







## GROWING DIVERSITY

20 residential property projects, 248,700 sq. m. of commercial property, and 3,393 hotel rooms—these speak volumes for Singha Estate's diversity stemming from relentless growth. It's our attention to details for meticulous project development that is behind our burgeoning businesses. Armed with good governance and due regard for a fine quality of life and the environment, we're laying a firm foundation for delivery of excellent values. For it is sustainable balance and growth that we're pursuing.



SCOTLAND



ENGLAND



SINGHA ESTATE





Bangkok

THAILAND

Koh Samui

Koh Phi Phi

MALDIVES



ENGLAND

SCOTLAND

### HOTEL (22)

Mercure Bolton Georgian House	Mercure London Watford
Mercure Bradford Bankfield	Mercure Maidstone Great Danes
Mercure Brighton Seafront	Mercure Manchester Piccadilly
Mercure Bristol North, The Grange	Mercure Newbury Elcot Park
Mercure Burton-on-Trent, Newton Park	Mercure Norwich
Mercure Chester East	Mercure Swansea
Mercure Gloucester, Bowden Hall	Mercure Tunbridge Wells
Mercure Hull Grange Park	Mercure Wetherby
Mercure Kidderminster	Mercure York, Fairfield Manor
Mercure Leeds Parkway	Mercure Sheffield Parkway
Mercure Leicester The Grand	Holiday Inn Darlington North

### HOTEL (7)

Mercure Ayr
Mercure Edinburgh City - Princess Street
Mercure Glasgow City
Mercure Inverness
Mercure Livingston
Mercure Perth
Holiday Inn Dumfries



SINGHA ESTATE

● Location

● Assets in operation

○ Project under development



○ ● MALDIVES

## THAILAND

- ● Bangkok
- Koh Phi Phi
- Koh Samui

### RESIDENTIAL PROPERTY BUSINESS

The ESSE Asoke  
The ESSE at Singha Complex  
The ESSE Sukhumvit 36  
Santiburi The Residences

### COMMERCIAL PROPERTY BUSINESS

The Lighthouse  
Suntowers Complex

### HOTEL BUSINESS

Santiburi Beach  
Resort and Spa  
Phi Phi Island  
Village Beach Resort

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Thanks to Singha Estate's business acumen and skills, we've successfully reached out to Europe and other leading global locations. To us, countless current business opportunities—and those of future businesses—lie across the borders. Our ultimate aim is to establish business security in tandem with sustainable growth.

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# FINANCIAL HIGHLIGHTS

	2015	2016	2017
<b>Consolidated Financial Results (Bt.mn)</b>			
<b>Total Revenues <sup>1</sup></b>	2,149	3,233	<b>5,858</b>
Residential property	1,175	1,563	2,388
Single-detached house, townhome and homeoffice	1,126	1,259	1,934
Condominium	49	0	0
Home building services	0	304	454
Commercial property	240	578	2,114
Hotel	734	968	1,074
Construction materials	0	0	173
Other business	0	125	109
<b>Gross profit</b>	743	1,311	<b>2,434</b>
<b>Earning before financial costs and taxes</b>	(55)	219	<b>859</b>
<b>Net profit (loss) <sup>2</sup></b>	(248)	170	<b>572</b>
<b>Earnings per share <sup>2</sup> (Baht)</b>	(0.050)	0.028	<b>0.086</b>

Remark: <sup>1</sup> Excludes other income.

<sup>2</sup> For the year attributable to ordinary shareholders of the Company

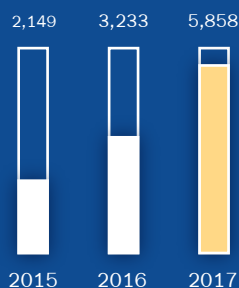
## Consolidated Statement of Financial Position (Bt.mn)

Total assets	25,308	30,592	40,910
Total liabilities	13,377	15,096	21,815
Net interest-bearing debt	11,447	11,415	16,067
Total shareholders' equity	11,930	15,496	19,096
Retained earning	1,625	1,796	2,389
Issued and paid-up share capital	5,715	6,454	6,854
Total number of shares (million shares)	5,715	6,454	6,854

