

CREATING NEW MEANINGS FOR
‘SUCCESS’

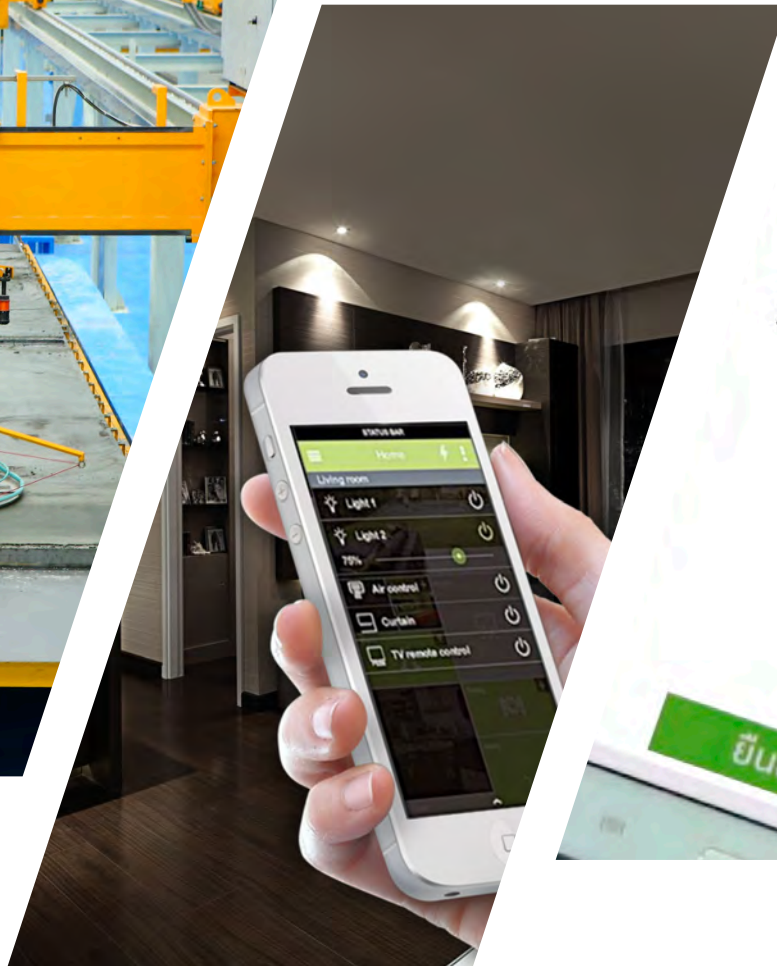


ANNUAL REPORT
2015

PRUKSA REAL ESTATE PUBLIC COMPANY LIMITED



CREATE VALUE



Designing 'innovative' projects for the future of living
and serving the needs of all our customers

Pruksa aims to improve current technology advancements
in order to create living facilities that promise quality and are
built on a global standard.



Creating 'happiness' for our customers

Having a house is the ultimate dream for many of our customers, we at **Pruksa** therefore aim to fulfill this dream by creating housing options that everyone can live full of happiness by themselves and with their families.



Creating 'business' opportunities for a stabilized future

With a long-term vision in business opportunities,
Pruksa is ready to be **the number one brand for our customers.**



Creating 'qualified personnel' with good governance

Pruska sees the importance of all facets of business and have aimed to create qualified personnel with good governance who work together as a team to take the Company to greater heights and success.



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PRUKSA VISION

Pruksa aims to be the number one real estate brand in customers' minds with the goal of becoming a top ten residential brand in Asia by creating high-value homes for families to experience warmth, happiness and a better life every day.

PRUKSA MISSION

We are dedicated to fulfilling our customer's dreams of owning a home that provides value to enjoy their family life.

PRUKSA CULTURE

I truly care of my customers. I want them to be happy. So I work with passion to really satisfy their needs. First, I try very hard to understand what customers want. This requires me to think through very carefully until I come up with the right solution. Then I move quickly into action on their behalf. If my customers are happy, I feel proud I did a good job.





PRUKSA VALUE

CUSTOMER FOCUS

CREATIVE INNOVATION

COLLABORATION

DISCIPLINE

ETHICS

YEARLY FINANCIAL HIGHLIGHTS

	2011	2012	2013	2014*	2015
Performance results (Bt m)					
Presale (Bt m)	25,554	29,396	41,282	39,090	42,386
Presale (Units)	12,185	13,250	18,858	16,608	16,539
Unit transferred (units)	12,194	12,444	17,137	17,084	20,700
Paid-Up capital (Bt m) before Premium on ordinary shares	2,209	2,213	2,223	2,227	2,231
No. of share (m share)	2,209	2,213	2,223	2,227	2,231
Financial Statement Items (Bt m)					
Assets	41,982	43,821	56,194	61,029	65,309
Liabilities	24,986	23,739	31,262	31,321	31,091
Equities	16,996	20,082	24,932	29,707	34,218
Revenue from sales of real estate	23,263	27,023	38,848	42,781	51,240
Total Revenue	23,422	27,141	39,041	43,027	51,438
Gross Profit from sales of real estate	8,538	9,133	13,498	15,686	17,256
Selling and Administration	4,654	3,925	6,077	7,081	7,661
Net profit	2,835	3,898	5,801	6,654	7,670
Profit attributable to Owner of the Company	2,835	3,898	5,802	6,655	7,680
Per Share basis (Bt)					
Book Value per share	7.7	9.1	11.2	13.3	15.3
Earning per share at current par value	1.28	1.76	2.61	2.99	3.44
Dividend per share (performance year)	0.40	0.50	0.85	1.00	1.75⁽²⁾
Dividend Yield (%)	3.4	2.4	4.7	3.5	6.6
Market Price at Year-End	11.6	21.1	18.2	28.8	26.5
P/E (times)	9.1	12.0	7.0	9.6	7.7
P/BV (times)	1.5	2.3	1.6	2.2	1.7
Market Cap (Bt m)	25,629	46,694	40,459	64,138	59,122
Financial Ratios					
Average Asset Turnover (times)	0.62	0.63	0.78	0.73	0.81
Return on Assets ⁽¹⁾ (%)	10.6	12.4	15.2	15.1	15.5
Return on Equity (%)	17.6	21.0	25.8	24.4	24.0
Gross Profit Margin ⁽³⁾ (%)	36.7	33.8	34.8	36.7	33.7
Net Profit Margin (%)	12.1	14.4	14.9	15.5	14.9
Dividend payout ratio from separate FS ⁽⁴⁾ (%)	31.0	33.8	36.5	45.3	50.8
Cash and Short term Investment (Bt m)	2,031	1,566	1,815	911	1,661
Liabilities/Equities ratio (times)	1.47	1.18	1.25	1.05	0.91
Interest Bearing Debt (Bt m)	20,307	17,527	20,948	22,295	20,000
Interest Bearing Debt/Equity (times)	1.19	0.87	0.84	0.75	0.58
Interest Bearing Debt-Cash Ending/Equity (times)	1.08	0.79	0.77	0.72	0.54

Remark

* Financial Statement of 2014 (restated)

⁽¹⁾ ROA= Earnings before interest and Tax/ Average Total Asset

⁽²⁾ Dividend of baht 1.75 per share is subject to the approval of Annual General Shareholder's Meeting on 28 April, 2016

Interim dividend of baht 0.50 per share from the first six months was paid on 21 October, 2015

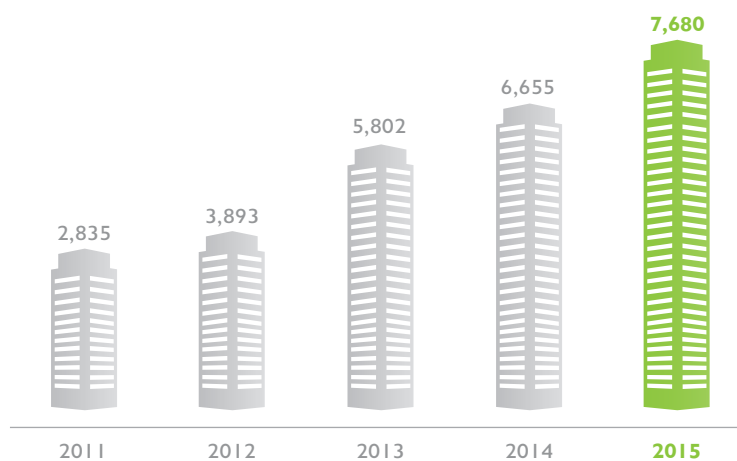
⁽³⁾ Gross profit margin = (Sale from real estate-Cost of good sold from real estate/Sale from real estate)

⁽⁴⁾ Dividend payment policy has been changed since 2015 (Please see the additional details in dividend payment policy & information section)

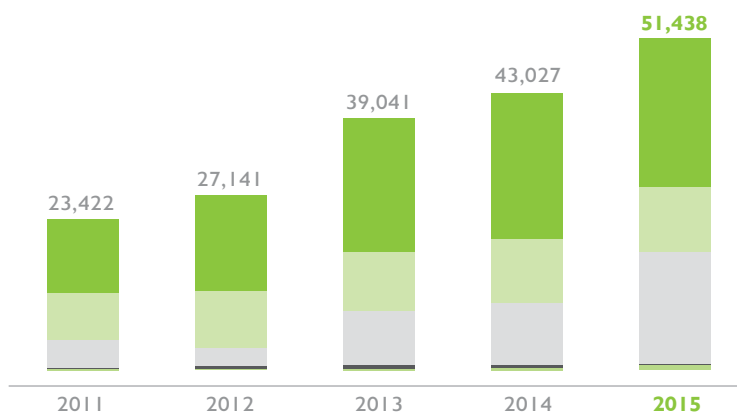
5 YEARS FINANCIAL HIGHLIGHTS

- Profit attributable to Owner of the Company (Bt m)

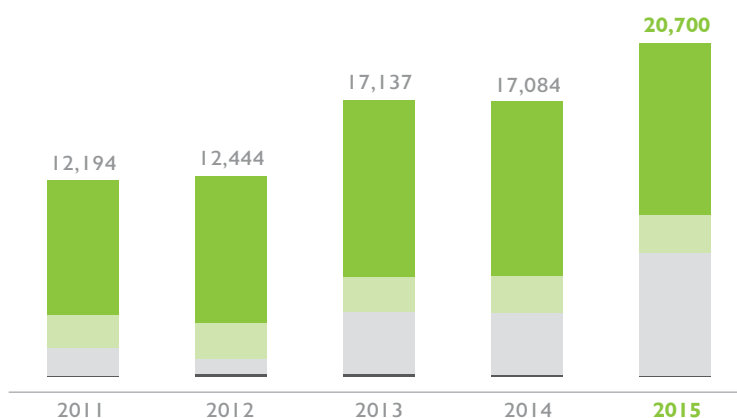
2015 Net Profit is
Bt 7,680 m
 an increase of
 Bt **1,025 m**
 or **15.4%**
 from 2014



- Total Revenue (Bt m)



- Unit Transferred (units)



Townhouse

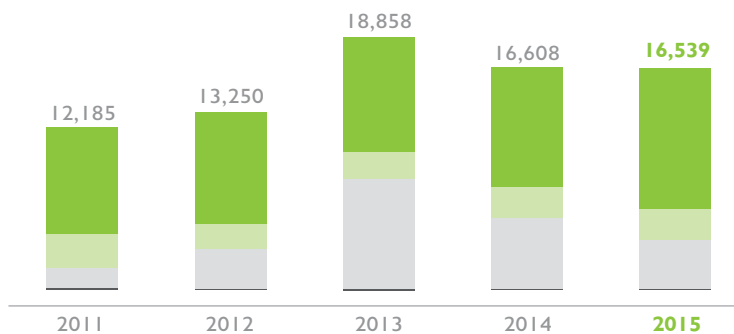
Single Detached House

Condominium

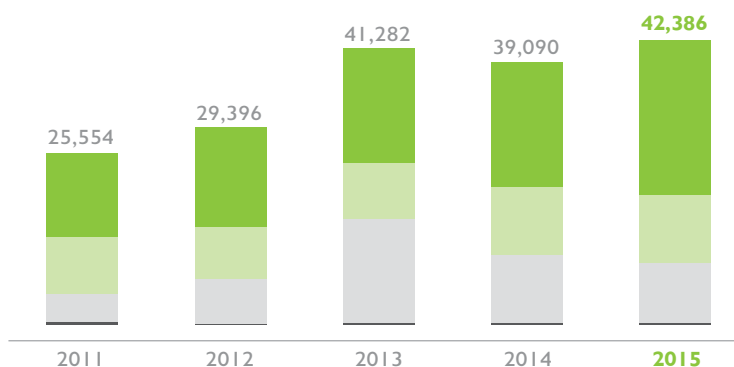
International

Other revenue

• Presales (units)

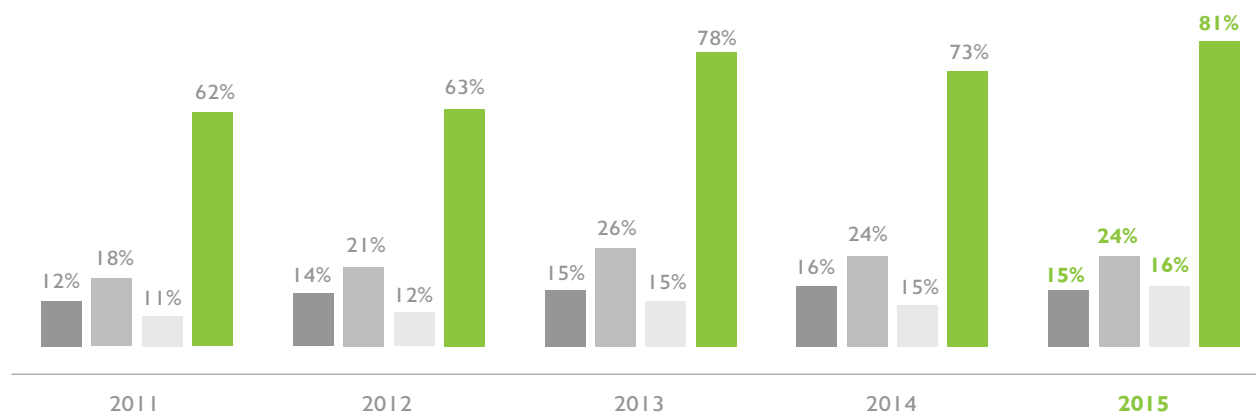


• Presales (Bt m)



● Townhouse
 ● Single Detached House
 ● Condominium
 ● International
 ● Other revenue

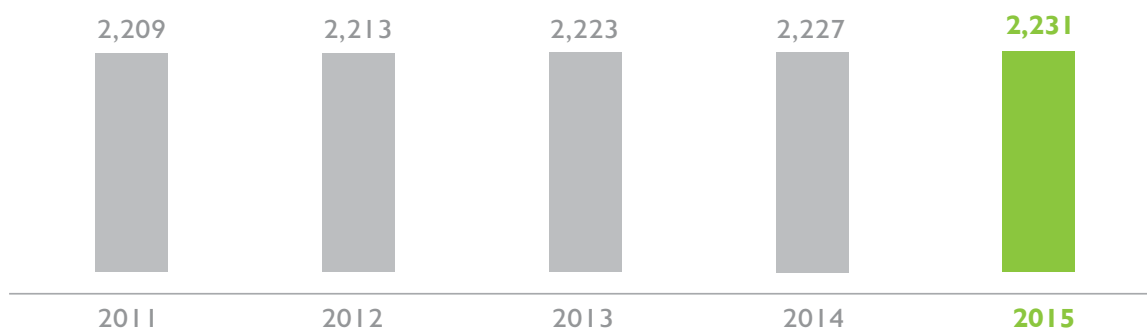
• Returns & Turnover Ratios



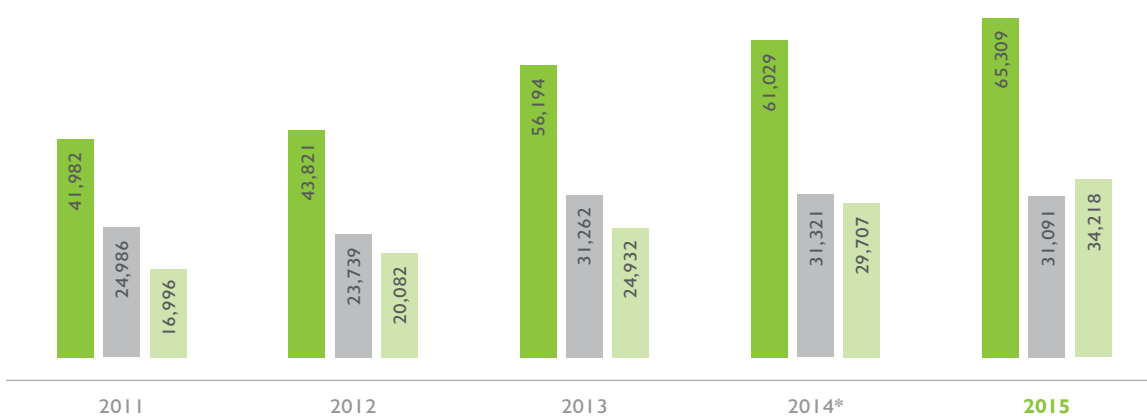
● Net Profit Margin (%)
 ● Return on Equity (%)
 ● Return on Assets * (%)
 ● Average Asset Turnover (times)

* ROA: Net income/Average Total Asset

• Number of share (m share)

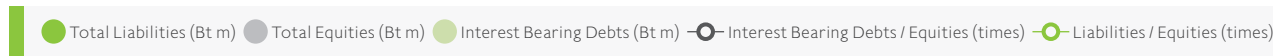
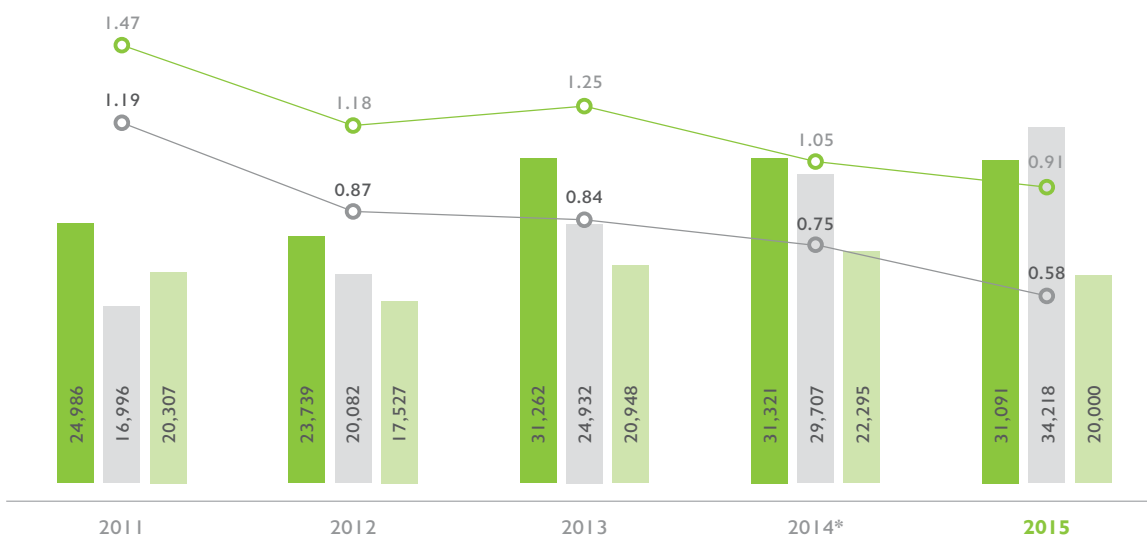


• Consolidated Assets, Total Liabilities and Total Equities (Bt m)



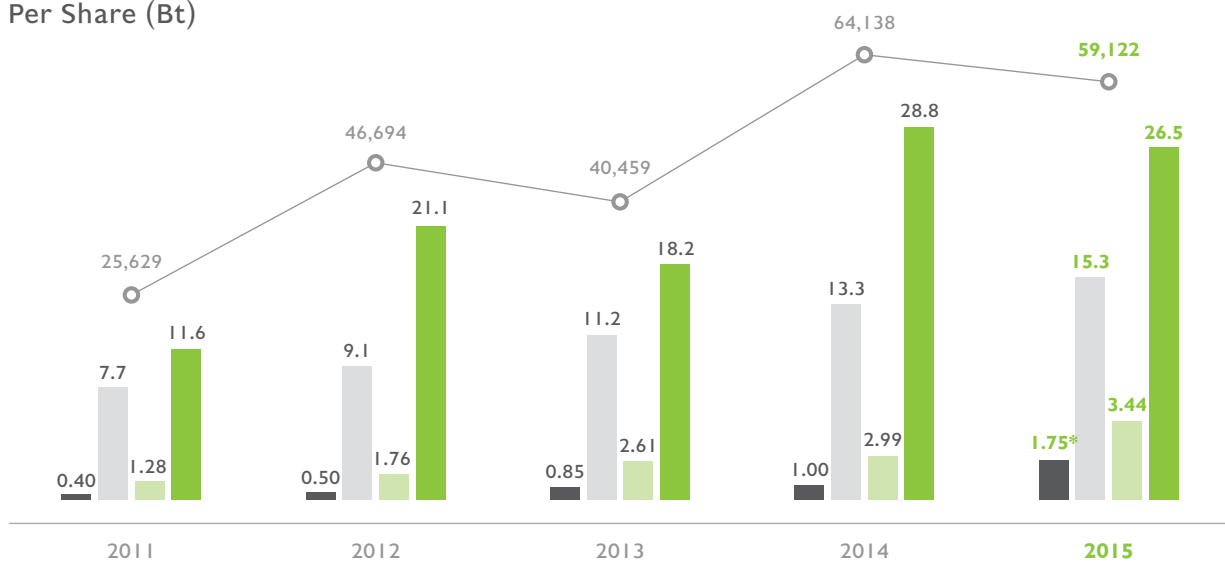
* Financial Statement of 2014 (restated)

• Liabilities and Debt Ratios



* Financial Statement of 2014 (restated)

• Per Share (Bt)



Dividend per share (Bt/share)
 Book Value per share (Bt/share)
 Earning per share (Bt/share)
 Market Price at Year-end (Bt/share)
 Market Capitalization (Bt m)

* Dividend of baht 1.75 per share is subject to the approval of Annual General Shareholder's Meeting on 28 April, 2016
 Interim dividend of baht 0.50 per share from the first six months was paid on 21 October, 2015

• Projects Launched

	Townhouse	Single Detached House	Condominium	International	Total Project Launched
2011	31	14	5		50
2012	21	5	4		30
2013	39	4	17		60
2014	34	17	11		62
2015	34	6	4		44
2016 (Target)	42-44	12-14	6-7		60-65

• 2016 Projects Launch (Target)

THAILAND

Townhouse



42-44

Single Detached House



12-14

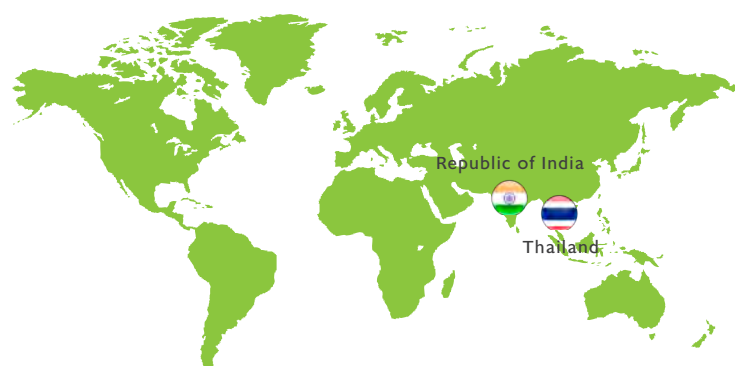
Condominium



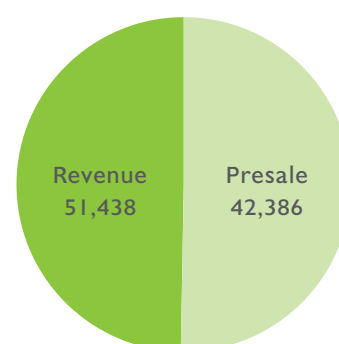
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Name	: Pruksa Real Estate Public Company Limited
Current Type of Business	: Real estate developer for residential purposes, including townhouses, single detached houses, and condominiums in Thailand and Asia region such as the Republic of India
Head Office	: 27 th Floor, SM Tower, 979/83, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400
Pruksa Precast Factory	: 54/1 Moo 4, Lamlookka Road, Tambon Ladsawai, Amphur Lamlookka, Pathumthani
Registration No.	: Bor. Mor. Jor. 0107548000307
Home Page	: http://www.pruksa.com
Telephone	: 0-2298-0101
Facsimile	: 0-2298-0102
Ordinary Shares and Registered Capital (shares, baht)	: 2,285,298,800
Ordinary Shares and Paid-up Capital (shares, baht)	: 2,231,071,000
Purpose	: Investment in Property Development

INTERNATIONAL



Revenue and Presale in 2015 (Bt m)



MESSAGE FROM THE CHAIRMAN AND EXECUTIVE VICE CHAIRMAN



The goal of Pruksa Real Estate Public Company Limited over the past years and the future ahead is to enhance the value of living of Thai people by using our knowledge, expertise, and experience to develop quality residential projects which meet all requirements, lifestyle, and range of pricing. Pruksa Innovation Center is responsible for studying ‘customers’ needs’, creating innovation and presenting new housing innovation in order to respond to better living and to be in line with consumer behavior at present as well as to support future trends in consumer behavior. Our dedication to ongoing development of innovation has brought about consumers’ confidence and recognition as proven by the survey of ‘Thailand Most Admired Company 2015’ conducted by BrandAge Magazine and COMPANY Magazine in 2015. The survey was conducted in 17 industries in order to get the best company in each sector. Pruksa Real Estate Public Company Limited was ranked first, among property sectors, in the category of ‘Innovation Capability’.

In 2015, Pruksa has developed residential projects to meet four aspects of customer needs. A home is built by using modern technology to increase strength, refinement, and safety (Safety Home). A home is concerned with health, easy maintenance, and cost saving (Healthy Home). A home is designed for energy saving and environmental friendly (Green Home). Lastly, a modern home is designed to be functional to meet lifestyle and beautiful design (Smart Home). All four innovative homes have been built in 44 projects, valued at Bt44,579m, instead of 70 projects, valued at Bt55,000m, which was the target set at the beginning of year 2015 as a result of economic problem in the country affecting overall business and property business. However, Pruksa has planned and

prepared to deal with various risks very well. The Company’s economic performance grew continuously in 2015 and revenue from sale of real estate was Bt51,240m, higher than the target of Bt47,000m, and 20% growth when compared with revenue from sale of real estate of Bt42,781m in 2014. Besides, the overall Thai property business in Bangkok metropolis and vicinity in 2015 was worth Bt354,799m or 20% growth when compared to that in 2014.

In 2016, we forecast that housing market in Bangkok metropolis and vicinity is likely to grow by 8%, which will be worth approximately Bt383,183m. Contributing factors are the development of transportation infrastructure across the country as well as a public housing project which is the government policy on helping low income people have an affordable house at reasonable prices while risk factors to keep an eye on are an upward trend in interest rate, household debt, and a lackluster recovery in export sector impacting on GDP of the country.

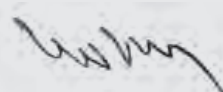
In 2016, Pruksa aims to develop business growth together with taking care of environment and society. We place importance on every employee in the organization so that everyone helps create value for customers, impress customers, and make ‘Pruksa’ to become the top real estate brand in customers’ mind.

We would like to thank customers, shareholders, the management and each employee, financial institutions, business allies, government agencies, and the parties concerned for contributing to another successful year of Pruksa in 2015. We will maintain the standard of conducting business in accordance with the guidelines for good corporate governance so that the Company is able to achieve sustainable growth for the future ahead.



Dr. Pisit Leeahtam

Chairman of the Board of Directors and
Independent Director



Mr. Thongma Vijitpongpun

Executive Vice Chairman of the Board of Directors
and Chief Executive Officer

BOARD OF DIRECTORS



1. Dr. Pisit Leeahtam

- Chairman of the Board of Directors
- Member of Nomination and Remuneration Committee
- Independent Director

3. Mr. Lersak Chuladesa

- Vice Chairman of Executive Committee
- Member of the Corporate Risk Management Committee
- Chief Operating Officer

5. Mrs. Rattana Promsawad

- Member of Corporate Governance Committee
- Director of CEO Office

2. Mr. Thongma Vijitpongpan

- Executive Vice Chairman of the Board of Directors
- Chairman of Executive Committee
- Member of the Corporate Risk Management Committee
- Member of Nomination and Remuneration Committee
- Chief Executive Officer

4. Mr. Prasert Taedullayasatit

- Member of the Corporate Risk Management Committee
- Managing Director - Condominium I



6. Mr. Piya Prayong

- Member of Executive Committee
- Member of the Corporate Risk Management Committee
- Managing Director - Townhouse

8. Mr. Adul Chandanachulaka

- Independent Director
- Member of the Audit Committee
- Member of Corporate Governance Committee

10. Mr. Wichian Mektrakarn

- Independent Director
- Member of Executive Committee
- Chairman of the Nomination and Remuneration Committee

7. Mr. Weerachai Ngamdeevilaiak

- Independent Director
- Member of the Audit Committee
- Chairman of Nomination and Remuneration Committee
- Chairman of the Corporate Risk Management Committee

9. Dr. Piyasvasti Amranand

- Independent Director
- Chairman of the Audit Committee

11. Mr. Anusorn Sangnimnuan

- Independent Director
- Chairman of Corporate Governance Committee



AWARDS OF THE PRIDE

Outstanding CEO

“Outstanding CEO Awards” in the property, construction, and contractor sector bestowed to Mr.Thongma Vijitpongpun, Chief Executive Officer of Pruksa Real Estate Public Company Limited was given by both Dr. Vorapol Socratyanurak, Secretary-General, Securities and Exchange Commission and Mr. Paiboon Nalinthangkurn, Investment Analysts Association (IAA) President. The award is judged on ability of management excellence, consistent presenting in-depth, relevant, quality, accurate, and complete information, applying business ethics and corporate governance, including expertise in real estate industry.

ASEAN CG SCORECARD : TOP 50 ASEAN PUBLIC COMPANY LIMITED

The award aims to praise listed companies for their commitment to constantly apply the principles of good corporate governance to conducting their business. Pruksa Real Estate Public Company Limited, which is one of Thai listed companies, was ranked the highest ASEAN CG Scorecard in TOP 50 ASEAN PLCs. The award is organized by the ASEAN CAPITAL MARKETS FORUM (ACMF) in Manila, the Philippines.

Thailand Property Awards 2015

Pruksa Real Estate Public Company Limited won three awards at Thailand Property Awards 2015. The Company garnered awards for Best Luxury Condo Development (Bangkok) for Ivy Ampio, Best Affordable Condo Development (Bangkok) for Chapter One: The Campus Kaset, and one Best of the Best award for Best Condo Development (Thailand), which went to Ivy Ampio. The awards organized by Ensign Media Company Limited apply a transparent and impartial selection, including independence.

Outstanding Investor Relations Awards

Pruksa Real Estate Public Company Limited received “Outstanding Investor Relations Awards”. The award is organized by the Stock Exchange of Thailand in corporation with Money & Banking magazine. The awards are given to listed companies that have outstanding performance in implementing an Investor Relations program.

Outstanding Company Performance Awards

Pruksa Real Estate Public Company Limited won SET Awards 2015 in the category of “Outstanding Company Performance”. The award is organized by the Stock Exchange of Thailand in corporation with Money & Banking magazine. The awards are presented to listed companies that have outstanding performance, apply good corporate governance, including compliance with rules and regulations of The Stock Exchange of Thailand, in terms of disclosure and quality of financial statements.

CEO Awards

Mr. Thongma Vijitpongpun, Chief Executive Officer of Pruksa Real Estate Public Company Limited received SET Awards 2015 in the category of “CEO Awards”. The award organized by the Stock Exchange of Thailand in corporation with Money & Banking magazine is presented to Chief Executive Officer who performs his leadership to achieve organizational success and ensures the integrity in the organizational management, including having vision and strategic capability, focusing on society and business as well as taking an interest in investor relations program.

Sustainability Report Award 2015

CSR Club and the Association of Thai Listed Companies, with support from the Securities Exchange Commission and Thaipat Institute, presented Sustainability Report Award 2015 in the “Recognition” category to Pruksa Real Estate Public Company Limited for its emphasis on writing sustainability report. The Company has won the award for the third year in a row.

BUSINESS OPERATION

COMPANY BACKGROUND

Pruksa Real Estate Public Company Limited was founded on April 20, 1993 with the initial registered capital of Bt50.0m. It concentrates on developing projects for townhouses, single-detached houses and condominiums in Bangkok, vicinity areas and some provinces. The expansion includes overseas investment such as India. On April 27, 2005 the Company converted itself into a public company. Later on December 6, 2005 it started trading on the Stock Exchange of Thailand (SET) under the ticker "PS".

The Company has continuous growth and numerous brands development to serve the needs of diverse segments as below:

Townhouse

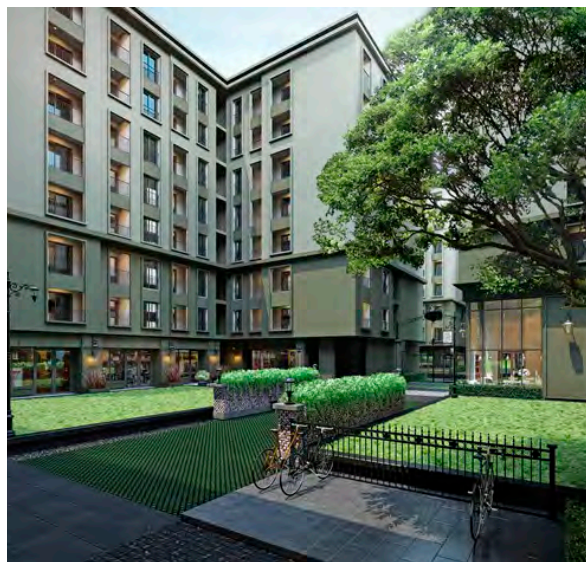
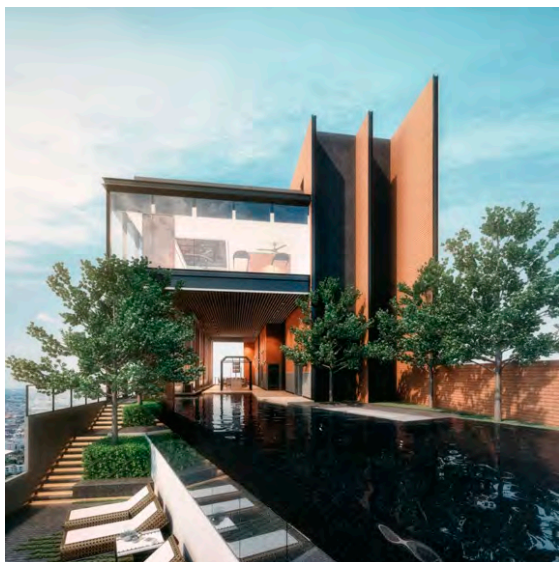
Patio
The Connect
Pruksa Ville
Baan Pruksa
Silvana
(India project)





**Single
Detached
House**

The Palm
Passorn
The Plant
Natura





Condo- minium

The Reserve
IVY
Urbano
Chapter One
The Tree
Privacy
Plum Condo

The Company is the 1st developer in Thailand who implemented the construction technology for residential and construction management. The Company is able to control the construction as plan and efficient management of cost control. Over 22 years, the Company has continuously improved technology and construction innovation to deliver the quality product and service excellence to the customer.

MAJOR DEVELOPMENTS DURING THE PAST 5 YEARS

Year 2011

- At the end of 2010, PCF4 and PCF5 have started its operation and were fully utilized by mid of 2011.

- The Company newly launched the following brands

- Townhouse: “Villette”, “The Reno” and “Patio” to serve middle-to-high home buyers.
- Single Detached House : “Natura” and “Pruksa Puri” to serve middle-to-high home buyers.
- Condominium: “Plum” to serve middle-to-low income.

- New projects are expanded to other provinces such as Phuket (“Pruksa Ville”) and Khonkaen (Single Detached House/Duplex houses, under the brand of “Pruksa Nara”).

- In Bangalore, the Company transferred its very first low-rise unit from project “Pruksa Silvana” (401 Units) in December 2011. The total accumulated booking since 2011 reached Bt469m.

- In Maldives, the Company started to transfer condominium units in its first 2 building from 9 buildings from “Coral Ville” project on Hulhumale, Maldives.

- In November 2011, Bangkok suburbs and its vicinity suffered from severe floods, which resulted in increased cancellation of booking and transfers. However, the Company still recorded the highest ownership transfer of Bt23,231m, which was the highest amongst the industry. In addition, the Company’s presale of Bt25,554m ranked the second highest in its history. Due to the well-prepared flood protection plan, there was no flood in the areas of the main factories, PCF1 and PCF5, but the area around the factories was flooded. As a result, the factories were temporarily closed for 40 days. The production was resumed in December 2011.

Year 2012

- The Company has implemented a new construction technology called “Real Estate Manufacturing (REM)” in order to reduce not only dependence on labor and working hours but increase in productivity and quality. REM process is similar to car manufacturing process. During construction period, a contractor is assigned and responsible for only a job in which he is skilled. With this method, the average construction time of low rise project has been reduced from 45 days to 21 days.

- According to 2011 floods, the Company set necessary procedures, which help reduce risks and prepare for future floods, for every launched project such as soil modification at construction sites (low plains, slopping land, etc.), landfill at either main road level or past flooding level, improvement of drainage system and flood protection system of projects.

- On September 21, 2012 the Company issued and offered two tranches of debentures for sale with the total value of Bt5,000m. The first tranche is worth Bt3,000m with three and a half-year maturity and the second tranche is worth Bt2,000m with five-year maturity. The redemption is due in 2016 and 2017, respectively.

Year 2013

- The Company announced a new vision “With building valuable dwellings for each family to perceive happiness, family warmth, and have a better daily life, Pruksa is determined to be ranked number one brand in customers’ minds for residential real estate business, and become one of the top ten real estate brands in Asia.” Besides, reorganization was done in response to customers’ needs of each segment and each level. Managements’ responsibilities are divided into housing market segmentation with a focus on innovative construction, good quality houses, excellent

service, and flexible management by being in line with a regular change in competitive real estate market. The company achieved the highest record of presales, ownership transfers and transferred units.

- Prefabricated bathroom has been developed for a condominium project (starting the installation in 2014). As a result, beautiful models with higher quality are offered. In addition, after-use problems, labor shortage problem, and unskilled worker problem will be lowered and be able to transfer the new units faster.

- Fully Precast system, developed for constructing an eight-storey condominium project (low rise), is Pruksa's strong point which has not only reduced the business cycle time but has also solved labor shortage and work quality at the sites from using prefabricated materials. This technology developed from the Company's expertise in townhouse and single-detached house construction and process of integrating REM system with new construction technology. Moreover, Asian Institute of Technology (AIT) jointly analyzed earthquake-resistance of that structure.

- Building Information Management (BIM), which is officially known as Building Information Modeling, has improved three-dimensional construction drawing. BIM has also helped to reduce the conflicting drawing during the construction process. To aid the estimation of material quantities and to reduce the number of steps in working process, the computerized calculation system is used.

- In order to support the Company's growth as the business plan, the Company invested Bt2,300m to purchase 130 Rais at Navanakorn Industrial Estate in Pathumthani province for construct another two Precast Concrete Factories (PCF6 and PCF7). PCF6 is Fully Automated Carousel System Plant with the highest capacity of producing bearing wall in Thailand controlled every manufacturing process as follows:

- Shuttering and block out robot
- Automated mesh plant with mesh storage and handling system
- Automatic concrete pavers
- Automatic concrete polishing machine
- De shuttering robot

- Finished goods automatic storage

The new Pruksa Precast Factory situated in Navanakorn is the first Green Factory in Thailand that reduces pollution arising from noise, dust, and waste water. The world most advanced technology and machinery from Germany are used in this factory. Robot is employed in the production process in order to reduce manpower shortage. In the production process, the automated system is computer-controlled, and can thus deliver products of above-standard quality. In addition, the concrete recycling process is implemented in order to re-use waste water and concrete debris left from working process in the production process once again. Thus, there is no material left from the production which becomes friendly to the environment.

- On May 15, 2013 The Company issued and offered two tranches of debentures for sale with the total value of Bt6,000m. The first tranche is worth Bt3,000m with three year and one month maturity and the second tranche is worth Bt3,000m with five-year maturity. The redemption is due in 2016 and 2018, respectively.

Year 2014

- The "I-Inspection II" program is initially launched in the townhouse projects under the brand of "Pruksa Ville" in February in order to increase the effectiveness of home-delivery inspection for the customers through tablet instrument. The delivery of home has become faster and satisfactory. Thus, the use of such program has been expanded to other brands within the Company.

- The customer-base expansion strategy is applied to other segments to encompass wider scope. In March, a premium single detached house project was launched under the brand "The Palm" on Patanakarn Road, at price range between of Bt9-25m per unit. Precast has been used at the premium house level and is well accepted by the customers. The first phase was sold out within a short period of time.

- Cost management has become more effective. The use of Pruksa Precast Technology and Pruksa REM (Real Estate Manufacturing) has well contributed

in cost control, business cycle time and defect from construction reduction. The business cycle time for low-rise housing is reduced from 146 days to 87 days. Transferred date and asset turnover has achieved as the company target. Besides, the Company is more cost-worthy than peers in same market with 10-15% higher pricing.

- The Company has used prefabricated bathroom in condominium projects such as Plum Condo in Bangyai and Plum Condo in Rama 2. The use of precast bathroom for low-rise projects is also under the company study. This can help in shortening the construction time with better-quality bathroom.

- At two Prukha Precast Factories (PCF6 and PCF7) in Navanakorn, the production in some part has been launched since September 2014. The production capacity is approximately 480 housing units per month. Plus with another 5 factories in Lamlookka, the production capacity of which is 640 housing units per month. The Company then has total production capacity of 1,120 housing units per month. This is in line with the new launch projects and the plan of quality houses transfer to customers which increases every years.

- On January 31, 2014 the Company issued and offered one tranche of debenture for sale with the total value of Bt2,000m with three-year maturity. The redemption is due in 2017.

- On September 17, 2014 the Company issued and offered two tranches of debentures for sale with the total value of Bt4,000m, with two year and nine month maturity and three-year and six month maturity. The redemption is due in 2017 and 2018, respectively.

Year 2015

- The Company has started its slogan of “Create Value for Customer” to reflect the encouragement of Prukha value by innovative creative. PS core business is “Creative thinking” behind the value product and service. The Company continuously develops its innovation and was accepted by customers. The Company ranks as the number one in Real Estate business as “Innovative creativity” from BrandAge Magazine and

Company Magazine from research “Thailand’s Most Admired Company 2015”.

- The Company has planned to expand its customer by focusing on outstanding of homes model to support the higher land prices and the development of the 3 storey Single Detached House brand “The Plant Elite” on Pattanakarn road with starting price Bt9.7m.

- May 13, 2015, the Company issued and offered two tranches of debentures for sale with the total value of Bt3,000m with three year and six month maturity and five year maturity. The redemption is due in 2018 and 2020, respectively.

- October 2015, the Company paid dividend for 6 months (1 Jan 2015 – 30 June 2015) of Bt0.50 per share.

THE COMPANY'S AFFILIATES STRUCTURE

The Company's affiliates both domestic and overseas which were already incorporated as on December 31, 2015

No.	Founded	Name of affiliates	Location	Registered Capital	Paid-up Capital	Share Premium	% Share holding
1	2005	Kaysorn Construction Co., Ltd.	Bangkok	Bt100m	Bt100m	-	100%
2	2006	Putthachart Estate Co., Ltd.	Bangkok	Bt1,000m	Bt800m	-	100%
3	2006	Phanalee Estate Co., Ltd.	Bangkok	Bt1,000m	Bt800m	-	100%
4	2008	Pruksa Overseas Co., Ltd.	Bangkok	Bt600m	Bt500m	-	100%
5	2009	Pruksa International Co., Ltd.	Bangkok	Bt1,000m	Bt1,000m	-	100%
6	2009	Pruksa India Housing Ltd.	Bangalore, India	Equivalent to USD0.6m	Equivalent to USD0.4m	Equivalent to USD19.6m	100%
7	2010	Pruksa Overseas Services Co., Ltd.	Bangkok	Bt10.0m	Bt2.5m	-	100%
8	2010	Pruksa India Construction Private Ltd.	Bangalore, India	Equivalent to USD0.03m	Equivalent to USD0.02m	Equivalent to USD0.09m	100%
9	2010	Pruksa Vietnam Construction ⁽¹⁾	Haiphong Vietnam	-	-	-	-
10	2010	Pruksa-Luxora Housing Pvt.	Mumbai, India	Equivalent to USD1.2m	Equivalent to USD0.01m	Equivalent to USD0.006m	50%
11	2010	Pruksa-HDC Housing Private Ltd.	Maldives	Equivalent to USD10.0m	Equivalent to USD5.0m	-	80%
12	2010	Kaysorn Construction Ltd., Maldives Branch ⁽²⁾	Maldives	-	-	-	100%
13	2011	Mohan Mutha Lifespaces Private Ltd ⁽³⁾ (Pruksa - Mohan Mutha Real Estate)	Chennai, India	Equivalent to USD2.0m	Equivalent to USD0.02m	Equivalent to USD0.09m	84.85%
14	2013	Pruksa Vietnam Co.,Ltd.	Hai Phong, Vietnam	Equivalent to USD10.0m	Equivalent to USD3.56m	-	85%
15	2013	Thanatthep Engineering & Construction Co., Ltd. ⁽⁴⁾	Bangkok	Bt5.0m	Bt5.0m	-	51%

Remark

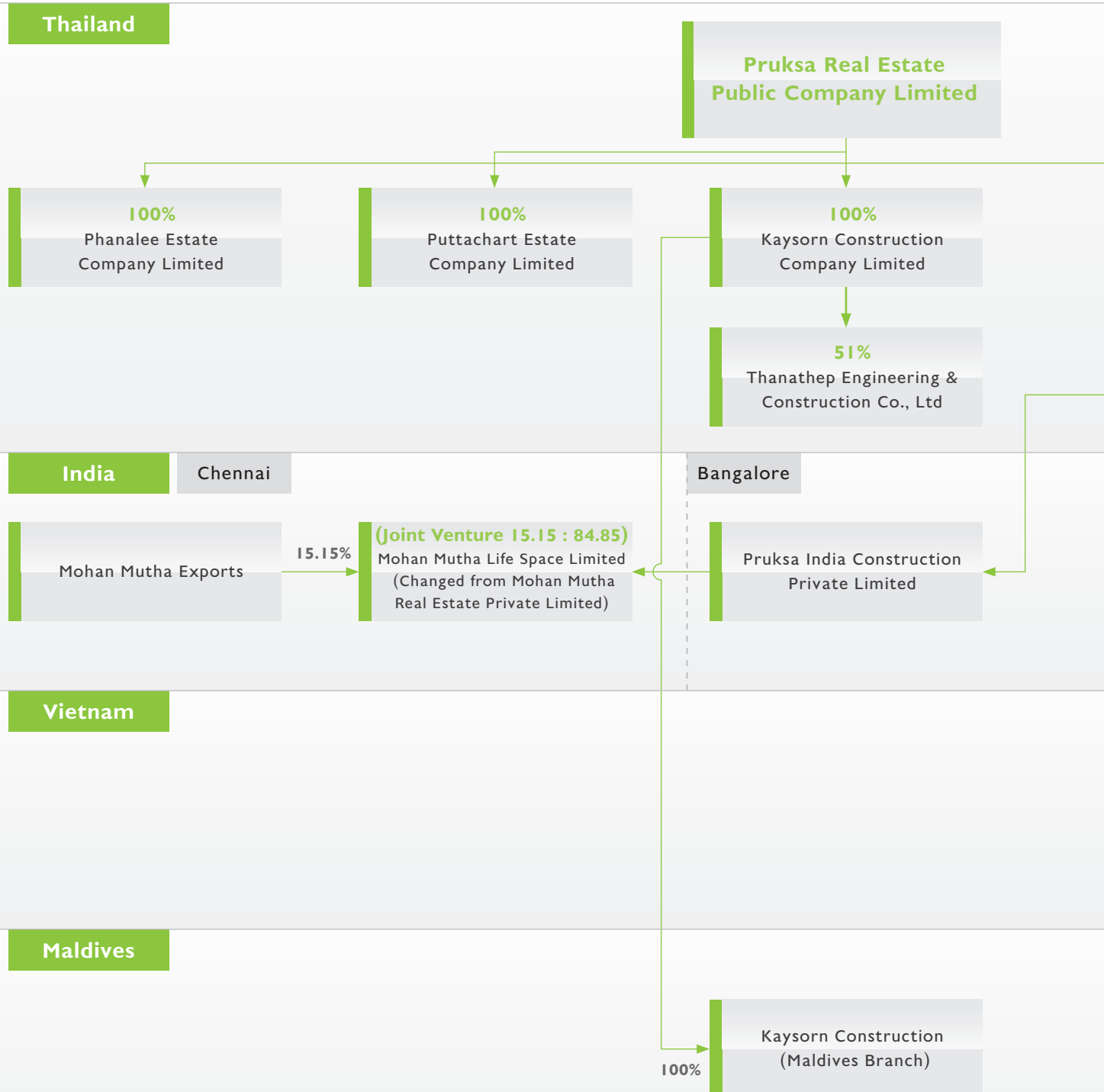
⁽¹⁾ Pruksa Vietnam Construction has been closed since Y2015

⁽²⁾ It is a branch of Kaysorn Construction Co., Ltd.

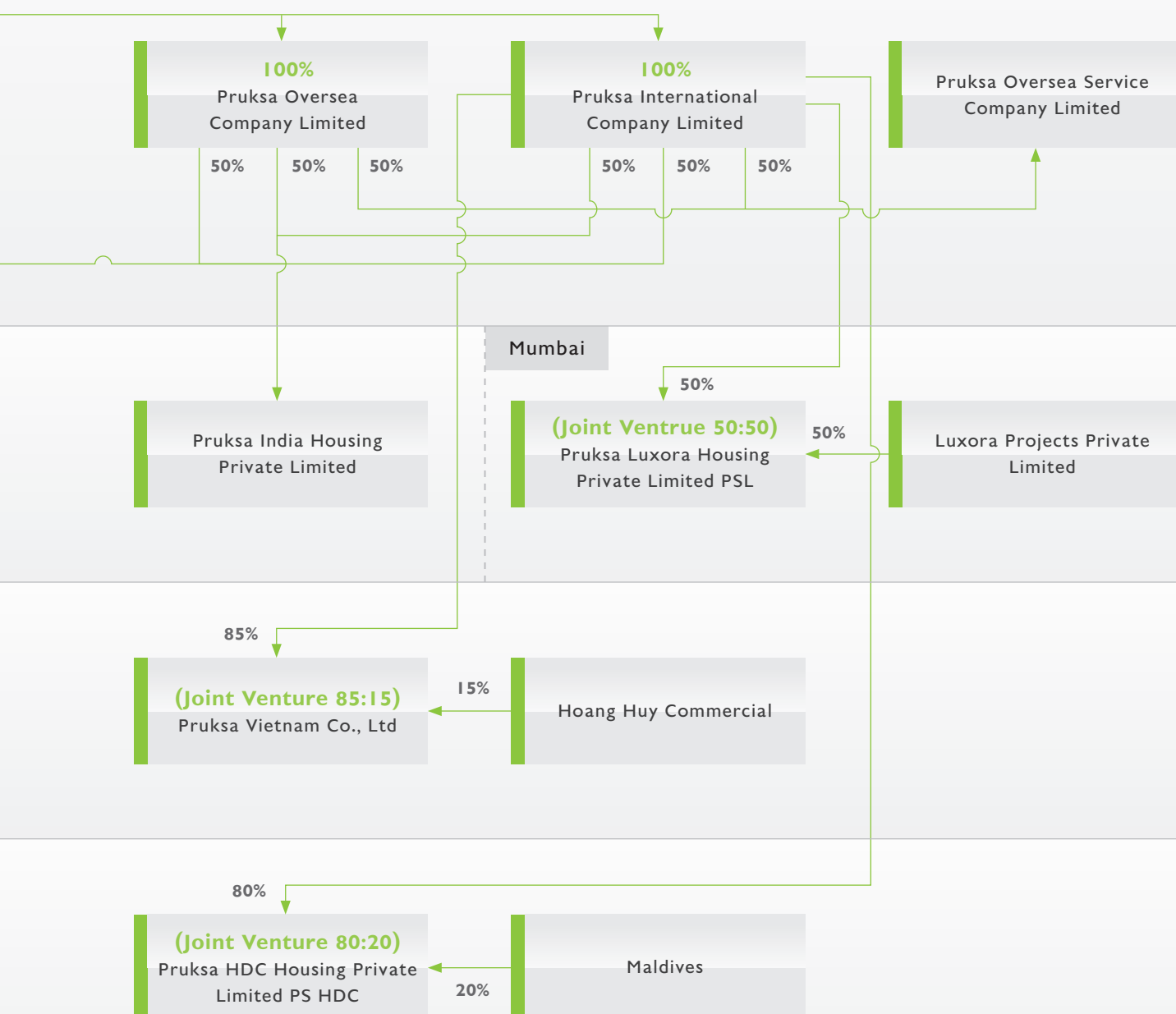
⁽³⁾ In a process of stock trading to partner

⁽⁴⁾ Thanatthep Engineering & Construction Co., Ltd. has official closed its business at Commerce Ministry since 25 August 2015

SUBSIDIARIES STRUCTURE



As of December 31, 2015



NATURE OF BUSINESS

REVENUE STRUCTURE

From 1993 to December 31, 2015, the Company has launched 494 projects. The revenues of the Company are divided as follows:

Product types	For the year ended on December 31					
	2013		2014		2015	
	(Bt m)	%	(Bt m)	%	(Bt m)	%
Townhouse (Thailand)	20,669	52.9	22,791	53.0	23,023	44.8
Single-detached house (Thailand)	9,195	23.6	9,776	22.7	10,135	19.7
Condominium (Thailand)	8,450	21.6	9,694	22.5	17,236	33.5
International	497	1.3	441	1.0	278	0.5
Total	38,811	99.4	42,702	99.2	50,672	98.5
Other revenue *	37	0.1	79	0.2	568	1.1
Revenue from sale of real estate	38,848	99.5	42,781	99.4	51,240	99.6
Other Income	193	0.5	246	0.6	198	0.4
Total revenue	39,041	100.0	43,027	100.0	51,438	100.0

Note

* Other revenue was comprised of land sale and construction revenue

Existing residential housing projects as of December 31, 2015 consisted of 173 projects which details are follows;

Active project as of December 31, 2015	No. of Projects	Total Project Value		Sold		Unsold	
		Units	(Bt m)	Units	(Bt m)	Units	(Bt m)
Bann Pruksa	24	8,527	16,458	4,402	7,807	4,125	8,651
IVY	1	19	361	18	333	1	28
Patio	4	919	4,023	393	1,652	526	2,371
Pruksa Lite	3	705	1,460	388	758	317	701
Pruksa Town	17	4,872	12,641	3,245	7,650	1,627	4,991
Pruksa Village	1	292	687	62	144	230	543
Pruksa Ville	27	7,322	18,545	3,247	7,902	4,075	10,643
The Connect	11	3,409	11,042	1,419	3,865	1,990	7,177
The Plant	2	763	2,817	337	1,252	426	1,565
Villette	4	1,276	4,019	611	1,950	665	2,069
Total Townhouse	94	28,104	72,054	14,122	33,313	13,982	38,741
Passorn	10	2,797	11,730	1,195	5,199	1,602	6,531
Pruksa Nara	3	926	3,014	665	2,116	261	899
Pruksa Puri	1	189	799	122	520	67	279
Pruksa Town	4	746	3,227	475	1,836	271	1,390
Pruksa Village	14	3,636	13,249	2,336	8,145	1,300	5,104
The Palm	2	299	3,373	126	1,543	173	1,831
The Plant	12	2,387	12,251	1,120	5,461	1,267	6,790
Total Single Detach House	46	10,980	47,643	6,039	24,820	4,941	22,824
Chapter One	4	3,355	8,585	3,022	7,646	333	939
Condolette	3	1,002	3,804	842	3,074	160	730
Fuse	3	2,323	6,685	1,335	3,506	988	3,179
Plum Condo	9	17,535	21,528	9,972	12,003	7,563	9,525
Privacy	7	1,358	2,514	985	1,806	373	708
Stylish	2	514	3,061	382	2,245	132	816
The Tree	3	4,492	11,105	3,120	8,080	1,372	3,025
Urbano	1	253	2,063	217	1,632	36	430
Total Condominium	32	30,832	59,345	19,875	39,993	10,957	19,352
Silvana Bangalore (India)	1	401	1,505	383	1,422	18	83
Total International	1	401	1,505	383	1,422	18	83
Total	173	70,317	180,547	40,419	99,548	29,898	81,000

BUSINESS STRUCTURE

The Company has two businesses structures;

1. Domestic real estate business
2. Overseas real estate business

For both domestic and overseas real estate businesses, the Company focuses its expertise in housing project development and conducts a business in which the Company has many years' experience and has competitive advantage.

