,500,000	4.22
35	Thai NVDR Company Limited	16,176,510	1.30
36	Ms. Benjamas Nuntaweerawat	13,521,570	1.09
37	Mr. Kampanart Preechatangkit	12,196,000	0.98
38	Mr. Kittipon Tuontong	5,250,000	0.42
39	Mr. Narongchai Sudkla	5,097,750	0.41
40	Mr. Pusit Jittilaorwong	4,290,000	0.34
41	Mrs. Ratree Kijathan	3,885,000	0.31
42	Mr. Amorn Sertsorn	3,150,000	0.25
43	Others	168,044,347	13.49
Total		1,245,283,691	100.00

Source: Thailand Securities Depository Company Limited

Note:

1. Shareholders ranked 1-33 are members of the Tanthathoedtham Family who hold a total of 961,172,514 shares accounting for 77.19 % of the Company's paid up shares capital
2. MR. Viroj Thanalongkorn , majority shareholder of the Sabina Public Company Limited holding 74.59% of the Company's total paid-up shares as of August 26, 2016
3. Investors are able to access to information on current shareholders via the Company's website www.ncgroup.co.th

Directors and executives holding NCH shares as at 31 December 2016, are as follows:

No.	Name	Position	No. of Shares As at 1 January 2016			Changes in No. of Shares Increased /Decreased during 2016			No. of Shares As at 31 December 2016			Shareholding (%) As at 31 December 2016	
			Direct	Indirect	Total	Month	Direct	Indirect	Direct	Indirect	Total	Direct	Indirect
1	Mr.Sudham Chatwalwong	Chairman	-	-	-	-	-	-	-	-	-	-	-
2	Mr. Pi boon Limpraphat, Ph.D.	Director, Independent Director, Chairman of the Audit Committee, Chairman of the Nomination Committee and Chairman of the Remuneration Committee	-	-	-	-	-	-	-	-	-	-	-
3	Mr. Kobsak Pongponrat	Director, Independent Director, Member of the Audit Committee and Member of the Nomination Committee	-	-	-	-	-	-	-	-	-	-	-
4	Mr. Vichit Vichaisan	Director, Independent Director, Member of the Audit Committee and Member of the Remuneration Committee	-	-	-	-	-	-	-	-	-	-	-
5	Mr. Somchao Tanthathoedtham	Director, Member of the Remuneration Committee, Chairman of the Board of Executive Directors and Chief Executive Officer	22,297,800	-	22,297,800	May	1,114,890	-	23,412,690	-	23,412,690	1.88	-
6	Mr. Wichian Silapacharanan	Director, Executive Director and Senior Executive Vice President (Administration)	500,000	-	500,000	May	25,000	-	525,000	-	525,000	0.04	-
7	Mr. Rungsarn Nuntakawong	Director, Executive Director and Senior Executive Vice President (Operation 1)	-	-	-	-	-	-	-	-	-	-	-

No.	Name	Position	No. of Shares As at 1 January 2016			Changes in No. of Shares Increased /Decreased during 2016			No. of Shares As at 31 December 2016			Shareholding (%) As at 31 December 2016	
			Direct	Indirect	Total	Month	Direct	Indirect	Direct	Indirect	Total	Direct	Indirect
8	Mr. Somnuek Tanthathoedtham	Director, Member of the Nomination Committee, Executive Director and Senior Executive Vice President (Operation 2)	28,200,000	3,739,600	31,939,600	May	1,410,000	186,980	29,610,000	3,926,580	33,536,580	2.38	0.32
9	Mr. Warapong Niliri	Executive Vice President (Operation 3)	-	-	-	-	-	-	-	-	-	-	-
10	Mr. Boonchai Rojpanich	Senior Vice President	-	-	-	-	-	-	-	-	-	-	-
11	Mrs. Nampetch Tantawiriya	Senior Vice President, Human Resource Department	-	-	-	-	-	-	-	-	-	-	-
12	Ms. Sumanee Boonsarana	Senior Vice President, Accounting Department	-	-	-	-	-	-	-	-	-	-	-
13	Ms. Nopparat Wichaiyutpong	Senior Vice President, Marketing Department	8,450	-	8,450	May	422	-	8,872	-	8,872	0.001	-
14	Mrs. Ajchara Kingsai	Senior Vice President, Sales Department	2,550	-	2,550	May	127	-	2,677	-	2,677	0.0002	-
15	Mr. Sanit Leejunthuek	Senior Vice President, Construction Department	-	-	-	-	-	-	-	-	-	-	-
16	Ms. Kamonwan Sawadchai	Vice President, Accounting Department, Secretary of Audit Committee	-	-	-	-	-	-	-	-	-	-	-
17	Mr. Walatchanat Rujidasirisakul	Vice President, Finance Department	320,400	-	320,400	May	16,020	-	336,420	-	336,420	0.03	-
18	Ms. Sureeporn Sangthongpradit	Vice President, Accounting Department	-	-	-	-	-	-	-	-	-	-	-

Remarks: 1. Indirect securities held, it's mean securities held by a spouse and / or children under the legal age of directors or executive officers.

2. The company paid stock dividend to shareholders of the company at the rate of 20 shares per 1 stock dividend on May 9, 2016.

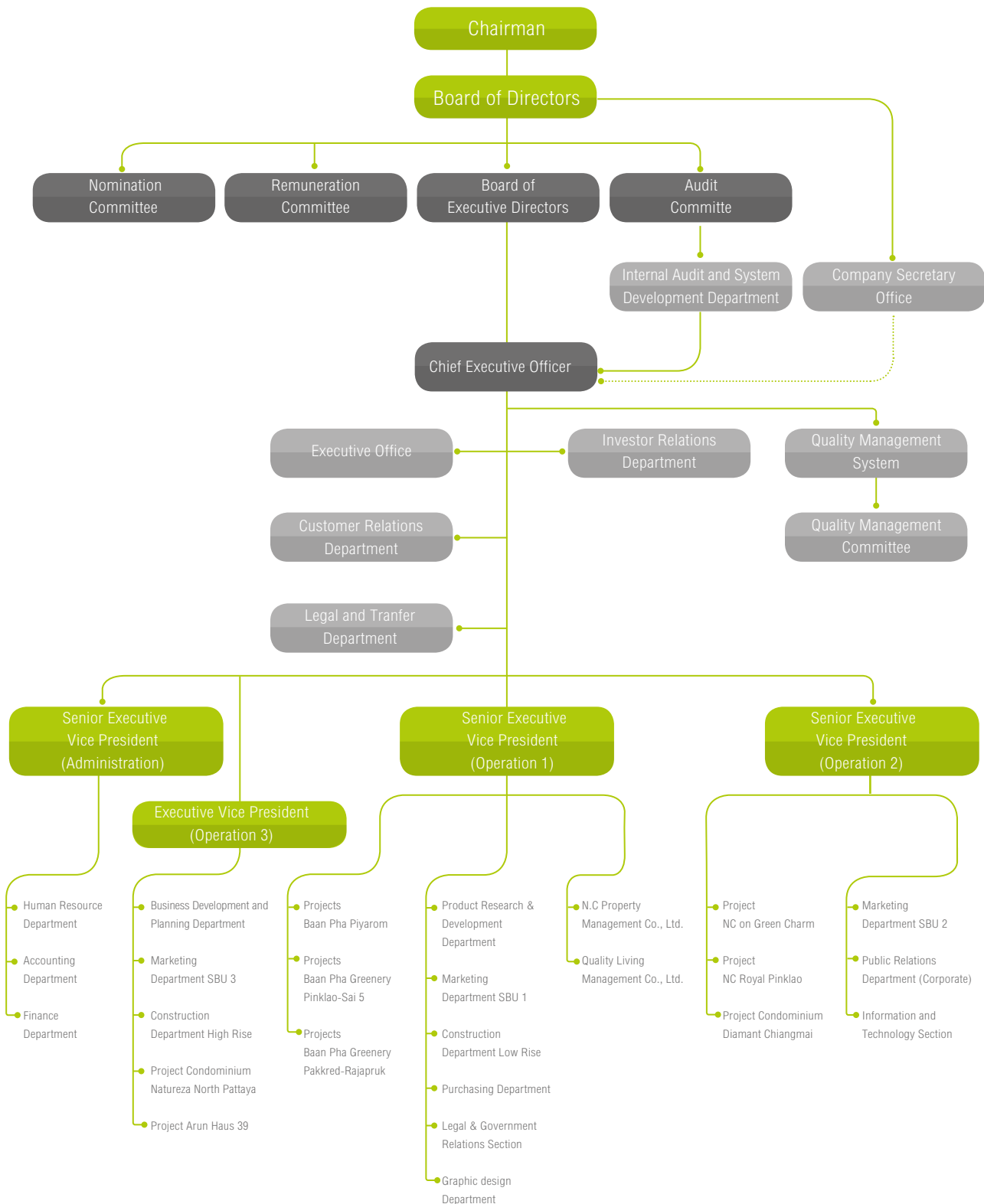
Dividend Payment Policy

The Company has a policy to pay dividend of not less than 40% of its consolidated net profit after tax and legal reserves. Factors to be considered when paying dividend are operational performance, financial status, liquidity, business expansion plans, and other matters related to management of the Company given that such operation must be beneficial to the Company as well as to its shareholders.

The Board of Directors of the Company's subsidiaries will consider a dividend payment based on ending cash status and investment plan. The Board of Directors will consider a dividend payment on a case by case basis with sufficient cash status.

Organization Structure

as of December 31, 2016



Management Structure

Board of Directors

In 2016, the Company's Board of Directors met a total of 7 times. As of December 31, 2016, there were 8 members of the Board of Directors as follows:

1.	Mr. Sudham	Chatwalwong	Chairman
2.	Mr. Somchao	Tanthathoedtham	Director, Member of the Remuneration Committee and Chairman of the Board of Executive Directors
3.	Mr. Somnuek	Tanthathoedtham	Director, Member of the Nomination Committee and Executive Director
4.	Mr. Wichian	Silapacharanan	Director and Executive Director
5.	Mr. Rungsarn	Nuntakawong	Director and Executive Director
6.	Mr. Piboon	Limraphat, Ph.D.	Director, Independent Director, Chairman of the Audit Committee, Chairman of the Nomination Committee and Chairman of the Remuneration Committee
7.	Mr. Kobsak	Pongponrat	Director, Independent Director, Member of the Audit Committee and Member of the Nomination Committee
8.	Mr. Vichit	Vichaisarn	Director, Independent Director, Member of the Audit Committee and Member of the Remuneration Committee

Company secretary: Mrs. Thapanee Seetapawang

Note : 1. Mr. Somchao Tanthathoedtham and Mr. Somnuek Tanthathoedtham are members of the Tanthathoedtham Family, the majority shareholders holding 77.19% of the Company's total paid-up shares as of December 30, 2016.

Directors Authorized to Act on the Company's Behalf

The following Directors are eligible for filing affidavits as approved at the shareholders' meeting:

- (1) Co-signing of Mr. Somchao Tanthathoedtham and Mr. Somnuek Tanthathoedtham with the Company's official seal, or
- (2) Mr. Somchao Tanthathoedtham or Mr. Somnuek Tanthathoedtham co-signing with either Mr. Wichian Silapacharanan or Mr. Rungsarn Nuntakawong with the Company's official seal.

Board of Executive Directors

As of December 31, 2016, there were 4 members of the Board of Executive Directors as follows:

1.	Mr. Somchao	Tanthathoedtham	Chairman
2.	Mr. Somnuek	Tanthathoedtham	Member
3.	Mr. Wichian	Silapacharanan	Member
4.	Mr. Rungsarn	Nuntakawong	Member

Scope of Duties and Responsibilities of the Board of Executive Directors

- (1) To determine rule- and law-abiding policies, directions, strategy and business operations to parallel the business goals set by the Board of Directors.
- (2) To set the Company's organization structure and management authority, which include the nomination, employment, training and layoff of personnel, excluding the Chairman of the Board of Executive Directors and the Managing Director.
- (3) To consider and review the annual budget proposed by the Managing Director before presenting to the Board of Directors for approval.
- (4) To examine and monitor management's adherence to company policies to ensure maximum effectiveness.
- (5) To review and consider the business investment opportunities related to the core business or other businesses before presenting to the Board of Directors for approval.

- (6) To approve plans to obtain loans or advances from financial institutions for the running of normal business operations, for investments, purchasing of properties, land and construction and business operations for an amount not exceeding THB 500 million. If the transaction amount exceeds THB 500 million, it must be presented to the Board of Directors for approval.
- (7) To allocate funds for pension, bonuses or other compensations approved by the Board of Directors.
- (8) To perform other duties assigned by the Board of Directors.

The Board of Executive Directors may delegate financial authority for transactions to senior management as the Board deems appropriate.

Transactions that may have conflicts of interest require that the issue be reviewed as set forth in the Company's guidelines (in line with the regulations of the Company, and the Securities and Exchange Commission) prior to approval of such transactions, except for normal business transactions as clearly stated in the policies regarding connected transactions. The Executive Directors in the position that may lead to a conflict of interest does not have the authority to approve such transactions.

Senior Management

As of December 31, 2016, the Senior Management consisted of 14 persons as follows:

1	Mr. Somchao	Tanthathoedtham	Chief Executive Officer
2	Mr. Wichian	Silapacharanan	Senior Executive Vice President (Administration)
3	Mr. Rungsarn	Nuntakawong	Senior Executive Vice President (Operation 1)
4	Mr. Somnuek	Tanthathoedtham	Senior Executive Vice President (Operation 2)
5	Mr. Warapong	Nilsiri	Executive Vice President (Operation 3)
6	Mrs. Nampetch	Tantawiriya	Senior Vice President, Human Resource Department
7	Mrs. Nopparat	Wichaiyutphong	Senior Vice President, Marketing Department
8	Ms. Sumanee	Boonsarana	Senior Vice President, Accounting Department
9	Mr. Boonchai	Rojpanich	Senior Vice President
10	Mrs. Ajchara	Kingsai	Senior Vice President, Sales Department
11	Mr. Sanit	Leejunthuek	Senior Vice President , Construction Department
12	Mr. Walatchanat	Rujidasirisakul	Vice President, Financial Department
13	Ms. Kamonwan	Sawadchai	Vice President, Accounting Department
14	Ms sureeporn	sangthongpradit	Vice President, Accounting Department

Scope of Duties and Responsibilities of the Managing Director

- (1) To ensure that the Company's business operation is in line with the policies issued by the Board of Directors or the Board of Executive Directors, and to provide performance updates to both boards.
- (2) To prepare and review the annual budget prior to submitting to the Board of Directors for approval as well as to control the spending of each business unit.
- (3) To review and assess the Company's operating results and make necessary adjustments in operations to reflect internal and external conditions on a regular basis.
- (4) To establish business guidelines to ensure that the Company's operations are in line with the Boards strategy and goals set for management.
- (5) To control operating, selling and administrative expenses and approve business transactions including construction material procurement and investment expenditures to ensure the adherence to the budget approved by the Board of Directors or the Board of Executive Directors in the amount not exceeding THB 50 million per transaction. The Managing Director cannot alone approve any land purchase.
- (6) To review all transactions relating to the Company's assets and rights for which the Company may use to enter binding contracts with individuals, companies or financial institutions and to submit such transactions for review and approval by the Board of Executive Directors.
- (7) To review the Company's financial performance and to determine and submit for approval by the Board of Directors any interim or annual dividend.
- (8) To perform or execute any task or duty as assigned by the Board of Directors.

The Managing Director does not have any authority to approve any transactions in which the Managing Director and others may have conflicts of interest (in line with the regulations of the Company and the Securities and Exchange Commission) with the Company or the Company's subsidiaries, except for normal business transactions as clearly stated in the policies regarding connected transactions.

Company Secretary

The Board of Director passed a resolution to appoint Mrs.Thapanee Seetapawang to hold secretary office according to the meeting resolution of Board of Directors no.1/2015 on February 26,2015, has acted as the company secretary since February 27, 2015 to oversee Board activities and assist the Board and the Company in complying with related laws and regulations and in promoting good corporate governance, to oversee the organization of shareholders and Board meetings in conformity with laws and the Company's Articles of Association and procedures, and to oversee the preparation and storage of meeting support documents and follow up to ensure compliance with the shareholders' and Board resolutions. The Company has defined the Secretary's role, duties and responsibilities in the Corporate Governance Policy Manual, as it envisions the importance and necessity of secretary role in the development of its corporate governance system. The Secretary can be reached at ir@ncgroup.co.th or phone number 02-993-5080-7 ext. 403

Required Qualifications and Experience for Company Secretary

1. Being knowledgeable in and having an understanding of the laws and regulations concerning the company and regulatory body in relation to the law on public limited companies and the law on securities and stock exchange; passing a training course on company secretary duty performance.
2. Being knowledgeable and having an understanding of good corporate governance and corporate governance best practices.

Company Secretary's scope of duties and responsibilities:

1. To produce and keep
 - Record of Directors.
 - Notice of Board of Directors meeting, minutes of Board of Directors meeting and company's annual report.
 - Notice and minutes of all shareholders' meeting.
2. To keep all interest or conflicts of interest report reported by directors or any members of management team.
3. To perform any other action as determined by Capital Markets Supervisory Board.

History of Board Representation

Name		Title	Board Representation	Term
1. Mr. Sudham	Chatwalwong	Chairman	27/11/2003 - Present	6
2. Mr. Somchao	Tanthathloedtham	Director	27/11/2003 - Present	5
3. Mr. Somnuek	Tanthathloedtham	Director	27/11/2003 - Present	6
4. Mr. Wichian	Silapacharanan	Director	27/11/2003 - Present	6
5. Mr. Rungsarn	Nuntakawong	Director	27/11/2003 - Present	7
6. Mr. Piboon	Limpraphat, Ph.D	Director	15/5/2007 - Present	3
7. Mr. Kobsak	Pongponrat	Director	27/11/2003 - Present	6
8. Mr. Vichit	Vichaisarn	Director	11/10/2007 - Present	4

Board Member's Attendance in 2016

Name		Title	Attendance/Total Meetings			
			Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee
1. Mr. Sudham	Chatwalwong	Chairman	7/7	-	-	-
2. Mr. Somchao	Tanthathloedtham	Director and Remuneration Committee	7/7	-	2/2	-
3. Mr. Somnuek	Tanthathloedtham	Director and Nomination Committee	6/7	-	-	2/2
4. Mr. Wichian	Silapacharanan	Director	7/7	-	-	-
5. Mr. Rungsarn	Nuntakawong	Director	7/7	-	-	-
6. Mr. Piboon	Limpraphat, Ph.D.	Director, Chairman of the Audit Committee, Chairman of the Nomination Committee, and Chairman of the Remuneration Committee	7/7	5/5	2/2	2/2
7. Mr. Kobsak	Pongponrat	Director, Member of the Audit Committee, and Nomination Committee	7/7	5/5	-	2/2
8. Mr. Vichit	Vichaisarn	Director, Member of the Audit Committee, and Remuneration Committee	6/7	4/5	2/2	-

Remuneration for Board Members and Senior Management

1. Monetary Remuneration

• Board of Directors' remuneration in 2016

Name	Title	Allowance (THB mn.)				Annual Remuneration (THB mn.)	Total (THB mn.)
		Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee		
1.Mr. Sudham Chatwalwong	Chairman	0.35	-	-	-	0.44	0.79
2.Mr. Somchao Tanthathodtham	Director	0.14	-	0.04	-	-	0.18
3.Mr. Somnuek Tanthathodtham	Director	0.12	-	-	0.04	-	0.16
4.Mr. Wichian Silapacharanan	Director	0.14	-	-	-	-	0.14
5.Mr. Rungsarn Nuntakawong	Director	0.14	-	-	-	-	0.14
6.Mr. Piboon Limpraphat, Ph.D.	Director	0.14	0.15	0.06	0.06	0.20	0.61
7.Mr. Kobsak Pongponrat	Director	0.14	0.10	-	0.04	0.20	0.48
8.Mr. Vichit Vichaisarn	Director	0.12	0.08	0.04	-	0.20	0.44
Total		1.29	0.33	0.14	0.14	1.04	2.94

That the directors' remuneration for the year 2016 (resolutions of the 2016 Annual General Shareholders' Meeting April 21, 2016) as follows:

- Chairman's meeting allowance THB 50,000 / meeting
- Directors' meeting allowance THB 20,000 / meeting
(No annual remuneration for directors)
- Chairman of the Audit Committee's meeting allowance THB 30,000 / meeting
- Audit Committee members' meeting Allowance THB 20,000 / meeting
- Annual remuneration for Chairman THB 440,000 / year
- Annual remuneration for Audit Committee members THB 200,000 / person / year
- Chairman of the Nomination Committee's meeting allowance THB 30,000 / meeting
- Nomination Committee members' meeting allowance THB 20,000 / meeting
- Chairman of the Remuneration Committee's meeting allowance THB 30,000 / meeting
- Remuneration Committee members' meeting THB 20,000 / meeting
- Directors of subsidiaries' Remuneration - No -

• Board of Executive Directors' and Senior Management's Remuneration in 2016

Items	2016		
	Number of Persons	Amount (THB mn.)	Type of Remuneration
Board of Executive Directors' and Senior Management's Remuneration (As Senior Management Team)	14*	46.43	- Salary - Bonus - Provident Fund

Note : Senior Management includes Chief Executive Officer, Senior Executive Vice President, Executive Vice President, Senior Vice President, Vice President, Accounting Department and Vice President, Finance Department.

2. Other Types of Remuneration

- None -

Personal development policy

Human resource development is high on our priority list because people are essential resources to success. Therefore, we ensure our recruitment helps us find capable people. Sufficient annual budget is provided for staff development on an ongoing basis while efficient management systems are put into place to create solid foundation for sustainable development including the following.

- Human Resource Information System (HRIS) is the solution we use to efficiently manage human resources information and provide access via web application for our employees to check and work about their personal information and to obtain approvals via web application (Employee Self Service-ESS).
- We have the Performance Management System where performance evaluation is based on individual KPIs and competencies. To retain capable employees and create awareness in self and organization development which are essential for our competitiveness and ability to adapt to varying environmental conditions, our evaluation policy applies grading and Force Ranking.
- Taking into account labor rights and employee safety, security and health, we develop manuals and guidelines and ensure they are always efficient and up to date for our employees, e.g., work rules and regulations, human resources management guidelines, a handbook for settling in new employees, a human resource related approval authority table, etc.

Internal and External Training

The company divides our employee training programs into 4 categories including training for 1) management and supervisors 2) marketing, sales, and after-sales staff 3) engineering and construction staff 4) support function staff. We provide our employees with internal and external training including overseas training at leading training institutes.

In 2016, we had 15 internal and 21 external training programs with 4 main objectives: 1) to enhance employees' professional knowledge and skills; 2) to improve efficiency of our internal management system; 3) to support employees' growth and career paths; and 4) to educate employees on workplace safety standards. Our training programs follow the company's annual plan and also training road map for long-term development. It is our policy that knowledge sharing for other team members should be done after an employee comes back from an external training program.

In addition, we also provide other internal development activities including job rotations, committee and task force assignments such as the 5-S Committee, the Quality System Committee, the Risk Management Committee, the Management Development Committee and the Committee on Safety in the Workplace, etc. For new employees, the company has arranged on-the-job training to provide understanding of the company's operating system, business operating procedures and work procedures for various positions, including basic knowledge about good governance and the company's code of conduct in order to foster a sense of good governance and their participation in promoting the company's corporate governance as well as fostering corporate social responsibility.

As being aware of sustainable development, the company provides the potential employees with scholarships at certificate, undergraduate and graduate level for real estate-related fields. The company also provides the new employee with orientation and on-the-job training. In addition, the Company requires that all its new recruits take part in a Company familiarization program to enable them to be acquainted with the Company's philosophy, policies, processes, Company's good corporate governance policies, corporate social responsibility and ethical guidelines and encourages them to uphold these policies and guidelines going forward.

Nevertheless, apart from personnel improvement, the company recognizes the importance of the employees' quality of life and living conditions. Therefore, the company attentively offers employee benefits such as annual health check-ups, life and health insurance, a provident fund, discounts on home loans for houses in the company's projects, food allowances, other loans and various types of financial aids.

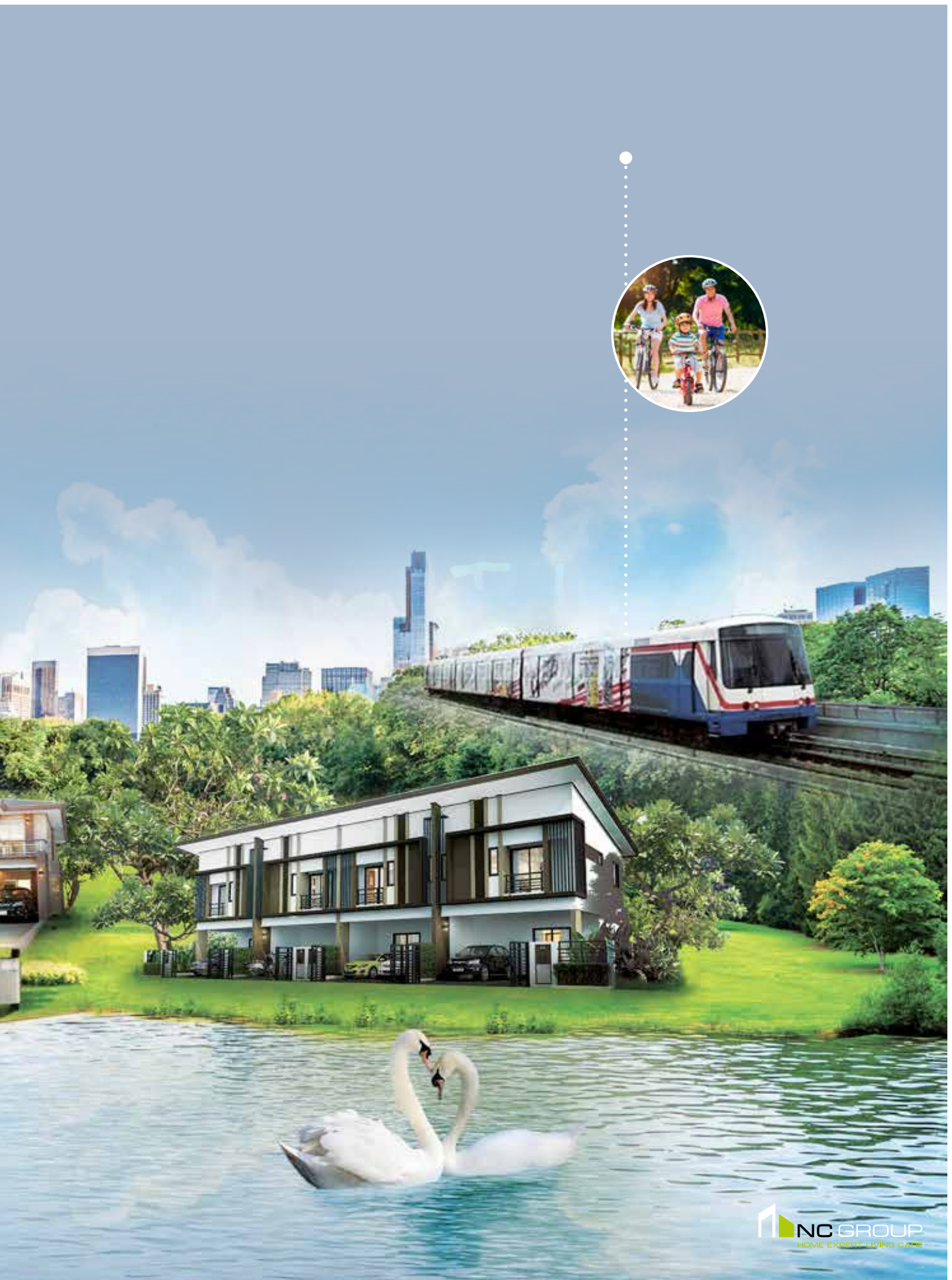
In 2016, the company organized both in-house and public training as follows:

Training	No. Courses	No. of Participants
In-house Training	15	669
Public Training	21	31
Total	36	700

TOWNSHIP DEVELOPMENT

Large integrated urban community where a total of 14 projects have already been launched with ongoing development.





GOOD CORPORATE GOVERNANCE

CG & CSR Day

The company realizes the importance of management under the principles of good corporate governance and the company's business ethics manual. Furthermore, the company has set aside the second of February of every year, which is the anniversary of the company's founding day, to be CG and CSR Day.

On 2 February 2017, the executives and employees of N.C. Group joined to hold the "CG & CSR Day 2017". The event highlighted the declaration of policy, plan, and goal in 2017, along with lectures delivered by guest speakers,

including the "CSR in Process" by Mr. Woranat Piantham, Assistant Director of Thaipat Institute and the "Knowing houses. Knowing customers. Growing toward the prosperity." by Dr. Wilert Puriwat, instructor from the Department of Marketing, Faculty of Commerce and Accountancy, Chulalongkorn University. The event also included the granting of "2017 N.C. Scholarships" to 8 students from the Rajamangala University of Technology Thanyaburi. The scholarship program provides continuing financial support for outstanding students to complete their bachelor degree.



The Company's Comprehensive Good Corporate Governance Policy

- Board structure, roles of the Board, responsibilities and independence of members of the Board of Directors
- Equal treatment of shareholders and stakeholders
- Transparent disclosure of Company information
- Control and manage risk
- Business ethics

1. Shareholder's Rights

The Company understands the importance of shareholder's rights and has in place measures to protect such basic rights as per the legal requirement and encouraging shareholders to fully exercise their rights as stated clearly in the Company's corporate governance guidelines.

Annual General Shareholders' Meeting (AGM)

The 2016 Annual General Shareholders' Meeting was held on April 21, 2016 with 8 Board members attending the meeting (the Company has 8 Board members). The total number of shareholders attending the AGM by self or through proxy totaled 69 persons representing 881,434,663 common shares or a representation of 74.32% of the Company's total outstanding common shares. (Total issued and a paid-up share is 1,185,985,052 shares).

The Company has a policy of equitable and fair treatment of shareholders to support, promote and facilitate the rights of all groups of shareholders in compliance with not only the law and regulations, but also with honesty, transparency and responsibility to all shareholders. Shareholders' meetings are conducted according to strict procedures to ensure compliance with regulations and guidelines and the Company works to encourage meeting attendance from every shareholders. Moreover, the venue, date and time of the Meeting are decided for maximum convenience to Shareholders, therefore, the Meeting will not be held on public holidays, commercial bank holidays or beyond usual working hours

(between 8:30 - 16:00) and the venue will be in an easily accessible location in Bangkok or other areas where the main office is located. On the date of the Meeting, services will be provided to assist with the registration and document check to ensure convenience for shareholders and meals will also be provided for all attendees.

The Company holds the annual general meeting of shareholders within 4 months from the date of balance sheet, which the Company provided its shareholders with a letter of invitation via post mail to attend the AGM along with all documents related to the meeting for which shareholders should receive 21 days prior to the meeting date. The objective is to provide shareholders with sufficient information and time to review such information and to consider the issues prior to attending the meeting. Notice of the meeting was also placed in a daily newspaper for 3 consecutive days prior to the said meeting. In addition, all documents including the letter of invitation, the proxy forms and all applicable supplementary information both in Thai and English were placed on the Company's web site www.ncgroup.co.th 30 days prior to the meeting date.

In case where a shareholder is either not able to attend the AGM or prefers to vote by proxy, the shareholder can do so by appointing another person in their stead or appoint one of the three Company's Independent Directors to vote on their behalf.

Detailed procedures regarding the AGM was provided to all shareholders along with the letter of invitation to attend the meeting, which provides details regarding the agenda and the necessary documents that need to be presented to attend the meeting. Staff was on hand on the day of the AGM to assist shareholders and proxies register for which the Company provided 2 hours in advance of the meeting and staff were also on hand to provide assistance throughout the meeting.