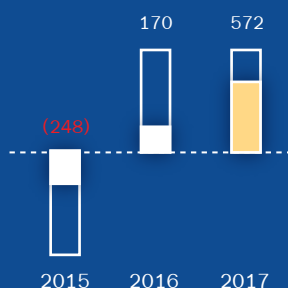
## Key Financial Ratio

Net interest-bearing debt / Total equity	Times	0.88	0.60	0.40
Gross profit margin	%	34.57	40.55	41.55
Net profit margin	%	(11.54)	5.26	9.76
Return on assets	%	(1.36)	0.61	1.60
Return on equity	%	(2.60)	1.24	3.31
Earnings per share	Baht	(0.050)	0.028	0.086

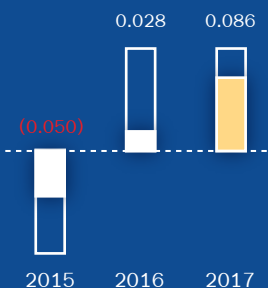
#### CONSOLIDATED TOTAL REVENUES<sup>1</sup> (Bt.mn)



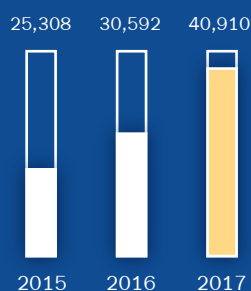
#### CONSOLIDATED NET PROFIT (LOSS)<sup>2</sup> (Bt.mn)



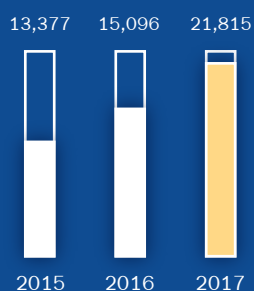
#### EARNINGS PER SHARE<sup>2</sup> (Baht)



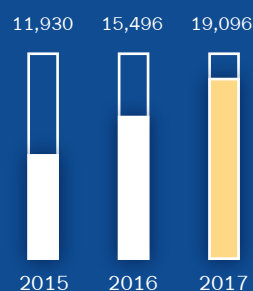
#### TOTAL ASSETS (Bt.mn)



#### TOTAL LIABILITIES (Bt. mn)



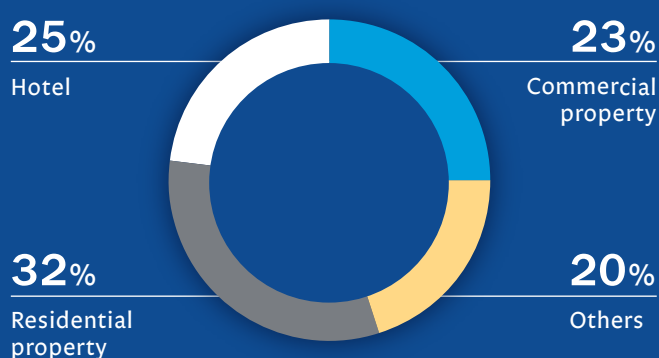
#### TOTAL SHAREHOLDERS' EQUITY (Bt.mn)



#### 2017 REVENUES BREAKDOWN BY BUSINESS<sup>3</sup>



#### 2017 ASSETS BREAKDOWN BY BUSINESS



<sup>3</sup> Includes other income, gain from fair value adjustment, and share of profit from investment in a joint venture.

## MESSAGE FROM THE CHAIRMAN



A handwritten signature in black ink, appearing to read 'Chutinant Bhirombhakdi'.

Mr. Chutinant Bhirombhakdi  
Chairman

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Dear Shareholders,

With great pleasure, I wish to inform you that this year Singha Estate Public Company Limited posted leapfrogging revenue and profit, with a 236% higher net profit than last year. Thanks to an explicit vision and strategic plan, we have achieved concrete growth in every aspect, whether asset, financial, or geographical reach-out. Such remarkable performance underscores the total commitment by the Board, the management, and all employees to taking Singha Estate closer to the ultimate goal: To achieve sustainable growth and deliver sustainable values to all stakeholders.

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### Concrete, Robust Growth

Since the dawn of our business integration in 2014, all business elements have posted steady, relentless growth here and abroad. This year our new development highlights included:

- Two condominium projects. First, **The ESSE Sukhumvit 36**, a super-luxury condominium project at the entrance to Sukhumvit Soi 36 (next to BTS Thong Lor Station), a joint venture with HKL (Thai Developments) Ltd. (a subsidiary of Hongkong Land Holdings Ltd., a world-class property developer). Second, **The ESSE at Singha Complex**, a luxury condominium project at the corner of Asoke-Montri and Phetchaburi Roads.
- Preparation for an investment in Phase 1 of the tourist facilities development project on Emboodhoo Lagoon, Republic of Maldives - commonly known as the Crossroads Project. We regard this as our international showcase project, which would pave the way for our future growth.