1. DOMESTIC REAL ESTATE BUSINESS

The Company has been developing housing projects in 3 types which are single detached house, town house/ duplex house and condominium by focusing on Bangkok and its vicinities. The Company focuses in BMR (Bangkok Metropolitan Region) which is a high growth potential area. In 2010, the Company launched its first upcountry projects in Nakornpatom, Chonburi and Phuket. The Company launched its first North-Eastern project in Khon Kaen and more projects in Phuket by 2011. Moreover, in 2014 and 2015, the Company expanded low rise products to upper market and improve brand image for clearer business management direction in each segment to be long term sustainability with strong financial status.

2. OVERSEAS REAL ESTATE BUSINESS

The Company's policy has a plan to invest in overseas market. In 2010, the first overseas project was Republic of Maldives, followed by Republic of India and Vietnam. According to the result of feasibility study, investment opportunity, economics and foreign investment support policy, the Company decided to focus on project development in Republic of India.

2.1 Bangalore, the Republic of India

Focus on townhouse/single detached house/duplex in Bangalore, brand "Pruksa Silvana" (100% own by PRUKSA subsidiary). Total low rise 401 units (321 single detached houses and 80 townhouses) with project

value of Bt1,504m. The first unit was transferred in December 2011. In 2015 presale and revenue were Bt241m and Bt278m, respectively. The cumulative presale and revenue were Bt1,422m and Bt1,350m, respectively. The Company planned to acquire more land plot for further development.

2.2 Hulhumale, the Republic of Maldives : Coral Ville Condominium

This projected jointly invested with Housing Development Corporation (HDC). While the Company holds for 80% shares. The Company developed small size of condominium in Hulhumale. The project phase I consists of nine 5-storey buildings with 180 units, value of Bt376m. Both construction work and ownership transfer were completed. However, the Company revised to hold the investment plan for next phase because of inhospitable investment situation such as small market, economic vulnerability, and a shortage of foreign currency in the banking system.

2.3 Haiphong, the democratic republic of Vietnam

The Company was established a joint venture between Pruksa Vietnam Company Limited and local developer, Hoang Huy Service Investment Co., to develop the affordable residence for the low income earners. Investment license for residential development projects was obtained in January 2013. The Company holds 85% of the total registered capital. Pruksa Vietnam Construction Company Limited, the Company holds for 100%, was closed down on December 17, 2015.

PRODUCT TYPES

1. TOWNHOUSES/DUPLEX HOUSES

The townhouse commercial buildings and duplex houses' market is around 20.0% of total housing market by newly registered housing units in Bangkok and vicinities registered in 2014. It was accounted

for 45.0% of the Company's real estate revenue. In 2015, the Company launched totally 34 new townhouse projects.

Ownership Transfer	2013	2014	2015
Total units of townhouse projects	10,941	10,880	10,696
Revenues from sales of townhouses (Bt m)	20,669	22,791	23,026
Total registered townhouses, commercial buildings, and duplex houses in Bangkok Metropolis and its suburbs ⁽¹⁾ (units)	23,746	20,082	21,418

Remark

⁽¹⁾ Source from REIC : the Real Estate Information Center built by developers (latest updated on February 10, 2016)

The Company has developed Pruksa constructions in many brands of townhouses with various models. It set prices starting from Bt1.0-5.0m.

In 2010, the Company further expanded to townhouse development under the existing brands to new market areas covering both Bangkok and vicinities area, including the continuity of product and service improvement. The new brand of townhouse, Urbano, has been introduced in urban area. In addition, townhouse projects under the brand "Pruksa Nara" has been developed in Ayutthaya, Chonburi and Khon Kaen while "The Connect" and "Villete" has been expanded into new city areas of Bangkok, which have no Pruksa's projects yet. Besides, "Pruksa Ville" has been expanded into provinces such as Phuket and Chonburi. The Company has launched townhome style with larger areas in its three or four stories such as "Villette", "Patio", "We/2" and "The Connect UP3" brands targeting on middle to high income customers and located closer to town with higher selling price. The projects are in Muang Thong Thani, Chaeng Wattana zone and Pattakarn Soi 38 zone in which are close to prime area with no flooding and are sold at attractive price. Moreover, there are few developers selling low rise houses in the neighbourhood at present as most

of them rather offer condominium. The Company has competitive land cost from the auction sale by Thai Asset Management Corporation (TAMC). Therefore, the Company can sell low rise houses with attractive selling price starting from Bt2.5m.

The new brands launched in 2014 were "Pruksa Lite" and "Villette Lite". As a result, the Company's market share in townhouse-unit-transfer has been number one amongst Thailand residential developers for several consecutive years.

The Company expands its business into up-country by launching "Pruksa Ville" in Chiangmai where it has the overwhelm welcome with presale amount of Bt100m in the 1st month of project launch. The Company focuses on low to middle income customers and expands to high income customers who desire to have own houses and are not buying for speculation. The Company has operated business with Create Value for the Company customers by applied construction innovation for better quality house in order to respond to basic needs of customers for housing of comparable quality but lower prices when compared to other developers' housing of similar designs, sizes, and locations. Furthermore, the Company has emphasized customer services on creativity and value added for customer impressive.

The Company endeavors grow its share in townhouses as planned. The market customers need research has been conducted and adopted to continuously improve Pruksa products and aftersales services in specific pricing segment. In 2015, the Company has adjusted modified its strategy by increasing the volume of prefabricated homes in order to respond ready to move in customers market which enables to reduce buyer's burden regarding to the rental expense and down payment at the same time. This strategy results in gradually decreased number of mortgage cancellations.

Future plan – townhouses

The Company business plan in 2016 is targeting to launch 42-44 townhouse projects located in Bangkok and vicinities and up country, with the presale target around 47% of total presale.

2. SINGLE DETACHED HOUSE

The single detached house market size is around 27% of the total resident registration. The Company has generated income from single detached house by 20% of the total revenue from selling of real estate. In 2015, the Company launched single detached house total 6 projects.

Ownership Transfer	2013	2014	2015
Total units of townhouse projects	2,228	2,286	2,319
Revenues from sales of single-detached house projects (Bt m)	9,195	9,776	10,135
Total registered single-detached houses in Bangkok Metropolis and its suburbs ⁽¹⁾ (units)	13,484	13,443	12,598

Remark

⁽¹⁾ Source from REIC : the Real Estate Information Center built by developers (latest updated on February 10, 2016)

The Company has extended projects as to cover all segments in the market, more particularly it has expanded into the housing value of above Bt10.0m under brand “The Palm” at Pruksa Pattanakarn Avenue which is the Company’s first project that has an average selling price unit of more than Bt10.0m and has been very well accepted.

The Company has improved the housing design in terms of architecture and engineering with increased innovation and construction methods in order to enhance quality of housing under the costs efficient management. The Company then builds a house faster with cost savings, causing customers affordability at a lower price. Moreover, the Company has continuously improved its quality and service in all product segments to support key market group at pricing of Bt3.0-7.0m and high end customers which is expected to expand gradually going forward.

In 2015, the Company expanded its marketshare in single detached house with starting price of Bt10.0m. The Plant Elite, an additional project from “The Palm”, where is the 3-storey housing located in Soi Pattana-

karn 38 with high success from customer acceptance. The Company plans to expand premium market in project selling price above Bt10.0m in 2016 as well as housing selling price below Bt3.0m.

Year 2015, the Company expanded projects into both Bangkok and upcountry by increasing the number of projects to support the Company growth and fulfill the market demand.

Currently, the Company has expanded projects into upcountry such as Phuket, Chiangmai, Chonburi, Ayutthaya and Khonkaen which generated approximately 10% of the total revenue of single detached house in 2015 and plans to expand into other provinces in 2016.

Future plan – Single detached house

The Company’s business plan in 2016 is targeting to launch 12-14 single detached house projects located in Bangkok and its vicinities and up country, with the presale target around 25% of total presale.

3. CONDOMINIUM

The condominium market size in Bangkok and vicinity is 53% of the total resident registration. The Company has generate income from condominium by 34% of the total revenue from selling of real estate. In 2015, the Company launched 4 condominium projects.

Ownership Transfer	2013	2014	2015
Total units of condominium projects	3,800	3,800	7,624
Revenues from sales of condominium projects (Bt m)	8,450	9,694	17,236
Total registered condominium in Bangkok Metropolis and its suburbs ⁽¹⁾ (units)	69,532	75,058	64,454

Remark

⁽¹⁾ Source from REIC : the Real Estate Information Center built by developers (latest updated on February 10, 2016)

The Company has adjusted its marketing strategy and revenue structure due to dramatic change in hous-

ing demand in Bangkok and its vicinities. In addition, the development of public mass transit such as BTS and MRT has caused higher demand for condominium along such areas since 2007.

In 2009, the Company developed a new market by constructing boutique condominium using “The Seed Theme” as its brand. “The Seed Musee Sukhumvit 26” and “The Seed Memory Siam” were such successful projects that not only both high-end condominiums were rapidly sold out but Pruksa was also known and accepted by high-income buyers. Moreover, the Company has been developing further condominium projects to serve the promotion privileges granted by the Board of Investment (BOI) aiming at low to middle income residents with selling prices of not over Bt1.0m together with utility space of not less than 28 square meters. In the same year, the Company has penetrated into condominium markets for low and middle income residents called “BOI condominium market” using “The Tree” and “BE YOU” as its brands. “The Tree Ladprao” was the first project which was very successful sale.

The new brands launched in 2010 are “Condolette”, “Chapter One”, “Fuse”, “Urbano”, and “Coral Ville (Maldives)”. Due to the four consecutive years success, the Company recorded Bt12,340m in presale which was the highest value in the industry.

In late 2010, condominium market showed sign of a slowdown due to an oversupply and strengthen loan to value (LTV) criteria. Therefore, the Company did not focus on condominium much in 2011. Only one new brand, “The Plum” was introduced in the market serving mid-to-low income earners at selling price around Bt1.0–2.0m.

Throughout the year 2011, there were many factors discouraging condominium sellers such as oversupply and delayed with rather ambiguous government incentive for home buyers. Such hesitation diminished condominium presale as foreseen by the Company. Therefore, the Company kept focusing on transferring the existing condominium and received very high success.

The recovery sign in condominium market was seen in 2012 because of the economic recovery following

the 2011 floods, demand for condominiums located along the current or new extension to the mass transit lines as the second home and desire for reducing the commuting time to work help pushed demand higher. As a result, the total presale and ownership transferred achieved its target. The growth of condominium market rose continually in 2012 and will likely continue to increase.

In 2013, condominium projects such as “Fuse” and “Condolette”, which are existing brands, including new brands such as “The Reserve” and “The Editor” have been launched. Such condominium projects which target middle-end and high-end customers are located in either downtown or along BTS or MRT lines such as Sathorn, Saphankwai, and Kasetsart University etc. Moreover, an upward trend in condominiums with selling prices of both less than Bt1.0m and Bt1.0-2.0m are likely to grow continually at higher rates. Consequently, a condominium project such as “Plum Phahonyothin 89” located in the suburbs of Bangkok has been launched to meet the demands. The Company has penetrated further into such market segmentation and achieved high volume of sales in 2013. The Company has also launched “The Privacy” of which selling points focus on small space condominium, fast construction, and location being in a Soi.

Due to political uncertainty in the first half of 2014, it was highly impacted to condominium market. However many developers, including Pruksa, gradually launched many projects after second quarter of 2014 especially in 3rd and 4th quarter of 2014. The company also launched many new projects in various locations such as The Tree-Bang Aor, The Urbano by Signature and The Plum Condo. The condominium market and the company condominium presale strongly recovered in third quarter of 2015.

The Company launched new projects by focusing on the potential location in 2015 with new opened projects such as Chapter One-Mid Town, Ladprao 24 and The Plum Condo-Central Station located next to Central West Gate. Such mentioned projects had well acceptance from customers and shortly sold out. The market condominium hit highest revenue record

in 2015 due to high presale in 2013. The Company condominiums, particularly, achieved Bt15,502m of presale in 2015, mainly benefited from the reduction of transfer and mortgage fees to 0.01% from the government's housing stimulus package. The higher presale of condominium market in medium to high market delivered higher revenue of condominium portion compared with other products of the Company.

Future plan – Condominiums

The Company's business plan in 2016 is targeting to launch 6-7 condominium projects located in Bangkok and its vicinities, with the presale target around 28% of total presale. The Company has emphasized the penetration of inexpensive condominium market, which is under brand "Plum". Precast construction technology and new construction technology which are the Company's competitive advantage are applied to some part of low selling price condominium projects so that handover of new units with good quality can be done quickly. Moreover, the Company also plans to increase market share in the medium to high condominium under brand, The Tree, Chapter One and The Reserve.

PRODUCTION MANAGEMENT

I. CONSTRUCTION MANAGEMENT - TOWNHOUSES

The Company organizes construction management into two departments as follows:

1. Construction management department

This department supervises and implements the construction of all projects under the agreed plans and models. It manages the construction costs within the budget and coordinates with the Company's Budget Department.

2. Quality assurance department

This department inspects the quality of each individual housing unit to ensure standard required.

Besides, the Company has central departments to support construction management for both townhouse and single detached house projects. The support

departments are as follows:

- **Contractor Recruiting Department:** This department recruits specialized contractors and laborers for each project as required
- **Purchasing Department:** This department is responsible for purchases materials for use in construction and makes construction management more flexible and more efficiency
- **Research and Development Department:** This department utilizes appropriate technologies for application in design and construction work
- **Engineering Department:** This department is responsible for designs and solving technical problems
- **Project Development Department:** This department serves as the coordinator and participates in the development of housing designs

Housing design

Housing design for each project, the marketing and sales departments will coordinate with the project development department as to determine the guidelines and the conceptual design of the project including budget and construction technique. Then, the project will be assigned to the architect in order to design the housing according to that guideline. Later, the architect will design in detail parts (detailed design) for a completed home prior the Company will start the construction.

For townhouse construction, the Company divides the work into production lines, each of which is able to build about 40 townhouse units per month. In each project, there may be more than one production line, depending on the project size. The Company assigns about 10 staff members to supervise the construction work at each production line, with the project manager being the project supervisor, and project engineers, field engineers, and foremen supervising construction work at each stage and specialized contractors hired to carry out detailed work, such as foundation work, masonry, parts installation, floor tiling, and roofing. The company hires specialized contractors and laborers at appropriate numbers for each production line. During the construction period, the Company's quality assur-

ance department inspects the house quality periodically and the overall quality after completion of the house construction, prior to sale or delivery to the customer.

The Company is able to build this type of house with comparable quality and more useable area with similar designs, sizes and locations, at a cost lower than those of other operators. In addition to the ability to manage construction work by itself, the Company has another advantage, i.e. it employs production technologies to reduce the construction period. This can save costs and labor expenses, while maintaining work quality. The Company uses the Cast-In Situ Load Bearing Wall Structure system in the construction of Baan Pruksa projects and the RC Load Bearing Wall Prefabrication system in the construction of single detached houses in the “Pruksa Ville” and “The Connect” projects.

The cast-in situ load bearing wall structure system

The Company purchased this technology from France. This system uses walls to bear the weight in place of pillars and beams, skipping the step of cement pouring for pillars and beams. The walls are assembled and installed at the construction site. Then the walls are tied with a steel structure into which cement is poured. The steel frame is subsequently removed and a bearing wall is created. By this method, the work is done more quickly. The Company was among the first few developers which employed this system in the construction of one-story townhouse which required about 30 days per unit from the commencing date to complete the construction, which is more efficient than the conventional method of construction which require about 180 days per unit. The Company had used the conventional method in the construction of early townhouse projects such as “Baan Pruksa 1” and “Baan Pruksa 2”.

Later, the Company has developed new construction technologies to boost house construction efficiency. It has employed the Tunnel Technology in the construction of two-story townhouses. The construction starts with the fitting of steel-framed walls and the upper

floor at the same time, followed by structure steel bar wire tying and concrete pouring for the lower walls and the upper floor, also in one step. Then the upper walls and roof frames are fitted in. By this method, the outside working period is much shorter than the conventional method and a solid, strong and beautiful house is obtained. By using Tunnel Technology in construction, a house is completed in about 60-80 days. This method is much quicker, compared with the conventional method, which requires about 180 days. The Company has used this technology in the construction of Baan Pruksa 3 projects and the subsequent projects. In addition to the construction of townhouses, this technology can be used in the construction of 8-storey condominiums.

The advantages of this technology are as follows:

1. The house structure is solid and strong because the pre-cast steel-reinforced concrete walls are longer lasting than conventional brick walls.
2. Easier quality control as the system has a firmly established procedure.
3. The construction period can be easily controlled as unnecessary construction site Pruksa are skipped, thus requiring shorter time for construction than the conventional method.
4. It is appropriate for major products which have the same models.
5. It depends less on skilled labor, which is an important part of the construction cost.
6. Bricklaying and masonry on walls is omitted in addition to concrete pouring for beams and pillars.
7. The problem on wastes from work, which is a major problem in construction, is reduced, resulting in cost saving and an orderly working condition in the construction site.

RC load Bearing wall prefabrication (details appeared on topic ‘construction management – single detached house’)

The Company has a factory which uses a battery mold system to produce precast fences and pillars for single detached houses and townhouses (“Pruksa Ville” and “The Connect” projects). Therefore, the Company is able to build townhouses in mass volume to meet

market demands and in effect to manage construction costs efficiently from economy of scale.

2. CONSTRUCTION MANAGEMENT – SINGLE DETACHED HOUSE

A single detached house project is similar to managing of townhouse construction project. However, for the construction of each project, the Company assigns staff by project rather than by product line, as the number of housing units in each single detached house project is smaller than that of a townhouse project. About 30-40 staff members are assigned to supervise the construction of each project and specialized contractors and daily-wage workers are hired for each project as appropriate.

RC Load Bearing Wall Prefabrication:

At the beginning, the Company cooperated with the Asian Institute of Technology (AIT) in developing the RC Load Bearing Wall Prefabrication technology (or “precast wall technology” as it is often referred to) for its construction work at each site. Later, in 2004, the Company built its own Precast Concrete Factory by purchasing the technology from Germany, which uses the Semi-Automated Pallet Circulating System, the most advanced system in Thailand. The Company has used this construction technology with two-story single detached house projects as single detached houses have diverse wall designs. Each house has 30-60 parts, which under this technology are precast in the factory and delivered to the construction site for assembly.

This technology not only has the similar advantages to those of Cast-In Situ Load Bearing Wall Structure but it also has other major advantages including more useable area rather than a space for beams and pillars. Moreover, the walls are better fire-proof, heat insulating, sound-opaque, and water-proof than those built by light weight bricks. In addition, houses built under this technology require low maintenance as it has a precast structure and the insurance premium is low as a precast structure house is better fire resistant, more solid and more durable. Pruksa and the Asian

Institute of Technology (AIT) jointly studied and developed this construction technology to be able to resist an earthquake measuring up to 7 on the Richter scale.

Under this technology, the construction period is about 75-90 days for a house, compared with approximately 180 days required for constructing a house by a conventional method. However, in the early stage of using this technology, each part was cast on the construction site and not all of the parts were able to be cast. Therefore, the early housing projects had to use parts produced under this technology and those produce under conventional methods (except for single detached houses under project “Passorn11”, which were entirely built under conventional methods). The Company built the Precast Concrete Factory by using this technology in producing the parts. The factory built in 2004 and completed in January 2005 with total capacity of 3,600 single detached houses per year. It has started production of parts and the production capacity increased from 60% to 80% of the total capacity in June 2006.

The Company also has a factory to produce finished fences and pillars by using the Battery Mold system. In the production process, steel molds are placed and removed by a hydraulic control system to ensure the exact distance required between the molds before cement pouring. The factory has a total capacity to produce fences and pillars for 12 houses per day. At present, production of pillars fences for single-detached house projects and townhouse projects, and decoration pillars and townhouse parapets has been successfully increased.

When the Company entered into condominium market in 2007, PCF3 (Precast Concrete Factory No. 3) was built to produce external walls. The existing construction method was applied for internal walls and the main structure. In 2010, the Company applied the fully precast construction method for condominium. In order to support this plan, PCF3 was modified to produce Pre-stress slabs to support demand of single detached house.

In 2010, The Company has more market share in single detached house which lead to insufficient capacity

of actual productivity. The launching of new 2 factories name PCF4 and PCF5 worth Bt1,050m. The test run was started in mid of December 2010. The production capacity of PCF5 is 400 units per month. The overall capacity from all factories (PCF1, PCF4 and PCF5) is 640 units/month. PCF5 is newly factory where has the highest production capacity in Thailand.

In 2011, the PCF4 and PCF5 which test-run began at the end of 2010 were made ready for its possible full capacity. However, there was a severe flood in October 2011 attacking Bangkok and its vicinities. All plants needed to stop producing because of transportation problem. Then, the plants can be able to resume the production at its possible nameplate capacities in the middle of January 2012.

In 2013, the Construction technology used for constructing townhouse project was changed from Cast-In Situ Load Bearing Wall Structure to RC Load Bearing Wall Prefabrication. Besides, the rise in the Company's market share of single detached house resulted in over 100% capacity utilization at PCF1-PCF5 in the second half of the year 2013. Therefore, the Company has planned to construct another two Precast Concrete factories (PCF6 and PCF7) and the manufacturing process will be operated in third Quarter of 2014. The Company has purchased 130 Rais of land next to Navanakorn Industrial Estate in Pathumthani province.

In 2014, the Company built 2 new Precast Concrete Factories (PCF6 and PCF7) at Navanakorn with the investment cost of Bt2,300m. The capacity of PCF6 was 480 houses a month which its operation was started in September. For the PCF7 was produced the Pre-stressed concrete slab with the long bed system technology which already installed the machineries and equipment on September and began test-run in the beginning of 2015.

As the Company expansion into condominium market, the Company then implement prefabricated bathroom to shorten the construction time and PCF2 production adjustment from fence to prefabricated bathroom which was fully operated in May 2014 with total capacity of 4,000 units per annum.

PCF7 started its operation in February 2015 with total capacity of 1,120 units per month or accounted for 5.2m Sq.m. per year, which became the highest capacity factory in Thailand.

The new Pruksa Precast factories use the world's most advanced hi-technology and machine from Germany controlled automatically by computer system in every process. In addition, a robotic assembly line has been used to reduce workforce, increase productivity and higher standard quality. Furthermore, Concrete Recycling System technology has been applied to re-use wastewater and scrap concrete in the production process again. This system is environmental friendly because there is no unwanted material left over from the production process. It has been the first "Green Factory" in Thailand which uses Concrete Recycling System in the Precast Concrete industry.

PRECAST summary report

Location	Factory	Production System	Product	Product Nameplate Capacity / month
Lumlooka	PCF1 (Carrousel I)	Semi Automated Carrousel System	Bearing Wall	62,400 sqm or 240 houses
	PCF2		Bathroom Pods	340 Pods
	PCF3	Pre-stressed Long Line System	Slab & Beam House	46,000 sqm or 700 houses
	PCF4	Battery Mould system	-Special Element -Condo/Townhouse Facade	Special Element for 1,120 houses or facade 1,200 units
Navanakorn	PCF5 (Carrousel II)	Fully Automated Carrousel System	Bearing Wall	105,600 sqm or 400 houses
	PCF6	Fully Automated Carrousel System	Bearing Wall	127,200 sqm or 480 houses
	PCF7	Pre-stressed Long Bed System	Pre-stressed Concrete Slab	60,000 sqm or 900 houses



MARKETING MANAGEMENT

DISTRIBUTION AND CHANNELS OF DISTRIBUTION OF ALL PRODUCTS

The Company has strategies to promote its products as follows:

Product strategies

In 2007, the Company developed a number of new products and expanded coverage areas with the objective of being the leader in middle-to-low income market in all products covering of the whole Bangkok Metropolis, its vicinities and also commercial centre areas. Now the Company has expanded target group of Pruksa to cover medium to high and upcountry to fulfill countrywide customers. The Company has consistently sought more efficient construction technology in order to satisfy homebuyers' requirements. This partly explains its ability to complete the construction quickly, to achieve good quality and to deliver houses to customers as scheduled. The Company also has inventory management methods to maintain the inventory level appropriate to the sales of housing units.

Pricing strategies

The Company has focused on a niche in the real estate market for low-to-middle income earners. The Company's construction costs are also lower than those of other developers as it manages construction work itself and uses advanced and efficient construction technologies. It is therefore able to maintain low production costs and shorten the construction time. Therefore, it is able to offer prices lower than those of other developers by 10-15% for townhouses and single-detached houses. And since its main objective is to build housing units for low income earners, in order to help society, it is one of the very few real estate developers granted BOI promotional privileges, with corporate income tax exemption for income from sales of housing units with a price not exceeding Bt1.2m each.

Public relation and advertisement strategies

In first half of 2014, the consumers delayed in purchase decision making for high valued assets due to the weakening economic situation in the recession period. For this reason, the Company had adjusted its strategies to communicate with the target customers by more efficiently manage the advertising budget of the organization with properly.

For the marketing campaign, the Company considered Share of Voice rate (SOV) and Share of Market rate (SOM) as to determine the proportion of media categories in the most efficient ways by using of the varieties of media channels that compatible with the current consumer behavior. In July and August 2014, the Company launched campaign "Best buy moment" or "The golden opportunity of home buyers" to promote the single detached house of its 34 projects for the first time which can boosted sales exceeding expectations and crating the effectiveness of the budget management.

For other marketing activities, the Company continuously performs activities especially those for promoting relationship with the dwellers, community, and environment. For instance, the Pruksa Fund has been launched for 13 consecutive years to provide opportunities to the children of Pruksa dwellers, in both primary and secondary schools. In addition, Pruksa sets the priority for every life with Pruksa Green Living Healthy project (which launched for over 12 years) to provide free health mobile service to the dwellers as well as the public. This includes the Pruksa Ruam Jai Rak Pakdee project for blood donation (which launched for over 20 years) in honor of the Father of the Kingdom, as it is considered that blood donation means life giving which is a great deed.

Distribution strategies

The Company has a direct channel of distribution, mainly through its sales offices, in addition to sales

offered at housing fairs. It offers the sales of new housing projects to expand the customer base by various means, such as the “Members get members” project, where the customer who introduces new customers to the Company are entitled to referral fees. Currently, the Company has a customer base of over 80,000 households.

Furthermore, the Company has planned to expand business units in order to enhance competitiveness of its business and also utilize customer base of over 80,000 households for supporting long term business growth.

PROCUREMENT OF NEW PRODUCTS AND SERVICES

1. Land purchase

The Company has no policy to collect land bank. The Company would normally conduct a project feasibility study, market condition, competition surveys, as well as the customer demand in the targeted location specific in interested certain areas. Afterwards, the Company would have land purchasing negotiation directly with the land owner or broker, comparing the proposed price with the officially appraisal price or market price, to ensure that the land prices are not unreasonably high.

2. Construction materials

Since the Company self-manages construction work, the Company then operates in purchasing of construction materials. After the Purchasing Department is informed of the material requirements in detail, it will contact each material producer directly to compare prices. Generally, the Company is given a considerable discount as mass volume buyers. After the Company has agreed with the producers on the material quantities and prices, it will order the materials through the producer’s agent for delivery to the project sites. The Company has a credit term of 30-60 days. Since 2006, it made changes to the procurement of major construction materials, such as cement, steel, and

tiles, by inviting tenders and entering into long-term price agreements; e.g. one year or 3-6 months. These methods have reduced the risks of price fluctuations. Having good relationship with many suppliers, the Company is able to obtain construction materials at a desired quantity and has never suffered a shortage of construction materials. However, it does not rely on any one supplier of construction materials. The Company has created the planning system to select the materials for usage in accordance with expanding business plan in order that the Company can make the sufficient material for works and recruit major and minor contractor efficiently.

This year, the Company has implemented the process for recruiting and evaluating partner to ensure the transparency and right potential partners to support business. In addition, it is the first year that the Company has applied e-Auction in our bidding process in order to have fair bidding to partners and obtain reasonable price as well.

3. Construction contractors

The Company is one of few real estate developers who manage construction work themselves. In running a project, the Company controls the project concept and details of the design by it own. For project construction, the Company manages the construction work by dividing it into parts such as foundation work, masonry, parts installation, floor tiling, and roofing. It hires specialized contractors to implement the work and supervises the implementation by assigning its engineers and foremen to work at the project site to meet construction specifications and standards. The Company is also able to manage construction costs efficiently as it procures construction materials itself.

Nevertheless, in order to better manage the construction capacity, the Company has begun to hire outside contractors for construction of condominiums, starting with the Ivy Thonglor project, as well as increase number of partners for condominium projects.

4. Production technologies

The Company utilizes several technologies in building townhouses, single detached houses and condominiums. For an instance, the Tunnel Technology is implemented to support two-storey townhouses.

While single detached houses are built by RC Load Bearing Wall which is constructed by precast concrete sheets. The precast sheets are also used for condominium walls and ornaments.

For small condominiums, the Company has improved construction process by applying fully precast technology for construction as the Company strength. Not only modern style, high quality, beauty and strength the Company gains from this technology, it also provides quick and precise construction process, reduce defects and solve problem of skilled labor shortage in the market.

In order to improve construction process, both Real Estate Manufacturing (REM, started in 2011) and traditional construction, the whole supply chain, beginning with land acquisition, designing, budget, procurement, transportation, manpower management and quality control, has to operate harmoniously for productivity improvement, efficiency cost and time management and quality control.

Furthermore, prefabricated bathroom has been developed for a low rise condominium projects in 2014. As applied with the Plum as first project, this enables in shorten construction time and lessen complicated stePruksa during construction. Moreover, it causes good quality, beautiful work, valuable in customer view as well as customer satisfaction.

In 2015, the Company studied and developed innovation of prefabricated bathroom for townhouses and single detached houses installment by hiring international consultant in testing and designing of prefabricated bathroom factory. Whole manufacturing process has been operated automatically, which can control quality, cost and style to deliver high quality house to customers.

5. Environmental impact

The project's housing and utilities constructions are subject to the Ministry of Natural Resources and Environment's Notification on the Criteria, Methods, Procedures, and Guidelines on the Preparation of the Report on Environmental Impact Analysis issued by virtue of the Environment Quality Promotion and Maintenance Act B.E.2535 (1992). The notification requires companies engaged in land development for housing or commercial purpose in a plot divided into 500 or more sub-plots or in a plot of over 100 Rais to submit a report on the Environment Impact Analysis (EIA) together with the application for land development under the land development law. Prior to the project construction, the Company must also submit the EIA report to the Office of Natural Resources and Environment Plans and Policy. On this matter, the Company has the required EIA report prepared by outside experts.

In housing construction, especially in a single detached house project, there may be environment impact from waste water. The Company therefore has provided waste water treatment system for each individual house and set up a central waste water treatment system for each project, so as to avoid any impact on public water sources. As for the Company's Precast Concrete Factory, which is subject to the provisions of the Factory Act B.E. 2535 (1992), the Company has established standards and methods to control the release of pollutants or any substances that may impact the environment as a result of the factory's operations.

To ensure that the Company operates with responsibility for environmental impact, its three pollution control measures are:

(a) Water pollution control measure-waste water from concrete production process is controlled to flow to water sediment ponds. Sorted stones, sand and wastewater are brought back to production process. None of wastewater is released to community areas or public streams.

(b) Air pollution control measure-to prevent dust in nearby community and the factory, water spray nozzles

are arranged at the concrete mixing plant during both piling up sand and stones and hauling them into the concrete mixing process. In addition, dust collectors are installed in the production process as well as floor scrubbers are used to reduce dust left in the building. Before roads in the factory areas are cleaned, water sprays are applied to prevent the spread.

(c) Noise pollution control measure-since noise resulting from the production process is mainly caused by concrete compression machines, noise barrier was installed in 2008. Later, new concrete compression

machines with shaking system were bought to replace the original ones with vibrating system. This can reduce sound intensity very much. Moreover, decibel level at the factory areas and adjacent community is inspected yearly.

Year 2015, Precast Navanakorn received “Green Industrial (GI) level 2” certificate from Industrial Ministry. PCF-Navakorn implemented Solar Cell with lighting and pumping system as well as the reused water for plant gardening in factory and saving both lighting and water resources.

Investment Promotion Policy announced by BOI-Townhouse and Condominium

Previous Investment Promotion Policy	Amendment of Investment Promotion Policy for BOI Bt1.0m (Condominium)	Amendment of Investment Promotion Policy for BOI Bt1.2m (Townhouse or Single Detached House)
<ul style="list-style-type: none"> Projects must comprise a minimum of 150 residential units in Zone 1 and 75 residential units in Zone 2 and Zone 3 	<ul style="list-style-type: none"> Projects must comprise a minimum of 50 residential units in every location 	<ul style="list-style-type: none"> Projects must comprise a minimum of 50 residential units in every location
<ul style="list-style-type: none"> For any residential project, area per unit must not be less than 31 square meters 	<ul style="list-style-type: none"> For Zone 1, a minimum area per unit must not be less than 28 square meters and for Zone 2 and Zone 3, a minimum area per unit must not be less than 31 square meters 	<ul style="list-style-type: none"> For Zone 1, a minimum area per unit must not be less than 70 square meters
<ul style="list-style-type: none"> Its sale price per unit must not exceed Bt600,000 (including land cost) 	<ul style="list-style-type: none"> Its sale price per unit must not exceed Bt1.0m (including land cost) for Zone 1 and not exceed Bt600,000 for Zone 2 and Zone 3 	<ul style="list-style-type: none"> Bt1.2m (including land cost) for Zone 1 and not exceed Bt600,000 for Zone 2 and Zone 3
<ul style="list-style-type: none"> Projects must obtain building permits under the Building Control Act or other related laws 	<ul style="list-style-type: none"> Projects must obtain building permits under the Building Control Act or other related laws 	<ul style="list-style-type: none"> Projects must obtain building permits under the Building Control Act or other related laws

Remark :

- 1) Zone 1 comprise 6 provinces such as Bangkok, Samutprakan, Samutsakhon, Pathumthani, Nonthaburi and Nakhonpathom
- 2) Zone 2 comprise 10 provinces such as Chonburi, Chachoengsao, Samutsongkhram, Nakhonnayok, Saraburi, Ayutthaya, Ratchaburi, Angthong, Suphanburi and Kanchanaburi
- 3) Zone 3 encompasses the remaining 60 provinces and Laemchabang Industrial Park

THE MEASUREMENT IS TO REDUCE ENVIRONMENTAL IMPACT FROM CONDOMINIUMS;

The reducing environmental impact has divided into 2 periods;

1. During construction period
2. During operation period

Both 2 measures have similar process. The details measure during the construction process in each project will not difference. The measure during operation and construction process will determine the design of the building and different by project.

Measures	During construction period	During operation period
Air quality measure	/	/
Noise measure	/	/
Vibration	/	-
Soil erosion	/	-
Water usage	/	/
Pool	-	/
Waste water	/	/
Drainage	/	/
Garbage management	/	/
Electrical system	/	/
Energy conservation	-	/
Fire protection	/	/
Traffic	/	/
Occupational health and safety	/	/
Landscape	-	/
Overshadowing sun and wind direction	-	/
Overshadowing radio and television wave	-	/

EXAMPLE OF ENVIRONMENTAL IMPACT REDUCTION MEASUREMENT

1. Air quality measure

- The installation of solid canvas from the ground to top floor of the building in order to protect dust disperse
- The water spray on project road to prevent the spread of dust in transportation area
- Project staffs visit surrounding residents for inquiry about side effect of construction

2. Noise measure

- The controlling of noising work hour to prevent the noise pollution to the community nearby
- The using of pipe foundation, jack in pile construction to minimize the effect of vibration to community
- The constructors shall not make any activities that cause noise pollution at the same times in order to prevent any excess of the noise pollution

3. Soil erosion measure

- Building sheet pile wall and bracing for preventing soil erosion during removal of sheet pile
- The excavation shall be immediately backfilled groove and properly soil compacted after removal of piling in order to prevent soil movement

4. Waste water measure

- The project should have waste water treatment tank through air fill in order to effluent waste water before discharge into the drain along the project

5. Drainage management measure

- The project design drainage system to prevent the problem during the construction

6. Garbage management measure

- The project shall provide garbage tank around the construction area and collected at various points for garbage truck to pick up and dispose later

7. Traffic measure

- The project shall provide project signboard in accordance to defined measurement for the nearby residents can contact in case of any trouble and should have clearly project name
- The projects must have security guard to facilitate car with more convenience and safety in order not to obstruct traffic

8. Occupational Health and Safety

- The project of fence installment to be obviously seen to avoid unrelated persons coming in
- The project signboard should install in the front of contraction area for nearly residents to contact in case of any trouble from construction area
- The project shall have a “Safety Talk” in the morning every day. That program shall provide the knowledge for personal health to workers



BUSINESS TRENDS AND IMPACTING FACTORS

ECONOMIC TRENDS FOR 2016

THAILAND ECONOMIC TRENDS FOR THE YEARS 2012-2016

Economics data of Thailand	2012	2013	2014	2015F	2016F
GDP growth rate (YoY%)	6.5	2.8	0.9	2.9	3.0-4.0
GDP (Bt trillion)	11.37	12.91	13.15	13.45	14.12
Average inflation rate (%)	3.02	2.2	1.9	-0.8	1.0-2.0
Policy interest rate (%)	2.75	2.25	2.00	1.50	1.45
One year deposit rate, averaged from 4 major banks (%)	2.43	2.23	1.73	1.41	N.A.
Average MLR from 4 major bank (%)	7.0	6.84	6.75	6.51	N.A.
Average Baht exchange rate (Bt/USD)	31.07	30.70	32.47	34.30	36.0-37.0
International reserves (USD billion)	181.64	167.52	157.11	155.68	156.04

Sources: IMF, World Bank, Bloomberg, Office of the National Economics and Social Development Board, Bank of Thailand and research from economists

Economists from the Office of the National Economic and Social Development Board, and the Bank of Thailand, forecasted that in general, the Thai economy in 2015 would expand by 2.90 percent, compared to 0.90 percent in 2014. This was caused by expansion of tourist industry which the number of tourists in 2015 is expected to be higher than the previous projection. The expected number of tourists in 2015 is at 30.3 million people; higher than the previous projection of 30.0 million people. Meanwhile, the negative impacts of downward revision to exports along with contraction in agriculture production due to slow down of world economy and drought that affected production, are relieved by additional the government's economic stimulus scheme. The Bank of Thailand thereby announced the policy rate decrease to 1.5 percent, while the 2015 forcurs annual inflation rate was negative 0.8 percent.

For the Thai economy in 2016, the economists from the Office of the National Economic and Social Development Board, and the Bank of Thailand, have forecasted that the economy will grow at 3.0-4.0%

as driven mainly by private consumption and public investment which will be bolstered in accordance with higher budget deficit and progress on key infrastructure projects and better global economic conditions which tend to be more favorable to the export sector. Furthermore, the continual expansion of tourism and investment which continues to contribute to Thai economic growth and the depreciation of Thai Baht which continues to support income and liquidity in Baht term as well as low world oil prices. Nevertheless, there remain some key limitations and risk factors associated with the Thai economy, including the slowdown of the Chinese economy, the depreciation of Chinese RMB and other major currencies both in trading partners' and competitors' countries, and drought impacts. Economic stability continues to remain favorable. Inflation is expected to show mild positive rate in line with the recovery of world oil prices, Thai Baht depreciation, and improving domestic demand. Average annual inflation is expected to lie between 1.0-2.0 percent which still be low level to support the recovery and expansion of domestic demand.

SUPPORTING FACTORS FOR THE ECONOMIC GROWTH IN 2016

1. The disbursement of public expenditure budget and investment project which supported by increasing in the budget deficit under the Fiscal Year 2016 budget of Bt390,000m and also significant progress on several key infrastructure projects.

2. Economic Stimulus Package phase III: In the latter half of 2015, the government has implemented 6 key economic stimulus measures including

- (1) Assistance measures for low-income earners and stimulus measures of small-scale public investment,
- (2) Fiscal and monetary measures for supporting SMEs in the urgent phase
- (3) Fiscal and monetary measures for boosting the real estate sector
- (4) Tax-incentive for supporting domestic investment
- (5) Measures to expedite investments by BOI, and
- (6) Assistance measures for rubber farmers

Despite the fact that these loan program and budget were mostly apparent in 2015, the positive impacts from tax measures will continue to foster the economic growth in 2016.

3. A gradual recovery of global economy and export prices as a consequence, the global demand as well as export price will recover.

4. The depreciation of Thai Baht: It will continue to foster income and liquidity for Thai exporters. In 2016, Thai baht will continue to further depreciate, follow by the normalization of the US Fed fund rates and depreciation trend of major currencies. This will help enhance export values in baht term.

5. A gradual recovery of crude oil price. This will foster real purchasing power and help facilitate the

implementation of accommodative monetary policy to support the economic recovery.

6. The expansion of the tourism sector: The numbers of inbound tourists in 2016 are projected to be approximately 32.5 million people or increased by 7.5 percent and are expected to generate incomes of Bt1.65bn, increasing by 9.3 percent from last year. The expansion of the tourism sector will continue to drive the overall economy and offset declined export income. The growth of the sector will be supported by (i) the low cost of travel attributed to the low crude oil price, (ii) the depreciation of Thai Baht, which reduce traveling cost in Thailand.

RISK FACTORS AND LIMITATIONS TO THE ECONOMIC GROWTH IN 2016

1. The slowdown of the Chinese economy and countries with weak economic fundamental: Although the global economy is expected to recover in line with the recovery of the U.S while the Chinese economy might slow down at a faster pace than expected.

2. Depreciation of trade partners' and competitors' currencies: particularly, the depreciation of Chinese RMB due to the economic and financial liberalization policies and depreciation of Euro and Japanese Yen following ongoing quantitative easing (QE) measures and possible extension of the QE measure, and In addition, the depreciations of aforementioned currencies will become limitations of export volume, despite the fact that Thai baht tends to depreciate further, as well as will put downward pressure on the recovery of commodity price in the world market.

3. The impact of drought which caused rice farmers to postpone their off-season rice production in the crop year 2016. Under this condition, it is likely that the agricultural output and household income will further decline from 2015 and thus will become a limitation to the economic growth.

THE COUNTRY WHERE THE COMPANY HAS INVESTMENT

The economic trend in Republic of India

	2014	2015F	2016F
GDP growth rate (YoY%)	7.3	7.3	7.5
GDP (USD billion)	2,051.23	2,182.58	2,384.73
Average inflation rate (%)	5.9	5.4	5.5
Policy interest rate (%)	8.00	6.75	6.50
Average Rupee exchange rate (Rupee/USD)	63.04	66.60	67.13
International reserves (USD billion)	319.71	352.05	351.69

Source : IMF, World Bank, Bloomberg, Reserve Bank of India

International Monetary Fund (IMF) economists are forecasting the Indian economy in 2016 will expand by 7.5 percent from policy reform of government for example issued goods & services tax bill in order to facilitate trade. In addition, decentralization from central to the local administration provided a more streamlined. The Government still supports Foreign Direct Investment (FDI), particularly construction sector results in investment expansion. The average annual inflation rate for 2016 is forecasted at 5.5 percent similar to 2015 as the Central Bank of India has implemented strict monetary measures, causing declined consumer demand and resulting in the policy rate trend to be forecasted at 6.5 percent in order to stimulate the economy. The 2016 average annual Rupiah value is expected in a weak trend at Rupiah 67.13 per one US dollar.

Real estate industry of India in 2016 is forecasted to maintain weak from last year. Even Indian economy will expand, but Indian real estate market expected to be stagnant. Home buyer demands will not strongly recover resulted in oversupply situation. Real estate market thus still belongs to buyers.

OVERVIEW OF THE HOUSING MARKET SITUATION IN 2015

The global economy continues to slow down throughout 2015. Many key countries had to launch another stimulus measure to boost the economy. However, the US economic recovery is likely to continue and the move to increase in US interest rate is expected to definitely impact world financial markets. The Chinese economy has been in the doldrums and has shrunk continuously. This has impacted on all Asian countries, including Thailand. In spite of the slowdown in agriculture and industrial exports, sluggish tourism recovery started in the second half of year 2015 and the government spending primarily

drove the economy. As a result, the overview of Thai economy showed a positive sign. Housing markets also went up distinctly for both home buyers gaining strong support from property stimulus measures and foreign and Thai investors.

The Thai housing market value in 2015 amounted to about Bt511,000m with Bangkok and its vicinities encompassing the largest percentage of 69.0%, the eastern part of 12.0%, the central, the northern and the southern part were at 5.0% equally and north eastern at 4.0%, respectively.

Table 1 : Representing the housing market value of Thailand classified according to the geographical parts in 2015

	Northern Part ^P	Northeastern Part ^P	Central Part ^P	Eastern Part ^P	Southern Part ^P	Bangkok and vicinities	Total
Market Value (Bt m)	23,264	20,590	26,767	60,994	24,805	354,799	511,219
Percentage	5	4	5	12	5	69	100

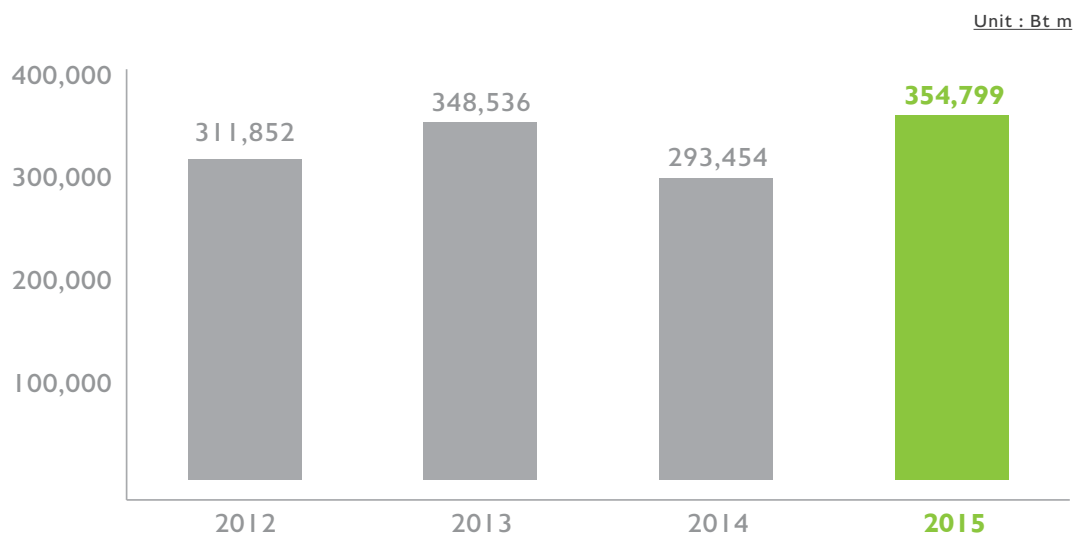
^P: Market value from research by Consumer & Marketing Intelligence Division, Pruksa Real Estate Public Company Limited

Source: Consumer & Market Intelligence Division, Corporate Marketing, Pruksa Real Estate Public Company Limited

HOUSING MARKET SITUATION IN BANGKOK AND ITS VICINITIES

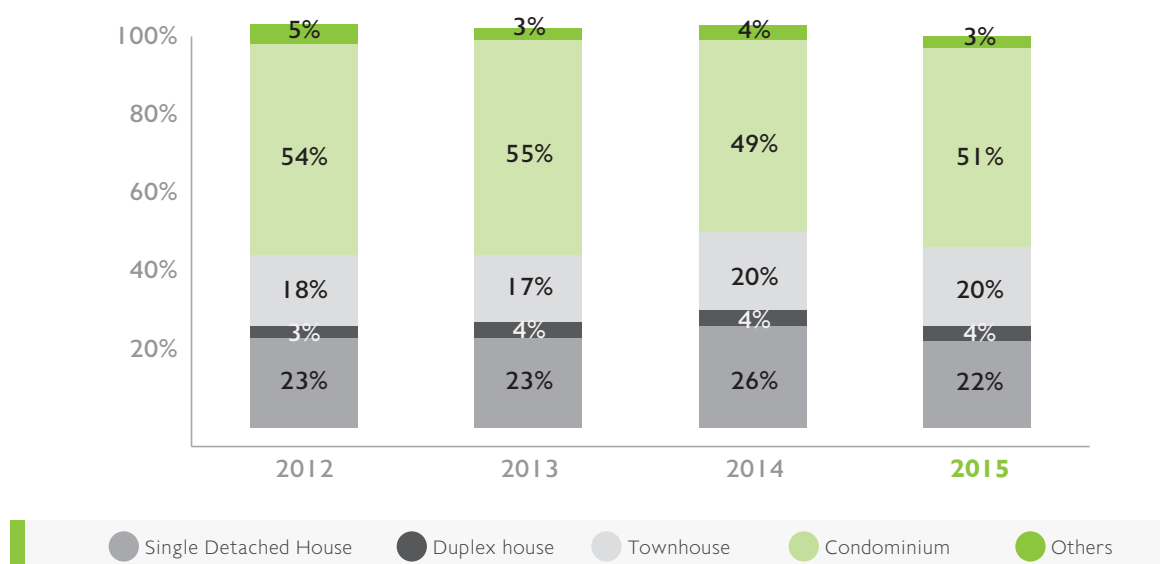
The housing market in Bangkok and its vicinities in 2015 affected from purchasing volume from both foreigners and Thai investors that impacted to overall housing market growth at 21.0% compared to 2014 as well as increasing project launched in premium and high end level.

Chart 1 : The housing market in Bangkok and its vicinities in 2012-2015



Source: Consumer & Market Intelligence Division, Corporate Marketing, Pruksa Real Estate Public Company Limited

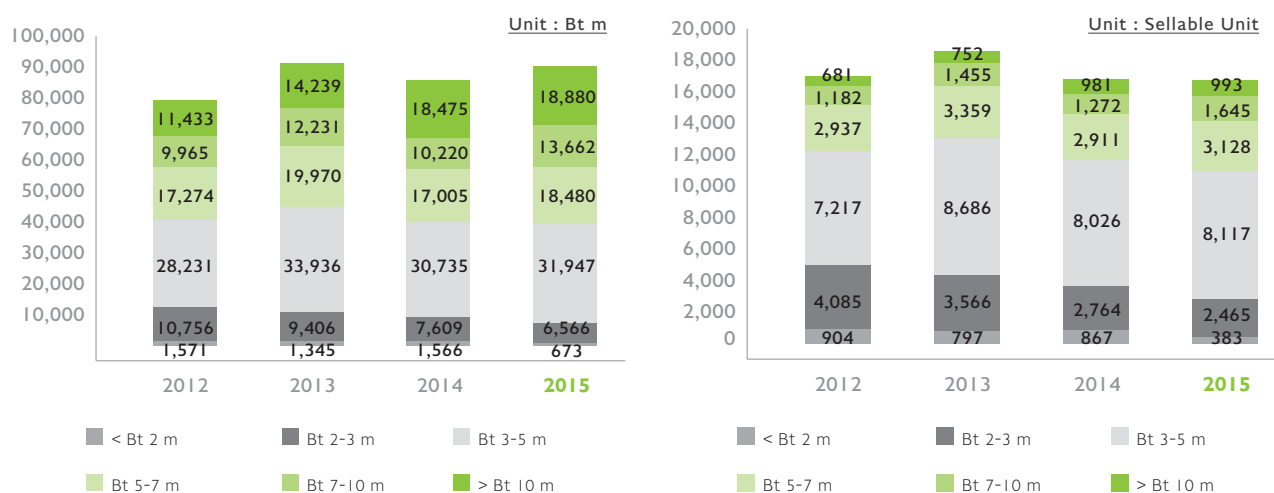
In 2015, housing market shares in Bangkok and its vicinities showed that the increase of condominium and townhouse to 51.0% and 20.0%, respectively, while single detached house declined to 22.0% and duplex house was at 4.0%.

Chart 2 : Proportion of housing type in Bangkok and its vicinities in 2012-2015

Source: Consumer & Market Intelligence Division, Corporate Marketing, Pruksa Real Estate Public Company Limited

THE SINGLE DETACHED HOUSE (DUPLEX HOUSE) MARKET SITUATION IN BANGKOK AND ITS VICINITIES

The market value of Single Detached House (Including duplex house) in Bangkok and its vicinities amounted to Bt90,208m, an increase of 5.0% from 2014. The price range between Bt7.0-10.0m represented the highest increasing rate at 34.0%, while the price range between Bt3.0-5.0m still represented the highest market share at 35.0% of the total single detached house market value.

Chart 3: Representing the market value and the number of sellable units that were sold for Single Detached House (Duplex house) in Bangkok and its vicinities from 2012-2015

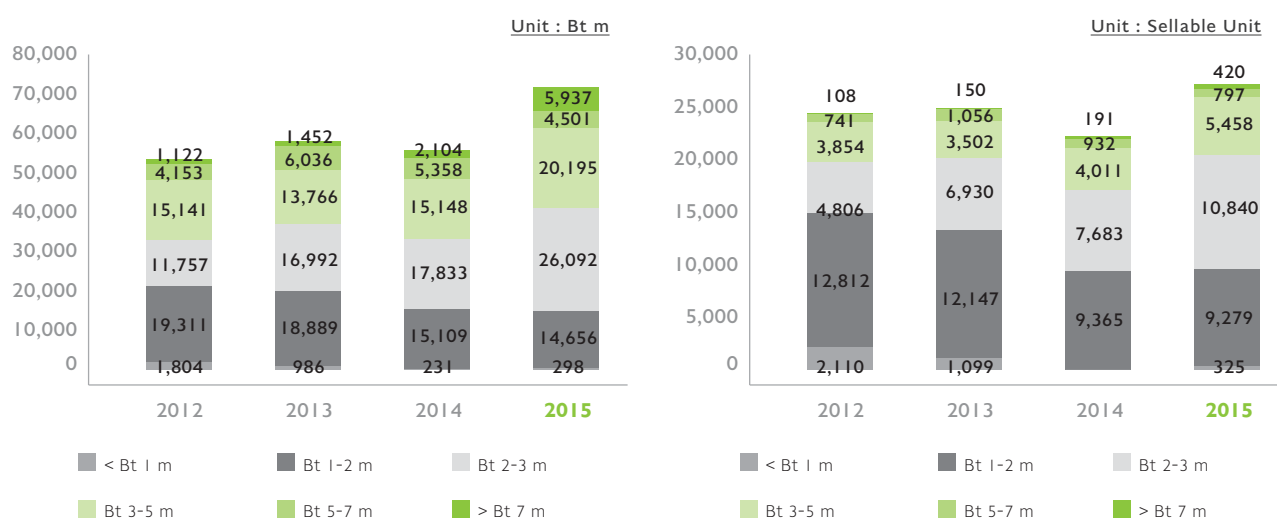
Source: Consumer & Market Intelligence Division, Corporate Marketing, Pruksa Real Estate Public Company Limited

When comparing sell able units and average units price in 2015 represented that number of sellable units increased by 6.0% or Bt5.4m (2014 average selling price was Bt5.1m) due to price of single detached house and duplex house of new launches has increased.