The Chairman presiding over the AGM notified shareholders about the voting process and the format in counting such votes. For the issue on voting for Board members, the Company allowed shareholders to vote by person. The Chairman discussed key issues that have been submitted for shareholders to consider and vote upon per the sequence and only submitted issues as stipulated in the agenda. Equal and sufficient opportunity was given to shareholders to ask questions. Shareholders are allowed to attend the AGM post commencement of the meeting and vote on issues for which approval is being sought. The additional votes brought in by the shareholder due to late arrival will form a quorum starting at the time for which participation at AGM commences unless the AGM sees otherwise.

A comprehensive minute to the AGM was kept, recording not only the issues and discussions but also including the voting outcome on each issue. The comprehensive minute is sent to relevant persons within 14 days after the AGM along with disclosing such information on the Company's web site www.ncgroup.co.th. For fiscal 2016, the Company was recognized for the highest achieved in preparing for and executing the AGM by receiving 100 points from the SEC in conjunction with Thai Investors Association which was in a very good level.

The Company's financial auditor (Dharmniti Auditing Co, Ltd.) was also invited to attend the AGM to not only assist in answering questions but also listen to thoughts and comments for which shareholders may have. For transparency purposes in aggregating votes, an internal audit's external consultant was assigned to ensure integrity of vote count.

Chair of stakeholders will be responsible for appointment and compensation of auditors based on recommendation of company's Board of Director. Auditor must not be Board, employees, contractors, or persons who take any position in company. Independent auditors from Dharmniti Co., Ltd. are invited to attend the meeting to discuss and share ideas with shareholders for purpose of voting transparency.

Since the last annual shareholders meeting, company has given the minority shareholders an opportunity to propose additional agenda as well as to name a proper individual to be a member of company's director. NCH sent out letters to all minority shareholders to ask for any additional agenda they might have and the name of the individual to be elected to be a member of company board of directors via SET's channels of communication on December 22, 2016. All criteria and methodologies concerned were published in the company's web site and also through SET's system.

2. Equitable Treatment of All Shareholders

The Company's policy towards its shareholders is one of support, equitable and ethical treatment which abides by all guidelines and legal requirements. Details of activities facilitating shareholders in attending the AGM is disclosed as the first item in the Shareholder's Rights section.

Control of Internal Information

The Company has in place policies against the Company's Board of Directors, senior management and staff using insider information for personal gains or benefits as per the section of "Internal Information Control". Members of the Board are required to disclose any conflicts of interest that they may have for the Board of Directors to consider. A clear policy has also been set in regards to members of the Company's Board serving as members of the Board of other company's in the "Board Member's Qualifications".

Conflicts of Interest

The Company holds in contempt for any use of the Company's information or position by members of the Board, senior management and/or staff for personal benefits. A policy has been issued to prohibit members of the Board, senior management and staff from undertaking activities that is deemed to have conflicts of interest with the Company. However, should it be impossible to avoid such transactions, the Board of Directors mandates that such transactions be undertaken in lieu of the guidelines stipulated by the SET and must be submitted for approval by the Board of Directors with the attendance of members of the Audit Committee. This is to ensure such transactions are taken on an arms length basis

Persons who are involved in such transaction may not be involved in the review or approval process. A summary of related party transactions has been disclosed in both the Company's annual report (56-2 report) and also that of the Company's annual information disclosure under the 56-1 report format.

In addition to prohibiting any member of the Board, senior management and staff from using information or position for personal benefits, the Company also prohibits its Board Members, senior management and staff from undertaking businesses that is construed to be in direct competition with the Company or related businesses. Establishment of business group structures which do not support related transactions with potential conflicts of interest.

3. Stakeholders' Rights

The Company puts emphasis on the rights of all its stakeholders whether internal or external. These stakeholders include all staff, management of the Company and that of its subsidiaries along with its external stakeholders including customers, counter parties, competitors, creditors and regulatory entities. This also encompasses responsibility towards social and environmental concerns. The emphasis of these rights has been stated clearly in the Company's good corporate governance policies and in the Company's handbook on ethics to serve as reference. In fairness to its stakeholders and related persons, the Company provides a channel for such persons to launch a complaint for unfair treatment or for any misconduct on the Company's part through the Company's web site www.ncgroup.co.th. In addition, individual can contact directly to company's board of directors by sending an email to bod@ncgroup.co.th or to the secretary office at ir@ncgroup.co.th. Company emphasizes the important of the rights and benefit of all stakeholders as follows:

Shareholders : The Company is focused in operating its business with the utmost honesty, integrity and ethics along with the utmost transparency to ensure sustainable growth for the Company and ultimately increasing the shareholders' long-term value and wealth. This takes into consideration shareholder's rights and equality as disclosed in section 1 "Shareholders' Rights" and section 2 "Equitable Treatment of All Shareholders"

Employees / Executives: In considering its human capital to be at the forefront in ensuring the Company's future success, the Company's policies include equitable treatment of all staff, provide growth opportunities, comparable compensation, appointment process, re-assignment process and policies on ongoing personal development. Such staff policy is to enhance their effectiveness and efficiency while providing all with the skills necessary to become candidates for career enhancement opportunities as stipulated in the section of "Personnel Development Policy".

Good health, safety and amiable work environment are key concerns for the Company. A committee on safety has been established to ensure safety and hygiene in the work place. Another committee on staff benefits was established to oversee the policies on staff benefits, breaking human's right protection, including yearly health check-ups, providing a place for exercise, providing staff insurance and setting pension fund policies.

"The company places importance on employees. Therefore, the company has policies for providing remuneration and welfare to help and raise quality of life for employees and families together with building working morale and encouragement as follows:

- 1) The company set payment of fair remuneration as commensurate with duties, responsibilities and company performance.
- 2) The company has stipulated consistent consideration in reviewing employee remuneration and welfare for competitive capacity within the industry."

Customers : The ISO 9001:2008 certification received reflects the efforts put forth by the Company in seeking to provide the best product, service and after sales service at an appropriate price while ensuring long-term customer satisfaction. Emphasis is placed on courteous treatment and efficient service for its customers and strictly abiding to service agreements as stipulated within each contract. A channel for customer complaints for its products and services has been put in place (CFR : Customer Feedback Records) while emphasizing customer privacy. At every transfer of title deed, a feedback form is provided to each customer to provide thoughts and comments about the Company's products and services. The Company also provides its customers with an annual survey form reflecting residents' level of satisfaction on the Company's products and services for which the results will be used to improve such products and services to enhance overall customer satisfaction.

Suppliers : At the heart of the Company's emphasis is the ethical and equitable treatment of all its business partners while ensuring that all parties receive appropriate returns for both parties. This includes avoiding situations leading to disputes on applicable fees and strictly abiding by the terms as stipulated in all of the contracts.

Creditors / Financial institutions: The Company abides strictly by the terms and conditions as set forth in the contracts for borrowing money

Competitors: Fair and ethical competition is emphasized in running the Company's operations. The Company prefers open competition and enables suppliers to charge for goods and services at competitive market prices, by promoting business operation under fair competition, intellectual property or trade copyright. The Company is not engaged in any illegal actions in acquiring of competitor's information and avoids making reference to its competitors. In 2014, there were no legal infringements made against its competitors.

Independent Auditors: NCH has realized the importance of having independent auditors as the investors' tool for investigating the operation of management team as well as having the correct and reliable financial report. One of the NCH policies is to fully support the operations of the independent auditors as well as providing the correct information needed by the auditors.

Society Community and Environment: The Company believes in managing the environment, making social contributions and supporting events that benefit communities. Support and contributions are made by the Company and/or in conjunction with State entities to local communities for which the Company operates as stipulated under the section of "Corporate Social Responsibilities". As a good corporate Samaritan, the Company abides by all applicable legal guidelines, including the conscious campaign of the efficient use of the resource. The meeting of the board of directors passed a resolution to approve the assignment of the Management Department to consider guidelines for promoting environmental education and training for employees.

Beside, company had set the self treatment policy and policy of treating to immediate supervisor, colleagues, as well as company to protect the participation or concealment the activities that make conflict of interest, corruption for self-interest. The reason behind this approval was that company believed that employees are keys to business success. They need to be trained and developed continuously until they are the best at what they do. Furthermore, employees have to behave well and give their shares to build a proper company culture and sustainable growth

4. Information Disclosure and Transparency

The Board of Directors' directive is to ensure the disclosure of both financial and non-financial information that pertains to the Company's operations. Information integrity, completeness and transparency of disclosure through the various designated channels along with the abidance with all SEC and legal guidelines are a must. The composition, tasks and responsibilities along with remuneration for members of the Board and the members of various Committees have been disclosed in the "Management Structure". Reports of the various Committees have also been included in the annual report and details on remuneration for members of the Board is disclosed. A report on good corporate governance and adherence report has also been included.

Additionally, a new policy has been put in place that mandates full disclosure of shares trading by the directors and top executives to the Board, investor relations, or secretary company at least 24 hours prior to transaction. The meeting of the board of directors passed a resolution to set policies for company directors to make quarterly reports on the purchases-sales of shares/holdings in company securities to the meeting of the board of directors.

Quality of Financial Disclosure

The Company's Board of Directors has exercised due care in ensuring that the disclosed financial information are correct, transparent and complies with generally accepted accounting principles ensuring appropriateness to the Company's operations and applying such accounting standards on a consistent basis. To further provide a higher level of confidence, the Board has put in place a risk management function and also an effective internal audit function. The Audit Committee is charged with the responsibility of ensuring quality of financial disclosure and establishing a robust internal audit process. A Board of Directors' duties on financial disclosure report along with the Audit Committee's report has been included in the 2016 annual report.

Relationship with Investors

An Investor Relations Department has been established to serve as the Company's representative to communicate on the Company's behalf with shareholders, fund managers, equity analysts and the general public community through a number of channels either directly or indirectly. The Company utilizes channels via the SEC, the SET, media, e-mail, telephone, fax, IR Newsletter and posting information on the Company's web site www.ncgroup.co.th both in Thai and English. Interested persons can contact the Company via the Company's web site www.ncgroup.co.th or via the Investor Relations Department's E-Mail: ir@ncgroup.co.th, contact by phone: 02-993-5080-7 ext. 401, 403 and 404



5. Duties of the Board of Directors

Structure of the Board of Directors

Board of Directors must possess qualifications based on Public Company Act and related laws. Board must not show any characteristic that is not suitable to manage company with public stockholding as specified by Securities and Exchange Commission.

The Company's Board of Directors comprise of knowledgeable and capable individuals with business experiences and the variety of qualifications of directors, i.e., the specialization of skills and profession for responsibility is to consider and approve the Company's vision, strategies, policies, business and financial budget as well as supervise the management team to effectively and efficiently execute policies. This is in observance of all legal guidelines, purpose, Company's Articles of Association and resolutions approved by shareholders to increase the Company's overall value and the utmost stability for shareholders.

The number of Board members has been determined to suit the size of the Company's operations. As of December 31, 2016, there were a total of 8 Board members with 4 members holding management positions within the Company and another 3 who do not hold any management positions and are Independent Directors. Stakeholders can be rest assured that the representation on the Company's Board is sufficient to maintain counter balance and effectively represent shareholders' interest.

The Board Chairman is an Independent Director and is not the same person holding the Managing Director position. There is a clear cut difference in the operating roles and responsibilities of the Board of Directors and that of management.

Independent Directors refer to persons possessing the qualities and is independent as per the definition stipulated by the SET regarding qualifications and responsibilities as a member of the Audit Committee as disclose in the "Board Member's Qualifications"

The definition of the term "Independent Director" as per the Company's guidelines is compliance of the SET's guidelines as shown in the information under the "Board Member's Qualifications"

The Company's policy and guidelines for its Board members sitting on other Company's Board of Directors has been disclosed in the annual report under the "Board Member's Qualifications". To date, the Company has not specified the number times a Board member can be re-elected to sit on the Company's Board. However, upon reaching the term for retirement, the Nomination Committee may consider the appropriateness in re-selecting the outgoing Board members by taking into consideration the individual Board member's performance and the value of contribution made to the Company in the previous term(s).

Sub-Committees

The Board of Directors appointed qualified members of the Board to 3 committees tasked to undertake various activities including the Audit Committee, the Nomination Committee, the Remuneration Committee Details of the composition, tasks and responsibilities of each appointed committee have been disclosed in the "Board of Directors Structure". Company assigned sub-committee to responsible for reporting the operation result according to the audit charter to the Board of Directors and The Shareholder Meeting. Although the company has not established a Risk Management Committee and Corporate Governance Committee, the company has established work groups clearly responsible for the aforementioned issues.

Board Meetings

There were a total of 7 Board meetings held in 2016. At the Board of Directors' Meeting No. 7/2559 held on December 22nd 2016, the Company's Mission and Vision were put under review and revision for an improved efficiency on management policy and Board and subcommittee meetings for 2017 were announced, all as parts of the meeting agenda items. All members of the Board are required to attend meetings except in cases of emergency. The Chairperson

and the Managing Director are responsible for determining the appropriate agendas and its sequence while allowing other Board Members to submit other agendas for consideration. The agenda of each Board meeting is clear and the Company sends agendas and related documents to the Board seven days prior to the meeting date so that Board members have sufficient time to study the issues beforehand. Additional information on each agenda can be sought from the Company's Secretariat.

The Chairman emphasizes due care and careful judgment and provides sufficient time for the thorough discussion and consideration of matters. The Company Secretary is charged with issuing invitations and supporting Board members with all necessary documentation in preparation for Board meetings. The minutes to all Board meetings are prepared by the Company Secretary, which must be approved by the Board of Directors prior to safekeeping and for future reference by stakeholders.

In 2016, the Board of Directors met in ordinary Board meeting total 4 times and met third in an extraordinary Board meeting. Attendance record of Board members is disclosed in the "Management Structure".

The Monitoring of Implementation

The board of directors has maintained close monitoring on the implementation of strategy through twice meetings a year. The agenda included the acknowledgement of operating results of the year's first half and second half, as well as the approval of next year's operation plan by which each department has to report the results of operation and request for the approval of plan from the board of directors in order to proceed to the board meeting for consideration.

Charter of Board of Directors and sub committees

To ensure clear operating procedures of Board of Directors and sub committees, company develops charter for management and regularly adapt for improvement.

Board Self-Assessment

An annual self-assessment process has been implemented for the Board of Directors, the Audit Committee, the Nomination Committee and the Remuneration Committee. Furthermore, self-assessment for members of the board of directors was initiated for the first time. The assessment evaluates the performance of each a group, applying the guideline for Board self-assessment put forth by SET and conforming to good corporate governance principles, the Company had conducted a Board performance evaluation for 2016.

which enables both entities to review the problems and obstacles encountered along with the progress made in the past year. Reflection of the review is used as reference and guideline for developing and modifying strategies and policies for the coming year.

The summary of all boards' and committees' assessments in 2016 as of meeting no. 1/2560 on February 22th, 2017 is as follows.

Performance Evaluation of the Company's Board of Directors

Criteria The Board's Self-Evaluation Form is a form used to evaluate the performance of the board of directors as a whole. The evaluation guideline was adapted and adjusted from the Stock Exchange of Thailand to suit the characteristics and structure of the board. The evaluation result has an important role to develop the efficient and effective performance and operation of the board. Topics of evaluation are:

1. Structure and qualifications of the board of directors
2. Roles, duties and responsibilities of the board of directors
3. Board meetings
4. Board performance of duties
5. Relationship with the management
6. Self-development of directors and development of executives

Procedure The Company secretary submits the evaluation form for all directors to evaluate themselves at the end of each year. The secretary will also collect and report the summary of results to the board meeting for consideration, acknowledgement and discussion every year.

In 2016, the summary of the board performance results in 6 topics showed that most activities were very well/ appropriately operated with the average point at the great level, equivalent to 96.18%

Performance Evaluation of the Company's Board of Directors as a initiated

Criteria The Board's Self-Evaluation Form is a form used to evaluate the performance of the board of directors as a initiated which is samed a form used to evaluate the performance of the board of directors as a whole. The evaluation guideline was adapted and adjusted from the Stock Exchange of Thailand to suit the characteristics and structure of the board. The evaluation result has an important role to develop the efficient and effective performance and operation of the board. Topics of evaluation are:

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5. Relationship with the management
6. Self-development of directors and development of executives

Procedure The Company secretary submits the evaluation form for all directors to evaluate themselves at the end of each year. The secretary will also collect and report the summary of results to the board meeting for consideration, acknowledgement and discussion every year.

In 2016, the summary of the board performance results in 6 topics showed that most activities were very well/ appropriately operated with the average point at the great level, more 85%

Performance Evaluation of the Audie Committee

Criteria The Audit Committee's Self-Evaluation Form is a form used to evaluate the performance of the audit committee as a whole. The objectives of this evaluation are:

1. To enable consideration and revision of the performance, problems and obstacles during the previous year.
2. To increase effectiveness of the audit committee's performance since they will realize their responsibilities more clearly.
3. To help improve the relationship between the audit committee and the management.

There are 6 topics to be evaluated namely:

1. Component of the audit committee
2. Training and resources
3. The audit committee meetings
4. The audit committee activities
5. Relationship with Internal Audit Manager, Auditor and executives
6. Future rules of the audit committee

Procedure The audit committee secretary submits the evaluation form for all committee members to evaluate themselves at the end of each year. The secretary will also collect and report the summary of results to the audit committee meeting for consideration, acknowledgement and discussion every year and report to Board of Directors for acknowledge at the next meeting

In 2016, the summary of the audit committee performance results in 6 topics showed that most activities were very well/ appropriately operated with the average point at the great level, equivalent to 98.60%

Performance Evaluation of the Nomination Committee

Criteria The Nomination Committee's Self-Evaluation Form is a form used to evaluate the performance of the nomination committee as a whole. The objectives of this evaluation are:

1. To enable consideration and revision of the performance, problems and obstacles during the previous year.
2. To increase effectiveness of the nomination committee's performance since they will realize their responsibilities more clearly.
3. To help improve the relationship between the nomination committee and the management.

There are 5 topics to be evaluated namely:

1. Components of Nomination Committee
2. Training and self-development of Nomination Committee
3. Nomination Committee meeting
4. Duties and responsibilities of Nomination Committee
5. Future roles of Nomination Committee

Procedure The nomination committee secretary submits the evaluation form for all committee members to evaluate themselves at the end of each year. The secretary will also collect and report the summary of results to the nomination committee meeting for consideration, acknowledgement and discussion every year and report to Board of Directors for acknowledge at the next meeting

In 2016, the summary of the nomination committee performance results in 5 topics showed that most activities were very well/appropriately operated with the average point at the great level, equivalent to 90.67 %

Performance Evaluation of the the Remuneration Committee

Criteria The Remuneration Committee's Self-Evaluation Form is a form used to evaluate the performance of the remuneration committee as a whole. The objectives of this evaluation are:

1. To enable consideration and revision of the performance, problems and obstacles during the previous year.
2. To increase effectiveness of the remuneration committee's performance since they will realize their responsibilities more clearly.
3. To help improve the relationship between the remuneration committee and the management.

There are 5 topics to be evaluated namely:

1. Components of Remuneration Committee
2. Duties and responsibilities of Remuneration Committee
3. Remuneration Committee meeting
4. Remuneration Committee performance of duties
5. Self-development of Remuneration Committee

Procedure The remuneration committee secretary submits the evaluation form for all committee members to evaluate themselves at the end of each year. The secretary will also collect and report the summary of results to the remuneration committee meeting for consideration, acknowledgement and discussion every year and report to Board of Directors for acknowledge at the next meeting

In 2016, the summary of the remuneration committee performance results in 5 topics showed that most activities were very well/appropriately operated with the average point at the great level, equivalent to 98.92 %

Policy of Managing Director in taking Board of Director role of other companies

To ensure effective management and time allocation, company sets policy to limit Managing Director in taking Board of Director role of less than 3 registered companies.

Remuneration for Board Members and Senior Management

The Company's Board of Directors appointed the Remuneration Committee whose responsibility is to consider and set remuneration for members of the Board and the Company's Managing Director. Clear and transparent guidelines must be established while ensuring that remuneration is competitive with that of the industry and sufficiently high to retain qualified members of the Board. Board members who take on additional responsibilities will receive additional compensation as appropriate per the approval received at the AGM. Management's remuneration follows the policies and guidelines as set forth by the Company's Board of Directors which is directly linked to the Company's financial performance along with that of individual performance. Remuneration for members of the Board and that of management for 2016 is disclosed under the heading "Remuneration for Board Members and Senior Management".

Assessment of the Managing Director

The Company's Remuneration Committee is responsible for assessing the Managing Director's performance by taking into consideration of the Company's operating results and adherence to policies as per Board resolution while taking into consideration the overall economic outlook. The committee uses the above information to determine remuneration for the Managing Director and submits the outcome for Board approval.

Internal Control and Audit Process

Much emphasis is placed on the internal control process both at the management level and at the procedural level to ensure operating efficiency. Job functions and authority

have been clearly documented while asset utilization is being optimized to provide the most benefit for the Company. There are clear cut responsibilities of the administrative, management and the audit functions to ensure an effective check and balance system. The Company's Board of Directors assesses the adequacy of the internal audit process to be used for future guidance on an annual basis.

There is an Internal Audit and System Development Department whose function is to perform planned audits and assess results. An Internal Audit Manual has been drafted to ensure the adherence to guidelines regarding the Company's core operations, key financial transactions, administrative functions, management information system and legal guidelines applicable to the Company. Special audits are undertaken within stipulated guidelines to ensure efficiency and compliance with all legal guidelines and the Company's policies. The Department operates independently and can audit any function and provide audit summary, comments and suggestions to the Audit Committee. Performance review of the Department is overseen by the Audit Committee.

In addition, the company signed the contract with ANS Business Consultants, internal audit consultant service provider. This was to ensure that all operation systems of the company would be done correctly and met the international standards. The audit results would be reported to Board of Directors and responsible departments to improve the overall performances.

Great emphasis is put on risk management by the Company's Board of Directors and risk management committee election is in place along with an assessment process with corrective plans and actions have been prepared. Risks that bear effect on the Company's operations are stipulated in the "Risk Factors". The Board of Directors reviews and assesses the risk management process on a quarterly basis.

Business Ethics

Members of the Board of Directors understand their responsibility and duty to utilize their capabilities and experiences to maximize the benefits of the Company while observing ethical standards and all applicable legal guidelines, the Company's own guidelines and resolutions reached at the shareholders' meeting. Duties must be carried out with honesty, integrity and maximizing the benefit of both the Company and its shareholders. The resolution reached at the Board meeting 1/2006 held on February 24, 2006 regarding ethical guidelines for Board members, senior management and staff were announced as reference for all to observe. Every staff member is urged to conduct their tasks with honesty, integrity and ethically and to extend such high standard of moral standard towards external parties including stakeholders, society and the environment. The Board also mandated a system to review and assess adherence on a consistent basis.

Board of Directors is responsible for Updating the company's Code of Ethics every two years. The revision was made to better incorporate international best practice, held on December 22nd, 2016, the meeting had agreed to revise and issue the 9th edition of the Code of Conduct, In line with the company's anti-corruption policy. In addition to the handbook, training on an ongoing basis is being planned while all new recruits are introduced to the Company's ethical standards during their orientation.

General guidelines have been established for all as reference in undertaking their duties with honesty and integrity while such guideline also stipulates the penalties related to misdemeanor. In the past year, No confliction against the Good Corporate Governance was reported.

Development for Members of the Board and Senior Management

The Company's policy is to support the development of skills for members of the Company's Board, senior management and the Company Secretary by requiring their attendance of seminars of related topics beneficial to the execution of tasks in their various capacities. These include both seminars and courses that have been developed internally and seminars/courses offered by professional institutions such as that of the Thai Institute of Directors (IOD), Listed Companies Association and others. The purpose is for the attendees of such seminars and courses to internalize knowledge and experience which can be applied to improve the Company's overall performance. To build confidence in the board's ability to effectively monitor company performance with opportunities to regularly participate in training and improve knowledge together with facilitating training participation for the board of directors, the Human Resources Department and the company's secretary have been assigned the task of preparing a registry of training participation history for the board of directors and proposed proper training courses for the consideration of each director in order to support the participation of the board of directors in training courses or seminar activities to enhance work-related knowledge. Details of development courses attended by Board members and senior management have been disclosed under the "Management's Information" section along with the "Personnel Development Policy".

Company Secretariat

The Board of Director passed a resolution to appoint Mrs. Thapanee Seetapawang to hold secretary office according to the meeting resolution of Board of Directors no.1/2015 on 26 February, 2015, has acted as the Company Secretary since February 27, 2015 to oversee Board activities and assist the Board and the Company in complying with related laws and regulations and in promoting good corporate governance, to oversee the organization of shareholders and Board meetings in conformity with laws and the Company's Articles of Association and procedures, and to oversee the preparation and storage of meeting support documents and follow up to ensure compliance with the shareholders' and Board resolutions. The Company has defined the Secretary's role, duties and responsibilities in the Corporate Governance Policy Manual, as it envisions the importance and necessity of secretary role in the development of its corporate governance system. The Secretary can be reached at thapanee@ncgroup.co.th, ir@ncgroup.co.th or phone number 02-993-5080-7 ext. 403

Required Qualifications and Experience for Company Secretary

1. Being knowledgeable in and having an understanding of the laws and regulations concerning the company and regulatory body in relation to the law on public limited companies and the law on securities and stock exchange; passing a training course on company secretary duty performance.
2. Being knowledgeable and having an understanding of good corporate governance and corporate governance best practices.

Company Secretary's scope of duties and responsibilities:

1. To produce and keep
 - Record of Directors,
 - Notice of Board of Directors meeting, minutes of Board of Directors meeting and company's annual report,
 - Notices and minutes of all shareholders' meetings.

2. To keep all interest or conflicts of interest report reported by directors or any members of management team.
3. To perform any other action as determined by Capital Market Supervisory Board.

Policies and guidelines about anti-corruption

The Company recognizes the importance in conducting its business with integrity, honesty, morality and ethics by relentlessly working to support and foster anti-corruption mindset in employees at all levels; a step that is deemed essential to a sustainable reputation and business prosperity. as follow:

1. Company understands the importance of corruption and sets policies to operate based on integrity without support for corruption.
2. Company provides guideline in promoting sustainable value of integrity to employees
3. Company assigns internal audit and system development departments to monitor any action that relates to corruption, and prepare preventive actions and penalties.
4. Company announced intention the Collective Action Coalition Against Corruption of Thailand private sector according to the meeting resolution of Board of Directors no.6/2014 on 25 December, 2014.

Roles and Responsibilities

1. The board of directors determines policy, supervises and monitors the operating results in order to ensure the Company has achieved the Anti-Corruption Policy, as well as reviews the policy to assure compliance with changes of business, regulations, requirements and relevant laws.
2. The Audit Committee inspects and supervises internal control, produces financial reports and other procedures related to anti-corruption measures in order to ensure that all departments have performed with efficiency and compliance with the law and regulations for which have met the good governance principle and code of conduct on business operation.
3. The management has to strictly implement, communicate and promote the policy among employees of all levels and ensure all parties have acknowledged, understood and performed their duty without misconduct or corruption.

Complaints

In case that employee suspects any action that is likely to violate the policies or ethics, he can reports to following responsible persons;

- Supervisor
- Human Resource Department
- Board of Directors or secretary

Company assigns Human Resource Department to receive external complaints. In case that you suspect any action that is likely to violate ethics, please directly contact

Human Resource Department

N.C. Housing Plc.

1/765 Moo 17, Soi Amporn,

Paholyothin Road 26th Kilometer, Kukot Sub-District,
Lumlukka District, Patumthani Province, 12130

Tel 02 993 5080 – 7 ext. 230

Email: HRNC@NCGROUP.CO.TH

Therefore, in order to build a corporate culture of good corporate governance, the company has arranged training courses on good corporate governance and company ethics for new employees by requiring new employees to sign affirmations acknowledging compliance with corporate ethics, including the dissemination of news and information on operations and activities related to good governance through various channels to promote continued knowledge and understanding.

Structure of the Board of Directors

The Company's management structure consists of 6 committees including the Board of Directors, the Audit Committee, the Nomination Committee, the Remuneration Committee, the Board of Executive Directors and Risk Management Committee details are as follows:

Board of Directors

In 2016, the Company's Board of Directors met a total of 7 times. As of December 31, 2016, there were 8 members of the Board of Directors as follows:

1. Mr. Sudham	Chatwalwong	Chairman
2. Mr. Somchao	Tanthathoedtham	Director, Member of the Remuneration Committee and Chairman of the Board of Executive Directors
3. Mr. Somnuek	Tanthathoedtham	Director, Member of the Nomination Committee and Executive Director
4. Mr. Wichian	Silapacharanan	Director and Executive Director
5. Mr. Rungsarn	Nuntakawong	Director and Executive Director
6. Mr. Piboon	Limpraphat, Ph.D.	Director, Independent Director, Chairman of the Audit Committee, Chairman of the Nomination Committee and Chairman of the Remuneration Committee
7. Mr. Kobsak	Pongponrat	Director, Independent Director, Member of the Audit Committee and Member of the Nomination Committee
8. Mr. Vichit	Vichaisarn	Director, Independent Director, Member of the Audit Committee and Member of the Remuneration Committee

Company secretary: Mrs. Thapanee Seetapawang

Note : Mr. Somchao Tanthathoedtham and Mr. Somnuek Tanthathoedtham are members of the Tanthathoedtham Family, the majority shareholders holding 77.19% of the Company's total paid-up shares as of December 30, 2016.

Scope of Duties and Responsibilities of the Board of Directors

- (1) To manage the Company's business in compliance with the law, the Company's objectives, Articles of Association and resolutions of shareholders in an honest manner and with the aim to maximize benefit to the Company.
- (2) To set goals, guidelines, policies, work plans and the Company's financial budget; to ensure that the Board of Executive Directors and the Senior Management are in compliance with the policies and regulations set by the Stock Exchange of Thailand. However, the following activities will be able to carried out only with the approval of the shareholders' meeting: increasing or decreasing the Company's capital, issuing debentures, selling or transferring the Company's businesses in part or in whole to a third person or vice versa, amending the company's Memorandum of Association, Articles of Association, conducting related party transactions, and the selling or purchasing of major assets following the regulations of the Stock Exchange of Thailand or other government entities.
- (3) Setting appropriate accounting policies, providing financial reporting and reviewing the Company's financial statements to ensure integrity. Assessing the appropriateness and effectiveness of the Company's internal audit and risk management processes along with processes to review performance and modify such processes to obtain the desired results.
- (4) Ensure that there is integrity in business dealings with all Company's stakeholders
- (5) Ensure ethical business operations
- (6) Abide by the fiduciary duties of a publicly listed company's board member in providing a statement on the Board's responsibilities in preparing financial information for disclosure alongside that of the Company's financial auditor's statement in the Company's annual report.
- (7) To appoint director(s) and/or senior management(s) to manage and carry out business transactions as assigned by the Board of Directors.

Audit Committee

The Company's Board of Directors reached a resolution at the Board meeting 4/2006 on November 6, 2006 to appoint 3 members to the Audit Committee made up of non-executive board members and are independent directors. The appointment took effect on November 7, 2006 and a tenor of 3 years. The Board of Directors Meeting held on August 13, 2015 approved the appointment of the Audit Committee and allowed them to start their works since November 7, 2015 to November 6, 2018.