Besides, we have grown our residential property business by investing in Nirvana Daii Public Company Limited (“NVD”), previously known as the Daii Group Public Company Limited - a manufacturer and distributor of pre-fabricated concrete and fence products and home builder. Today our interest in NVD totals 51%. Apart from growing our house building capacity to meet our future projects, this investment supports the development of Crossroads Project, which also benefits our Group as a whole.

We are determined to make strides to grow our business in the country and worldwide, in various forms - hotels, offices, retail/shopping centers, and residential - with a focus on mutual business promotion and benefits. The ultimate aim is to address unique and challenging needs and expectations for Singha Estate’s robust, sustainable growth.

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### Morality-led Corporation

The Board values business growth marked by morality. That is why we have advocated to all our employees business performance that conforms to the principle of transparent and fair treatment of all stakeholders with good governance. At the same time, the Board values collaboration for mutual benefit to enhance Singha Estate’s strength and common growth in a sustainable way. We therefore defined commercial agreement principles under general commercial terms for transactions between Singha Estate or its subsidiaries, or both, and directors, the management, or related parties. This arm’s length principle not only frames and guides connected transactions’ transparency and sensibility in the best interests of Singha Estate, but also conforms to good governance.

### Sustainable Development

To enable our sustainable development endeavors to systematically and clearly proceed, the Board has appointed a Sustainable Development Committee to take full charge of this specific matter. The committee has not only defined a policy, strategies, operating scope, and goals for Singha Estate’s sustainable development, but also mapped out the Company’s approach for branding and communication of sustainable development so that Singha Estate may best meet its goals in delivering sustainable values to all shareholders and stakeholders.

May I take this opportunity to express my heartfelt thanks to all related parties for placing their trust in and support to Singha Estate’s business all along. On behalf of the Board, I pledge to lead Singha Estate’s efforts in fulfilling our goals with good governance while remaining committed to business execution for continued, sustainable growth in the long term.

February 21, 2018

## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



A handwritten signature in black ink, appearing to read 'N. Cheyklin'.

Naris Cheyklin  
Chief Executive Officer

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### Dear Shareholders,

Singha Estate Public Company Limited was in its fourth year of operations this year. For the past four years, our missions have proceeded smoothly. We have overcome numerous challenges concerning the formulation of a good infrastructure, corporate restructuring, fund mobilization, and business growth to strengthen Singha Estate in parallel with creating sustainable, decent returns for the shareholders. The dedication of everyone, coupled with disciplined business management, has begun to bear fruit, evident in this year's performance outcomes featuring 81% growth in total revenue and 236% growth in net profit.

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### Pivotal Missions of 2017

We ushered in the year with a crucial mission carried over from last year: listing on the mai bourse through the backdoor listing of the single detached house business under the operation of Nirvana Development Co., Ltd. (“Nirvana”), a 51%-owned subsidiary. This was achieved through a swap of Nirvana’s shares and Singha Estate’s land plots with the newly issued ordinary shares of mai-listed Daii Group Public Company Limited (DAII), producer and distributor of pre-fabricated fences and concrete products and home builder. Such business extension and synergy derived from this acquisition have begun showing healthy outcomes. Today, DAII has been renamed Nirvana Daii Public Company Limited (“Nirvana Daii”), a 52%-owned member of the group <sup>1</sup>.

This year’s business growth remained under the main strategic scope of “Best-in-Class” quality project development, investment/joint investment, and mergers and acquisitions (M&As) at home and abroad in parallel with value enhancement. We launched two high-end condominium projects. First, The ESSE at Singha Complex, a luxury condominium project at the corner of Asoke Montri and Phetchaburi Roads, which at the year-end posted 91% in sales progress. Second, a November launch of The ESSE Sukhumvit 36, a super-luxury condominium project at the entrance to Sukhumvit Soi 36 (next to Thong Lor BTS Station). This maiden joint venture with world-class property developer Hongkong Land Holdings Ltd. boasted 46% sales progress at the year-end.