THE TOWNHOUSE MARKET SITUATION IN BANGKOK AND ITS VICINITIES

The market value of townhouse in Bangkok and its vicinities in 2015 was amounted to Bt71,679m, an increase of 28.0% from 2014. Pruksa Real Estate Pcl. had a higher market share at 30.0% and still maintained the highest market share. The Company also had highest market share for the price level less than Bt5.0m at 85.0%.

Chart 4: Representing the market value and the number of sellable units that were sold for townhouses in Bangkok and its vicinities from 2012-2015



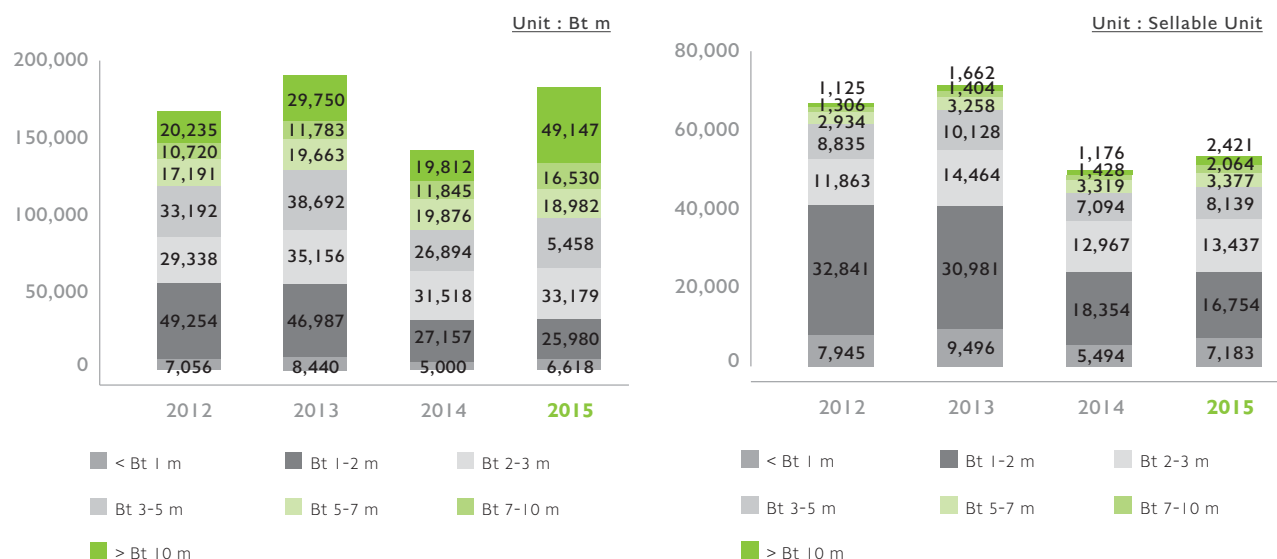
Source: Consumer & Market Intelligence Division, Corporate Marketing, Pruksa Real Estate Public Company Limited

A comparison between sellable units and average units price in 2014 showed that average price was increased by 4.0% at Bt2.6m (while 2014 the average price was Bt2.5m) due to the price of the new townhouse project has increased.

THE CONDOMINIUM MARKET SITUATION IN BANGKOK AND ITS VICINITIES

In 2015 the developers seek new business alliances to develop condominium projects over Bt10.0m in central business district (CBD area). The target customer has expanded to cover both Thai and foreign investors, resulting in the market share of condominium with higher than Bt10.0m increased by 148.0% compare to 2014

Chart 5: Representing the market value and the number of sellable units that were sold for condominium in Bangkok and its vicinities from 2012-2015



Source: Consumer & Market Intelligence Division, Corporate Marketing, Pruksa Real Estate Public Company Limited

A comparison is made between the number of sellable units and the average selling price with those of 2014, it is found that the sellable units have decreased by 25.0%. The average selling price was Bt3.4m or an increase of 17.0% (in 2014 the average price was Bt2.9m) due to the growth of condominium projects with price higher than Bt10.0m.

THE HOUSING MARKET SITUATION IN PROVINCES

The overview of the housing market in provinces across the region slowed down by 28%, compared to 2015, due to the continuously regional economic slowdown in agriculture sector, industrial sector, and tourism as well as the loss of consumer confidence in unfinished projects, especially condominium of which contracts were terminated as a result of the delay in construction. The housing market in only Rayong grew because of migrant workers' demand for housing and an increase in housing estate projects. The total market size in provinces was around Bt156,420m or 31% of the entire country.

HOUSING MARKET TREND FOR THE YEAR 2016

According to the support factors of the housing market and Thailand economic outlook in 2016

forecasted by Bank of Thailand revealed that (1) Gross Domestic Product (GDP) would grow by 3.5% (2) Headline inflation would rise by 0.8% (3) Public investment would go up by 8.8% (4) Private investment would increase by 3.9%. Those reflect a good sign of improvement in the Thai economy. In addition, the government intends to invest in 19 transport infrastructure projects worth Bt1.8trillion. This is a tool used to stimulate both domestic economy and investment for the sustainable development in the long term. Moreover, property stimulus measures have increased consumer confidence. Thus, the housing markets in Bangkok and its vicinity are predicted to increase by 8.0% and have a market value of about Bt383,183m Low-rise residence will have higher average prices subject to prior rise in land and construction cost. Condominium still has the largest market share at 50-55%. Housing market slowdown in provinces is expected to continue.

RISK FACTORS

I. LOCAL RISK FACTORS

I.1 Risks resulting from changes of loan approval policy of commercial banks

Summary: Table from the Bank of Thailand news release no. 55/2553 and no. 51/2554 imposed on commercial banks:

Existing regulations	Risk weighted assets required for commercial banks
For loan amount > Bt10m	
Loan ≤ 80% of house price	At least 35%
Loan > 80% of house price	At least 75%

New regulations (additional to existing regulations)	Risk weighted assets required for commercial banks	Effective for contract dated on/onwards
For loan amount < Bt10m		
Condominium loan ≤ 90% of house price	At least 35%	1 January 2011
Condominium loan > 90% of house price	At least 75%	1 January 2011
Low-rise house ≤ 95% of house price	At least 35%	1 January 2013
Low-rise house > 95% of house price	At least 75%	1 January 2013

For low-rise house, the Company requires buyers to make at least 5% down payment. For condominium already sold, the Company requires buyers to make at least 10% down payment, whereas those sold since the last two years are subject to a down payment of 12%–15%. The average selling price per unit transferred is about Bt2.44m in 2015.

Due real estate development is the Company main business, the Company recognised revenue from sale of residential properties in amount of Bt51,240m, representing 99.6% of total revenue. As more than 87% of the Company customers apply mortgage loan financing to buy house and land, commercial banks or the Government Housing Bank therefore do not set out any policy on loan expansion nor want to control loan measures. This will impact customers as more sources of funds could not be found to support housing loans,

and thus will limit customers' purchasing power, which in turn will impact the Company's revenues directly. In this regard, the Company has required its sales staff to fill out a form initially on important information of home buyers when they show the intention to book for a house and apply for mortgage, through submission to the bank. The bank will return a pre-approved form within 7 working days stating whether a loan can be granted or not, in order to mitigate risks for both the buyers and the Company. In addition, the Company provides housing units with a rather large number of medium to low price ranges for selection. Customers thus can opt for a lower price house in accordance with the stricter regulations or policy.

Furthermore, the Company has set up a working team to regularly monitor the economic situations and the formulation of various bank policies that may

impact the performance of the Company. The Company's strategy will be adjusted in accordance with the changes and situations including discussions with commercial banks and the Government Housing Bank (GHB) in facilitating the customers' application for loan, and setting up measures to help customers obtain a loan quickly. In Q4 2015, Government Housing Bank (GHB) responses to the economic stimulus package according to government policy by offering credits to low-medium earners with monthly net income of less than Bt30,000 to own a house or condominium and also adjust down the condition in considering debt affordability per revenue ratio down to be maximum of 50%. Low income earners then are able to reach residential real estate credits as bigger amount of housing loans. In addition to home loans, the government also approved a cut of fee for home loan transfer and mortgage fee to be 0.01% effective from October 29, 2015 to April 28, 2016, which will boost the real estate sector up.

According to the Company's long-term plan, the Company intends to support customers to get the highest home loans approval in accordance with each customer's ability to repay. As a result, the Company has discussed and worked in partnership with many commercial banks in order to increase the efficiency of the working process such as loan application process, credit support team, including information technology system.

1.2 Risks from construction costs and construction materials shortage

Most of the Company's sales are made prior to the construction. The Company has set the selling price on a cost-plus basis. Thus, if there are any changes in the construction material prices or changes in wages after the Company has set up the selling price and those customers have already booked for the housing units, the Company's costs will increase, and thereby lowering the initial profit margin.

Construction materials are considered major costs of construction. The price of construction materials and oil price have been falling from demand-supply situation and world economic which has continuously

turned down the cost of construction and transportation. However, the Company total costs have more impact from gradually higher land cost, the Company total costs, as a result, still increased. The Company may not be able to adjust the selling price spontaneously, or in case the Company can adjust the price up in accordance with the said higher costs, this may impact the sales volume, and as such will impact the financial position and the performance of the Company.

Furthermore, the fact that there are more construction projects may cause construction material shortage vis-a-vis of the demand. If such shortage occurs and the Company may have to pay higher price or wait for the materials to the point that it cannot proceed to complete the housing construction within the required timeframe, it will as well impact the business, financial position, and the performance of the Company.

But the fact that the Company has acquired a quick construction process, it can construct townhouses and low-rise houses within 45 and 70 days, respectively, and can thereby reduce the risk to a certain degree. The Company can therefore set the cost for construction materials that will be used in the next few months. The setting of selling prices is adjusted according to the said costs. In addition, the Company has policy to sell house during construction in order to reduce risk of built to order house's costs that might fluctuate for built to order house. With regards to the condominium units, the Company is still at risk because of the longer construction period. However, in order to mitigate risk, since 2006 the Company has been using the selection strategy for main suppliers of construction materials by bidding practice among groups of all suppliers of construction materials. This measure allows the Company to maintain consistent costs throughout the year.

In order to prevent a lack of construction materials, especially the main ones, the Company has adopted a policy on building business partnerships aiming at setting the selection process, assessment and clear operating guidelines. Furthermore, the Company has been organizing monthly meeting on changes of major construction materials, while considering the impact on

selling costs in order to consider price adjustment or other materials for substitution.

1.3 Risk from shortage of workforce

The problem of construction worker shortage will remain a big problem for the real estate sector for at least another couple of years. Currently, there are a number of construction projects, including several large infrastructure projects. These may lead to the shortage of contractors and skilled workers in some specialized areas. If the Company cannot find specialized contractors to undertake the Company's projects, constructions of the Company may be delayed, and thus the transfer of housing units to the buyers cannot be made within the scheduled time.

Based on the construction method for low-rise houses designed for assembly at construction sites, precast concrete panel is used as the main construction structure. Also, the Company manages the main construction by itself for its various projects, by having its own engineers and foremen to supervise and oversee the construction work. Therefore, the Company only hires specialized contractors or labor contractors to undertake each part of the construction work, such as laying foundation, installing building parts, tiling, roofing, and painting, which are supervised and overseen by the engineers who are in turn controlled by the Company's staff. Regarding condominium units, since 2009 the Company has been hiring for a turn-key construction of high-rise buildings or condominium for the first time including build affiliate contractors who has outstanding performance and high quality in order to mitigate risk in the expansion of production capacity or construction to support the Company's leap expansion in the future.

In order to reduce dependency on labour, working hours, and to use the existing limited labour for the utmost benefits, the Company has introduced a construction technology called Real Estate Manufacturing (REM). This is to supervise the construction of low-rise house in a sequential process during construction so as to attain quality house. REM represents a system that uses the work force effectively by having the contractors work only on their areas of expertise, such as tiling by tiling

workers only, or painting by painters only. Thus, the production process is similar to car manufacturing. For low-rise housing in 2015, the Company can manage the average period of time from booking to transfer housing clients (business cycle time) to be 79 days.

In addition, new innovation such as technology, new construction management or prefabricated materials (prefabricated bathroom) has been developed. This has helped the Company not only reduce dependency on labour and construction duration but also enhance the quality of construction work.

1.4 Risk from shortage of knowledgeable and skilled staff

The housing construction process of the Company is the construction that uses Cast-Institu Load Structure with tunnel-like technology or Tunnel Technology and RC Load Bearing Wall Fabrication Technology. These are new construction systems, therefore the Company must rely on experienced, knowledgeable, capable, and skilful staff, especially engineers and foremen. Transfer of such engineers or foremen may negatively impact the continuity of the business, which in turn will negatively and substantially impact the financial position and performance of the Company.

Pruksa Real Estate Pcl aims at continually developing its staff's potential and capability at high level for efficiency and target achievement both in current and future positions.

The Company divides trainings based on skills and knowledge into 6 categories as follows:

1. New fundamental subjects for new staff (On boarding program)

For new staff, it is important to learn and understand the organization and to adjust themselves to suit with the organizational culture. This first step in the company, the new staff will get a mentor appointed from the company to take care during the first 4 months for smooth adjustment.

2. Subjects according to Career Group

For staff as divided by career, for example, the standard fundamental subject in installation and Real Estate Manufacturing.

3. Subjects in Quality & Safety

For quality and safety courses as needed by laws.

4. Subjects in leadership and expertise development

For staff at supervisor level and every management level, this course focuses on career development which are in line with Leadership Competency set by the company.

5. Subjects in Personal Development

For staff who need more knowledge for self-development outside their career, for instance, course Gen Y for more value added.

6. Subjects in Information Technology

For courses relating to system application or applied programs needed in task such as Advance Excel.

Training and Development Department will set annual training schedule to suit with work position and needs. It will also arrange traveling & accommodation expense reimbursement for staff outside Bangkok as set by the Company. In addition, the Company also develop e-learning system to serve self-learning. The skilled staff can also be lecturers for internal knowledge and training. The lecturers will get training class to be the Trainers. (Train the Trainer)

Moreover, the Company policy includes managing the talent staff (Talent Management) to serve business expansion and sustainability. This will create leader and new future management who pass through the criteria of qualification, performance, and potentiality of both capability and management skill in operation. There is also the policy of succession planning for important position in the organization for preparation of systematic job transfer. The Company therefore emphasizes on importance of training and development of talents and successors. The course are arranged for these 2 groups to serve such policy, for instance, course in Future Leader Program, Introduction to property development.

The Company also join with Thammasat University by arranging Mini MRE (Mini Master of Real Estate) for middle management to know more about real estate business for career growth. This course is 90

hours attendance and has been employed for 6 years consecutively.

1.5 Risk from land acquisition for development

- Risk from land acquisition for development that may not be enough for target or business plan.

Potential channel of land sourcing best suitable for development is through land brokers. Another possible channel is from land owner. The Company therefore set a proactive plan to attract or persuade land brokers both from existing list and new groups to offer land as many as possible in quick manner. In case the land owner proposes their own land, the Company has process of land selection and finalization in short process. No matter how the lands are acquired, the selection and decision process need to be transparent and fair to sellers. Moreover, the Company also has procedure in preventing 100% unwanted exploitation that will bring up land cost.

- Risk from land purchase by mistake, for example, landlocked plot, land that can't be permitted to develop, or land that may create conflict to existing neighbors.

Preventive measures of the mentioned risks are to set a team of experts to observe the lands before purchase together with hiring independent land appraisal to survey, price estimation, do the measurement & plotting, explore soil level and other factors with due care.

Moreover, if there are any doubt about land exit or road's width, or whether such areas are for public use or has legal constraints, the Company will assign the liaison department to get the affirmation from related government agencies including land color zone, expropriated area, conjunction, and other related matters.

- Risk from overpriced land purchase or land acquisition in area of less demand or less purchasing power.

The Company employs concise purchasing process before making decision. Business Unit and Finance Department will collect marketing data, feasibility studies, market environments and competitors. They will also compare market price, official appraisal price, and price from independent appraiser. These processes will

prevent unsuccessful house sales or loss from land development.

In addition, land acquisition process is executed under a committee consisting of top executives who are experts in land and land development, business approaches, finance, laws and regulations, risk control, and etc. This is to ensure the Company acquires qualified land in timely manner and suitable land plots. Thus, the Company is able to achieve revenue as targeted.

1.6 Risk from undertaking business under stringent laws and regulations

The Company's operations are residential construction for sale. All townhouse, single detached house, and condominium must be under many strict laws and regulations. In complying with those codes, each year the Company must apply for licenses or permissions from many government agencies. For instance, permission for land allocation, land sale, construction, open for use, and etc. If the project is in large scale or condominium projects, a developer is required to prepare Environmental Impact Assessment report (EIA) to submit to National Environment Board in order to get such license or permission as required by laws and regulations.

However, in EIA report consideration in the past, the Company faced problems and delay in decision process as well as ambiguity from committees' judgements who are experts in many various fields. In addition, several rotations of the committee often occur. Problem also includes people in the neighborhood participation process which is not clear and always cause difficulties. All these problem cause delay in getting permissions or licenses. These may stop the Company's projects. If such events frequently occur, they will significantly affect the Company's business operation, financial status, and operating result.

The Company views that if the processes of EIA report consideration are concise and complete in shorter time as well as more clear criteria about priority and neighborhood's right and scope of participant. There are also needs for problem solving and reduce the effect with clear scope of neighborhood's participant.

These will bring about property developers' confidence and investors.

2. RISKS FROM BUSINESS UNDERTAKINGS ABROAD

In 2015, the Company has only one overseas project in Bangalore, the Republic of India. The joint-venture company in Chennai and Mumbai of the Republic of India has not made any progress in housing development project.

2.1 Risks caused by economic situation and market situation in each country

The Company has been monitoring economic indicators, data on property development business, and market competition in each country in order that marketing strategies can be employed to satisfy consumers' needs as well as compete with other local developers.

In the event that the Company considers increasing investment in each city, economic situation and market situation will be closely monitored. Therefore, the use of resources will be efficient and effective, and subject to circumstances at that time.

2.2 Risk from land allocation in prime areas at products reasonable prices

The Company realizes the weakness of lacking understanding and experience in negotiating for the purchase of land. As a result, the Company has urgently built a network with local real estate agents, real estate consulting companies, and financial institutions for providing advice and coordinating with interested land sellers, and acquiring desired size of land plots required by the Company. At the present, land acquisition is not much issue.

2.3 Risks caused by a shortage of construction craftsmen and workers

The Company's construction policy is to use Pre-cast Concrete Wall construction method which helps speed up construction work with good quality. Nowadays, local construction workers in India are getting used to the mentioned method, so risks involved with

the construction are likely to decrease. However, the Company has not only continued closely controlling the quality of construction work but only increased training for both new staff and construction workers. This will help support the opening of new project in Bangalore.

2.4 Risks caused by applicable Business laws and regulations, application for licenses

The Company's policy is to strictly operate its business in compliance with each country's business laws and regulations. For joint ventures, the Company has required its partners to coordinate with government agencies and to provide support regarding a request for various permits related to project development. This starts on land acquisition, other investments, a request for a construction permit, and a transfer of registered units to customers. All support is required, especially during the beginning of project development, to help manage project time efficiently.

2.5 Risks caused by the fluctuation of foreign exchange rate

As of 31 December 2015, Pruksa International Company Limited and Pruksa Overseas Company Limited have totally authorized share capital of Bt1,600m, which partly was invested in the affiliating companies in foreign countries with the payment of Bt794m or 12% of total assets from the consolidated financial statement of Pruksa Real Estate Public Company Limited. Also the Company has received the revenue from overseas residential transferring equivalent to Bt278m or 0.5% of total transferring.

Hedging policy for the Risk from fluctuation of the Foreign Exchange Rate that the Company has continued has been controlled and managed by the Committee of Foreign Investment and the Committee of Compliance every month. Moreover, the Company set up foreign exchange policy which indicated approval financial instrument to mitigate its foreign currency exposure through a natural hedging approach by accommodating Foreign Forward Contracts, Options and Swaps, for example.

For overseas project development, including an ex-

pansion, the Company's policy is to increase a proportion of local funds in each country and local currency loans. In the event of further investment in the same city or investment in a new country, the Company will closely monitor currency and economic trends of each country, so investment can be managed in the right timing and a risk of loss due to currency fluctuations will be reduced.

3. OTHER RISK FACTORS

3.1 Risks from the company's performance being under the control of major shareholders

As at 30th December 2015, the largest group of shareholders is Mr. Thongma Vijitpongpun's Group, who hold 1,548,255,500 shares, or 69.40% of the total paid-up capital of the Company. Therefore, the Group is able to control shareholders' resolutions in relation to major matters, which are required by the laws or Articles of Association of the Company to be passed by a majority vote of shareholders with voting rights being present at the meetings. Moreover, Mr. Thongma Vijitpongpun, a major shareholder of the Company by holding 1,214,000,000 shares or 54.41% of the paid up capital of the Company, will remain the Chairman of the Executive Committee, Chief Executive Officer and Authorized Director of the Company. Therefore, other shareholders may not be able to obtain sufficient votes to counter check or provide equilibrium among major shareholders.

3.2 Risks from impact on share price and controlling power in exercising the rights as per warrants of the company capital increase

The Company had issued warrants to buy ordinary shares of the Company to Directors and Executives and/or subsidiaries for 4 types that were PS-WD, PS-WE, PS-WF and PS-WG. (please see more detail of warrant in topic "Capital Structure"). However the Company still has risks from impact on share price and controlling power in exercising the rights as per warrants of the Company capital increase.

GENERAL INFORMATION

CORPORATE INFORMATION

Name	:	Pruksa Real Estate Public Company Limited
Current Type of Business	:	Real estate developer for residential purposes, including townhouses, single detached houses, and condominiums in Thailand and the Republic of India
Head Office	:	27 th Floor, SM Tower, 979/83, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400
Pruksa Precast Factory	:	54/1 Moo 4, Lamlookka Road, Tambon Ladsawai, Amphur Lamlookka, Pathumthani
Registration No.	:	Bor. Mor. Jor. 0107548000307
Home Page	:	http://www.pruksa.com
Telephone	:	0-2298-0101
Facsimile	:	0-2298-0102
Ordinary Shares and Registered Capital (shares, baht)	:	2,285,298,800
Ordinary Shares and Paid-up Capital (shares, baht)	:	2,231,071,000
Purpose	:	Investment in Property Development

THE COMPANY AND SUBSIDIARIES' INFORMATION

Name	Address	Business Type	Contact
1) Pruksa Real Estate Public Company Limited Head Office Bor. Mor. Jor. 0107548000307	27 th Floor, SM Tower, 979/83, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate developer for residential purposes, including townhouses, single-detached houses, and condominiums	Telephone 0-2298-0101 Fax 0-2298-0102 www.pruksa.com
2) PS Precast Factory (Lamlookka)	54/1 Moo 4, Lamlookka Road, Tambon Ladsawai, Amphur Lamlookka, Pathumthani	Precast concrete factory and precast fence and pillar factory	Telephone 0-2532-8124-32 Fax 0-2532-8123
3) PS Precast Factory (Navanakorn)	69/5 Moo 11, Phahonyothin Road, Tambon Khlong Nueng, Amphur Khlong Luang, Pathumthani	Precast concrete factory and precast fence and pillar factory	Telephone 0-2532-8124-32 Fax 0-2532-8123
4) Kaysorn Construction Co., Ltd. (Subsidiary)	29 th Floor, SM Tower, 979/95, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Contractor for housing decoration	Telephone 0-2298-0101 Extension 172
5) Putthachart Estate Co., Ltd. (Subsidiary)	30 th Floor, SM Tower, 979/99, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate developer	Telephone 0-2298-0820
6) Phanalee Estate Co., Ltd. (Subsidiary)	30 th Floor, SM Tower, 979/97, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate developer	Telephone 0-2298-0101
7) Pruksa Overseas Co., Ltd. (Subsidiary)	30 th Floor, SM Tower, 979/100, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate developer in overseas	Telephone 0-2298-0101 Fax 0-2298-1000
8) Pruksa International Co., Ltd. (Subsidiary)	30 th Floor, SM Tower, 979/98, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate developer in other countries	Telephone 0-2298-0101 Fax 0-2298-1000
9) Pruksa Overseas Services Co., Ltd. (Subsidiary)	27 th Floor, SM Tower, 979/84, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Regional Operating supports & services	Telephone 0-2298-0101

Name	Address	Business Type	Contact
10) Pruksha India Housing Private Limited (Subsidiary)	Ferns Icon, Unit No.7, 1 st Floor, Daddanekundi Village, Next to Akme Ballet, Marathahalli Outer Ring Road, Bangalore-560 037 Karnataka, Republic of India	Real estate developer in Republic of India	Telephone +91 9632707654
11) Pruksha India Construction Private Limited (Subsidiary)	Ferns Icon, Unit No.7, 1 st Floor, Daddanekundi Village, Next to Akme Ballet, Marathahalli Outer Ring Road, Bangalore-560 037 Karnataka, Republic of India	Construction contractor in Republic of India	Telephone +91 9632707654
12) Pruksha-Mohan Mutha Real Estate Private Limited (Joint Venture Company)	Brooklyn Business Centre, 6 th Floor West Wing, 103-105, Poonamallee High Road, Chennai-600085 Tamil Nadu, Republic of India	Real estate developer in Republic of India	-
13) Pruksha-Luxora Housing Private Limited (Joint Venture Company)	Soham House, Hari Om Nagar, Off. Eastern Express Highway, Muland (East), Mumbai-400081 Maharashtra, Republic of India	Real estate developer in Republic of India	-
14) Pruksha Vietnam Company Limited (Joint Venture Company)	Unit A, 8 th Floor, No.116 Nguyen Duc Canh, Cat Dai Ward, Le Chan District, Hai Phong, Vietnam	Real estate developer in Vietnam	-
15) Pruksha Vietnam Construction Co., Ltd (Subsidiary)	Unit B, 8 th Floor, No.116 Nguyen Duc Canh, Cat Dai Ward, Le Chan District, Hai Phong, Vietnam	(In Liquidation process) Construction contractor in Vietnam	-

Name	Address	Business Type	Contact
16) Pruksa-HDC Housing Private Limited (Joint Venture Company)	2 nd Floor, HDC Building, Hulhumale, Republic of Maldives	Real estate developer in Republic of Maldives	-
17) Kaysorn Construction Limited, Maldives Branch (Subsidiary)	2 nd Floor, HDC Building, Hulhumale, Republic of Maldives	Contractor for housing decoration in Republic of Maldives	-
18) Thanatthep Engineering and Construction Co., Ltd (Subsidiary)	37/1, 3 rd Floor, Limcharoen Building 2, Vibhavadi Road, Phayathai, Bangkok 10400	Construction contractor	-

SECURITY REGISTRAR

Name : Thailand securities depository Co., Ltd.

Head Office : 93 The Stock Exchange of Thailand, Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok 10400

Telephone : 0-2009-9000

DEBENTURE REGISTRAR

Registrar name : Krungsri Public Company Limited

Head Office : 1222 Rama III Road, Bang Pong Pang, Yannawa, Bangkok 10120

Telephone : 1572

AUDITOR

Miss Vipavan Pattavanvive	Certified Public Accountant Registration No. 4795 and/or
Miss Somboon Supasiripinyo	Certified Public Accountant Registration No. 3731 and/or
Mr. Supot Singhasaneh	Certified Public Accountant Registration No. 2826 and/or
Miss Wanaporn Jongpeeradechanon	Certified Public Accountant Registration No. 4098 and/or
Mr. Charoen Phosamritlert	Certified Public Accountant Registration No. 4068

KPMG POOMCHAI AUDIT LTD.

Head Office : 195 Empire Tower, 22nd Floor, South Sathon Road, Yannawa, Sathon, Bangkok 10120

Telephone : 0-2677-2000

LEGAL ADVISOR

BAKER & MCKENZIE LTD.

Head Office : 25th Fl., Abdulrahim Place, 990 Rama 4 Road, Bangkok 10500

Telephone : 0-2636-2000

Investors can obtain further information on the Company's annual registration statement (56-I Form) at www.set.or.th or the Company's website www.pruksa.com

CAPITAL STRUCTURE

I. COMPANY'S SECURITIES

I.1 COMMON SHARES

As on December 4, 2015 Pruksa Real Estate Public Company Limited had registered capital of Bt2,285,298,800 (2,285,298,800 ordinary shares with one baht par value) with issued and paid-up share capital of Bt2,231,071,000 (2,231,071,000 ordinary shares with one baht par value) which has been adjusted after trading in Stock Exchange of Thailand as material changes as below:

Date	Capital Registered (Baht)	Warrants exercised (Unit)	Shares Purchased from warrants exercised (Baht, Share)	Registration at Ministry of Commerce	Paid-Up Capital (Baht)
Jun 30, 06	2,232,500,000	6,992,400	6,992,400	Jul 5, 06	2,166,745,800
Jan 31, 07	2,232,500,000	7,104,600	7,104,600	Feb-07	2,173,850,400
Apr 20, 07	2,224,753,400	Decrease Registered Capital	-	Apr 20, 07	2,173,850,400
Jun 23, 07	2,255,753,400	Increase Registered Capital to serve ESOP	-	Jun 23, 07	2,173,850,400
Jul 31, 07	2,255,753,400	6,327,800	6,327,800	Aug 9, 07	2,180,178,200
Jan 31, 08	2,255,753,400	5,774,500	5,774,500	Feb 6, 08	2,185,952,700
Jul 31, 08	2,255,753,400	5,441,500	5,441,500	Aug 8, 08	2,191,394,200
Jan 30, 09	2,255,753,400	5,169,900	5,169,900	Feb 5, 09	2,196,564,100
Apr 23, 09	2,224,753,400	Decrease Registered Capital by cutting unused ESOP	-	Apr 23, 09	2,196,564,100
Jul 31, 09	2,224,753,400	5,086,500	5,086,500	Aug 7, 09	2,201,650,600
Nov 30, 09	2,224,753,400	5,161,400	5,161,400	Dec 4, 09	2,206,812,000
May 3, 10	2,206,812,000	Decrease Registered Capital by cutting unused ESOP	-	May 3, 10	2,206,812,000
May 6, 10	2,228,812,000	Increase Registered Capital to serve ESOP	-	May 6, 10	2,206,812,000
Feb 28, 11	2,228,812,000	667,700	667,700	Mar 7, 11	2,207,479,700
May 3, 11	2,250,812,000	Increase Registered Capital to serve ESOP	-	May 3, 11	2,207,479,700
May 31, 11	2,250,812,000	947,900	947,900	June 6, 11	2,208,427,600
Aug 31, 11	2,250,812,000	979,600	979,600	Sep 8, 11	2,209,407,200
Aug 31, 12	2,250,812,000	1,275,500	1,275,500	Sep 11, 12	2,210,682,700

Date	Capital Registered (Baht)	Warrants exercised (Unit)	Shares Purchased from warrants exercised (Baht, Share)	Registration at Ministry of Commerce	Paid-Up Capital (Baht)
Aug 31, 12	2,250,812,000	509,200	509,200	Sep 11, 12	2,211,191,900
Nov 30, 12	2,250,812,000	1,475,000	1,475,000	Dec 13, 12	2,212,666,900
Nov 30, 12	2,250,812,000	555,100	555,100	Dec 13, 12	2,213,222,000
Feb 28, 13	2,250,812,000	8,126,900	8,126,900	Mar 5, 13	2,221,348,900
May 9, 13	2,265,812,000	Increase Registered Capital to serve ESOP (PS-WE)	-	May 9, 13	2,221,348,900
May 29, 13	2,265,812,000	1,103,000	1,103,000	Jun 7, 13	2,222,451,900
Aug 30, 13	2,265,812,000	57,400	57,400	Sep 6, 13	2,222,509,300
Nov 29, 13	2,265,812,000	323,300	323,300	Dec 4, 13	2,222,832,600
Feb 28, 14	2,265,812,000	969,400	969,400	Mar-14	2,223,802,000
May 2, 14	2,255,298,800	Decrease Registered capital by cutting unused ESOP (PS-WC)	-	May 2, 14	2,223,802,000
May 6, 14	2,270,298,800	Increase Registered capital to serve for ESOP (PS-WF)	-	May 6, 14	2,223,802,000
May 30, 14	2,270,298,800	399,900	399,900	Jun 4, 14	2,224,201,900
Aug 29, 14	2,270,298,800	2,376,200	2,376,200	Sep 2, 14	2,226,578,100
Nov 28, 14	2,270,298,800	97,600	97,600	Dec 4, 14	2,226,675,700
Feb 27, 15	2,270,298,800	4,066,700	4,066,700	March 3, 15	2,230,742,400
May 19, 15	2,285,298,800	Increase Registered Capital to serve ESOP (PS-WG)	-	May 19, 15	2,230,742,400
May 29, 15	2,285,298,800	20,900	20,900	Jun 8, 15	2,230,763,300
Aug 31, 15	2,285,298,800	114,100	114,100	Sep 4, 15	2,230,877,400
Nov 30, 15	2,285,298,800	193,600	193,600	Dec 4, 15	2,231,071,000

1.2 WARRANTS

The Company has issued a number of warrants to the Company's directors, management, employees, advisors and/or the subsidiaries as per the following details:

Name (PS-WD)	Warrants to purchase the ordinary shares of Pruksha Real Estate Public Company Limited (PS-WD)
Number of Warrants Issued	22,000,000 Units
Offering Price Per Unit	-0-
Exercise Price Per Unit	Bt15.30
Term of Warrants	Four years from the date of issuance
Exercise Ratio	1 : 1 (One Warrant per one ordinary share)
Offering Period	Within a year as of the approval of the shareholder meeting
Exercise Period	4 times per year (February, May, August and November of each year)
Control Dilution	The effect to the profit sharing or voting right of existing shareholders (control dilution) is decreased by 0.99% (22,000,000/2,228,812,000 shares)

Name (PS-WE)	Warrants to purchase the ordinary shares of Pruksha Real Estate Public Company Limited (PS-WE)
Number of Warrants Issued	15,000,000 Units
Offering Price Per Unit	-0-
Exercise Price Per Unit	Bt28.19
Term of Warrants	Four years from the date of issuance
Exercise Ratio	1 : 1 (One Warrant per one ordinary share)
Offering Period	Within a year as of the approval of the shareholder meeting
Exercise Period	4 times per year (February, May, August and November of each year)
Control Dilution	The effect to the profit sharing or voting right of existing shareholders (control dilution) is decreased by 0.67% (15,000,000/2,228,222,000 shares)

Name (PS-WF)	Warrants to purchase the ordinary shares of Pruksha Real Estate Public Company Limited (PS-WF)
Number of Warrants Issued	15,000,000 Units
Offering Price Per Unit	-0-
Exercise Price Per Unit	Bt16.28
Term of Warrants	Four years from the date of issuance
Exercise Ratio	1 : 1 (One Warrant per one ordinary share)
Offering Period	Within a year as of the approval of the shareholder meeting
Exercise Period	4 times per year (February, May, August and November of each year)
Control Dilution	The effect to the profit sharing or voting right of existing shareholders (control dilution) is decreased by 0.67% (15,000,000/2,237,832,600 shares)

Name (PS-WG)	Warrants to purchase the ordinary shares of Pruksa Real Estate Public Company Limited (PS-WG) ⁽¹⁾
Number of Warrants Issued	15,000,000 Units
Offering Price Per Unit	-0-
Exercise Price Per Unit	Bt29.27
Term of Warrants	Four years from the date of issuance
Exercise Ratio	1 : 1 (One Warrant per one ordinary share)
Offering Period	Within a year as of the approval of the shareholder meeting
Exercise Period	4 times per year (February, May, August and November of each year)
Control Dilution	The effect to the profit sharing or voting right of existing shareholders (control dilution) is decreased by 0.67% (15,000,000 / 2,226,675,700)

Remark : ⁽¹⁾ Warrant (PS-WG) has not been allotted to the Management of the Company and/or its subsidiary



2. SHAREHOLDER STRUCTURE

Major shareholders

As reported in the latest Ministry of Commerce's certification dated December 4, 2015, Pruksa Real Estate Public Company Limited had registered capital of Bt2,285,298,800 comprising 2,285,298,800 ordinary shares at one baht par value with issued and paid-up share capital of Bt2,231,071,000 comprising Bt2,231,071,000 ordinary shares at one baht par value. The top ten shareholders of the Company as of the latest share register book closing, on December 30, 2015 are as follows:

ลำดับ	Shareholders	Shares held	Percentage (%)
1	Vijitpongpun Group	1,548,255,500	69.40
	Mr. Thongma Vijitpongpun	1,214,000,000	54.41
	Mrs. Tipsuda Vijitpongpun	85,000,000	3.81
	Ms. Chanya Vijitpongpun	85,000,000	3.81
	Miss Malinee Vijitpongpun	85,000,000	3.81
	Mrs. Rattana Promsawad	39,320,400	1.76
	Mr. Chamlong Promsawad	13,000,000	0.58
	Mr. Jirathep Promsawad	13,000,000	0.58
	Mr. Chantana Promsawad	13,000,000	0.58
	Miss. Anchalee Vijitpongpun	453,000	0.02
	Mr. Soros Vijitpongpun	415,100	0.02
	Mr. Thavorn Vijitpongpun	50,000	0.00
	Mrs. Patcha Vijitpongpun	17,000	0.00
2	UBS AG Singapore Branch	100,000,000	4.48
3	Social Security Office	54,673,000	2.45
4	Thai NVDR	35,183,990	1.58
5	CHASE NOMINEES LIMITED	30,145,200	1.35
6	State Street Bank Europe Limited	24,241,966	1.09
7	Government Pension Fund	16,032,000	0.72
8	SCB Open-end Long Term Fund Dividend 70/30	13,511,100	0.61
9	Government Pension Fund (4)	11,528,900	0.52
10	N.C.B.Trust Limited-Norges Bank I	8,452,900	0.38
Total Top 10 Shareholders		1,842,024,556	82.56
Top paid-up share capital		2,231,071,000	100

Restriction on foreigners' shareholding

The foreign shareholders are able to hold in an aggregate portion of no more than 40.0% of the Company's total issued and paid-up shares. As of December 30, 2015 foreign shareholders held approximately 10% of the Company's issued and paid-up capital.

3. DEBENTURES

As on December 31, 2015 there was Bt20,000m outstanding which can be divided into five tranches as follows:

Name of Debentures of Pruksa Real Estate Public Company Limited	No. 1/2012 Due 2016 and 2017	No. 1/2013 Due 2016 and 2018	No. 1/2014 Due 2017	No. 2/2014 Due 2017 and 2018	No. 1/2015 Due 2018 and 2020
Type of Debentures	Name Registered Debenture				
Status	Unsubordinated and Unsecured				
Lead Underwriter, Registrar and Paying Agent	Bangkok Bank Plc., and Kasikorn Bank Plc.	Kasikorn Bank Plc. and Siam Commercial Bank Plc.	Bank of Ayudhya Plc. and Kasikorn Bank Plc.	Bank of Ayudhya Plc. and United Overseas Bank (Thai) Plc.	Kasikorn Bank Plc.
Par Value	Bt1,000				
Issue Price/Unit	Bt1,000				
Issue Size	Bt5,000,000,000	Bt6,000,000,000	Bt2,000,000,000	Bt4,000,000,000	Bt3,000,000,000
No. of Debenture	5,000,000 units	6,000,000 units	2,000,000 units	4,000,000 units	3,000,000 units
Duration	3.6 years and 5 years from issuing date	3.1 years and 5 years from issuing date	3 years from issuing date	2.9 years and 3.6 years from issuing date	3.6 years and 5 years from issuing date
Issuing Date	21-Sep-12	15-May-13	31-Jan-14	17-Sep-14	13-May-15
Maturity Date	Series 1 : 21-Mar-16 Series 2 : 21-Sep-17 Series 3 : 21-Mar-16 Series 4 : 21-Sep-17	Series 1 : 15-Jun-16 Series 2 : 15-May-18	Series 1 : 31-Jan-17	Series 1 : 17-Jun-17 Series 2 : 17-Mar-18	Series 1 : 13-Nov-18 Series 2 : 13-May-20
Coupon Rate	Series 1 : 4.22% per annum of Bt600,000,000 Series 2 : 4.50% per annum of Bt600,000,000 Series 3 : 4.22% per annum of Bt2,400,000,000 Series 4 : 4.50% per annum of Bt1,400,000,000	Series 1 : 3.58% per annum of Bt3,000,000,000 Series 2 : 3.99% per annum of Bt3,000,000,000	Series 1 : 3.78% per annum of Bt2,000,000,000	Series 1 : 3.61% per annum of Bt2,000,000,000 Series 2 : 3.80% per annum of Bt2,000,000,000	Series 1 : 2.58% per annum of Bt1,000,000,000 Series 2 : 3.13% per annum of Bt2,000,000,000
Coupon Payment Period	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Redemption	The issuer shall redeem the debentures with the single payment of principal and the final unpaid interest (if any) at maturity.				
Repurchase of Debenture	The issuer is entitled to repurchase the debentures from the secondary market or otherwise at any time.				
Credit Rating by TRIS	"A" as issued on 14-Aug-12	"A" as issued on 20-Mar-13	"A" as issued on 20-Dec-13	"A" as issued on 10-Jul-14	"A" as issued on 16-Apr-15

DIVIDEND PAYMENT POLICY & INFORMATION

According to strong business growth with rigid financial status of the Company, plus with higher of dividend payment policy of peers in the same industry than the Company did, by approved the Company's dividend payment policy of making annual dividend payment to its shareholders at a rate of not less than 30.0% of the Company's net profit after deduction of all legal reserves, the Company's Board of Directors' Meeting No. 1/2016 on January 22, 2016 has approved of the amendment to the Company's dividend payment policy to benefit to the Company's shareholders and investors, effective since performance of 2015 onwards.

"The Company's dividend payment policy of making annual dividend payment to its shareholders twice a year at a rate of not less than 50.0% of the consolidated net profit after deduction of all legal reserves, however, are subject to change depending on the Company's investment plan, necessities as well as other justifications and considerations that the Board of Directors deems appropriate. In respect of dividend payment policy by the subsidiaries, such subsidiaries will pay dividends to the Company from their net profits. The dividend payment is, however, subject to many factors such as their financial condition and results of operation, liquidity, business expansion and factors related to the operation of their business.

Moreover, dividends from net profits from the business with BOI privileges are exempted from income tax and the Company is not obligated to deduct withholding tax from such dividend payment".

The following are dividends that the Company paid to its shareholders as follow:

Performance Year	Consolidated net profit (Bt m)	Company's Net Profit (Bt m)	Earnings per share (Bt)	Dividend per share (Bt)	Dividend Payout Ratio from Separate FS* (%)	Dividend Payment Date
2015	7,670.28	7,680.36	3.44	1.75	50.8	May 18, 2016
2014	6,654.84	6,654.52	2.99	1.00	45.3	May 15, 2015
2013	5,801.82	5,175.03	2.61	0.85	36.5	May 15, 2014
2012	3,898.14	3,266.80	1.76	0.50	33.8	May 17, 2013
2011	2,834.82	2,844.30	1.28	0.40	31.0	May 17, 2012

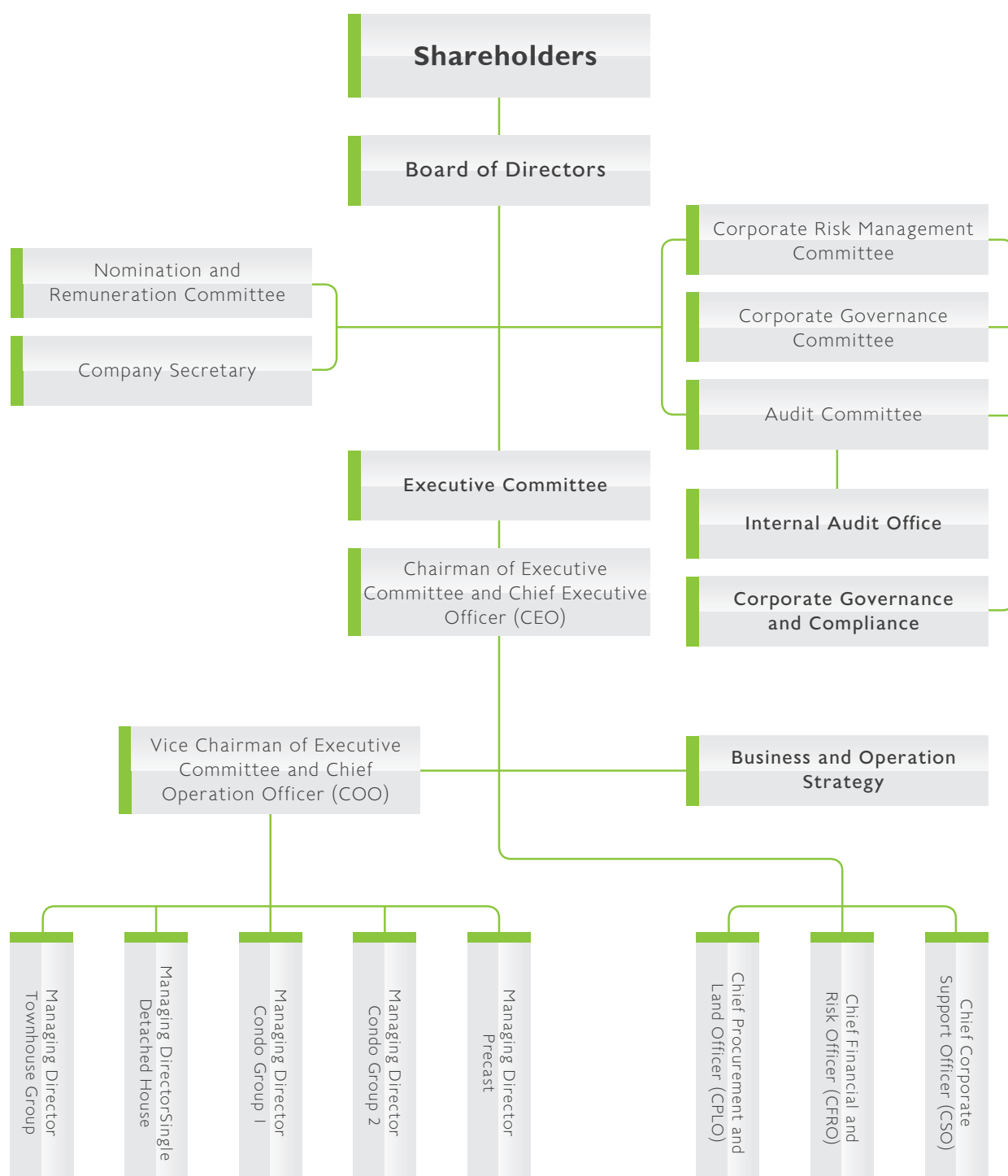
Remark:

* The dividend payout ratio in 2011-2014 calculated from the Company's net profits. In 2015, the dividend payout ratio calculated from the consolidated net profit as mentioned above. Dividend payment of 1.75 baht per share calculated from the consolidated financial statement of 2015 is subject to approval in AGM of the Shareholders of the Company, planned for April 28, 2016. The interim dividend payment had been paid at 0.50 baht per share, remaining of 1.25 baht per share.

MANAGEMENT STRUCTURE

I. ORGANIZATION CHART

Management structure of the Company as of December 30, 2015 as follow:



2. MANAGEMENT STRUCTURE

Management structure of the Company consists of the Board of Directors and five subcommittees which are Audit Committee, Corporate Risk Management Committee, Corporate Governance Committee, Nomination and Remuneration Committee and Executive Committee.

2.1 THE BOARD OF DIRECTORS

According to the Articles of Association of the Company, the Board of Directors shall consist of not less than five Directors. Not less than one half of the total number of Directors shall have domicile in the Kingdom. The directors are integral part of corporate governance. They must provide unbiased views and opinions to the Board of Directors and protect the mutual interest of all shareholders. The Directors must foster accountability and integrity. As reported in the latest Ministry of Commerce's certification on December 4, 2015 the Board of Directors of Pruksa Real Estate Public Company Limited, who possessed qualifications in accordance with Section 68 the Public Company Act B.E.2535 (1992) and the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), consists of 11 members as follows:

Name	Position
1 Dr. Pisit Leeahtam	Chairman and Independent Director
2 Mr. Thongma Vijitpongpan	Executive Vice Chairman
3 Mr. Weerachai Ngamdeevilaiak	Independent Director
4 Mr. Adul Chandanachulaka	Independent Director
5 Dr. Piyasvasti Amranand	Independent Director
6 Dr. Anusorn Sangnimnuan	Independent Director
7 Mr. Wichian Mektrakarn	Director
8 Mr. Lersuk Chuladesa	Director
9 Mr. Prasert Taedullayasatit	Director
10 Ms. Rattana Promsawad	Director
11 Mr. Piya Prayong	Director

Authorized directors who can sign on behalf of the Company

Authorized Directors who can jointly sign and bind the Company are either Mr. Thongma Vijitpongpan or Mr.

Lersuk Chuladesa or Mrs. Ratana Promsawad, signing with Mr. Piya Prayong or Mr. Prasert Taedullayasatit or Mr. Wichian Mektrakarn, a total is two directors with the Company's seal affixed jointly.

Separation of function roles

The Chairman is not an Executive Director, and has no relations with the management team. The roles of making Director Policies and management of the Company are clearly defined.

Roles and duties of the chairman

The Chairman has the role of the leader and presides over the Board of Directors' Meeting to ensure effectiveness and efficiency by encouraging all the directors to participate in the meeting, helping, advising and supporting to ensure smooth operation of the management. The Chairman also has the freedom to propose agendas for the meetings, provide opinions on the Company's operation in various ways, conducts himself with integrity and avoids conflict of interests for rightness and transparency.

Scope of powers and duties of the Board of Directors

1. To perform with responsibility, caution, and faithfulness and conduct the Company's business according to the laws, Company's objectives, Articles of Association, and resolutions of the shareholders' meeting, except for matters required by law to be approved at shareholders' meetings, entering into connected transactions, and any purchase or sale of material assets pursuant to the regulations of the SET or those prescribed by other government authorities.

2. To oversee the corporate governance with ethic for example making Code of Business Conduct for Directors, Management and employees of the Company as well as

acknowledge rules and follow up on the implementation.

3. To consider approval of the business policies, targets, operation plans, business strategies and annual budgets of the Company.

4. To consider appointment of a person who possesses qualifications and does not possess any characteristics prohibited under the Public Company Act B.E. 2535 (1992) and the laws governing securities and exchange and any relevant rules, regulations and/or notifications to be Director in case there is a vacancy due to a cause other than retirement by rotation.

5. To consider appointment of Independent Directors by taking into consideration qualifications and prohibited characteristics under the laws governing securities and exchanges, notifications of the Capital Market Supervisory Board, including relevant rules, regulations and/or notifications of the Capital Market Supervisory Board, SET or propose to a shareholders' meeting for such appointment.

6. To consider appointment of Audit Committee members who have qualifications under the laws governing securities and exchange notifications of the Capital Market Supervisory Board, including rules, regulations and/or notifications of the SET.

7. To consider appointment of Executive Directors from among the directors or the management of the Company and prescribe their roles, powers, duties and responsibilities.

8. To consider appointment of sub-committee to assist in the operation according to the Board of Director's responsibilities.

9. To appoint and change the names of Directors who can have the power to sign to bind the Company.

10. To nominate other person to manage the operations of the Company under the control of the Board or authorize the person to have power for the time period, as the Board deems appropriate. The Board may remove or change the power of the person.

11. To consider approval of transactions relating to acquisition or disposition of assets, except where such transactions require approval by a shareholders' meeting. Such approval must be in compliance with the notifications of the Capital Market Supervisory Board, and/or SET's

relevant rules, regulations and/or notifications.

12. To consider approval of connected transactions, except where such transactions require approval from a shareholders' meeting. Such approval must be in compliance with the Capital Market Supervisory Board and/or SET's relevant rules, regulations and/or notifications.

13. To consider approval for interim dividend payment when it considers that the Company has sufficient profits to do so and to report such payment to the following shareholders' meeting. The Board of Directors shall elect a Director to be the Chairman. If it is deemed appropriate, the Board of Directors may consider electing one or many directors to be Vice Chairman, who shall be assigned by the Chairman to perform duties to conduct the Company's business according to the Articles of Association. The Board of Directors shall meet at least once every three months.

However, in granting of powers, duties and responsibilities, the Board of Directors shall not be granted power, or sub-grant powers to a grantee to approve transactions in which the Board of Directors, or any person who may have any conflict of interest (as defined in the notification of the SEC), have a vested interest, or may have any other conflict of interest with the Company or its subsidiaries, except where the approval of such transaction is consistent with the policy and criteria approved by the meeting of shareholders or of the Board of Directors.

Structure and appointment of the Board of Directors

The structure of the Board of Directors and appointment, removal or release of Directors as stipulated in the Company's Articles of Association can be summarized as follows:

1. The Company shall consist of not less than five Directors. Not less than one half of the total number of Directors shall have domicile in the Kingdom.

2. The election of Directors by the shareholders' meeting shall be in accordance with the following rules and procedures be in accordance with the following rules and procedures:

- Each shareholder shall have one vote per share
- Each shareholder shall use all his or her votes

under (1) To elect one or several persons as a Director. However, he or she may not divide his or her votes among the candidates

- The persons who received the highest number of votes in their respective order of the votes in a number not exceeding the number of directors to be elected at that meeting, shall be appointed as directors. In the event of equal votes for the last person, the Chairman of the meeting shall exercise a casting vote

3. At the Annual General Meeting, the Directors shall retire by one-third. If the number of Directors is not by three, it has to be the nearest one-third. Directors to be retired from their office in the first and second year after the registration of the Company, they shall be retired by drawing. After that, the Directors who have stayed in the office longest shall be retired. Directors who retired may be re-elected.

4. A Director may resign from office by submitting a resignation letter to the Company. The resignation shall become effective from the day the resignation letter arrives at the Company.

5. A resolution for any Director to leave office prior to the expiration of his term requires the votes of at least three fourths of the number of the shareholders attending the meeting and having voting rights and holding in aggregate shares amounting to not less than half of the number of shares held by shareholders who attend the meeting and have voting rights.