1. Mr. Piboon	Limpraphat, Ph.D. *	Chairman
2. Mr. Kobsak	Pongponrat *	Member
3. Mr. Vichit	Vichaisarn *	Member

(* is the name list of qualify and professional Audit Committee. See more details of each member on Directors and Executives topic)

Secretary of the Audit Committee:

Ms. Kamonwan Sawadchai

Scope of Duties and Responsibilities of the Audit Committee

- (1) To review the Company's financial reporting process to ensure accuracy and sufficient disclosure of financial information, by coordinating with the independent financial auditor and senior management, responsible for preparing the quarterly and yearly financial reports. The Audit Committee may suggest that the auditor review or examine any transactions considered necessary and significant during the audit of the Company's accounts.
- (2) Check the availability, appropriateness, and effectiveness of company's internal control system and internal audit system. Examine how independence of internal audit team and give a recommendation on the appointment, transfer, termination of internal audit department head and any other departments that relevant to internal audit functions.
- (3) To ensure that the Company's business practice is in compliance with the securities and exchange laws, the rules and regulations of the Stock Exchange of Thailand, or related business laws.

- (4) Consider, select, and propose to appoint proper person to be internal auditor as well as his/her benefits based on creditability, experience, and readiness to attend the annual auditor meeting independently at least once a year.
- (5) Examine every detail that is relevant or conflict with the company benefits according to law and the regulations of the Stock Exchange of Thailand.
- (6) Prepare the annual internal audit report and published in the company annual report. This report must be signed by chairman of the audit committee and must have the following detail:
 - a) The committee's opinion regarding to the accuracy, completeness, and the reliability of the company annual report.
 - b) The committee's opinion regarding to the sufficiency of the company's internal audit system.
 - c) The committee's opinion regarding to the Securities and Stock Exchange Act, the regulations of the Stock Exchange of Thailand, or other business laws compliance.
 - d) The committee's opinion regarding to the appropriateness of the auditor.
 - e) The committee's opinion regarding to issues that may conflict with the company's interests.
 - f) The number of audit committee meetings and participation of each member.
 - g) Add their opinions or observations derived from their field work as written in the charter.
 - h) Any other information that investors should know under committee's duty and responsibility.
 - i) Carry out the assignment given by the board of directors under the permission of audit committee.

During 2016, the Audit Committee held a total of 5 meetings which reported to the Board of Directors with progress reports and reported to Shareholder in the Annual Report

Nomination Committee

At the 4/2007 Board meeting held on October 11, 2007, a resolution was reached by the Board of Directors to appoint a Nomination Committee to include 2 members not holding a management position within the Company and are Independent Directors. Another member of the Committee is to have a management position within the Company. The Committee's term is for 2 years. The Board of Directors Meeting held on August 13, 2015 approved the appointment of the Nomination Committee and allowed them to start their works since October 11, 2015 to October 10, 2017

1. Mr. Piboon	Limpraphat, Ph.D.	Chairman
2. Mr. Kobsak	Pongponrat	Member
3. Mr. Somnuek	Tanthathoedtham	Member

Secretary of the Nomination Committee:

Mrs. Thapanee Seetapawang

Scope of Duties and Responsibilities of the Nomination Committee

- 1) To draft guidelines and qualifications of candidates to be appointed to the the Company's Board of Directors, the various Committees and the Board of Executive Directors.
- (2) To seek and screen persons with qualifications appropriate to be appointed to the Company's Board of Directors, the various Committees and the Board of Executive Directors in case a vacancy occurs or when there needs to be a new appointment. Candidate's names are to be submitted for the Company's Board of Directors and/or the Company's shareholders for consideration and approval.
- (3) To undertake other related activities as assigned by the Company's Board of Directors.

During 2016, the Nomination Committee held a total of 2 meetings which reported to the Board of Directors with progress reports and reported to Shareholder in the Annual Report

Remuneration Committee

The resolution to establish a Remuneration Committee was made at the 5/2007 Board meeting held on November 12, 2007 requiring the appointment of at least 2 members who do not hold a management position within the Company and are Independent Directors and 1 member who holds a management position within the Company. The Committee's term is for 2 years. The Board of Directors Meeting held on August 13, 2015 approved the appointment of the Remuneration Committee and allowed them to start their works since November 12, 2015 to November 11, 2017

1. Mr. Piboon	Limpraphat, Ph.D.	Chairman
2. Mr. Vichit	Vichaisarn	Member
3. Mr. Somchao	Tanterdtham	Member

Secretary of the Remuneration Committee:

Mrs. Thapanee Seetapawang

Scope of Duties and Responsibilities of the Remuneration Committee

- (1) Draft guidelines for assessing the performance of the Board of Directors, the various Committees, the Board of Executive Directors and the Managing Director.
- (2) Determine the level of remuneration for members of the Board, the various Committees and the Board of Executive Directors which includes the monthly remuneration, meeting allowance, annual bonus and other cash and non-cash benefits. The proposal is to be submitted for Board and/or shareholder consideration and approval.
- (3) Determine remuneration for the Managing Director which includes the monthly salary, annual bonus and other cash and non-cash benefits to be submitted for Board consideration and approval.
- (4) To undertake other related activities as assigned by the Company's Board of Directors.

During 2016, The Remuneration Committee held a total of 2 meetings which points of consideration were reported to the Company's Board of Directors and reported to Shareholder in the Annual Report

Board of Executive Directors

As of December 31, 2016, there were 4 members of the Board of Executive Directors as follows:

1. Mr. Somchao	Tanthathoedtham	Chairman
2. Mr. Somnuek	Tanthathoedtham	Member
3. Mr. Wichian	Silapacharanan	Member
4. Mr. Rungsarn	Nuntakawong	Member

Scope of Duties and Responsibilities of the Board of Executive Directors

- (1) To determine rule- and law-abiding policies, directions, strategy and business operations to parallel the business goals set by the Board of Directors.
- (2) To set the Company's organization structure and management authority, which include the nomination, employment, training and layoff of personnel, excluding the Chairman of the Board of Executive Directors and the Managing Director.
- (3) To consider and review the annual budget proposed by the Managing Director before presenting to the Board of Directors for approval.
- (4) To examine and monitor management's adherence to company policies to ensure maximum effectiveness.
- (5) To review and consider the business investment opportunities related to the core business or other businesses before presenting to the Board of Directors for approval.
- (6) To approve plans to obtain loans or advances from financial institutions for the running of normal business operations, for investments, purchasing of properties, land and construction and business operations for an amount not exceeding THB 500 million. If the transaction amount exceeds THB 500 million, it must be presented to the Board of Directors for approval.
- (7) To allocate funds for pension, bonuses or other compensations approved by the Board of Directors.
- (8) To perform other duties assigned by the Board of Directors.

The Board of Executive Directors may delegate financial authority for transactions to senior management as the Board deems appropriate.

Transactions that may have conflicts of interest require that the issue be reviewed as set forth in the Company's guidelines (in line with the regulations of the Company, and the Securities and Exchange Commission) prior to approval of such transactions, except for normal business transactions as clearly stated in the policies regarding connected transactions. The Executive Directors in the position that may lead to a conflict of interest does not have the authority to approve such transactions.

Risk Management Committee

In 2016, the Company's Risk Management Committee met a total of 4 times which report to Board of Directors. As of December 31, 2016, there were 13 members of the Risk Management Committee as follows:

1. Mr. Somchao	Tanthathoedtham	Chairman of the Risk Management Committee
2. Mr. Wichian	Silapacharanan	Vice chairman of the Risk Management Committee
3. Mr. Rungsarn	Nuntakawong	Vice chairman of the Risk Management Committee
4. Mr. Somnuek	Tanthathoedtham	Vice chairman of the Risk Management Committee
5. Mr. Warapong	Nilsiri	Member of the Risk Management Committee
6. Mr. Boonchai	Rojpanich	Member of the Risk Management Committee
7. Ms. Sumanee	Boonsarana	Member of the Risk Management Committee
8. Mrs. Nampetch	Tantawiriya	Member of the Risk Management Committee
9. Ms. Nopparat	Wichaiyutphong	Member of the Risk Management Committee
10. Mr. Walatchanat	Rujidasirisakul	Member of the Risk Management Committee
11. Mrs. Nonglax	Tanthathoedtham	Member of the Risk Management Committee
12. Mrs. Saranan	Kanjanavana	Member of the Risk Management Committee
13. Mr. Jamorn	Muanphan	Member of the Risk Management Committee

Secretary of the Risk Management Committee: Mrs. Thapanee Seetapawang

Scope and Responsibilities of the Risk Management Committee

- (1) To determine and evaluate the potential risks of the Company
- (2) To monitor and evaluate the results of overall risk management to maintain an appropriate level of risks and report to the board of directors.

Company's Board of Directors and/or the Company's shareholders for consideration and approval. The Committee must ensure that the selection process is clear and transparent through the screening of persons with the necessary qualifications, expertise of various backgrounds, strong social standing, is a visionary, is an ethical person, is able to make independent contributions and has sufficient time to meaningful contribution to the Company and In consistence with the strategy in the company's business operation.

Nomination of Directors and Senior Management Positions

The Nomination Committee was appointed by the Company's Board of Directors to screen persons with suitable qualifications to be appointed to the Independents Director, Board of Directors, the various Committees, Chairman, the Board of Executive Directors, Company's Managing Director in case a vacancy occurs or when there needs to be a new appointment. Candidate's names are to be submitted for the

The Company has arranged to hold an orientation for new directors in order to allow the newly appointed directors to learn more about the Company's business, policy, as well as roles and responsibilities of the Company's directors. Meeting with Chairman of the Board, the board of directors and the sub-committee will be arranged. In addition,

important information necessary for the roles of directors will be given, including articles of association, the Company's objectives, code of conduct, a handbook for the directors of listed company, the good governance policy, the Company's organizational structure, laws relating to financial statements, notes to financial statements and the acknowledgement of information on the Company's business operation.

For other management positions within the Company, appointments are made by the Company's Board of Directors based on the Company's guidelines in selecting persons that are able to make meaningful contributions to the Company.

The Composition and the Appointment of Directors

- (1) The Board of Directors shall compose of at least five Directors, and at least half must be of Thai nationality. Persons appointed to the Board of Directors must possess qualifications as stated in article 68 of The Public Company Act of 1992 and guidelines as set forth by the Securities and Exchange Commission. The qualifications of each candidate are reviewed including their experiences, knowledge and capability for the business, and present the name list to the shareholders' meeting for the final selection.
- (2) At least one third of the Company's Board of Directors must be independent board members.
- (3) At every annual general shareholders' meeting, one third of the Directors has to retire. If the number of Directors cannot be divided exactly by three the number closest to one third shall be retired. Directors to retire in the first two years following the registration of the Company shall retire by a draw. In every subsequent year, the Directors who have been in the office for the longest term shall retire. A retired director is eligible for being re - elected.
- (4) The election of Directors will be voted at the shareholders' meeting under the following conditions and procedures:
 - (4.1) The number of individual's vote equals to the number of shares s/he is holding.
 - (4.2) Each individual's vote can be cast to vote for one or more nominees but the vote cannot be divided to preferred nominees.
 - (4.3) After the vote, the nominated persons shall be ranked in descending order from the highest number of votes received to the lowest and shall be appointed as Directors in that order. The number of newly elected Directors must equal to the number of the vacating Directors. If two or more Directors are eligible for the same seat and earn the same number of votes, the Chairman has the power to make the final decision as to who will be elected.
- (5) In case of vacancy on the Board of Directors other than through retirement by rotation, the Board of Directors shall elect any person who is qualified and is not subject to prohibition under laws governing public companies as a substitute Director at the next Board meeting by a vote not less than three quarters of the number of Directors remaining, unless the remaining term of the said director is less than two months. The substitute director shall hold the position only for the remaining term of the director he replaces.
- (6) A resolution may be passed at the shareholders' meeting to remove directors from office prior to retirement by rotation, by a vote not less than three quarters of the number of shareholders attending the meeting who have the right to vote and who have shares totaling not less than half the number shares held by shareholders attending the meeting and having the right to vote.

Board Members' Qualifications

- (1) Each board member shall possess knowledge and capability, vision, honesty and integrity. Each member must possess high ethical standards, must possess a clean and transparent record of previous responsibilities and must have sufficient time to make meaningful contributions to the Company.
- (2) Each board member must possess the qualities and must not have been disqualified in relation to the guidelines set forth for publicly listed companies and/or any other applicable laws and regulations
- (3) Board members may serve as a board member for other Companies as long as such positions will not hamper the board member from fulfilling his/her duties as a member of the Company's board.

- (4) Board members must not operate, be partner in or be a shareholder in any business entity that operates in the same industry as that of the Company or is a competitor of the Company unless such position is disclosed to shareholders at the shareholders' meeting prior to the appointment to the Company's board.
- (5) The qualification of an independent director is similar to that of a member of the Audit Committee which complies with the Stock Exchange of Thailand's guidelines regarding the qualifications and responsibilities of members of the Audit Committee. The independent director's responsibility is to ensure that the interests of all shareholders are upheld. The independent directors are also to be allowed to freely provide thoughts and comments at Board meetings.
- (6) Such person is able to independently and freely perform his/her duties and is able to freely provide thoughts and comments, provide updates on activities of responsibility without concern for the Company's major shareholders or persons related to such shareholders.

The qualifications as set forth by the Company's Board of Directors for an Independent Director is compliance with stipulated by the Stock Exchange of Thailand and limiting shareholding by such Directors of no more than 1% of the Company's paid-up capital. Such holding includes shareholdings by persons related to the Independent Director.

From the last accounting year Independent Directors have never been involved in any part of business or provided professional services over the boundary stated in the Rules, Conditions, and Procedures for Application for and Approval of Offer for Sale of Newly Issued Bonds announced in the Notification of Capital Market Supervisory Board by Securities and Exchange Commission (SEC).

Definition of Independent Committee

Independent Committee is a committee that none of its member works in the same business, related businesses as company. So they can make their own decisions independently.

Independent Directors' Qualifications:

- (1) Such person shall hold no more than 1% of the Company's, subsidiaries' or associated companies' paid-up capital. Such holding includes shareholdings by persons related to the Independent Director.
- (2) Such person shall have no management role and is not a salaried employee of the Company, its subsidiaries, its associated companies or the Company's major shareholders.
- (3) Such person shall have no direct or indirect financial or management conflicts of interest with the Company, its subsidiaries, its associated companies or the Company's major shareholders.
- (4) Such person does not bear any relation with the Company's management, the Company's major shareholders or persons related to the Company's major shareholders.
- (5) Such person is not appointed as a person to oversee the interests of Board members or that of the Company's major shareholders.

The Appointment of Members of the Board of Executive Directors

The Company's Board of Directors has the power to appoint members of the Board of Executive Directors.

The Appointment of Members of the Audit Committee

The Board of Directors and/or the shareholders' meeting are responsible for appointing members of the Audit Committee by appointing at least three individuals whose qualifications meet the minimum requirement as stipulated by the Stock Exchange of Thailand and each appointed member has a three-year tenure.

The Appointment of Members of the Nomination and Remuneration Committees

The Board of Directors appoints at least 3 members to each of the Nomination and Remuneration Committees with the majority of the members being Independent Directors and has a term of 2 years.

Corporate Governance in Subsidiary and Associated Companies

To comply with the corporate governance principle that enables control, management and operation of subsidiary and associated companies and to maintain the benefit of Company's investment, the Company assigned its authorized person to represent the Company in the boards of its subsidiary and associated companies in proportion to its shareholding according to the Company's regulations. Also, the Company's authorized persons in the boards of such subsidiary and associated companies shall play a part to set up important policies for business operation.

Remuneration for the Company's Financial Auditor

- **Audit fee:** The remuneration for the Company's financial auditor for their auditing work for the accounting period as follows.

Company Name	Amount (Baht)
N.C. Housing Plc. (NCH)	1,250,000
N.C. Property Management Co., Ltd. (NCPM)	40,000
Quality Living Management Co., Ltd. (QLM)	66,000
Total	1,356,000

- **Non-audit fee:** The Company and its subsidiaries compensated the Company's financial auditor for services including transportation fees for the accounting period as follows.

Company Name	Amount (Baht)
N.C. Housing Plc. (NCH) (NCH)	29,903
N.C. Property Management Co., Ltd. (NCPM)	-
Quality Living Management Co., Ltd. (QLM)	2,069
Total	31,972

Internal Information Control

Company applies corporate governance in managing internal data, thus identifying operating guidelines for Board of Committee, management, and employee regarding the use of internal data (Insider Trading) which are not supposed to be publicly exposed for personal interest. The guidelines include "Policy to expose information technology, Management Manual, Employee Manual, Company Ethics" Main contents are as follows;

- Directors, senior management and employees need to report their stock ownership along with their spouses' ownership and under aged children's stock ownership. Penalties under the Securities and Stock Exchange Act 1992 section 275, and those under the Stock Exchange of Thailand have been informed to directors, executive directors, and senior management.
- Require Directors, executive directors and senior management to report any change of their Company stock ownership, according to the section 59, to the Securities and Exchange Commission and the Stock Exchange of Thailand. And the report copy must be sent to the Company.
- Establish "Executive Manual", aiming that the executives make use of the fundamental information in compliance with regulations and rules required by the Stock Exchange of Thailand (SET), and the Securities and Exchange Commission (SEC). They include executive's qualification, role and responsibility, internal data policy, security holding reporting, personal data reporting, and disclosure policy. This is to enable the executives follow it correctly and ensure that the company operates performance system equitably and transparently to all shareholders and stakeholders.

- As stipulated in both the Company's employee handbook and that of the Company's code of ethics, the Company's board members, management and staff are prohibited from making any purchase or sale transaction of the Company's shares in the event that such person(s) has access to information that may have significant bearing on the Company's share price one month prior to the release of such information and 48 hours post the release of such information to the general public. Internally, the Company has distributed reminders concerning the prohibition of disclosing such critical information to all its board members, management and staff.
- Complaints
 1. In case that employee suspects any action that is likely to violate the policies or ethics, he can reports to following responsible persons;
 - Supervisor
 - Human Resource Department
 - Board of Directors or secretary
 2. Company assigns Human Resource Department to receive external complaints. In case that you suspect any action that is likely to violate ethics.

During 2016, Board of Directors, Senior management and employees do not have the offense.



CORPORATE SOCIAL RESPONSIBILITIES



- Educations and learning skills
- Environment
- Societies and Communities

In 2016, the company had the policy concerning the support of environment, society and public activity either run by company itself or cooperated with public sector and local community. Moreover, we also supported local activity where we settled our business including put a high effort on building a quality house and developed our work process. In order to create CSR in Process, we developed the so called “Precast”, a readymade construction system, to help decreasing noise and dust pollution and traffic congestion around the construction site. Furthermore, the company also issued the magazine called “NC Happy Home” for project members to publicize company’s information and others useful knowledge. Moreover, the Company is committed to acting as a good citizen by complying with all relevant laws and regulations. Company has been aware of the importance of honest, fair, and ethical business operations for sustainable growth and increase of value and maximum return for all stakeholders.

Business Philosophy

Vision

To be a leading real estate company with a variety of international standard and high -quality goods and services, using modern management and technology to expand its business through domestic and international cooperation

Missions

- Planning good investment and business expansion
- Developing product and service development
- Focusing on customer satisfaction and maximizing return for all stakeholders
- Building personnel and teams
- Applying reliable systems and good practices to the management
- Building a network of work and business

Practices of Social Responsibility

1. Policy and Treatment of Business Partners and Creditors

- **Conflict of Interests**

The Company has a policy to supervise its directors, management, and staff members to prevent them from exploiting their position in the Company to seek personal gains.

- **Responsibility to Shareholders**

The Company has a policy to use integrity, fairness, ethics, morality and transparency in business operations for sustainable growth to increase economic value and highest return on investment to its shareholders in the longrun, by taking account of the right and equitability of shareholders.

- **Policy and Treatment of Oneself**

All employees are considered a critical success factor of the organization; thus, it is essential for them to regularly seek knowledge and develop competency, and adhere to disciplines and ethics.

- **Policy and Treatment of the Company**

The Company would like all employees to take part in sustainable development and growth of the Company as well as to create a good culture within the organization.

- **Policy on Treatment of Business Partners**

The Company has a policy to treat its business partners fairly and equitably, taking account of common interests and based on fair benefits generated by both sides. Any situations that may lead to conflict of interests shall be avoided.

- **Policy on Treatment of Creditors**

The Company shall keep all its promises and perform in accordance with the terms and conditions agreed with its creditors for the repayment of principal and interest, as well as keeping all collaterals in good condition as agreed.

- **Policy and Treatment of Trade Competitors**

The Company has a policy of free and fair competition which is against monopoly and does not require its business partners to sell their products to the Company only. It has no policy to and will not acquire information about its competitors by any illegal or unethical methods.

- **Policy and Treatment of Independent Auditor**

The Company is aware of the importance of independent auditors who are used by shareholders as a mechanism to examine performance of the management as well as to verify correctness and completeness of financial reports. The Company has a policy to fully cooperate with the auditors by providing them with accurate and complete information and facilitating them in carrying out the audit.

- **Policy and Guidelines on Breach of Copyrights and Intellectual Properties, and Use of Information and Communication Technology**

The Company stresses the importance of proper use of copyright materials, intellectual properties, information technology and communication by strict adherence to the law, moral and ethical standards.

2. Policy and Guidelines on Corruption

The Company recognizes the importance in conducting its business with integrity, honesty, morality and ethics by relentlessly working to support and foster anti-corruption mindset in employees at all levels; a step that is deemed essential to a sustainable reputation and business prosperity as follows:

- The Company realizes the importance of and has a policy to promote the employees' integrity, as well as does not encourage an act of corruption.
- The Company has determined a procedure to constantly encourage the employees to work with integrity.

- The Company has formed the Audit and System Development Department as a section to investigate any acts that may lead to corruption and has also determined proper guidelines of protection and penalties.
- Company showed the intention to join the Collective Action Coalition of Thailand private sector to anti-corruption according to the meeting resolution of Board of Directors no.6/2014 on 25 December, 2014.

3. Policy and Guidelines on Human Rights

The Company vows to treat all employees fairly and without discrimination and is committed to offer equal employment opportunities for all. Any form of discrimination, whether based on nationality, religion, race or gender, is strictly forbidden and an explicit ban on the use of any child or forced labor is observed at all time. Welfare and compensation for employees are determined based on the following guideline:

- The Company has a policy to strictly comply with the principles of human rights and will not support any acts in relation to violation of the human rights.
- The Company will enhance the employees' knowledge and understanding on principles of human rights in order to enable them to apply to their work correctly and properly.

4. Fair Employee Treatment

Policy and Treatment of Employees

Realizing that the employees are the most valuable assets and critical success factor of the Company, The Company has a policy to treat its employees fairly, either in terms of opportunity, remuneration, appointment, transfer, or continuous training and development to enhance their performance potential and career path. The following regulations shall be adhered to:

- Treat all employees with politeness and respect for individuality.
- Provide all employees with fair remuneration.

- Consider the employment, promotion and transfer as well as rewarding and punishment of all employees in a fair manner based on ethical standards and human resource management for the highest benefits of the Company.
- Provide all employees with equitable and regular opportunities to enhance their knowledge, competency and capabilities for their duties.
- Maintain regularly safe working environments for the life and property of employees.
- Foster a good work culture and atmosphere.
- Listen to sound opinions and recommendations of the employees.
- Adhere strictly to labor laws and regulations.
- Avoid any unfair acts that may affect occupational security of the employees or threaten and pressure their mental health.

Administration of Employee Remuneration and Benefits

Always valuing its employees, the Company has a policy to provide remuneration and benefits that support and improve the living standard of employees and their family members, as well as creating incentives and motivation to work as follows:

- The Company offers fair and appropriate remuneration based on job position and responsibility as well as the Company's performance.
- The Company constantly revises employee remuneration and benefits to remain at the competitive standard in the industry.

5. Policy and Treatment of Customers

Customer satisfaction and consumer confidence are very important to the Company, which aims to provide high quality goods and services at reasonable prices, and maintain a good and long-term relationship with the customers. The Company has thus determined the following guidelines:

- Deliver high quality goods and services, which meet or exceed customers' expectation, at reasonable prices.

- Provide complete and accurate disclosure of all information pertaining to its products and services without any distortion, which may cause any misunderstanding of the quality or any conditions of the products to the customers.
- Comply fairly with all agreements and conditions made with the customers.
- In case of failure to comply with any conditions, the Company shall give the customers an advance notice to jointly find solutions.
- Communicate with customers politely and efficiently, and provide a system and process to allow customers to file complaints regarding quality of the products or services, as well as respond to customer demands quickly and efficiently.
- Directors, management, and staff members shall not disclose any information on customers without prior permission from those customers or authorized persons of the Company unless such information is requested by third parties in accordance with the provisions of law.

6. Policy and Guidelines on Safety, Occupational Health and Environment

The Company is committed to safety, occupational health and protecting the environment by conducting its business in strict compliance with regulatory requirements, while constantly evaluating impacts on environment. The guidelines are as follows:

- Comply with laws and regulations regarding safety, occupational health and environment
- Conserve and maintain working environment for highest level of safety to the lives and the livelihoods of all employees
- Promote, educate and train employees on environment conservation and raise awareness for an effective and efficient use of natural resources among employees.
- Promote efficient use of natural resources and design and develop more environment-friendly products

7. Community participation and development

The Company strives to grow and prosper in a sustainable manner following our business strategy and, at the same time, gives back to the society, communities and environment. The company believes that a strong relationship amongst people living within a community is the basis for a good society.

- To this end, the Company supported a number of events in and around the communities of the Company's projects including charitable events and providing support for relief efforts of those affected by natural disasters.
- Project to Enhance and Develop Youth-The Company would like to see children growing up in a healthy environment where they are given the opportunity not to only think but also act upon their thought by supporting the following projects:
- Education-With educational support being at the core of its emphasis, the Company's activities to support this area include:

8. Innovation and Dissemination

The Company has acquired an in-depth understanding of the needs and requirements of homeowners, therefore, care and attention to detail are present in every aspect of our products and services to maximize value to our customers. Our product development procedure revolves around 3 key dimensions: quality, system and design. We were the first to employ the use of ISO system to ensure the standard of quality and incorporate appropriate technologies in our system and design to increase convenience and upgrade the quality of life.

The Company was determined to provide homes of high standards and improve on every process of the operation as a commitment to quality of products and services such as using substitute materials for real woods to reduce the pressure on natural resources and developing innovative housing solutions for better comfort and convenience of the "Aged Society". That is the combination of innovations and technologies from Smart Home, Eco Home, and Care Home. The Company also recognizes the importance in supporting and promoting housing innovations for energy conscience homeowners. Currently, the Company is conducting a pilot trial of SCG's Cool Home technology that employs "Active Airflow System" to facilitate air movement in the house for temperature regulation. The setup will help pull warm air from the house out through the roof, generating air circulation not unlike a natural A/C unit. This system will come with a small solar cell to provide energy to the suction fan without tapping into the main electricity line and, therefore, help conserve electricity. This project is now being tested at Thanyathanee Home On Green Project.

Note: The detail on the Company's CSR activities can be found in Sustainability Report 2016.

CORPORATE SOCIAL RESPONSIBILITIES

Educations and learning skills



“Fifth NC scholarship Project, 2016 Academic Year”

Grants a scholarship to university students in the faculties of architecture and engineering of Rajamangala University of Technology Thanyaburi with good conduct but decent funds. This scholarship is ongoing and lasts until the student graduated from his/her course of study with a bachelor's degree. To date, 23 students have received the scholarship and 15 students have graduated. The scholarship is aimed at Promoting Thai Youth to mature into personnel of the real-estate profession who are both smart and good



The Continuation of “Great Man for the Society” Project

With the ambition to emphasize the harmony of living that begins from the development of children and young people residing around the neighborhood to fulfill our “A Happy Living Community” philosophy, the Company has joined hands with schools in Bangkok and the vicinity to organize trainings and activities known as the “Great Man for the Society” project. Volunteering employees of N.C. Group have joined forces with Thammasat University in nurturing the positively systematic thinking among the new generations. Not only expected to refine the mindset of these new waves to grow as good adults with respectful public mind who lead ethical life, the project also created great leaders and supporters who have emotional maturity and are able to initiate positive interactions between one another with a sense of mutuality. In pursuit of creating a strong foundation for the society and N.C., the project will continue as a part that fosters good citizen for the country. The recent “Great Man for the Society” project was held during 26-27 September 2016 at Wat Ladsanun School, Pathum Thani province.



Environment

Banana Stalk Prebiotic Fertilizer Activity

On 15 November 2016, the Company held an activity that featured the making of prebiotic fertilizer from banana stalks which were scraps of floating baskets collected after the Loy Krathong Festival. The fertilizer was distributed to customers joining the Company's event on 5 December 2016.



Societies and Communities

NC Family Workshop

An array of fun-filled activities was held in various forms to tighten the bond between family members and among residents of the villages. The project expected to deliver new experience, inspire and promote quality time together.



NC Family Rally 2016

Basing on the aim to encourage traveling for family members of all age ranges, the NC Family Rally was held to bring fun moments for everyone to share. Family bonds were strengthened and familiarity between one another was enhanced.





The 'Do Good for Dad' Activity

"King Rama 9" has been one of the most incredible role model for his people. Although his acts of utmost kindness became memories, his royal graces remain and continue to live on in the heart of Thai people. N.C. Housing Public Company Limited, led by the volunteering employees, offered a free service on the dying in black color and screening of t-shirts for members of our villages and the general public with respect to pay tribute to King Rama 9. The activity was held at Baan Fa Piyarom Premier Park (Wongwaen-Lamlukka Khlong 6), Baan Fa Greenery (Pak Kre-Ratchaphruek), Baan Fa Greenery (Pinklao-Sai 5) and Natureza Project (Pattaya).



New Year Merit Making and National Children's Day

In order to celebrate Thai tradition, the Company held special activities, including the New Year merit making and fun-filled amusement on the National Children's Day on Saturday, 9 January 2016, at the Club House, Baan Fa Piyarom, Khlong 6.



New Year Merit Making and Juristic Person Election Meeting

The Company organized the New Year merit making and a meeting with the agenda on the establishment of juristic person for the housing estate on Sunday, 10 January 2016, at Baan Fa Greenery Pattaya. The meeting agreed to establish the juristic person according to the Housing Estate Juristic Person Act B.E.2543.



2016 General Meeting and Water Blessing Ceremony

On Sunday, 24 April 2016, the Baan Fa Piyarom Kiang Suan Juristic Person held the 2016 General Meeting and a water blessing ceremony on the elders to mark the gracious Thai New Year tradition.



National Mother's Day

On Friday, 12 August 2016, the Company held activities to mark Thailand's National Mother's Day at Club House, Baan Fa Piyarom, Khlong 6. There were merit making, the offering of alms to monks, paying respect to mothers with a pot of jasmine, a DIY activity and the gathering of donation which accepted essential items for disadvantaged children and women.



Sharing is Caring Activity

With the emphasis on the enhancement of quality of life of our community and the society, participation and social development have been our prime concerns. The Company hence organized a special activity with the aim to help girls and women in need at



Thanyaporn Reception Home for Girls and Thanyaburi Housing & Homeless Shelter for Women. Donation of essential items and stationery for children which met the demand of the shelter were accepted and delivered to both shelters, side by side with the donation of free lunch at Thanyaporn Reception Home for Girls. Led by Mr. Somchao Tanthathoedtham, Managing Director of N.C. Housing Public Company Limited, who also joined to deliver a speech to encourage the children on their study and self-development for prosperous future, the activities were held on Saturday, 27 August 2016.



SECURITY SYSTEM

The latest genius safety technology from Panasonic connects to Smart Device at any place and any time. Stay up-to-date on all events from the home with Video Door Phone , which has the best coverage and most comfort with cctv in 41 locations across the project.