Another milestone for 2017 was fund mobilization for business growth, one of our major challenges marking the very first time we had mobilized funds from institutional investors so as to mainly invest in our inaugural project in the Republic of Maldives—a tourist facilities development

project on Emboodhoo Lagoon—as called for by a shareholders’ resolution at the 2017 AGM. Due to the reputation and support of Boonrawd Brewery Co., Ltd., the major shareholder, and the dedication of the management and employees in charge, this proved a resounding success. In July, we engaged in private placement of 400 million shares worth 1.664 billion baht in parallel with the issuance and offering of convertible bonds (US\$ currency, SGX listed, 2% p.a. coupon, 5-year maturity) worth 180 million US dollars to foreign institutional investors.

### Steady Asset Growth

Besides these missions, this year saw Singha Estate engage in ongoing business growth through value enhancement. After investing in the massive Suntowers office complex project in 2015 through an entire business transfer, we renovated the common areas of the office buildings and upgraded the project’s retail space by constructing a two-storey building that houses a food center, retail outlets, and a supermarket collectively known as the Sun Plaza, which was launched in June. A separate, five-storey car park structure began serving office workers in the vicinity in early 2018.

Similarly, the hotel business posted remarkable growth. After supplementing ongoing value to Phi Phi Island Village Beach Resort (Phi Phi Village) in 2015-2016 through the expansion of rooms, renovation, and upgrading of existing rooms, this year Singha Estate expanded the number of rooms at Santiburi Beach Resort and Spa (Santiburi) in the form of pool villas catering to new groups of tourists. This extension is expected to begin its service in November 2018.

### Year’s Performance

Disciplined investment over the last four years has yielded concrete results. Once the Singha Complex Project began

<sup>1</sup> Shareholding as at December 31, 2017.

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handing over areas to the major customers/tenants—the first greenfield development where Singha Estate started booking revenue—our consolidated revenue took an 81% leap over last year, whereas our net profit surged all the way up to 236%. Still, the mainstay business for core income is the residential property business, which grew 53% over last year, with the improving Nirvana Daii’s performance after the acquisition. Note that this revenue excludes condominiums under development. By year-end 2018, The ESSE Asoke, a 4.9-billion-baht project with 76% in sales progress, and the Banyan Tree Residence Riverside Bangkok<sup>2</sup>, a 6.5-billion-baht project with 63% in sales progress—both high-end condominiums—are due to transfer condominium ownership to customers and book revenue in stages.

The office-building business continued generating steady revenue. This year we noted a mild rise in income, excluding that from transferring the Singha Complex Project areas, as a result of a hike in Suntowers Complex rent. Likewise, the hotel business saw vigorous performance by Phi Phi Village after the renovation and expansion of rooms, which effectively offset Santiburi’s extension construction work impact. As a whole, the hotel business posted an 11% surge in total income. Furthermore, the hotel business in the UK continued its constant-growing performance.

Excluding the income derived from the handover of the Singha Complex Project, a non-recurring income, we made a relatively low net profit, due naturally to the initially high expenditure, typical of residences for sale, because their income can be booked only until the completion of construction and ownership transfer. By the same token, M&As generally incur high investigation expenses and transaction engagement, whereas income and returns come in stages only later. Though this situation could hurt our short-term performance, we are confident that, in the long term, it will certainly benefit Singha Estate and its shareholders.

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<sup>2</sup> Under Nirvana River Co., Ltd., a 36%-owned indirect subsidiary at the year-end

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### Firm Foundation Laid for Sustainable Growth

Moving into our fifth year of operations with over 40 billion baht in assets, Singha Estate is still in its infant years. Given its growth strategy of investment, joint ventures, and M&As, we do need a strong foundation as well as a focus on development of critical matters like an internal control system and risk management. One indispensable element of success is personnel development to accommodate swift growth and change. This year we therefore paid extra attention to personnel matters—development of skills, competencies, and leadership for all employees—in tandem with the cultivation of corporate values (PRIDE: partnership, refined, integrity, dynamic, and entrepreneurship) and support to assorted activities to turn Singha Estate into a happy workplace, filled with employee engagement and work attractiveness.

On behalf of the management, may I also express my profound gratitude to the shareholders, joint-venture partners, business partners, customers, employees, and all related parties, as well as local and international financial institutions. Your trust and support are indeed instrumental. I do hope that the dedication of all of us at Singha Estate to contribute secure, sustainable growth will also generate pride and sustainable value among all stakeholders and ultimately take Singha Estate ever closer to international property business leadership.