Independent Directors

The current Board of Directors consists of five Independent Directors who do not participate in the management of the Company and are free and clear of the control of the Company's management and shareholders, including not having any business relation with the Company which makes him/her incapable of expressing independent opinions which is in accordance with the regulation issued by Capital Market Supervisory Board, SEC and SET. The regulation states that not less than one-third of all of the directors of the Company must be independent directors, and it shall not be less than three. The Board of Directors determined the qualifications of the independent directors, as regulated by the SEC, as follows:

1. Holding not more than 1.0% of the total voting shares of the Company, its subsidiary, associated company, juristic persons with potential of conflict of interest, major shareholder, or controlling person, with the number of shares held by the director's related persons being counted.

2. Being a director who is not or has never been an executive director, employee, staff member, salaried advisor, or controlling person of the Company, its subsidiary, associated company, same-level subsidiary, juristic persons with potential of conflict of interest, major shareholder, or controlling person, unless such characteristics have lapsed for at least two years before being appointed.

3. Being a director who has no relationship by blood or by legal registration under the status of father, mother, spouse, sibling, and child, including the child's spouse, of other directors, executives, major shareholders, controlling persons, or persons who are being nominated for appointment as directors, executives, or controlling persons of the Company or its subsidiary.

4. Being a director who does not have or has never had a business relationship with the Company, its subsidiary, associated company, juristic persons with potential of conflict of interest, major shareholder, or controlling person in a manner that may hinder the exercise of his/ her independent judgment, and not being a person who is or has been a significant shareholder, or controlling person, or a person with a business relationship with the Company, its subsidiary, associated company, juristic persons with potential of conflict of interest, major shareholder, or controlling person, unless such characteristics have lapsed for at least two years before being appointed. The business relationship in paragraph one includes normal trading transactions for the purpose of business operations, rental or lease of immovable property, transaction related to assets or services, or granting or receiving financial assistance by receiving or giving loans, guarantee, using assets as debt collateral, including other similar acts that result in the Company or the party thereof being liable to pay the other at an amount of 3% or more of the net tangible asset or Bt20.0m or more, whichever is smaller. The calculation of such liabilities shall be in

accordance with the method of connected transaction calculation specified in the Capital Market Supervisory Board's Notification: Re Criteria on Undertaking Connected Transactions, mutatis mutandis, with the liabilities occurring during the one-year period prior to the date of business relationship with the same person being included.

5. Being a director who is not or has never been an external auditor of the Company, its subsidiary, associated company, juristic persons with potential of conflict of interest, major shareholder, or controlling person, and not a significant shareholder, controlling person, or partner of an audit firm to which an external auditor of the Company, its subsidiary, associated company, juristic persons with potential of conflict of interest, major shareholder, or controlling person belongs, except in case such characteristics have lapsed for at least two years before being appointed.

6. Being a director who is not or has never been a provider of any professional service including legal advisory service or financial advisory service with the service fee thereof exceeding Bt2.0m per year from the Company, its subsidiary, associated company, juristic persons with potential of conflict of interest, major shareholder, or controlling person, and not a significant shareholder, controlling person, or partner of the provider of such professional service, except in case such characteristics have lapsed for at least two years before being appointed.

7. Being a director who is not appointed as representative of a director, major shareholder or shareholder with a relationship to a major shareholder of the Company.

8. Not undertaking a business of the same nature and in significant competition with those of the Company or its subsidiary, nor being a significant partner of a partnership or an executive director, employee, staff member, salaried advisor, or shareholder with over 1.0% of the total voting shares of another company undertaking a business of the same nature and in significant competition with those of the Company or its subsidiary.

9. Not having any other characteristic that may hinder the exercise of his/her independent judgment about the Company's business operations.

After having been appointed as independent director

with characteristics under items 1-9, the independent director may be assigned by the Board of Directors to make decision on operations of the Company, its subsidiary, associated company, same-level subsidiary, juristic persons with potential of conflict of interest, major shareholder, or controlling person, in the form of collective decision.

2.2 AUDIT COMMITTEE

The Company's Audit Committee consists of Independent Directors with qualifications in accordance with Section 68 the Public Company Act B.E.2535 (1992), the Announcements of the Capital Market Supervisory Board and the regulations of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Committee must consist of at least three members, with at least one who is qualified in accounting or finance and has adequate experience to ascertain the integrity of the financial statements of the Company. The current Audit Committee comprises of three Independent Directors as follows:

	Name	Position
1	Dr. Piyasvasti Amranand	Chairman of the Audit Committee
2	Professor Emeritus Dr. Trungjai Buranasomphop ⁽¹⁾	Member
3	Mr. Adul Chandanachulaka	Member
4	Mr. Weerachai Ngamdeevilaiak	Member

Remark

⁽¹⁾ Professor Emeritus Dr. Trungjai Buranasomphop resigned from member of Internal Audit Committee on December 31, 2014

Secretary of the Audit Committee is Mr. Premsak Wanlikui, Senior Vice President of Internal Audit (Head of Internal Audit)

Scope of Powers, Duties and Responsibilities of the Audit Committee

1. To review the Charter of the Audit Committee at least once a year and make adjustments as deemed necessary and appropriate.

2. To conduct reviews of financial reports and disclosure of financial statements in accordance with

accounting standards stipulated by laws in a transparent, accurate and sufficient manner.

3. To consider and approve any changes in significant accounting principles or procedures as proposed by management of the Company.

4. To conduct reviews to ensure that the Company has appropriate and effective internal control and an internal audit system in accordance with generally accepted procedures and standards.

5. To review the independency of the Internal Audit Unit and to give consent to the appointment, transfer and termination of the Vice President, Internal Audit.

6. To review Internal Audit reports submitted to management and to review management's action plan to correct the internal audit finding.

7. To have unrestricted access to management and employees and relevant information.

8. To conduct reviews with relevant units (such as Legal) to ensure that the Company complies with laws related to Securities and the Stock Exchange and any other laws related to the Company's business.

9. To select and nominate independent persons to act as External Auditors of the Company and propose their remuneration.

10. To have at least one meeting a year with External Auditors without management's presence.

11. To review any connected transactions or any transactions with potential conflict of interest for compliance with the laws and requirements of the Stock Exchange in order to ensure that the transactions are reasonable and most beneficial to the Company.

12. To prepare a report of the Audit Committee for disclosure in the Company's annual report. The report, which is to be signed by the Chairman of the Audit Committee, shall include at least the following information;

12.1 An opinion regarding accuracy, completeness and integrity of the Company's financial reports.

12.2 An opinion regarding adequacy of the internal control system of the Company.

12.3 An opinion regarding compliance with the laws relevant to securities and the stock market, the requirements of the Stock Exchange of Thailand (SET) or the laws related to the business of the Company.

12.4 An opinion regarding the suitability of the auditors.

12.5 An opinion regarding transactions which may have conflict of interest.

12.6 The number of Audit Committee's meetings and the attendance of each member of the Audit Committee.

12.7 An opinion or an observation of the Audit Committee drawn from the performance of their duties according to the Charter.

12.8 Any other matters within the scope of duties and responsibilities specified by the Company's Board of Directors which the shareholders and general investors should know.

13. To perform other tasks within the scope of its duties and responsibilities stipulated in its Charter, including any tasks as may be assigned by the Board of Directors upon which the Audit Committee agrees.

14. In performing the duties, if the Audit Committee finds or suspects that there is a transactions with conflict of interest, a fraud case, an irregularity, or deficiency of a significant magnitude in the internal audit system or any violation of laws and regulations related to Securities or the Stock Exchange or any laws related to the business of the Company which may significantly affect the financial position and the performance of the Company, the Audit Committee is required to submit a report to the Board of Directors for improvement or correction within a timeframe considered appropriate by the Audit Committee.

Selection of the Audit Committee

The Board of Directors shall appoint at least three Audit Committee members from the Independent Directors of the Company who have qualifications as stipulated by the laws governing securities and exchange and the announcements of the Capital Market Supervisory Board, including the notifications rules, and/or regulations of the Stock Exchange of Thailand (SET) governing qualifications and the scope of power and duties of the Audit Committee. At least one member of the Audit Committee must be qualified in accounting or finance and has adequate experience to ascertain the integrity of the financial statements of the Company. The term of each member of the Audit Committee shall be three years and shall terminate upon the directors' retirement by rotation.

2.3 CORPORATE RISK MANAGEMENT COMMITTEE

The Board of Directors appointed the Corporate Risk Management Committee for organization level which is tasked with ensuring that the Company's risks are managed appropriately and efficiently. The current Corporate Risk Management Committee consists of six members as follows:

Name	Position
1 Mr. Weerachai Ngamdeevilaiak	Chairman of the Corporate Risk Management Committee
2 Mr. Thongma Vijitpongpun	Member
3 Mr. Lersuk Chuladesa	Member
4 Mr. Kanchit Bunajinda ⁽¹⁾	Member
5 Mr. Piya Prayong	Member
6 Mr. Prasert Taedullayasatit	Member
7 Mr. Charly Madan ⁽²⁾	Member and Secretary of the Corporate Risk Management Committee

Remark

⁽¹⁾ Mr. Kanchit Bunajinda resigned from a member of the Corporate Risk Management Committee and effective on September 17, 2015

⁽²⁾ Mr. Charly Madan was appointed as a member and Secretary of the Corporate Risk Management Committee on August 13, 2015

Secretary of the Corporate Risk Management Committee is Mr. Charly Madan-Chief Financial and Risk Officer.

Scope of Powers, Duties and Responsibilities of the Corporate Risk Management Committee

1. To acknowledge and make recommendations on policy, strategy, and enterprise risk management.

2. To verify risk management plans of management division, including the organization's overall risk management process.

3. To be informed of significant risks and consider whether management division responds to them properly.

4. To monitor and ensure full compliance with the framework of the implementation of enterprise risk management.

5. To carry out other duties as assigned by the Board of Directors.

2.4 CORPORATE GOVERNANCE COMMITTEE

To comply with the principles of corporate governance and the code of conduct of directors of listed companies, the Board of Directors appointed the Corporate Governance Committee on February 22, 2006. The Corporate Governance Committee consists of three members as follows:

Name	Position
1 Dr. Anusorn Sangnimnuan ⁽¹⁾	Chairman of the Corporate Governance Committee
2 Professor Emeritus Dr.Trungjai Buranasomphop ⁽²⁾	Member
3 Mr. Adul Chandanachulaka	Member
4 Mrs. Rattana Promsawad	Member

Remarks

⁽¹⁾ Dr. Anusorn Sangnimnuan was appointed as the Chairman of the Corporate Governance Committee effective on January 21, 2015

⁽²⁾ Professor Emeritus Dr. Trungjai Buranasomphop resigned from a member of Corporate Governance Committee on December 31, 2014

Secretary of the Corporate Governance Committee is Mr. Cherd Suppana, Executive Vice Present of Governance and Risk Management Compliance.

Scope of Powers, Duties and Responsibilities of the Corporate Governance Committee

1. To consider, review, and present the following policies for the Board of Directors' approval. Such policies are Corporate Governance Policy, Code of Conduct, Corporate Social and Environmental Responsibility Policy, Sustainable Development Policy, and any practice for supporting the Company's operation in compliance with corporate governance, transparency, fairness, and sustainable growth.

2. To supervise and ensure that the aforementioned policies/ practices as shown in (1) are continually executed by the Management and the aforementioned policies/ practices must be appropriate and consonant with the Company's business, recommendations of regulatory unit or relevant unit, and international standards.

3. To monitor, review and ensure that systems in

the organization comply with code of conduct and best practices as defined.

4. To monitor and command in the event that management division or employees do not comply with policies and practices as defined.

5. To monitor and report the organization's performance as said in Corporate Governance Policy and relevant policies to the Board of Directors and external organizations as appropriate.

6. To carry out other duties as assigned by the Board of Directors.

2.5 NOMINATION AND REMUNERATION COMMITTEE

To comply with the principles of corporate governance and the code of conduct of directors of listed companies, the Board of Directors appointed a Nomination and Remuneration Committee on December 28, 2005. The committee consists of four members as follows:

Name	Position
1 Mr. Weerachai Ngamdeevilaiak ⁽¹⁾	Chairman of the Nomination and Remuneration Committee
2 Mr. Wisudhi Srisuphan ⁽²⁾	Chairman of the Nomination and Remuneration Committee
3 Dr. Pisit Leeahtam	Member
4 Mr. Thongma Vijitpongpan	Member
5 Mr. Wichian Mektrakarn ⁽³⁾	Member

Remarks

⁽¹⁾ Mr. Weerachai Ngamdeevilaiak was appointed as the Chairman of Nomination and Remuneration Committee on May 14, 2015

⁽²⁾ Mr. Wisudhi Srisuphan resigned from The Chairman of the Nomination and Remuneration Committee on November 17, 2014

⁽³⁾ Mr. Wichian Mektrakarn was appointed as a member of the Nomination and Remuneration Committee on May 14, 2015

Secretary of the Nomination and Remuneration Committee is Mr. Udomsak Yamnoon-Executive Vice President of Human Capital.

Scope of Powers, Duties and Responsibilities of the Nomination and Remuneration Committee

1. To set up the policy and selection criteria for the Board of Directors, Sub-Committee, President, Director, and Managing Director.

2. To select the Board of Directors, Sub-Committee, President, Director, and Managing Director and propose the Board of Directors and/or shareholders for their approval, as the case may be.

3. To set up the policy and remuneration payment criteria for the Board of Directors, Sub-Committee, President, Director and Managing Director and propose the Board of Directors and/or shareholders for their approval, as the case may be.

4. To determine necessary and appropriate remuneration, both cash and non-cash payments, in order to attract and keep the Board of Directors, Sub-Committee, President, Director and Managing Director committed to the Company.

5. To set up criteria and methods for appraising the performance of the Board of Directors, Sub-Committee, President, Director and Managing Director.

6. To review the selection criteria and policy as well as the system and payment of remuneration in compliance with responsibilities, the Company's performance, and market situation by taking account of making the most of the Company benefits.

7. To carry out other duties as assigned by the Board of Directors.

2.6 EXECUTIVE COMMITTEE

For the best management serving the Company's policies, objectives to achieve long term goal, stability and sustainable business growth, Executive Committee, with qualifications in accordance with the Public Company Act B.E.2535 (1992) and the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, to control and responsible on their job assignment by Board of Directors. All the currently consists of five members as follows:

Name	Position
1 Mr. Thongma Vijitpongpan	Chairman of Executive Committee
2 Mr. Lersuk Chuladesa	Vice Chairman Executive Committee
3 Mr. Wichian Mektrakarn ⁽¹⁾	Executive Committee

	Name	Position
4	Mr. Piya Prayong	Executive Committee
5	Mr. Charly Madan ⁽²⁾	Executive Committee
6	Ms. Suporn Treewichayapong ⁽³⁾	Executive Committee

Remarks

⁽¹⁾ Mr. Wichian Mektrakarn was appointed as a member of Executive Committee on January 21, 2015

⁽²⁾ Mr. Charly Madan was appointed as a member of Executive Committee on August 31, 2015

⁽³⁾ Ms. Suporn Treewichayapong resigned from a member of Executive Committee on August 13, 2015

Secretary of the Executive Committee is Dr. Torsak Lertsrisakulrat, Senior Executive Vice President for Strategic and Operation department.

Scope of Powers and Duties of Executive Committee

1. To set up business plan, targets, strategies, operations plans, annual budget and administrative powers to propose to the Board of Directors for approval.

2. To oversee business performance operation according to the policies of the Company, targets, business strategy, and budget as approved by the Board of Directors in an efficient manner and corresponding to the condition of the business as well as provide consultant, recommendation, management to Executive committee.

3. To consider and approve capital expenditure or financial transaction with financial institutions for open account, borrowing or seeking credit facilities, mortgage, loan guarantees and other activities, including any trading/registered land transactions in the normal course of business under the defined Company's budget.

4. To establish an organization structure and efficient management and administration, covering recruitment, training, hiring and termination of employees, who are executives or members of senior management. The Executive Committee may authorize Chief Executive Officer of the Company to act on the Company's behalf in signing employment agreements.

5. To supervise, control and approve matters relating to the operations of the Company. The Executive Committee may appoint or authorize one or more persons to take any action on behalf of the Executive Committee

as it may deem appropriate and may terminate, change or amend such authority.

6. To scrutinize all pieces of work presented to the Board of Directors, with the exception of ones under responsibilities and/or authority of other Sub-Committees who scrutinize their pieces of work and directly present them to the Board of Directors

7. To carry out other duties as assigned by the Board of Directors.

However, in the granting of powers, duties and responsibilities, the Executive Committee shall not be granted or sub-grant power to a grantee that causes the Executive Committee or the grantee to approve transactions in which the Executive Committee or the grantee, or any person who may have any conflict of interest (as defined in the notification of the SEC), may have a vested interest, or any other conflict of interest with the Company or its subsidiaries. Approval of such transaction is recurred to be presented to the Board of Directors Meeting and/or the Shareholders. Meeting as the case may be, for approval, as required by the Articles of Association of the Company or the subsidiaries or the relevant laws, except where the approval of such transactions is consistent with normal business practice and has a clearly defined scope.

Selection of executive committee

The Board of Directors shall nominate Directors, the Company Management, and/or outsiders and appoint them to Executive Committee. Equally important, Executive Committee shall have knowledge, experience and abilities required of the position, devote more of his time to the Company and understand his qualifications, duties and responsibilities, including not having prohibited characteristics under the laws.

2.7 MANAGEMENT

Executive (who has qualifications in accordance with the Public Company Limited Act B.E. 2535 (1992) and the related notifications of the Office of the Securities and Exchange Commission). As of December 30, 2015, the Company's executive consists of ten persons as follows:

	Name	Position
1	Mr. Thongma Vijitpongpan	Chief Executive Officer
2	Mr. Lersuk Chuladesa	Chief Operating Officer
3	Mr. Piya Prayong	Managing director - Townhouse
4	Mr. Nimit Poonsawat	Managing director - Single Detached House
5	Mr. Prasert Taedullayasatit	Managing Director - Condominiums 1
6	Mr. Pakarin Dattibongs	Managing Director - Condominiums 2 (Acting)
7	Mr. Amornpol Thupawirote	Managing Director – Precast (Acting)
8	Mr. Charly Madan	Chief Financial and Risk Officer
9	Mr. Pairoj Anamwathana	Chief Corporate Support Officer
10	Mr. Maitri Chaimongkalanon	Chief Procurement and Land Officer

Notes

Management (as defined by SEC) means Chief Executive Officer or person (s) in the next four executive levels immediately under Chief Executive Officer including every person (s) who is equivalent to that fourth level and also include the Financial Officer in the case that the Financial Officer is not in the same level as the fourth-executive level.

Scope of Powers and Duties of Chief Executive Officer

1. To be responsible for overall and day-to-day operations of the business.

2. To coordinate with Internal Audit Department in relation to accounts and payment procedures of the Company should be find or suspect that it is not in accordance with the Company's policy.

3. To establish an organization structure and efficient management in accordance with the guidelines which is may be set up by the Executive Committee. This shall include recruitment; training, hiring and termination of employees who are not Management or members of senior management. The Chief Executive Officer is authorized to sign employment agreements on behalf of the Company.

4. To consider and approve any capital expenditure or operating expenses for the Company's business operation or any borrowing or credit facilities from financial institutions, including acting as a guarantor in the normal course of business, in an amount not exceeding Bt20.0m, or equivalent.

5. To conduct any other affairs necessary for operation of the Company as assigned by the Board of Directors or Executive Committee.

6. To participate in the budget review with the Executive Committee and later with the Board of Directors.

7. To negotiate and review agreements or documents in relation to the normal business operations of the Company, advise and propose such matters to the Board of Directors and/or Executive Committee and/or persons in charge of such matters for consideration, review and finding solutions.

8. To have the power to authorize and/or appoint a person or persons to undertake specific business on his behalf, provided that such authorization and/or appointment is subject to the scope of authority given under the power of attorney and/or in accordance with the rules, regulations or orders empowered by the Board of Directors and/ or Executive Committee and/or the Company or Chief Executive Officer to cancel, change or amend such powers.

However, the granting of powers, duties and responsibilities to Chief Executive Officer shall not empower Chief Executive Officer to approve transactions in which he or any person who may have a conflict of interest may have a vested interest or any other conflict of interest with the Company or subsidiaries (as defined in the notification of the SEC). Approval of such transactions is required to be reported to the Board of Directors Meeting or Shareholders' Meeting, as the case may be, for approval as prescribed by the Articles of Association of the Company or the subsidiaries or the relevant laws, except where the approval of such transaction is consistent with normal business practice and has a clearly defined scope.

2.8 COMPANY SECRETARY

The Board of Directors appoints a person as Company Secretary to be responsible for organizing the Board of Directors and Shareholders' meetings and other activities of the Board of Directors to ensure that the Board of Directors and the Company properly comply with the related laws and regulations, including the promotion of good governance practices. At present, the Board

of Directors has appointed Mr. Paisarl Rumphon as the Company Secretary, effective on May 9, 2008 (details appear in the section of bibliography of Board of Directors and management).

Duties and responsibilities

1. Organize the meetings of Shareholders, the Board of Directors and Specific Committees in accordance with laws, the Company's Articles of Association, each Committee's Charter and best practices.

2. Inform the related management of the resolutions and policies of the Board of Directors and Shareholders and follow up on the implementation of the resolutions and policies.

3. Give initial advice and recommendations to the Board of Directors and Specific Committees on issues in regard to laws, regulations, the Company's Articles of Association and best practices on good governance, follow up on the implementation to ensure correctness and continuity, including report on significant changes to the Board of Directors.

4. Take the minutes of the meeting of the Shareholders and the Board of Directors and follow up on the implementation of the resolutions of the Shareholders and the Board of Directors' meetings.

5. Supervise the disclosure and report of information under responsibility to the regulatory agencies to ensure compliance with laws and regulations and the Company's information disclosure policy.

6. Communicate with the Shareholders to ensure they are informed of their rights and have access to the Company's information.

7. Keep reports on stake holding submitted by directors or management and other important documents such as the Register of the Company's Directors, notices and minutes of the meetings of Board of Directors and the Company's annual reports, including the notices and minutes of the Shareholders' meetings.

8. Supervise the Company's Secretariat to serve as the center of corporate records such the Company's Certificate of Juristic Person Registration, Memorandum of Association, Articles of Association, Shareholders' Register, etc.

9. Give suggestions and advice to newly appointed directors on their directorship.

10. Supervise the activities of the Board of Directors and carry out other matters as provided by law or assigned by the Board of Directors or as announced by SEC.

THE BOARD & MANAGEMENT PROFILE



Dr. Pisit Leeahtam

Age 65 Years

Chairman of the Board of Directors

Member of Nomination and Remuneration Committee

Independent Director

(Started on April 27, 2005)

Shareholding (%)

as on January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as on December 30, 2015

1. I : 0.0046% (103,500 shares)
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : 103,500 shares
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Doctorate Degree (Economics), Erasmus University, Rotterdam, The Netherlands
- Master's Degree (Economics), Erasmus University, Rotterdam, The Netherlands
- Bachelor's Degree (Economics), Erasmus University, Rotterdam, The Netherlands

Other Position(s)

Listed Companies

- Vice Chairman of the Board of Directors / Chairman of the Audit Committee - KGI Securities (Thailand) Plc.
- Independent Director - Chairman of the Audit Committee - Tirathai Plc.
- Independent Director - Chairman of the Audit Committee - Global Connections Plc.
- Director – OHTL Plc

Others

- Dean - Faculty of Economics, Chiang Mai University
- Chairman - Thai Tank Terminal Limited
- Country Chairman (Thailand) - Jardines Matheson (Thailand) Ltd.
- Director / Chairman of the Audit Committee – Muangthai Life Assurance Plc.
- Chairman - Netherlands-Thai Chamber of Commerce
- President - Provident Fund Association
- Council Member - Rajamangala University of Technology Krungthep
- Council Member - King Mongkut's University of Technology, Thonburi
- Council Member - Faculty of Commerce and Accountancy, Thammasat University Etc.

Work Experience

- 2014-2015 Member of the National Reform Council
- 2001-2003 President & CEO, TT&T Pcl
- 1997-2001 Deputy Minister of Finance, Ministry of Finance
- 1995-1997 Executive Vice President, Head of Investment Banking Group, Bangkok Bank Pcl.
- 1991-1994 Director, Office of the Governor, Bank of Thailand
- 1987-1990 Economist, Exchange and Trade Relations Department, International Monetary Fund, Washington DC

Training

- Directors Certification Program - DCP 18/2002, Thai Institute of Director (IOD)
- Corporate Governance for Capital Market Intermediaries - CGI 2/2015, Thai Institute of Director (IOD)



Mr. Thongma Vijitpongpun

Age 58 Years

Authorised Director / Executive Vice Chairman of the Board of Directors
Chairman of Executive Committee

Member of the Corporate Risk Management Committee /

Member of Nomination and Remuneration Committee / Chief Executive Officer
(Started on April 27, 2005)

Shareholding (%)

as on January 1, 2015

1. I : 54.52% (1,214,000,000 shares)
2. Spouse : 3.82% (85,000,000 shares)
3. Minor Children : 3.82% (85,000,000 shares)

as on December 30, 2015

1. I : 54.41% (1,214,000,000 shares)
2. Spouse : 3.81% (85,000,000 shares)
3. Minor Children : 3.81% (85,000,000 shares)

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- Elder brother of Mrs. Rattana Promsawad

Education

- Bachelor's Degree (Engineering), Chulalongkorn University

Other Position(s)

Listed Companies

- None

Others

- Director - Pruksa Overseas Co.,Ltd.
- Director - Pruksa International Co.,Ltd.
- Director - Pruksa Overseas Service Co.,Ltd.

Work Experience

- 1998-2004 Managing Director - Kaysorn Restaurant Co., Ltd.
(stopped operating the business on January 28, 2005)
- 1985-1993 Manager - Siam Engineering Limited Partnership

Training

- Directors Certification Program - DCP 51/2004, Thai Institute of Director (IOD)
- Finance for Non-Finance Directors, Thai Institute of Director (IOD)



Mr.Lersuk Chuladesa

Age 61 Years

Authorized Director / Vice Chairman of Executive Committee

Member of the Corporate Risk Management Committee

Member of the International Investment Committee

Chief Operating Officer

(Started on February 22, 2013)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : 0.0009% (19,500 shares)
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : 19,500 shares
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Honorary Ph.D. (Business) Western University
- M.A. (Public Administration), National Institute of Development Administration – NIDA
- B.A. (Marketing), Chulalongkorn University

Other Position(s)

Listed Companies

- None

Others

- President of the Pacific Institute of Management
- Executive Committee Member at Office for National Education Standards and Quality Assessment (ONESQA)
- Advisor to Double A (1991) Plc

Work Experience

- July 2008-July 2012 President & CEO, Government Saving Bank
- 2009-2012 Director– MFC Asset Management Pcl.
- 2008-2012 Director– IRPC Pcl.
- 2008-2013 Chairman – Regional Urban Development Found Office (RUDF)

- 2010-2013 Chairman –The GHB Foundation
- 2011-2013 Chairman – Saiyai Foundation
- 2002-2008 Chairman of Executive Committee – Siam City Insurance Pcl.
- 2007-2008 Chairman of Executive Wholesale Banking and Operation Officer, Siam City Bank Pcl.
- 2005-2007 Senior Executive Vice President – Siam City Bank Pcl.
- 2002-2004 Executive Vice President – Siam City Bank Pcl.

Training

- Nation Defence College Diploma (Class 17, 2004), Nation Defence College
- Executive Officers Program No.9, Capital Market Academy
- Mini MBA II, Thammasat University
- Management Development Program for Middle Manager, Standard Chartered, Singapore
- Banking and Financial Institutes Executive Development Program No.4, The Thai Institute of Banking and Financial Association
- Directors Accreditation Program (DAP), Thai Institute of Directors Association (IOD)



Mr. Prasert Taedullayasatit

Age 48 Years

Authorised Director / Member of the Corporate Risk Management Committee

Managing Director – Condominium I
(Started on April 27, 2005)

Shareholding (%)

as of January 1, 2015

1. I : 0.031% (693,000 shares)
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : (-693,000 shares)
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Master's Degree Business Administration (Marketing & Finance), Chulalongkorn University
- Bachelor's Degree (Accountancy: 2nd class Honor), Thammasat University

Other Position(s)

Listed Companies

- None

Others

- President - Thai Condominium Association
- Advisor - Housing Business Association
- Director - Board of Directors of Housing Development office (Housing Development office, business unit of Bangkok Metropolitan administration)
- Director - The Committee on Trade Association of Real Estate, Design and Construction (The Thai Chamber of Commerce and Board of Trade Thailand)
- Director - The Committee on Business of Real Estate Development (The Thai Chamber of Commerce and Board of Trade Thailand)
- Director - Board of Directors Real Estate Information Center (REIC)

- Director - Chulalongkorn University Demonstration School Parents and Teachers Association
- Director - MBA Alumni Association Chulalongkorn University
- Advisor - Thammasat Property Management Board of Directors

Work Experience

- 2010-2013 Director / Senior Executive Vice President / Chief Business Officer (CBO) Pruksa Real Estate Public Company Limited
- 2008-2009 Director / Senior Executive Vice President / Chief Operating Officer (COO) Pruksa Real Estate Public Company Limited
- 2007-2008 Director / Senior Executive Vice President / Chief Business Officer (CBO) Pruksa Real Estate Public Company Limited
- 2005-2007 Director / Executive Vice President (Marketing / Sales & Business Development) Pruksa Real Estate Public Company Limited
- 2002-2005 Director / Executive Director / Executive Vice President (Business Development) Lalin Property Public Company Limited
- 1999-2002 Senior Marketing and Business Development Manager Lalin Property Co., Ltd
- 1993-1999 Marketing and Business Development Manager - Lalin Property Co., Ltd

Training

- Capital Market Academy Leadership Program (Class 21), Capital Market Academy, The Stock Exchange of Thailand
- 3rd Metropolis Development Program for Top Executive (Metropolis 3), Institute of Metropolitan Development (Navamindradhiraj University)
- Directors Certification Program - DCP 56/2005, Thai Institute of Director (IOD)
- Director Accreditation Program - DAP 1/2003, Thai Institute of Director (IOD)
- Public Economic Management for Executives Program - 5/2007, King Prajadhipok's Institute
- Property Management for Executives Program - RECU 10, Faculty of Architecture, Chulalongkorn University



Mrs. Rattana Promsawad

Age 54 Years

Authorised Director

Member of Corporate Governance Committee

Director of CEO Office

(Started on April 27, 2005)

Shareholding (%)

as of January 1, 2015

1. I : 3.52% (78,399,500 shares)
2. Spouse : 0.0045% (100,000 shares)
3. Minor Children : None

as of December 30, 2015

1. I : 1.76% (39,320,400 shares)
2. Spouse : 0.58% (13,000,000 shares)
3. Minor Children : 1.17% (26,000,000 shares)

Change (+/-)

1. I : (-39,079,100 shares)
2. Spouse : 12,900,000 shares
3. Minor Children : 26,000,000 shares

Family Relationship Among the Executives

- Younger sister of Mr. Thongma Vijitpongpun

Education

- Bachelor's Degree (Law), Ramkhamhaeng University

Other Position(s)

Listed Companies

- None

Others

- Director - Pruksa Overseas Co., Ltd.
- Director - Pruksa International Co., Ltd.
- Director - Kaysorn Construction Co., Ltd.
- Director - Pruksa India Housing Private Limited

Work Experience

- 2003-2005 Finance Advisor - Pruksa Real Estate Co., Ltd.
- 1998-2004 Director - Kaysorn Restaurant Co., Ltd.
(stopped operating the business on January 28, 2005)
- 1993-2003 Finance Manager - Pruksa Real Estate Co., Ltd.
- 1986-2001 Finance Manager - Siam Engineering Limited
Partnership

Training

- Directors Certification Program – DCP 52/2004,
Thai Institute of Director (IOD)



Mr. Piya Prayong

Age 46 Years

Authorised Director / Member of Executive Committee

Member of the Corporate Risk Management Committee

Managing Director – Townhouse

(Started on April 27, 2005)

Shareholding (%)

as of January 1, 2015

1. I : 0.030% (678,500 shares)
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : 0.047% (1,056,900 shares)
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : 378,400 shares
2. Spouse : None
3. Minor Children : None

Family Relationship Among the Executives

- -

Education

- Bachelor's Degree (Engineering), Kasetsart University

Other Position(s)

Listed Companies

- None

Others

- Director - Kaysorn Construction Co.,Ltd.
- Director - Pruksa Overseas Service Co.,Ltd.

Work Experience

- 2010 Chief Business Officer - Pruksa Real Estate Public Company Limited
- 2008 Chief Operating Officer - Pruksa Real Estate Public Company Limited
- 2004 Executive Vice President - Pruksa Real Estate Company Limited
- 2003 Project Construction Manager - Pruksa Real Estate Company Limited

Training

- Directors Certification Program - DCP 59/2005, Thai Institute of Director (IOD)



Mr. Weerachai Ngamdeevilaisak

Age 53 Years

Independent Director / Member of the Audit Committee

Chairman of Nomination and Remuneration Committee

Chairman of the Corporate Risk Management Committee

(Started on April 27, 2005)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Bachelor's Degree (Commerce and Accountancy),
Thammasat University
- Advanced Certificate, Public Administration and Law
(King Prajadhipok's Institute)

Other Position(s)

Listed Companies

- Independent Director / Member of the Audit Committee/
Member of Nomination and Remuneration Committee
Chairman of Risk Management Committee
Srisawad Power (1979) Public Co., Ltd.

Others

- Independent Director / Chairman of the Board of Directors /
Chairman of the Audit Committee Alla Public Co., Ltd.
- Director - Professional Outsourcing Solutions Co., Ltd
- Director - Accounting & Business Advisory Co., Ltd.
- Director - Audit One Co., Ltd.
- Director - Associated One Co., Ltd.

Work Experience

- 1999-2003 Executive Director - Arthur Andersen Thailand's
Group of companies
- 1996-1999 Assistant Director - SGV-Na-Thalang Co., Ltd
- 1992-1996 Audit Manager - SGV-Na-Thalang Co., Ltd
- 1985-1992 Assistant Auditor - SGV-Na-Thalang Co., Ltd

Training

- Directors Certification Program (DCP 0/2000) /
Thai Institute of Director (IOD)
- Finance for Non-Finance Director (FN 1/2003) /
Thai Institute of Director (IOD)
- Role of the Compensation Committee (RCC 3/2007) /
Thai Institute of Director (IOD)
- Successful Formulation & Execution of Strategy (SFE 4/2009) /
Thai Institute of Director (IOD)
- Chartered Director Class (CDC 8/2014)) /
Thai Institute of Director (IOD)



Mr. Adul Chandanachulaka

Age 70 Years

Independent Director

Member of the the Audit Committee

Member of Corporate Governance Committee

(Started on April 27, 2005)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Bachelor's Degree (Commerce and Accountancy),
Chulalongkorn University

Other Position(s)

Listed Companies

- Independent Director and Audit Committee of Jutha
Maritime Public Company Limited

Others

- None

Work Experience

- 2003-2004 Director - Siam Press Management Co., Ltd.
- 2001-2002 Chairman of the Board of Directors -
Siam Integrated Service Co., Ltd.
Director - Dusit Sinthorn Co., Ltd
- 2000-2002 Director - Jalaprathan Cement Plc
- 1968-2002 Last Position: Executive Vice President -
Siam Commercial Bank Plc

Training

- Directors Accreditation Program - DAP 5/2003,
Thai Institute of Director (IOD)
- Audit Committee Program - ACP 7/2005,
Thai Institute of Director (IOD)
- Role of the Compensation Committee - 3/2007,
Thai Institute of Director (IOD)



Dr. Piyasvasti Amranand

Age 62 Years

Independent Director

Chairman of the Audit Committee

(Started on March 21, 2014)

Shareholding (%)

as of January 1, 2015

1. I : 0.00083% (18,500 shares)
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : (-18,500 shares)
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Ph.D. Economics, London School of Economics, University of London, U.K.
- Master's Degree (Distinction) Economics, (Econometrics and Mathematical Economics), London School of Economics, University of London, U.K.
- Bachelor's Degree (First Class Honors) Mathematics, University of Oxford, U.K.

Other Position(s)

Listed Companies

- Chairman of the Board of Directors (Independent Director)
PTT Public Company Limited
- Chairman of the Audit Committee (Independent Director)
Kasikorn Bank Public Company Limited

Others

- 2010-Present Chairman, Energy for Environment Foundation

Work Experience

- 2009-2012 President, Thai Airways International Public Company Limited
- 2008-2009 Chief Advisor to Chief Executive Officer, Kasikornbank Public Company Limited
- 2006-2008 Minister, Ministry of Energy

Training

- Directors Accreditation Program (DAP) 35/2005, Thai Institute of Director



Mr. Wichian Mektrakarn

Age 62 Years

Authorised Director / Member of Executive Committee

Member of Nomination and Remuneration Committee

(Started on November 10, 2014)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- BS EEE (Honor) / California State Polytechnic University, Pomona

Other Position(s)

Listed Companies

- Executive Advisor - Advanced Info Service Plc.
- Director - Pruksa Real Estate Plc.
- Director - AAPICO Hitech Plc.

Others

- Chairman - Aira & Aiful Plc.
- Chairman - Advanced Datanetwork Communications Co.,Ltd.
- Chairman - Advanced MPAY Co.,Ltd.
- Director - Thanachart Insurance Plc.
- Director - Wireless Device Supply Co.,Ltd.
- Director - Advanced Magic Card Co.,Ltd.
- Director - AIN Global Comm Co.,Ltd.
- Director - Advanced Broadband Network Co.,Ltd.
- Director - International School of Engineering, Chulalongkorn University

Work Experience

- 2009-June 2014 Chief Executive Officer - Advanced Info Service Plc.
- 2006-2009 President - Advanced Info Service Plc.

Training

- Advanced Technical in Microwave, California State University - Northridge
- Mini MBA for Shinawatra Executives, Chulalongkorn University
- Advanced Executive Program, Kellogg School of Management, Northwestern University, USA
- Capital Market Academy Class 8 (CMA 8), Capital Market Academy, The Stock Exchange of Thailand
- Director Certification Program – DCP 107/2008, Thai Institute of Directors
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Class 17 The College of Politics and Governance, King Prajadhipok's Institute



Dr. Anusorn Sangnimnuam

Age 61 Years

Independent Director

Chairman of Corporate Governance Committee

(Started on December 4, 2014)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Ph.D. (Chemical Engineering), Monash University, Melbourne, Australia
- M.Eng. (Environmental Engineering), Asian Institute of Technology (AIT)
- B.Sc. (Chemical Engineering), Chulalongkorn University

Other Position(s)

Listed Companies

- Senior Consultant -The Bangchak Petroleum Plc.

Others

- Chairman – Office of Vocational Education Commission
- Chairman - The Transport Co.,Ltd.
- Board Member, Office of the National Economic and Social Development Board
- Director – Petroleum Institute of Thailand
- Director - The Thailand Environment Institute (TEI)
- Committee member- Audit and Evaluation Committee, Ministry of Science and Technology
- Director - The Krungthep Thanakom Co.,Ltd.
- Consultant – The Ubon Bio Ethanol Co.,Ltd.

Work Experience

- 2005-2012 President - The Bangchak Petroleum Plc.
- 2011-2012 Chairman –The Bangchak Solar Energy Co.,Ltd.
- 2011-2012 Chairman – The Ubon Bioethanol Co.,Ltd.
- 2008-2012 Chairman – The Bangchak Biofuel Co.,Ltd.
- 2008-2011 Chairman - Thailand Business Council for Sustainable Development (TBCSD)
- 2008-2011 Director – Thai Capital Market Organizations
- 2007-2011 Director – Thai Listed Companies Association
- 2006-2008 Member – The Legislative Assembly Commissioner and Secretary, Energy Committee

Training

- Diploma, The Joint State-Private Sector Course, National Defence College (Class of 20th)
- Leadership Program, Capital Market Academy (Class of 10th), The Stock Exchange of Thailand
- Advanced Diploma, Public Administration and Public Law, King Prajadhipok's Institute
- Public Director Certification Program, Public Director Institute (Class of 1st)
- Director Certification Program (DCP) / Thai Institute of Directors
- Director Accredited Program (DAP) / Thai Institute of Directors



Mr.Nimit Poonsawat

Age 55 Years

Managing Director - Single Detached House

(Started on June 9, 2008)

Shareholding (%)

as of January 1, 2015

1. I : 0.024% (540,400 shares)
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : 0.021% (472,000 shares)
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : (-68,400 shares)
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Bachelor's Degree (Engineering), Chiangmai University
- Master's Degree (Business Administration),
Thammasat University

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 1990-2008 Quality House Plc.
- 1985-1990 Metropolitan Waterworks Authority Organization
- 1983-1985 Royal Irrigation Department
- 1983 Land and House Co., Ltd.

Training

- Executive Coaching
- Executive Development Program (EDP)



Mr. Pakarin Dattibongs

Age 46 years

Acting Managing Director – Condominium Group 2

(Started on May 22, 2013)

Shareholding (%)

as of January 1, 2015

1. I : 0.00085 % (19,000 shares)
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : 0.00085 % (19,000 shares)
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Master of Science in Land and Real Estate Development, Texas A&M University, Texas, USA
- Bachelor of Architecture, Chulalongkorn University

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 2015-Present Acting Managing Director – Condominium Group 2, Pruksha Real Estate (Public) Co., Ltd.
- 2013-2015 Executive Vice President – Condo 5, Pruksha Real Estate (Public) Co., Ltd.
- 2013-2013 Chief Strategy Officer, Infinite Real Estate Co., Ltd.
- 2005-2012 Managing Director, Aquarius Estate Co., Ltd.
- 2004-2005 General Manager, Maleenont Tower Co., Ltd.
- 2000-2003 Director of Business Development & Marketing, Plus Property Partner Co., Ltd.

- 1997-1999 Development Manager, Central Pattana Public Co., Ltd.
- 1996-1997 Project Manager, Raimon Land Public Co., Ltd.
- 1991-1993 Project Architect, Southeast Asia Technology Co., Ltd.



Mr. Amornpol Thupawirote

Age 59 years

Managing Director Precast (Acting)

(Started on June 21, 2004)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Master's Degree (Public & Private Management),
National Institute of Development Administration
- Bachelor's Degree (Engineering), Khon Kaen University

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 2015-Present MD Precast (Acting), EVP-Condo
Construction Center (Acting) Pruksa Real Estate Public
Company Limited
- 2004-2015 EVP – Pruksa Precast - Pruksa Real Estate
Public Company Limited
- 1980-2004 Project Advisors – Construction Projects-Italian
Thai Development Public Company Limited
General Manager – ITD Industrial Complex-Italian Thai
Development Public Company Limited

General Manager – Asia Turnouts Joint Venture

Project Manager – Construction Projects-Italian Thai

Development Public Company Limited

Training

- Executive Coaching – Indigo Consulting
- Executive Coaching – C.E. Enterprise
- The 7 habits of Highly Effective Leaders –
Pac Rim Consulting Group
- Top Management Development Program – NIDA/ITD



Mr. Charly Madan

Age 53 years

Member of Executive Committee

Member of the Corporate Risk Management Committee

Chief Financial and Risk Officer

(Started on July 1, 2015)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Master of Business Administration, Sasin Graduate Institute of Business Administration
- Bachelor of Business Administration, Assumption Business Administration College

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 2015-Present Chief Financial & Risk Officer – Prukha Real Estate Public Co.,Ltd
- 2012-2014 Head of Capital and Portfolio Management, APAC, Country Executive and Head of International Banking, Royal Bank of Scotland Thailand
- 2010-2012 Head of Corporate Banking - Bank of Ayudhya PCL
- 2008-2009 President & CEO - AIG Retail Bank PCL, Thailand

- 2003-2008 Managing Director - CITIBANK N.A., Vietnam
- 1994-2003 Director Citibank N.A., Thailand Board of Director CITICORP Finance And Securities Co., Ltd- Thailand
- 1991-1994 Team Head Corporate Banking - Standard Chartered Bank Bangkok Branch
- 1990-1991 GM Thailand - Sassoon Securities PTE LTD, Hongkong
- 1988-1990 Head, Custodial Services - Standard Chartered Bank Bangkok Branch

Training

- Director Certification Program (IOD) - Thai Institute of Directors Association
- Senior Risk Program (SCO) Citibank Switzerland



Mr. Pairoj Anamwathana

Age 59 years

Chief Corporate Support Officer

(Started on October 1, 2015)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Master's Degree (Business Administration), Sasin Graduate Institute of Business Administration
- Bachelor's Degree (Engineering), Chulalongkorn University

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 2015-Present Chief Corporate Support Officer - Pruksa Real Estate Public Company Limited
- 2008-2015 Managing Director – The Concrete Products and Aggregate Co., Ltd.
- 1982-2008 Various job – SCG Group
- 1979-1982 Engineer – Italian Thai Development Public Company Limited

Training

- Advanced Management Program (AMP) from Harvard Business School



Mr. Maitri Chaimongkalanon

Age 61 years

Chief Procurement and Land Officer

(Started on October 1, 2015)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Bachelor's Degree (Statistics), Chulalongkorn University

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 1996-2013 MD. Siam Phitiwat Co., Ltd. (The Siam Commercial Bank PCL), Appraisal and Mortgaging
- 1995-1996 Business Regional Manager The Siam Commercial Bank PCL
- 1992-1995 Sr. Branch Manager The Siam Commercial Bank PCL
- 1987-1992 Branch Manager and Singburi Sugar Factory Manager The Siam Commercial Bank PCL

Training

- Instructor of "Problem Solving and Decision Making" (Kepner Tregoe) and "Negotiation" The Siam Commercial Bank PCL



Mr. Premsak Vallikul

Age 52 years

Senior Vice President -Internal Audit

(Started on September 24, 2008)

Shareholding (%)

as of January 1, 2015

1. I : 0.00 % (100 shares)
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : 0.00 % (500 shares)
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : 400 shares
2. Spouse : -
3. Minor Children : -

- 2004-2007 Manager, Pruksa Real Estate Public Co., Ltd.
- 2003-2004 Senior Manager Internal Audit Department, Betagro Group Co., Ltd.
- 1999-2002 Manager, PricewaterhouseCoopers Co., Ltd.
- 1996-1999 Senior Internal Auditor, Shell Company of Thailand

Training

- Certified Information System Audit - CISA 0126580/2001 /ISACA
- Director Certification Program - DCP 56/2005 / Thai Institute of Directors (IOD)

Family Relationship Among the Executives

- -

Education

- Master's Degree in Commerce / University of New South Wales, Australia
- Graduate Diploma in Information Systems / University of Wollongong, Australia
- Bachelor's Degree in Accounting / Chulalongkorn University

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 2015-Present Senior Vice President-Internal Audit, Pruksa Real Estate Public Co., Ltd.
- 2009-2014 Vice President - Internal Audit, Pruksa Real Estate Public Co., Ltd.
- 2008-2009 Vice President - Land Acquisition, Pruksa Real Estate Public Co.,Ltd
- 2007-2008 Chief Audit Officer, Grande Asset Development Public Co., Ltd.



Mr. Paisarl Rumphon

Age 56 Years

Company Secretary

(Started on April 1, 2008)

Shareholding (%)

as of January 1, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

as of December 30, 2015

1. I : None
2. Spouse : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- LL.B., Thammasat University
- Barrister-at-Law, The Institute of Legal Education, Thai Bar Association

Other Position(s)

Listed Companies

- None

Others

- None

Work Experience

- 2009 – Present Company Secretary, Prukso Real Estate Public Company Limited
- 2008 – 2009 Senior Legal Manager / Company Secretary, Prukso Real Estate Public Company Limited
- 2005 – 2006 Vice President, Broker Business Department, Ayudhya Allianz C.P. Life Public Company Limited
- 1992 – 2005 Vice President, Legal Department Ayudhya Allianz C.P. Life Public Company Limited
Member of the Law Sub-committee, The Thai Life Assurance Association

Training

- Company Secretary Program – CSP 27/2008 / Thai Institute of Director (IOD)
- Effective Minute Taking – EMT 13/2009 / Thai Institute of Director (IOD)
- Board Reporting Program – BRP 3/2010 / Thai Institute of Director (IOD)



CONTROLLING PERSONS OF THE COMPANY AND ITS SUBSIDIARIES (AS OF DECEMBER 30, 2015)

Name	The Company	Kaysorn Construction Co. Ltd.	Phanalee Estate Co. Ltd.	Putthachart	Pruksa International Co. Ltd.	Pruksa Overseas Co. Ltd.	Pruksa Overseas Services Co. Ltd.
1. Dr. Pisit Leeahtam	X	-	-	-	-	-	-
2. Mr. Thongma Vijitpongpun	/ & //	-	-	-	X	X	X
3. Mr. Adul Chandanachulaka	/	-	-	-	-	-	-
4. Mr. Weerachai Ngamdeevilaiak	/	-	-	-	-	-	-
5. Mr. Prasert Taedullayasatit	/	-	-	-	-	-	-
6. Mrs. Rattana Promsawad	/	/	-	-	/	/	-
7. Mr. Piya Prayong	/ & //	/	-	-	-	-	/
8. Mr. Lersuk Chuladesa	/ & //	-	-	-	-	-	-
9. Mr. Kanchit Bunajinda ⁽¹⁾	/	-	-	-	-	-	-
10. Dr. Piyasvasti Amranand	/	-	-	-	-	-	-
11. Mr. Wichian Mektrakarn ⁽²⁾	/ & //	-	-	-	-	-	-
12. Dr. Anusorn Sangnimnuan ⁽³⁾	/	-	-	-	-	-	-
13. Mr. Charly Madan ⁽⁴⁾	//	-	-	-	-	-	-
14. Ms. Suporn Treewichayapong ⁽⁵⁾	//	/	/	/	/	/	/

Remarks : / = Director X = Chairman // = Executive Director

(1) Mr. Kanchit Bunajinda resigned from the Company Director since September 17, 2015.

(2) Mr. Wichian Mektrakarn was appointed as the Company Director since November 10, 2014 and was appointed as Executive Director since January 21, 2015.

(3) Dr. Anusorn Sangnimnuan was appointed as the Company Director since December 4, 2014 onwards.

(4) Mr. Charly Madan was appointed as the Executive Director since August 13, 2015 onwards.

(5) Ms. Suporn Treewichayapong resigned from Executive Director since August 13, 2015.

MEETING ATTENDANCE OF THE DIRECTORS IN 2015 AND 2014

Name	Board of Director		Executive Committee		Audit Committee		Corporate Risk Management Committee		Corporate Governance Committee		Nomination and Remuneration Committee	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
1. Dr. Pisit Leeahtam	10/11	10/11	-	-	-	-	-	-	-	-	7/10	12/13
2. Mr. Thongma Vijitpongpun	10/11	11/11	12/12	12/12	-	-	10/12	12/12	-	-	10/10	13/13
3. Mr. Adul Chandanachulaka	11/11	9/11	-	-	12/12	12/12	-	-	7/7	5/5	-	-
4. Mr. Weerachai Ngamdeevilaiak ⁽¹⁾	11/11	11/11	-	-	12/12	12/12	12/12	12/12	-	-	10/10	13/13
5. Mr. Kanchit Bunajinda ⁽²⁾	6/7	10/11	-	-	-	-	9/9	10/12	-	-	-	-
6. Dr. Piyasvasti Amranand ⁽³⁾	10/11	8/8	-	-	12/12	1/1	-	-	-	-	-	-
7. Mr. Wichian Mektrakarn ⁽⁴⁾	11/11	1/1	11/11	-	-	-	-	-	-	-	6/6	-
8. Dr. Anusorn Sangnimnuan ⁽⁵⁾	10/11	0/0	-	-	-	-	-	-	7/7	-	-	-
9. Mr. Lersuk Chuladesa	11/11	11/11	12/12	12/12	-	-	11/12	12/12	-	-	-	-
10. Mr. Prasert Taedullayasatit	10/11	10/11	-	2/2	-	-	10/12	11/12	-	-	-	-
11. Mr. Piya Prayong ⁽⁶⁾	11/11	10/11	10/12	3/3	-	-	11/12	11/12	-	-	-	-
12. Mrs. Rattana Promsawad	9/11	9/11	-	-	-	-	-	-	6/7	4/5	-	-
13. Mr. Charly Madan ⁽⁷⁾	-	-	4/4	-	-	-	3/4	-	-	-	-	-
14. Ms. Suporn Treewichayapong ⁽⁸⁾	-	-	8/8	11/12	-	-	-	-	-	-	-	-

Remark

(1) Mr. Weerachai Ngamdeevilaiak was appointed as the Chairman of Nomination and Remuneration Committee effective on May 14, 2015.

(2) Mr. Kanchit Bunajinda resigned from the Company Director and member of the Corporate Risk Management Committee effective on September 17, 2015.

(3) Dr. Piyasvasti Amranand was appointed as Chairman of Internal Audit Committee (replacing Mr. Wisudhi Srisuphan, who resigned) and be effective on December 4, 2014 onwards.

(4) Mr. Wichian Mektrakarn was appointed as Executive Director effective on January 21, 2015 onwards and member of Nomination and Remuneration effective on 14 May 2015.

(5) Dr. Anusorn Sangnimnuan was appointed as the Chairman of Corporate Governance Committee (replacing Professor Emeritus Trungjai Buranasomphop) effective on January 21, 2015.

(6) Mr. Piya Prayong was appointed as Executive Director effective on September 25, 2014.

(7) Mr. Charly Madan was appointed as Executive Director and member of the Corporate Risk Management Committee effective on August 13, 2015.

(8) Miss Suporn Treewichayapong resigned from Executive Director effective on August 13, 2015.

REPORT OF THE BOARD OF DIRECTORS

To the Shareholders

Pruksa Real Estate Public Company Limited conducts property development including townhouses, single-detached houses and condominiums. It strives for creating value for customers by focusing on innovation for future uses in 4 ways. There are 1) firm and secured houses, 2) energy saving houses, 3) health conscious, and 4) modern houses. These are to facilitate the company's vision aiming to be the number one real estate brand in customers' minds with the goal of becoming a top ten residential brand in Asia by creating high-value homes for families to experience warmth, happiness and a better life every day." The company also conducts business with strong intention to enhance corporate governance, social and environmental responsibility and anti- corruption.

In 2015, there are 11 Board Meetings and one non-executive Board member meeting without management. These were to update the company's operations and to discuss important problem solvings to enhance company's performance. Last year, there were significant events as follows :

1. 44 new projects launched : consisted of 34 townhouse projects, 6 single-detached house projects, and 4 condominium projects.

2. The Company emphasizes on good corporate governance principle and practices. Therefore, it received scores and rewards as follows :

2.1 Score from 2015 Annual General Meeting of Shareholders (AGM) : Pruksa Real Estate Pcl. received score of 100 consistently from 2013 to 2015 from Thai Investor Association.

2.2 Score from 2015 listed companies' corporate governance : Pruksa Real Estate Pcl. received "excellent" or more than 90 points from Thai Institute of Director (IOD).

2.3 Reward from ASEAN CG Scorecard at Manila, Philippine ; Pruksa Real Estate Pcl. was 1 of 23 listed companies that were in the top 50 companies earning highest points in ASEAN CG Scorecard, followed by 11 listed companies from Philippines, 8 listed companies from Singapore, 6 listed companies from Malaysia, and 2 listed companies from Indonesia. This project has been initiated by ASEAN Capital Markets Forum and supported by The Securities and Exchange Commission from countries in Asean Region.

2.4 SET Awards 2015 : Arranged by Stock Exchange of Thailand and Money and Banking Magazine. There were 3 awards received by Pruksa Real Estate Pcl., 1) Best CEO, 2) Best company performance, 3) Best Investor Relations.

2.5 Sustainability Report Awards 2015 : Reward of Recognition by Corporate Social Responsibility Club by Thai Listed Company Association, supported by The Securities and Exchange Commission (SEC) and Thaipat Institute.