SMART
INNOVATION



INTERNAL CONTROL & RISK MANAGEMENT

Board of Directors authorized Audit Committee to responsible for

- Reviewing the internal audit report done by Internal Audit Department
- Monitoring its performances in order to improve internal audit system and be able to do their job independently.
- Evaluating the sufficiency of internal audit system
- Monitoring the law and regulation compliance of the company business management

Company signed the contract with ANS Business Consultants Limited last year. This company would provide internal audit services to NCH according to company plan which was approved by Board of Directors. The services performances would be reported to Audit Committee directly.

Audit Committee had reviewed the internal audit system and found no significant flaws in the process. The results are congruent with the recommendation from company's auditor. So, the Audit Committee approved that NCH had sufficient, efficient and effective internal control system. There were some recommendations to improve overall performance of the company from internal audit consultant which were already done by the company.

1. Organizational Control

1.1 The company's corporate infrastructure gives importance to establishing corporate infrastructure that supports internal control systems and corresponds with the regulations in compliance with good governance principles, whether in terms of the infrastructure for the company's board of directors, audit committee, executive committee, committee for consideration of remuneration, recruitment committee or system auditing and development department.

Board of director appointed executive directors and also appointed 3 independent directors to be audit committee. Executive directors would have a meeting monthly. Board of directors would have a meeting quarterly. Audit committee would have a meeting with Internal Audit and System Development and Internal Auditor quarterly.

1.2 The company provides the organizational structure and environment that boosts the internal control effectively, formulates the organization-level strategies, business goal, annual plan, KPIs plan for each department/project, and communicates the management policy to the executives and all employees as practices. KPI committee was to review and to examine all departments' KPIs to make sure that all KPIs suited the situation as well as company's policy.

1.3 To achieve company mission and respond to stakeholders, society and public sector, the company had set the business ethics of board of directors, executives, and all personnel in doing their duties honestly, loyally and morally. Social activity is partial strategy in management. The employees' compensation policy has been set forth consistently with the company's profits. The company also provides and encourages training and educating for knowledge and competency improvement, cheer-up and encouragement that employees cooperatively work to achieve the organization's goal as whole.

1.4 To control internal flow of documents and quality of work, company implemented ISO and set the standard operation procedures for finance, procurement, and general administration.

2. Risk Assessment

The company has set risk management policy and established a risk management work committee to consider annual risk management operational plans together with setting risk management issues as main agendas for every quarterly meeting of the company's board of directors in order to assure that sufficient risk management measures have been taken and that the aforementioned measures are at a suitable level.

Risk Management Policy :

1. The Risk Management Work Committee has duties and responsibilities as set forth in overall risk management policy, which must cover key risks and the arrangement of risk assessment schedules, the setting of risk indicators and the preparation of reports about risks in line with the risk management process practiced by the company.
2. The risk management work plan must correspond with the policy and strategies set forth by the company with ability to assess and oversee the magnitude of the company's risks remains at a suitable level.
3. Sufficient review of risks by the risk management work plan, including the effectiveness of the system and practice in compliance with set policy.
4. Practice in compliance this risk management policy requires strict and continual adherence under the control of the company's board of directors and the company's management department.

3. Operation Control

- 3.1 Chart of Authority of all management levels were already implemented and redesigned the organization structure to enable cross-controlling system.
- 3.2 The company provides planning and KPIs performance report on monthly basis, and strategy review is made biyearly. Reported the KPI results and reviewed plans and goals every 6 months.
- 3.3 Company operates its business under the Securities and Stock Exchange Act, the regulations of the Stock Exchange of Thailand as well as other relevant laws such as Consumer Protection Act, Environmental Laws, City Plan Act, etc. The meeting also stipulated that consideration be given to related business transactions as a main agenda in the meetings of the board of directors every quarter in order to assure that the company had already given proper consideration to the aforementioned transactions in the maximum interests of the company, shareholders and stakeholders.

4. Information technology and communication systems:

- 4.1 The company improves the information technology reporting system through Enterprise Resources Planning (ERP) to ensure of the accuracy and speediness in performing duties and reporting data that supports the executive's decision. Additionally, the company is seeking for reducing cost, improving performance, and provides the customers with maximum satisfaction.

4.2 The organizational structure constitutes of a work unit that is responsible for internal and external communication and update information accurately and completely available to the Investor Relationship and Public Relationship, and having the PR billboard and company's message billboard installed in visual place

4.3 The company has set policy and guidelines about not violating copyrights, intellectual property and the use of information technology and communications in writing as a guideline for controlling the efficiency of the company's information technology and data communications.

4.4 Submitting the meeting agenda and concerned documents 7 days prior to the meeting is the company's rule.

4.5 Top management is responsible for company information technology.

5. Follow Up System

5.1 Management meeting had been held at least once a month to review all projects' performance. Company used sub-meeting to consider and solved any problems as well as report the progress of all projects.

5.2 Performance and quality evaluation were done by quality management team and Internal Audit and System Development periodically as planned.

5.3 The company has established channels of complaints for suspicious incidents or actions are noticed concerning the abovementioned violations or failure to comply with professional ethics (details appearing under the topic of corporate governance)

Internal Audit Supervisor and Corporate Governance Supervisor

The Audit Committee has appointed ANS Business Consultants Co., Ltd. to be the Company's auditor. ANS Business Consultants Co., Ltd. has assigned Mr. Amornpong Nualwiwat to be the responsible auditor for the Company.

The Audit Committee has reviewed the qualifications of ANS Business Consultants Co., Ltd. and Mr. Amornpong Nualwiwat and agreed that they have the appropriate qualifications to work in the position because of their independence and internal audit experience. The Company also set up the Audit and System Development Department to coordinate with the audit Company.

Also, the consideration, approval, appointment, removal, and transfer of the Company's internal audit supervisor must be done through the Audit Committee.

AUDIT COMMITTEE'S GOOD CORPORATE GOVERNANCE REPORT



To Shareholders,

NCH's Board of Directors announced and defined corporate governance policy on February 24, 2006. Updating the business policy annually in order to ensure that company's operations are complying with the principle of good corporate governance concepts and methodologies.

The essence of this policy was

- To create a structure and process of building the relationship between board of directors, management teams, and shareholders.
- To give direction to all operations of the company.
- To have right controlling system in order to examine and maximize the resources usages.
- To build competitive competency that would grow the company and increase long term shareholders' value.
- To build the company credibility in the view of shareholders, investors, and business partners.

The policy was divided into 5 sections.

Section 1 Board of Directors

Section 2 Shareholders' rights and equality

Section 3 Disclosure of information and Transparency

Section 4 Risk Management and Control

Section 5 Ethics

Audit committee was appointed to be a subcommittee by Board of Directors in their meeting. Subcommittee was an independent mechanic in balancing the power of management. Internal audit department and system development department reported the efficiency of the existing control system to the audit committee. They also supported to make continuously self audit happened in all levels of the company. This would build an audit culture and control environment. Then employee participation followed. Participated employees would keep or improved this audit system. Good audit system impacted directly to human resource development and was important fundamental to company's efficiency and effectiveness improvement.

Mr. Piboon Limpraphat, Ph.D.

Chairman of the Audit Committee

AUDIT COMMITTEE'S REPORT

To Shareholders,

N.C. Housing Public Company Limited's Audit Committee was appointed by the Company's Board of Directors on November 7, 2006 for a period of 3 years. The Audit Committee is made up of 3 Independent Directors possessing qualities as stipulated by the Stock Exchange of Thailand (SET) along with the guidelines relevant to the Audit Committee. Members of the Audit Committee include :

1.	Mr. Pi boon	Limraphat, Ph.D.	Chairman
2.	Mr. Kobsak	Pongponrat	Member
3.	Mr. Vichit	Vichaisarn	Member

The Board of Directors Meeting no.4/2015 held on August 13, 2015 approved the appointment of the Audit Committee and allowed them to start their works since November 7, 2015.

Activities were undertaken as per the given responsibilities by the Company's Board of Directors and as per the responsibilities stipulated in the Audit Committee's Charter, which parallels the guidelines as stipulated by the SET.

In 2016, the Audit Committee met total of 5 times which includes three persons who had series of meetings with audit committee group of NC N.C. Housing Public Company Limited with the attendance of senior management, the internal audit's external consultant, Head of Internal Audit and System Development and the Company's financial auditor as necessary. Key activities undertaken for the year include:

- 1) Reviewed the Company's quarterly and full year financial statements for fiscal year 2016. To provide a level of confidence that the Company and its consolidated financial statements have been prepared in accordance with generally accepted accounting principles with sufficient and complete disclosure of financial information. The review is also to ensure that the disclosure is with integrity and review transactions between the Company and its subsidiaries and that of related party transactions or conflict with the company benefits according to law and the regulations of the Stock Exchange of Thailand or other laws which are liable to company policies .
- 2) Reviewed and approved the annual internal audit plan annual report 2016 and ensured the adherence to the approved audit plan and make necessary adjustments to better risk control with the changing risk resulting from the change in operating environment. Made recommendations to improve effectiveness of the internal audit process while approval was given to further clarify the guidelines outlining the Department's responsibilities and duties.
- 3) Reviewed and assessed the effectiveness of the Company's internal control process and sufficiency of the company's internal audit system through the audit reports made by internal audit's external consultant and the Internal Audit Department's reports. The Committee oversaw the ongoing development of the internal control process and assessed the Company internal control process in accordance with the internal control sufficiency form used to minimize the risk of any mishaps. Ensured the compliance with both the Committee's resolutions and also that of the Board of Directors' resolutions.

- 4) Reviewed the policies and risk management procedures along with the progress of managing such risks as submitted by senior management on a quarterly basis to ensure confidence that the Company's risks have been minimized to an acceptable level.
- 5) Reviewed the effectiveness of the Company's good corporate governance by ensuring transparent information disclosure and follows the laws as stipulated by the guidelines of the Securities and Exchange Act. which it is announce of SEC, SET and Laws related to business operations.
- 6) Reviewed and performed a self-assessment in relation to the Audit Committee's Charter and in line with guidelines stipulated by the SET.
- 7) Reviewed the re-appointment Consider, select, and propose and remuneration of Dharmniti Auditing Company Limited as the Company's financial auditors to be submitted for Board review before submitting for shareholder approval at the Company's 2016 AGM.
- 8) To undertake other related activities as assigned by the Company's Board of Directors.

The Company's Audit Committee believes that the Company's internal audit process is sufficient, appropriate and provides a level of confidence in the integrity of the Company's financial statements in its totality and this report approved by Audit Committee meeting on 22 February, 2017



Mr. Piboon Limpraphat, Ph.D.

Chairman of the Audit Committee

NOMINATION COMMITTEE'S REPORT

To Shareholders,

N.C. Housing Plc.'s Nomination Committee was appointed by the Company's Board of Directors on October 31, 2007 for the duration of 2 years. The Board of Directors Meeting 4/2015, August 13, 2015 appointment of the Nomination committee and allowed them to start their works since October 11, 2015-October 10, 2017. Members of the Nomination Committee are composed of 2 non-management Independent Directors and 1 Director who holds a management position while the Committee's Chairperson is an Independent Director. Members of the Committee are :

- | | | | |
|----|-------------|-------------------|----------|
| 1. | Mr. Piboon | Limpraphat, Ph.D. | Chairman |
| 2. | Mr. Kobsak | Pongponrat | Member |
| 3. | Mr. Somnuek | Tanthathoedtham | Member |

In 2016, the Nomination Committee undertook activities in accordance with responsibilities bestowed upon the Committee by the Company's Board of Directors and according to the Nomination Committee's Charter. The Committee held a total of 1 meetings and all 3 members of the Committee were present. A report was provided to the Company's Board of Directors per the Committee's decisions and undertakings.

- 1) Recruited qualified persons and proposed to BOD for their approval to replace retired members of committee in 2016
- 2) Considering Nomination Committee 2015 Report to BOD and Shareholder in the annual report.

- 3) Considering and reviewing audit charter of Nomination committee which comprises of elements and recruitment of remuneration committee member, qualifications, term of duty, authority and responsibility, and performance reporting.
- 4) Considering and appointment of Sub Committee (Audit Committee, Nomination Committee and Remuneration Committee) to BOD for their approval to replace retired member of committee.

In 2016, the Nomination Committee executed its duties with due care, to the best of each member's ability, independently and transparently for the appropriate benefit of the Company, shareholders and stakeholders.



Mr. Piboon Limpraphat, Ph.D.
Chairman of Nomination Committee

REMUNERATION COMMITTEE'S REPORT



To Shareholders,

N.C. Housing Plc.'s Remuneration Committee was appointed by the Company's Board of Directors on November 12, 2007 for the duration of 2 years. The Board of Directors Meeting 4/2015, August 13, 2015 appointment of the Remuneration committee and allowed them to start their works since November 12, 2015-November 11, 2017. Members of the Remuneration Committee are composed of 2 non-management Independent Directors and 1 Director who holds a management position while the Committee's Chairperson is an Independent Director. Members of the Committee are :

- | | | | |
|----|-------------|-------------------|----------|
| 1. | Mr. Piboon | Limpraphat, Ph.D. | Chairman |
| 2. | Mr. Vichit | Vichaisarn | Member |
| 3. | Mr. Somchao | Tanthathoedtham | Member |

In 2016, the Remuneration Committee undertook activities in accordance with responsibilities bestowed upon the Committee by the Company's Board of Directors and according to the Remuneration Committee's Charter. The Committee held a total of 2 meetings and all 3 members of the Committee were present. A report was provided to the Company's Board of Directors per the Committee's decisions and undertakings.

1. Considered remuneration structure of company's Board of Director, Subcommittee company, Managing Director in 2017 and proposed to shareholders for their approval. (Mr. Somchao Tanthathoedtham, Managing Director, refrained from voting on this issue due to his executive position)

2. Considering and reviewing audit charter of remuneration committee which comprises of elements and recruitment of remuneration committee member, qualifications, term of duty, authority and responsibility, and performance reporting.
3. Consider the whole committee self-assessment according to the Charter of Remuneration Committee and Good Governance of The Stock Exchange of Thailand.

In 2016, the Remuneration Committee executed its duties with due care, to the best of each member's ability, independently and transparently for the appropriate benefit of the Company, shareholders and stakeholders.

Mr. Piboon Limpraphat, Ph.D.

Chairman of Remuneration Committee

RELATED PARTIES TRANSACTIONS

Summary of related party transactions and transactions with persons with potential conflicts of interest for fiscal year 2016 as noted by the financial auditor in the notes to the financial statements are as follows:

Persons with potential conflicts of interest	Relationship	Transaction	Transaction Value (THB mn.)	Necessity/Appropriateness
1. Mr. Somchao Tanthathoedtham	Director, Member of the Remuneration Committee, Chairman of the Board of Executive Directors, Chief Executive Officer and major shareholder of the Company holding 1.88% of shares as of December 30, 2016	The Company borrowed funds from Mr. Somchao Tanthathoedtham at an interest rate of 5.75% per annum <ul style="list-style-type: none"> - Balance, beginning of year - Outstanding borrowings during 2016 - Refund during 2016 - Ending balance at December 31, 2016 - Interest payable 	64.00 176.00 159.00 81.00 1.53	The Company borrowed funds from Mr. Somchao Tanthathoedtham to support its operating cash and increase liquidity. The interest rate paid is benchmarked to commercial bank's MLR.
2. Mrs. Usa Tanthathoedtham	The Spouses of the Company's shareholders (Mr. Somnuek Tanthathoedtham Director, Member of the Nomination Committee, Executive Director, Senior Executive Vice President (Operation 2) and major shareholder of the Company holding 2.38% of shares as of December 30, 2016)	The Company sold Diamant Condominium project' s room amount of 4,004 million baht for Mrs. Usa Tanthathoedtham <ul style="list-style-type: none"> - Total purchases 	4.00	The Company sold Diamant Condominium project' s room amount of 4,004 million baht for Mrs. Usa Tanthathoedtham

Persons with potential conflicts of interest	Relationship	Transaction	Transaction Value (THB mn.)	Necessity/Appropriateness
3. Mrs. Patcharin Tanthathoedtham	The kindolk of Shareholders (Mr. Somchao Tanthathoedtham Director, Member of the Remuneration Committee, Chairman of the Board of Executive Directors, Chief Executive Officer and major shareholder of the Company holding 1.88% of shares as of December 30, 2016	The Company rented land from Mrs. Patcharin Tanthathoedtham in the amount of THB 55,000 per month. - Total rental fee	0.50	The Company rented 11 rais of land from Mrs. Patcharin Tanthathoedtham contracted for 3 year since Jan. 1, 2016 to Dec. 31, 2018(in the amount of THB 495,000 baht since Jan, 2016-Sep 2016) for use as a sales office, mock-up models and parking lot for the Baan Pha Piyarom project because it is convenient for customers to visit.
4. Sap Namchai Pattana Co., Ltd.	<ul style="list-style-type: none"> NCH 2555 Holding Co., Ltd. major shareholder, and others within the Tanthathoedtham group hold 100% shareholding in Sap Namchai Pattana Co., Ltd. The Company and Sap Namchai Pattana Co., Ltd. share 2 of the same directors: Mr. Somchao Tanthathoedtham and Mr.Sommuek Tanthathoedtham 	The Company rented land from Sap Namchai Pattana Co., Ltd. in the amount of THB 55,000 per month. - Total rental fee - Ending balance	0.17 0.17	The Company rented 11 rais of land from Sap Namchai Pattana Co., Ltd. contracted for 3 year since Jan. 1, 2016 to Dec. 31, 2018 (in the amount of THB 165,000 baht since Oct,2016-Dec 2016) for use as a sales office, mock-up models and parking lot for the Baan Pha Piyarom project because it is convenient for customers to visit.

Persons with potential conflicts of interest	Relationship	Transaction	Transaction Value (THB mn.)	Necessity/Appropriateness
5. Namchai Golf Management Co., Ltd./ Engaged in the business of providing Golf course management services	<ul style="list-style-type: none"> NCH 2555 Holding Co., Ltd. major shareholder, and others within the Tanthathoedtham group hold 100% shareholding in Namchai Golf Management Co., Ltd./ The Company and Namchai Golf Management Co., Ltd. share 2 of the same directors: Mr. Somchao Tanthathoedtham and Mr. Somnuek Tanthathoedtham Mr. Somchao Tanthathoedtham and Mr. Somnuek Tanthathoedtham 	<p>Acquisition of golf membership cards for holding marketing promotions, the price of which is the market price.</p> <ul style="list-style-type: none"> - Total purchases 0.16 - Account Payable 0.047 		Acquisition of golf membership cards for holding marketing promotions, the price of which is the market price.
6. Tanya Cart Management Co., Ltd. / Engaged in the business of providing golf cart rental services	<ul style="list-style-type: none"> Mr. Somchao Tanthathoedtham and Mr. Nuttawit Tanthathoedtham, Director and major shareholder hold 75% shareholding in Tanya Cart Management Co., Ltd. The Company and Tanya Cart Management Co., Ltd. share 1 of the same directors: Mr. Somchao Tanthathoedtham 	<p>Golf carts are rented to service prospective buyers with focus on doing marketing promotions.</p> <ul style="list-style-type: none"> - Total purchases 0.005 		Golf carts are rented to service prospective buyers with focus on doing marketing promotions.

Persons with potential conflicts of interest	Relationship	Transaction	Transaction Value (THB mn.)	Necessity/Appropriateness
7. S.C. Construction and Decoration Co., Ltd. (SC) / Supplier of Construction Material	<ul style="list-style-type: none">Mr. Namchai Tanthathoedtham, the Ex - Chairman, Mr. Somchao Tanthathoedtham, Mr. Somnuek Tanthathoedtham, Director and major shareholder, and Mrs. Nongluck Tanthathoedtham, major shareholder holds 94.98% in SCThe Company and SC share 2 of the same directors Mr. Somchao Tanthathoedtham and Mr. Somnuek Tanthathoedtham	Construction materials were purchased from S.C. Construction and Decoration Co., Ltd. <ul style="list-style-type: none">Total purchases 0.012Account Payable 0.005		<ul style="list-style-type: none">The Company and its subsidiary sources certain construction material that bears impact on the Company's quality and standard requirement along with material that are considered to be hard to find for its sub-contractors. The transaction is undertaken at arms length basis. <ul style="list-style-type: none">Purchasing construction material from a related party enables the Company to control quality standard of material, delivery time and expedited service if necessary.
8. Sathaporn Wattana Trading Co., Ltd. / Supplier of Construction Material	<ul style="list-style-type: none">Mr. Namchai Tanthathoedtham, the Ex - Chairman, Mr. Somchao Tanthathoedtham, Mr. Somnuek Tanthathoedtham, Mr. Wichian Silapacharanan, Mr. Rungsarn Nuntakawong, Director and major shareholder, and others within the Tanthathoedtham group hold 100% shareholding in Sathaporn Wattana Trading Co., Ltd.The Company and Sathaporn Wattana Trading Co., Ltd. share 2 of the same directors: Mr. Somchao Tanthathoedtham and Mr.Somnuek Tanthathoedtham	Construction materials were purchased from Sathaporn Wattana Trading Co., Ltd. <ul style="list-style-type: none">Total purchases 35.93Account Payable 5.82		<ul style="list-style-type: none">The Company and its subsidiary sources certain construction material that bears impact on the Company's quality and standard requirement along with material that are considered to be hard to find for its sub-contractors. The transaction is undertaken at arms length basis.Purchasing construction material from a related party enables the Company to control quality standard of material, delivery time and expedited

Persons with potential conflicts of interest	Relationship	Transaction	Transaction Value (THB mn.)	Necessity/Appropriateness
9. Precast Station Co., Ltd./ Manufacturer of Precast Concrete	<ul style="list-style-type: none"> Mr. Pasakorn Jeadsadarangoon, Precast Station Co., Ltd.'s Director, the kinfolk of (Mr. Somchao Tanthathoedtham Director, Member of the remuneration Committee, Chairman of the Executive Board, Chief Executive Officer and major shareholder of the Company holding 1.88% of shares as of December 30, 2016) 	<ul style="list-style-type: none"> Precast Station Co., Ltd. rented land from the Company for use as a office in the amount of THB 10,000-20,000 per month. <ul style="list-style-type: none"> Total rental fee The Company hired Precast Station Co., Ltd., contractor by price agreed upon <ul style="list-style-type: none"> Total rental fee Account Payable 	<ul style="list-style-type: none"> 0.36 61.29 29.86 	<ul style="list-style-type: none"> Precast Station Co., Ltd. rented land from the Company for use as a manufacturer of Precast Concrete office contracted for 3 year (June. 1, 2016 to May. 31, 2019) The Company hired Precast Station Co., Ltd., contractor by Price agreed upon

Note : 1. Items 1,2,5 and 6 are standalone transactions and occur irregularly

2. Items 7, 8 and 9 are transactions performed on a regular basis

* Mr. Nanchai Tanthathoedtham passed away on October 2, 2007

Manager of legacy Mr. Nanchai Tanthathoedtham

- Mr. Somchao Tanthathoedtham
- Mr. Prasit Tanthathoedtham
- Mr. Somnuek Tanthathoedtham
- Mr. Sujin Tanthathoedtham

Necessity/Appropriateness of Related Party Transaction and Report from the Audit Committee

The Audit Committee has reviewed the related party transactions for the accounting period ending December 31, 2016 and perceives that the transactions are of necessity and is within reason to provide the Company and shareholders with maximum benefit. The terms and conditions specified for the contracts are on the same basis as other individuals or businesses and such transactions were not for the transfer of benefits between the Company and its subsidiaries or individuals.

Approval Process for Related Party Transactions

With unanimous decision, the Company's Board of Directors' resolution relating to related party transactions or transactions with persons who may have conflicts of interest with the Company is for each issue to be approved by the Board of Directors with the attendance of the Audit Committee to ensure fairness, appropriateness and arms length pricing of these transactions putting the Company's interest in the forefront. Board members are prohibited from voting on issues deemed to be in conflict of interest. Loans to persons deemed to have conflicts of interest are also prohibited. Policies and guidelines as set forth by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) are strictly observed by the Company.

Policies or Guidelines on Related Party Transactions

There are 5 types of related party transactions:

1. Normal transactions of the Company

Policies towards transaction such as the purchasing of construction material, the sales of units in development projects and the purchase of land are for transactions to be done at arms length, which are comparable to market prices used as reference. The best price, terms and conditions must be sought for the Company and its subsidiaries and must be submitted for approval by the Audit Committee in regards to adherence to the Company's procedures and guidelines. Upon receiving clearance from the Audit Committee, the matter is then submitted to the Board of Directors for final approval.

2. Supporting transactions for the Company's normal business

Supporting transactions of the Company's normal business include sub-contracting a related company to manage communities of developed projects or to construct pre-sales units.

3. Short-term renting and rental of land

Land rental for temporary establishment of a sales office for the Baan Pha Piyarom project.

4. Transactions related assets or services

The outsourcing of gardening care to the Company's subsidiary

5. Financial support

Financial support comes in the form of borrowing funds from sister companies, borrowing funds from persons who may have conflicts of interest, and having commercial banks issuing letters of guarantee on the Company's subsidiary's behalf for government entities. Comments from the Audit Committee are sought for the appropriateness and of such transactions. Input from independent experts or the Company's financial auditor is sought for transactions for which the Audit Committee may have difficulty in assessing the appropriateness of such transactions. Such inputs from specialists are taken into consideration by the Board of Directors or shareholders upon making decisions.

To make the process of purchasing land for the Company's future projects transparent, the Board of Directors has made it a policy that land title to be purchased for future projects will be in the name of the Company. No persons related to the Company may hold title to the pieces of land to be purchased by the Company. However, should there be need to purchase such pieces of land from a related person, the process must be submitted for the Audit Committee, the Board of Directors and shareholders' approval while observing both the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET)'s established guidelines.

All future related party transactions that may occur must abide by the guidelines as established by both the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Internal Audit Department will undertake checks through random sampling to ensure the integrity of such transactions. The findings of the Internal Audit Department should be made to the Audit Committee at the next meeting. The Company also discloses all related party transactions in the notes to the financial statements section of the financial disclosure reviewed by the Company's financial auditor. Such disclosure is to ensure compliance with generally accepting accounting practice and such information is also disclosed in the Company's annual 56-1 report and annual report (56-2).

MANAGEMENT DISCUSSION AND ANALYSIS



Overall Summary of the Company's Operations

The Company's full scale property development business includes residential and condominium development, property project management and community management. Currently all of the Company's revenue is derived from its property development business.

The Company holds 99.99% stakes in each of its 2 subsidiaries-The first is N.C. Property Management Co., Ltd. provides comprehensive project management services including sales and marketing, construction, title transfer, undertaking rehabilitation projects and the co-management of assets with the land owner. The second is Quality Living Management Co., Ltd. provides community management services for various property projects and condominiums post title transfer.

As of December 31, 2016, the Company and its subsidiaries launched a total of 15 property development projects and a total of 7 projects are during development and future development with 71.38% or 8,862 million baht backed by sales contracts.

Operations Analysis

1. Revenue

Revenue earned by the Company for fiscal year 2016 totaled million 1,436.0 baht, reflecting a 32.8% decrease from the previous year's 2,137.3 million baht, as a result of effective ownership transferring was decrease. Of the Company's revenue which is derived from property development, the largest proportion of revenue is derived from the sale of landed residential units. The proportion of revenue derived from sales, service and other income for 2016 were 97.6%, 1.4% and 1.0%, respectively as compared to revenue derived from sale, service and other income were 98.6%, 0.6% and 0.8% in 2015.

Revenue Breakdown

Revenue	Operated	2016		2015		2014	
		THB mn.	%	THB mn.	%	THB mn.	%
Sales Revenue	NC	1,401.7	97.6	2,107.2	98.6	1,815.9	98.5
Service Revenue	QLM*	20.6	1.4	13.6	0.6	4.6	0.2
Other Revenue**	NC , NCPM , QLM*	13.7	1.0	16.6	0.8	23.1	1.3
Total Revenue		1,436.0	100.0	2,137.3	100.0	1,843.5	100.0

Remark * The Company hold a 99.99% stake in NCPM and QLM

** Other Revenue : Rental fees, fees for altering contracts, interest receivables, gain from sales of assets and other non-core business transaction form a large part of the Company's other revenue.

NC : N.C. Housing Plc. / NCPM : N.C. Property Management Co., Ltd / QLM : Quality Living Management Co., Ltd.

Sales Revenue

In 2016 proportion of single detached houses, duplexes, townhouses and condominium were 36.3%, 14.7% , 20.8% and 28.2% respectively as compared to the proportion of single detached houses, duplexes and townhouses for the previous year 2015 were 40.1%, 14.70% , 26.9% and 18.2% respectively.

Sales Revenue by Type of Residential Units

Type	2016		2015		2014	
	THB mn.	%	THB mn	%	THB mn	%
Sales Revenue :						
Single Detached Houses	508.8	36.3	845.2	40.1	926.5	51.0
Duplexes	205.4	14.7	310.2	14.7	491.0	27.0
Townhouses	291.9	20.8	567.4	26.9	398.4	21.9
Condominium	395.7	28.2	384.4	18.2	-	-
Total Sales Revenue	1,401.7	100.0	2,107.2	100.0	1,815.9	100.0

The proportion of the Company's revenue earned on sales of pre-built units, semi-pre-built units and pre-sales units for 2016 were 77.8% , 2.9% and 19.3% respectively while compared to last year's 63.3% , 7.9% and 28.8% respectively.

Sales Revenue by Customer's Payment Preference

Type	Down Payment Installment	% of Sales Revenue		
		2016	2015	2014
1.Pre-built units	(0-2 Payments)	77.8	63.3	74.7
2.Semi Pre-built units	(3-6 Payments)	2.9	7.9	11.2
3.By order units	(> 7 Payments)	19.3	28.8	14.1
Total		100	100	100

A large proportion of the Company's sales revenue is derived from the sale of landed residential units at the Company's project : Baanfah Greenery Pinklao-Sai5, Baanfah Piyarom Niva (P.14) , Natureza North Pattaya Condominium P.1 and P.2 , NC Royal Pinklao, Baanfah Piyarom Terre (P.12) ,NC on Green Charm , Baan Pha Greenery Pakkred-Ratchapruuek and Baan Pha Piyarom Lake Grande (P.13) ,projects constituting 71.8 % and from condominium project as 28.2% of total sales revenue.

Revenue from Projects Sales

Project	2016		2015		2014	
	THB mn.	%	THB mn.	%	THB mn.	%
The Royal Green Park Kanjanapisek	-	-	-	-	37.8	2.1
Baan Pha Piyarom (P.9)	-	-	-	-	6.9	0.4
Baan Pha Green Park Royal Thonburirom	-	-	-	-	46.9	2.6
Baan Pha Green Park Rangsit Klong 3	-	-	-	-	6.1	0.3
Thanyathani Home on Green 2	-	-	210.6	10.0	295.3	16.3
NC Royal Pinklao	113.8	8.1	113.5	5.4	155.1	8.5
NC on Green Charm	74.5	5.3	-	-	-	-
Baan Pha Greenery North Pattaya	9.6	0.7	48.3	2.3	275.3	15.2
Baan Pha Piyarom Nesto (P.11)	-	-	106.4	5.0	301.0	16.6
Baan Pha Piyarom Terre (P.12)	110.9	7.9	315.7	15.0	297.7	16.4
Baan Pha Piyarom Lake Grande (P.13)	57.7	4.1	141.5	6.7	164.9	9.1
Baan Pha Piyarom Niva (P.14)	282.7	20.2	94.5	4.5	15.5	0.9

Project	2016		2015		2014	
	THB mn.	%	THB mn.	%	THB mn.	%
Baan Pha Greenery Pinklao-Sai5	285.2	20.3	685.8	32.5	213.4	11.8
Baan Pha Greenery Pakkred-Ratchapruek	71.6	5.1	6.5	0.3	-	-
Natureza North Pattaya Condominium (P.1)	140.3	10.0	381.0	18.1	-	-
Natureza North Pattaya Condominium (P.2)	200.6	14.3	-	-	-	-
Diamant Condominium	54.8	3.9	3.4	0.2	-	-
Total	1,401.7	100.0	2,107.2	100.0	1,815.9	100.0

Rental income and service revenue

Rental income and service revenue derived from property investment and the operation of the Quality Living Management Co., Ltd, a subsidiary, which provides the services of community management for housing and condominium project after residing. In 2016, the company earned 20.6 million baht rental income and service revenue.

Other Incomes

In 2016 the company earned 13.7 million Baht other incomes.

2. Cost

The Company and its subsidiaries' cost to sales was decreased 463.0 million baht or 32.9 percent and cost to sale ratio was increased to 67.45 percent in year 2016 from 66.84 percent in year 2015

3. Expenses

Sales and Administrative Expenses

In 2016, the company and its subsidiaries' selling expenses amounting to 176.1 million baht, decrease of 54.2 million baht , or 23.5% from 2015. The major reason is specific business tax , transfer fee and selling expenses were decreased.

The Company and its subsidiaries' administrative expenses amounting to 171.1 million baht, decrease of 10.0 baht million, or 5.5% from 2015 as a result of personnel costs were decreased.

Financial Costs

The Company' financial costs was decreased 22.2 million baht or 25.0% . Because paid the Interest to financial institutions and Fees for applying for loans from financial institutions were decreased.

Tax expenses

The Company and its subsidiaries' tax expenses was decreased 30.7 million baht or 86.5% from the year 2015. Because of in the year 2016 the Company' posted a net profit decreased from the year 2015.

4. Net Profit

In 2016, the Company made a net profit of 20.4 million baht. When compared with the 2015 net profit of 124.9 million baht, the Company' net profit decreased by 104.5 million baht, or 83.7% . Because the Company' sales revenue was decreased 705.5 million baht or 33.5% .As a result of effective ownership transferring was decrease.

5. Shareholder Wealth

Earning per share (EPS) for 2016 was at 0.017 baht and return on equity (ROE) at 0.83% as compared to the previous year's EPS at 0.100 baht and ROE at 5.10%. in 2015

Financial Status

1. Assets

As of December 31, 2016 the company's total assets stood 5,097.1 million baht, which was a 82.7 million baht or 1.65% increase from 2015. Because of inventory was increased.

1.1 Inventory

Inventory in the form of property for sale was stated at cost or the net value that the Company is likely to receive whichever is lower. Asset stated at cost reflects the cost of land acquisition plus cost in land development, construction cost and other directly related cost including interest expense. As of December 31, 2016 as compared to the same period in 2015 inventory was 622.9 at million baht versus 444.5 million baht or constitutes 12.2% and 8.9% of total assets respectively. The Company had inventory release management policy to reduce the interest cost and improve the operating liquidity in core projects such as Diamant Condominium and Natureza Condominium , The transfer was completed gradually during the period.

1.2 Land Held for Development and Property Development Cost

As of December 31, 2016 the Company is total property development cost and land held for development 4,073.3 million baht (51.2% and 28.7% of total assets) decreased 61.9 million baht or 1.5% from 2015.

During the past year, the Company purchased land to be used in the development of new projects in the future, namely, the land in klong4, Pathumthani total valued at 13.9 and Watcharaponjutichod total valued at 231.73 million baht are transfer within 2016.

The lands are pending for development and transfer to land development capital due to the launch of new project ; NC on Green Charm worth 66.7 million baht.

1.3 Property, Building and Equipment Net

Land and property for office use along with club house owned by the Company in residential projects forms the largest proportion of the Company's property, building and equipment. As of December 31, 2016, the Company's property, building and equipment net stood at 123.7 million baht declined from 138.0 million baht posted a year earlier constitutes 2.4% of total assets for 2016 and 2.8% of total assets for the year earlier. The decline in asset value was mostly the result of depreciation.

2. Asset Quality

2.1 Asset

Upon review of the Company's asset value, should there be any event or change in condition which puts integrity of asset value into question, the Company will immediately expense the loss on the asset value.

2.2 Accounts Receivables

Income from housing estate sales with land and income from the sales of condominiums is perceived as income when there are transfers of risks and returns which were already significant in the ownership of buyers as of 31 December 2016. The Company has trading debtors before deducting allowances for doubtful debts amounting to 1.72 million baht from the real estate and community management businesses. At the same time, as of 31 December 2015, the Company had debtors before deducting allowances for doubtful debts amounting to 0.29 million .

Trade Accounts receivables of 1.72 million baht is not considered to be a significant sum and bears little impact on the Company's financial performance. The Company will issue contact letters to follow-up on accounts that have been delinquent for over 2 months. The responsible department will work with the delinquent account owner(s) to resolve all outstanding debt. A loss reserve has also been set aside based on the Company's historical loss rate.

2.3 Liquidity

The Company's cash is derived mainly from the revenue on sale of landed residential units and asset backed credit line from financial institutions. As of December 31, 2016, the Company's cash and cash equivalents totaled 13.2 million baht, which is a 16.5 million baht decrease from the previous year. Details on cash movement are as follows:

As of 31 December 2016, the Company had net cash used in business operation amounting to 37.4 million baht, a decrease of 381.8 million baht or 110.9% from 2015.

The net cash used in investment activities amounted to 8.1 million baht, a increase of 8.7 million baht, or 51.8%, from 2015, from the ability to repay the debt even more.

Net cash income in financing activities in the amount of 29.0 million baht, because the loans from the financial institutions.

The liquidity rate increased from 2.4 times in 2015 to 2.5 times in 2016 due to increased current liabilities by 102.4 million baht, or 2.2%, from inventory increase of 178.4 million baht, or 40.1% and land held for development was increased by 68.7 million baht or 2.7 % from 2015

3. Sources of Funds

Appropriate Capital Structure

3.1 Liabilities

As of December 31, 2016, the company has total liabilities of 2,631.8 million baht, increased from the amount as of December 31, 2015 by 68.9 million baht, or increase of 2.7%, because Short-term and Long-term loans from the financial institutions, loans from Directors and Payables to related parties were increased.

Which the current liabilities increased by 3.3 million baht, or increase of 0.2%, because short-term loan from the financial institutions increased by 311.4 million baht or 36.2% and short-term loans from Directors and Payables to related parties increased by 17 million baht or 26.6%

Debt/Equity ratio increased by 1.05 times in 2015 to 1.07 times in 2016

3.2 Shareholder's Equity

As of December 31, 2016, the Company's shareholder's equity totaled 2,465.3 million baht which is a 0.6% increase from last year's 2,451.5 million baht

3.3 Legal reserves

In 2016 the company allotted 1.3 million Baht legal reserves, resulting that as of December 31, 2016, the legal reserves shown in the company's financial statement accounted for 68.05 million Baht (5.46% of registered capital)

3.4 Commitment and Contingent Liabilities

- The Company has entered into lease for the commercial buildings, sale office building, land and other services. As at December 31, 2016, the Company is obligated to pay the rent and service as follows: Payable within: 1 year 2.7 Million Baht and payable within 2 to 3 years 1.4 million baht.
- As at December 31, 2016, the Company had contingent liabilities from letters of guarantees issued by three banks to government agency and third parties, 189.6 million baht including guarantees for electricity, water and others amount 14.2 million baht and guarantees fund for maintenance to public utilities amount 175.4 million baht.
- As at December 31, 2016, the Company had contingent liabilities to a bank from the guarantee on the customer's loan amounting to 0.7 million baht and gasoline amounting to 0.2 million baht.

BOARD OF DIRECTORS' DUTIES ON FINANCIAL DISCLOSURE

To The Shareholders

As a publicly listed company on the Stock Exchange of Thailand (SET), the Company's Board of Directors understands the importance of ensuring integrity in information disclosure and ensuring complete, transparent, sufficient disclosure of the Company's financial statements. Such disclosure observes generally accepted accounting principles with discretion observed on the suitability, appropriateness and circumspect of accounting principles, which is applied on a consistent basis. Such robust accounting guidelines also serve to protect against fraud or abnormal transactions where due consideration was given in determining the appropriateness and comprehensiveness of guidelines to best reflect the Company's true financial performance.

The Company's Board of Directors appointed the Audit Committee with members including Independent Directors with qualifications as stipulated by the SET and was charged with the responsibility to oversee that the financial and operating information provided by the Company maintains integrity and is sufficient and to report its findings and suggestions to the Company's Board of Directors.

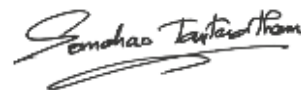
The Committee is also responsible for the transparent, correct and complete disclosure of information regarding related party transactions and transactions that may have conflicts of interest. Ensuring a comprehensive risk management system, a robust internal audit process and a comprehensive and appropriate corporate governance policy along with having an effective assessment process on abiding with all applicable legal guidelines and that of the SET are all part of the Audit Committee's responsibility. A report by the Audit Committee has been provided in the Company's 2015 annual report.

The Company's Board of Directors believes the Company's overall internal audit process to be sufficient and should provide a level of comfort that the Company's financial statements and the consolidated financial statements for the period ending December 31, 2016 for which the Company's Audit Committee, Company's management and the Company's financial auditors have reviewed and audited to be correct, complete, appropriate and employs generally accepted accounting principles and abides by all applicable laws and related guidelines.



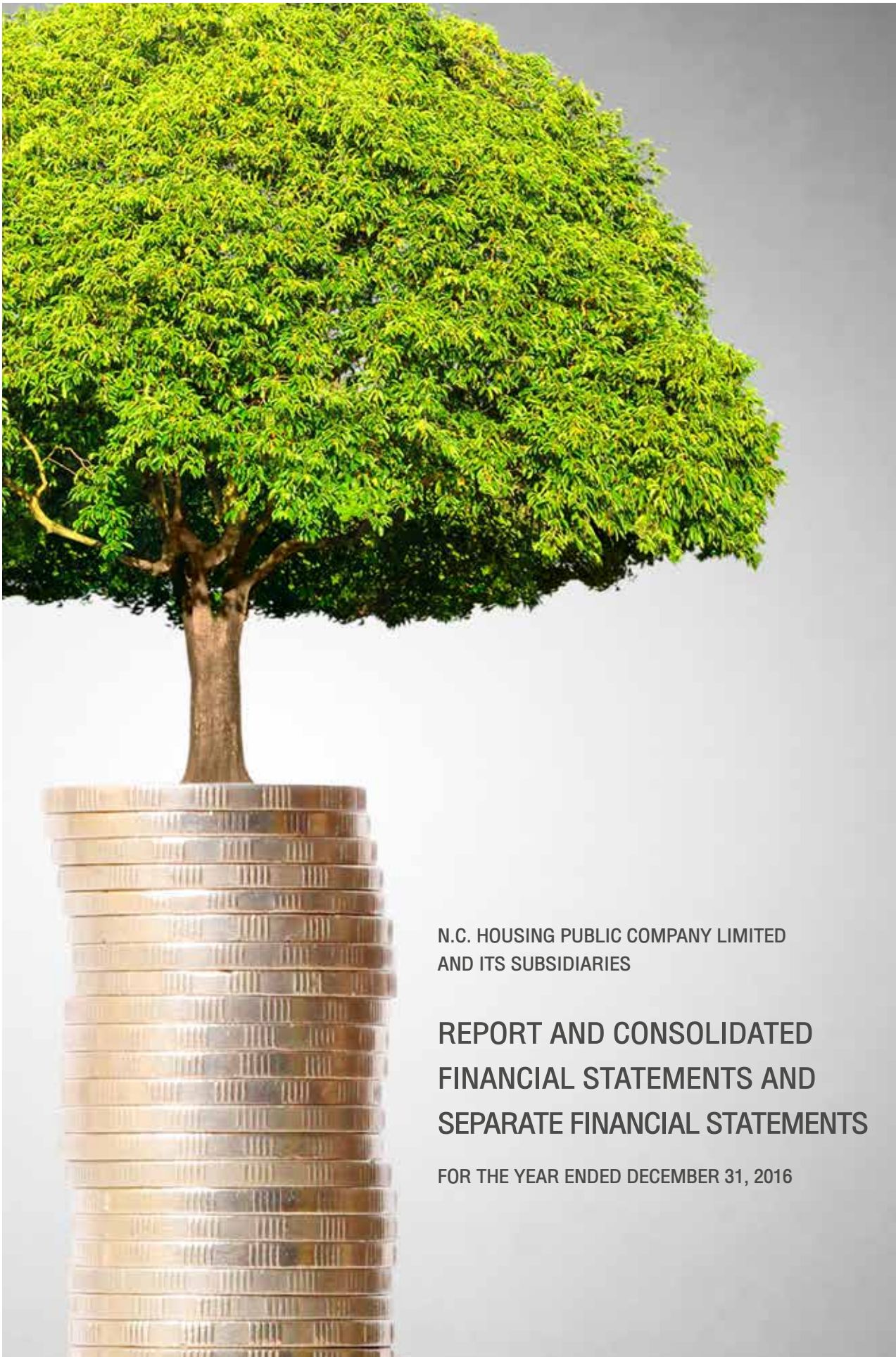
(Mr. Sudham Chatwalwong)

Chairman



(Mr. Somchao Tanthathodtham)

Managing Director



N.C. HOUSING PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES

**REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS AND
SEPARATE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2016



INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
N.C. Housing Public Company Limited

Opinion

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

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of N.C. Housing Public Company Limited and its subsidiaries as at December 31, 2016, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of N.C. Housing Public Company Limited as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with 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 Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Project cost estimate

- Risk

The company operates house and land sale business. It has projects in Bangkok and other provinces both detached houses, twin houses, townhouses, and condominiums. The Company has to prepare the project cost estimate which consists of land cost, construction cost, borrowing cost and central utilities cost to prepare the cost estimate of each plot and calculate inventory cost and to recognize cost for the transferred land plot. Such estimate is complex and requires considerable judgement. The borrowing cost and central utilities cost estimates rely on the assumption in estimating the cash flow receipt and payment throughout the project and experience in constructing the central utilities in the past. I have given special importance in auditing the preparation and review of project cost estimate in accordance with the financial reporting standards as it is significant to the financial statements. The consolidated financial statement as at December 31, 2016, the Company has inventory of Baht 622.87 million (see Note 10) and property development costs in the amount of Baht 2,608.55 (see Note 11) totaling Baht 3,231.42 million or 63.40% of total assets. For the year ended December 31, 2016, the Company recognizes the cost of sale in the amount of Baht 945.47 million.

- Risk response

Regarding my audit approach on such matter, I have considered the reasonableness of the assumption and the method used by the management in calculating the project cost estimate and reviewing the estimate regularly by auditing the supporting evidence which represents the best estimates of the management, especially the forecast of cash flow receipt and payment estimates throughout the project period in order to prepare the borrowing cost estimate and utilities construction information to prepare the central utilities cost estimate. In addition, I have compared the actual cost with such estimates. I have given importance to the adequacy of the information disclosure of the accounting policy regarding the use of judgment and significant accounting estimates in Note 5.20 in the notes to the financial statements.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct 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 consolidated financial statements and separate financial statements in accordance with 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 consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company 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 consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company'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 and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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



(Mr. Peradate Pongsathiansak)

Certified Public Accountant

Registration No. 4752

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 22, 2017

THE STATEMENT OF FINANCIAL POSITION

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2016



ASSETS

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at December	As at December	As at December	As at December
Note		31, 2016	31, 2015	31, 2016	31, 2015
CURRENT ASSETS					
Cash and cash equivalents	7	13,240,404.98	29,700,274.82	10,781,891.02	24,110,556.17
Short-term investments	8	696,088.73	692,181.04	696,088.73	692,181.04
Short-term loan to related parties	6	-	-	57,000,000.00	21,500,000.00
Inventories	9	622,874,492.54	444,524,469.57	622,874,492.54	444,524,469.57
Property development costs	10	2,608,547,605.32	2,539,895,393.71	2,608,547,605.32	2,540,084,678.95
Land held for development	11	1,464,839,032.71	1,595,394,339.33	1,391,431,473.71	1,521,986,780.33
Deposit from purchase land	10	-	1,800,000.00	-	1,800,000.00
Other current assets	6, 12	20,336,029.58	16,153,663.54	23,220,611.64	16,404,048.94
Total current assets		4,730,533,653.86	4,628,160,322.01	4,714,552,162.96	4,571,102,715.00
NON-CURRENT ASSETS					
Deposit pledged as collateral	13	8,223,297.19	12,816,340.66	8,223,297.19	12,816,340.66
Investment in associated company	14	-	-	-	-
Investment in subsidiaries	14	-	-	11,864,497.95	11,864,497.95
Investment property	15	214,237,342.65	224,404,335.27	214,237,342.65	224,404,335.27
Property, plant and equipment	16	123,737,355.51	137,970,626.04	122,438,202.46	135,426,887.83
Intangible assets	17	4,929,664.90	3,113,225.06	4,929,664.90	3,113,225.06
Withholding tax		6,754,947.72	-	6,457,372.05	-
Deferred tax assets	25	4,569,276.38	1,516,325.66	2,847,703.82	503,742.42
Other non-current assets		4,090,795.36	6,377,530.68	4,090,795.36	5,042,057.86
Total non-current assets		366,542,679.71	386,198,383.37	375,088,876.38	393,171,087.05
TOTAL ASSETS		5,097,076,333.57	5,014,358,705.38	5,089,641,039.34	4,964,273,802.05

Notes to financial statements form an integral part of these statements.

THE STATEMENT OF FINANCIAL POSITION (CONT.)

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2016

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Note	As at December 31, 2016	As at December 31, 2015	As at December 31, 2016	As at December 31, 2015
CURRENT LIABILITIES					
Bank overdrafts and short - term loans					
from the financial institutions	18	1,171,187,516.54	859,790,136.48	1,171,187,516.54	859,790,136.48
Trade notes payable		47,494,324.79	68,971,121.03	47,494,324.79	68,971,121.03
Trade accounts payable and other payable	19	106,749,221.13	92,617,466.42	106,748,150.07	91,496,897.83
Payable to related parties	6	39,333,192.38	31,266,666.73	42,655,076.73	34,684,892.20
Accrued expenses	6	15,287,234.47	60,848,186.89	14,115,347.61	58,375,571.73
Corporate income tax payable		-	3,503,735.22	-	3,503,735.22
Current portion of liabilities under					
the finance lease agreement	20	829,354.71	1,240,237.37	829,354.71	1,240,237.37
Current portion of long-term loan from					
the financial institutions	21	329,997,870.93	598,088,181.92	329,997,870.93	598,088,181.92
Short-term loan from the director	6	81,000,000.00	64,000,000.00	81,000,000.00	29,000,000.00
Advance received from customers		23,652,933.38	30,787,702.50	23,652,933.38	30,787,702.50
Retention from contractors		80,311,350.49	81,252,790.66	79,926,764.81	80,717,339.23
Other current liabilities		495,942.09	659,993.49	408,941.12	659,993.49
Total current liabilities		1,896,338,940.91	1,893,026,218.71	1,898,016,280.69	1,857,315,809.00
NON-CURRENT LIABILITIES					
Liabilities under the finance lease					
agreement	20	840,201.93	1,708,746.07	840,201.93	1,708,746.07
Long-term loans from the financial					
institutions	21	647,695,695.01	565,830,302.49	647,695,695.01	565,830,302.49
Employee benefit obligations	22	39,885,275.00	34,772,339.00	38,739,960.00	33,841,578.00
Provision for compensation for housing					
estate juristic persons	23	14,843,741.26	23,894,486.41	14,843,741.26	23,894,486.41
Liabilities from purchasing the real					
estate project	24	32,146,940.00	43,605,940.00	28,604,350.00	39,554,350.00
Total non-current liabilities		735,411,853.20	669,811,813.97	730,723,948.20	664,829,462.97
TOTAL LIABILITIES		2,631,750,794.11	2,562,838,032.68	2,628,740,228.89	2,522,145,271.97

THE STATEMENT OF FINANCIAL POSITION (CONT.)

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2016



LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Note	As at December 31, 2016	As at December 31, 2015	As at December 31, 2016	As at December 31, 2015
SHAREHOLDER'S EQUITY					
Share capital					
Authorized share capital					
1,245,284,305 ordinary shares					
of Baht 1.00 each		1,245,284,305.00		1,245,284,305.00	
1,200,000,000 ordinary shares					
of Baht 1.00 each			1,200,000,000.00		1,200,000,000.00
Issued and paid-up share capital					
1,245,283,691 ordinary shares					
of Baht 1.00 each		1,245,283,691.00		1,245,283,691.00	
1,185,985,052 ordinary shares capital					
of Baht 1.00 each			1,185,985,052.00		1,185,985,052.00
Premium on share capital		577,530,000.00	577,530,000.00	577,530,000.00	577,530,000.00
Retained earnings					
Appropriated - legal reserve	26	68,050,000.00	66,750,000.00	68,050,000.00	66,750,000.00
Unappropriated		574,461,848.46	621,255,620.70	570,037,119.45	611,863,478.08
Other components of equity		-	-	-	-
Total equity attributable to company's shareholders		2,465,325,539.46	2,451,520,672.70	2,460,900,810.45	2,442,128,530.08
Non-controlling interests		-	-	-	-
TOTAL SHAREHOLDER'S EQUITY		2,465,325,539.46	2,451,520,672.70	2,460,900,810.45	2,442,128,530.08
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		5,097,076,333.57	5,014,358,705.38	5,089,641,039.34	4,964,273,802.05

Notes to financial statements form an integral part of these statements.



THE STATEMENTS OF COMPREHENSIVE INCOME

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2016

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Note	2016	2015	2016	2015
REVENUES	6				
Sales		1,401,676,540.64	2,107,214,556.54	1,401,676,540.64	2,107,214,556.54
Rental income and service		20,550,065.86	13,556,367.49	16,613,315.86	9,296,367.49
Other income		13,743,451.69	16,560,975.40	16,622,022.05	17,201,540.71
Total Revenues		1,435,970,058.19	2,137,331,899.43	1,434,911,878.55	2,133,712,464.74
EXPENSES	6				
Cost of sales		945,477,284.16	1,408,509,425.31	945,666,569.40	1,410,620,706.85
Cost of for rent and service		20,507,334.92	20,403,755.76	16,802,264.03	15,194,083.04
Selling expenses		176,137,474.58	230,325,916.43	176,137,474.58	230,325,916.43
Administrative expenses		171,115,085.18	181,078,832.10	168,422,976.44	178,037,130.29
Management benefit expenses		30,585,074.10	47,818,291.90	30,585,074.10	47,767,599.90
Finance costs	31	66,624,803.91	88,819,124.06	66,104,384.73	86,498,358.53
Total Expenses		1,410,447,056.85	1,976,955,345.56	1,403,718,743.28	1,968,443,795.04
Share of profit (loss) from investment in an associated company		-	-	-	-
Income (loss) before tax expenses		25,523,001.34	160,376,553.87	31,193,135.27	165,268,669.70
Tax expenses (income)	25	4,798,501.62	35,449,382.50	5,507,490.94	36,031,263.21
Profit (loss) for the year		20,724,499.72	124,927,171.37	25,685,644.33	129,237,406.49
Other comprehensive income					
Items that will not be reclassified to profit or loss		-	-	-	-
Actuarial loss from post-employee benefit, net of income tax		(330,793.80)	-	(324,524.80)	-
Items that may be reclassified subsequently to profit or loss		-	-	-	-
Total comprehensive income for the year		20,393,705.92	124,927,171.37	25,361,119.53	129,237,406.49
Profit (loss) attributable to					
Shareholders' equity of the parent company		20,724,499.72	124,927,171.37	25,685,644.33	129,237,406.49
Non-controlling interests		-	-	-	-
		20,724,499.72	124,927,171.37	25,685,644.33	129,237,406.49
Total comprehensive income attributable to					
Shareholders' equity of the parent company		20,393,705.92	124,927,171.37	25,361,119.53	129,237,406.49
Non-controlling interests		-	-	-	-
		20,393,705.92	124,927,171.37	25,361,119.53	129,237,406.49
BASIC EARNINGS PER SHARE OF THE PARENT COMPANY	32		(Restated)		(Restated)
Profit (loss) for the year (Baht per share)		0.017	0.100	0.021	0.104



THE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2016

N.C. HOUSING PUBLIC COMPANY LIMITED

		In Baht					
		Consolidated Financial Statements					
		Shareholders' equity of the parent company				Non-controlling interests	
		Share capital issued and paid-up	Premium on share capital	Retained earnings		Other components of equity	Total
				Appropriated legal reserve	Unappropriated		
Note							
	Beginning balance 2015	1,185,985,052.00	577,530,000.00	60,250,000.00	546,709,526.59	-	2,370,474,578.59
26	Appropriated - legal reserve	-	-	6,500,000.00	(6,500,000.00)	-	-
27	Dividend paid	-	-	-	(43,881,077.26)	-	(43,881,077.26)
	Comprehensive income						
	Profit for the year	-	-	-	124,927,171.37	-	124,927,171.37
	Other comprehensive income for the year	-	-	-	-	-	-
	Total comprehensive income for the year	-	-	-	124,927,171.37	-	124,927,171.37
	Ending balance 2015	1,185,985,052.00	577,530,000.00	66,750,000.00	621,255,620.70	-	2,451,520,672.70
26	Appropriated - legal reserve	-	-	1,300,000.00	(1,300,000.00)	-	-
27	Dividend paid	-	-	-	(6,588,839.16)	-	(6,588,839.16)
27	Stock dividend	59,298,639.00	-	-	(59,298,639.00)	-	-
	Comprehensive income						
	Profit for the year	-	-	-	20,724,499.72	-	20,724,499.72
	Other comprehensive income for the year	-	-	-	(330,793.80)	-	(330,793.80)
	Total comprehensive income for the year	-	-	-	20,393,705.92	-	20,393,705.92
	Ending balance 2016	1,245,283,691.00	577,530,000.00	68,050,000.00	574,461,848.46	-	2,465,325,539.46

Notes to financial statements form an integral part of these statements.

THE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016

ANNUAL REPORT 2016

In Baht							
	Note	Separate Financial Statements					Total
		Share capital issued and paid-up	Premium on share capital	Retained earnings		Other components of equity	
				Appropriated legal reserve	Unappropriated		
Beginning balance 2015		1,185,985,052.00	577,530,000.00	60,250,000.00	533,007,148.85	-	2,356,772,200.85
Appropriated - legal reserve	26	-	-	6,500,000.00	(6,500,000.00)	-	-
Dividend paid	27	-	-	-	(43,881,077.26)	-	(43,881,077.26)
Comprehensive income							
Profit for the year		-	-	-	129,237,406.49	-	129,237,406.49
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	129,237,406.49	-	129,237,406.49
Ending balance 2015		1,185,985,052.00	577,530,000.00	66,750,000.00	611,863,478.08	-	2,442,128,530.08
Appropriated - legal reserve	26	-	-	1,300,000.00	(1,300,000.00)	-	-
Dividend paid	27	-	-	-	(6,588,839.16)	-	(6,588,839.16)
Stock dividend	27	59,298,639.00	-	-	(59,298,639.00)	-	-
Comprehensive income							
Profit for the year		-	-	-	25,685,644.33	-	25,685,644.33
Other comprehensive income for the year		-	-	-	(324,524.80)	-	(324,524.80)
Total comprehensive income for the year		-	-	-	25,361,119.53	-	25,361,119.53
Ending balance 2016		1,245,283,691.00	577,530,000.00	68,050,000.00	570,037,119.45	-	2,460,900,810.45

Notes to financial statements form an integral part of these statements.

THE STATEMENTS OF CASH FLOWS

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016



	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the year	20,724,499.72	124,927,171.37	25,685,644.33	129,237,406.49
<u>Add</u> (less) Adjustments to reconcile profit (loss) for the year to net cash provided by (used in) operating activities :				
Depreciation and amortization	26,444,495.40	26,455,259.38	25,197,155.03	25,142,798.51
Unrealized gain from trading securities	(3,907.69)	(7,018.80)	(3,907.69)	(7,018.80)
Doubtful debt	1,427,000.00	-	1,427,000.00	-
Allowance for declining in value of inventories (reversal)	-	(11,764,683.35)	-	(11,764,683.35)
(Gain) loss from sale and amortization of fixed assets	(247,632.04)	(42,286.02)	(247,788.04)	(42,286.02)
Allowance for declining value of property, plant and equipment (reversal)	-	1,088,933.99	-	1,088,933.99
Loss from written-off assets	-	812,228.39	-	-
Loss from written-off withholding tax	379,606.95	-	-	-
Gain from written-off accounts payable and accrued expenses	(3,443,325.06)	(8,449,984.06)	(3,402,235.06)	(8,374,957.14)
Provision for compensation for housing estate juristic persons	2,653,384.25	2,745,473.67	2,653,384.25	2,745,473.67
Employee benefit expenses	3,654,159.00	3,287,228.00	3,475,574.00	3,151,161.00
Employee benefit expenses (reversal)	-	(139,025.00)	-	-
Interest income	(319,539.22)	(243,243.58)	(3,007,529.21)	(1,021,851.69)
Interest expenses	66,624,803.91	88,819,124.06	66,104,384.73	86,498,358.53
Tax expenses (income)	4,798,501.62	35,449,382.50	5,507,490.94	36,031,263.21
Income from operating activities before changes in operating assets and liabilities	122,692,046.84	262,938,560.55	123,389,173.28	262,684,598.40
Decrease (increase) in operating assets				
Inventories	(178,350,022.97)	(24,663,966.83)	(178,350,022.97)	(31,879,532.80)
Property development costs	118,895,172.76	318,587,434.05	119,084,458.00	320,510,170.06
Land held for development	(9,864,466.38)	(27,695,656.34)	(9,864,466.38)	(27,695,656.34)
Deposit from purchase land	1,800,000.00	(1,800,000.00)	1,800,000.00	(1,800,000.00)
Other current assets	(5,765,375.90)	12,430,980.89	(5,731,983.15)	9,894,612.79
Other non-current assets	951,262.50	(354,377.27)	951,262.50	(354,377.27)

Notes to financial statements form an integral part of these statements.

THE STATEMENTS OF CASH FLOWS (CONT.)

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2016

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Increase (decrease) in operating liabilities				
Trade notes payable	(21,476,796.24)	(22,805,785.87)	(21,476,796.24)	(22,805,785.87)
Trade accounts payable and other payable	17,129,263.77	(26,429,584.36)	18,248,761.30	(25,564,597.55)
Payable to related parties	8,066,525.65	(30,799,539.89)	7,970,184.53	(32,463,601.15)
Accrued expenses	(43,316,112.78)	(6,698,610.69)	(41,565,755.30)	(6,973,972.71)
Advance received from customers	(7,134,769.12)	(49,197,882.50)	(7,134,769.12)	(49,197,882.50)
Retention from contractors	(939,440.17)	7,749,023.54	(788,574.42)	7,712,580.92
Other current liabilities	(164,051.40)	(160,667.02)	(251,052.37)	(160,667.02)
Cash receivable (paid) from the operations	2,523,236.56	411,099,928.26	6,280,419.30	401,905,888.96
Cash received from interest income	319,539.22	243,243.58	339,940.16	1,004,742.12
Withholding taxes refunded from Revenue department	786,789.85	2,235,024.61	-	-
Income tax expenses paid	(17,859,928.06)	(40,509,145.37)	(17,731,428.41)	(39,378,641.10)
Cash paid for provision for compensation for housing estate juristic persons	(11,704,129.40)	(533,750.00)	(11,704,129.40)	(533,750.00)
Cash paid for liabilities form purchasing the real estate project	(11,459,000.00)	(28,120,000.00)	(10,950,000.00)	(27,620,000.00)
Net cash provided by (used in) operating activities	(37,393,491.83)	344,415,301.08	(33,765,198.35)	335,378,239.98
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash paid for short-term loan to related parties	-	-	(37,000,000.00)	(1,000,000.00)
Cash Received from short-term loan to related parties	-	-	1,500,000.00	-
Increase in short-term investments	4,593,043.47	(3,710,591.68)	4,593,043.47	(3,940,753.55)
Cash paid for investment property	(13,138.32)	(6,771,181.72)	(13,138.32)	(6,771,181.72)
Proceeds from sales of fixed assets	1,250,000.00	50,000.00	1,250,000.00	50,000.00
Cash paid for purchase of fixed assets	(11,244,944.27)	(6,380,010.02)	(11,242,033.06)	(6,380,010.02)
Cash paid for purchase of intangible assets	(2,697,470.00)	(27,820.00)	(2,697,470.00)	(27,820.00)
Net cash provided by (used in) investing activities	(8,112,509.12)	(16,839,603.42)	(43,609,597.91)	(18,069,765.29)

THE STATEMENTS OF CASH FLOWS (CONT.)