2.6 Innovation Reward : Pruksa Real Estate Pcl. Was awarded as the No. 1 company in property business with the image of capability in innovation, arranged by Brand Age magazine and COMPANY Magazine from the research called "Thailand's Most Admired Company 2015".

2.7 Thailand Property Awards 2015 : Pruksa Real Estate Pcl. 's condominium project "IVY Ampio" of Pruksa Real Estate Pcl. was awarded as the champion in the Best Condominium Development (Thailand) and Best Luxury Condo Development (Bangkok), arranged by Thailand Property Report Magazine. Another company's project "Chapter One – Kaset Campus was awarded as the champion in Best Affordable Condo Development (Bangkok).

3. Review and develop company's manual for professional ethics to be suitable with international standard of corporate governance (CG) . The company also arranged CG day event to promote such CG importance to directors, managements, and staffs. Every employee is requested to sign up for this CG principle.

4. The company's Board of Director has approved for company's self evaluation (71 items) used for applying in anti-corruption practice alliance of Thai private companies. At present, it is under company's internal process and to be followed by reviewing and approval from Thai Institute of Director (IOD), expected to be finished by 31 March 2016.

These story of successes are brought by great efforts from directors, managements, and every staff who pass through many obstacles from both internal and external factors in order to deliver sustainable growth for the business. The Board of Directors wish to thank you every stakeholder including shareholders, customers, suppliers, financial institutions , government agencies, and every private company. Pruksa Real Estate Pcl promises and commit to operate business to achieve its business plan as targeted under good corporate governance with social and environmental responsibility by focusing on both internal and external groups of stakeholder. Moreover, the company will ensure that its operation process will not effect environment. This is to facilitate the company to be the leader with sustainable growth.



Dr. Pisit Leeahtam

Chairman of The Board of Directors

22 January 2016

REPORT OF EXECUTIVE COMMITTEE

To the Shareholders

The Board of Directors has appointed the company's Executive Committee, comprised of Mr. Thongma Vijitpongpan as the Chairman of Executive Committee and, Mr. Lersuk Chuladesa as the Vice Chairman of Executive Committee. In addition, Mr. Wichian Mektrakarn, Mr. Piya Prayong, Mr. Charly Madan (replacing Ms. Suporn Treewichayapong since 13 August 2015) were appointed as members.

In 2015, the Executive Committee has considered several new investments, set up policy, followed up, and continuously recommended regarding Company's operations via 12 meetings as can be summarized as follows:

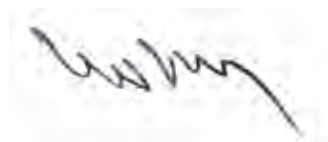
Consider, Approve, and follow up investment projects

Executive Committee has considered and approved investments in single detached houses, townhouses, and condominium projects by considering appropriateness, profitability, and risk acceptance amongst economic climate and property market at that time. The Executive Committee also give directions and recommendations in opportunities and challenges in project developments. The Company's new projects will focus in sustainability business development with friendly environment for communities and societies.

To set direction, follow up and recommend company's operation according to strategy

Under the vision "Pruksa aims to be the number one real estate brand in customers' minds with the goal of becoming a top ten residential brand in Asia by creating high-value homes for families to experience warmth, happiness and a better life every day", the Board of Director has given policies, followed up, recommended consistently for company's operations including business development, new project launchings, new product and service developments focusing on customers. Moreover, sourcing and choosing innovative products, processes, information technologies and internal managements to be efficient and compatible with all other factors. All these are done for maximizing customers' satisfaction and serving business direction and sustainability.

Executive Committee works for shareholders' confidence and all stakeholder to ensure that the Company's operation follows the vision and respond to new business opportunities and challenges effectively and with sustainable manner.



Mr. Thongma Vijitpongpan

Chairman of Executive Committee

12 February 2016

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

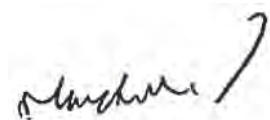
To the Shareholders

The current Nomination and Remuneration Committee is chaired by Mr. Weerachai Ngamdeevilaisak. Members are Dr. Pisit Leeahtam, Mr. Thongma Vijitpongpun, and Mr. Wichian Mektrakarn. The committee's secretary is Mr. Udomsak Yamnoon. All member consists of 3 independent directors from 4 and the chairman is also independent director. This is to comply with the Company's corporate governance policy and the charter of Nomination and Remuneration Committee.

For selection of Board member, Managing Director and top management, the Nomination and Remuneration Committee has considered from qualification, knowledge, capability, experience, good work record, leadership with far broader vision, ethical and time devoting for company's benefit. In addition, the board member selection also employs diversity principal (Board Diversity) and Board Skill Matrix are prepared to fix the Board qualification and needed skills. The suitable qualification which is compatible with the Company's strategic board structure is the new board member criteria. The selection process is transparent and can be trusted by shareholders. At present, there are 11 Board members. 5 are independent, 1 non-executive board member, and 5 executive board members. Their resumes are shown in the topic of Director and management resumes.

In fixing remuneration to board member, Managing Director, and top executives, the Company will consider if they are commensurate with duties and responsibilities. Moreover, they should be comparable to other listed companies in the same business and size. Thus, this can attract qualified directors and executives to be able to perform jobs to achieve company's strategic target. The Company arranges these process to be transparent in order to build shareholders' confidence that each person remuneration are shown in the topic of director and management remuneration.

In 2015, Nomination and Remuneration Committee held 10 meetings to seek qualified board members and to set such remunerations for Board approval followed by shareholders' approval. Moreover, the Company has prepared to study for future remuneration policy to attract qualified persons to join the Company.



Mr. Weerachai Ngamdeevilaisak

Chairman of the Nomination
and Remuneration Committee

4 January 2016

REPORT OF THE CORPORATE RISK MANAGEMENT COMMITTEE

To the Shareholders

To ensure the Company manages every risk effectively, in 2015 the Corporate Risk Management Committee has governed, held 12 meetings with Management and the Corporate Governance Department. It has performed task of governing company's risk management which cover 4 factors, that are strategies, operations, finance, and legal compliance. The Corporate Risk Management Committee has followed, address points and recommendations as well as considered risk management that will significantly effect company's operating result. In general, the committee could achieve as planned and report to Board of Directors for recommendation every quarter. The committee's performance can be summarized as follows:

Scope and Risk Management Policy

Board of Directors has arranged to set the Scope and Risk Management Policy and announced to every staff for their perception. This is to ensure that all managements and staffs understand the importance of participation in risk management. In addition, they can also understand role of the Corporate Risk Management Committee, Chief Executive Officer and Managements in each department, risk management division who play important roles in Corporate Risk Management.

Risk measurement and drafting plan for Corporate Risk Management

Corporate Risk Management has arranged the review of corporate risk in 4 categories at the same time under changing atmosphere and effecting company's target by top executives. This is to rank importance and to assign work to risk owner for furnishing risk management plan to reduce to the acceptable level. Such work also includes preparing main risk performance indexes used in risk management evaluation which needs consistent reports.

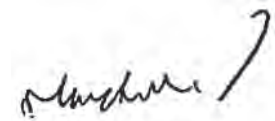
Risk Management Report and follow-up

Corporate Risk Management Committee has arranged to set report to follow result from risk management from risk performance indexes. Thus, they are confident that the risk level will reduce down to acceptable level.

Support the Business Continuity Management (BCM)

Corporate Risk Management Committee has followed and arrange to manage Business Continuity Management (BCM) via preparation of strategies , processes, and resources. This is to build confidence to stakeholders that the Company's business will go on even in crisis.

In summary, the Corporate Risk Management Committee focuses on risk management and Business Continuity Management (BCM) to ensure that the company can operate under good risk management and suitable in achieving business target.



Mr. Weerachai Ngamdeevilaissak

Chairman of the Corporate
Risk Management Committee

30 December 2015

REPORT OF CORPORATE GOVERNANCE COMMITTEE

To the Shareholders

Pruksa Real Estate Pcl's Board of Directors has appointed Corporate Governance Committee. Dr. Anusorn Sangnimnuan is the committee's chairman, with Mr. Adul Chandanachulaka and Mrs. Rattana Promsawad are members.

In 2015, the Corporate Governance Committee held 7 meetings to follow the Corporate Governance plan. Significant activities can be summarized as follows:

1. Shareholders' Right

- Announce the agenda and information about shareholders' meeting via company's website 30 days and send to shareholders 14 days before meeting day.
- Increase registration tables in shareholders' meeting for speedy shareholders' registration processes.
- The Company allows for questions from shareholders that need answer in shareholders' meeting. Shareholders can send questions in advance from 15 September to 30 December 2015.

2. Equitable Treatment of Shareholders

- Nominate 3 independent directors to shareholders to give proxy in shareholders' meeting.
- Allow shareholders to propose agenda and propose for new director in advance from 15 September to 30 December 2015.

3. Role of Stakeholders

- The Company increase channel in complaint or warning in Line ID : @pruksacg and Email : cg@pruksa.com from the existing channel of CEO and Audit Committee Chairman, www.pruksa.com and Call Center 1739. The Company has set a process of verifying the truth and a committee to consider every case for fairness of complainers.

4. Disclosure of Information and Transparency

- The Company holds analyst meetings to announce operating results every quarter. The audiences are analysts, investors from both local and abroad.
- The Company allow shareholders and college students for plant visit at precast plants in Lum Look ka and Navanakorn which is modern and fully precast.
- The Company has done a self-evaluation form regarding anti-corruption to submit to Institute of Directors (IOD). This is to apply for Collective Action Coalition member.

5. Responsibilities of the Board

- The Company arranged for independent director meeting without directors who are management or any management in December 2015. This is to allow independent directors to discuss and exchange ideas freely about company's issues or other issues which come to their interest.
- The Company developed "Pruksa Real Estate Pcl and subsidiaries' code of conduct. Moreover, CG DAY held on 16 October 2015 on which all directors signed up to endorse.



Dr. Anusorn Sangnimnuan

Chairman of the Corporate Governance Committee

19 January 2016

REMUNERATION OF DIRECTORS AND MANAGEMENT

I. MONETARY REMUNERATION OF INDEPENDENT DIRECTORS

I.1 Remuneration of Independent Director

The 2015 Annual General Shareholders' Meeting, held on April 28, 2015 has approved 2015 remuneration of Directors. Such amount is not exceeding Bt35.0m (in 2013 the amount was set at Bt31.0m maximum and 2014 the amount was set not to exceed Bt33.0m a year). Such remuneration is to pay only to Independent Directors and Non-Executive Directors who are Board members, Audit Committee, Corporate Risk Management Committee, Nomination and Remuneration Committee, and Corporate Governance Committee. For Non-executive Directors who are entitled to receive such remuneration must not be any shareholder's representative. The directors other than the mentioned qualification will not receive any. The details of remuneration paid in 2015 compared to that of 2014, 2013 are as follows:

Unit : Bt

Name/Position	2015		2014		2013	
	Remuneration	Bonus ⁽¹⁾	Remuneration	Bonus ⁽¹⁾	Remuneration	Bonus ⁽¹⁾
1. Dr. Pisit Leeahtam Chairman of the Board of Directors and Nomination and Remuneration Committee	3,810,000	3,900,150	3,960,000	2,541,628	3,924,000	1,808,873
	7,710,150		6,501,628		5,732,873	
2. Professor Emeritus Trungjai Buranasomphop * Independent Director, Audit Committee and Chairman of Corporate Governance Committee	-	-	2,294,193	1,254,396	2,445,380	1,131,345
	-		3,548,589		3,576,725	
3. Mr. Adul Chandanachulaka Independent Director, Audit Committee and Corporate Governance Committee	2,370,000	1,692,090	2,280,000	1,038,977	2,255,000	1,085,324
	4,062,090		3,318,977		3,340,324	
4. Mr. Weerachai Ngamdeevilaisak Independent Director, Audit Committee, Chairman of Corporate Committee and Corporate Governance Committee	3,000,000	1,917,090	2,580,000	1,653,977	2,785,400	1,085,324
	4,917,090		4,233,977		3,870,724	
5. Mr. Wisudhi Srisuphan ** Independent Director, Chairman of Audit Committee, Chairman of Nomination and Remuneration Committee and Corporate Governance Committee	-	-	2,436,667	1,091,218	2,198,710	1,067,852
	-		3,527,885		3,266,562	

Unit : Bt

Name/Position	2015		2014		2013	
	Remuneration	Bonus ⁽¹⁾	Remuneration	Bonus ⁽¹⁾	Remuneration	Bonus ⁽¹⁾
6. Mr. Kanchit Bunajinda Independent Director and Corporate Risk Management Committee	1,464,667	336,070	2,010,000	838,093	1,293,333	639,462
	1,800,737		2,848,093		1,932,795	
7. Dr. Piyasvasti Amranand Independent Director Chairman of the Audit Committee	2,400,000	1,910,100	1,314,194	1,080,685	-	-
	4,310,100		2,394,879		-	
8. Mr. Wichian Mektrakarn Independent Director, Chairman of Nomination and Remuneration Committee and Member of Executive Committee	2,190,000	1,556,070	238,000	155,659	-	-
	3,746,070		393,659		-	
9. Mr. Anusorn Sangnimnuan Independent Director and Chairman of Corporate Governance Committee	1,960,000	1,316,070	126,451	-	-	-
	3,276,070		126,451		-	
Total	17,194,667	12,627,641	17,239,505	9,654,633	14,901,823	6,818,180
	29,822,308		26,894,138		21,720,003	

Remark

⁽¹⁾ Bonus of the year is paid in 2 tranches: first and second half of the year. The second half-year bonus is paid in January in the next year and is included in the amount.

* Professor Emeritus * Trungjai Buranasomphop retired from independent director as of December 31, 2014

** Mr. Wisudhi Srisuphan is out of position effective on November 17, 2014

1.2 Remuneration of Management

Total remuneration of Management details of which are as follows:

Nature of Compensation	2015		2014		2013	
	No. of Management	Amount (Bt)	No. of Management	Amount (Bt)	No. of Management	Amount (Bt)
Salary/Wage	10	95,749,197	10	86,832,471	10	77,505,871
Bonus ⁽¹⁾	10	54,415,015	10	62,464,132	10	43,098,220
Contribution to Provident Fund	10	6,859,319	10	6,459,607	10	2,555,674
Others	10	8,525,763	10	4,007,405	10	6,643,000
Total	10	165,549,293	10	159,763,616	10	129,802,765

Remark

⁽¹⁾ Bonus of the year is paid in 2 tranches: first half is paid on July, 31 and second half is paid on January, 31. The second half-year bonus is included in the amount

2. OTHER REMUNERATION

Other remunerations are in the form of warrants to purchase ordinary shares offered to the Company's directors and management, and/or the subsidiaries. In 2011, the Company's annual shareholders' meeting approved the forth issuance of 22,000,000 warrants (PS-WD) with the exercise ratio of one warrant per one ordinary share (1:1) to the Company's directors and management, and/or the subsidiaries. In 2013, the Company's annual shareholders' meeting approved the fifth issuance of 15,000,000 warrants (PS-WE) with the exercise ratio of one warrant per one ordinary share (1:1) to the Company's directors and management, and/or the subsidiaries. In 2014, the Company's annual shareholders' meeting approved the sixth issuance of 15,000,000 warrants (PS-WF) with the exercise ratio of one warrant per one ordinary share (1:1) to the Company's directors and management, and/or the

subsidiaries. All 3 the Company warrants to purchase ordinary shares can be exercised four times a year, from 8.30 am to 15.30 pm, on the last business day of February, May, August and November each year. However, the final exercise can be done on the maturity date of warrants. The warrants to purchase ordinary shares were allocated to directors¹ and eight (8) of management (management means Chief Executive Officer, the next four Senior Executive Vice President, those whose positions equal to the fourth rank, including management level in Accounting and Finance department whose positions are upper or equivalent level to Department Manager). For the total warrant of 1,425,700 units, there were allocated as 676,100 units (PS-WD), 386,600 units (PS-WE) and 363,300 (PS-WF). The exercise of warrants by the Company's directors and management in 2015 is shown as follows:

The warrants allocated (PS-WD, PS-WE, and PS-WF) and warrant exercised in 2015

Name	NameNo. of Warrant Allocated (Unit)			No. of Warrant Exercised		
	PS-WD	PS-WE	PS-WF	PS-WD	PS-WE	PS-WF
1. Mr. Lersuk Chuladesa	-	-	119,500	-	-	119,500
2. Mr. Piya Prayong	260,100	118,400	-	260,100	118,400	-
3. Mr. Prasert Taedullayasatit	231,100	194,200	93,400	231,100	194,200	93,400
4. Mr.Nimit Poonsawat	116,400	74,000	68,500	116,400	-	-
5. Mr. Pakarin Dattibongs	-	-	-	-	-	-
6. Mr.Amorapol Thupawirote	68,500	-	42,100	68,500	-	42,000
7. Mr. Charly Madan	-	-	-	-	-	-
8. Mr.Porntep Suppataratarn	-	-	39,500	-	-	39,500
Total	676,100	386,600	363,000	676,100	312,600	294,400

Remark

⁽¹⁾ The allotment of warrants as the Executive Director, however those executive directors hold the position of director of the Company as well. Therefore, it must be considered a allotment of warrants to directors pursuant to the Capital Market Supervisory Board No. Tor. 32/2008 on the proposed sale of securities issued to directors or employees dated December 15, 2008

3. PERSONNEL AND EMPLOYEE BENEFITS

3.1 Personal

As at December 31, 2015 the Company employed the total of 3,437 employees. Details are as follows:

Pruksa Real Estate Public Company Limited	Number of Employees
Chief Executive Officer's Division - CEO	23
Business Development Division - MD-CDG1	220
Business Development Division - MD-CDG2	117
Business Development Division - MD-SDH	822
Business Development Division - MD-TH	1,247
Business Development Division - MD-Precast	418
Business Development Division - CSO	300
Business Development Division - CPLO	94
Chief Finance and Risk Officers' Division CFRO	190
Chief Operating Officer's Division COO	6
Total	3,437

3.2 The change of number of employees, excluding the management, in the last five years was shown as follows:

As at December 31,	2015	2014	2013	2012	2011
No. of employees (persons)	3,437	3,383	3,119	2,737	2,619

3.3 Employee Benefits (excluding the Management)

The Company has provided employee benefits in the form of salaries, overtime payment, bonuses, contributions to provident fund etc. Furthermore, other benefits such as annual leave, military service leave, maternity leave and financial assistance for funerals, housing, medical treatment and child's education etc. are provided to employees. As at December 31, 2015 and 2014 the overall employees' benefits were shown as follows:

Benefits	As at	
	December 31, 2015	December 31, 2014
Salaries	1,616,874,164	1,517,457,575
Bonuses ⁽¹⁾	757,245,148	964,531,199
Contributions to provident fund	104,358,285	96,022,900
Contributions to the social security fund	30,454,152	30,440,054
Overtime payment	101,065,287	96,179,384
Other benefits	310,336,265	311,720,737
Total	2,920,333,302	3,016,351,850

Remark

Total Benefits are the total benefits of employees in Thailand of the Company and its subsidiaries. Bonuses are paid twice a year. Bonuses based on performance of the first half of a year are paid on July, 31 of that year while those of the second half of a year paid on January, 31 of next year. Bonuses figures shown above are the amount paid twice a year.

3.4 Provident Fund

Besides, the Company registered a provident fund, which complied with Provident Fund Act B.E. 2530 (1987), in 2000. Not only the Company (employer) makes contribution from 5 to 10% of salaries but employees also make their contributions to the provident fund which employees are able to select Employee's contribution rate vary from 5% to 10%. The portion size will be varied and the details were shown as table below:

Years of experiences (from the starting date)	Employee's contribution (%)	Company's contribution (%)
Less than 1 year	5%	5%
From one year but less than 3 years	6%	6%
From 3 years but less than 5 years	7%	7%
From 5 years but less than 7 years	8%	8%
From 7 year moving forward	10%	10%

GOOD CORPORATE GOVERNANCE

CORPORATE GOVERNANCE POLICY AND BUSINESS ETHICS

The Company prioritizes and follows the principles of Good Corporate Governance based on international standards, in compliance with the policy of the Stock Exchange of Thailand, and the principles of ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard). Accordingly, the Board of Directors has established and approved the Good Corporate Governance Policy, in addition to writing a Business Ethics Handbook for Directors, Executives, and employees of the Company. All these are for the support of ethics in doing business. The Company has therefore set up an annual review of the business ethics so that the Handbook is always up to date and in line with both short-term and long-term strategic planning of the Company. Thus, in the Meeting of the Good Corporate Governance Committee No. 4/2015 convened on July 28, 2015 the Committee unanimously resolved that the Ethics Handbook of the Company be revised and be communicated within the Organization in order to emphasize the importance thereof. In this light, “CG DAY” was organized and the Ethics Handbooks were distributed to every Director, Executive, and employee of the Company for reading and signing off as giving oath by providing the name and family name and returning to the box provided specifically for oath-given documents, or to the designated secretary. This is to ensure that every person will strictly adhere to the Ethics Handbook guidelines which are considered as part of ‘the Company’s Rules and Regulations’ that reflect the existence of a good corporate governance with transparency in doing business while taking into account the shareholders, customers, employees, and all stake holders. With all these, Mr. Thongma Vijitrathongphan, the CEO, has well foreseen the importance of business ethics and has encouraged the Executives and employees of the Company to see such importance. By having the Principles of Good

Corporate Governance, a sustainable growth of the Company will be strengthened. The Company trusts that the process of good corporate governance will enhance the performance of the Company and will be one of the most important keys to achieving the basic objectives.

The Company adheres and complies to corporate governance principles which are consistent with international principles and the Stock Exchange of Thailand’s policy and Asean Corporate Governance Scorecard (Asean CG Scorecard), consequently, the Company was assessed and awarded on corporate governance at both domestic and international level as follow ;

1. The quality assessment result from Annual General Meetings of shareholder (AGM checklist) in 2015 which the Company was consecutively rated at 100 points since 2013-2015 from Thai Investors Association.

2. The result from Corporate Governance Report Evaluation of Thai Listed Companies was revealed that the Company was rated in the top level of “ Excellence” (score range more than 90 points) from Thai Institute of Directors (IOD)

3. Asean CG Scorecard awards organized by the Asean Capital markets Forum (ACMF) in Manila, the Philippines, as the Company was one of total 23 Thai listed companies amongst the top 50 ASEAN companies that achieved the highest ASEAN CG scorecard ranking; followed by eleven (11) companies from the Philippines, eight (8) companies from Singapore, six (6) companies from Malaysia, and two companies from Indonesia.

4. SET Awards in 2015 organized by Stock Exchange of Thailand and Money and Banking journal, the Company was received 3 awards: Outstanding CEO Awards, Outstanding Company Performance and Outstanding Investor Relations Awards.

5. Sustainability Report Awards 2015 in the ‘Recognition’ category to Pruksa Real Estate Public

Company Limited organized by CSR Club and the Association of Thai Listed Companies, with support from the Securities Exchange Commission and Thaipat Institute, presented Sustainability Report.

6. Pruksa was awarded the first rank in real estate sector in categories of creative innovation which organized by Brand Age and Company magazine researched by Thailand's Most Admired Company 2015.

7. Thailand Property Awards 2015 organized by Thailand Property Report. Pruksa Real Estate Public Company Limited won Best Luxury and Best Condo Development (Bangkok) awards for Ivy Ampio. Best Affordable Condo Development (Bangkok) for Chapter One: The Campus Kaset.

The Company's Corporate Governance Policy is divided into seven categories, as follows:

1. The Board of Directors
2. Rights of shareholders
3. Equitable Treatment of shareholders
4. Role of Stakeholders
5. Disclosure and Transparency
6. Internal Controls and Risk Management
7. Philosophy and Code of Conduct

The Company has conducted the Compliance with Good Corporate Governance Principle and Code of Conduct manual through the Company's website (www.pruksa.com) in category of corporate governance for the Board of Directors, Management and employees to acknowledge, observe, adopted and continuously monitor performance of tasks related to any particular issues must strictly adhere and any significant issue must get approval from various committees such as Management committees, Executive committee and Board of Directors.

1. THE BOARD OF DIRECTORS

The Board of Directors is accountable to the shareholders for ensuring that the business of the Company is managed properly in the best interests of the shareholders and other stakeholders, society as well as environment. The Board of Directors has a key role in making sure that management com-

mit themselves to performance excellence, with due consideration to the risk exposure of the Company.

1.1 Established Corporate Governance policy and business ethic handbook

The Board of Directors has established corporate governance policy and business ethics handbook for directors, the executives and employees of the Company by disclosure in the Company's web site at www.pruksa.com, corporate governance topic. Directors, executives and employees were adopted and comply with its handbook. The Company would monitor by providing a training or seminar for all employees in the organization. After finished training or seminar, the employees have to do the post test whether the employees were understood and knowledge to solve the problem in case the real situation may happen. In addition, the employees have any questions, they can ask and share opinion together for clearly understanding.

1.2 Corporate's vision, mission, culture and value

The directors have participated in set up corporate vision, mission, culture and value for executives and employees in order to have same objective and direction. In addition, it has reviewed and approved during last financial year in order to have the same directors for both executives and employees. (Details appear in section of vision, mission, culture and value of Pruska).

1.3 Board diversity policy

The Company emphasized on diversity of board structure for example professionals, specialists and genders. In 2015, the Company has prepared questionnaires on qualification and development of board of directors and disseminated to every board of directors. The survey will respond kinds of knowledge, skills, and experience that the Company new board of directors should have, in order to accommodate the restructure of organization in the future. At present, the Company plans to nominate female as board of directors further to have a variety of board structuring.

The Board of Directors of Pruksa Real Estate Public Company Limited, as of December 31, 2015 consists of 11 members with that are 10 males and 1 female with age range 30 -50 years old for 2 persons and age range over 50 years old for 9 persons. The Board of Directors included Independent Director and 6 non-Executive Directors. One of independence director, Mr Adul Chandanachulaka has experience in the Company business (5 Independent Directors: Dr. Pisit Leeahtam, Mr. Weerachai Ngamdeevilaiakand, Mr. Adul Chandanachulaka, Dr. Piyasvasti Amranand, and Dr. Anusorn Sangnimnuan as one-third of the entire Board of Directors and 1 non-Executive Director, Mr. Vichian Metrakon) and 5 Executive Directors. Besides, Chairman of the Board of Directors (Dr. Pisit Leeahtam) and Chairman of the Executive Committee (Mr. Thongma Vijiitpongpan) is not the same person and has different responsibilities. (Details appear in section of bibliography of Board of Directors and Executives in topic of responsibility of chairman of Board of Directors and responsibility of Executives).

1.4 Director Qualifications

Directors on the Board of Directors shall possess all the qualifications stated in the public company law and other related laws. They shall not possess any characteristic unsuitable to manage business which the general public is the shareholders pursuant to the section No.89/3 of the No. 4 Securities and Exchange Act B.E.2551 (2008).

Directors must also have sufficient knowledge and a high standard of integrity and business ethics. In addition, they must be able to commit enough time to contribute their knowledge and expertise to perform their duties for the Company.

Independent Directors must additionally meet the independence criteria adopted by the Company and incompliance with the same qualifications in accordance with the Notification of Capital Market Supervisory Board.

Independent Directors are expected to be capable of safeguarding the interests of all the shareholders with fairness and without the conflict of interest including making unconditional opinions.

1.5 Term of service of being a Director

Number of term of being a Director

Board of Director's term of service is fixed for three years. A period of one year is hereby defined as the period between the Annual General Meeting of Shareholders of the year of appointment and the Annual General Meeting of Shareholders of the following year. Upon the expiration of the term, a director may be re-elected by the shareholders.

Sub-Committees' term of service is in line with the term of the Boards'. Upon the expiration of the term, a committee may be re-elected by the Boards.

Number of consecutive term of a Director

The Company understands that all of their directors are qualified, knowledgeable, capable, ethical, and moral with good practices all through their services. If the Company's shareholders are still trust them so that they re-elect such directors to resume their services, the Company must comply with shareholders' rights. Thus, the Company doesn't strictly fix the number of consecutive term of being a Director.

However, according to the charter, the Board of Directors shall vacate office upon reaching the age of 72 years. The retirement of the Board of Directors would be effective at the end of the Company fiscal year.

1.6 Board of Director meeting

To schedule the date for the Company's Board of Director and Annual General Shareholders' Meeting in advance

The Board of Director has set the Meeting date for the Company's Board of Director and Annual General Shareholders' Meeting in advance every year and has communicated the said matter to every director, so that all directors can allocate their time and attend the meeting. In the Board of Director and Annual General Shareholders' Meeting, every Directors of the Company also contributes their consideration in agenda selection.

The main agenda of Board of Director meeting is report of the chairman, pending issues from previous meeting, issues for acknowledgement and issues for review or approval.

The main agenda for the Annual General Shareholder's meeting is annual performance report consideration, the Company's financial statement consideration and approval, the allocation of the net profit and dividend payment consideration and approval, the consideration and appointment of Board of Directors to replace the out of position Board of Directors, the determination of directors' remuneration approval and auditor appointment and also determination of auditor fees and other issues consideration and approval.

The Board of Directors meeting attendance/ advance receiving of meeting document

The Company scheduled the Board of Directors meeting more than 6 times per annum and distributed the meeting document to the board member not less than 7 days prior to the meeting date. In 2015, the Company organized the Board of Directors meetings total 11 times and all board members attended the meeting more than 80% of the total meeting and not less than 75% of the whole year meetings. In case, the Company was unable to hold the meeting in every month, the report of business performance would be distributed to all board members in order to continuously and promptly govern and control the management's operation. (details appear in the yearly attendance of Board of Directors meeting Y2015 and 2014)

Minimum number of directors present at the time of vote casting

The Company set up policy during vote casting by the Board of Directors, there must be at least 2/3 tiers of the total number of Directors present.

1.7 The disclosure of audit committee meetings in a year

(Details appear in section of the attendance of Board of Directors in 2015 and 2014)

1.8 Strategic Planning of the Company and the Implementation

Every year in the Board of Directors Meeting, the Committee jointly considers the annual strategic plan-

ning for the next five years. In the past year of 2015, the Committee jointly considered the annual strategic planning for the 2016-2020 period. Thereafter, the Committee will follow-up that the Management has implemented the said strategic planning or not. The Management has to report about the planning of the said strategic planning to the Management Group, the Board of Executive Directors, and Board of Directors of the Company respectively on a monthly basis. In the meeting, each group will set an agenda to acknowledge the status update in each month and to review the strategic planning each quarter so that the Management Group, the Executive Director Committee, and Company Board of Directors can provide suggestions on matters that improvements and corrections are deemed necessary.

1.9 Sub-Committees

The Company has established Sub-Committees pursuant to the regulations of the SET for example the Audit Committee. Furthermore, the Company has also established the following Sub-Committees to carry out duties as assigned by the Board of Directors for example the Corporate Risk Management Committee for organization level, the Corporate Governance Committee, and the Nomination and Remuneration Committee.

1.9.1 Audit Committee

The Audit Committee is responsible for reviewing the Company's financial statements and financial reports to ensure the accuracy and completeness of the financial statements, approval for any change in audit's principal and significant audit practice and the reports with adequate and effective internal control and internal audit system; reviewing the independence of internal audit and also approve the appointment, removal and termination of the Chief Internal Auditor or any other function responsible for internal auditing, reviewing internal audit report to Management, including reviewing management's comment toward auditing issues. Furthermore Audit Committee has unrestricted access to management, corporate staff and related information. Considering the disclosures of

information, connected transaction(s) and transactions with a potential conflict of interest pursuant to laws and the regulations of the Stock Exchange of Thailand to ensure the reasonableness of the transaction and to the benefit of the Company; Preparing the Audit Committee Report for disclosure in the Company's Annual Report; Reviewing to ensure compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand or laws and regulations relevant to the business of the Company, Making recommendations on the appointment of external auditors of the Company; Reviewing charter at least once a year and propose their remuneration for consideration of the Board of Directors; Performing any other tasks within the scope assigned by the Board; Reviewing and giving opinions in an independent and objective manner on any internal auditing tasks performed by Internal Audit Department whom directly report to Audit Committee; and Consulting regularly with the external auditors.

1.9.2 The Corporate Risk Management Committee for organization level

The Corporate Risk Management Committee for organization level has the duty to acknowledge and to provide suggestions on the policy, strategy, and directions in order to manage organizational risk, reviews the risk management plan of the Management, including risk management process at the organizational level, to acknowledge critical risks and to review whether the Management has appropriately responded to various risk types or not, and to follow up the operational results according to the framework Corporate risk management at the organizational level.

1.9.3 The Nomination and Remuneration Committee

The Nomination and Remuneration Committee has the duty to establish policy and criteria for selection, and to consider the selection of Company's Board of Directors, the Sub-Committee, the Chief Executive Officer, the Executive Managing Director, and the Managing Director, for submission to the Company's Board of Directors for approval, and/or for submission

to the Annual General Shareholders' Meeting for approval. The Nomination and Remuneration Committee also has the duty to establish policy and criteria for determining the necessary and appropriate compensation, both in the monetary and non-monetary forms. In addition, the Nomination and Remuneration Committee also has the duty to establish performance evaluation criteria, to review policy and criteria for selection and to decide on compensation, including a systematic payment appropriate for the duty and responsibility, always in accordance with the Company's performance and market conditions.

1.9.4 The Corporate Governance Committee

The Corporate Governance Committee has the duty to consider, review, and submit to the Board of Directors for approval of a good governance policy, business ethics, policy for social and environmental responsibility, policy for long-term development of the Company, and any other policies and procedures to support the Company's continuous performance in compliance with the good governance practice. The Corporate Governance Committee also oversees that the Management implements the said policy and procedures for the development of the Company in a continuous manner. It also follows up and reviews different work processes within the organization for compliance with ethics and good governance, follows up and instructs in case the Management and the employees have any issues for not complying to the established policies and procedures, follows up and reports on the organizational performance according to the corporate governance policy and other policies related to the Board of Directors and external organizations as appropriate.

1.9.5 The Executive Committee

The Executive Committee has the duty to formulate policies, goals, strategies, work planning, fiscal budget, and various executive authorities of the Company for submission to the Board of Directors for approval, to oversee business performance of the Company for operational effectiveness and favorable to the business

ambiance. The Executive Committee also provides consultation and suggestions on management to the High Ranking Executives. It also approves payment for investments, financial activities with financial institutions, purchase and sale or registration of properties for the usual business of the Company; still, it sets up the organizational structure for effective management, supervises and approves matters pertaining to the organizational performance including screening all matters to be submitted to the Board of Directors, except for matters under the duty and responsibility of other Sub-Committees.

1.10 Inviting High Ranking Executives to the Meeting

According to the Company's policy, the High Ranking Executives are only invited to the Company's Board of Directors Meeting under the concerned agenda, so as to provide additional details and be accorded the opportunity to meet the Board of Directors. This also provides a base for succession planning.

1.11 Charter of the Board of Directors and Sub-Committees

In order for the performance of the Board of Directors and the Sub-Committees to be clearly stipulated, the Company has created different charters for the Board of Directors and the Sub-Committee members. These include charter for the Audit Committee, charter for the Corporate Risk Management Committee, charter for the nomination and Remuneration Committee, charter for the Corporate Governance Committee, and charter for the Executive Committee. The subject matters of each charter will be categorized into different sections which are continuously reviewed for further improvements, such as the sections on objectives, constituting factors and characteristics, agenda on the tenure, authorization and duty, responsibility, meetings and meeting members, minutes, the details of which are shown in the Company's website at www.pruksa.com.

1.12 Orientation for new committee or Knowledge Development and Training for Board of Directors

A newly appointed director shall be firstly served their first orientation so he or she is adequately informed of the rules and regulations and also business of the Company including any relevant information for business operation before perform duty. In addition, the Board of Directors shall participate in training courses regularly in domestic and abroad for example attended training course of Thai institute of directors, Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) and other courses that operated by private or public sectors including field study on current places such as visiting construction projects of the Company, site visit at precast factory. In addition, the Company also surveyed directors that each director require any training or knowledge development both domestic and abroad. Therefore Board of Directors can contribute to the efficient oversight of the business.

Training and seminar activities in 2015

During 2015, two (2) Board of Directors participated in training course or seminar to enhance their knowledge that were

1. Dr. Pisit Leeahtam was trained in Corporate Governance for Capital Market Intermediaries-CGI 2/2015 which organized by Thai Institute of Directors (IOD).
2. Mr. Prasert Taedullayasatit was trained in high level of executive program which organized by Capital market academy.

1.13 Training that related duties of Board of Directors

The Company has regularly continued to support each director to participate training program. In addition, from the total of eleven (11) company's directors, eight (8) directors have attended the Director Certification Program (DCP), six (6) attended the Director Accreditation Program (DAP), one (1) attended Audit Committee Program (ACP), one (1) attended the Role of Com-

pensation Committee, one (1) attended Successful Formulation & Execution of Strategy, three (3) attended Finance for Non-Finance Directors, one (1) attended Monitoring the System of Internal Control and Risk Management (MIR), one (1) attended Monitoring the Quality of Financial Reporting (MFR), one (1) attended Chartered director Class and one (1) attended DCP Refresher Course. All of such programs are arranged or advised by the Thai Institute of Directors (IOD).

1.14 Internal Control Policy / Risk Management Policy

The Company gives high priority to the Internal Control Policy and the Risk Management Policy. The Audit Committee has the duty to check the assessment on sufficiency of internal control so as to achieve sufficient and appropriate internal control for business undertaking. The operational framework for internal control based on the standards of COSO (The Committee of Sponsoring Organizations of the Tread Way Commission) is applied in the development and improvement, coupled with the Company's framework on Enterprise Risk Management (ERM). This serves as a tool for the Management in achieving a more complete internal control and risk management systems. (Please refer to more details in the Section on Internal Control and Risk Management).

1.15 The Provision and Disclosure of Internal Control and Risk Management Systems

The Company Board of Directors has provided and has disclosed the internal control and risk management systems of the Company. A procedure has been established in dealing with key risks to cover the entire organization. There is a process for efficiency consideration or assessment at least once a year and at any period where it is found that the level of risk has changed, which includes the importance given to the pre-triggered signs of alarm and any abnormalities. The Company Board of Directors or the Internal Audit Committee has given the opinions on the sufficiency of the internal control and risk management systems of the Company in the Annual Report. (Please refer to

the Section on Internal Control and Risk Management).

1.16 Opinions on the Sufficiency and Appropriateness of Internal Control and Risk Management of the Company by the Company Board of Directors

The Company Board of Directors is of the opinion on the sufficiency of the internal control system of the Company that there is a sufficient and appropriate system of internal control and risk management. (Please refer to the Section on Internal Control and Risk Management).

1.17 Company Procedure for Key Risk Management

The Company has a Corporate Risk Management Committee at the organizational level that has the duty to provide suggestions to the Management in the establishment of framework and guidelines for handling and overseeing risk in a systematic manner. The Company Board of Directors and the Management have given importance to risk management by requiring that assessment on risk factors and preventive measures be made in order to minimize impact on the Company's business undertaking. In the Risk Management Meeting at the organizational level, representatives from each operational line reports on their actions done with regards to risk management. This is to allow the Risk Management Meeting at the organizational level to listen to the problems or obstacles in their undertakings, including additional points of remarks and suggestions.

In addition, the Company has also established the Business Continuity Management (BCM) plan as guidelines for development of supervising the management of business continuity for the Company so that the Company can pursue its business on a continual basis and minimize the impact from various aspects when confronting such situations. Thus, experienced advisors with expertise have been engaged to the project. (Please refer to the Section on Internal Control and Risk Management).

1.18 Compliance Unit

On July 1, 2014 the Company established Compliance Unit, which has internally been named “Corporate Governance or CG Management”. The main function of Corporate Governance and Compliance units are as follow:

1. To set up the principle of good governance practice in compliance with the Company’s vision and mission representing accountability, transparency, and efficiency in management system. This helps build trust and confidence among Shareholders, Investors, Stakeholders, and all parties concerned.
2. To set up the structure and relationship process among Directors, Management, and Shareholders. This will build the Company’s competitiveness and leads to the growth and increase in long-term shareholder value, with regards to other stakeholders.

1.19 The establishment of Internal Audit Department

The Internal Audit Department was established by the Board of Directors. Mr. Premsak Vallikul, Senior Vice President of Internal Audit is Chief of Internal Audit Department. In order to work independently, Internal Audit Department shall report directly to the Audit Committee as determined by the Board of Directors.

The Audit Committee is responsible for reporting to the Board of Directors in respect of its primary performance and operational performance, or views on relevant subjects such as the disclosure of the number of Audit Committee’s meetings per year, assessment and review of the internal control system, connected transactions, nominating the auditors, review of financial report, and supervision of rules, regulations, policies, including the Audit Committee’s conclusion/opinion on the overall operation. (Details appear in the section of the attendance of the Audit Committee in 2015 and 2014, and the section of Audit Committee Report).

1.20 Conflict of Interest policy

The Board of directors attaches great importance to proper management of conflicts of interests of parties

concerned in both corporate level and employee level, handling them in a careful, fair, transparent manner and set up policy and best practice in handling the conflict of interest. Full disclosure of information thereof is required in all cases.

Where a member of the Board of Directors or an Executive has an interest in a matter under consideration, he or she shall leave the meeting room or no vote in that agenda.

The Company’s Conflict of Interest Policy:

1. Employees shall avoid conflict between personal interest and the Company’s interest when dealing with customers and any other parties.
2. In case an employee is a committee member or an advisor to a company, organization, or any other business associations, there shall be no conflict of interest and no conflict against the work duty directly.
3. Employees shall not be a partner or shareholder who has the power to make decision, or an executive of another organization which is a competitor or has similar business with the Company. However, in case of necessity, the employee shall immediately inform the manager.
4. During service with the Company or after termination, the employee shall not disclose information deemed confidential of the Company to any other beneficiary parties, whether it be electronic information, financial information, operational information, business information, future work plan of the Company, etc.
5. In case where the employee or other members of their families become stake holders or shareholders of any organizations that may have or may create business conflict to the Company, the employee shall inform his manager in writing.
6. The employee shall not take a loan from the business partners that the Company has business with, except for financial institutions, as this may have influence on the employee performance in lieu of the Company’s representative.

7. The employee shall avoid getting involved in activities that may lead to conflict of interest with the Company, or that may lead to financial commitment in any aspect with persons having relationship business with the Company, or with employees of the Company.
8. The employees are prohibited to pay or to give the Company's assets to any other parties without prior approval from the Authorizers.
9. All employees shall be devoted and shall devote their time to the activities of the Company. In case of need for a second job to increase their earnings or for other purposes outside of the working hours, such job shall:
 - 9.1 not be against the Law or in conflict with peace and morale of the population;
 - 9.2 not be a conflict of interest to the Company;
 - 9.3 not undertake competitive or similar activities with the Company;
 - 9.4 not damage the reputation or the activities of the Company;
 - 9.5 not use the Company confidential matters; and,
 - 9.6 shall not impact employees' own duty.

1.21 The Board of Directors, Non-dependency of the Management

The Board of Directors is free to provide opinions on the performance of the Management in order to reach the utmost benefits for the Company and the Shareholders. There is a clear segregation of duty and responsibility between the Board of Directors and the Management. There is at least one member of the Board of Directors (Independent directors) who is not an executive director and is experienced in the essential industry in which the Company operates (Details appear in duty and responsibility of Board of Directors and Vice President).

1.22 Approval powers of the Board of Directors

Apart from the Board of Directors' powers prescribed by law and regulations, the Board of Directors

has the authority to approve any matters as defined in the charter of the Board of Directors as follows:

1. To consider approval of the business policies, targets, operational plans, business strategies, and annual budget of the Company.
2. To consider appointment of a person who possesses qualifications and does not possess any prohibited characteristics under the Public Company Act B.E. 2535 (1992) and the laws governing the Securities and Exchange, including any relevant rules, regulations and/or notifications of appointment of Director in case of vacancy due to a cause other than retirement by rotation.
3. To consider appointment of Independent Directors by taking the following factors into consideration: qualifications and prohibited characteristics under the laws governing the Securities and Exchange, notification of the Capital Market Supervisory Board, including relevant rules, regulations and/or notification of the Stock Exchange of Thailand or to propose to a shareholders' meeting for such appointment.
4. To consider appointment of Audit Committee members who have qualification under the laws governing the Securities and Exchange, notification of the Capital Market Supervisory Board, including relevant rules, regulations and/or notification of the Stock Exchange of Thailand.
5. To consider appointment of Executive Directors from among Directors or the Management of the Company, or outsiders and to prescribe the scope of their roles, powers, duties, and responsibilities.
6. To consider appointment of Sub-Committees to assist in the operating according to the Board of Directors' responsibilities.
7. To determine and make a change in names of authorized signatories.
8. To appoint any other person to manage the Company under the control of the Board of Directors or to grant the mentioned person powers, so he/she has such authorities and/

or within time period as the Board of Directors deems appropriate. The Board of Directors may cancel, revoke, alter, or amend such granted powers.

9. To consider approval of transactions relating to acquisition or disposition of assets, except where such transactions shall obtain shareholders' approval at a shareholders' meeting. Such approval must be in compliance with the notification of the Capital Market Supervisory Board, and/or relevant rules, regulations and/or notification of the Stock Exchange of Thailand.
10. To consider approval of connected transactions, except where such transactions shall obtain shareholders' approval at a shareholders' meeting. Such approval must be in compliance with the notification of the Capital Market Supervisory Board, and/or relevant rules, regulations and/or notification of the Stock Exchange of Thailand.
11. To consider approval of interim dividend payment when sufficient distributable profits are available and to report such payment to shareholders at the next shareholders' meeting.

1.23 Appraisal of Board of Directors (whole group and individual) and Sub-Committees' Performance

The Company is stipulated that the performance of the Committee members and the Sub-Committee, members must be evaluated at least once a year, by appraisal the performance of the Committee as a whole and each individual member, for the usefulness to the overall performance of the Board of Directors. This will also show the main subject matters that the Board of Directors believes to be more useful to the Company than in the current situation. The objective of the performance appraisal is to increase the efficiency of the Board of Directors and Sub-Committees, including the useful implementation of the evaluation

results for improving the duty of the Board of Directors and Sub-Committees.

The process in appraisal board of directors (whole group and individual) and sub-committees

At the end of the year, the Company Secretary and secretary of sub committees such as audit committees, Corporate Risk Management Committee for organization level, Nomination and Remuneration Committee, Corporate Governance Committee and Executive Committee, shall send the Board of Directors and sub committees performance appraisal form so that Directors evaluate their performance annually.

Each Director shall complete the performance appraisal form and send it back to the Company Secretary and secretary of sub-committee who shall collect, summarize, and report the annual performance appraisal results to the Board of Directors or sub-committee.

Criteria for Evaluating the Board of Directors (whole group and individual) and sub-committee Performance

Score	Range	Performance
85 – 100		Very Good - Excellent
75-85		Good
65-75		Quite Good
50-65		Fair
Below 50		Poor

Consideration factor in evaluating performance of the Board of directors and sub-committees

To evaluate the performance of the Board of Directors and sub-committee, factors taken into consideration as follow:

- Qualifications and structure of the Board of Directors
- Roles/duties and responsibilities of the Board of Directors
- Meeting attendance of the Board of Directors
- Communication and cooperation among each sub committee and Board of Directors
- Performing duties in accordance with good

corporate governance

- Opinion conclusion

The result of average evaluating performance of Board of directors and each sub-committees

1. The result of evaluating performance of Board of director was 88.66 percent, achieved very good-excellent

2. The result of evaluating performance of Executive committee was 92.14 percent, achieved very good- excellent

3. The result of evaluating performance of Audit committee was 97.89 percent, achieved very good-excellent

4. The result of the Corporate Risk Management Committee for organization level was 87.75 percent, achieved very good- excellent

5. The result of Nomination and Remuneration Committee was 83.25 percent, achieved good

6. The result of the Corporate Governance Committee was 94.31 percent, achieved very good- excellent

1.24 Appraisal of Chief Executive Officer's Performance

The Nomination and Remuneration Committee appraises the work performance of highest ranking of Chief Executive Officer from the Company's performance at the end of the year. The results of appraisal are confidential and non-disclosure. The practice according to the policy assigned from Board of Directors. The Company can get the result to set the Chief Executive Officer's compensation.

1.25 Chief Operating Officer's Remuneration Policy

The remuneration is paid to Chief Operating Officer in both the long and short term based on the Company's transparent and fair appraisal process. The Nomination and Remuneration Committee is responsible for appraising Chief Operating Officer's performance by taking the following factors into consideration: performance appraisal scores, the Company's operational performance, and his carrying out other duties as

assigned by the Board of Directors (Details appear in the section of the appraisal of Chief Operating Officer's performance, and the section of remuneration of directors and management).

1.26 Remuneration Structure for Non-Executive Board

The remuneration structure for Non-Executive Board has been disclosed by the Board of Directors. The remuneration must be approved by board of directors before the proposal to Annual General Shareholder Meeting for consideration and approval. (Details appear in the section of remuneration of directors and management).

1.27 Remuneration Structure for Executive Board/ highest level of Executives

The remuneration structure for Executive Board/ must be approved by the Board of directors and proposed to Annual General Shareholder Meeting for consideration and approval. For the remuneration structure highest level of Executives shall be determined the appropriate remuneration by the Nomination and Remuneration Committee in both financial and non financial remuneration to motivate and retain quality personnel to work with the Company in long term. (Details appear in the section of remuneration of directors and management).

1.28 Role of Chairman of Executive

The Board of Directors disclosed role of chief executive (Details appear in section of role of Chairman of Executive).

1.29 Propose, appoint and terminate the external auditor and internal auditor

The Audit Committee has right to consider, select, propose, appoint and terminate the external auditor to act as auditor of the Company as well as propose, appoint and terminate internal auditor.

1.30 Board of Director who is non-executive director and has experience in the Company's business

The Company has non-Executive Board of Director, Mr. Adul Chandanachulaka, with working experience in related to the Company's business. He was board of director in Jalaprathan Cement Plc during 2000-2002 (Detail appear in the bibliography of Board of Directors and executive).

1.31 Violation of regulations of Security Exchange Commission and Stock Exchange of Thailand

The Board of Directors set the policy to operate business in accordance to law and regulation of the Security Exchange Commission and Stock Exchange of Thailand and etc. Therefore, there is no any record of illegal acts against the law and other relevant legislation during the past year.

1.32 Succession Planning for the Top Executive

In case the Top Executive of the Company can not perform his function, the Company has set up a succession planning for the said position by having the second-in-command executive or an executive in similar position be in charged until the selection process can be made to select a person fully qualified under the law. The person must have the knowledge or capability, attitude, and experiences suitable to the Company, under the consideration of The Nomination and Remuneration Committee in order to present to the Board of Directors and/or the shareholders for approval of the substitute position.

1.33 Criteria for appointment process for new Directors and High Ranking Executives

In case of vacancies for the positions of Director and High Ranking Executive of the Company, the Company has a transparent criteria and process in selecting a Director and a High Ranking Executive. The Nomination and Remuneration Committee will follow the procedures of selecting a new Director and a new High Ranking Executive by considering their characteristics, knowledge and capability, work

experiences, necessary skills which are lacking among the existing Board of Directors and among other High Ranking Executives, to be of any gender, who are ready to sacrifice their time for the work, but who do not possess any characteristics forbidden by the law, while having the good governance principles. For the nomination of a member of the Board of Directors, part of the consideration will be drawn from the Director Pool which will lead to a diversified structure of the Committee and also has Board skill matrix for set up qualification of Nomination and Remuneration Committees by considering necessary skills of non-expertise Board of Directors skills. Corporate, for example, has strategy to operate other business apart from existing business. The Company, as a result, have to select qualified and experience nominated directors matched to new business the Company intends to operate further for proposing to the Board of Directors and/or the Annual General Shareholders' Meeting for approval in each case. Those are the process of appoint Board of Directors.

1.34 Remuneration for Directors and Management

The Company remunerates the directors for their service at an appropriate and motivating level in order to retain quality directors. The remuneration is offered both in monetary and non-monetary forms. The Nomination and Remuneration Committee is responsible for reviewing and proposing appropriate remuneration for directors, for approval by shareholders annually. Management directors shall only be remunerated only for their service in the capacity of Management. Such remuneration shall be based on the Company's operation performance and their individual performance.

1.35 The Non-Executive Board Meeting

The Board of Directors has assigned the Non-Executive Board members to hold meetings as appropriated without any management (both Board and non-Board). The purpose is to open review any issues (business and non-business) that are of interest. In 2015, there is only one meeting on 15 December 2015.

1.36 Position held in Other Listed Company of the Chief Operating Officer

The Company stipulates that Chief Operating Officer can hold only one position in a listed company which is Pruksa Real Estate Public Company Limited.

1.37 The disclosure of list of independent directors

The Company has disclosed the list of independent directors at the end of the year. The Company will clearly disclose for who are independent directors (The details appear in Management structure section, Board of Directors).

1.38 To be employee or partner of the company's external audit

During the past two years, none of Board of Directors and top executives of the Company have been Company's officers or partners of the Company's external audit.

1.39 Position held in other Listed Company of independent directors

The Company stipulates that independent directors unable to hold director position for more than 5 listed companies (The detail appears in bibliography of Board of Directors and Executives).

1.40 Position held in other Listed Company of Company's Executives

The Company stipulates that Company's executives unable to hold position for more than 2 listed companies (The detail appears in bibliography of Board of Directors and Executives).

1.41 Appointment of a Company Secretary

The Board of Directors appoints a person as Company Secretary whose responsibilities are providing advice to Directors in regard to laws and regulations, and supervision of activities of Directors, including following up on the implementation of resolutions of Directors. The Company Secretary's information, roles,

and duties have been disclosed by the Company (see more details in the section of Company Secretary and the section of Company Secretary's profile).

1.42 Participation in Thai Private Sector Collective Action Coalition Against Corruption

The Company is committed to conducting its business with integrity and transparency, and will not engage in corruption. As a result, the Company has announced its intention of participating in Thai Private Sector Collective Action Coalition against Corruption on 1st September 2014.

In the past year of 2015, the Company promoted activities for employees to combat against corruption by showing that corruption has very bad impact on the quality of house delivered and the service to customers. Any employee who finds information on fraud, corruption, stakeholder of the work, or the claims on compensation, can escalate/provide information/demand justice. The Company considers that such employee plays an important role in helping the organization and will be rewarded with a price up to Bt30,000 per case with a Certificate of Honor from the CEO. Accordingly, the Company's policy is to keep confidential such information and the information provider, and also has set protective measures for the information provider against troubles thereof.

After the Company announced on 1st September 2014 its intention to join the private sector in combating against corruption, the Company has established the following procedures:

1. In 2015 the Company was assessed on the sustainable development of Anti-Corruption policy by the Thai Path Institution with the Support of the Securities and Exchange Commission, as the "3-Established" level. This implies that the level of policy that the Company has established in order to assess the risk level of the business, to indicate the performance of the Company, or that of an affiliated company that runs the risk of involvement in corruption, to communicate and to train employees for knowledge of policy and procedural guidelines in combating against

corruption. This includes the check and control on the implementation of the policy and that there is a review on the appropriateness of the policy by the Company Board of the Directors at least on an annual basis.

2. On December 15, 2015 the Control Self-Assessment of 71 items was submitted to the Company Board of Directors for signature.
3. Between January 15-31, 2016 the Company Board of Directors reviewed and approved before submitting the application to participate in the Task Force of the Thai Private Sector Combating Against Corruption.
4. Pending result of the checking and approval from the Thai Corporate Institution. Result is expected to be known by March 31, 2016.