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2016



	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term loans from the financial institutions	311,397,380.06	611,983,518.10	311,397,380.06	611,983,518.10
Cash paid for liabilities under finance lease agreement	(1,279,426.80)	(593,127.59)	(1,279,426.80)	(593,127.59)
Cash received from short-term loan from the director	176,000,000.00	223,000,000.00	176,000,000.00	223,000,000.00
Cash paid for short-term loan from the directors	(159,000,000.00)	(316,000,000.00)	(124,000,000.00)	(311,000,000.00)
Cash received from long-term loans	977,206,563.73	678,293,952.68	977,206,563.73	678,293,952.68
Cash paid for long-term loans	(1,163,431,482.20)	(1,319,739,569.60)	(1,163,431,482.20)	(1,319,739,569.60)
Interest paid	(105,258,064.52)	(142,960,349.23)	(105,258,064.52)	(140,080,625.28)
Dividend paid	(6,588,839.16)	(43,881,077.26)	(6,588,839.16)	(43,881,077.26)
Net cash provided by (used in) financing activities	29,046,131.11	(309,896,652.90)	64,046,131.11	(302,016,928.95)
Net increase (decrease) in cash and cash equivalents	(16,459,869.84)	17,679,044.76	(13,328,665.15)	15,291,545.74
Cash and cash equivalents, beginning of year	29,700,274.82	12,021,230.06	24,110,556.17	8,819,010.43
Cash and cash equivalents, end of year	13,240,404.98	29,700,274.82	10,781,891.02	24,110,556.17
Supplemental disclosures of cash flows information				
1) Cash and cash equivalents consisted of :-				
Cash on hand	552,000.00	577,000.00	552,000.00	577,000.00
Cash at bank	12,688,404.98	29,123,274.82	10,229,891.02	23,533,556.17
Total	13,240,404.98	29,700,274.82	10,781,891.02	24,110,556.17

- 2) In year 2016 and 2015, the Company had transferred land held for development as part of property development costs in value of Baht 140.42 million and Baht 158.90 million, respectively.
- 3) In year 2016, the Company had transferred land from property, plant and equipment as part of property development costs in value Baht 9.09 million.

Notes to financial statements form an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

DECEMBER 31, 2016

1. GENERAL INFORMATION

(a) Legal status and address of the Company

The Company was registered to be a limited company on February 2, 1994 and converted to be The Public Company Limited under the Limited Public Company Act with the Ministry of Commerce on November 27, 2003, and the Company name was changed to N.C. Housing Public Company Limited.

The address of its registered office is as follows:

1/765 Moo 17, Soi Amporn Paholyotin Rd. K.M. 26, Tambol Kukod, Aumpur Lumlookka, Patumtanee, 12130, Thailand.

(b) Nature of the Company's business

The Company and subsidiaries operates its principal business as a real estate developer for trade in various areas such as house for sell including the land development, providing construction services, condominium for sell, providing rental space in club house, etc.

(c) Parent company

The major shareholder company is NCH 2555 Holding Company Limited represented 51% shareholding.

2. Basis of consolidated financial statements and operations

2.1 The accompanying consolidated financial statements include the accounts of N.C. Housing Public Company Limited and the following subsidiaries and associated company are owned directly and indirectly by the Company :-

	Percentage of Holding by direct and indirect		Nature of Business
	2016	2015	
<u>Subsidiaries</u>			
N.C. Property Management Co., Ltd.	100.00	100.00	Contractor and project management
Quality Living Management Co., Ltd.	100.00	100.00	Property management service
<u>Associated company</u>			
Ensure Home Co., Ltd. (Finish liquidation in the year 2016)	-	40.00	Real estate brokers
TPKS Real Estate Co., Ltd. (Associated company held by Ensure Home Co., Ltd.) (Finish liquidation in the year 2016)	-	40.00	Real estate

- 2.2 The percentage of total assets and total revenues of the subsidiaries included in the consolidated financial statements are as follows:

	Percentage of total assets included in consolidated statements of financial position		Percentage of total revenues included in consolidated statements of comprehensive income for the year	
	2016	2015	2016	2015
<u>Subsidiaries</u>				
N.C. Property Management Co., Ltd.	1.53	1.63	-	0.01
Quality Living Management Co., Ltd.	0.02	0.04	0.28	0.20

- 2.3 The acquisition of subsidiaries are recorded by Purchase Method.
- 2.4 Significant inter company transactions between the Company and subsidiaries have been eliminated.
- 2.5 The consolidated financial statements are prepared by using uniform accounting policies for transaction alike and other events in similar circumstances.
- 2.6 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- 2.7 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.

3. PRINCIPLES OF PREPARATION AND PRESENTATIONS OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, 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 such financial statements in Thai language.

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

4. THE NEW AND REVISED ACCOUNTING STANDARDS ARE EFFECTIVE IN THE CURRENT YEAR

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the new and revised accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards, which are effective for the fiscal year beginning on or after January 1, 2016 are as follows:

Conceptual Framework for Financial Reporting (revised 2015)

TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture
TFRS 2 (revised 2015)	Share-Based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2015)	Operating Segments

TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 10 (revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases - Incentives
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2015)	Service Concession Arrangements: Disclosure
TSIC 31 (revised 2015)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2015)	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	TAS 19 (revised 2015)-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non - cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

The management of the Company and its subsidiaries evaluated that these new and revised accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standards interpretations do not have any significant impact on the financial statements in current year.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Recognition of revenues and expenses

Revenue from sales of land, land and houses and sale of condominiums are recognized as income when the significant risk and rewards of ownership have been transferred to the buyer.

The installment payment collected before transferring the significant risks and rewards of ownership to the buyer is recorded as unrealized income.

Cost of sales are based on the estimated cost of real estate project. However, cost of sales will be adjusted to be close to the actual cost in the event that the factors of the actual cost are significantly changed.

In determining the cost of land, land and houses and cost of condominiums, the total development costs are attributed to units sold on the basis of the salable area.

A subsidiary recognizes the revenue from construction on the percentage of completion method. Payment received more than the percentage of work completion is recorded as advance received and the part of undue is recorded as accrued income.

A subsidiary recognizes property manager services income when service are completed according to the duration of the contract.

The Company and subsidiaries are recognized other revenues and expenses on the accrual basis.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks and deposits at financial institutions which are promissory notes with original maturity of 3 months or less and excluded deposits which are pledged as collateral.

5.3 Allowance for doubtful accounts

The Company and subsidiaries provide allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on the historical collection experience coupled with a review of the current status of existing receivables.

5.4 Inventories

Inventories are real estate for sale which are stated at the lower of cost or net realizable value. Cost is included land, land developing, construction, borrowing costs and direct expense.

Construction materials are valued at cost (first-in, first-out method) or net realizable value, whichever is lower.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete the sale.

5.5 Property development and land held for development

Property development is stated at cost. Cost is included land, land developing, construction, borrowing costs and direct expense.

Land held for development, the Company intends to hold for future benefit. Cost consists of land cost and related expenses for land acquisition including borrowing costs which incurred during the development of projects period.

Property development and land held for development are stated at the lower of cost or net realizable value.

The Company and its subsidiaries records the loss on decline in value (if any) of property development in the statement of comprehensive income.

5.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the costs of the respective assets. Capitalization 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 include 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, interest costs are calculated by multiplying the capitalization rate to the expenditures on that project. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the entity during the year other than borrowings made for specific purposes.

5.7 Investments

Investments in subsidiaries

Subsidiaries are entities over which the Company has the power to control their financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The financial statements of the subsidiaries are consolidated from the date the Company exercises control over the subsidiaries until the date that control power ceases.

Investments in subsidiaries are stated at cost net from allowance on impairment (if any) in the separate financial statements.

Investments in associates company

Associate company is all entities over which the Company has significant influence but not control generally accompanying a shareholding of between 20% and 50% of the voting rights. In the consolidated financial statement, investments in associates are initially recognized at cost and are accounted for using the equity method.

Investments in associate company is stated at cost net from allowance on impairment (if any) in the separate financial statements.

Investments in debt securities and marketable equity securities

Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded as gains or losses in the statements of comprehensive income.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

Goodwill

Goodwill represents the excess of the cost of investment over the fair value of investment, which the Company shares in the net identifiable assets of the subsidiary or associate at the date of acquisition. Goodwill on acquisition of a subsidiary is presented as a separate line in the consolidated financial statement. Goodwill on acquisition of an associate is included in investments in associates and is tested for impairment as part of the overall balance.

The goodwill recognized is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment of goodwill is determined by calculating the realizable value based on the value-in-use calculation. Such calculation requires the use of estimates made by management. The allowance for impairment loss on goodwill is not reversed.

As for the cost of acquiring an investment that is lower than the fair value of the share of net assets of the subsidiary, the difference is negative goodwill and will be recognized immediately in the statement of comprehensive income.

5.8 Investment property

Investment property, cost is included land, land developing, construction, borrowing costs and direct expense.

Investment property is stated at cost less accumulated depreciation and allowance on impairment (if any).

Land is not depreciated.

Depreciation of investment property under residential building for lease category is calculated by the straight-line method over the estimated useful life :

Residential building for lease	30 years
Utility	10 years
Furniture and fixtures	5 years

Depreciation of investment property is included in determining income.

5.9 Property, plant and equipment

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance on impairment (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the Company (if any).

Depreciation of plant and equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Buildings	20 years
Building improvement	20 years
Machineries and equipment	5 years
Sample house and sale office buildings	5 years
Office equipment	5 years
Furniture and fixtures	5 years
Vehicles	5 years

The Company and its subsidiaries has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

5.10 Intangible assets

Intangible assets that are acquired by the Company with finite useful lives are stated at cost less accumulated amortization and allowance on impairment (if any). Intangible assets are amortized in the statement of comprehensive income on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are as follows:

Software licenses	5 - 10 years
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5.11 Trade payables and other payables

Trade and other payables (including balances with related parties) are stated at cost.

5.12 Impairment of assets

At each the statements of financial position date, the Company and its subsidiaries will assess the impairment of property, plant, and equipment and other assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an assets is less than the carrying amount. The recoverable amount of an assets is the higher of the fair value less costs to sell and its value in use.

In determining value in use, the Company and its subsidiaries 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, a conservative 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 recognized in the statement of comprehensive income. Impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization.

5.13 Related parties

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

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

5.14 Provisions for estimated liabilities

A Provision for estimated liabilities is recognized in the statements of financial position when the Company and its subsidiaries have a present legal or constructive obligation as a result of a part event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

5.15 Finance lease

Leases of assets that substantially transfer to the Company all the rewards and risks of ownership of assets and that the Company intends to exercise the option of the leases to purchase the assets at the expiration of the lease term, are accounted for as finance leases.

At the inception of a finance lease, the cost of the asset is recorded together with the obligation, excluding the interest element, to pay future rentals. Finance charges are charged to the current period operations by the effective rate.

5.16 Financial instruments

The Company and its subsidiaries have no policy to speculate in or engage in the trading of any financial derivative instruments.

Financial instruments carried in the statements of financial position include cash and cash equivalents, bank overdrafts and short-term loans from financial institutions, trade accounts receivable, trade accounts payable include notes receivable and notes payable, loan. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

5.17 Employee benefits

Short-term employment benefits

The Company and its subsidiaries recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

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

Post-employment benefits (Defined benefit plans)

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

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized in other comprehensive income.

5.18 Earnings per share

Earnings per share of the Company and its subsidiaries and only the Company is basis earnings per share which is calculated by dividing the net earnings for the period by the weighted average number of ordinary shares held by outside parties in issue and paid-up during the period.

5.19 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company and its subsidiaries records income tax expense (if any) based on the amount currently payable under the Revenue Code at the income tax rates 20% of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

In addition to the Company and its subsidiaries computed corporate income tax based on the revenue and expense recognition principle in accordance with the Revenue Code and Instruction of the Revenue Department regarding the calculation of net profit and net income for real estate business, which differs from the accounting principles selected to apply in certain cases, such as recognition of revenue and cost of sales, capturing of interest expense and depreciation of assets under utilities system development for common facilities.

The one subsidiary records income tax expense (if any) based on the amount currently payable under the Revenue Code. Income tax is calculated at the tax rates from net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. Income tax is calculated at the rates as follows.

	Tax rate	
	2016	2015
Net profit before income tax (Baht)		
1 - 300,000	Exempt	Exempt
300,001 - 3,000,000	Exempt	10%
More than 3,000,000	Exempt	10%

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

Thus, the Company and its subsidiaries offsets deferred tax assets and deferred tax liabilities for presentation in the statement of financial position, rather than presenting them separately.

5.20 Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates would affect to the amount relating to incomes, expenses, assets, liabilities and disclosures of data relating to contingent assets and liabilities. The actual results may differ from amounts already estimated. Significant judgments and estimates are as follows:

5.20.1 Estimated cost for house construction project

The Company and its subsidiaries estimate costs of house construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to complete the construction service, overhead expense, borrowing costs and center public utilities taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

5.20.2 House building contracts

The subsidiary hiring of building house within housing project as an income by reference to the stage of completion of the construction contract activity, base on determining of the project's engineer, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to surveys of works and estimates performed by the project's engineer. The management is required to make judgment and estimates based on past experience and information obtained from the project's engineer.

5.20.3 Estimated losses for house construction projects

In determining estimated expenses for house construction projects, the management is required to use judgment and relevant information to estimate losses that may be incurred from warranties and claims on the construction contract works. The estimates are made through a combination of specific reviews of construction projects, analysis of actual claims incurred and historical statistic information, among others. However, the use of different estimates and assumptions could affect the amounts of estimated expenses for construction projects.

5.20.4 Allowance for declining-in value of inventories, property development and land held for development

Allowance for declining in value of inventory

The determination of allowance for declining in the value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The provision for obsolete slow-moving and deteriorated inventory, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

Allowance for declining-in value of property development and land held for development

The Company and its subsidiaries treat property development and land held for development as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost. The management determines the devaluation of such property development and land held for development based on net realizable value.

5.20.5 Contribution to the housing estate juristic person

The Company has estimated the contribution to the housing estate juristic persons by using the rate specified by the regulator and the budgeted public utilities costs as a basis for the calculation. It has already recognized the liabilities by the ownership transfer area proportion.

5.20.6 Leases

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

5.20.7 Allowance for doubtful accounts

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

5.20.8 Allowance for impairment of investments

The Company will set the allowance for impairment of investments when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment

5.20.9 Investment property/Depreciation

In determining depreciation of investment property, the management is required to make estimates of the useful lives and residual values of the investment property and to review the useful lives and residual values when there are any changes.

In addition, the management is required to review investment property for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.20.10 Property plant and equipment/Depreciation

In determining depreciation of land building and equipment, the management is required to make estimates of the useful life and residual value and to review estimate useful life and residual value when there are any changes incurred to it.

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

5.20.11 Intangible assets

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

5.20.12 Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

5.20.13 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.

5.20.14 Liabilities from purchasing the real estate project

The Company and its subsidiaries have estimated the value of land purchase in real estate project. The management has estimated from the value of land purchase from the existing customers of project in the past.

6. TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

The Company has certain transactions with its related parties and companies. A portion of the Company's assets, liabilities, revenues, cost and expenses arose from the transactions with the related parties and companies which are related through common shareholdings and/or directors. The effects of these transactions, which are in the normal course of business, were reflected in the accompanying financial statements on the basis determined by the related parties and companies.

Detail of relation between the Company and its related parties and companies are summarized as follow :

Company's name	Country of incorporation	Type of relation
NCH 2555 Holding Co., Ltd.	Thailand	Parent company
N.C. Property Management Co., Ltd.	Thailand	Subsidiary
Quality Living Management Co., Ltd.	Thailand	Subsidiary
S.C. Construction And Decoration Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Wattana Trading Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Homemart (1999) Co., Ltd.	Thailand	Co-shareholder and director
Sap Namchai Pattana Co., Ltd.	Thailand	Co-shareholder and director
Namchai Golf Management Co., Ltd.	Thailand	Co-shareholder and director
Namchai Property Development Co., Ltd.	Thailand	Co-shareholder and director
Tanyacart Management Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Wattana Transport Partnership	Thailand	Co-shareholder and director
Precast station Co., Ltd.	Thailand	Director's relative
Mr. Somchao Tanthathoedtham	Thailand	Director
Mr. Rungsarn Nantakawong	Thailand	Director
Mrs. Patcharin Tanthathoedtham	Thailand	Director's relative
Ensure Home Co., Ltd.	Thailand	Co-shareholder and director at 40%
TPKS Real Estate Co., Ltd.	Thailand	Co-shareholder and director indirect by Busurure Home Co., Ltd at 40%

The significant transactions between the Company and its related parties and companies for the years ended December 31, 2016 and 2015 are summarized as follows :-

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Pricing basis	2016	2015	2016	2015
<u>Transaction during the year</u>					
<u>Subsidiaries</u>					
Interest income					
Quality Living Management Co., Ltd.	At the rate of 3.00% p.a. and At the rate of 5.75% p.a.	-	-	156,273.93	30,027.39
N.C. Property Management Co., Ltd.	At the rate of 3.00% p.a. and At the rate of 5.75% p.a.	-	-	2,697,616.44	757,095.00
Other income - office rental					
Quality Living Management Co., Ltd.	Baht 5,000 per month	-	-	60,000.00	60,000.00
Other income - utility charges					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	16,822.44	16,822.44
Construction cost					
N.C. Property Management Co., Ltd.	At per agreement	-	-	-	28,845,792.97
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 20,000 per project	-	-	2,657,400.00	2,985,000.00

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Pricing basis	2016	2015	2016	2015
Related parties					
Sales					
Mrs. Onusa Tanthathoedthan	Market price	4,004,046.00	-	4,004,046.00	-
Mr. Rungsarn Nuntakawong	Market price	-	4,694,697.00	-	4,694,697.00
Other income - office rental					
Precast station Co., Ltd.	Baht 10,000 per month and Baht 20,000 per month	360,000.00	360,000.00	360,000.00	360,000.00
Construction cost					
Precast station Co., Ltd.	At per agreement	61,286,031.58	62,537,694.98	61,286,031.58	62,537,694.98
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	35,930,086.42	51,319,138.20	35,930,086.42	44,493,820.24
S.C. Construction And Decoration Co., Ltd.	Market price	12,337.10	285,461.63	12,337.10	181,374.63
Land rental expense					
Mrs. Patcharin Tanthathoedthan	Baht 55,000 per month	495,000.00	660,000.00	495,000.00	660,000.00
Sap Namchai Pattana Co., Ltd.	Baht 55,000 per month	165,000.00	-	165,000.00	-
Golf club membership					
Namchai Golf Management Co., Ltd.	Market price	158,190.11	784,274.80	158,190.11	784,274.80
Rental a golf cart					
Tanyacart Management Co., Ltd.	Market price	5,400.00	6,000.00	5,400.00	6,000.00
Interest expenses					
Mr. Somchao Tanthathoedthan	At the rate of 5.75% p.a.	2,099,616.44	14,818,613.55	1,608,897.26	12,527,280.82

The significant outstanding balance as at December 31, 2016 and 2015 are as follow:-

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
Short-term loan to related parties					
- N.C. Property Management Co., Ltd.					
Balance, beginning of year		-	-	20,500,000.00	20,500,000.00
Addition during the year		-	-	35,000,000.00	-
Deduction during the year		-	-	(1,500,000.00)	-
Balance, ending of year		-	-	54,000,000.00	20,500,000.00
- Quality Living Management Co., Ltd.					
Balance, beginning of year		-	-	1,000,000.00	-
Addition during the year		-	-	2,000,000.00	1,000,000.00
Deduction during the year		-	-	-	-
Balance, ending of year		-	-	3,000,000.00	1,000,000.00
		-	-	57,000,000.00	21,500,000.00
Accrued interest					
- Quality Living Management Co., Ltd.					
		-	-	-	30,027.39
- N.C. Property Management Co., Ltd.					
		-	-	2,994,726.03	297,109.59
		-	-	2,994,726.03	327,136.98

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Payable to related persons and parties				
- N.C. Property Management Co., Ltd.	-	-	3,321,884.35	3,430,069.30
- S.C. Construction And Decoration Co., Ltd.	5,117.81	15,034.57	5,117.81	14,130.42
- Sathaporn Wattana Trading Co., Ltd.	5,816,207.55	8,690,342.18	5,816,207.55	8,679,402.50
- Sathaporn Wattana Transport Partnership	-	3,500.00	-	3,500.00
- Precast station Co., Ltd.	29,860,074.00	22,523,442.98	29,860,074.00	22,523,442.98
- Namchai Golf Management Co., Ltd.	47,424.40	34,347.00	47,424.40	34,347.00
- Namchai Pattana Co., Ltd.	165,000.00	-	165,000.00	-
- Mr. Somchao Tanthathoedtham	3,439,368.62	-	3,439,368.62	-
	<u>39,333,192.38</u>	<u>31,266,666.73</u>	<u>42,655,076.73</u>	<u>34,684,892.20</u>
Short-term loan from directors				
- Mr. Somchao Tanthathoedtham				
Balance, beginning of year	64,000,000.00	157,000,000.00	29,000,000.00	117,000,000.00
Addition during the year	176,000,000.00	223,000,000.00	176,000,000.00	223,000,000.00
Deduction during the year	(159,000,000.00)	(316,000,000.00)	(124,000,000.00)	(311,000,000.00)
Balance, ending of year	<u>81,000,000.00</u>	<u>64,000,000.00</u>	<u>81,000,000.00</u>	<u>29,000,000.00</u>
Accrued interest				
- Mr. Somchao Tanthathoedtham	<u>1,533,595.89</u>	<u>2,799,856.26</u>	<u>471,815.07</u>	<u>2,228,794.52</u>

The issued short-term loans to the related companies are the promissory notes, which carried rate at 3.00% and 5.75% per annum and will be paid at call.

Loan from the directors incurred mainly intended to utilize for the Company's working capital and loan repaid.

Loan from the directors are promissory notes, which carried interest rates at 5.75% per annum and will be paid at call.

COLLATERAL WITH RELATED COMPANIES

As at December 31, 2016 and 2015, the Company had contingent liability from letters of guarantee issued by a bank on behalf of the subsidiary for electricity usage amounting to Baht 0.40 million.

MANAGEMENT BENEFIT EXPENSES

Management benefit expenses represents the benefits paid to the Company's management, such as salaries and related benefit including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act. The management is comprised the managing director, deputy managing directors and senior managers.

Management benefit expenses for the years ended December 31, 2016 and 2015.

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Management				
Management benefit expenses				
Short-term employee benefits	29,475,781.10	46,912,705.90	29,475,781.10	46,868,290.90
Post-employment benefits	1,109,293.00	905,586.00	1,109,293.00	899,309.00
Total	30,585,074.10	47,818,291.90	30,585,074.10	47,767,599.90

7. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Cash in hand	552,000.00	577,000.00	552,000.00	577,000.00
Cash at bank - current accounts	5,722,303.23	20,583,595.43	5,244,080.28	16,765,028.03
Cash at bank - savings accounts	6,730,656.38	8,306,554.03	4,985,810.74	6,768,528.14
Cash at bank - fixed deposit for 3 months	235,445.37	233,125.36	-	-
Total	13,240,404.98	29,700,274.82	10,781,891.02	24,110,556.17

Bank accounts are carried interest at the floating rate, which are set by the bank.

8. SHORT-TERM INVESTMENTS

Short-term investments consist of the following:

	In Baht			
	Consolidated/Separate Financial Statements			
	2016		2015	
	At cost	Fair value	At cost	Fair value
Fixed deposit for 12 months	125,291.12	125,291.12	125,707.88	125,707.88
Investments in securities held for trading				
- SCB savings fixed income fund	498,517.00	570,797.61	498,517.00	566,473.16
Total	623,808.12	696,088.73	624,224.88	692,181.04

9. INVENTORIES

Inventories consist of

	In Baht	
	Consolidated/Separate Financial	
	Statements	
	2016	2015
Cost of houses and condominium for sales	626,595,491.53	448,245,468.56
<u>Less</u> allowance for declining value of inventories	(3,720,998.99)	(3,720,998.99)
Inventories - net	622,874,492.54	444,524,469.57

Changes in the allowance for declining value of inventories during the years are as follows:-

	In Baht	
	Consolidated/Separate Financial	
	Statements	
	2016	2015
Beginning balance	3,720,998.99	15,485,682.34
Increase	-	2,923,507.19
Decrease	-	(14,688,190.54)
Ending balance	3,720,998.99	3,720,998.99

During the year 2015, the allowance for declining value of inventories decrease due to the sale of inventories.

The Company has commitment under the signed purchase and sale contract as follow:-

	Consolidated/Separate Financial Statements			
	2016		2015	
	Unit	In Million Baht	Unit	In Million Baht
House and condominium for sales	433	626.60	263	448.25
The selling contracted house and condominium	(63)	(77.94)	(91)	(100.61)
House and condominium for sale - net	370	548.66	172	347.64

As at December 31, 2016 and 2015, inventories of the Company in amount of Baht 81.56 million and Baht 87.02 million, respectively, are mortgaged as collateral for some long-term loans with local financial institutions, as discussed in Note 21.

10. PROPERTY DEVELOPMENT COSTS

10.1 Actual property development costs consist of :

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Lands and land development costs	3,410,550,976.98	3,080,002,115.16	3,410,550,976.98	3,080,002,115.16
Utilities	1,020,672,985.59	922,608,912.89	1,020,672,985.59	922,608,912.89
Construction in progress	4,938,171,325.92	4,801,398,498.46	4,938,171,325.92	4,801,587,783.70
Interest capitalization	426,546,056.13	365,515,082.21	426,546,056.13	365,515,082.21
Total	9,795,941,344.62	9,169,524,608.72	9,795,941,344.62	9,169,713,893.96
<u>Less</u> transfer to inventory	(626,595,491.53)	(448,245,468.56)	(626,595,491.53)	(448,245,468.56)
transfer to cost of sale	(6,560,798,247.77)	(6,181,383,746.45)	(6,560,798,247.77)	(6,181,383,746.45)
transfer to investment property	-	-	-	-
Property development costs	2,608,547,605.32	2,539,895,393.71	2,608,547,605.32	2,540,084,678.95

As at December 31, 2016 and 2015, almost of the Company's land and construction in the projects are mortgaged as collateral against credit facilities for some long-term loans with local financial institutions, as discussed in Note 21.

For the years ended December 31, 2016 and 2015, the Company recorded the related interest expense amounting to approximately Baht 38.04 million and Baht 52.31 million, respectively, as part of property development costs. The capitalization rate for calculate interest is 5.16% and 6.19%, respectively.

10.2 DEPOSIT FOR LAND PURCHASE

As at December 25, 2016, the Company had bought lands under the agreement to buy and sell land from a person in the amounting of Baht 18 million, which was due to transferr the ownership on March 25, 2016. The Company had paid the advance payment for buying land totalling Baht 1.80 million as stated in the statement of financial position under deposit for land purchase.

In the year 2016, the Company had paid the remaining amount and was already transferred the ownership. The Company had transferred the deposit for land purchase to land under cost of land development.

10.3 OBLIGATION AND COMMITMENT UNDER REAL ESTATE PROJECTS

	Consolidated/Separate Financial Statements	
	2016	2015
Number of projects on hand, beginning of year	21	21
Number of newly open projects	3	1
Number of closing projects	(1)	(1)
Number of project, transfer to land held for development	(1)	-
Number of projects on hand, ending of year	22	21
Total current projects value (In million Baht)	12,415.14	12,823.33
Contracted sales value (In million Baht)	8,861.65	9,344.96
As percentage of total current projects value	71.38	72.87

As at December 31, 2016 and 2015, the Company has the obligation and the commitment to complete the public utility development project for projects on hand in the amount of Baht 39.27 million and Baht 128.40 million, respectively.

11. LAND HELD FOR DEVELOPMENT

Land held for development consist of the following :

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Beginning balance	1,595,394,339.33	1,722,044,750.08	1,521,986,780.33	1,653,188,781.08
Increase	9,864,466.38	32,247,246.34	9,864,466.38	27,695,656.34
<u>Less</u> transfer to property development costs	(140,419,773.00)	(158,897,657.09)	(140,419,773.00)	(158,897,657.09)
Land held for development	1,464,839,032.71	1,595,394,339.33	1,391,431,473.71	1,521,986,780.33

As at December 31, 2016 and 2015, almost of the Company's land held for development in the total amount Baht 1,382.33 million and Baht 1,489.72 million, respectively are mortgaged as collateral against the credit facilities for long-term loans with a local commercial bank, as discussed in Note 21.

12. OTHER CURRENT ASSETS

Other current assets consist of the following :

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Prepaid expense	3,961,539.12	3,841,247.64	3,897,709.50	3,814,729.11
Receivables - the Revenue Department	695,740.64	1,257,587.24	695,740.64	1,257,587.24
Account receivable from lawsuit	180,000.00	180,000.00	180,000.00	180,000.00
Short-term loans to employee	336,593.58	323,606.74	290,454.02	275,018.71
Advance payments on contracts				
to build condominiums	4,816,383.00	41,670.00	4,816,383.00	41,670.00
Prepaid interest	8,319,514.25	8,475,524.11	8,319,514.25	8,475,524.11
Accrued interest	-	-	2,994,726.03	327,136.98
Other account receivable	1,724,402.00	297,402.00	1,724,402.00	297,402.00
Other current assets	2,339,412.99	2,347,181.81	2,339,238.20	2,345,536.79
Total	22,373,585.58	16,764,219.54	25,258,167.64	17,014,604.94
<u>Less</u> Allowance for doubtful accounts	(2,037,556.00)	(610,556.00)	(2,037,556.00)	(610,556.00)
Net	20,336,029.58	16,153,663.54	23,220,611.64	16,404,048.94

Changes in the allowance for doubtful accounts during the years are as follows:-

	In Baht	
	Consolidated /Separate Financial	
	Statements	
	2016	2015
Beginning balance	610,556.00	610,556.00
Increase	1,427,000.00	-
Decrease	-	-
Ending balance	2,037,556.00	610,556.00

13. DEPOSIT PLEDGED AS COLLATERAL

As at December 31, 2016 and 2015, the Company had fixed deposit amounting to Baht 8,223,297.19 and Baht 12,816,340.66, respectively, which are pledged as collateral for maintenance to public utilities, customer's loan and gasoline, as discussed in note 33.

Bank deposits are carried interest at the floating rate of the bank.