1.43 None of fraud conviction/Breach of Ethics and Corporate Governance and notoriety

In 2015, the Board of Directors, the Management, and employees did not commit any offense against fraud or breach of Ethics or violated regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, there were no Executives resigning due to both Corporate Governance issues and notoriety issues resulting from failure to oversee those issues.

2. RIGHTS OF SHAREHOLDERS

2.1 Basic rights of Shareholders

Recognizing the importance of the rights of shareholders, the Company refrains from any act that may violate or curtail the rights of the shareholders, or ignore an equitable treatment to shareholders. The Company takes into the consideration of shareholders liberty for instance, rights to receive equally dividend paid from net profit, rights to repurchase the Company's shares, rights of communication, rights to propose agenda of the meeting, rights to propose name of Board of Directors, rights to submit the questions in advance for any meeting's agenda, rights to attend

shareholders' meeting and vote, rights to grant proxy to anyone to attend the meeting and vote on behalf, rights to ask make comments and ask questions in the Annual General Shareholders' Meeting, rights to vote for appoint directors individually, rights to consider the remuneration for directors and rights to vote for appoint external auditors and determine auditors' fees and freedom of communication. Moreover, if any shareholder agreement may have significant impact to the company or other shareholders, the Company will promptly disclosure.

2.2 Right to Consider Compensation to the Members of the Board of Directors

The Company's Shareholders have the right to consider on an annual basis, the compensations for the Board of Directors in all aspects, whether in cash or non-cash, such as fix compensations, meeting allowances, bonus/on-time compensation for retirement, and special benefits, i.e., group insurance benefits.

The Company has clear policy and principles in the consideration process before submission of the compensation review to the Shareholders. The consideration process involves screening the appropriateness in different aspects by comparing with the same industry, meeting plan for the Company Board of Directors and each sub-committee such as the Executive Committee, Audit Committee, Company-Level Corporate Risk Management Committed, Recruitment and Compensation Committee, and Good Corporate Governance Committee, including business growth and profit growth of the Company. All these must be approved by the Recruitment and Compensation Committee prior to being submitted to the Shareholders Meeting for approval.

2.3 Annual General Shareholders' Meeting

2.3.1 The meeting policy: Set Date, time, and venue of the Annual General Shareholders' Meeting for facilitating and enhancing participation from all shareholders including institutional investors

The organization of the Annual General Shareholders' Meeting is set to be held within four months from the

annual financial statement closing date. The Company will fix the date, time, and place where the meeting will be held. The facility offered is deemed to support all groups of shareholders including Institutional shareholders to join the Annual General Shareholders' Meeting of the Company. The policy is to avoid holding meetings on holidays and commercial bank holidays. The meeting starts at 8:30 am till 16:00 pm, and will allow for every shareholders to register or to send a power of attorney to the Company for pre-registration. The meeting will be held in Bangkok Metropolis or in the area where the Head Office is located so that the shareholders can easily join the meeting. Information on the date, time, place, and agenda, will be provided with description and reason in each agenda, or to support a consensus specified in the invitation to the Annual General Shareholders' Meeting or in the attachments to meeting agenda without limiting the opportunity of the shareholders to learn about the Company's information. The Company may call an extraordinary meeting of the shareholders if the Board of Directors deems this necessary.

In 2015, the Company held Annual General Meeting on April 28, 2015 at 10:00-11:45 am, at 10th floor, Banyantree Ball Room at 21/100 South Sathorn road, Sathorn, Bangkok. The Company facilitates the shareholder meeting by select the hotel in CBD area where is easy accessed by BTS and MRT. The hotel map was enclosed with the invitation letter. The Company also coordinates with Institute shareholders regarding to the advanced delivery of proxy for the accuracy review prior the meeting date and facilitate the meeting.

2.3.2 Stamp duty service

In order to facilitate a proxy who attend a shareholder meeting, stamp duty will be supplied without any charge at registration desk in order to reduce burden for shareholder to bring stamp duty.

2.4 The Company's shareholding structure

Shareholding structure is proved that the Company has mechanisms to prevent the management or the authorities from taking over business which they will

use as a shield to protect themselves due to lack of efficiency and transparency in management such as mechanisms consist of neither shareholding of the Company's affiliates and nor pyramid shareholding structure of the Company's affiliates. In addition, the proportion of free float share is both greater than that specified by law and higher than 25.0%. In 2015, the Company has free float of 30.54%.

2.5 Offering the opportunity for the shareholders to present agenda, to propose Board of Directors' name or to send questions prior to the meeting date

The Company offers the opportunity for the shareholders to add items to the meeting agenda, to propose Board of Directors' name or to send questions about the Company prior to the meeting date. The Company also clearly specifies the communication channel and the regulations for fair treatment and transparency in consideration and informing the shareholders, including publicizing of the regulations on the Company's website.

For the 2016 Annual General Shareholder's Meeting, the Company will invite the shareholders to propose agenda items, propose Board of Directors' name or submit the matters they wish to propose for consideration at the meeting in advance, since 15th September 2015 till 30th December 2015. The Company announced such notice to Securities Exchange of Thailand (SET) and on its website www.pruksa.com on part of "Investor Relations".

2.6 The process on Annual General Shareholders' Meeting

2.6.1 Shareholders' attendance and Registration Process.

In attending a meeting, shareholders should carry a document showing their identity, for example, an ID card or passport. In case of attendance by a proxy of a natural person, the documents of the appointer must also be produced, i.e. a filled-out proxy, a copy of ID card or passport. In case of proxy of a juristic person, the documents of the appointer must be

produced, i.e. a filled-out proxy form and a certified copy of the juristic person registration. The Company will arrange for the shareholders to register for the meeting in advance of the meeting time.

2.6.2 Chairman of Board of Directors, Chairman of Sub-Committees and Highest Ranking Executives' attendance in Annual General Shareholders' Meeting

The Annual General Shareholders' Meeting is considered very important and the directors will normally attend such a meeting, which is usually chaired by the Chairman of the Board of Directors. In addition, the Chairman of each sub-committee, Highest Ranking Executive (Managing Director), the first four executive lists and the Company's auditors or representative and legal advisors will also attend the meeting to listen to comment and answer queries of the shareholders.

The name of the Directors	No. of attended and Rights to attend Annual General Shareholders' Meeting 2015
1. Dr. Pisit Leeahtam	1/1
2. Mr. Thongma Vijitpongpan	1/1
3. Mr. Weerachai Ngamdeevilaiak	1/1
4. Mr. Abdul Chandanachulaka	1/1
5. Dr. Piyasvasti Amranand	1/1
6. Mr. Kanchit Bunajinda*	1/1
7. Mr. Wichian Mektrakarn	1/1
8. Dr. Anusorn Sangnimnuan	1/1
9. Mr. Lersuk Chuladesa	1/1
10. Mr. Prasert Taedullaysatit	1/1
11. Mrs. Rattana Promsawad	1/1
12. Mr. Piya Prayong	1/1

Remark

* Mr. Kanchit Bunajinda resigned from position as director of the Company effective on September 17, 2015.

2.6.3 Defining the Meeting Agenda

For the Annual General Shareholders' Meeting, in case where an agenda has several items, the Company will set the meeting agenda separately and clearly, and

will provide for resolution for each item, such as the election of BOD members, power and authorization, and compensations.

The Company avoids to add "others" agenda that is not specified in the Meeting agenda in advance as it might not be fair to other shareholders who are not present at the Meeting. In 2015, the Company did not add "Other" agenda in the meeting agenda.

2.6.4 Vote Checkers

The Company provides independent individuals for counting and checking the votes in the Annual General Shareholders' Meeting, including disclosure to the Meeting and recording in the Meeting Minutes.

2.6.5 Announcement of Procedures in Vote Counting and Offering of Opportunity for Shareholders to Query/Comment

For the Annual General Shareholders' Meeting, the Company will inform about the method of vote casting and counting to the shareholders prior to the start of the meeting according to the agenda, by separating the counting method for those who come to the meeting in person, and those who have delegated, with ballot sheet for shareholders to vote, for disagreeing shareholders, and for abstaining shareholders. In voting committee members, the Company allows shareholders to vote by individuals by using the vote cards so that shareholders can truly vote for the committee member of their choices. And during the meeting, every shareholder will have equal opportunity to present their views and discuss within appropriate time frame. The Company will count 1 to 1 vote and will consider the highest vote side to be the resolution. If the votes are equal, the Chairman of the meeting will have the final vote in addition to voting in the right as a shareholder.

2.6.6 The Use of Ballot Sheet

The Company supports the use of ballot sheet both for the main agenda in general by law, and for important agenda such as marking of items, acquisition or sale of assets, etc. for transparency and audit

purpose in case of future objections.

2.6.7 Recording of the Meeting Minutes

The Company records that it has informed the shareholders of the voting method, vote counting, and use of ballot sheet prior to the meeting. The Company also informs about the name list and the position title of the Directors present at the meeting, Directors who sent their apologies, and questions, answers, replies, opinions, resolution of the meeting for each agenda. Voting is divided into agreeing, disagreeing, and abstaining votes. All these are recorded in writing in the meeting minutes in details so as to inform shareholders who didn't attend meeting and to recheck on the participation of the Board of Directors in each Shareholder's Meeting. In case where any member of the Board of Directors has a stake in a particular agendum, the said member shall not be present at the meeting and therefore has no voting right thereof, except for election voting or voting for removal of a Director.

2.7 The disclosure of AGM's resolution

The Company will disclose the result of voting after meeting or at late the morning of the next day from date of meetings by sending letter to SET and disclose in the Company's website at www.pruksa.com as well.

2.8 Dividend Payment

The annual dividend payment must be approved at a shareholders meeting. Dividends can be paid to shareholders only when the Company has earned profit from its operation without any accumulated losses. The dividend amount is divided equally by the number of Company shares.

According to the Company's dividend payment policy, the Company would pay annual dividend to its shareholders twice a year at a rate of not less than 50.0% of the Company's consolidated of financial

statement net profit after deduction of all legal reserves (effective on January 22, 2016). In dividend payment, the Company will consider both the operating result and long term returns for shareholders.

In case of the Company has earned profit from its operation enough to pay dividend, from time to time the Board may consider interim dividend payment and inform shareholders in next shareholders' meeting. The residual amount of annual dividend payment or interim payment shall be allocated to reserves and is subject to Board of Directors justification and consideration in appropriate. The payment of dividends shall be made within one month of the date of the shareholders' resolution, or one month of the date of the Board of Directors' resolution in case of interim dividend payment. The shareholders will be informed in writing of the dividend payment, which will also be announced in a newspaper.

2.9 Appointment of the Company's Auditors and fix the audit fee

The Annual General Shareholders' Meeting will appoint the Company's external auditors and also fix the audit fee, proposed by the Board of Directors. The Company's auditors shall not be a director, officer or employee or anyone who hold position of the Company.

3. EQUITABLE TREATMENT OF SHAREHOLDERS

The Company is responsible for the fair and equitable treatment of all the shareholders in order to uphold their basic rights including minor shareholders and foreign investors.

The minor shareholders rights were protected from both direct and indirect exploit from the controlling shareholder in order to uphold their basic rights.

3.1 Presentation of Name List to the Position of Company's Director

A process for a shareholder to nominate a candidate for directorship has been established, a minor shareholder can nominate a qualified person to be elected as

director by submitting background information as well as the consent of the nominee to the Chairman of the Board of Directors in advance of The Annual General Shareholders' Meeting. The Company has controlled procedure to affirm minority in independent director election to take care minor shareholders benefits.

The election of Company's Director must be agreed by Nomination and Remuneration Committee and be appointed from Board of Directors and/or Annual General Meeting as the case may be.

For the 2015 Annual General Meeting of shareholders, the Company has invited shareholders to nominate a person deemed qualified, knowledgeable and competent as their representatives to be a director since 15th September 2015 until 30th December 2015. The Company announced such notice to Securities Exchange of Thailand and on its website at www.pruksa.com on part of "Investor Relations".

3.2 shareholders' meeting

3.2.1 To appointment an attorney-in-fact to the shareholders' meeting and to vote on his behalf (One share, One Vote)

In case where any shareholder cannot join the meeting, the Company will facilitate by sending both Power of Attorney Form B and Form C together with the invitation to the meeting which informs about the document/ evidence, including advices, procedure for providing a Power of Attorney so that the Shareholder can prepare right document and not has any problem to delegate his power to nominee during meeting. In addition, the Shareholder can delegate his power to a nominee who will join the meeting and cast a vote on his behalf by 1 to 1 vote. The Shareholder will fill in the form as described in the detailed procedure of giving the Power of Attorney, sent by the Company together with the invitation to the meeting. The procedure is simple without any complicate conditions in giving the Power of Attorney to nominee for attending meeting. In addition, the Power of Attorney Form B and Form C can also be downloaded from the Company's website at www.pruksa.com, under Investor Relation/ Shareholder' Meeting. The Company will present at

least 3 independent Directors as another choice for the delegation of authority of the shareholders.

3.2.2 Invitation of the meeting

According to the regulations of the Company, it is specified that the sending out of invitation to the shareholders be made at least 7 days prior to the Annual General Shareholder's Meeting. But in practice, the Company's policy will send the invitation to the meeting together with supporting documents both in Thai and English languages to the both Thai and foreign Shareholders in advance for at least 21 days prior to the shareholder meeting. However the sending of invitation letter might be changed upon the situation and readiness in each year but it should not later than the legal time frame and also Company's regulation. This is to allow the shareholders sufficient time to consider about the meeting agenda and matters to present to the meeting with sufficient details to support decision making. It will be clearly specified for each matter whether it is for acknowledgement, for approval, or for consideration depending on each case. It also includes the opinion of sub-committee related to according agenda and the opinion of the Company's Directors on the relevant matters.

The Company publicizes the invitation to the Annual General Shareholders' Meeting (completed version) in daily Thai and English newspapers at least 30 days before the meeting date in order to facilitate for both Thai and foreign shareholders by announcing the date, time and place, meeting agenda, including information relevant to matters that require decision-making during the meeting, to the shareholders sufficiently and timely.

3.3 Financial assistance transaction

In 2015, The Company does not have any related transaction in case of financial assistance such as loan, credit guarantee for non-subsidiary Company. Moreover, the Company does not have any loan or credit guarantee according to shareholder proportion as shown in joint venture agreement.

3.4 Confidentiality Safekeeping , Information

Safekeeping, and Internal Use of Information

The Company has established a written policy on confidentiality safekeeping, information safekeeping, and internal use of information. The said policy is announced to the Directors, Executives, and employees of the organization to strictly adhere. In addition, the Company has set measures to build confidence that such policy has been made known and followed by organizing the CG Day for all Directors, Executives, and employees to learn and understand the ethics of the Company, including the above policy and strict adherence thereof as principles and guidelines for the utmost benefits of the Company and all stakeholder groups throughout the service period. All have signed the attestation.

In addition, the Company also sets forth that Directors and Executives including their spouses and minor children must report on their holding of the Company's shares for the first time within 30 days from the date of nomination. All subsequent changes of shareholding involving buy, sell, transfer, or receive transfer, must be made within 3 working days. Furthermore, this must be reported to the Committee on a regular basis. In the past year, no Directors and no Executives of the Company had made any purchase of the shares by using internal information.

Prevention on the Use of Internal Information Policy

Information that are confidential means information that are not public or information that if disclosed to the public or possessed by the competitors shall have adverse effect on the Company, including information that business partners and clients have provided to the Company.

1. The Company has set the level of confidentiality of information and the procedure to safe keep the confidentiality. Important documents and information that are confidential must be taken care of in a specific manner as specified in each step, type, or category of the information.
2. The Company shall safe keep and keep confidential client information and business in-

formation. Client confidentiality must not be disclosed to the Company's employees nor to unrelated external parties, unless stipulated by Law to necessitate disclosure under litigation purpose, or the Company Board of Directors has approved such disclosure.

3. In hiring a person who used to work for competitors or the Government, the Company must find and study the pre-existing confidentiality agreement between the said person and the competitor concerned or the Government prior to joining the Company. The Company must not take any action to make the said person breach the agreement with the competitor or the Government that will lead to litigation.

3.5 Making related transactions

In case where the Company has to make related transactions and must disclose information or must seek approval from the Shareholders, the Company policy is to clearly disclose information on the names and the relationship of related persons, prices and value of the transaction, including the opinion of audit committee and Board of Directors, to the Shareholders through Stock Exchange of Thailand. The said related transactions must be made fairly based on the market price and processed in the usual business manner. (Fair and at arms' length).

In 2015, the Company did not have any related transactions that violated or were not in compliance with the rules and regulations of the Stock Exchange of Thailand (SET) and the Securities Exchange Commission (SEC). In addition, the Company group's structure did not have any related transactions that might create conflict of interests by considering both revenue and expenses at transactions level, not exceed 25% without any exemption.

3.6 Related Transactions Year 2015

The Company has 2 related transactions as below:

1. The Company sold asset (sales office) to Mr. Thongma Vijitpongpan, the major shareholder. The title deed No. 1988, 7509, 7920, 8087,

101728,126878, and 127511. The land No. 339, 216, 651, 224, 235, 237 and 234 in Aree Soi 4 (Northern part) of Pahohyotin Road, Samsennai, Phayathai, Bangkok, with total 4 Rais 1 Ngan 10 Sq.Wah. (1,710 sq.Wah), with total amount of Bt568,000,000. (Five hundred sixty eight Million Baht). The buyer paid for transfer fee, tax and other expenses (such as transfer fee, tax and other expenses total amount of Bt21,000,000. (Twenty one Million Baht). After deducted all expenses, the net selling price would be Bt547,000,000).

Noted: Land area as mentioned above, the Company purchased them from non-related person to the Company on February 25, 2010 and October 14, 2010, respectively, with total amount of Bt462,579,530 (Four hundred sixty-two million five hundred seventy-nine thousand and five hundred thirty baht).

2. The son and daughter of Mrs. Rattana Promsawad, the Company Director, who is the related person to the Company in transferring The Chapter One: The Campus on September 9, 2015, of 2 transactions with net price as of transfer date at Bt4,039,643 (Four million thirty-nine thousand six hundred forty-three baht) and Bt4,499,973 (Four million four hundred ninety-nine thousand nine hundred seventy-three baht), respectively. These transactions were accounted as an ordinary related transaction with approval condition under the Company authorization.

3.7 Violation/non-compliance with the rules of buying and selling assets

In 2015, in term of buying and selling assets, the Company did not have any transactions that violated or were not in compliance with regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

3.8 Policy on declaration of dealings in corporate shares owned by Directors and Executives

According to the policy, the Directors and the Executives have to notify the company secretary about

dealings in share of the Company at least one day before a transaction date. So that such information shall be kept for each Director and Executive.

4. ROLE OF SHAREHOLDERS

The Company recognizes and respects the rights of all stakeholders and has established a code of conduct outlining the guidelines in this respect. The purpose is to ensure that the lawful rights of stakeholders, whether it be shareholders, employees, Executives, customers, partners, creditors, or the general public and society, are properly protected and cooperation among these groups is promoted. It is believed that these factors will ensure the sustainable growth of Company's business and benefits generated to all concerned in a fair manner. The Company published The Social Responsibility report (The development of sustainability report) according to Global Reporting Initiative (GRI) regulation separate from the Annual Report.

4.1 The setting up of treatment policy for stakeholders

4.1.1 The Board of Directors has set up the treatment policy for each group of stakeholders as follows:

Shareholders:

The Company has set forth to act as a good representative for the Shareholders as it is well aware that the Shareholders are the owner of the business. Therefore, in doing business, the Company is determined to create the highest satisfaction to the shareholders by taking into account the growth of the Company in the long term with good and continuous return. This includes the disclosure of information in transparent manner and reliable for the shareholders through the following procedures:

1. By performing the duty with loyalty including decision making for any undertaking with precaution and fair to every Shareholder for the highest benefit of all shareholders.
2. By presenting a report on the status of the

Company, performance, financial status, accounting, and other reports on a regular basis, and complete based on the truth.

3. By reporting to the Shareholders in a similar manner about the future trends of the Company, both on the positive and negative perspectives, based on feasibility with supporting information and sufficient reasons.
4. By not exploring for benefits to self and others through using any information of the Company which are not yet disclosed to the public or by proceeding on any matters in such a manner so as to create conflicts of interests to the organization.
5. The Company must treat all Shareholders equally in the Annual General Shareholders' Meeting.

Employees:

The employees are the most valuable sources and are the most important success factors of the Company. The Company therefore aims to develop a good culture and working atmosphere while enhancing teamwork, and politely treat the employees and respect each individual. The hiring and position transfer will be made on the basis of fair treatment, morale and the use of human resources for the utmost benefits of the Company. The Company treats the employees equally without discriminating against sex, race, nationality, ethnic group, religion, or belief.

The Company policy for compensation, welfare and provident fund

The Company is responsible for keeping the work environment safe for life and personal assets of the employees at all times, and strictly follows the labor law. In addition, the Company abides to the policy regarding compensations that corresponds to the Company's performance, both for short term and long term, by considering the profitability in each year and the performance measurement based on the Balanced Scorecard. This also includes employee welfare such as provident fund to enhance saving discipline, financial

security and tax benefit to employees and their family. The contribution rate is subject to employee decision and working age. Employee savings and the Company contribution is vary from 5-10%. While fund of housing loan, social security fund, fitness and sport club, compensation fund in case of sickness/accident from work, gift in case of hospitalization, and donations to victimized employees by natural disaster, monetary support for funerals, through the following means:

(1) Privacy

Personal rights and freedom must be protected and prevented from being violated through the use, disclosure, or transfer of personal information such as biography, health history, work history, or other personal information to other unconcerned people. This may cause damages to the individual owner or any other persons. Violation is considered a disciplinary fault, unless done according to the duty and innocently, or by law or for common benefits.

1.1 Protect personal information of the employee under possession or under safekeeping of the Company.

1.2 Disclosure or transfer of personal information of an employee to the public can only be made under the employee's consent.

1.3 Limit the disclosure or use as necessary of personal information of an employee and persons related to the Company.

(2) Equality and equal opportunity

2.1 The Company will treat the employees with respect to their honor and prestige.

2.2 The Company will select people for hiring in different positions with justice by considering the requirements of each position, level of education, experiences and other criteria necessary to the job without discrimination against sex, age, race, and religion.

2.3 The Company will determine the compensations fairly and appropriate to the type of work.

2.4 The Company will allow opportunity to the employees to grow in their career, in the past year of 2015, each employee underwent training and development programs for 15 hours on the average starting

from operational level until middle to high supervisors. The training courses were categorized into 6 courses as below:

- (1) On boarding program
- (2) Foundation
- (3) Career Group
- (4) Quality and Safety
- (5) Leadership and Enterprise
- (6) Elective subject

(For further details, please see “The sustainable report” - Training and the development of employee capability)

2.5 The Company is aware that good communication will lead to effectiveness and good relationship in working together, thus the Company will oversee that employees always receive news of their concern as much as possible.

2.6 The Company will allow for the employees to have communication channels for suggestions and complaints about uncomfortable matters pertaining to their work. All these matters will be seriously considered and remediation will be made so as to attain the utmost benefits to all parties and create a good relationship in working together.

(3) Violation

3.1 The department's head should behave such that they can gain respect from employees and the latter should not perform any acts of disrespect to the bosses.

3.2 The employees should not perform any acts of violation or offense whether verbally or in action to others on the basis of race, sex, religious, age and physical and mental disability.

3.3 Respect one another's opinion.

(Details appear in sustainable development report, section of Human right management).

Employee Knowledge and Skill Development Policy

The Company has set a policy in view of developing employee capability with development potential in order to adequately perform their functions. In addition, there is also development for growth in higher

position which results in the staff ability to use their full potential in their work to deliver quality work to both internal and external customers. Furthermore, the knowledge and skills acquired by the employees will remain with them and can be applied to work in the future and after retirement. The Company has assigned the Human Resource Department to look after the employees as being aware that employees are assets worth investing in. The Company will be the Number One brand in the heart of the customers that does not emerge from the performance of the CEO or the Executive only, but believed to emerge from all employees of the Company. There are several development measures as follow:

- The formation of view, commitment, Pruksha Culture, Pruksha Value and leadership competency as guidelines for all people in the organization.
- The competency-based interview is used in the recruitment process in order to find applicants in line with the culture, value and leadership competency in the way of Pruksha, as the Company believes that these factors have contributed to the success of the Company for the period of more than 20 years.
- Training system according to the annual training plan encompasses theoretical and operational trainings, culture development, coaching by the supervisor in a systematic way, handling new joiners under mentor program, development in the form of work assignment where the employee can be trained on-the-job, and having a framework under a clear policy. All these allow both the employee and the manager to jointly set a development plan adequately.
- The organization of Talent & Succession Planning requires identification of the talented by the line manager together with Human Resources Department. Consideration is made on the performance and personal characteristics with high potentials in both areas of management and performance. The succession planning for Executives at the level of Department, Division, SBU/BU by identifying both talent and succes-

sor, takes into account business requirements with joint analysis on the long-term strategic objectives of the organization.

- Encouraging employees to know their clear career path. The employees will know their next position in the career path. Knowledge, skill, and KPI of the next position will be identified so that an employee can set a carrier planning with his manager. This includes operational procedure and development process for achieving carrier objectives as planned.
- Exploring employee engagement to the organization on an annual basis. The result of the poll will be used for a joint work planning at the organizational level in order to increase the level of attachment to the organization. This will be done through activities, work plan that must be carried out on a continual basis, and included in the KPI of the Executives. (For more details, please refer to “Report on Sustainable Training” Section: Personnel Development).

Policy on non-participating in violating human rights

According to the Company policies, the Company shall not engage in violating human rights. Means that the Company uses to deal with human rights consist of fair and ethical recruitment, regardless of race, religion, color, and sex. Responsibilities which suit each person shall be used as criteria for hiring. Next, there shall be no child labor, conscript labor, or forced labor in the Company. None of subordinates and supervisors who are relatives or family members shall be hired. As a result, everyone has an equal opportunity to be selected as an employee of the Company because of his abilities and his suitability for that position. Besides, the Company has not only followed employment laws-disability but also cooperated with public agencies and several Associations of People with Disabilities to hire people with disabilities in order to enhance them to access employment. If the Company is unable to employ people with disabilities in any year, the Company will contribute money to Fund for Promotion and

Development of Life Quality of Disabled Persons to serve as the fund for expenditure on protection and development of life quality of disabled persons. (For more details, please refer to Report on Sustainable Section : Human Rights management).

Client:

The Company aims at developing real estate by desiring to see creativity and supply chain management of products and customer services based on standard and moral under the following work principles:

1. To deliver products and services of quality, according to the standard under the fair conditions, and to aim to leverage the standard on a continual basis and in a serious way, including precise and complete information disclosure with undistorted information on the products and services.
2. To provide correct, sufficient, and up-to-date information on products and services to the clients, so that clients can have sufficient information to make decision, and without exaggerating in both advertisement or in other channel of communication with clients so as to cause misunderstanding about the quality, quantity, or any other conditions of the products or services.
3. To respond to client’s need in a timely manner and provide for an effective system and accessibility or complain channels about the quality of products and services through www.pruksa.com and Pruksa Contact Center by calling 1739
4. Keep and safekeeping client information and confidentiality by not using the information in a negative way, except for information that must be disclosed to relevant external people under the full force and effect of the Law.

Competitors:

The Company aims at undertaking real estate business with the objective of achieving sustainable success and maintains its business leading status under the competition in the industry with morale. It supports and promotes the policy of free and fair trade

competition, with no monopolizing or requirement that the counterparty must sell only the Company's products. In addition, it does not have the policy of trade competition by using any available means to acquire information of competitors in an illegal manner and against the morale. The Company adopts the principles of dealing with competitors as follows:

1. To proceed under framework of fair competition;
2. Not to acquire confidential information of business competitors through dishonest or inappropriate means for the benefits of its business undertakings;
3. Not to accuse in a negative sense or aim to destroy the reputation of its business competitors; and,
4. Not to enter into agreement or accord that may result in the termination of business competitor in an improper way.

Business Partner and Counter Party in Agreement:

The Company has treatment policy toward business partners in accordance with good Corporate Governance in selection process, procurement and hiring contractor, designer or consultant. The Company provide fair, equitable and transparent opportunity to all business partners /vendors/ contractors and tenant. Hereinafter referred to as partners to bid, propose for contract work, propose for material, equipment or design for the Company's projects with fair disclosure for all business partners. In case business partner was contacted by Executives, employees or any person for compensation or remuneration's requests or other benefits except provided by moral whether by direct or indirect, in order to benefit business partner in return of their business or, in case business partner found that the selection process of business partner was not transparency or unfair to other business partners or to eliminate other competitors. The Company requested those business partner immediately notified the Company as well as suggested improvement process in order to ensure transparency and fairness in procurement process to all the business partners. The company is committed to ensure fairness and protection all the business

partner fairly and equally.

Selection, procurement and practices to business partners

1. The Company desires that merchandise and service supplying is proceeded with standard under the procedure as follows:
 - 1.1 Competition is made upon equal information;
 - 1.2 Criteria exist in the evaluation and selection of business partner and counter party;
 - 1.3 Create the appropriate agreement format;
 - 1.4 Provide for management and follow-up system to ensure that the conditions stipulated in the agreement are totally followed, and to prevent misconduct in every step of the procurement; and,
 - 1.5 Payment to the business partner and counter-party in a timely manner according to the payment conditions as earlier agreed.
2. The Company aims to develop and maintain good and long-lasting relationship with business partner and counter party who possess clear objectives regarding technical quality and mutual credentials.
3. Executives and employees are prohibited from accepting any personal benefits from business partner and counter party, whether directly or indirectly.
4. Executives and employees shall not be involved in the procurement with the business partner and counter party having a relationship, i.e., family members, relatives, or own business or partnership.
5. Use of information received from the procurement process for personal or others' benefits is prohibited.

How to select the business partner

1. By investigated and evaluated the work readiness
2. By evaluated the quality of work, commodities, service
3. By evaluated the delivery work, commodities

and service on times

4. By evaluates the cooperation ability, solving problem and teamwork readiness

Complaints

1. Complaints channels

In case that the executives, employees, officers and/ or related party to the Company have any behaviour that might be fraud, unfair or compensation requests. The business partner can immediately inform the Company Line (Line ID : @pruksacg), website (www.pruksa.com), complain/unfair treatment at e-mail: cg@pruksa.com or mail to CEO or Chairman of Internal Audit Committee of Pruksa Real Estate (Public) Co., Ltd., SM Tower, 28th floor, 979/83, Phaholyotin Road, Khet Phayathai, Bangkok 10400.

The petitioner would receive Bt30,000 per case as a reward with merit certificate from CEO.

2. Protection measure for complainants or those who cooperate in scrutiny process

Complainants or those who cooperate in scrutiny process will be protected in accordance with the following guidelines:

2.1 Complainants or those who cooperate in scrutiny process can choose not to identify themselves if disclosures may cause danger or any negative effect. However, if the disclosure occurs, the Company can report on progress and facts, or reduce negative effect easily and quickly.

2.2 The Company shall not reveal a name, surname, address, photo, or any personally identifiable information of complainants or those who cooperate in scrutiny process. The Company then shall carry on the investigation.

2.3 A complaint recipient has to keep complaint information confidential and disclose as required. Safety and negative effect on complainants, those who cooperate in scrutiny process, sources of information, or person concerned has to be taken into account.

2.4 If complainants or those who cooperate in scrutiny process are worried about possible detrimental repercussions, they can request the Company to set

appropriate protection measures. If an issue is likely to cause any damage or danger, the Company can set appropriate protection measures without their requests. Impartial and appropriate relief procedures shall be applied to those who suffer any detrimental result.

Creditors

Creditor policy and practice was set up and clearly defined, especially guarantee terms and conditions, capital management, and events of default. The Company shall not fail to make payment on a due date and shall strictly conform to terms and conditions defined by creditors (financial institutions) and trade creditors as follows:

1. To repay debts to creditors punctually and in compliance with specified terms and conditions in order to avoid default.
2. In terms of loan payment, interest payment, and collateral responsibility or guarantees, the Company shall strictly commit to terms and conditions as agreed on a contract or agreement.
3. Whenever the Company faces critical situations which may significantly affect the Company's financial position and debts repayment, creditors shall be notified of capital management, so that creditors and the Company shall resolve problems in order to avoid losses.
4. To strictly conform to terms and conditions defined by creditors.

Community and Society

The Company sees the importance of the community and society in general, and is well aware of being a part of the society with which it will proceed to develop the society and the environment towards sustainability. The Company therefore launches activities for the community and the society in a continuous way, and has established a policy on social responsibility as a framework for various activities. The Company's Board of Directors, Executives, and every employee are guided accordingly in order to create social responsibility throughout all the processes, and throughout the

organization coupled with business undertaking under social responsibility as a whole as follows:

1. To have business policy essentially based on environmental awareness in strict compliance with the enforcing law and regulations pertaining to the environment;
2. To have a work policy on Corporate Social Responsibility (CSR) that is clear and observed in the organization;
3. To promote the employees' awareness of social responsibility;
4. To respect the local culture and civilization in every country where the Company undertakes business;
5. To launch activities for participation in social, community, and environmental developments on a regular basis so that the community where the Company is situated, has a better life style. This is for both the Company's own operation and jointly with governmental agencies, private sector, and community;
6. To cooperate in various activities with the community around the area where the Company has launched business as appropriate to each case;
7. To prevent accidents, to monitor the operation including the control of waste release to be within the standard practice;
8. To respond quickly and effectively to events that affect the environment, community, life and personal affects, caused by the Company's operations, by fully cooperate with the governmental officers and relevant units.

Externally, the Company works with society to enhance sustainability through society through 3 aspects of CSR. 1) Education 2) Society and Environment and 3) Religious, art and culture (Details appear in CSR Report).

Furthermore, the Company developed its standard of business operation in term of CSR that it completed the report in line with the Global Reporting Initiative (GRI version 3.1) covering economics, social, environment to support social sustainability with clear and concrete (Details appear in sustainability report in topic

of social activities).

The supporting activities related to the community development

The Company plans to participate in activity related to community development are as below:

- Free medical check up program for customers, employees and residents nearby
- Free plant seeds to customers, employees and residents nearby to be the Green community as plan
- Organize "Environment Management" by community to encourage the sanitary awareness to the community such as garbage disposal and waste water treatment to prevent community from the pollution

The performance on social responsibility on a continual basis leads the Company in winning the "Sustainability Report Awards 2015" as Recognition awards from CSR Club, Thai Listed Companies Association sponsored by Securities and Exchange Commission, Stock Exchange of Thailand and Thaipat Institute.

Safety, Health, and Environment

The Company has concrete policy regard to safety, health and environment by given the priority to safety, health, community, and surrounding society, with the awareness of being part of the society to jointly proceed to the development of the society and environment for sustainability. The Company therefore launches activities for the community and the society in a continuous way, coupled with business undertaking under social responsibility in general as follows:

1. By providing support for activities while complying to the law, safety, and other relevant regulations;
2. By stipulating that work safety is the prime duty and responsibility for every employee in operating;
3. By providing that Executives at all levels must be a good model, be a leader, assist in training, teaching, influence staff to perform with precaution;
4. By stipulating that every employee must essentially be aware of his own safety, that of

his colleagues, including the Company's assets while operating;

5. By stipulating that every employee must look after, clean up and keep his working area tidy at all times;
6. By providing support for activities on safety that stimulate and develop the mindset of the employees for creating safety at work;
7. By providing support for review, improvement, and development of safety management system in a continual way;
8. By urging to find means to mitigate impact on the environment, by checking, monitoring and controlling the release of pollution, including the management of dangerous and non-dangerous waste in order to maintain natural resources; and,
9. By using the resources and energies highest effectiveness, including the prevention of water, air, waste, and other pollutions that result from the Company's activities, so as to minimize impact on the environment and the community.

(Details appear in sustainability report, section on the topic of safety, health and working environment and also topic of environmental activities)

4.2 Policy and Procedure on Effective Use of Resources

The Company has set a policy and procedure on the effective use of resources through energy saving and resource recycling, such as the use of both side of paper, turning-off the air conditioning and the light at lunch break, turning-on the light at specific spot, use of stair case to access non-high levels, car pool, etc. These things will be assimilated in the personal value and implemented in family daily life.

4.3 Policy and Procedure on Not to Violate the Intellectual Property or Patent

The Company has set a policy and procedure on not to violate the intellectual property or patent which is considered business ethics of the Company, such as, the protection of intellectual property of the Company and the use of computer system and infor-

The summary report of accident from work Y2012 - 2015

Details	Gender	2012	2013	2014	2015
Head office					
Injured rate (IR)	Male	0	0	0	0
	Female	0.12	0.053	0	0
Occupational Disease rate (ODR)	Male	0	0	0	0
	Female	0	0	0	0
Lost Day Rate (LDR)	Male	0	0	0	0
	Female	0.12	0.213	0	0
Absenteeism Rate (AR)	Male	0	0	0	0
	Female	1,612.90	2,272.73	0	0
Construction Unit					
Injured Rate (IR)	Male	0.07	0.465	0.421	0.330
	Female	0.01	0.058	0.030	0.147
Occupational Disease rate (ODR)	Male	0	0	0	0
	Female	0	0	0	0
Lost Day Rate (LDR)	Male	1.12	4.938	2.345	0.550
	Female	0	0.087	0.902	2.458
Construction Unit					
Absenteeism Rate (AR)	Male	60,925.50	96,590.91	44,318.18	8,522.73
	Female	0	1,704.55	17,045.45	38,068.18
Pruksa Precast					
Injured Rate (IR)	Male	1.2	0.768	1.056	0.640
	Female	0.22	0	0.132	0.160
Occupational Disease rate (ODR)	Male	0	0	0	0
	Female	0	0	0	0
Lost Day Rate (LDR)	Male	5.46	1.537	3.828	1.760
	Female	0.33	2,273.73	1.320	0
Absenteeism Rate (AR)	Male	26,881.72	7,954.55	16,477.27	6,250.00
	Female	0	0	5,682	0

mation technology. The employee using the computer must sign to certify that he will not violate any person right or any company's rights that are protected by a patent, business confidentiality, patent, or any other intellectual properties, or laws, or regulations with similar properties, including the setting up or disclosing illegal software products or software that are not authorized by the Company.

4.4 Anti-corruption and Anti-bribery policy

(1) Giving and taking bribes

1.1 Executives and employees are prohibited from asking or receiving any benefits or properties by which Executives and employees are motivated to perform or to abandon duties incorrectly or likely cause the Company to fail to legitimately earn benefits.

1.2 Employees shall refrain from offering benefits or properties to third party in order to induce them to do or omit to do anything against laws or malpractice.

(2) Gifts and hospitality

2.1 Employees shall avoid offering or receiving any gift or benefit from our business partners or stakeholders, with exception of reasonable value, festive season or conventional practices, unless recipients consider consulting with their direct supervisors.

2.2 Employees must not receive or offer any gift or souvenir in the form of cash, cheques, bonds, shares, gold, jewellery, real estate or similar items.

2.3 Gifts or souvenirs which are reasonable in value such as calendars, New Year diaries or stationery items are acceptable.

2.4 If employees receive any gift, souvenir, gift basket, and/or other items which exceed

Bt3,000 (three thousand baht) in value, they have to inform their direct supervisors of the receipt and shall return those items or hand over them to Gift Allocation Committee, with exception of perishable items or limited shelf life.

2.5 Employees shall avoid offering or receive hospitality appearing out of the ordinary based on the particular business relationship from those whose business is involved in the Company business.

4.5 The compliance monitoring/evaluating anti-corruption policy

Apart from setting the anti-corruption policy, the Company supports the entire employees in the organization to get involved and perform the mentioned policy via various means such as "Tairum Pruksa" journal, e-mail, intranet, training and VDO shown on new employee orientation, including compliance moni-

toring through survey of Executives and employee's opinion toward anti-corruption policy.

4.6 The process in evaluating the risk on corruption

The Company issued letter of intent in accordance to the Collective Action Coalition Against Corruption on September 1, 2014. The Company set up Corruption Risk Assessment by focus at critical corruption and internal control to prevent the corporate corruptions.

4.7 The guideline on supervise and control to prevent and monitor the risk of corruption

The Company has assessed the risks associated with the delivery of goods and services, land selection and procurement process as well as set up standard for pricing the construction of houses and condominiums and Precast Plant in regulation guidelines. In addition, the Company also provide complaint channel through website and call center for consumers, employees, people and government sectors.

4.8 Providing employees the training in the Company's anti-corruption policy and practices

The in-house training in the Company's anti-corruption policy and practices has been provided to employees having charge of or involving in internal corruption prevention. In addition, employees have attended the said training organized by both public and private sectors. The mentioned training is provided to employees starting from an orientation day. Various means are used to encourage knowledge about anti-corruption such as video, billboard, announcement, Code of Conduct manual, reporting concerns regulations, complaints against anti-corruption, and giving/gifts and hospitality regulations, including measures against corruption.

4.9 Providing employees knowledge and training in environment

The policy on Corporate Social Responsibility (CSR) has been publicly announced, both inside and outside the Company, as follows:

“Pruksa Real Estate Public Company Limited is determined to develop real estate business in order to promote social and economic development, including environmental conservation by means of producing quality products and providing quality services, cultivating values of governance practices among employees, taking interests of all stakeholder groups into account, and providing environmental training to all employees working at Pruksa Precast Concrete Factory since their first working day, including dissemination of knowledge about environmental stewardship to organizations and university students visiting Pruksa Precast Concrete Factory etc.” (Details appear in section of sustainable development report on the topic of environmental performance).

4.10 Complaints procedure

Board of Directors has provided the communication/ complaint channel to all stakeholders for any issue that might directly damage to the Company or committee. The details and procedures are as follows:

(1) Reporting concerns

If employees or stakeholders suspect whether any action will violate or not be compliant with Code of Conduct, you can make inquiries or inform those who are in charge as follows:

- Supervisors at all levels whom you trust.
- Internal Audit Department or the Secretary of Corporate Governance Committee.
- Units or other means set by the Company such as complaints via Corporate Communications Department, a call at 1739, and e-mail: webmaster@pruksa.com. Line (line ID : “pruksacg), website (www.pruksa.com), complain/report/request for unfair, e-mail : CG@pruksa.com and mail or CEO or The Chairman of Internal Audit Committee, Pruksa Real Estate Public Co., Ltd., SM Tower, 28th floor, 979/83, Paholyotin road, Samsennai, Phayathai, Bangkok 10400.

(2) Procedures

- *Gather evidence:* Evidence of action violating or not conforming to Code of Conduct must

be gathered by a complaint recipient himself; otherwise, Human Resources Department or a unit having the same duties but different name is assigned to do the job.

- *Processing and screening of information:* A complaint recipient has to conduct the processing and screening of information by himself so that he can consider appropriate procedures and methods for each issue; otherwise, Human Resources Department or a unit having the same duties but different name is assigned to do the job. If not, Investigation Committee appointed by Corporate Governance Committee, on a case by case basis, is assigned to do the job.

(3) Measures

- A complaint recipient presents measures to suspend action violating or not conforming to Code of Conduct and reduce damage to those who are affected. In any case, the overall damage is taken into account.

(4) A report on results

- A complaint recipient's responsibility is to report to person concerned on results. In case of important issues, Managing Director and/or Audit Committee and/or Corporate Governance Committee and/or the Board of Directors have to be informed on a case-by-case basis.

(5) Measures to protect complainants or those who cooperate in scrutiny process (Details appear in section of business partners and counter parts on the topic of complaint.)

4.11 Employee compensation

The Company set up the employees' compensation in related the Company's operating performance in both short term and long term. The compensation aims to encourage employees to work efficiently and effectively in order to achieve Company's goal. The concept of Balanced Scorecard (BSC) and Key Performance Indicator (KPI) are to manage compensation

from their performance evaluation and to consider other benefits in short term to build the employee engagement not regarding to salary and compensation base. The compensation yield between females and males is 1:1 such as raise salary, bonus as a reward in accordance to their performance, commission and long term compensation policy such as the offering of ESOP to employee which has been implemented since 2005 until now.

4.12 Violation of Laws Pertaining to Labor, Hiring, Consumer, Business Competition, and Environment

In the past year of 2015, the Company did not perform any acts that violate any Laws pertaining to the labor, hiring, consumer, business competition, and environment.

4.13 Oversight by the Regulators

In the past year of 2015, the Company has disclosed information on important events within the specified time by the Regulators, therefore the Company was not oversight by the Regulators.

5. DISCLOSURE AND TRANSPARENCY

It is a policy of the Company to fully and sufficiently disclose useful information, both financial and non-financial with reliable, regular and a timely manner through the Annual Registration Statement (Form 56-1), annual report in the Company's website and media in both Thai and English. The Company has established an Investor Relations Department, tasked with coordinating with shareholders, securities analysts, investors, government agencies and other parties concerned.

The Company policy is to emphasize the regular disclosure of accurate, reliable and complete information, both financial and non-financial with sufficient information for investors to make decision and in time for example subsidiaries' structure, shareholder structure which demonstrate the completed latest major shareholders or authorized controller and minor

shareholders and the users know the real beneficial owner of the Company including shareholding of the Directors, spouse and underage children of the Directors and the Executives in Annual Report section The Board and Management profile. Furthermore Policy on Good Corporate Governance, Code of Conduct, Policy on Risk Management, Policy on the Care of Society and Environment, the Responsibility for the Financial Reporting of the Board of Directors, Audit Report of Certified Public Accountant, Management Discussion and Analysis or MD&A, Audit Fee and other expenses on services, Role and Responsibilities of Committee and Sub-Committee, Meeting Attendance of the Directors in 2014, Professional Knowledge Development and Training for Board of Directors, and Remuneration of Directors and Management. In addition, such disclosed information strictly conforms to the rules and regulations of the Office of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), as well as relevant laws.

5.1 To comply good Corporate Governance

The Company recognizes and focuses on good governance. The Company assigned the managements to implement principles of Corporate Governance in order to develop organization and the Company's projects for ensuring the sustainable benefit to the Company and stakeholders in all the section of rights of shareholders, equitable treatment of shareholders, concerning role of stakeholders, disclosure and transparency information and also the responsibility of committees. The Company is committed to comply with principles in all sections. However, the Company is unable to comply all term in some sections because they are not consistent with the organization's structure of the Company. Nevertheless, the Company will endeavor to completely comply by appropriate reorganization in accordance to the principles:

In the past year of 2015, the Company has developed and improved the Good Governance Policy of the Company as follow:

1. The Company Board of Director is composed of eleven (11) members.

2. Revision of the “Ethics Handbook” of the Company for more update version and in compliance with the Good Corporate Governance under international standard.

3. Provision of reports from the Company’s Board of Directors and reports from Sub Committees such as Executive Committee, Organizational Level of Risk Management Committee, Recruitment and Compensation Committee, and Good Corporate Governance Committee.

4. The Company Board of Directors has provided that the all Sub- Committees will be assessed on the performance of each Committee in order to improve the efficiency of the Sub-Committee as assigned by the Company Board of Directors.

5. The Company stipulates that the Audit Committee has the power and duty to consider the recruitment, propose for nomination (actually include termination), propose the compensation to external persons in order to be external auditors of the Company.

However, for some Sections, the Company cannot yet perform all the cited items, i.e., the Company Board of Directors have not yet specified the limitation of tenure years for external Directors in the Good Corporate Governance Policy of the Company, including no specification set on the number of companies that a Director can hold a position not to exceed five. Except for the CEO for whom it is specified that the CEO can hold a position in only one listed company, that is Pruksa Real Estate Public Company Limited. This is because the Company has the policy to restructure its organization so as to be in line with the vision of the Company: aim to be the Number One brand in the heart of the customers in the housing real estate business and step up be among the top ten brand of real estate in the Asian region by building valuable housing for all families to embrace happiness, coziness, and a better life every day. In the future, the Company will attempt to complete all the mentioned items, by restructuring the organization to be in line with the above principles.

5.2 The Company’s objective /long term target

The Company’s objective/long term target reflected by Pruksa Vision – Mission, Pruksa Culture and Pruksa Value as below details:

• Pruksa Vision:

“Pruksa aims to be the number one real estate brand in customers’ minds with the goal of becoming a top ten residential brand in Asia by creating high-value homes for families to experience warmth, happiness and a better life every day.”

• Pruksa Mission:

We are dedicated to fulfilling our customer’s dreams of owning a home that provides value to enjoy their family life.

• Pruksa Culture:

“I truly care about my customers. I want them to be happy. So I work with passion to really satisfy their needs. First, I try very hard to understand what customers want.

This requires me to think through very carefully until I come up with the right solution.

Then I move quickly into action on their behalf. If my customers are happy, I feel proud I did a good job.”

• Pruksa Value :

“Customer Focus”

We make every effort to understand our customers, providing superior services in order to satisfy them with a home that matches their needs.

“Creative Innovation”

We create innovative products and services that surpass our customers expectations

“Collaboration”

We work in harmony as a team to deliver greater results to our customers.

“Discipline”

We have discipline to complete our work on time, according to our plans and high quality standard.

"Ethics"

We adhere to ethical reasons and do for the benefit of our customers as well as for the well-being of all stakeholders.

5.3 Financial status and operation

(Details appears in section of Financial Analysis and the operating results)

5.4 The level of customer satisfaction. (A measure of the non-monetary)

The Company is committed to create satisfaction toward customer by focus on continuing research and development products in order to delivery house to meet customers' demand. The Company has established marketing research center and management innovation center including hire outside expert to explore, research and analysis the demand of consumers in each location as well as the potential location for projects in term of any public utilities. Therefore, the Company has sufficient database to recognize the demand of consumers in the residential property's market. This includes the role and style of housing, location, price level. The Company has adopted the results of the research to implement the new projects.

The market share and/or Customer Satisfaction 2015 (details appears in the section of the overview housing market 2015).

5.5 Nature of business and competition situation

(Details appear in the section of nature of business)

5.6 The structure of business' group

(Details appear in the section of nature of business)

5.7 Key risk in business operation

(Details appear in the section of risk factor)

5.8 Dividend policy

(Details appear in the section of dividend policy)

5.9 The whistle blowing policy

(Details appear in the section of complaints)

5.10 The bibliography of Board of Directors

(Details appear in the section of bibliography of Board of Directors and managements)

5.11 To indicate directors who are Independent committees

(Details appear in the section of Board of Directors, management structure and bibliography of Board of Directors and managements)

5.12 Disclosure of criteria on the compensation to Directors and disclosure of compensation to Directors on individual basis

The Company has set the compensation for Directors on a clear and transparent basis. The Recruitment and Compensation Committee has considered prior to submitting to the Company Board of Directors and the Shareholders Meeting for approval on an annual basis. Consideration is made an appropriateness and in compliance with the duty and responsibility of the Directors, and compared to the compensation in the same industry group and other leading industrial groups. The Annual General Shareholder Meeting of 2015 has approved the compensations to the Company Board of Directors. (For more details, please refer to the Section on Compensations to the Directors and Executives).

5.13 Policy and criteria for payment of compensation to the high-ranking Executives

The Company has set the compensation for the CEO through transparent consideration process based on the performance assessment and the overall performance of the Company score, which have been assessed by the Recruitment and Compensation Committee prior to submitting to the Company Board of Directors for approval. [For more details, please refer to the Section on The Performance Review of the Top Executive (CEO) and the Section on Compensations to Directors and Executives.

5.14 Disclosure the meetings attendance of Board of Directors by individual

(Details appear in the section of meeting attendance of Board of Directors in 2015 and 2014)

5.15 Disclosure of professional knowledge development and training for Board of Directors

(Details appear in the section of Board of Directors on topic of professional knowledge development and training for Board of Directors)

5.16 Disclosure of related transaction

(Details appear in the section equitable treatment

of shareholders in the topic of related transactions)

5.17 The policy for Board of directors to disclose / trading shares/ hold the Company's shares to the Board of Directors meetings.

Corporate Governance committee determined the first of four (4) directors and Executives to report the holding shares/ trading shares including their spouses and minor children to the Board of Directors.

5.18 Changing of holding the Company's share of the Board of Directors and high ranking Executives

The name of the Direction	Position	Outstanding shares as of 30 December 2014	Outstanding shares as of 30 December 2015	Increase/ Decrease
1. Dr. Pisit Leeahtam	Chairman of Board of Directors and Independent committee	-	103,500	103,500
2. Mr. Thongma Vijitpongpan	Executive Vice Chairman	1,214,000,000	1,214,000,000	-
3. Mr. Weerachai Ngamdeevilaiak	Independent committee	-	-	-
4. Mr. Adul Chandanachulaka	Independent committee	-	-	-
5. Dr. Piyasvasti Amranand	Independent committee	18,500	-	(-18,500)
6. Dr. Anusorn Sangnimnuan	Independent committee	-	-	-
7. Mr. Wichien Mektrakarn	Director	-	-	-
8. Mr. Lersak Chuladesa	Director	-	19,500	19,500
9. Mr. Prasert Taedullaysatit	Director	693,000	-	(-693,000)
10. Mrs. Rattana Promsawad	Director	78,399,500	39,320,400	(-39,079,100)
11. Mr. Piya Prayong	Director	678,500	1,056,900	378,400
12. Mr. Nimit Poonsawat	Managing director for Single Detached House	540,400	472,000	(-68,400)
13. Mr. Pakarin Dattibongs	Managing Director Condo 2 (Acting)	19,000	19,000	19,000
14. Mr. Amornpon Thupawirote	Managinig Director Precast (Acting)	-	-	-
15. Mr. Charly Madan	Chief Financial and Risk Officer	-	-	-
16. Mr. Pairoj Anamwathana	Chief Corporate Support Officer	-	-	-
17. Mr. Maitri Chaimongkalanon	Chief Corporate Support Officer	-	-	-

Remark

The number of share hold by Directors's spouse and underage appear in section of The Board and Management profile

5.19 Report on vested interest

According to the Company policy, Directors and Management have to disclose not only their own vested interest but also their spouse's and related person's one. The Company has submitted such information to a Company Secretary who will present a copy of report to Chairman and Chairman of the Audit Committee within seven business days from the date of receipt.

In the event of an amendment to the vested interest, Directors and Management have to submit the amended report (amendment) to a Company Secretary within three business days from the date of amendment. Company Secretary will then present a copy of amended report (amendment) to Chairman and Chairman of the Audit Committee within seven business days from the date of receipt.

5.20 Important related transaction must consider and approve by Board of Directors

In 2015, the Company has one important related transaction for consideration and approved by Board of Directors as follows: The Company sold sales office to Mr. Thongma Vijitpongpan, the major shareholder of the company. It is located in Aree Soi 4, Phahonyotin road, Samsennai, Phayathai, Bangkok. The total land plot is 4 Rais, 1 Ngarn, 10 Sq.Wah total amount of Bt568,000,000. (details appear in section of Connected transaction 2015).

5.21 Internal Auditor

The Company hired an Independent Internal Auditor who was acknowledged by Stock Exchange of Thailand. The Company has disclosed the audit fee and other service charge in annual report (details appear in The Auditor Remuneration).

5.22 Policy to set up Investor Relations department

The Company assigned investor relations as the coordinator of the Company and investors, analysts and government sector and stakeholder with equal basic and fairness and also offer the opportunity to meet with Company's managements as appropriate

under the principal that the provided information is disclosed to public.

Company information is reported via the ELCID platform of the SET for displaying on its website, www.set.or.th. Relevant information is also reported to the SEC and SET and also displayed in both Thai and English on the Company's own website, www.pruksa.com (Investor Relations).