14. INVESTMENTS IN ASSOCIATED COMPANY AND SUBSIDIARIES

	Paid up shares		Ownership		EQUITY METHOD		AT COST	
	(In Baht)		(%)		Dividend (In Baht)		Amount (In Baht)	
	2016	2015	2016	2015	2016	2015	2016	2015
<u>Associated company</u>								
Ensure Home Co., Ltd.	2,000,000.00	2,000,000.00	40	40	-	30,487.13	-	240,000.00
<u>Less</u> Allowance for declining value of investment					-	(30,487.13)	-	(240,000.00)
Investments in associated Company-net					-	-	-	-
<u>Subsidiaries</u>								
N.C. Property Management Co., Ltd.	10,000,000.00	10,000,000.00	100	100	19,442,092.94	23,477,151.79	11,864,497.95	11,864,497.95
Quality Living Management Co., Ltd.	1,000,000.00	1,000,000.00	100	100	(3,145,738.16)	(2,142,061.20)	-	-
					16,296,354.78	21,335,090.59	11,864,497.95	11,864,497.95
<u>Less</u> Allowance for declining value of investment					-	-	-	-
Investments in subsidiaries- net					16,296,354.78	21,335,090.59	11,864,497.95	11,864,497.95

In October 2012, Ensure Home Company Limited, a Company's associate and TPKS Real Estate Company Limited, associated company held by Ensure Home Company Limited, had closed down the business and registered the business dissolution with the Ministry of Commerce on December 26, 2012. During the year 2012, the Company received investment of Baht 160,000 and it is now in the process of liquidation.

In the year 2016, both associate companies has write off the remaining investment.

15. INVESTMENT PROPERTY

Property investment consist of the following :

	Consolidate/Separate Financial Statements (In Baht)				Balance as at December 31, 2016
	Balance as at December 31, 2015	Additions	Deduction	Transfer in (out)	
<u>At cost</u>					
Land	45,360,472.19	-	-	-	45,360,472.19
Residential building for lease	152,629,634.13	-	-	-	152,629,634.13
Utility	26,022,173.24	-	-	-	26,022,173.24
Furniture and fixtures	10,531,822.00	13,138.32	-	-	10,544,960.32
Total	234,544,101.56	13,138.32	-	-	234,557,239.88
<u>Less</u> Accumulated depreciation					
Residential building for lease	(5,431,184.53)	(4,418,318.42)	-	-	(9,849,502.95)
Utility	(2,602,217.28)	(3,645,618.94)	-	-	(6,247,836.22)
Furniture and fixtures	(2,106,364.48)	(2,116,193.58)	-	-	(4,222,558.06)
Total	(10,139,766.29)	(10,180,130.94)	-	-	(20,319,897.23)
Property investment-net	224,404,335.27				214,237,342.65

	Consolidate/Separate Financial Statements (In Baht)				Balance as at December 31, 2015
	Balance as at December 31, 2014	Additions	Deduction	Transfer in (out)	
<u>At cost</u>					
Land	45,360,472.19	-	-	-	45,360,472.19
Residential building for lease	-	4,637,749.42	-	147,991,884.71	152,629,634.13
Utility	-	522,112.46	-	25,500,060.78	26,022,173.24
Furniture and fixtures	-	1,611,319.84	-	8,920,502.16	10,531,822.00
Residential building for lease in progress	147,991,884.71	-	-	(147,991,884.71)	-
Utility in progress	25,500,060.78	-	-	(25,500,060.78)	-
Furniture and fixtures in progress	8,920,502.16	-	-	(8,920,502.16)	-
Total	227,772,919.84	6,771,181.72	-	-	234,544,101.56
<u>Less</u> Accumulated depreciation					
Residential building for lease	-	(5,431,184.53)	-	-	(5,431,184.53)
Utility	-	(2,602,217.28)	-	-	(2,602,217.28)
Furniture and fixtures	-	(2,106,364.48)	-	-	(2,106,364.48)
Total	-	(10,139,766.29)	-	-	(10,139,766.29)
Property investment-net	227,772,919.84				224,404,335.27

Investment property is residential building for lease and is presented at cost. The fair value of land and building structures (exclude furniture and fixtures) as at December 31, 2016 was Baht 209.86 million, which have been determined based on valuations performed by an accredited independent valuer. The fair value has been determined based on cost approach using level 3 input (see note 35.6).

For the year ended December 31, 2016 and 2015, the Company has the revenue from rental the real estates amounting to Baht 16,614,277.20 and Baht 9,296,367.49, respectively, and the cost from operating amounting for Baht 24,386,772.23 and Baht 23,487,152.29, respectively. They are recognized in the statements of comprehensive income.

As at December 31, 2016 and 2015, total amount of Company's investment property are mortgaged as collateral against facilities for long-term loans with local commercial bank, as discussed in note 21.

16. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following :

Consolidated Financial Statement (In Baht)					
	Balance as at December 31, 2015	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2016
<u>At cost</u>					
Land - office	660,000.00	-	-	-	660,000.00
- clubhouse	67,463,474.89	-	-	(9,092,512.54)	58,370,962.35
Building - office	10,203,302.00	-	-	-	10,203,302.00
- clubhouse	115,462,002.70	-	-	-	115,462,002.70
Sample house and sale office building	43,923,622.24	-	-	-	43,923,622.24
Building improvement	6,674,238.59	5,344,047.92	-	-	12,018,286.51
Machinery and equipment	10,214,367.72	210,790.16	(1,514,057.78)	5,400.00	8,916,500.10
Office equipment	31,301,979.30	1,192,698.68	(18,351,726.98)	-	14,142,951.00
Office equipment - under finance lease agreement	2,503,800.00	-	-	-	2,503,800.00
Furniture and fixtures	26,100,189.93	1,041,117.51	(14,285,609.24)	-	12,855,698.20
Vehicles	24,392,733.15	3,456,290.00	(4,788,707.52)	2,394,932.00	25,455,247.63
Vehicle - under finance lease agreement	2,400,332.00	-	-	(2,400,332.00)	-
Total	341,300,042.52	11,244,944.27	(38,940,101.52)	(9,092,512.54)	304,512,372.73
<u>Less Accumulated depreciation</u>					
Building - office	(10,203,301.02)	-	-	-	(10,203,301.02)
- clubhouse	(74,020,726.20)	(5,387,140.14)	-	-	(79,407,866.34)
Sample house and sale office building	(43,923,603.27)	-	-	-	(43,923,603.27)
Building improvement	(4,589,807.16)	(401,521.14)	-	-	(4,991,328.30)
Machinery and equipment	(7,172,152.95)	(1,576,818.12)	1,510,527.74	(905.43)	(7,239,348.76)
Office equipment	(24,288,158.54)	(2,668,281.71)	18,559,739.26	-	(8,396,700.99)
Office equipment - under finance lease agreement	-	(461,449.60)	-	-	(461,449.60)
Furniture and fixtures	(20,515,430.79)	(2,446,484.37)	14,352,300.05	-	(8,609,615.11)
Vehicles	(15,077,268.70)	(2,158,863.66)	3,515,169.51	(1,131,906.99)	(14,852,869.84)
Vehicle - under finance lease agreement	(850,033.86)	(282,778.56)	-	1,132,812.42	-
Total	(200,640,482.49)	(15,383,337.30)	37,937,736.56	-	(178,086,083.23)
Net	140,659,560.03				126,426,289.50
<u>Less Allowance for declining value</u>					
-building clubhouse	(2,688,933.99)	-	-	-	(2,688,933.99)
Property, plant and equipment - net	137,970,626.04				123,737,355.51

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Consolidated Financial Statement (In Baht)					
	Balance as at December 31, 2014	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2015
<u>At cost</u>					
Land - office	660,000.00	-	-	-	660,000.00
- clubhouse	67,463,474.89	-	-	-	67,463,474.89
Building - office	10,203,302.00	-	-	-	10,203,302.00
- clubhouse	115,462,002.70	-	-	-	115,462,002.70
Sample house and sale office building	43,923,622.24	-	-	-	43,923,622.24
Building improvement	6,674,238.59	-	-	-	6,674,238.59
Machinery and equipment	10,127,490.17	86,877.55	-	-	10,214,367.72
Office equipment	30,348,465.84	985,934.46	(32,421.00)	-	31,301,979.30
Office equipment - under finance lease agreement	-	2,503,800.00	-	-	2,503,800.00
Furniture and fixtures	24,691,178.32	1,409,011.61	-	-	26,100,189.93
Vehicles	21,434,196.75	3,898,186.40	(939,650.00)	-	24,392,733.15
Vehicle - under finance lease agreement	2,400,332.00	-	-	-	2,400,332.00
Total	333,388,303.50	8,883,810.02	(972,071.00)	-	341,300,042.52
<u>Less Accumulated depreciation</u>					
Building - office	(10,203,301.02)	-	-	-	(10,203,301.02)
- clubhouse	(68,721,723.35)	(5,299,002.85)	-	-	(74,020,726.20)
Sample house and sale office building	(43,923,603.27)	-	-	-	(43,923,603.27)
Building improvement	(4,256,095.23)	(333,711.93)	-	-	(4,589,807.16)
Machinery and equipment	(5,509,652.70)	(1,662,500.25)	-	-	(7,172,152.95)
Office equipment	(21,386,171.98)	(2,926,697.58)	24,711.02	-	(24,288,158.54)
Furniture and fixtures	(17,829,892.80)	(2,685,537.99)	-	-	(20,515,430.79)
Vehicles	(14,414,289.40)	(1,602,625.30)	939,646.00	-	(15,077,268.70)
Vehicle - under finance lease agreement	(1,164.99)	(848,868.87)	-	-	(850,033.86)
Total	(186,245,894.74)	(15,358,944.77)	964,357.02	-	200,640,482.49
Net	147,142,408.76				140,659,560.03
<u>Less Allowance for declining value</u>					
-building clubhouse	(1,600,000.00)	(1,088,933.99)	-	-	(2,688,933.99)
Property, plant and equipment - net	145,542,408.76				137,970,626.04

N.C. HOUSING PUBLIC COMPANY LIMITED

Separate Financial Statement (In Baht)					
	Balance as at December 31, 2015	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2016
<u>At cost</u>					
Land - office	660,000.00	-	-	-	660,000.00
- clubhouse	67,463,474.89	-	-	(9,092,512.54)	58,370,962.35
Building - office	10,203,302.00	-	-	-	10,203,302.00
- clubhouse	115,462,002.70	-	-	-	115,462,002.70
Sample house and sale office building	43,923,622.24	-	-	-	43,923,622.24
Building improvement	6,674,238.59	5,344,047.92	-	-	12,018,286.51
Machinery and equipment	3,843,516.78	210,790.16	(1,514,057.78)	5,400.00	2,545,649.16
Office equipment	29,162,970.46	1,189,787.47	(17,005,836.79)	-	13,346,921.14
Office equipment - under finance lease agreement	2,503,800.00	-	-	-	2,503,800.00
Furniture and fixtures	25,935,297.41	1,041,117.51	(14,285,609.24)	-	12,690,805.68
Vehicles	22,881,434.23	3,456,290.00	(4,766,820.60)	2,394,932.00	23,965,835.63
Vehicle - under finance lease agreement	2,400,332.00	-	-	(2,400,332.00)	-
Total	331,113,991.30	11,242,033.06	(37,572,324.41)	(9,092,512.54)	295,691,187.41
<u>Less Accumulated depreciation</u>					
Building - office	(10,203,301.02)	-	-	-	(10,203,301.02)
- clubhouse	(74,020,726.20)	(5,387,140.14)	-	-	(79,407,866.34)
Sample house and sale office building	(43,923,603.27)	-	-	-	(43,923,603.27)
Building improvement	(4,589,807.16)	(401,521.14)	-	-	(4,991,328.30)
Machinery and equipment	(3,146,394.94)	(443,115.23)	1,510,527.74	(905.43)	(2,079,887.86)
Office equipment	(22,241,608.18)	(2,616,297.62)	17,214,001.07	-	(7,643,904.73)
Office equipment - under finance lease agreement	-	(461,449.60)	-	-	(461,449.60)
Furniture and fixtures	(20,357,253.52)	(2,443,605.87)	14,352,300.05	-	(8,448,559.34)
Vehicles	(13,665,441.33)	(2,100,088.77)	3,493,286.59	(1,131,906.99)	(13,404,150.50)
Vehicle - under finance lease agreement	(850,033.86)	(282,778.56)	-	1,132,812.42	-
Total	(192,998,169.48)	(14,135,996.93)	36,570,115.45	-	(170,564,050.96)
Net	138,115,821.82				125,127,136.45
<u>Less Allowance for declining value</u>					
-building clubhouse	(2,688,933.99)	-	-	-	(2,688,933.99)
Property, plant and equipment - net	135,426,887.83				122,438,202.46

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Separate Financial Statement (In Baht)					
	Balance as at December 31, 2014	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2015
<u>At cost</u>					
Land - office	660,000.00	-	-	-	660,000.00
- clubhouse	67,463,474.89	-	-	-	67,463,474.89
Building - office	10,203,302.00	-	-	-	10,203,302.00
- clubhouse	115,462,002.70	-	-	-	115,462,002.70
Sample house and sale office building	43,923,622.24	-	-	-	43,923,622.24
Building improvement	6,674,238.59	-	-	-	6,674,238.59
Machinery and equipment	3,756,639.23	86,877.55	-	-	3,843,516.78
Office equipment	28,209,457.00	985,934.46	(32,421.00)	-	29,162,970.46
Office equipment - under finance lease agreement	-	2,503,800.00	-	-	2,503,800.00
Furniture and fixtures	24,526,285.80	1,409,011.61	-	-	25,935,297.41
Vehicles	19,922,897.83	3,898,186.40	(939,650.00)	-	22,881,434.23
Vehicle - under finance lease agreement	2,400,332.00	-	-	-	2,400,332.00
Total	323,202,252.28	8,883,810.02	(972,071.00)	-	331,113,991.30
<u>Less Accumulated depreciation</u>					
Building - office	(10,203,301.02)	-	-	-	(10,203,301.02)
- clubhouse	(68,721,723.35)	(5,299,002.85)	-	-	(74,020,726.20)
Sample house and sale office building	(43,923,603.27)	-	-	-	(43,923,603.27)
Building improvement	(4,256,095.23)	(333,711.93)	-	-	(4,589,807.16)
Machinery and equipment	(2,651,146.67)	(495,248.27)	-	-	(3,146,394.94)
Office equipment	(19,421,552.00)	(2,844,767.20)	24,711.02	-	(22,241,608.18)
Furniture and fixtures	(17,674,594.04)	(2,682,659.48)	-	-	(20,357,253.52)
Vehicles	(12,575,224.55)	(1,542,225.30)	939,646.00	-	(13,177,803.85)
Vehicle - under finance lease agreement	(488,802.47)	(848,868.87)	-	-	(1,337,671.34)
Total	(179,916,042.60)	(14,046,483.90)	964,357.02	-	(192,998,169.48)
Net	143,286,209.68				138,115,821.82
<u>Less Allowance for declining value</u>					
-building clubhouse	(1,600,000.00)	(1,088,933.99)	-	-	(2,688,933.99)
Property, plant and equipment - net	141,686,209.68				135,426,887.83

As at December 31, 2016 and 2015, land, building and sale office's building including land and some of the clubhouse building in the total amount of Baht 100.52 million, net book value amount of Baht 49.53 million and Baht 53.53 million, respectively, are mortgaged as collateral against the overdrafts and loans from two commercial banks in the total amount of Bath 25 million, as discussed in note 18.

The fixed assets had been fully depreciated but still in use, as follows:

Transaction assets	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Building - office	10,203,302.00	10,203,302.00	10,203,302.00	10,203,302.00
Building - clubhouse (tennis court)	2,536,794.06	2,536,794.06	2,536,794.06	2,536,794.06
Sample house and sale office building	12,932,000.00	41,698,978.17	12,932,000.00	41,698,978.17
Machinery and equipment	2,261,246.21	1,972,338.20	1,534,328.72	1,317,420.71
Office equipment	2,593,736.55	17,141,116.01	1,932,077.15	15,336,822.90
Furniture and fixtures	1,435,789.74	17,471,399.09	1,285,289.74	17,320,899.09
Vehicles	6,913,437.30	5,914,834.82	5,713,025.30	4,705,535.90
Total	38,876,305.86	96,938,762.35	36,136,816.97	93,119,752.83

17. INTANGIBLE ASSETS

Intangible assets consist of the following :

	In Baht			
	Consolidated/Separate Financial Statement			
	Balance as at December 31, 2015	Additions (Transfer in)	Deduction (Transfer out)	Balance as at December 31, 2016
<u>At cost</u>				
Software licenses	7,700,341.25	396,970.00	(450,812.40)	7,646,498.85
Software licenses in progress	-	2,300,500.00	-	2,300,500.00
Total	7,700,341.25	2,697,470.00	(450,812.40)	9,946,998.85
<u>Less</u> Accumulated amortization	(4,587,116.19)	(881,027.16)	450,809.40	(5,017,333.95)
Intangible assets - net	3,113,225.06			4,929,664.90

	In Baht			
	Consolidated/Separate Financial Statement			
	Balance as at December 31, 2014	Additions (Transfer in)	Deduction (Transfer out)	Balance as at December 31, 2015
<u>At cost</u>				
Software licenses	7,672,521.25	27,820.00	-	7,700,341.25
<u>Less</u> Accumulated amortization	(3,630,567.87)	(956,548.32)	-	(4,587,116.19)
Intangible assets - net	4,041,953.38			3,113,225.06

18. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consist of :-

	In Baht	
	Consolidated/Separate Financial	
	Statements	
	2016	2015
Bank overdrafts from the financial institutions	42,757,516.54	56,360,136.48
Short-term loans from the financial institutions	1,128,430,000.00	803,430,000.00
Total	1,171,187,516.54	859,790,136.48

	Credit line (Million Baht)		Rate	Due Date	Guarantee
	As at December 31, 2016	As at December 31, 2015			
Bank Overdraft					
The parent company					
- The first bank	25.00	25.00	MOR per annum	At call	- By the mortgage of the Company's land and the clubhouse building.
- The second bank	20.00	20.00	MOR less 1% per annum	At call	- By the mortgage of the project's land.
- The third bank	15.00	15.00	MOR less 0.50% per annum	At call	- By the mortgage of the director's relatives land.
- The fourth bank	5.00	5.00	MOR per annum	1 year (revised annually)	- By the mortgage of the project's land.
Total Credit line	65.00	65.00			
Short-term loans					
The parent company					
- The first bank	35.00	35.00	MLR less 0.25% per annum	January 6, 2017	- By the mortgage of the director's land and construction thereon.
- The second bank	10.43	10.43	MLR less 0.50% per annum	February 3, 2017	- By the mortgage of the project's land and construction thereon and construction in the future.
- The third bank	25.00	-	MLR less 1.62% per annum	March 1, 2017	- By the mortgage of the Company's land.
- The fourth bank	120.00	120.00	MLR - 0.25%	May 26, 2017	- By the mortgage of the director's relatives land.
- The fifth bank	138.00	38.00	MOR less 1.625% per annum and MLR per annum	January 5, 2017 to March 6, 2017	- By the mortgage of the project's land and construction thereon and construction in the future.
- The sixth bank	800.00	600.00	5.35% per annum and 5.25% per annum	March 1, 2017 to May 24, 2017	- Bill of exchange at Baht 50 million endorsed names of some directors.
	1,128.43	803.43			
Total Credit line	1,193.43	868.43			

Under the terms of the agreements, the Company shall strictly comply with the conditions of agreements.

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as (1) not to sell, dispose, transfer, give rent, pledge, or mortgage the Company's loan collaterals, (2) not to commit any obligation that would result in letting other persons have control or rights in the Company's assets, (3) to maintain debt-to-equity ratio is not over than 1.5:1, (4) not to pay dividend except the lender assess the payment not affect to ability of repayment loan, (5) not to decrease registered capital and (6) to grant beneficiary of the asset protection insurance to the lender, etc.

19. TRADE ACCOUNTS PAYABLE AND OTHER PAYABLE

This account consists of :

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Trade accounts	101,700,010.13	79,682,759.14	101,700,010.13	79,682,759.14
Other payable	3,412,496.29	5,592,299.36	3,412,496.29	5,592,299.36
Withholding tax	1,531,638.71	5,756,226.57	1,530,567.65	5,309,553.32
Other	105,076.00	1,586,181.35	105,076.00	912,286.01
Total	106,749,221.13	92,617,466.42	106,748,150.07	91,496,897.83

20. LIABILITIES UNDER FINANCE LEASE AGREEMENT

Liabilities under finance lease agreements consisted of :

	Consolidated / Separate Financial Statements (In Baht)					
	2016			2015		
	Principal	Deferred interest	Payment	Principal	Deferred interest	Payment
Current portion due within one year	829,354.71	71,622.14	900,976.85	1,240,237.37	124,396.03	1,364,633.40
Current portion due after one year not over three years	840,201.93	71,872.02	912,073.95	1,708,746.07	104,304.72	1,813,050.79
Total	1,669,556.64	143,494.16	1,813,050.80	2,948,983.44	228,700.75	3,177,684.19

As at December 31, 2016, the Company has finance leasing office equipment with the local leasing company in the amount of Baht 2,503,800.00 (Included VAT), respectively, with a term of repayment of 36 months at Baht 70,560.00 per month (Included VAT).

As at December 31, 2015, the Company has two car leases and an office equipment lease with the local leasing company in the amount of Baht 4,718,550.00 (Included VAT), with a term of repayment of 36 months at Baht 91,095.00 - 110,056.00 per month (Included VAT).

Under the term of lease agreement referred to above, the Company shall have to comply with certain conditions and restrictions as specified in the lease agreement.

Liabilities under finance lease agreement is guaranteed by the director of the Company.

Liabilities under finance lease agreement for the portion due within one year are presented under "current liabilities" in the statement of financial position.

21. LONG-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consists of :

	In Baht	
	Consolidated/Separate Financial Statements	
	2016	2015
Long-term loans from local banks		
The first bank	403,562,341.50	689,181,186.15
The second bank	450,131,224.44	474,737,298.26
The third bank	124,000,000.00	-
Total	977,693,565.94	1,163,918,484.41
<u>Less</u> Current portion due within one year	(329,997,870.93)	(598,088,181.92)
Long-term loans from the financial institutions - net	647,695,695.01	565,830,302.49

Movements in the long-term loans account during the year ended December 31, 2016 and 2015 are summarized below.

	In Baht	
	Consolidated/Separate Financial Statements	
	2016	2015
Beginning balance	1,163,918,484.41	1,805,364,101.33
Add: Additional borrowings during the year	977,206,563.73	678,293,952.68
Less: Repayment during the year	(1,163,431,482.20)	(1,319,739,569.60)
Ending balance	977,693,565.94	1,163,918,484.41

	Credit line (Million Baht)		Interest rate	Guarantee
	As at December 31, 2016	As at December 31, 2015		
<u>Long-term loans</u>				
Parent company				
<u>The first bank</u>				
- The first credit line	139.47	139.47	MLR less 0.50% per annum	By the mortgage of some of the project's land and construction thereon.
- The second credit line	212.00	247.00	MLR less 0.50% per annum	
- The third credit line	-	368.00	MLR less 1.00% per annum	
- The fourth credit line	-	238.95	MLR less 0.50% per annum	
- The fifth credit line	212.64	232.14	MLR less 0.50% per annum	
- The sixth credit line	-	46.10	MLR less 0.50% per annum	
- The seventh credit line	217.00	267.00	MLR less 0.50% per annum	
- The eighth credit line	264.00	264.00	MLR less 0.50% per annum	
- The ninth credit line	-	50.00	MLR per annum	
- The tenth credit line	380.75	-	MLR less 0.50% per annum	
	1,425.86	1,852.66		

	Credit line (Million Baht)		Interest rate	Guarantee
	As at December 31, 2016	As at December 31, 2015		
<u>The second bank</u>				
- The first credit line	65.00	65.00	MLR plus 0.50% per annum	By the mortgage of some of the project's land and construction thereon and investment property. And by the land of relatives of director.
- The second credit line	80.00	80.00	MLR plus 0.50% per annum	
- The third credit line	229.34	229.34	MLR plus 0.50% per annum	
- The fourth credit line	257.86	257.86	MLR per annum	
- The fifth credit line	347.42	347.42	MLR per annum	
- The sixth credit line	-	89.21	MLR per annum	
- The seventh credit line	279.39	-	MLR per annum	
	1,259.01	1,068.83		
<u>The third bank</u>				
- The first credit line	379.00	-	MLR less 1.00% per annum	By the mortgage of some of the project's land and construction thereon
	3,063.87	2,921.49		

As at December 31, 2016 and 2015, the Company has the credit limits that have not been withdrawn amounting to Baht 441.37 million and Baht 148.22 million.

The first bank

The first credit line

The Company had to repay the full loan amount within June 30, 2015. Later, on May 25, 2015, the Company has a letter to extend the loan payment period to March 30, 2016. Later on March 9, 2016 the Company has a letter to extend the loan payment period to March 31, 2017.

As at December 31, 2016, the Company has classified such liabilities under long - term loans from financial institutions with the portion due within 1 year in the full amount.

The second credit line

The Company had to repay the full loan amount within 3 years 6 months from the first drawdown date (May 7, 2013 and September 13, 2013).

As at December 31, 2016, the Company paid the loan in the full amount.

The third credit line

The Company had to repay the full loan amount within 2 years 6 months from the first drawdown date (August 9, 2013, September 16, 2013 and July 17, 2014).

As at December 31, 2015, the Company paid the loan in the full amount.

The fourth credit line

The Company had to repay the full loan amount within 2 years 6 months from the first drawdown date (October 9, 2013, October 31, 2013 and November 8, 2013).

As at December 31, 2015, the Company paid the loan in the full amount.

The fifth credit line

The Company had to repay the full loan amount within 2 years 6 months from the first drawdown date (October 9, 2013). As at December 31, 2016, the Company classified such liabilities under long-term loan from financial institutions with the portion due within 1 year in the full amount.

The sixth credit line

The Company had to repay the full loan amount within 1 year from the first drawdown date (November 12, 2013) on November 14, 2014. The Company submitted a request for repayment extension of the loan to August 11, 2015. Later, on December 16, 2015, the Company has a letter to extend the loan payment to February 11, 2016.

As at December 31, 2016, the Company has repaid the loan in the full amount.

The seventh credit line

The Company had to repay the full loan amount within 3 years and 6 months from the first drawdown date (February 12, 2014). As at December 31, 2016 the Company classified such liabilities under long-term loan from financial institutions with the portion due within 1 year in the full amount.

The eighth credit line

The Company had to repay the full loan amount within 1 year from the first drawdown date December 23, 2014. Later, on December 24, 2015, the Company has a letter to extend the loan repayment to December 23, 2016. Later on December 23, 2016, the Company has a letter to extend the loan repayment to December 23, 2019. However, the Company did not estimate the amount of loans, which is expected to be repaid within one year to be classified as current liabilities in the statements of financial position for this loan.

The ninth credit line

The Company had to repay the full loan amount within 2 years from the first drawdown date (December 22, 2014), and pay in quarterly basis for 4 periods. The first period is December 2015 onwards.

As at December 31, 2016, the Company paid the loan in the full amount.

The tenth credit line

The Company had to repay the full loan amount within 4 years from the first drawdown date (September 5, 2016). However, the Company did not estimate the amount of loans, which is expected to be repaid within one year to be classified as current liabilities in the statements of financial position for this loan.

The second bankThe first credit line

The Company had to repay the full loan amount within 72 months starting the first payment within 1 month from the contract signing date (April 9, 2013). As at December 31, 2016, the Company has classified such liabilities as long-term loans from financial institution with the portion due within one year.

The second credit line

The Company had to repay the full loan amount within 96 months starting the first payment within 1 month from the contract signing date (May 15, 2014). As at December 31, 2016, the Company had classified such liabilities as long-term loans from financial institution with the portion due within one year.

The third credit line

The Company had to repay the full loan amount within 72 months starting the first payment within 1 month from the contract signing date (May 20, 2013). As at December 31, 2016, the Company had classified such liabilities as long-term loans from financial institution with the portion due within one year.

The fourth credit line

The Company had to repay the full loan amount within 60 months starting the first payment within 1 month from the contract signing date (May 19, 2014). As at December 31, 2016, the Company classified such loan under long-term loans from financial institutions with the portion due within 1 year.

The fifth credit line

The Company had to repay the full loan amount within 48 months starting the first payment within 1 month from the contract signing date (December 23, 2014). In the year 2015, the Company had repaid the loans in the full amount. On August 7, 2015, a new loan agreement was prepared with the condition to pay the loan in the full amount within 66 months from the contract date. As at December 31, 2016, the Company had classified such liabilities as long-term loans from financial institution with the portion due within one year.

The sixth credit line

The Company had to repay the full loan amount within 36 months starting from the contract signing date (July 17, 2015). As at December 31, 2016, the Company paid the loan in the full amount.

The seventh credit line

The Company had to repay the full loan amount within 48 months starting the first payment within three month ending from the contract signing date (March 24, 2016). As at December 31, 2016, the Company classified such loan under long-term loans from financial institutions with the portion due within 1 year.

The third bank

The first credit line

The Company had to repay the full loan amount within December 31, 2019. However, the Company did not estimate the loan amount, which is expected to be repaid to classify current liabilities in the statement of financial position for this loan.

Compliance with other conditions

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as (1) not to sell, dispose, transfer, give rent, pledge, or mortgage the Company's loan collaterals, (2) not to commit any obligation that would result in letting other persons have control or rights in the Company's assets, (3) to maintain debt-to-equity ratio, (4) not to pay dividend except the lender assess the payment not affect the ability of loan repayment, (5) not to decrease registered capital and (6) to grant beneficiary of the asset protection from the insurance to policy the lender, etc.

22. EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations consists of :

The statements of financial position

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Defined benefit obligations, beginning of the years	34,772,339.00	30,602,380.00	33,841,578.00	29,698,093.00
Current service costs and interest	4,701,011.00	4,308,984.00	4,492,726.00	4,143,485.00
Employee benefit obligations paid during the year	-	-	-	-
Employee benefit obligations transfer out	-	(139,025.00)	-	-
Actuarial loss from post-employee benefit	411,925.00	-	405,656.00	-
Defined benefit obligations, ending of the years	39,885,275.00	34,772,339.00	38,739,960.00	33,841,578.00

Expense recognized in the statements of comprehensive income

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
<u>Recognized in profit (loss)</u>				
Current service costs	3,654,159.00	3,287,228.00	3,475,574.00	3,151,161.00
Interest on obligation	1,046,852.00	1,021,756.00	1,017,152.00	992,324.00
Total	4,701,011.00	4,308,984.00	4,492,726.00	4,143,485.00
<u>Current service costs</u>				
Cost of service	142,950.00	105,753.00	-	-
Selling expenses	1,131,998.00	1,097,626.00	1,131,998.00	1,097,626.00
Administrative expenses	1,269,918.00	1,178,261.00	1,234,283.00	1,154,224.00
Management benefit expenses	1,109,293.00	905,588.00	1,109,293.00	899,311.00
Finance costs	1,046,852.00	1,021,756.00	1,017,152.00	992,324.00
Total	4,701,011.00	4,308,984.00	4,492,726.00	4,143,485.00
<u>Recognized in other comprehensive income</u>				
Actuarial loss from post-employee benefit	411,925.00	-	405,656.00	-
Total	411,925.00	-	405,656.00	-
Total	5,112,936.00	4,308,984.00	4,898,382.00	4,143,485.00

The main assumptions in the estimates the financial assumptions for the Group of Company based on actuarial principles.

For the years ended December 31, 2016 and 2015.

	Percentage			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Discount rate	2.97 - 3.17	3.65 - 4.58	2.97	3.65
Salary increase rate	6.00	5.00 - 6.00	6.00	6.00
Employee turnover rate	0 - 39	0 - 43	0 - 24	0 - 23
Mortality rate (based on the table of death B.E. 2551)	100.00	100.00	100.00	100.00
Disability rate	5.00 of the mortality rate	5.00 of the mortality rate	5.00 of the mortality rate	5.00 of the mortality rate

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2016 are summarized below:

(Unit: Thousand Baht)

	Consolidate Financial Statements		Separate Financial Statements	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(3.42)	4.08	(3.41)	3.94
Salary increase rate	4.33	(3.81)	4.18	(3.68)
Employee turnover rate	(3.73)	1.20	(3.60)	1.15

The Company expects to pay Baht 0.7 million of long-term employee benefits during the next year.

23. PROVISION FOR COMPENSATION FOR HOUSING ESTATE JURISTIC PERSONS

	In Baht	
	Consolidated/Separate Financial Statements	
	2016	2015
Beginning balance	23,894,486.41	21,682,762.74
<u>Add</u> increase during the year	2,653,384.25	2,745,473.67
<u>Less</u> decrease during the year	(11,704,129.40)	(533,750.00)
Ending balance	14,843,741.26	23,894,486.41

24. LIABILITIES FROM PURCHASING THE REAL ESTATE PROJECT

The Company had an obligation under the contract to buy and sell land of a real estate project with a company under the buy and sale agreement dated December 16, 2004, and its subsidiary had an obligation under the contract to buy and sell land of a real estate project with a company under the buy and sale agreement dated March 3, 2014. The contract to buy and to sell land requires the Company has to pay for the land, including the debt burden owing to the existing customers of the project.

Liabilities from purchasing the real estate project consists of:

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 2016	As at December 2015	As at December 2016	As at December 2015
Beginning balance	43,605,940.00	67,174,350.00	39,554,350.00	67,174,350.00
<u>Add</u> increase during the year	-	4,551,590.00	-	-
<u>Less</u> decrease from payment and reversal during the year	(11,459,000.00)	(28,120,000.00)	(10,950,000.00)	(27,620,000.00)
Liabilities from purchasing the real estate year	32,146,940.00	43,605,940.00	28,604,350.00	39,554,350.00

25. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities as follows:

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Deferred tax assets	11,539,927.05	12,132,999.68	11,539,927.05	12,132,999.68
Deferred tax liabilities	(6,970,650.67)	(10,616,674.02)	(8,692,223.23)	(11,629,257.26)
	<u>4,569,276.38</u>	<u>1,516,325.66</u>	<u>2,847,703.82</u>	<u>503,742.42</u>

25.1 Changes in deferred tax assets and deferred tax liabilities for the years ended December 31, 2016 and 2015 are summarized as follows:

	In Baht			
	Consolidated Financial Statements			
	Balance as at	Revenue (expenses) during the year		Balance as at
	Dec. 31, 15	In profit or loss	In other comprehensive income	Dec. 31, 16
Deferred tax assets:				
Allowance for doubtful other receivable	-	285,400.00	-	285,400.00
Investment in associated company	48,000.00	(48,000.00)	-	-
Allowance for declining value-clubhouse	537,786.80	-	-	537,786.80
Provisions for employee benefits	6,768,315.60	898,545.20	81,131.20	7,747,992.00
Provisions for compensation for housing estate juristic persons	4,778,897.28	(1,810,149.03)	-	2,968,748.25
Total	12,132,999.68	(674,203.83)	81,131.20	11,539,927.05
Deferred tax liabilities:				
Unrealized gain on remeasuring held for trade investments	(13,591.23)	(864.89)	-	(14,456.12)
Property development costs and inventories	(10,603,082.79)	3,646,888.24	-	(6,956,194.55)
Total	(10,616,674.02)	3,646,023.35	-	(6,970,650.67)
Net	1,516,325.66	2,971,819.52	81,131.20	4,569,276.38

N.C. HOUSING PUBLIC COMPANY LIMITED

	In Baht		
	Consolidated Financial Statements		
	Balance as at	Revenue (expenses) during the year	Balance as at
	Dec. 31, 14	In profit or loss In other comprehensive income	Dec. 31, 15
Deferred tax assets:			
Investment in associated company	48,000.00	-	48,000.00
Allowance for declining value-clubhouse	320,000.00	217,786.80	537,786.80
Provisions for employee benefits	5,967,423.60	800,892.00	6,768,315.60
Provisions for compensation for housing estate juristic persons	4,336,552.55	442,344.73	4,778,897.28
Total	10,671,976.15	1,461,023.53	12,132,999.68
Deferred tax liabilities:			
Unrealized gain on remeasuring held for trade investments	(12,187.47)	(1,403.76)	(13,591.23)
Property development costs and inventories	(10,799,637.02)	196,554.23	(10,603,082.79)
Total	(10,811,824.49)	195,150.47	(10,616,674.02)
Net	(139,848.34)	1,656,174.00	1,516,325.66

	In Baht		
	Separate Financial Statements		
	Balance as at	Revenue (expenses) during the year	Balance as at
	Dec. 31, 15	In profit or loss In other comprehensive income	Dec. 31, 16
Deferred tax assets:			
Allowance for doubtful other receivable	-	285,400.00	285,400.00
Investment in associated company	48,000.00	(48,000.00)	-
Allowance for declining value-clubhouse	537,786.80	-	537,786.80
Provisions for employee benefits	6,768,315.60	898,545.20	7,747,992.00
Provisions for compensation for housing estate juristic persons	4,778,897.28	(1,810,149.03)	2,968,748.25
Total	12,132,999.68	(674,203.83)	11,539,927.05
Deferred tax liabilities:			
Unrealized gain on remeasuring held for trade investments	(13,591.23)	(864.89)	(14,456.12)
Property development costs and inventories	(11,615,666.03)	2,937,898.92	(8,677,767.11)
Total	(11,629,257.26)	2,937,034.03	(8,692,223.23)
Net	503,742.42	2,262,830.20	2,847,703.82

	In Baht		
	Separate Financial Statements		
	Balance as at	Revenue (expenses) during the year	Balance as at
	Dec. 31, 14	In profit or loss	Dec. 31, 15
		In other comprehensive income	
Deferred tax assets:			
Investment in associated company	48,000.00	-	48,000.00
Allowance for declining value-clubhouse	320,000.00	217,786.80	537,786.80
Provisions for employee benefits	5,939,618.60	828,697.00	6,768,315.60
Provisions for compensation for housing estate juristic persons	4,336,552.55	442,344.73	4,778,897.28
Total	10,644,171.15	1,488,828.53	12,132,999.68
Deferred tax liabilities:			
Unrealized gain on remeasuring held for trade investments	(12,187.47)	(1,403.76)	(13,591.23)
Property development costs and inventories	(11,202,534.55)	(413,131.48)	(11,615,666.03)
Total	(11,214,722.02)	(414,535.24)	(11,629,257.26)
Net	(570,550.87)	1,074,293.29	503,742.42

25.2 Tax expense (income)

25.2.1 Major components of tax expense (income)

For the years ended December 31, 2016 and 2015 consisted of:

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Income tax expense (income) shown in profit or loss :				
Current tax expense:				
Income tax expense for the year	7,770,321.14	37,105,556.50	7,770,321.14	37,105,556.50
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(2,971,819.52)	(1,656,174.00)	(2,262,830.20)	(1,074,293.29)
Total	4,798,501.62	35,449,382.50	5,507,490.94	36,031,263.21
Recognized in other comprehensive income				
Actuarial loss from post-employee benefit	(81,131.20)	-	(81,131.20)	-

25.2.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

For the years ended December 31, 2016 and 2015 which are summarized as follows:

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Accounting profit (loss) for the year	20,724,499.72	160,376,553.87	25,685,644.33	165,268,669.70
The applicable tax rate (%)	20%	15-20%	20%	20%
Tax expense (income) at the applicable tax rate	6,238,627.05	32,075,209.37	6,238,627.05	33,053,733.94
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	900,700.45	3,907,923.13	1,609,689.77	3,511,279.27
Tax effect of income that are not deductible in determining tax profit	(2,340,825.88)	(533,750.00)	(2,340,825.88)	(533,750.00)
Total reconciliation items	(1,440,125.43)	3,374,173.13	(731,136.11)	2,977,529.27
Total tax expense (income)	4,798,501.62	35,449,382.50	5,507,490.94	36,031,263.21

25.2.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2016 and 2015 are summarized as follows:

	Consolidated Financial Statements			
	2016		2015	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	25,523,001.34		160,376,553.87	
Tax expense (income) at the applicable tax rate	6,238,627.05	24.44	32,075,209.37	20.00
Reconciliation items	(1,440,125.43)	(5.64)	3,374,173.13	2.10
Tax expense (income) at the average effective tax rate	4,798,501.62	18.80	35,449,382.50	22.10

	Separate Financial Statements			
	2016		2015	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	31,193,135.27		165,268,669.70	
Tax expense (income) at the applicable tax rate	6,238,627.05	20.00	33,053,733.94	20.00
Reconciliation items	(731,136.11)	(2.34)	2,977,529.27	1.80
Tax expense (income) at the average effective tax rate	5,507,490.94	17.66	36,031,263.21	21.80

As at December 31, 2016 and 2015, a subsidiary has the accumulated tax losses less than 5 years at the amount of Baht 1.64 million and Baht 3.34 million, respectively, which the such subsidiary did not record such deferred tax assets from losses above as there is no policy to use such losses in the tax calculation for the year.

26. LEGAL RESERVE

Under the provision of the Public Limited Companies Act B.E.2535, the Company must appropriate the reserve at least 5% of its annual net income after deduction of the deficit brought forward (if any) until the reserve reaches 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

A subsidiary had appropriated its legal reserve as reserve fund of which the reserve reaches 10% of the authorized share capital.

According to the resolution on the Board of Directors Meeting No. 1/2017 held on February 22, 2017, the Company had appropriated its legal reserve in the amount of Baht 1.30 million of annual net income in 2016.

According to the resolution on the Board of Directors Meeting No. 1/2016 held on February 26, 2016 the Company had appropriated its legal reserve in the amount of Baht 6.50 million of annual net income in 2015.

27. DIVIDEND

According to the General Meeting of Shareholders for the year 2016 dated April 21, 2016, it had a resolution as follows :

1. Approval to pay dividend by ordinary shares not over 59,299,253 shares at Baht 1 per share to the shareholders in the ratio of 20 existing shares per 1 dividend share, or shall be converted as dividend payment at Baht 0.05 per share totaling Baht 59.29 million. However, in case any shareholders have a fraction that cannot allocate the dividend share, the dividend will be paid in cash instead of dividend share payment at Baht 0.05 per share. The Company paid the dividend on May 9, 2016.
2. Approval to pay dividend by cash at Baht 0.00555555555180808 per share, totaling Baht 6.59 million. The Company paid the dividend on May 9, 2016.
3. Approval to decrease the registered capital from Baht 1,200,000,000 to Baht 1,185,985,052 dividing into 1,185,985,052 ordinary shares at par value of Baht 1 per share. The Company had registered to the Department of Business Development, Ministry of Commerce on April 26, 2016.
4. Approval to increase the registered capital from Baht 1,185,985,052 to Baht 1,245,284,305. The increase of 59,299,253 ordinary shares at par value of Baht 1 per share amounted to Baht 59,299,253 at the total amount of 1,245,284,305 ordinary shares. The Company had registered to the Department of Business Development, Ministry of Commerce on April 28, 2016.

At the Board of Directors Meeting of year 2015 held on April 23, 2015, the shareholders approved a dividend payment for profit for the year of 2014 to all shareholders at Baht 0.037 per share amounting to Baht 43.88 million. The Company paid the dividend on May 11, 2015.

28. CAPITAL MANAGEMENT

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

According to the statement of financial position as at December 31, 2016, the Group's debt-to-equity ratio was 1.07 : 1 and 1.05 : 1, respectively and the Company's was 1.07 : 1 and 1.03 : 1, respectively.

29. PROVIDENT FUND

The Company and its subsidiaries established a contributory registered provident fund covering all permanent employees in accordance with the provident Fund Act B.E.2530.

Under the provident fund plan, employees' and Company's contributions are equivalent to certain percentages of employees' basic salaries. The employees are entitled to the Company's contributions in accordance with the rules and regulations of the fund and on the length of service with the Company. The Company and its subsidiaries appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Provident Fund Act B.E. 2530.

The Company and its subsidiaries's contribution for the years ended December 31, 2016 and 2015 amounted to Baht 4,015,051.85 and Baht 3,269,847.72, respectively.

The Company's contributions for the years ended December 31, 2016 and 2015 amounted to Baht 3,807,915.58 and Baht 3,059,961.26, respectively.

30. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Changes in inventories (increase) decrease	(178,350,022.97)	(36,428,650.18)	(178,350,022.97)	(43,644,216.15)
Changes in property development costs				
(increase) decrease	(68,652,211.61)	107,376,599.98	(68,462,926.37)	109,299,335.99
Changes in land held for development				
(increase) decrease	130,555,306.62	126,650,410.75	130,555,306.62	131,202,000.75
Interest capitalization	38,035,098.83	52,313,176.98	38,035,098.83	52,313,176.98
Utilities and construction in progress	234,647,614.92	166,393,476.41	234,647,614.92	168,316,212.42
Purchase of lands	245,710,500.00	43,300,000.00	245,710,500.00	43,300,000.00
Employee benefit expenses	122,858,501.97	152,541,582.78	115,988,803.13	142,432,518.14
Depreciation and amortization expenses	26,444,495.40	26,455,259.38	25,197,155.03	25,142,798.51

31. FINANCE COSTS

Finance costs consists of :

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
Interest paid and payable to					
- Financial institutions		100,181,431.70	123,382,752.28	100,181,431.70	123,382,752.28
- Related parties		2,099,616.44	14,818,614.35	1,608,897.26	12,527,280.82
Employee benefit obligations		1,046,852.00	1,021,756.00	1,017,152.00	992,324.00
Fee for obtaining loans from					
financial institutions		1,246,796.00	1,854,810.00	1,246,796.00	1,854,810.00
Finance lease interest		85,206.60	54,368.41	85,206.60	54,368.41
Total		104,659,902.74	141,132,301.04	104,139,483.56	138,811,535.51
Less capitalized as part of property					
development costs		(38,035,098.83)	(52,313,176.98)	(38,035,098.83)	(52,313,176.98)
Net		66,624,803.91	88,819,124.06	66,104,384.73	86,498,358.53

32. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit (loss) for the period by weighted average number of ordinary shares that are issued and paid during the period after adjusting the number of ordinary shares to reflect the impact of the stock dividend. The prior period's basic earnings per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest year reported.

		Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
			(Restated)		(Restated)
Profit for the year	(Baht)	20,724,499.72	124,927,171.37	25,685,644.33	129,237,406.49
Weighted average number of ordinary shares	(Shares)	1,245,283,691	1,245,283,691	1,245,283,691	1,245,283,691
Basic earning per share	(Baht per share)	0.017	0.100	0.021	0.104

33. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The business operation of the Company and its subsidiaries mainly involve real estate, contractor and property management services, which has main geographical operation in Thailand. Segment performance is considered by revenue and profit in each unit, and is also measured based on the group operating profit or loss, on a basis consistent with used to measure operating profit or loss in the financial statement. The Company and its subsidiaries information for the years ended December 31, 2016 and 2015 by segments are as follow.

For the year ended December 31, 2016 (In Baht)									
	Real Estate		Rental and services	Contractor	Property manager services	Total	Elimination		Consolidated
	Low - rise segment	High - rise segment					DR.	CR.	
Revenues									
Sales	1,006,005,808.60	395,670,732.04	-	-	-	1,401,676,540.64	-	-	1,401,676,540.64
Rental income and service	-	-	16,613,315.86	-	6,594,150.00	23,207,465.86	(2,657,400.00)	-	20,550,065.86
Other income	10,217,429.05	6,403,631.66	961.34	4,508.79	47,633.66	16,674,164.50	(2,930,712.81)	-	13,743,451.69
Total revenues	1,016,223,237.65	402,074,363.70	16,614,277.20	4,508.79	6,641,783.66	1,441,558,171.00			1,435,970,058.19
Expenses									
Cost of sales	685,562,742.46	260,103,826.94	-	-	-	945,666,569.40	-	(189,285.24)	945,477,284.16
Cost for rent and service	-	-	16,802,264.03	-	3,705,070.89	20,507,334.92	-	-	20,507,334.92
Selling expenses	130,922,721.12	45,214,753.46	-	-	-	176,137,474.58	-	-	176,137,474.58
Administrative expenses	106,672,776.81	60,275,465.94	1,474,733.69	1,678,184.38	3,748,146.80	173,849,307.62	-	(2,734,222.44)	171,115,085.18
Management benefit expenses	21,660,746.90	8,570,194.72	354,132.48	-	-	30,585,074.10	-	-	30,585,074.10
Finance cost	51,116,960.94	9,231,781.76	5,755,642.03	3,188,335.62	185,973.93	69,478,694.28	-	(2,853,890.37)	66,624,803.91
Total expenses	995,935,948.23	383,396,022.82	24,386,772.23	4,866,520.00	7,639,191.62	1,416,224,454.90			1,410,447,056.85
Income (loss) by segments	20,287,289.42	18,678,340.88	(7,772,495.03)	(4,862,011.21)	(997,407.96)	25,333,716.10			25,523,001.34
Tax expenses (income)									4,798,501.62
Profit (loss) for the year									20,724,499.72
Other comprehensive income									
Item that will not be reclassified to profit or loss									
Actuarial loss from post-employee benefit, net of income tax									(330,793.80)
Items that maybe classified subsequently to profit or loss									-
Total comprehensive income for the year									20,393,705.92
As at December 31, 2016									
Inventories	204,474,434.48	418,400,058.06	-	-	-	622,874,492.54			622,874,492.54
Property development costs	2,246,727,915.21	361,819,690.11	-	-	-	2,608,547,605.32			2,608,547,605.32
Investment property	-	-	214,237,342.65	-	-	214,237,342.65			214,237,342.65
Property, plant and equipment	118,607,393.06	3,114,907.60	715,901.80	1,271,668.64	27,484.41	123,737,355.51			123,737,355.51

	For the year ended December 31, 2015 (In Baht)						
	Real Estate		Rental and services	Contractor	Property manager services	Total	Elimination
	Low - rise segment	High - rise segment					
Revenues							
Sales	1,722,852,590.00	384,361,966.54	-	-	-	2,107,214,556.54	-
Construction income	-	-	-	28,845,792.97	-	28,845,792.97	(28,845,792.97)
Rental income and service	-	-	9,296,367.49	-	7,245,000.00	16,541,367.49	-
Other income	13,326,413.10	3,875,127.61	-	206,851.30	16,528.22	17,424,920.23	(863,944.83)
Total revenues	1,736,179,003.10	388,237,094.15	9,296,367.49	29,052,644.27	7,261,528.22	2,170,026,637.23	2,137,331,899.43
Expenses							
Cost of sales	1,143,785,748.60	266,834,958.25	-	-	-	1,410,620,706.85	(2,111,281.54)
Cost of construction	-	-	-	28,657,247.44	-	28,657,247.44	(28,657,247.44)
Cost for rent and service	-	-	15,194,083.04	-	5,209,672.72	20,403,755.76	-
Selling expenses	180,060,822.72	50,265,093.71	-	-	-	230,325,916.43	-
Administrative expenses	163,474,124.21	12,424,152.47	2,138,853.61	2,239,591.13	3,863,933.12	184,140,654.54	(3,061,822.44)
Management benefit expenses	47,767,599.90	-	-	-	50,692.00	47,818,291.90	-
Finance cost	75,725,974.79	4,618,168.10	6,154,215.64	3,048,428.53	59,459.39	89,606,246.45	(787,122.39)
Total expenses	1,610,814,270.22	334,142,372.53	23,487,152.29	33,945,267.10	9,183,757.23	2,011,572,819.37	1,976,955,345.56
Income (loss) by segments	125,364,732.88	54,094,721.62	(14,190,784.80)	(4,892,622.83)	(1,922,229.01)	158,453,817.86	160,376,553.87
Tax expenses (income)							35,449,382.50
Profit (loss) for the year							124,927,171.37
As at December 31, 2015							
Inventories	287,755,278.65	156,769,190.92	-	-	-	444,524,469.57	-
Property development costs	1,893,788,635.16	646,296,043.79	-	-	-	2,540,084,678.95	(189,285.24)
Investment property	-	-	224,404,335.27	-	-	224,404,335.27	224,404,335.27
Property, plant and equipment	127,340,568.74	7,092,261.95	994,057.14	2,484,269.46	59,468.75	137,970,626.04	137,970,626.04

34. COMMITMENT AND CONTINGENT LIABILITIES

34.1 The Company has entered into lease for the commercial buildings, sale office building, land and other services.

As at December 31, 2016, the Company is obligated to pay the rent and service as follows:

<u>Payable within:</u>	<u>Million Baht</u>
1 year	2.67
2 to 3 years	1.42

34.2 As at December 31, 2016, the Company and its subsidiaries had contingent liabilities from letters of guarantees issued by three banks to government agency and third parties, are as follows:

	<u>Million Baht</u>	
	<u>Consolidated</u>	<u>Separate</u>
	<u>Financial Statements</u>	<u>Financial Statements</u>
- Guarantee for electricity, water and others	14.21	13.81
- Guarantee fund for maintenance to public utilities	175.39	175.39

34.3 As at December 31, 2016, the Company had contingent liabilities to a bank from the guarantee on the customer's loan amounting to Baht 0.65 million and gasoline amounting to Baht 0.22 million (see note 13).

35. FINANCIAL INSTRUMENTS**35.1 Accounting policies**

Details of significant accounting policies and methods adopted, including criteria for recognition of revenues and expenses relating to financial assets and financial liabilities are disclosed in note 5.

35.2 Financial risk management for financial instruments

The Company and its subsidiaries manage their financial risk that may arise in the financial assets and financial liabilities in normal course of business by using generally internal management and control system and the Company and its subsidiaries do not hold or issue any derivative instruments. The significant financial assets and financial liabilities of the Company and its subsidiaries comprise cash and cash equivalents, bank overdrafts and short-term loans from the financial institutions, trade account receivable and payable, include notes receivable and notes payable, loans, liabilities under the finance lease agreement.

35.3 Interest Rate Risk

The Company and its subsidiaries have the significant interest rate risks in relation to deposit at the financial institutions, bank overdrafts and short-term loans from the financial institutions, long-term loans from the financial institutions, loan from the director and short-term loan from the related parties and companies. Interest rate risk arises from the interest rate changes, which cause damage to the Company and its subsidiaries in the current period and in the future.

As at December 2016 and 2015, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	In Baht			
	Consolidated Financial Statement			
	As at December 31, 2016			
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	6,730,656.38	235,445.37	6,274,303.23	13,240,404.98
Short-term investments	-	125,291.12	570,797.61	696,088.73
Deposit pledged as collateral	-	8,223,297.19	-	8,223,297.19
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans				
from the financial institutions	42,757,516.54	1,128,430,000.00	-	1,171,187,516.54
Trade notes payable	-	-	47,494,324.79	47,494,324.79
Trade accounts payable and other payable	-	-	106,749,221.13	106,749,221.13
Liabilities under the finance lease agreement	-	1,669,556.64	-	1,669,556.64
Long-term loans from financial institutions	977,693,565.94	-	-	977,693,565.94
Short-term loan from director	-	81,000,000.00	-	81,000,000.00

	In Baht			
	Consolidated Financial Statement			
	As at December 31, 2015			
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	8,306,554.03	233,125.36	21,160,595.43	29,700,274.82
Short-term investments	-	125,707.88	566,473.16	692,181.04
Deposit pledged as collateral	-	12,816,340.66	-	12,816,340.66
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans				
from the financial institutions	259,790,136.48	600,000,000.00	-	859,790,136.48
Trade notes payable	-	-	68,971,121.03	68,971,121.03
Trade accounts payable and other payable	-	-	92,617,466.42	92,617,466.42
Liabilities under the finance lease agreement	-	2,948,983.44	-	2,948,983.44
Long-term loans from financial institutions	1,163,918,484.41	-	-	1,163,918,484.41
Short-term loan from director	-	64,000,000.00	-	64,000,000.00

	In Baht			
	Separate Financial Statement			
	As at December 31, 2016			
	Floating interest rate	Fixed interest rate	Interest - free	Total
Financial assets				
Cash and cash equivalents	4,985,810.74	-	5,796,080.28	10,781,891.02
Short-term investments	-	125,291.12	570,797.61	696,088.73
Short-term loan to related parties	-	57,000,000.00	-	57,000,000.00
Deposit pledged as collateral	-	8,223,297.19	-	8,223,297.19
Financial liabilities				
Bank overdrafts and short-term loans from the financial institutions	42,757,516.54	1,128,430,000.00	-	1,171,187,516.54
Trade notes payable	-	-	47,494,324.79	47,494,324.79
Trade accounts payable and other payable	-	-	106,748,150.07	106,748,150.07
Liabilities under the finance lease agreement	-	1,669,556.64	-	1,669,556.64
Long-term loans from financial institutions	977,693,565.94	-	-	977,693,565.94
Short-term loan from director	-	81,000,000.00	-	81,000,000.00

	In Baht			
	Separate Financial Statement			
	As at December 31, 2015			
	Floating interest rate	Fixed interest rate	Interest - free	Total
Financial assets				
Cash and cash equivalents	6,768,528.14	-	17,342,028.03	24,110,556.17
Short-term investments	-	125,707.88	566,473.16	692,181.04
Short-term loan to related parties	-	21,500,000.00	-	21,500,000.00
Deposit pledged as collateral	-	12,816,340.66	-	12,816,340.66
Financial liabilities				
Bank overdrafts and short-term loans from the financial institutions	259,790,136.48	600,000,000.00	-	859,790,136.48
Trade notes payable	-	-	68,971,121.03	68,971,121.03
Trade accounts payable and other payable	-	-	91,496,897.83	91,496,897.83
Liabilities under the finance lease agreement	-	2,948,983.44	-	2,948,983.44
Long-term loans from financial institutions	1,163,918,484.41	-	-	1,163,918,484.41
Short-term loan from director	-	29,000,000.00	-	29,000,000.00

35.4 Foreign currency risk

As at December 31, 2016 and 2015, the Company has no exchange rate risk since it has no trade accounts receivable and accounts payable in foreign currency outstanding on the statement of financial position. The Company did not enter into forward contracts for hedging against exchange rate risk.

35.5 Liquidity risk

The Company manages its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

35.6 Fair value of financial instruments

The Company uses the market approach to measure and disclosure their assets and liabilities that are required to be measured or disclosure at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

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

As at December 31, 2016, the Company had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-

	In Baht			
	Consolidated/Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments				
Open fund	-	498,517.00	-	498,517.00
Total	-	498,517.00	-	498,517.00

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

Valuation techniques and inputs to level 2

The fair value of investments in open fund that are not listed on the Stock Exchange of Thailand has been determined by using the net assets value per unit as announced by the fund manager.

As at December 31, 2016, the financial assets and liabilities that are not measured at fair value (fair value disclosure) represented by the fair value hierarchy are as follows :

	Consolidated/Separate Financial Statements				
	Net book value	Fair value (Baht)			
	(Baht)	Level 1	Level 2	Level 3	Total
Assets disclosed at fair value					
Investment property	207,914,940.39	-	-	209,860,000.00	209,860,000.00

Valuation techniques and inputs to level 3

The fair value of investment property is calculated by using the cost approach in determining the asset value. Land is used to compare with the market price and the replacement cost approach is used for building.

36. THE REVISED ACCOUNTING STANDARDS ARE NOT YET EFFECTIVE IN THE CURRENT YEAR

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the use of accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards that are revised.

These revised accounting standards which are effective for the fiscal year beginning on or after January 1, 2017 are as follows:

TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 20 (revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 29 (revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets

TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible assets
TAS 40 (revised 2016)	Investment Property
TAS 41 (revised 2016)	Agriculture
TAS 104 (revised 2016)	Accounting for Trouble Debt Restructuring
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments Disclosure and Presentation
TFRS 2 (revised 2016)	Share-Based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 4 (revised 2016)	Insurance Contracts
TFRS 5 (revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2016)	Exploration for and Evaluation of Mineral Resource
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 10 (revised 2016)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2016)	Operating Leases - Incentives
TSIC 25 (revised 2016)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2016)	Service Concession Arrangements: Disclosure
TSIC 31 (revised 2016)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2016)	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2016)	Applying the Restatement Approach under TAS 29 (revised 2016) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment

TFRIC 12 (revised 2016)	Service Concession Arrangements
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	TAS 19 (revised 2016)-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2016)	Distributions of Non - cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
TFRIC 20 (revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2016)	Levies

The management of the Company and its subsidiaries believe that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standards interpretations which are revised will not have any significant impact on the financial statements for the year when they are initially applied.

37. AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by Company's directors on February 22, 2017.

GENERAL INFORMATION



Company Name	: N.C. Housing Public Company Limited
Business Type	: Property Development
Head Office Location	: 1/765 Moo 17, Soi Amporn, Phaholyothin Rd. Km.26, Tambol Kookhot, Lumlookka District, Pathumtani 12130
Registration No.	: 0107546000385 (Old No.40854600039)
Home Page	: www.ncgroup.co.th
Telephone No.	: 66 (0) 2993-5080-7
Fax No.	: 66 (0) 2993-5080
Authorized Share Capital	: THB 1,245,284,305
Paid-Up Share Capital	: THB 1,245,283,691
Registrar	: The Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400 Tel. 66(0) 2009-9000 Fax . 66(0) 2009-9991
Auditor	: Mr. Peradate Pongsathiansak Auditor license 4752 or Miss Wannisa Ngambuathong Auditor license 6838 or Mr. Pod Assavasantichai Auditor license 4891 Dharmniti Auditing Company Limited 178 Soi Permsap (Prachachuen 20), Prachachuen Road, Bangsue, Bangkok 10800 Tel. 66(0) 2555-0600 Fax . 66(0) 2555-0664
Consultants to Internal Audit	: ANS Business Consultants Company Limited 100/72, 22 nd Floor, 100/2 Vongvanij B Building, Rama 9 Rd, Huaykwang, Bangkok 10310 Tel. 66(0) 2645-0109 Fax . 66(0) 2645-0101

Subsidiaries Company Name : N.C.Property Management Company Limited

Business Type : Full service for Project Management

Head Office Location : 1/765 Moo 17, Soi Amporn, Phaholyothin Rd. Km.26, Tambol Kookhot,
Lumlookka District, Pathumtani 12130

Registration No. : 0105541019582 (Old No.(4) 337/2541)

Telephone No. : 66 (0) 2993-5080-7

Fax No. : 66 (0) 2993-5089

Authorized Share Capital : THB 10,000,000

Paid-Up Share Capital : THB 10,000,000

Auditor : Mr. Peradate Pongsathiansak Auditor license 4752
Dharmniti Auditing Company Limited
178 Soi Permsap (Prachachuen 20), Prachachuen Road, Bangsue, Bangkok 10800
Tel. 66(0) 2555-0600 Fax . 66(0) 2555-0664

Subsidiaries Company Name : Quality Living Management Company Limited

Business Type : Full service for Community Management for Housing Projects, Condominiums and Club House

Head Office Location : 1/765 Moo 17 , Soi Amporn, Phaholyothin Rd. Km.26, Tambol Kookhot,
Lumlookka District, Pathumtani 12130

Registration No. : 0105541019582 (Old No.(4) 337/2541)

Telephone No. : 66 (0) 2993-5080-7

Fax No. : 66 (0) 2993-5089

Authorized Share Capital : THB 1,000,000

Paid-Up Share Capital : THB 1,000,000

Auditor : Mr. Peradate Pongsathiansak Auditor license 4752
Dharmniti Auditing Company Limited
178 Soi Permsap (Prachachuen 20), Prachachuen Road, Bangsue, Bangkok 10800
Tel. 66(0) 2555-0600 Fax . 66(0) 2555-0664



N.C. HOUSING PUBLIC COMPANY LIMITED

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Website : www.ncgroup.co.th