In 2015, the Stock Exchange of Thailand (SET) granted 1 award to Pruksa Real Estate Plc for Outstanding Investor Relations Award. Furthermore, the Investor Relations Department arranged investor relations activities for shareholders, security investment analysts and investors on a regular basis as follows:

- Organizing Analyst & Investor Meetings to convey quarterly operating result (4 times/year), the Company's annual business plan announcement (once a year) and Annual General Shareholder's Meeting (once a year), after submission of the Financial Statements and the Analytical Report of Operating Results to the SEC and the SET.
- Producing and publicizing information and documents pertaining to the Annual Business Plan and the Company's operating results to securities analysts, investors and interested parties on a quarterly basis.
- Creating opportunities for securities analysts and investors to pay a Company visit or have a conference call with the Executives to discuss policies, strategies and business plans, as well as financial information (audited by the Certified public Auditor) external auditor, following notification to the SET and the SEC), non-financial issues and progress of the implementation of various projects of the Company, including exchange of business views on a regular basis. In 2015, there were 46 company visits and 8 conference calls, 1 plant visits and 7 project site visits.
- Organizing visits for securities analysts and investors to the precast concrete factory which uses the Semi-Automated Pallet Circulating System, the most advanced system in Thailand, as

well as visits to various single-detached house, townhouse and condominium projects.

- Attending the activities with SET for example "SET in the City" and "Opportunity Day" to provide information and answer any inquiries from shareholders, analysts and media.
- Conducting road shows domestically and internationally at the invitation of the SET and/or securities companies to provide information and answer any inquiries including discuss viewpoint of business with shareholders, securities analysts and corporate investors. In 2015, there were 4 domestic roadshows and 5 international roadshows.
- Arrangement of executive interviews on newspaper, journal, and television such as TNN, Money channel, CNBC and others including participate in activities of the Thai IR Club to exchange knowledge and share experiences with a view to further developing the Company's Investor Relations function.

For inquiries, shareholders, securities analysts, investors, Government agencies and parties concerned should contact the Investor Relations Department at (66) 02298 0101 Extension 2669, 1615, 1107 or Email: ir@pruksa.com.

6. INTERNAL CONTROL AND RISK MANAGEMENT

The Company has comprehensive internal control and internal audit systems, covering matters concerning finance, operations, compliance, and risk management.

6.1 Internal control and internal audit systems

The Company requires that its internal control system be reviewed and reported by responsible Executives regularly while the Internal Audit Department, which is an independent unit, is responsible for internal auditing on a regular basis, to ensure that Executives and employees strictly comply with the rules and regulations, as well as the Management Authorities.

These functions are under the supervision of the Audit Committee. The management who is head of Internal Audit is Mr. Premsak Vallikul.

6.2 Risk management

The Company's risk management policy requires that internal and external risk factors be reviewed regularly in order to contain risk within appropriate and acceptable levels. Such a review shall cover strategic risks, financial risks, construction management risks, and other operational risks. The review also includes an assessment of risk exposure and possible impacts, prevention and impact mitigation measures, the assignment of responsible persons, and the setting up of reporting and follow-up procedures. The Risk Management Committee provides recommendations on guidelines and/or policies on the handling of critical risks.

7. PHILOSOPHY AND CODE OF CONDUCT

The Company has a firm intention to encourage all the Executives and employees to adopt the same standard of conduct under the changing of business environment. Toward this purpose, since 2006, the Company announced "Code of Conduct" for guideline for practices including rule and regulations of the Company's group under the framework of ethics, loyalty and equitable in creative ways covering security of community and environment, anti-corruption, anti-bribery, clear from political interference and conflicted interest, legal validity and human right. All employees will get such manual of Corporate Governance and Code of Conduct with their signed & endorsement of acceptance to follow:

In 2015, the Corporate Governance Committee No. 4/2015 dated 28 July 2015 unanimously approved the update of "Code of Conduct" manual to cover all up to date practice and to serve the SET's corporate governance. Moreover, it will bring up the standard of Board, management, employee practice comprising ethics and moral to be socially accepted. The release of such manual is on intranet and the Company's

website (www.pruksa.com on part of "Investor relations") including disseminate through Tai-rum Pruksa journal, E-mail and etc as well as prepare channel for stakeholder and employees to send their complain to board of director through the Company's website.

Furthermore, the Company has made a video (VDO) to promote and encourage Code of Conducts through various medias for the employees' awareness. The event is also arranged for new employee's orientation. The Company continuously review such manual and VDO to fit with current situations. The Board of Directors will participate in review or update or set up vision, mission, value and culture of the Company and continuously review in order for Managements and staffs to have the same direction.

INTERNAL CONTROL OF INFORMATION

The Company has a policy and methods of governing utilization of the Company's inside information by Executives as follows:

1. The Company has informed its Directors and Executives of their duties to disclose their holding of

securities of the Company and provisions on penalties stipulated in the Securities and Exchange Act B.E. 2535 and the regulations of the SET.

2. The Company requires its Directors and Executives to report any change in their holding of Company securities to the Office of the Securities and Exchange Commission (SEC) in accordance with Section 59 of Securities and Exchange Act B.E. 2535, and to submit one copy of the securities disclosure report to Company on the same day.

3. The Company has instructed its Directors and Executives who have access to inside information which may affect changes in the Company share price to exercise caution in selling or buying securities of the Company 15 days before and one day after the disclosure of financial statements or such inside information to the public.

The Company will instruct persons involved with any inside information not to disclose it to other persons until it is reported to the SET. Sanctions by the Company for breach of the above rules include appropriate disciplinary sanctions, i.e., verbal warning, written warning, salary cut, work suspension, employment termination and legal actions.

AUDIT FEE

Pruksa Real Estate Public Company Limited and its subsidiaries have paid for the 2015 audit expenses to KPMG Phoomchai Auditing Company Limited for audit review and for auditing the financial statement of the Company and its subsidiaries in Thailand. As for audit expenses for subsidiaries in foreign countries such as India, Maldives and Vietnam, the Company has paid to KPMG as per the following details:

Unit :Bt

	2015	2014	2013	2012	2011
Audit expenses for the Companies and its subsidiaries in Thailand	3,780,000	3,980,000	3,600,000	3,600,000	3,900,000
Audit expenses for subsidiaries in foreign countries	908,037	1,437,420	1,795,950	1,077,536	1,342,345
Other expenses	131,000	132,000	157,000	245,500	131,760
Total	4,819,037	5,549,420	5,552,950	4,923,036	5,374,105

In addition, there are other expenses on services as follows:

1. KPMG Phoomchai Auditing Company Limited

Unit :Bt

	2015	2014	2013	2012	2011
Audit Report as per BOI requirements	785,600	1,551,500	2,134,300	1,675,115	721,220

2. KPMG Phoomchai Business Consultant Company Limited

Unit :Bt

	2015	2014	2013	2012	2011
Audit expenses on receivables and payables	-	-	-	-	107,877
Audit expenses on Information Technology System	-	1,064,650	-	-	-
Audit expenses on PISIS system	-	856,000	-	-	-
Expenses of Business Continuity Management (BCM)	4,500,000	500,000	-	-	-
Expense of procurement process and budget of BOQ	2,621,500	-	-	-	-
Expenses of purchase order	374,500	-	-	-	-
Expenses of accounting and finance department reorganizations	714,760	-	-	-	-
Expense of internal compensating controls	420,620	-	-	-	-
Total	8,631,380	2,420,650	-	-	107,877

3. KPMG Phoomchai Tax Agency Company Limited

Unit :Bt

	2015	2014	2013	2012	2011
Expenses on investment advisory service	-	-	4,368,000	-	-
Expenses on Indian law reporting	-	-	-	-	32,100

Remark

KPMG Phoomchai Business Consultant Company Limited and KPMG Phoomchai Tax Agency Company Limited are different legal entities than KPMG Phoomchai Auditing Company Limited. Also, the scope of work on the said advisory services is not redundant to the audit work.

COMPLYING TO THE CORPORATE GOVERNANCE PRINCIPLE IN OTHER ISSUES

The Company adheres and comply to corporate governance principles for Listed Company which are consistent with the Stock Exchange of Thailand's policy in other issues for example the meeting attendance of the directors in Board of director and subcommittee which was disclosed in Management structure in topic "Meeting attendance of Directors" and etc.

PRUKSA SOCIAL RESPONSIBILITY

The Company has emphasized on social and community nearby with its well awareness of being a part in the community and moving together for further social sustainability development. The Company thus has continuously organized social activities in parallel with business operation under Pruksa CSR Policy as below theme:

Pruksa Real Estate (Public) Co.Ltd. focus on real estate business development to support economics, social as well as environmental protection by providing the quality products and services. The Company has also treated all employees by Corporate Governance value with highly respect to our stakeholders benefit.

Furthermore, the Company has developed social responsibility as the business strategy to turn back to social and creating share value between businesses and social for sustainable growth by using the Company expertise for economic value creation to the corporate and social with long term sustainability as the Company standard practice.

The samples of our Create Share value (CSV) are technology development of Pruksa Precast and Pruksa REM (Real Estate Manufacturing) as the key tools of quality construction to clients. The Company is then able to control quality, minimize the environment impact and shorten the business cycle time and generate higher revenues to the Company for many consecutive years.

Social Sustainable Development

In 2015, the Company participated in social development which is one of Pruksa social awareness policy “CSR after process”. The projects were categorized into 3 aspects as follow:

Education and Youth Development Aspect

The youth education and development are the foundation of quality human. The Company support many education projects such as:

- Lands donation of total 136 Rais in Bangkhuntien to the King Mongkuts’ Institute of Technology Thonburi (KMUTT) for the construction of research and innovative development center as well as the development of learning center for students and community nearby.

- Project 1 helps 9 to jointly develop Thai education: The Company encourages the social participation to students in 9 schools as below:

1. Prasert Wittayathan school – Ayudhaya
2. Wat Sawang Arom school – Choburi
3. Darunwit Wittaya school – Bangkok
4. Thamma-hakin-watpho-chalermluck school – Chachengsao
5. Watkasung school – Ayudhaya
6. Watladsai school – Ayudhaya
7. Watchang school – Pathumthanee
8. Watlinchee Utid school – Pathumthanee
9. Wat Thoongkrapunghome – Nakornpathom

The Company also provided the green activity areas such as gardening, garbage separation management for recycle usage as bio-fertilizers which benefits to students and schools.

- Pruksa Scholarship awards: The Company granted scholarships to primary school, high school and university students of total 538 scholarships in amount of Bt3.73m.





Social and Environment

The Company realizes the sense of social and environmental protection awareness by supporting activities to the government, organizations and foundations as follows:

- “Pruksa caring 2015”: The healthy activities to community such as free of charge for medical check up and other entertainment activities such as terrarium, olericultures (vegetable growing) from waste material, cooking from flowers as well as the increased green living areas by the donation of auspicious trees and etc. and also the moral activities of customers and community such as merit making by offering food to the monks.

- The Company encourages the executives and publics to donate their bloods to Thai Red Cross Social. In 2015, the Company launched Blood Donation campaign and granted blood with more than 250,400 CC.

- “Donation to Children”: The Company launched campaign “Pun Num Jai Hai Nong” by donated of money, stationery, sports equipment to schools in remote areas such as Wat Klongko, Chonburi.

- Campaign “Community development volunteers” by working with the community in Baan Porn, Amphur Thalang, Phuket regarding to mosque maintenance and repairment for nearby our projects.

- “Nepal earthquake donation”: The Company donated a total of Bt500,000 to Thai Red Cross Social to help the victims in Nepal earthquake.

- The Environment Management by the Dweller Project”: in corporation with Bangkok Metropolitan provides the technical know-how to the dwellers for waste and waste water treatments in community as having Baan Pruksa 70 (Chalongkrung – Lankrabang Industrial) as pioneer project.

Religious and culture

In 2015, the Company foresees the importance of the executives, employees and their family participating in religious merit activities as follow:

- “Dhamma... Creates Happiness” project to encourage the executives, employees and their family in spending free time with merit making lecturing of Dhamma, teaching and mediation on regular basis.

- Thai culture and traditional preservations by supporting religious activities such as merit making at Wat Sriwareenoi, Wat Thippawas, Wat Sangthamburaram, Wat Noisuwannaram and Wat Klongpladpriang and also cleaning the religious place at Wat Sirisoponwanaram, Amphur Chaibadal, Lopburi province on Phansa day.

INTERNAL CONTROL AND ENTERPRISE RISK MANAGEMENT

The Company gives a high priority to the internal control and risk management by assigning the Audit Committee to check and review the assessment results on the sufficiency of the internal control system in order to emphasize the sufficiency and appropriateness to the business undertaking. The Company has therefore introduced the operational framework regarding an internal control total 5 elements according to the international standard of COSO (The Committee of Sponsoring Organizations of the Tread Way Commission) for improvement, coupled with the enterprise risk management framework (Enterprise Risk Management: ERM) as a tool for the Management in developing the internal control and risk management systems to become more complete. In addition, the Company has provided for a review process by the Internal Control Department in order to evaluate and improve the efficiency of the control system, risk management, and compliance in a systematic manner. The Audit Committee has the authority to approve the appointment, transfer, and dismissal of the head of the Internal Audit Committee, and to evaluate the performance of the Internal Control Department.

In 2015, the Company distributed the assessment result on the sufficiency of the internal control system of the Company carried out by the Executives from the assessment form of the Securities and Exchange Commission (SEC) based on 5 factors which are: internal control of the organization, risk assessment, operational control, information technology and information communication, and systematic monitoring. The Executives evaluated the sufficiency of the internal control system and presented to Internal Audit Committee for review and acknowledgement before submit to the Board of Directors meeting No. 1/2016 on 22nd January 2016. The 5 independent board members and 3 Internal Auditors also attend this meeting.

The Board of Directors has considered the assessment result on the sufficiency of the internal control

system and did not find any deficiency related to the internal control. The material subjects can be summarized as follows:

Internal control (control environment)

The Company has provided for an environment and organizational structure that facilitate the process of internal control in the directions envisaged by the Company. This includes goal setting for business undertaking that must be clear and measurable and that must be approved by the Board of Directors. This will serve as the direction for the employees. In 2015, the Company reviewed and improved the Corporate Ethics manual to comply with the Good Corporate Governance regulations and scheduled CG Day. The board members, executives and employees have agreed to do ratification on Corporate Ethics manual which represented the good corporate governance, transparent operation. The Company invited subcontractors, manufacturers, vendors and business partners participated in the meeting and ratified the anti-corruption with the high ranking Executives of the Company.

Risk assessment

The Company set up a Corporate Risk Committee whose duty is to provide suggestions to the Management for setting up the framework and means to manage and monitor risk in a systematic way. The Company's Board of Directors and the Executives give a high priority in risk management by requiring the risk management policy, risk factor assessment in 4 parts are as follows : Strategy, Operation, Financial, Legal and related regulation including the fraud risk assessment and provide appropriate preventive action. The Company invited the representative from the operation units to present the risk management plan to the Corporate Risk Management. In 2015, Risk Management Committee held 12 meetings. The

Risk report was updated to the board of directors by quarterly basis.

Furthermore, the Company also set up the Business Continuity Management Project (BCM) in order to determine development guidelines and monitoring and controlling business continuity. As to support the continuously operation, also including to minimize the impacts in various fields that may occur, the Company provided consultants team with have experience and expertise to actualize the project.

Control activities

The Company has continuously controlled activities by introducing the management and organizational assessment known as Balanced Scorecard, and the Key Performance Indicators (KPI), as a tool for planning and controlling. Duties and responsibilities are segregated for counter-checking. The Company has an employee handbook which is the framework for operating in a systematic and effective way, preventive and mitigating risks to any damages that may occur from the activities and work processing of different units. Furthermore, the Company also has a process of authority decentralizing for use in clearly fixing the scope of authority and credit limit at each level for smooth and clear processing. In 2015, the Company revised Whistleblower Policy including the continuous improvement of the petition process. The employees and stakeholders can inform through the Company channel. Such information would be strictly kept as the Company confidentiality. Besides, in order for the operation to process properly and in compliance with the company's regulations, a procedure has been established to ensure that the Company has complied with the relevant law and regulations, with a stick and appropriate measure in case where the Company has complied with the relevant law and regulations, with a strict and appropriate measure in case where the Company has business activity with the major shareholders, directors, etc., so as to prevent benefit transfer. For example, such activities must go through an approval process by non-beneficiary parties in the said activities, including the disclosure of such activities as per the rules and regulations of the Securities Exchange

Commission and the Stock Exchange of Thailand, and the Capital Market Exchange Commission. The information on related people and businesses must be disclosed according to the Accounting Standards.

Information and Communication

The Company has continuously developed the information and communication by providing information system and communication channels both within and outside the organization that are effective and efficient. That is, complete, correct, timely, and sufficient to support decision-making, whether it be financial or other types of information. As for communication, the Company provides necessary information that is sufficient and up-to-date for the job. Every employees can have access to the information through the intranet of the Company. Regarding communication with external parties whether individuals or organizations, the Company has acquired a communication system that provides information through the Company's website (www.pruksa.com) including sending out the Annual Report to various institutions as per the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand, the Capital Market Exchange Commission effectively within the timeframe.

The Company monitors the receipt and sending or uploading of information into the system, with work segregation and appointing the persons in charge, and the authority of the staff and work units related to information and communication are clearly set. In addition, the Company has established the access rights to the information for the responsible employees only.

Monitoring activities

The Company has set up monitoring activities on performance through the measurement of performance against the set objectives for each department by its executives on a regular basis through Top Management Committee meeting (TMC) which was held by weekly basis. The Directors acknowledge and compare business performance whether they achieve the Company target through the Boards of Directors meeting which was held by monthly basis.

CONNECTED TRANSACTIONS

The Company enters into connected transactions as it may consider appropriate by complying with the laws governing securities and exchange, regulations, notifications, orders or rules of the Stock Exchange of Thailand (SET) as well as accounting standards regarding information disclosure of related persons or business as prescribed by the Certified Public Accountant Association of Thailand.

In case of transactions that occurs regularly and continuously in the future, the Company prescribed a policy and practice guidelines to be in accordance with the general business conditions, in reliance upon prices and conditions that are suitable, fair and appropriate and can be inspected and can prevent siphoning. Such guidelines shall be proposed to the Audit Committee for consideration and approval after which execution can be made.

However, connected transaction occurs, the Company will arrange for the Audit Committee to give an opinion as to the appropriateness of such transaction. In case the Audit Committee has unprofessional on practice in occur connected transactions. The Company will arrange the specialists such CPAs or evaluator who can give an independent opinion. Such appraisal will be considered by the Board or shareholders so that they are confident that it will not cause siphoning of benefits between the Company and its shareholders, and that the transaction is conducted in the best interests of all shareholders.

The Company entered into connected transaction as follows:

1. Disclosure of connected transaction

The Company has connected transactions with related person as follows:

Related person	Relationship with the Company	Type of transaction and business requirement	Connected transaction value (Bt m)		Price and details
			31/12/2015	31/12/2014	
Item 1 Mr. Thongma Vijitpongpun	Director and Shareholder of the Company	The Company leased space in Laksi Plaza, 10th Floor, from Mr.Thongma Vijitpongpun to use as a training center.	3.2	3.2	Lease and Service Agreement of 425.68 square Metre area, effective from 1 October 2013 to 30 September 2015 and renew the contract to October 2016 is charged at Bt268,148 per month. In summary - Such rental and service fees are at the rates comparable to the market rates and conditions that are not different from the cases the Company enters into agreements.

Related person	Relationship with the Company	Type of transaction and business requirement	Connected transaction value (Bt m)		Price and details
			31/12/2015	31/12/2014	
Item 2 Mr. Thongma Vijitpongpan	Director and Shareholder of the Company	The Company sold land with construction (Temporary sale office) to the Member of Board of Directors	568.0	-	The land value total Bt568.0m is the connected transactions of listed company according to The Stock Exchange of Thailand (SET) announcement. The consideration based on the size of transaction 1.87% of total company tangible asset as shown in Financial Statement of the Company and its subsidiaries as of 31 March 2015. The amount is over than 0.03% but less than 3% of total value of tangible assets of the listed company. This transaction was approved by The Internal Audit Committee meeting No. 4/2015 dtd. 7 April 2015 and was approved by Board of Directors Meeting No. 4/2015 dtd. 14 May 2015. According to the reasonable selling price which was higher than the average price from 6 independent assessors.

2. Necessity and appropriateness of connected transactions

The Audit Committee has issued the opinion regarding the connected transaction as mentioned was under normal business practice and no benefit to a related person or a person who might have a conflict of interest.

3. Measures or procedures for approving connected transactions

For any connected transaction of the Company, or the Company together with a person who may have a vested interest or may potentially have a conflict of interest, the Audit Committee will provide an opinion on the necessity of entering into the transaction and appropriateness of the pricing aspect of the transaction

by considering various conditions to determine whether it is in accordance with the normal course of business in the industry. Further, there shall be a price comparison with a third party or the market price. In the event that the Audit Committee does not have appropriate expertise to consider the connected transaction, the Company will arrange for an independent expert or the Company's Auditor to provide an opinion as input for the Audit committee's decision. The opinion of the Audit Committee or the expert will be used by the Board of Directors or the Shareholders, as the case may be, to make a decision. The Director who has a vested interest shall have no voting right in the consideration of the transaction, which will be disclosed in the Notes to the Financial Statements, audited or reviewed by the auditors.

MANAGEMENT DISCUSSION AND ANALYSIS

Pruksa Real Estate Public Company Limited (PS) would like to clarify operating result of the Company and its subsidiaries for the year ended 31st December 2015 as follows:

Comparison performance of the Company between the year ended December 2015 and December 2014

Unit: Bt m

Statement of comprehensive income	Year 2015	%	Year 2014 (Restated)	%	Increase / (Decrease)	%YoY
Revenue from sale of real estate	51,240	99.6	42,781	99.4	8,459	19.8
Other income	198	0.4	246	0.6	(48)	(19.5)
Total income	51,438	100.0	43,027	100.0	8,411	19.5
Cost of real estate sales	33,984	66.3	27,095	63.3	6,889	25.4
Gross profit	17,454	33.9	15,932	37.0	1,522	9.6
Selling and Administrative expenses	7,661	14.9	7,081	16.5	580	8.2
Selling expenses	3,767	7.3	3,364	7.8	403	12.0
Administrative expenses	3,894	7.6	3,717	8.6	177	4.8
Profit before finance cost and income tax expense	9,793	19.0	8,851	20.6	942	10.6
Financial cost	328	0.6	376	0.9	(48)	(12.8)
Share of profit (loss) investments in joint ventures	3	0.0	(7)	(0)	10	(142.9)
Profit before income tax expense	9,468	18.4	8,468	19.7	1,000	11.8
Income tax expense	1,798	3.5	1,814	4.2	(16)	(0.9)
Profit for the period	7,670	14.9	6,654	15.5	1,016	15.3

Remark :

Percentage in statement of comprehensive income derived from total income, while percentage of cost of real estate sales is only related to revenue from real estate sales.

Total Revenue

For 2015, the Company and its subsidiaries generated total revenue of Bt51,438m, an increase of Bt8,411m or a 19.5% increase from previous year. The main reason was the increased in real estate sales of Bt8,459m or a 19.8% higher as compared to the real estate sales from last year.

For 2015, revenue from sales of real estate was Bt51,240m. Townhouse revenue was a major contributor

to the Company and its subsidiaries with total amount of Bt23,023m, while revenue from condominiums was Bt17,236m, an increase of Bt7,542m or 77.8% higher than last year, as construction of many condominiums were completed resulting in higher ownership transfers. Furthermore, single detached house generated Bt10,135m in revenue, an increase of Bt359m or 3.7% higher from last year.

Cost of real estate sales

For 2015, the Company and its subsidiaries reported cost of real estate sales of Bt33,984m or 66.3% of revenue from real estate as compared to Bt27,095m or 63.3% of revenue from real estate in 2014. The cost of real estate sales increased in 2015 from 2014 mainly due to higher land prices. However, the Company still maintains its product quality.

Selling & Administrative expense

For 2015, the Company and its subsidiaries reported selling and administrative expenses of Bt7,661m, an increase of Bt580m or 8.2% increase from previous year. The selling expenses were Bt3,767m and an increase of Bt403m or 12.0% higher than last year, mainly came from the increase of advertising and sale promotion expenses of Bt35m and Bt118m, respectively. Moreover, specific business tax and ownership transferred fee increased by Bt250m. Administrative expenses were Bt3,894m or an increase of Bt177m or 4.8% higher than last year, mainly derived from the increases of employees' expenses of Bt188m, advisory fee of Bt67m, and a decrease of administrative expenses of Bt78m.

Financing cost

For 2015, the Company and its subsidiaries reported financing cost of Bt328m or 0.6% of total revenue, a decrease of Bt48m or 12.8% decline from previous year.

Income tax expenses

For 2015, income tax expenses were Bt1,798m or 3.5% of total revenue, a decrease of Bt16m or 0.9% from previous year, resulted from the Company compliance with the Revenue Department order of Por. 148/2557 for the calculation of net income and revenue calculation of real estate sales for the Company listed in Stock Exchange of Thailand. The order stipulated use of revenue recognition at ownership transfer hence aligning accounting practice and tax calculation.

Net profit

For 2015, the net profit of the Company and its subsidiaries was Bt7,670m or 14.9% of total revenue, an increase of Bt1,016m or a 15.3% increase from previous year, mainly derived from an increase of the real estate sales, particularly from higher condominium transfers, and better cost control of selling and administrative expenses of the Company and its subsidiaries. Net profit was attributed to owners of the Company with the amount of Bt7,680m while loss was attributed to non-controlling interests with the amount of Bt10.0m.



THE RESPONSIBILITY FOR THE FINANCIAL REPORTING OF THE BOARD OF DIRECTORS

The Board of Directors of Pruksa Real Estate Public Company Limited takes responsibilities of the consolidated Financial Statements including financial data presenting in this Annual Report. In preparing the Financial Statements, the Company and its subsidiaries have used appropriate accounting standards policies and consistently applied. The Financial Statements are adequately disclosed of significant data in notes to Financial Statements, also audited with unqualified opinion from independent auditors, thus, reflects a true and fair view of Balance Sheet, Income Statement and Cash Flow Statement of the Company and subsidiaries.

The Board of Directors set up and maintained effective risk management and internal audit system to ensure that the Company and its subsidiaries keep accounting records which disclose with reasonable accuracy, completeness and adequacy of financial positions, to safeguard assets of the Company and its subsidiaries, to be aware of weakness, and to prevent any risk from material irregularities.

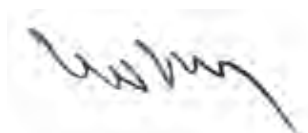
In so doing, the Board of Directors appointed the Audit Committee taking responsibilities of the quality of Financial Statements and effective internal audit system. This is to ensure the correct, adequate, timely accounting booking and also to prevent fraud or irregularity. The opinion of the Audit Committee has shown in Audit Committee Report attributed in this Annual Report.

The Board of Directors is of the opinion that the Company's internal audit system is generally satisfactory and should assure the creditability of the consolidated Financial Statements of the Company and its subsidiaries as of December 31, 2015.



Dr. Pisit Leeahtam

Chairman of the Board of Directors
and Independent Director



Mr. Thongma Vijitpongpan

Executive Vice Chairman of the Board of
Directors and Chief Executive Officer

AUDIT COMMITTEE REPORT

Pruksa Real Estate Public Company Limited's Audit Committee comprises of Independent Directors who are highly qualified and have management experience. In 2015, Internal Audit Committee comprises of 3 members name Dr. Piyasvasti Amranand – Chairman of Internal Audit Committee, Mr. Adul Chandanachulaka and Mr. Weerachai Ngamdeevilaisak as members.

The Audit Committee performed the duties in accordance with the scope of the responsibilities assigned by the Company's Board of Directors, in supervising the operations of the Company to ensure that the Company is clearly managed by the Executive Committee or Management with appropriate levels of integrity and accountability to the shareholders, and that the Executive Committee and Management followed the Company's policies properly, completely, and up to professional standards.

In 2015, 12 meetings were held, with the attendance of executives, internal auditors, and the Auditor, during which presentations, discussions and exchanges of views on relevant subjects were included. Below is a summary of the main points:

1. APPROVAL OF THE AUDITED FINANCIAL STATEMENTS

The Audit Committee approved the Quarterly Financial Statements and 2015 Financial Statements prior to submission to the Board of Directors for approval. Inquiries were made to the Auditors on the accuracy and completeness of the Financial Statements and the sufficiency of information disclosure. The Auditors' Management Letter which made recommendations on the internal control system and 2015 Audit Schedule were also reviewed.

The Audit Committee is of the opinion that the Company's process of accounting and financial reporting procedures are under sufficient control for ensuring that the financial reports on its financial positions and operations are accurate and up to the legally required accounting standards, and that the Financial Statements disclose sufficient information.

2. REVIEW AND APPROVAL OF THE PRACTICE GUIDELINES FOR ENTERING INTO CONNECTED TRANSACTIONS

The Audit Committee reviewed the adequacy of the practice guidelines for entering into connected transactions or transactions with potential conflicts of interest, including reviews of transactions which could be categorized as connected, or ones with potential conflicts of interest, which took place during the year, as well as reviews of the disclosure of pertinent information to ensure that it was accurate, complete and in compliance with the Stock Exchange of Thailand's relevant notifications, regulations and guidelines.

The Audit Committee is of the opinion that Management entered into such transactions for the Company's best interests, on an arm's length basis, at reasonable prices, and with sufficient disclosure of information.

3. REVIEWS OF COMPLIANCE WITH LAWS

The Company's operational review and monitoring of compliance with securities laws, the Stock Exchange of Thailand's regulations and other major laws related to the Company's core business were set by the Audit

Committee. The Internal Audit Committee was instructed to include compliance audit as one of its key tasks. The meetings with the Company's Legal Department regarding its performance are held quarterly.

According to the review, the Audit Committee found no indications leading to a belief that the Company intended to be in non-compliance and/or practices conflicting with or violating provisions of laws significantly, except lawsuits were filed against the Company by customers. In order to avoid disputes over misunderstanding between the Company and customers, the Audit Committee suggested that the Company should be more careful to present information of projects.

4. REVIEWS OF THE INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT

The Audit Committee reviewed the internal control system and risk management to assess its adequacy and effectiveness in accordance with the guidelines of the Office of the Securities and Exchange and the standard of the system, including the consideration of the internal audit report against the approved work plan and the audit report of the external consultant firm. In addition, the Company has hired an Internal Auditor for both its subsidiaries and the joint venture companies in over sea. In 2015, the Company has hired the external auditor to inspect the key control system such as land acquisition, purchase procurement and project budget. No significant weaknesses or deficiencies were found.

Moreover, in 2014, the Company established the Business Continuity Management Project (BCM) to set up the business time frame, control the continuity of business and minimize risk. In order to ensure business continuity management systems are effective. In 2015, the procurement has been operated to conduct flexibility and cope with any crisis may occur. The Company Business Continuity Management policy intends follow international standard management. The Company also sets up training, supervises management and focuses on the Company executives and employees responsibility.

The Audit Committee is of the opinion that the Company internal audit and risk management operates in appropriate way.

5. SUPERVISION OF THE INTERNAL CONTROL FUNCTION

The Audit Committee considered the mission, the scope of operations of internal audit unit, duties and responsibilities, auditor independence, organization and manpower, as well as reviewed and approved the 2015 Audit Schedule, prepared in accordance with the risks assessment of the Company's departments, the Audit Quality Improvement Plan, the development of the knowledge skills and expertise of the internal audit personnel, and the survey of satisfaction of executives and the audited departments at all levels.

The Audit Committee is of the opinion that the Company internal audit works independently and efficiently.

6. THE GOOD CORPORATE GOVERNANCE

In 2015, the Company focuses on at Good Corporate Governance practice according to Thai Private Sector Collective Action Coalition Against Corruption. Following the announcement of company intention to participate in Thai Private Sector Collective Action Coalition Against Corruption on September 1, 2014. The Company announced its anti-corruption policy by issuance of 3 policies as follows:

- 1) Anti-corruption measurement (PO-Q-GRC-003)
- 2) Fraud and corruption policy (PO-Q-GRC-004)
- 3) Gift, hospitality and entertainment policy (PO-Q-GRC-005)

Currently, the Company launched its anti-corruption campaign to enhance the implementation of concrete object practice continuously. The Company announced its Anti-Corruption policy to communicate to Board of Directors members, the Company executives and employees to emphasize the intention of the anti-corruption. On December 18, 2015, the Company obtained the Anti-Corruption Progress Indicator of year 2015 rating AAA, which shown the Company intention in preventive action in order to receive higher rating (Level 4 certified) further. The Internal Audit Committee assigned the Auditor to review self-assessment related to Anti-Corruption measurement and submit audit report to Thai Institute of Directors (IOD) for the further certify process.

In 2015, the Company reviewed and updated code of conduct manual to comply with Good Corporate Governance policy and schedule CG day. The Board of Directors members, the executives and employees certified the code of conduct as the marking of Good Corporate Governance, transparency in business operation. The Company also organizes meeting with contractor, distributor and business partner to jointly understand and certify the anti-corruption with the company executives.

7. THE REPORT ON THE OPERATIONAL PERFORMANCE

The Audit Committee reported the Quarterly reports on the operation of the Audit Committee to the Board of Directors. Opinions and recommendations for managerial purposes were presented to Management, who has made appropriate improvements and adjustments as recommended. Furthermore, the self-assessment on the operation of the Audit Committee was arranged in order to use as a guideline to improve their operational performance.

8. REVIEW OF THE AUDIT COMMITTEE CHARTER

In 2015, the Audit Committee Charter was reviewed in order to assess the scope of duties, responsibilities, and authority as assignation of the Board of Director. The charter is the key to support the duties and responsibilities of the Audit Committee as the Audit Committee can operate effectively in accordance to the regulation of the Stock Exchange of Thailand. The Audit Committee is of the opinion that the charter is suitable and complies with the policy of good corporate governance outline.

9. SELECTION OF THE AUDITORS FOR 2016

Nominating the Auditors and proposing their fee to the Board of Directors for submission to the 2016 Shareholders' Meeting for approval.

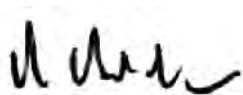
Audit Committee considered the independence, performance and service of the Auditors, as well as the appropriateness of the fee and was of the opinion that the Auditors had expressed opinions and made recommendations beneficial for the preparations of financial reports and internal control. It was therefore deemed appropriate to propose that the Board of Directors request approval from the Shareholders' Meeting to re-appoint the auditors from KPMG Phoomchai Audit Ltd, as the Company's Auditors, for 2016.

In 2015, the Audit Committee performed its assigned duties and responsibilities, using the members' knowledge and competence with carefulness and sufficient independence, without limitation to access to information from the executives, staff members or the relevant people. The Committee also expressed opinions and made recommendations for equitable benefits to all relevant stakeholders.

As a summary of the overall perspective, the Audit Committee is of the opinion that the Company's Board of Directors and its executives are ethical and committed to performing their duties to achieve its objectives, and have placed utmost importance to managing the operation under an effective internal control environment, appropriate and watertight risk management, sufficient good corporate governance with transparency and trustworthiness, as well as continual improvement of the operations systems.

This Audit Committee Report was reviewed and approved by the Audit Committee on January 8, 2016.

On behalf of the Audit Committee



Dr. Piyasvasti Amranand

Chairman, Audit Committee

January 8, 2016

Pruksa Real Estate Public Company Limited and its Subsidiaries

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Pruksa Real Estate Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries (the "Group") and of Pruksa Real Estate Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to note 3 to the financial statements describing the effect of the Company and its subsidiaries' adoption from 1 January 2015 of certain new accounting policy. The corresponding figures presented are based on the audited consolidated financial statements as at and for the year ended 31 December 2014 after making the adjustments described in note 3.



Vipavan Pattavanvivek

Certified Public Accountant

Registration No. 4795

KPMG Phoomchai Audit Ltd.

Bangkok

19 February 2016

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF FINANCIAL POSITION

Assets	Note	Consolidated			Separate	
		financial statements			financial statements	
		31 December		1 January	31 December	
		2015	2014	2014	2015	2014
			(Restated)	(Restated)		
				(in Baht)		
<i>Current assets</i>						
Cash and cash equivalents	6	1,334,958,752	463,898,662	978,415,074	1,123,927,841	359,044,672
Current investments	7	325,926,504	447,522,764	779,035,806	-	206,623,838
Receivable from subsidiaries	5	-	-	-	284,318,134	482,899,191
Short-term loans and accrued interest						
income-subsidiaries	5	-	-	-	3,031,533,369	2,496,381,287
Real estate projects under development	8	57,590,145,350	53,826,796,216	48,686,640,960	47,175,006,927	44,596,727,971
Deposits for purchase of land		623,414,900	293,012,695	562,133,852	623,414,900	293,012,695
Advance payment for goods		405,942,634	706,542,584	866,456,811	374,090,158	640,193,974
Other current assets		228,210,697	212,081,649	334,240,224	163,064,677	152,738,309
Total current assets		60,508,598,837	55,949,854,570	52,206,922,727	52,775,356,006	49,227,621,937
<i>Non-current assets</i>						
Investments in joint ventures	9	107,540,634	101,551,892	108,351,630	-	-
Investments in subsidiaries	10	-	-	-	3,199,998,800	3,199,998,800
Investment properties	11	232,161,845	439,097,058	582,935,867	167,681,566	258,518,594
Property, plant and equipment	12	3,871,939,922	3,890,066,967	2,701,755,668	3,804,394,590	3,817,754,018
Intangible assets	13	313,524,595	271,430,145	252,533,990	311,761,798	268,201,348
Deferred tax assets	14	98,355,100	202,278,459	200,007,866	71,079,231	164,501,774
Other non-current assets		176,814,978	174,290,453	137,668,445	121,908,969	117,402,413
Total non-current assets		4,800,337,074	5,078,714,974	3,983,253,466	7,676,824,954	7,826,376,947
Total assets		65,308,935,911	61,028,569,544	56,190,176,193	60,452,180,960	57,053,998,884

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF FINANCIAL POSITION

Liabilities and equity	Note	Consolidated			Separate	
		financial statements			financial statements	
		31 December		1 January	31 December	
		2015	2014	2014	2015	2014
			(Restated)	(Restated)		
				(in Baht)		
Current liabilities						
Short-term loans						
from financial institutions	15	-	2,047,611,611	6,697,550,116	-	2,047,611,611
Trade accounts payable						
- Subsidiary	5, 16	-	-	-	157,807,231	117,186,524
- Others	16	1,575,948,268	2,129,163,370	2,090,331,626	1,271,794,091	1,796,220,788
Current portion of payables for purchase of land		4,292,475,798	2,094,324,444	3,197,502,510	4,292,475,798	2,094,324,444
Short-term loans and accrued interest expense-subsidiaries	5, 15	-	-	-	1,941,425,621	630,827,096
Current portion of long-term loans	15	-	247,000,000	250,000,000	-	247,000,000
Current portion of long-term debentures	15	6,000,000,000	3,000,000,000	-	6,000,000,000	3,000,000,000
Current portion of finance lease liabilities	15	681,991	4,349,503	7,205,345	681,991	4,349,503
Customers' deposits		974,918,824	1,439,821,092	1,749,263,751	801,025,490	1,304,495,637
Income tax payable		688,695,870	820,021,658	649,484,218	491,435,169	567,336,257
Other current liabilities	17	2,676,291,550	2,193,497,807	2,351,409,346	2,242,635,260	1,877,299,105
Total current liabilities		16,209,012,301	13,975,789,485	16,992,746,912	17,199,280,651	13,686,650,965
Non-current liabilities						
Payables for purchase of land		489,961,901	-	-	489,961,901	-
Long-term debentures	15	14,000,000,000	17,000,000,000	14,000,000,000	14,000,000,000	17,000,000,000
Finance lease liabilities	15	297,072	1,839,232	7,563,133	229,275	1,382,177
Employee benefit obligations	18	247,442,760	203,930,675	114,695,469	238,407,876	196,964,004
Provision for litigation and claims	34	144,192,240	139,872,730	142,550,000	143,442,240	119,299,150
Total non-current liabilities		14,881,893,973	17,345,642,637	14,264,808,602	14,872,041,292	17,317,645,331
Total liabilities		31,090,906,274	31,321,432,122	31,257,555,514	32,071,321,943	31,004,296,296

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF FINANCIAL POSITION

Liabilities and equity	Note	Consolidated financial statements			Separate financial statements	
		31 December		1 January	31 December	
		2015	2014 (Restated)	2014 (Restated) (in Baht)	2015	2014
Equity						
Share capital	19					
Authorised share capital		2,285,298,800	2,270,298,800	2,265,812,000	2,285,298,800	2,270,298,800
Issued and paid-up share capital		2,231,071,000	2,226,675,700	2,222,832,600	2,231,071,000	2,226,675,700
Premium on ordinary shares	19	1,777,949,025	1,672,383,027	1,594,285,717	1,777,949,025	1,672,383,027
Warrants	20	45,354,949	17,665,787	18,393,474	45,354,949	17,665,787
Retained earnings						
Appropriated						
Legal reserve	21	228,529,880	227,029,880	226,581,200	228,529,880	227,029,880
Unappropriated		29,979,371,469	25,646,487,904	20,938,556,306	24,097,954,162	21,905,919,540
Other components of equity	21	(35,259,042)	(84,194,911)	(69,788,214)	1	28,654
Equity attributable to owners of the Company		34,227,017,281	29,706,047,387	24,930,861,083	28,380,859,017	26,049,702,588
Non-controlling interests		(8,987,644)	1,090,035	1,759,596	-	-
Total equity		34,218,029,637	29,707,137,422	24,932,620,679	28,380,859,017	26,049,702,588
Total liabilities and equity		65,308,935,911	61,028,569,544	56,190,176,193	60,452,180,960	57,053,998,884

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF COMPREHENSIVE INCOME

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2015	2014	2015	2014
		(Restated)			
		(in Baht)			
Continuing Operations					
Income					
Revenue from sale of real estate		51,239,782,145	42,781,025,500	41,494,909,061	33,829,327,743
Revenue from sale of raw materials	5	-	-	489,177,686	666,420,267
Other income		198,161,423	245,879,156	354,082,462	420,888,814
Total income		51,437,943,568	43,026,904,656	42,338,169,209	34,916,636,824
Expenses					
Cost of real estate sales		33,984,260,287	27,094,617,521	27,789,530,062	21,787,306,389
Cost of raw material sales		-	-	422,462,488	554,452,457
Selling expenses	23	3,766,744,072	3,363,567,509	3,073,778,384	2,704,132,406
Administrative expenses	24	3,893,995,320	3,717,592,905	3,873,162,544	3,282,419,666
Finance costs	27	327,764,443	375,850,024	363,866,910	394,959,074
Total expenses		41,972,764,122	34,551,627,959	35,522,800,388	28,723,269,992
Share of profit (loss) of investments in joint ventures					
	9	3,099,598	(6,779,640)	-	-
Profit before income tax expense		9,468,279,044	8,468,497,057	6,815,368,821	6,193,366,832
Income tax expense	28	(1,798,000,408)	(1,814,651,010)	(1,276,079,264)	(1,267,501,479)
Profit for the year		7,670,278,636	6,653,846,047	5,539,289,557	4,925,865,353

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF COMPREHENSIVE INCOME

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2015	2014	2015	2014
		(Restated)			
		<i>(in Baht)</i>			
Other comprehensive income					
<i>Items that will never be reclassified to profit or loss</i>					
Defined benefit plan actuarial gains (losses)		-	(55,903,630)	217,815	(52,559,696)
		-	(55,903,630)	217,815	(52,559,696)
<i>Items that are or may be reclassified to profit or loss</i>					
Foreign currency translation differences for foreign operations		49,155,107	(14,284,992)	-	-
Net change in fair value of available-for-sale investments		(219,238)	(121,705)	(28,653)	8,535
		48,935,869	(14,406,697)	(28,653)	8,535
Other comprehensive income for the year, net of income tax	28	48,935,869	(70,310,327)	189,162	(52,551,161)
Total comprehensive income for the year		7,719,214,505	6,583,535,720	5,539,478,719	4,873,314,192
Profit (loss) attributable to:					
Owners of the Company		7,680,356,315	6,654,515,608	5,539,289,557	4,925,865,353
Non-controlling interests		(10,077,679)	(669,561)	-	-
Profit for the year		7,670,278,636	6,653,846,047	5,539,289,557	4,925,865,353
Total comprehensive income attributable to:					
Owners of the Company		7,729,292,184	6,584,205,281	5,539,478,719	4,873,314,192
Non-controlling interests		(10,077,679)	(669,561)	-	-
Total comprehensive income for the year		7,719,214,505	6,583,535,720	5,539,478,719	4,873,314,192
Earnings per share					
Basic earnings per share	30	3.44	2.99	2.48	2.21
Diluted earnings per share	30	3.44	2.99	2.48	2.21

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF CHANGES IN EQUITY

		Consolidated financial statements						
		Retained earnings		Other components of equity			Equity	
				Fair value	Currency	Total other	attributable	Non -
				changes in	translation	components	to owners of	controlling
				available-for-sale	differences	of equity	the Company	interests
				investments				
				(in Baht)				
		Issued and	Premium on	Legal reserve	Unappropriated			Total
		share capital	ordinary shares	Warrants				equity
		Note						
Year ended 31 December 2014								
Balance at 1 January 2014								
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
of the Company								
Dividends to owners of the Company	31	-	-	-	(1,890,231,700)	-	(1,890,231,700)	-
Share-based payment transaction	20	-	-	11,824,158	-	-	11,824,158	-
Warrants exercised	19	3,843,100	78,097,310	(12,551,845)	-	-	69,388,565	-
Total transactions with owners, recorded directly in equity		3,843,100	78,097,310	(727,687)	(1,890,231,700)	-	(1,809,018,977)	-
Comprehensive income for the year								
Profit for the year		-	-	-	6,654,515,608	-	6,654,515,608	(669,561)
Other comprehensive income		-	-	-	(55,903,630)	(121,705)	(70,310,327)	-
Total comprehensive income for the year		-	-	-	6,598,611,978	(121,705)	6,584,205,281	(669,561)
Transfer to legal reserve		-	-	448,680	(448,680)	-	-	-
Balance at 31 December 2014		2,226,675,700	1,672,383,027	17,665,787	25,646,487,904	219,230	29,706,047,387	1,090,035
								29,707,137,422

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF CHANGES IN EQUITY

Consolidated financial statements												
		Retained earnings			Other components of equity							
		Fair value		Equity		Total other		Non -		Total		
		changes in		attributable		components		controlling		equity		
		available-for-sale		to owners of		of equity		interests				
		investments		the Company								
		(in Baht)										
		</										

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF CHANGES IN EQUITY

		Separate financial statements					Other components of equity	
		Retained earnings		Fair value changes in available-for-sale investments		Total equity		
		Issued and paid-up share capital	Premium on ordinary shares	Warrants	Legal reserve (in Baht)	Unappropriated		
		</						

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF CHANGES IN EQUITY

Separate financial statements									
		Retained earnings			Other components of equity				

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF CASH FLOWS

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
Note	2015	2014 (Restated)	2015	2014
	(in Baht)			
Cash flows from operating activities				
Profit for the year	7,670,278,636	6,653,846,047	5,539,289,557	4,925,865,353
<i>Adjustments for</i>				
Allowance for decline in value of real estate projects under development (reversal of)	(38,678,798)	55,743,356	(34,957,236)	(10,463,452)
Allowance for impairment loss on investment properties (reversal of)	(12,941,171)	41,656,823	(12,941,171)	41,656,823
Allowance for impairment loss on assets	(533,275)	76,808,138	(525,552)	-
Depreciation and amortisation	425,864,968	348,208,871	396,963,197	303,346,334
Loss (gain) from disposal of equipment	(4,093,384)	(4,157,914)	(3,130,809)	4,811,636
Loss from disposal of intangible assets	-	8,628,501	-	8,628,501
Loss (gain) on sale of investment properties	5,967,143	(91,975,646)	5,976,819	(91,975,646)
Loss on donation of investment properties	140,089,579	-	375,740,827	-
Currency translation differences	66,828,082	(17,980,792)	-	-
Employees benefits	43,512,085	19,355,669	41,661,688	18,848,291
Shared-based payment transaction	61,412,520	11,824,158	61,412,520	11,824,158
Provision for litigation and claims (reversal of)	4,319,510	(2,677,270)	24,143,090	(21,700,850)
Loss (gain) on disposal of current investments	(2,443,815)	(5,034,050)	(710,389)	(1,605,626)
Share of (profit) loss of investments in joint ventures	(3,099,598)	6,779,640	-	-
Finance costs	327,764,443	375,850,024	363,866,910	394,959,074
Income tax expense	1,798,000,408	1,814,651,010	1,276,079,264	1,267,501,479
	10,482,247,333	9,291,526,565	8,032,868,715	6,851,696,075
Changes in operating assets and liabilities				
Receivable from subsidiaries	-	-	198,581,057	188,663,232
Real estate projects under development	(2,975,959,368)	(4,490,885,891)	(1,941,942,471)	(3,757,331,233)
Deposits for purchase of land	(330,066,870)	269,314,722	(330,402,205)	269,121,157
Advance payment for goods	300,599,949	159,892,777	266,103,816	206,223,792
Other current assets	(16,129,048)	44,950,248	(7,201,393)	183,492,645
Other non-current assets	(2,524,524)	(36,557,442)	(4,506,556)	(9,743,998)
Trade accounts payable-subsidiary	-	-	40,620,706	(107,102,645)
Trade accounts payable-others	(553,215,101)	39,136,720	(524,426,697)	108,902,288
Payables for purchase of land	2,688,113,255	(1,103,178,066)	2,688,113,255	(1,103,178,066)
Customers' deposits	(464,902,268)	(309,442,659)	(503,470,147)	(199,080,418)
Other current liabilities	524,394,502	(209,152,057)	408,722,587	(218,977,699)
Cash generated from operating activities	9,652,557,860	3,655,604,917	8,323,060,667	2,412,685,130
Income tax paid	(1,837,112,234)	(1,628,869,463)	(1,258,557,809)	(1,108,081,973)
Net cash from operating activities	7,815,445,626	2,026,735,454	7,064,502,858	1,304,603,157

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

STATEMENT OF CASH FLOWS

	Note	Consolidated financial statements		Separate financial statements	
		Year ended		Year ended	
		31 December		31 December	
		2015	2014 (Restated)	2015	2014
(in Baht)					
Cash flows from investing activities					
Purchase of investment properties		-	-	(349,487,509)	-
Proceeds from sale of investment properties		35,509,913	236,949,800	33,238,313	236,949,800
Purchase of property, plant and equipment		(427,681,829)	(1,515,959,240)	(395,224,344)	(1,477,585,849)
Proceeds from sale of equipment		8,418,827	40,440,678	5,129,611	10,429,162
Purchase of intangible assets		(81,484,722)	(60,556,703)	(81,366,822)	(60,556,703)
Increase in short-term loans to subsidiaries		-	-	(3,971,274,159)	(3,688,892,407)
Cash received from short-term loans to subsidiaries		-	-	3,432,997,102	4,853,893,419
Purchase of current investments		(7,135,898,168)	(13,588,572,007)	(4,267,638,422)	(8,534,392,202)
Sale of current investments		7,259,664,195	13,924,966,967	4,474,943,996	8,503,185,785
Net cash used in investing activities		(341,471,784)	(962,730,505)	(1,118,682,234)	(156,968,995)
Cash flows from financing activities					
Finance costs paid		(1,038,567,331)	(1,104,739,721)	(951,742,991)	(966,995,834)
Dividends paid		(3,345,972,750)	(1,890,231,700)	(3,345,972,750)	(1,890,231,700)
Increase in short-term loans from subsidiaries		-	-	2,451,050,201	82,261,809
Repayment of short-term loans from subsidiaries		-	-	(1,115,898,244)	(48,239,728)
Decrease in short-term loans from financial institutions, net		(2,047,611,611)	(4,649,938,505)	(2,047,611,611)	(4,649,938,505)
Proceeds from long-term loans		1,050,000,000	1,087,000,000	1,050,000,000	1,087,000,000
Repayment of long-term loans		(1,297,000,000)	(1,090,000,000)	(1,297,000,000)	(1,090,000,000)
Proceed from long-term debentures		3,000,000,000	6,000,000,000	3,000,000,000	6,000,000,000
Repayment of long-term debentures		(3,000,000,000)	-	(3,000,000,000)	-
Proceeds from issue of ordinary shares		76,237,940	69,388,565	76,237,940	69,388,565
Net cash used in financing activities		(6,602,913,752)	(1,578,521,361)	(5,180,937,455)	(1,406,755,393)
Net increase (decrease) in cash and cash equivalents		871,060,090	(514,516,412)	764,883,169	(259,121,231)
Cash and cash equivalents at beginning of year		463,898,662	978,415,074	359,044,672	618,165,903
Cash and cash equivalents at end of year	6	1,334,958,752	463,898,662	1,123,927,841	359,044,672
Non-cash transactions:					
Increase (decrease) in equipment payable		(41,347,608)	32,425,724	(43,133,282)	35,647,750
Transfer of investment properties from (to) real estate projects under development, net		(38,309,750)	42,809,032	(38,309,750)	12,299,122

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

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

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Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 19 February 2016.

1 General information

Pruksa Real Estate Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 979/83, SM Tower 27th floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok.

The Company was listed on the Stock Exchange of Thailand in December 2005.

The Company’s major shareholder during the financial year was Vijitpongpun family (63.12% shareholding).

The principal activity of the Company is real estate development in Thailand. Details of the Company’s subsidiaries and joint ventures as at 31 December 2015 and 2014 are disclosed in notes 5, 9 and 10.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. The effects of these changes, where such effects are considered material to the financial statements, are disclosed in note 3.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 36.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement bases</i>
Available-for-sale financial assets	Fair value
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in Note 4 (n)

(c) Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.

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NOTES TO THE FINANCIAL STATEMENTS**(d) Use of judgements and estimates**

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following note:

Note 9 Classification of the joint arrangement;

(ii) Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 4 (s)	Current and deferred taxation
Note 14	Utilisation of tax losses
Note 18	Measurement of defined benefit obligations
Note 20	Measurement of share-based payments
Note 34	Provisions and contingent liability

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the relevant notes.

3 Change in accounting policy**(a) Overview**

From 1 January 2015, consequent to the adoption of new TFRS as set out in note 2, the Group has adopted the following new TFRS having a material effect on the Group's financial statements:

- TFRS 11 *Joint Arrangements*

A description of the nature and effect of the changes in accounting policy consequent to the adoption of this new TFRS is included in note 3(b) below:

(b) Joint arrangements

As a result of TFRS 11, the Group has changed its accounting policy for its interests in joint arrangements. Under TFRS 11, the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's right to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification.

The Group has re-evaluated its involvement in its only joint arrangement and has reclassified the investment from jointly controlled entity to joint venture. As a consequence, the Group has changed its accounting policy for the investment in joint venture from proportionate consolidation to the equity method; accordingly, there has been impact on the recognised assets, liabilities, comprehensive income and cash flows of the Group. Further details of the effect of the change are set out in note 3 (c) below.

(c) Summary of quantitative impact

The following tables summarise the material impacts resulting from the above change in accounting policy on the Group's financial position, comprehensive income and cash flows.

As the Group has taken advantage of the transitional provisions of TFRS 11 *Joint Arrangements*, the following tables do not include the effect of the change in accounting policy on the current period.

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	Effect of change in accounting policy		
	As previously reported	Joint ventures (Adjustments) (in million Baht)	As restated
Consolidated statement of financial position			
At 1 January 2014			
Cash and cash equivalents	1,036	(58)	978
Other current assets	361	(26)	335
Investments in joint ventures	-	108	108
Property, plant and equipment	2,702	(1)	2,701
Investment properties	610	(27)	583
Others	51,485	-	51,485
Total assets	56,194	(4)	56,190
Income tax payable	652	(3)	649
Other current liabilities	2,353	(1)	2,352
Others	28,257	-	28,257
Total liabilities	31,262	(4)	31,258
Other components of equity	(70)	-	(70)
Others	25,002	-	25,002
Total equity	24,932	-	24,932
Consolidated statement of financial position			
At 31 December 2014			
Cash and cash equivalents	524	(60)	464
Other current assets	231	(19)	212
Investments in joint ventures	-	102	102
Property, plant and equipment	3,890	-	3,890
Investment properties	466	(27)	439
Others	55,922	-	55,922
Total assets	61,033	(4)	61,029
Income tax payable	820	-	820
Other current liabilities	2,194	-	2,194
Provision for litigation and claims	144	(4)	140
Others	28,168	-	28,168
Total liabilities	31,326	(4)	31,322
Other components of equity	(84)	-	(84)
Others	29,791	-	29,791
Total equity	29,707	-	29,707

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	Effect of change in accounting policy		
	As previously reported	Joint ventures (Adjustments) (in million Baht)	As restated
Consolidated statement of comprehensive income			
For the year ended 31 December 2014			
Total income	43,027	-	43,027
Cost of sales	(27,094)	-	(27,094)
Selling and administrative expenses	(7,091)	10	(7,081)
Finance costs	(376)	-	(376)
Share of loss of investments in joint ventures	-	(7)	(7)
Income tax expense	(1,812)	(3)	(1,815)
Profit for the year	6,654	-	6,654
Consolidated statement of cash flows			
For the year ended 31 December 2014			
Net cash from operating activities	2,029	(2)	2,027
Others	(1,505)	(58)	(1,563)
Cash and cash equivalents	524	(60)	464

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which address change in accounting policy.

(a) Basic of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in joint ventures.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

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NOTES TO THE FINANCIAL STATEMENTS*Interests in equity-accounted investees*

The Group's interests in equity-accounted investees comprise interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies*Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of a joint venture while retaining joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange arising from investing activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Hedge of exchange rates

The Group has a policy to mitigate the foreign exchange risk by entering into forward exchange contracts covering foreign currency monetary transactions. In this regard, all monetary transactions are translated to the functional currency at the rates prevailing at the reporting date, adjusted by net receivables/payables arising from the related forward exchange contracts and the remaining deferred forward premium/discount. The related forward premium/discount is recorded as income/expense over the forward contract term. The amortised forward premium/discount and gains/losses on the forward exchange contracts covering foreign currency monetary transactions are offset against the related exchange losses or gains on the foreign currency monetary transactions being hedged.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activity for the purpose of the statement of cash flows.

(e) Other accounts receivable

Other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Real estate projects under development

Real estate projects under development are projects which are held with the intention of development and sale in the ordinary course of business. They are stated at the lower of cost and estimated net realisable value.

Net realisable value represents the estimated selling price less costs to be incurred in selling the properties.

The cost of real estate projects under development comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding a development property are capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development.

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NOTES TO THE FINANCIAL STATEMENTS

The cost of construction materials is calculated using the moving-weighted average cost principle.

The cost of sample houses and real estate projects under development is calculated using standard cost adjusted to approximate average cost which includes an appropriate share of production overheads based on normal operating capacity.

The cost of land is calculated using specifically identified costs.

(g) Investments*Investments in subsidiaries and joint ventures*

Investments in subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in joint ventures in the consolidated financial statements are accounted for using the equity method.

Investments in mutual fund

Mutual funds are marketable equity securities, classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in the profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the profit or loss.

The fair value of investments in mutual fund is determined as the net asset value at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(h) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties comprised land, which is stated at cost less impairment losses.

(i) Property, plant and equipment*Recognition and measurement**Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

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When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	8 - 10	years
Building and decoration	3 - 27	years
Machinery and equipment	3 - 20	years
Furniture, fixtures and office equipment	3, 5	years
Public utilities	20	years
Transportation equipment	5	years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets*Software licenses*

Software licenses that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

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NOTES TO THE FINANCIAL STATEMENTS*Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are 10 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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NOTES TO THE FINANCIAL STATEMENTS**(l) Interest-bearing liabilities**

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the profit or loss over the period of the borrowings on an effective interest basis.

(m) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(n) Employee benefits*Defined contribution plan*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plan

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed regularly by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the

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amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(p) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

Real estate development projects

When the contract meets the criteria for a sale of goods, or if control and significant risks and rewards of ownership of the work in progress are transferred to the buyer at a single time, for example at completion or after delivery, revenue is recognised when the criteria described above for sales of goods and services are met.

Dividend income

Dividend income is recognised in the profit or loss on the date the Group's right to receive payments is established.

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NOTES TO THE FINANCIAL STATEMENTS*Interest and other income*

Interest and other income are recognised in the profit or loss as they accrue.

(q) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(r) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(s) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(u) Segment reporting

Segment results that are reported to the Executive Committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly primarily the Company's headquarters assets and head office revenues and expenses and tax assets.

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and joint ventures are described in notes 9 and 10. Relationship with key management and other related parties were as follows:

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Kaysorn Construction Company Limited	Maldives	Branch of Kaysorn Construction Company Limited
Thongma Vijitpongpan	Thai	Major shareholder, 10% or more shareholding, and a director
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Significant transactions and pricing policies for the years ended 31 December with related parties were as follows:

Transactions	Pricing policies	Separate financial statements	
		2015	2014
(in million Baht)			
Subsidiaries			
Sales of raw materials	Cost plus margin	489.18	666.42
Sale of lands	Agreed price	61.51	167.83
Interest income	MMR and MLR and 4%	178.58	210.25
Other income	Cost plus 1% to 5%	14.40	7.90
Interest expense	MLR, MLR-1.5% and 4%	48.51	30.62
Cost of real estate projects under development	Agreed price	44.57	126.96
Key management personnel			
Sale of lands	Agreed price	568.22	-

Key management personnel compensation

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>(in million Baht)</i>				
Short-term employee benefits	174.06	124.50	174.06	124.50
Post-retirement benefits	3.04	2.34	3.04	2.34
Share-base payments	17.11	3.47	17.11	3.47
Total key management personnel compensation	194.21	130.31	194.21	130.31

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Balances as at 31 December with related parties were as follows:

	Separate financial statements	
	2015	2014
	<i>(in million Baht)</i>	
<i>Receivable from subsidiaries</i>		
Phanalee Estate Co., Ltd.	231.77	427.42
Putthachart Estate Co., Ltd.	10.75	14.21
Kaysorn Construction Co., Ltd.	41.27	41.27
Pruksa India Housing Private Limited	0.53	-
	284.32	482.90
<i>Short-term loans to subsidiaries</i>		
Phanalee Estate Co., Ltd.	2,619.02	2,251.52
Putthachart Estate Co., Ltd.	4.07	38.96
Kaysorn Construction Co., Ltd.	390.33	184.67
	3,013.42	2,475.15
<i>Accrued interest income-subsidiaries</i>		
Phanalee Estate Co., Ltd.	15.65	13.77
Putthachart Estate Co., Ltd.	0.15	1.44
Kaysorn Construction Co., Ltd.	2.31	6.02
	18.11	21.23
<i>Total short-term loans and accrued interest income-subsidiaries</i>	3,031.53	2,496.38
<i>Advance for construction-real estate projects under development - subsidiary (presents under other current assets)</i>		
Thanatep Engineering and Construction Co., Ltd.	11.72	17.34
<i>Trade accounts payable-subsidiary</i>		
Kaysorn Construction Co., Ltd.	157.81	117.19
<i>Short-term loans from subsidiaries</i>		
Pruksa International Co., Ltd.	471.00	430.00
Pruksa Oversea Co., Ltd.	170.50	154.00
Phanalee Estate Co., Ltd.	0.18	-
Putthachart Estate Co., Ltd.	1,278.89	2.50
Kaysorn Construction Co., Ltd.	1.23	0.15
	1,921.80	586.65
<i>Accrued interest expense-subsidiaries</i>		
Pruksa International Co., Ltd.	6.35	33.28
Pruksa Oversea Co., Ltd.	2.30	10.80
Phanalee Estate Co., Ltd.	0.06	-
Putthachart Estate Co., Ltd.	10.92	0.10
	19.63	44.18
<i>Total short-term loans and accrued interest expense-subsidiaries</i>	1,941.43	630.83
<i>Retention payable-subsidiary (presents under other current liabilities)</i>		
Thanatep Engineering and Construction Co., Ltd.	5.90	5.08

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Movements during the years ended 31 December of short-term loans to subsidiaries were as follows:

	Separate financial statements	
	2015	2014
	<i>(in million Baht)</i>	
At 1 January	2,475.15	3,640.15
Increase	3,971.27	3,688.89
Decrease	(3,433.00)	(4,853.89)
At 31 December	3,013.42	2,475.15

Movements during the years ended 31 December of short-term loans from subsidiaries were as follows:

	Separate financial statements	
	2015	2014
	<i>(in million Baht)</i>	
At 1 January	586.65	552.62
Increase	2,451.05	82.26
Decrease	(1,115.90)	(48.23)
At 31 December	1,921.80	586.65

Significant agreements with related parties

The Company entered into lease agreements covering office space (including related service charges) with a major shareholder and also a director of the Company, commencing October 2013 up to October 2015 and extending up to October 2016. The rental and service charges for the year ended 31 December 2015 amounted to Baht 3.2 million (2014: Baht 3.2 million).

The Company and subsidiaries have partly registered land servitude accumulative value at 31 December 2015 of Baht 12.1 million and Baht 1,147.4 million (2014: Baht 4.2 million and Baht 1,103.3 million), respectively, which is subject to servitudes and restrictions to the projects of the Group for construction of the utilities of the projects with no time limit. During the year ended 31 December 2015, the Company and subsidiaries have registered land servitude and ceded land for the public interest amounting to Baht 12.8 million and Baht 48.1 million (2014: nil and Baht 272.3 million), respectively, and for which the Company and subsidiaries have received compensation of Baht 12.8 million and Baht 48.6 million (2014: nil and Baht 275.1 million), respectively.

In 2011, the Company and subsidiaries entered into loan agreements for loan lines totaling Baht 4,100 million. In addition, the subsidiaries entered into advance agreement with the Company. Loans and advances under such agreements are repayable on demand and bear interest at rates referenced to interest rates quoted by financial institutions. During the year 2015, the Company and subsidiaries increased the loan lines to Baht 5,100 million with interest rate at 4% per annum and repayable on demand.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**6 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Cash on hand	9	7	7	6
Cash at banks-current accounts	27	16	5	7
Cash at banks-savings accounts	655	203	575	145
Cheques on hand	643	237	536	200
Others	1	1	1	1
Total	1,335	464	1,124	359

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht	1,314	433	1,124	359
India Rupee	13	4	-	-
Rufiyaa	4	7	-	-
US Dollars	3	19	-	-
Dong	1	1	-	-
Total	1,335	464	1,124	359

7 Current investments

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Current investments				
Mutual fund-available for sale investments	326	448	-	207
Total	326	448	-	207

Movements during the years ended 31 December of mutual fund-available for sale investments were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
At 1 January	448	778	207	173
Purchases during the year	7,136	13,589	4,268	8,534
Sales during the year	(7,258)	(13,919)	(4,475)	(8,500)
At 31 December	326	448	-	207

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

The currency denomination of current investments as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht	-	277	-	207
India Rupee	326	171	-	-
Total	326	448	-	207

8 Real estate projects under development

	Consolidated financial statements		Separate financial statements	
<i>Note</i>	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Construction materials	399	414	346	331
Sample houses	997	1,107	763	918
Projects under development				
- land	23,640	25,181	19,784	20,506
- land improvements	1,658	2,126	1,259	1,588
- construction cost	6,987	9,486	4,879	8,390
- public utilities	1,987	2,134	1,628	1,695
- overhead costs	1,711	1,856	1,409	1,589
- interest costs	597	674	652	723
	36,580	41,457	29,611	34,491
Land, and land and houses for sale	12,424	8,926	10,490	7,227
Land held for development	7,294	2,066	5,987	1,687
Total	57,694	53,970	47,197	44,654
Less allowance for decline in value of real estate projects under development	(104)	(143)	(22)	(57)
Net	57,590	53,827	47,175	44,597
Finance costs capitalised during the year	27 711	748	563	591

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(projects)</i>			
Number of projects under development				
Townhouse	127	139	88	95
Single house	43	57	41	49
Twin house	6	1	1	1
Condominium	16	44	15	36
Foreign	2	2	-	-
Total projects	194	243	145	181

Real estate projects under development (land and structure thereon) are used as collateral for credit facilities from banks (see note 15 to the financial statements).

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**9 Investments in joint ventures**

	Consolidated financial statements	
	2015	2014
	<i>(in million Baht)</i>	
Joint ventures		
At 1 January	102	108
Share of net profits (losses) in joint ventures	3	(6)
Currency translation differences	3	-
At 31 December	108	102

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Investments in joint ventures as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended, were as follows:

Consolidated financial statements

Type of business	Country of incorporation	Ownership interest (%)		Paid-up capital		Cost		Equity		Dividend income	
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
(in million Baht)											
Joint ventures - indirect shareholding by a subsidiary											
Pruksa HDC	Property development and construction	80.00	80.00	130.00	130.00	130.00	130.00	108.00	102.00	-	-
Pruksa - Luxora	Property development and construction	50.00	50.00	1.00	1.00	1.00	1.00	-	-	-	-
Total				131.00	131.00	131.00	131.00	108.00	102.00	-	-

The joint venture agreement provides that the joint venturers have joint control and management.

None of the Group's joint ventures are publicly listed and consequently do not have published price quotations.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**10 Investments in subsidiaries**

	Separate financial statements	
	2015	2014
	<i>(in million Baht)</i>	
At 1 January	3,200	3,200
Additional investments	-	-
At 31 December	3,200	3,200

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Investments in subsidiaries as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended were as follows:

Separate financial statements											
		Country of incorporation	Ownership interest (%)		Paid-up capital		Cost method		Dividend income		
		Type of business	2015	2014	2015	2014	2015	2014	2015	2014	
			(in million Baht)								
				</							

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**11 Investment properties**

	Consolidated financial statements	Separate financial statements
	<i>(in million Baht)</i>	
Cost		
At 1 January 2014	707	518
Disposals	(145)	(145)
Transfer from real estate projects under development	43	12
At 31 December 2014 and 1 January 2015	605	385
Additions	-	349
Disposals	(42)	(39)
Donation	(140)	(376)
Transfer to real estate projects under development	(38)	(38)
At 31 December 2015	385	281
Impairment loss		
At 1 January 2014	124	85
Increase	42	41
At 31 December 2014 and 1 January 2015	166	126
Increase	8	8
Decrease	(21)	(21)
At 31 December 2015	153	113
Net book value		
At 1 January 2014	583	433
At 31 December 2014 and 1 January 2015	439	259
At 31 December 2015	232	168

The Group's and the Company's investment properties comprise land held for which there is no specific intention to use in the future. Investment properties of the Group and the Company as at 31 December 2015 appraised by firms of independent professional valuers, at market values were Baht 303.5 million and Baht 234.8 million (2014: Baht 587.5 million and Baht 332.1 million), respectively.

Measurement of fair value*Fair value hierarchy*

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for investment property of Baht 303.5 million has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

NOTES TO THE FINANCIAL STATEMENTS

12 Property, plant and equipment

Consolidated financial statements						
	Land and land improvement	Building and decoration	Machinery and equipment	Furniture, fixtures and office equipment (in million Baht)	Transportation equipment	Assets under construction and installation
Cost						
At 1 January 2014	824	917	1,988	400	55	193
Additions	-	-	97	38	5	1,401
Transfers, net	21	7	70	(4)	1	(95)
Disposals	-	-	(155)	(17)	(9)	(15)
At 31 December 2014 and 1 January 2015	845	924	2,000	417	52	1,484
Additions	-	-	107	18	4	255
Transfers, net	1	752	922	16	1	(1,692)
Disposals	-	(1)	(143)	(110)	(13)	-
At 31 December 2015	846	1,675	2,886	341	44	47
						5,739
						384
						-
						(267)
						5,856
Accumulated depreciation and impairment losses						
At 1 January 2014	4	270	1,058	297	46	-
Depreciation charge for the year	3	54	206	48	4	-
Disposals	-	-	(135)	(15)	(8)	-
At 31 December 2014 and 1 January 2015	7	324	1,129	330	42	1,849
Depreciation charge for the year	5	93	253	43	5	-
Disposals	-	(1)	(141)	(109)	(13)	-
At 31 December 2015	12	416	1,241	264	34	1,984

NOTES TO THE FINANCIAL STATEMENTS

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Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

	Separate financial statements						Assets under construction and installation	Total
	Land and land improvement	Building and decoration	Machinery and equipment	Furniture, fixtures and office equipment	Public utilities	Transportation equipment		
				(in million Baht)				
Cost								
At 1 January 2014	824	916	1,775	356	17	48	178	4,114
Additions	-	-	67	34	-	4	1,401	1,506
Transfers, net	21	7	71	(4)	-	-	(95)	-
Disposals	-	-	(98)	(13)	-	(7)	-	(118)
At 31 December 2014 and 1 January 2015	845	923	1,815	373	17	45	1,484	5,502
Additions	-	-	74	15	-	1	256	346
Transfers, net	1	752	923	16	-	1	(1,693)	-
Disposals	-	-	(82)	(98)	-	(12)	-	(192)
At 31 December 2015	846	1,675	2,730	306	17	35	47	5,656
Accumulated depreciation and impairment losses								
At 1 January 2014	4	268	917	267	17	41	-	1,514
Depreciation charge for the year	3	53	171	41	-	3	-	271
Disposals	-	-	(84)	(11)	-	(6)	-	(101)
At 31 December 2014 and 1 January 2015	7	321	1,004	297	17	38	-	1,684
Depreciation charge for the year	5	93	222	37	-	2	-	359
Disposals	-	-	(82)	(97)	-	(12)	-	(191)
At 31 December 2015	12	414	1,144	237	17	28	-	1,852

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

	Separate financial statements							
	Land and land improvement	Building and decoration	Machinery and equipment	Furniture, fixtures and office equipment	Public utilities	Transportation equipment	Assets under construction and installation	Total
				(in million Baht)				
<i>Net book value</i>								
At 1 January 2014								
Owned assets	820	648	858	75	-	7	178	2,586
Assets under finance leases	-	-	-	14	-	-	-	14
	820	648	858	89	-	7	178	2,600
At 31 December 2014 and 1 January 2015								
Owned assets	838	602	811	71	-	7	1,484	3,813
Assets under finance leases	-	-	-	5	-	-	-	5
	838	602	811	76	-	7	1,484	3,818
At 31 December 2015								
Owned assets	834	1,261	1,586	68	-	7	47	3,803
Assets under finance leases	-	-	-	1	-	-	-	1
	834	1,261	1,586	69	-	7	47	3,804

The gross amount of the Company and the Group's fully depreciated property, plant and equipment but was still in use as at 31 December 2015 amounted to Baht 235 million and Baht 249 million (2014: Baht 454 million and Baht 506 million), respectively.

Collateral

At 31 December 2015, the Company's property, plant and equipment with a net book value of Baht 1,420 million (2014: Baht 1,498 million) are used as collateral for credit facilities with banks (see note 15 to the financial statements).

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**13 Intangible assets**

	Consolidated financial statements Software licenses (in million Baht)	Separate financial statements Software licenses
Cost		
At 1 January 2014	378	360
Additions	61	61
Disposals	(9)	(9)
At 31 December 2014 and 1 January 2015	430	412
Additions	82	82
At 31 December 2015	512	494
Accumulated amortisation		
At 1 January 2014	125	112
Amortisation charge for the year	34	32
At 31 December 2014 and 1 January 2015	159	144
Amortisation charge for the year	39	38
At 31 December 2015	198	182
Net book value		
At 1 January 2014	253	248
At 31 December 2014 and 1 January 2015	271	268
At 31 December 2015	314	312

14 Deferred tax

Movements in total deferred tax assets and liability during the years were as follows:

	As at 1 January 2015	Consolidated financial statements (Charged) / credited to (Note 28)		As at 31 December 2015
		Profit or loss	Other comprehensive income	
		(in million Baht)		
Deferred tax assets				
Real estate projects under development	12	(8)	-	4
Investment properties	33	(4)	-	29
Property, plant and equipment	22	1	-	23
Employee benefit obligations	38	6	-	44
Customers' deposits	86	(75)	-	11
Provision for litigation and claims	28	1	-	29
Foreign currency translation for foreign operations	21	-	(12)	9
Others	8	6	-	14
Total	248	(73)	(12)	163
Deferred tax liability				
Property, plant and equipment	(46)	(19)	-	(65)
Total	(46)	(19)	-	(65)
Net	202	(92)	(12)	98

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

	Consolidated financial statements (Charged) / credited to (Note 28)			
	As at 1 January 2014	Profit or loss	Other comprehensive income	As at 31 December 2014
		(in million Baht)		
Deferred tax assets				
Real estate projects under development	16	(4)	-	12
Investment properties	25	8	-	33
Property, plant and equipment	28	(6)	-	22
Employee benefit obligations	20	4	14	38
Customers' deposits	84	2	-	86
Provision for litigation and claims	28	-	-	28
Foreign currency translation for foreign operations	18	-	3	21
Others	12	(4)	-	8
Total	231	-	17	248
Deferred tax liability				
Property, plant and equipment	(31)	(15)	-	(46)
Total	(31)	(15)	-	(46)
Net	200	(15)	17	202
	Separate financial statements (Charged) / credited to (Note 28)			
	As at 1 January 2015	Profit or loss	Other comprehensive income	As at 31 December 2015
		(in million Baht)		
Deferred tax assets				
Real estate projects under development	11	(7)	-	4
Investment properties	25	(3)	-	22
Property, plant and equipment	22	1	-	23
Employee benefit obligations	37	6	-	43
Customers' deposits	83	(83)	-	-
Provision for litigation and claims	24	5	-	29
Others	9	5	-	14
Total	211	(76)	-	135
Deferred tax liability				
Property, plant and equipment	(46)	(18)	-	(64)
Total	(46)	(18)	-	(64)
Net	165	(94)	-	71

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

	As at 1 January 2014	Separate financial statements (Charged) / credited to (Note 28)		As at 31 December 2014
		Profit or loss	Other comprehensive income	
		(in million Baht)		
Deferred tax assets				
Real estate projects under development	13	(2)	-	11
Investment properties	17	8	-	25
Property, plant and equipment	22	-	-	22
Employee benefit obligations	20	4	13	37
Customers' deposits	84	(1)	-	83
Provision for litigation and claims	28	(4)	-	24
Others	11	(2)	-	9
Total	195	3	13	211
Deferred tax liability				
Property, plant and equipment	(31)	(15)	-	(46)
Total	(31)	(15)	-	(46)
Net	164	(12)	13	165

15 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in million Baht)			
Current				
Short-term loans from financial institutions				
Secured	-	650	-	650
Unsecured	-	1,398	-	1,398
Current portion of long-term loans				
Secured	-	247	-	247
Current portion of long-term debentures				
Unsecured	6,000	3,000	6,000	3,000
Short-term loans from subsidiaries				
Unsecured	-	-	1,922	587
Current portion of finance lease liabilities	1	4	1	4
Total current interest-bearing liabilities	6,001	5,299	7,923	5,886

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Non-current				
Long-term debentures				
Unsecured	14,000	17,000	14,000	17,000
Finance lease liabilities	-	2	-	1
Total non-current interest-bearing liabilities	14,000	17,002	14,000	17,001
Total	20,001	22,301	21,923	22,887

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Within one year	6,001	5,299	7,923	5,886
After one year but within five years	14,000	17,002	14,000	17,001
Total	20,001	22,301	21,923	22,887

As at 31 December 2015, unutilised credit facilities totaled Baht 21,680 million, US Dollars 4 million and India Rupee 65 million for the Group, and Baht 20,992 million, US Dollars 4 million and India Rupee 65 million for the Company.

Credit facilities of the Company and the Group that used assets as collateral as at 31 December 2015 were as follows:

- Loan lines from banks of Baht 2,389 million for the Company and the Group.
- Bank overdraft lines of Baht 50 million for the Company and the Group.
- Letter of guarantee lines of Baht 5,426 million, US Dollars 4 million and Indian Rupee 65 million for the Company and Baht 5,969 million, US Dollars 4 million and India Rupee 65 million for the Group.
- Promissory note lines from bank of Baht 8,472 million for the Company and the Group.
- Other credit facilities of Baht 555 million for the Company and the Group.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Credit facilities were secured on the following assets at carrying value:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Property, plant and equipment	1,420	1,498	1,420	1,498
Real estate projects under development (Land and properties)	3,111	10,287	2,424	9,709
Total	<u>4,531</u>	<u>11,785</u>	<u>3,844</u>	<u>11,207</u>

In addition, some part of subsidiaries' credit facilities are guaranteed by the Company.

Loans from financial institutions

Loans from financial institutions bear interest at market rates.

Certain loans contain restrictions on financial ratios, interest-bearing liabilities to equity ratio and payment of dividends.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS*Debentures*

Debentures of the Group as at 31 December 2015 and 2014 were unsubordinated and unsecured with face value of Baht 1,000 per unit. At shareholders' meetings of the Company, the shareholders approved the issuance and offer for sale of debt securities as follows:

Type of debenture	Interest rate (% per annum)	Interest payment due	Term	Issuance date	Maturity date	Consolidated financial statements / separate financial statements			
						Units (million units)	2015 (in million Baht)	2014 (in million Baht)	Amount (in million Baht)
No. 1/2010*									
Set 2	3.95% (former 3.75%)	every 3 months	5 years	June 2010	June 2015	-	-	1.0	1,000
No. 2/2010*									
Set 2	3.95% (former 3.75%)	every 3 months	5 years	November 2010	November 2015	-	-	2.0	2,000
No. 1/2012**									
Set 1	4.22%	every 3 months	3 years 6 months	September 2012	March 2016	0.6	0.6	0.6	600
Set 2	4.50%	every 3 months	5 years	September 2012	September 2017	0.6	0.6	0.6	600
Set 3	4.22%	every 3 months	3 years 6 months	September 2012	March 2016	2.4	2.4	2.4	2,400
Set 4	4.50%	every 3 months	5 years	September 2012	September 2017	1.4	1.4	1.4	1,400
No. 1/2013***									
Set 1	3.58%	every 3 months	3 years 1 month	May 2013	June 2016	3.0	3.0	3.0	3,000
Set 2	3.99%	every 3 months	5 years	May 2013	May 2018	3.0	3.0	3.0	3,000
No. 1/2014**									
Set 1	3.78%	every 3 months	3 years	January 2014	January 2017	2.0	2.0	2.0	2,000
No. 2/2014****									
Set 1	3.61%	every 3 months	2 years 9 months	September 2014	June 2017	2.0	2.0	2.0	2,000
Set 2	3.80%	every 3 months	3 years 6 months	September 2014	March 2018	2.0	2.0	2.0	2,000
No. 1/2015*****									
Set 1	2.58%	every 3 months	3 years 6 months	May 2015	November 2018	1.0	-	1,000	-
Set 2	3.13%	every 3 months	5 years	May 2015	May 2020	2.0	-	2,000	-
Total						20.0	20.0	20,000	20,000
Less current portion of long-term debentures						(6.0)	(3.0)	(6,000)	(3,000)
Unsubordinated and unsecured debentures - net of current portion						14.0	17.0	14,000	17,000

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

- * At the meeting of the debentures' holder of the Company held on 24 April 2012, the debenture holders approved the increase in interest rate by 0.20% from the original rate, effective from 24 April 2012 to the maturity date and approved the adjustment of liabilities to equity ratio that the Company is required to maintain from 1.5:1 to 2:1.
- ** At the annual general meeting of the shareholders of the Company held on 27 April 2012, the shareholders approved the issuance and offer for sale of debt securities not exceeding Baht 7,000 million to decrease the financial costs and support the expansion of project development. Such debentures will be offered to public investors and / or private investors following the declaration of the Securities and Exchange Commission that the Company may offer one-time sales and/or separate sales from time to time. During the third quarter of 2012, the Company issued debenture no. 1/2012 amounting to Baht 5,000 million and during the first quarter of 2014, the Company issued debenture no. 1/2014 amounting to Baht 2,000 million.
- *** At the annual general meeting of the shareholders of the Company held on 26 April 2013, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of the Company in the aggregate principle amount of not exceeding Baht 6,000 million and maturity of not exceeding 5 years. The type and interest rate of debt securities depend upon the market condition at the time of the issuance and offer for sale. During the second quarter of 2013, the Company issued debenture no. 1/2013 amounting to Bath 6,000 million.
- **** At the annual general meeting of the shareholders of the Company held on 25 April 2014, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of the Company in the aggregate principal amount of not exceeding Baht 7,000 million and maturity of not exceeding 7 years. The type and interest rate of debt securities depend upon the market condition at the time of the issuance and offer for sale. During the third quarter of 2014, the Company issued debenture no. 2/2014 amounting to Baht 4,000 million. During the second quarter of 2015, the Company issued debenture no. 1/2015 amounting to Baht 3,000 million.

At the annual general meeting of the shareholders of the Company held on 28 April 2015, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of the Company in the aggregate principal amount of not exceeding Baht 10,000 million and maturity of not exceeding 7 years. The type and interest rate of debt securities depend upon the market condition at the time of the issuance and offer for sale.

Movements during the years ended 31 December of debentures were as follows:

	Consolidated financial statements / separate financial statements	
	2015	2014
	<i>(in million Baht)</i>	
At 1 January	20,000	14,000
Issued during the year	3,000	6,000
Matured during the year	(3,000)	-
At 31 December	20,000	20,000

Interest-bearing liabilities of the Group and the Company as at 31 December 2015 and 2014 are entirely in Thai Baht.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**16 Trade accounts payable**

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in million Baht)</i>			
Related party	5	-	-	158	117
Other parties		1,576	2,129	1,272	1,796
Total		1,576	2,129	1,430	1,913

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht	1,569	2,129	1,430	1,913
India Rupee	7	-	-	-
Total	1,576	2,129	1,430	1,913

17 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Accrued for real estate projects under development	375	280	295	188
Accrued for public utility	609	535	491	440
Accrued bonus	514	428	491	403
Retention payable	522	385	409	355
Accrued interest expense	67	67	67	67
Accrued withholding tax	47	56	36	47
Others	542	443	454	377
Total	2,676	2,194	2,243	1,877

18 Employee benefit obligations

The Group and the Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined post-employment benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Defined benefit obligations at 1 January	204	115	197	112
Recognised in profit or loss:				
Current service costs	37	16	35	16
Interest cost	7	5	7	5

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	44	21	42	21
	(in million Baht)			
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	-	70	-	66
	-	70	-	66
Other				
Benefits paid by the plan	(1)	(2)	(1)	(2)
	(1)	(2)	(1)	(2)
Defined benefit obligations at 31 December	247	204	238	197

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in million Baht)			
Demographic assumptions	-	39	-	36
Experience adjustment	-	31	-	30
Total	-	70	-	66

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Discount rate (%)	3.6	3.6	3.6	3.6
Future salary growth (%)				
Employees	5 and 8	5 and 8	5 and 8	5 and 8
Retirement age (year old)	60	60	60	60

Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 December 2015, the weighted-average duration of the defined benefit obligation was 25 years (2014: 25 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	(in million Baht)			
Defined benefit obligation 31 December 2015	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(24)	29	(23)	28
Future salary growth (1% movement)	30	(26)	29	(25)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**19 Share capital**

	Par value per share (in Baht)	2015 Number Amount (million shares / in million Baht)	2014 Number Amount
Authorised			
At 1 January			
ordinary shares	1	2,270	2,266
Reduction of ordinary shares	1	-	(11)
Issue of ordinary shares	1	15	15
At 31 December			
ordinary shares	1	2,285	2,270
Issued and paid-up			
At 1 January			
ordinary shares	1	2,227	2,223
Warrant exercise	1	4	4
At 31 December			
ordinary shares	1	2,231	2,227

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Issue of authorised share capital

At the annual general meeting of shareholders of the Company held on 28 April 2015, the shareholders approved the increase in the Company's authorised share capital from Baht 2,270 million (2,270 million ordinary shares with a par value of Baht 1 per share) to Baht 2,285 million (2,285 million ordinary shares with a par value of Baht 1 per share) to accommodate the exercise of warrants (PS-WG). The Company registered the increase in the authorised share capital with the Ministry of Commerce on 19 May 2015.

Issue of ordinary shares

During the years ended 31 December 2015 and 2014, holders of warrants exercised their option to purchase ordinary shares of the Company as follows:

		Consolidated financial statements / separate financial statements	
	Exercise price per share (in Baht)	2015 (in million units)	2014
PS-WD	15.30	2.4	3.0
PS-WE	28.19	0.6	0.8
PS-WF	16.28	1.4	-
Total		4.4	3.8

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**20 Warrants***PS-WD*

At the annual general shareholders' meeting held on 22 April 2011, the shareholders passed resolutions to approve the issuance of 22 million units of warrants under the Employee Stock Option Program (ESOP) to directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries as followings:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Propose to	Directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries
Issued and allotted as at 31 December 2015	11,689,700 units (actual units granted)
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 15.30 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year (first year is 2012), the exercise rights are not to exceed 1/4 of total rights in each year for the period of 4 years. In case of partial exercise, the holders can roll over to the next period.

Measurement of fair value

The fair value of the PS-WD warrants granted was measured based on the Binomial option pricing model. Expected volatility is estimated by considering historic at average share price volatility during the period 19 April 2010 to 19 April 2012.

The inputs used in the measurement of the fair values of PS-WD warrants were as follows:

Average fair value at grant date (Baht)	3.55
Share price at grant date (Baht)	14.6
Exercise price (Baht)	15.3
Expected volatility (%)	45.0
Expected dividends (%)	3.1
Risk-free interest rate (%)	3.00-3.53
Termination rate (%)	10.0

The Company granted the rights to directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries on 19 April 2012, which is the date that the Company informed conditions and agreements of the rights to exercise options to the directors and employees.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS*PS-WE*

At the annual general shareholders' meeting held on 26 April 2013, the shareholders passed resolutions to approve the issuance of 15 million units of warrants under the Employee Stock Option Program (ESOP) to directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Propose to	Directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries
Issued and allotted as at 31 December 2015	4,838,447 units (actual units granted)
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 28.19 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year (first year is 2014), the exercise rights are not to exceed 1/4 of total rights in each year for the period of 4 years. In case of partial exercise, the holders can roll over to the next period.

Measurement of fair value

The fair value of the PS-WE warrants granted was measured based on the Binomial option pricing model. Expected volatility is estimated by considering historic at average share price volatility during the period 24 February 2009 to 25 February 2014.

The inputs used in the measurement of the fair values of PS-WE warrants were as follows:

Average fair value at grant date (Baht)	2.55
Share price at grant date (Baht)	18.8
Exercise price (Baht)	28.19
Expected volatility (%)	45.0
Expected dividends (%)	3.0
Risk-free interest rate (%)	2.27-3.09
Termination rate (%)	10.0

The Company granted the rights to directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries on 25 February 2014, which is the date that the Company informed conditions and agreements of the rights to exercise options to the directors and employees.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS*PS-WF*

At the annual general meeting of the shareholders of the Company held on 25 April 2014, the shareholders approved the issuance of 15 million units of warrants (PS-WF) to directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Exercise ratio	1 warrant to 1 ordinary share
Propose to	Directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries
Issued and allotted as at 31 December 2015	6,481,593 units (actual units granted)
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 16.28 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year (first year is 2015), the exercise rights are not to exceed 1/4 of total rights in each year for the period of 4 years. In case of partial exercise, the holders can roll over to the next period.

Measurement of fair value

The fair value of the PS-WF warrants granted was measured based on the Binomial option pricing model. Expected volatility is estimated by considering historic at average share price volatility during the period 12 February 2010 to 13 February 2015.

The inputs used in the measurement of the fair values of PS-WF warrants were as follows:

Average fair value at grant date (Baht)	16.01
Share price at grant date (Baht)	32.75
Exercise price (Baht)	16.28
Expected volatility (%)	40.00
Expected dividends (%)	2.86
Risk-free interest rate (%)	2.00-2.45
Termination rate (%)	10.0

The Company granted the rights to directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries on 13 February 2015, which is the date that the Company informed conditions and agreements of the rights to exercise options to the directors and employees.

The Thai Financial Reporting Standard 2 (TFRS2): Share-based Payment was effective for share-based payment awards granted on or after 1 January 2011. Therefore, according to TFRS2, the Company has to measure the fair value of the PS-WD, PS-WE and PS-WF Project warrants on the grant date.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Movements during the years ended 31 December 2015 and 2014 in the units warrants were as follows:

	Consolidated financial statements / separate financial statements			
	PS-WD	PS-WE	PS-WF	Total
	<i>(in million units)</i>			
At 1 January 2014	6.2	-	-	6.2
Warrants issued during the year	-	4.8	-	4.8
Warrants exercised during the year	(3.0)	(0.8)	-	(3.8)
Cancellation of warrants of resigned employees	(0.8)	(0.2)	-	(1.0)
At 31 December 2014 and 1 January 2015	2.4	3.8	-	6.2
Warrants issued during the year	-	-	6.5	6.5
Warrants exercised during the year	(2.4)	(0.6)	(1.4)	(4.4)
Cancellation of warrants of resigned employees	-	(0.1)	(0.3)	(0.4)
At 31 December 2015	-	3.1	4.8	7.9

Movements during the years ended 31 December 2015 and 2014 in the fair value of warrants were as follows:

	Consolidated financial statements / separate financial statements			
	PS-WD	PS-WE	PS-WF	Total
	<i>(in million Baht)</i>			
At 1 January 2014	18.4	-	-	18.4
Warrants granted during the year	5.0	6.8	-	11.8
Warrants exercised during the year	(10.9)	(1.7)	-	(12.6)
At 31 December 2014 and 1 January 2015	12.5	5.1	-	17.6
Warrants granted during the year	(3.0)	3.0	61.5	61.5
Warrants exercised during the year	(9.5)	(1.3)	(22.9)	(33.7)
At 31 December 2015	-	6.8	38.6	45.4

The expense recognised in respect of share-based payment transactions for the year ended 31 December 2015 was Baht 61.5 million and Baht 61.5 million (2014: Baht 11.8 million and Baht 11.8 million), for the consolidated and separate financial statements, respectively.

PS-WG

At the annual general meeting of the shareholders of the Company held on 28 April 2015, the shareholders approved the issuance of 15 million units of warrants (PS-WG) to directors (who had been allotted as the Company's management) and management of the Company and/or its subsidiaries. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 29.27 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year

As at 31 December 2015, there were no warrants (PS-WG) in issue.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**21 Reserves**

Reserves comprise:

*Appropriations of profit and/or retained earnings***Legal reserve**

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

*Other components of equity***Currency translation differences**

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Defined benefit plan actuarial differences

The defined benefit plan actuarial differences account within equity comprises the cumulative net change in actuarial assumptions.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**22 Segment information**

During the year 2015, the Group has changed the presentation and disclosure of information on operating segments because the Group has recognized its structure and management to be complied with the business plan.

The change in basis of presentation and disclosure of segment information has effect on the segment information reported in respect of the following segments:

Segment 1	SBU Townhouse:	Baan Pruksa, Pruksa Ville, The Connect, and SD3
Segment 2	SBU Condominium 1:	Condominium I, Condominium II, and Condominium IV
Segment 3	SBU Single house:	Pruksa Town, Passorn, and Pruksa Village
Segment 4	SBU Condominium 2:	Condominium III, Condominium V, and Condominium VI

The new policy has been applied retrospectively and segment information included in the financial statements for the year ended 31 December 2014, which are included in the Group's 2015 financial statements for comparative purposes, has been re-presented accordingly. The change in policy only impacts presentational aspects and has no impact on the Group's reported assets, liabilities, financial performance or earnings per share.

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Information about reportable segments:

Year ended 31 December	Segment 1		Segment 2		Segment 3		Segment 4 (in million Baht)		Total reportable segments		Others		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
External revenue	21,078	20,641	12,433	7,462	12,036	11,629	5,693	2,977	51,240	42,709	-	72	51,240	42,781
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	3,161	2,873	3,161	2,873
Other revenue	23	48	101	43	12	11	44	25	180	127	2	17	182	144
Total segment revenues	21,101	20,689	12,534	7,505	12,048	11,640	5,737	3,002	51,420	42,836	3,163	2,962	54,583	45,798
Segment profit (loss) before income tax	3,712	4,751	2,636	1,310	2,064	2,485	1,051	381	9,463	8,927	259	(38)	9,722	8,889
Segment assets as at 31 December	22,277	20,033	11,082	13,242	15,177	15,210	8,038	5,719	56,574	54,204	4,395	3,802	60,969	58,006

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS***Reconciliations of reportable segment revenues, profit or loss and assets***

	2015	2014
	<i>(in million Baht)</i>	
Revenues		
Total revenue from reportable segments	51,420	42,836
Other revenue	3,163	2,962
	<u>54,583</u>	<u>45,798</u>
Elimination of inter-segment revenue	(3,161)	(2,873)
Other unallocated amounts	16	102
Consolidated total revenue	<u>51,438</u>	<u>43,027</u>
Profit or loss		
Total profit for reportable segments	9,463	8,927
Other profit	259	(38)
	<u>9,722</u>	<u>8,889</u>
Elimination of inter-segment profits	(479)	(188)
Other unallocated amounts	225	(233)
Consolidated profit before income tax	<u>9,468</u>	<u>8,468</u>
Assets		
Total assets for reportable segments	56,574	54,204
Other assets	4,395	3,802
	<u>60,969</u>	<u>58,006</u>
Other unallocated amounts	4,340	3,023
Consolidated total assets	<u>65,309</u>	<u>61,029</u>

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Revenues		Non-current assets	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thailand	51,145	42,550	4,775	5,060
India	293	461	24	18
Maldives	-	16	1	1
Total	<u>51,438</u>	<u>43,027</u>	<u>4,800</u>	<u>5,079</u>

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**23 Selling expenses**

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Advertising expenses	1,138	1,102	926	882
Transfer expenses	1,924	1,674	1,560	1,344
Sales promotion	626	508	511	401
Public relation expenses	79	80	77	77
Total	3,767	3,364	3,074	2,704

24 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Employee benefit expenses	2,377	2,189	2,283	2,096
Allowance for impairment loss on assets	(52)	171	(53)	28
Professional fee	185	118	173	107
Rental fee	182	177	167	159
Depreciation and amortisation	112	90	109	72
Others	1,090	973	1,194	820
Total	3,894	3,718	3,873	3,282

25 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Wages and salaries	1,731	1,677	1,594	1,548
Contributions to provident fund	112	104	104	97
Others - bonus and welfare	1,504	1,334	1,393	1,221
Total	3,347	3,115	3,091	2,866

Defined benefit plan

Details of the defined benefit plan are given in note 18 to the financial statements.

Defined contribution plan

The defined contribution plan comprises provident fund established by companies in the Group for their employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates 5 - 10% of their basic salaries and by the Group at rates 5 - 10% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS**26 Expenses by nature**

The financial statements include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirement of various TFRS were as follows:

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in million Baht)</i>			
Changes in land, land and houses for sale, and real estate projects under development		1,379	(6,368)	1,617	(5,085)
Raw materials and consumables used		18,113	19,068	15,198	14,757
Employee benefit expenses	25	3,347	3,115	3,091	2,866
Depreciation and amortisation		426	349	397	303

27 Finance costs

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in million Baht)</i>			
Finance costs					
Subsidiaries	5	-	-	48	31
Financial institutions		1,039	1,124	879	955
Total		1,039	1,124	927	986
Less amounts included in the cost of qualifying assets:					
- real estate projects under development	8	(711)	(748)	(563)	(591)
Net		328	376	364	395

28 Income tax expense***Income tax recognised in profit or loss***

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in million Baht)</i>			
<i>Current tax expense</i>					
Current year		1,765	1,791	1,244	1,253
Adjustment for prior years		(59)	8	(62)	2
		1,706	1,799	1,182	1,255
<i>Deferred tax expense</i>	14				
Movements in temporary differences		92	15	94	12
		92	15	94	12
Total		1,798	1,814	1,276	1,267

Pruksa Real Estate Public Company Limited and its Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

Reconciliation of effective tax rate

	Consolidated financial statements			
	2015	2014		
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit for the year		7,670		6,654
Total income tax expense		1,798		1,814
Profit before tax		9,468		8,468
Income tax using the Thai corporation tax rate	20	1,894	20	1,694
Effect of different tax rates in foreign jurisdictions		24		23
Income not subject to tax		(41)		(46)
Expenses not deductible for tax purposes		33		49
Eliminated income		10		88
Under (over) provided in prior years		(59)		8
Double tax deductible expenses		(63)		(2)
Total	19	1,798	21	1,814

	Separate financial statements			
	2015	2014		
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit for the year		5,539		4,926
Total income tax expense		1,276		1,267
Profit before tax		6,815		6,193
Income tax using the Thai corporation tax rate	20	1,363	20	1,238
Income not subject to tax		-		(7)
Expenses not deductible for tax purposes		32		36
Over provided in prior years		(62)		2
Double tax deductible expenses		(57)		(2)
Total	19	1,276	20	1,267

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2015	2014				
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	(in million Baht)					
Foreign currency translation differences for foreign operations	61	(12)	49	(17)	3	(14)
Defined benefit plan actuarial differences	-	-	-	(70)	14	(56)
Total	61	(12)	49	(87)	17	(70)

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	Separate financial statements					
	Before tax	2015 Tax (expense) benefit	Net of tax (in million Baht)	Before tax	2014 Tax (expense) benefit	Net of tax
Defined benefit plan actuarial differences	-	-	-	(66)	13	(53)

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction of the corporate income tax rate to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the statutory corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Group has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

29 Promotional privileges

By virtue of the provisions of the Investment Promotion Act of B.E. 2520, the Group has been granted privileges by the Board of Investment relating to developing a housing project for persons who have low or middle income (where the usable area in each unit shall not be less than 31 square meters and the contracted sale amount is less than Baht 600,000).

On 10 June 2009, the Board of Investment added a new condition in respect to pricing for projects located in zone 1 requiring that any apartment building must have area per unit of at least 28 square meters and with a maximum selling price of Baht 1 million (including land cost) and any town house or detached house, area per unit must not be less than 70 square meters with a maximum selling price of Baht 1.2 million (including land cost).

The principal privilege is the exemption from corporate income tax for a period of 5 years from the start of business operations related to these privileges.

As promoted companies, the Company and its subsidiaries must comply with certain terms and conditions prescribed in the promotional certificates.

30 Earnings per share*Basic earnings per share*

The calculations of basic earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

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	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	<u>7,680.36</u>	<u>6,654.52</u>	<u>5,539.29</u>	<u>4,925.87</u>
Number of ordinary shares at 1 January	2,226.68	2,222.83	2,226.68	2,222.83
Effect of shares issued :				
On 28 February 2014	-	0.82	-	0.82
On 31 May 2014	-	0.24	-	0.24
On 29 August 2014	-	0.81	-	0.81
On 28 November 2014	-	0.01	-	0.01
On 27 February 2015	3.43	-	3.43	-
On 29 May 2015	0.01	-	0.01	-
On 31 August 2015	0.04	-	0.04	-
On 30 November 2015	0.02	-	0.02	-
Weighted average number of ordinary shares outstanding (basic)	<u>2,230.18</u>	<u>2,224.71</u>	<u>2,230.18</u>	<u>2,224.71</u>
Earnings per share (basic) <i>(in Baht)</i>	<u>3.44</u>	<u>2.99</u>	<u>2.48</u>	<u>2.21</u>

Diluted earnings per share

The calculations of diluted earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (diluted)	<u>7,680.36</u>	<u>6,654.52</u>	<u>5,539.29</u>	<u>4,925.87</u>
Weighted average number of ordinary shares outstanding (basic)	2,230.18	2,224.71	2,230.18	2,224.71
Effect of exercise of share options	0.22	1.35	0.22	1.35
Weighted average number of ordinary shares outstanding (diluted)	<u>2,230.40</u>	<u>2,226.06</u>	<u>2,230.40</u>	<u>2,226.06</u>
Earnings per share (diluted) <i>(in Baht)</i>	<u>3.44</u>	<u>2.99</u>	<u>2.48</u>	<u>2.21</u>

The Company did not adjust the effect of exercise of share options in some project warrants to calculate diluted earnings per share, which is PS-WE and PS-WF project warrants for the year ended 31 December 2015 and PS-WE project warrants for the year ended 31 December 2014 because the Company's warrant's exercise price per unit was higher than the average market price for the year.

31 Dividends

At the meeting of the Board of Directors of the Company held on 22 September 2015, the Board of Directors approved the appropriation of interim dividend of Baht 0.50 per share, amounting to Baht 1,115 million. The dividend was paid to shareholders on 21 October 2015.

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At the annual general meeting of the shareholders of the Company held on 28 April 2015, the shareholders approved the appropriation of dividend of Baht 1.00 per share, amounting to Baht 2,231 million. The dividend was paid to shareholders on 15 May 2015.

At the annual general meeting of the shareholders of the Company held on 25 April 2014, the shareholders approved the appropriation of dividend of Baht 0.85 per share, amounting to Baht 1,890 million. The dividend was paid to shareholders on 15 May 2014.

32 Financial instruments***Financial risk management policies***

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The primary objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure. In addition, the Group has to maintain interest-bearing liabilities to equity ratio as stipulated in loan facility and debentures agreements, and requires to have debenture credit rating by qualified credit rating institutions.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its borrowings (note 15). The Group does not use derivative financial instrument to manage exposure to fluctuations in interest rates on specific borrowings. Interest rate from borrowings is according to market interest rates.

Foreign currency risk

The Group has risk from foreign currency as stated in related notes to financial statements. Management believes that the Group has minimal currency exchange rate risk. However, the Group enters into forward exchange rate contracts to hedge risks from purchasing machinery in foreign currency.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

The Group uses the following methods and assumptions in estimating the fair values of financial instruments.

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Cash and cash equivalents, and receivables and payables approximate their fair values due to the relative short-term maturity of these financial instruments.

Current investments is investments in mutual funds, classified as available-for-sale investments, are stated at fair value which is determined as the net asset value announced by asset management company at the reporting date. The fair value measurement is determined to be level 2 of the fair value hierarchy.

Bank overdrafts and short-term loans approximate their fair values because these financial instruments bear interest at market rates.

Fair values of long-term financial liabilities, together with the carrying values shown in the consolidated and separate statements of financial position at 31 December were as follows:

	Carrying amount	Consolidated financial statements/ Separate financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
		<i>(in million Baht)</i>			
31 December 2015					
Payables for purchase of land	4,782	-	4,782	-	4,782
Debentures	20,000	-	20,441	-	20,441
31 December 2014					
Debentures	20,000	-	20,381	-	20,381

The fair value of long-term financial liabilities is calculated based on the present value of future principal and interest cash flows discounted at the market rate of interest for similar liabilities at the reporting date.

The Group has an established control framework with respect to the measurement of fair values. This framework includes a valuation team that reports directly to the Chief Financial Officer, and has overall responsibility for all significant fair value measurements.

The management and valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the management and valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy the resulting fair value estimate should be classified.

Significant valuation issues are reported to the Group Audit Committee.

33 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Office building operating lease commitments				
Within one year	33	81	29	76
After one year but within five years	-	46	-	42
Total	33	127	29	118

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	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>Other operating lease commitments</i>				
Within one year	88	69	65	63
After one year but within five years	18	51	15	49
Total	106	120	80	112
<i>Other commitments</i>				
Land purchasing agreements	4,858	2,815	4,858	2,815
Development and construction agreements	2,136	2,366	1,748	2,003
Services and professional consulting agreements	231	41	231	41
Forward contracts	1	79	1	79
Machinery purchasing agreements	1	81	1	81
Total	7,227	5,382	6,839	5,019

Others

As at 31 December 2015;

- (a) The Company and the Group had commitment for letters of guarantee issued by certain local banks totaling Baht 5,061 million and Baht 5,918 million (2014: Baht 5,060 million and Baht 6,367 million), respectively.
- (b) The Company had commitment with the banks as a guarantor of overdraft lines of Baht 115 million (2014: Baht 115 million), letters of guarantee lines of Baht 9,143 million (2014: Baht 6,907 million), promissory note lines of Baht 8,275 million (2014: Baht 8,415 million) and other credit facilities of Baht 520 million (2014: Baht 520 million) of the subsidiaries.

34 Contingent liability

At 31 December 2015, the Company and its subsidiaries have been sued by other companies and persons in cases of alleged violation of agreements, prosecution claims and other cases totaling Baht 363 million (2014: Baht 369 million). Presently, the cases are being considered by the court. However, the Group has set aside provision of Baht 144 million (2014: Baht 140 million) for liabilities that may arise as a result of these cases, based on the opinion of their management and legal department.

35 Events after the reporting period

At the Board of Directors' meeting held on 19 February 2016, the Board passed a resolution for the following topics;

- (a) Approval of dividend payment for 2015 at the rate of Baht 1.75 per share, of which Baht 0.50 per share was paid as an interim dividend. Therefore, the remaining dividend to be paid for the year 2015 is Baht 1.25 per share.
- (b) Approval of the reduction in the Company's authorised share capital by Baht 12,091,200, from Baht 2,285,298,800 to Baht 2,273,207,600, by canceling 12,091,200 ordinary shares, with a par value of Baht 1 each, which were reserved to accommodate the exercise of warrants No. 4 (PS-WD) issued to the Company's and/or its subsidiaries' directors and executives since currently such warrants No. 4 (PS-WD) were fully exercised and will be expired on 18 April 2016.

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- (c) Approval of the restructuring plan and other proceedings related thereto
- To consider and approve the shareholder restructuring and management.
 - To consider and approve the establishment of the holding company to accommodate the Restructuring Plan including listing the holding company to be listed on the Stock Exchange of Thailand.
 - To consider and approve the delisting of the Company's shares from listed securities on the Stock Exchange of Thailand to be in line with the Restructuring Plan.
 - To consider and approve of the revocation of the issuance and offering for sale of warrants on common shares No. 5 (PS-WE), No. 6 (PS-WF), and No. 7 (PS-WG) that were issued to the Company's and/or its subsidiaries' directors and executives and remain unexercised after the exercise date in February 2016.
 - To consider and approve the reduction in the Company's authorised share capital by means of cancelling ordinary shares, with a par value of Baht 1 each, which were reserved to accommodate the exercise of warrants No. 5 (PS-WE), No. 6 (PS-WF) and No. 7 (PS-WG) issued to the Company's and/or its subsidiaries' directors and executives.
 - To consider and approve the amendment of the articles of association of the Company to be in accordance with the Restructuring Plan.
- (d) Approval of the issue of a financial debt instrument as appropriate within the credit line of Baht 7,000 million with a contractual maturity within 7 years.

In order that those topics depend on the resolution of 2016 Annual General Meeting of the Shareholders of the Company on 28 April 2016. If the shareholders approve, the Company will perform the relevant steps.

36 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2016, are set out below. The Group does not plan to adopt these TFRS early.

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

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TFRS	Topic
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures
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
TFRS 2 (revised 2015)	Share-based Payment
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 15 (revised 2015)	Operating Leases - Incentives
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining whether an Arrangement contains a Lease
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 21	Levies

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