February 21, 2018





# REPORT OF THE AUDIT COMMITTEE

## Dear Shareholders,

The Audit Committee of Singha Estate Public Company Limited consists of three independent directors who are knowledgeable with experience in law, accounting, finance, and organizational management together with sufficient expertise and experience in reviewing the credibility of financial statements.

This year the committee held five meetings. Below are the members' names and attendance records:

Name	Position	Actual / total attendance (times)
1. Ms. Napaporn Landy	Chair	5/5
2. Mr. Karoon Nuntileepong	Member	5/5
3. Mr. Petipong Pungbun Na Ayudhya*	Member	2/2
4. Mr. Charamporn Jotikasthira*	Member	3/3

\* Mr. Charamporn Jotikasthira was appointed by the Board as an independent director and Audit Committee member, replacing Mr. Petipong Pungbun Na Ayudhya, with effect from June 7, 2017.

The committee executed its Board-assigned tasks, in compliance with company regulations, and under its charter, which aligned with the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), with a focus on compliance with good Corporate governance and on the existence of an effective internal audit system. For its performance efficiency, the committee consulted the management, Internal Auditor, and the external auditor in their deliberation of key matters with independence. It also invited other members of the management for counseling in relevant aspects. For all these, it reported to the Board of Directors each time. Below are the highlights of their performance and recommendations this year:

### 1 Review of financial statements

The committee reviewed Singha Estate's quarterly and annual financial statements, consolidated financial statements, accounting policy, and significant financial reports with the management, Internal Auditor, and the external auditor. It also held a meeting in the absence of the management to share ideas, acknowledge key observations and recommendations from the external auditor, while preparing Singha Estate

for the amended accounting policy in a timely way. The resulting financial statements are therefore accurate and credible, and disclose useful information to their users before their submission to the Board.

The committee regards these reports for this fiscal year as properly and thoroughly prepared under generally accepted accounting principles. Information disclosure contained enough material information in the notes to the financial statements, with data that prove helpful to the shareholders and investors at large.

### 2 Sufficiency of the internal control system and oversight of internal audit

The committee reviewed the sufficiency of Singha Estate's internal control system by examining the internal audit report and the internal control assessment findings, while monitoring internal audit outcomes with the management, the external auditor, and the Internal Audit office every quarter. The committee considers Singha Estate's internal control system adequate, suitable, and without material issues.

To elaborate, the committee reviewed and approved the 2017 internal audit plan, prepared in view of enterprise risk assessment outcomes. It advised Internal Auditor so as to ensure that its annual plan embraces its core mission, job scope, responsibilities, and auditor independence. The committee's view is that the Internal Audit office's overall performance was satisfactorily independent, efficient, and effective.

### 3 Related transactions or transactions with potential conflicts of interest

Each quarter, the committee reviewed related transactions or those with potential conflicts of interest for propriety and compliance with SET's announcements, requirements, and applicable guidelines. Its view is that these represented commercial transactions engaged with arm's length terms, sensibility, and fairness as well as transactions in Singha Estate's best interests. Information disclosure was found adequate and complied with the rules and regulations of SET and SEC.

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#### **4 Risk management review**

Each quarter, the committee acknowledged Singha Estate's risk management policy, plans, and actions on internal and external risks through meetings with the management and Singha Estate's Risk Management department. Singha Estate values and recognizes the need to prepare for potential crises, which is why it mapped out a Business Continuity Management System, designed to enable Singha Estate to proceed uninterrupted, protect its reputation, achieve its growth goals, and deliver sustainable values to all stakeholders as envisioned by Singha Estate.

#### **5 Corporate governance review**

Having reviewed Singha Estate's compliance with its code of conduct and corporate governance, the committee found that the directors and employees had strictly complied with defined principles. The committee relentlessly promoted all employees' awareness of ethics and morality so as to forge good governance in line with SET's principles and ensure transparency and ethics, which would in turn bolster confidence among the shareholders, investors, customers, business partners, and all related parties.

#### **6 Compliance with securities and exchange laws, SET's requirements, and laws related to Singha Estate's businesses**

The committee reviewed Singha Estate's compliance with securities and exchange laws, SET's requirements, and laws related to its businesses, while regularly monitoring the management's approach to correction and improvement. Its view is that Singha Estate had indeed commanded compliance with them.

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#### **7 Selection and nomination of the external auditor and its fees**

Having assessed the independence, skills, competency, and performance of the external auditor for its fees this fiscal year, the committee has selected and nominated a qualified external auditor along with its audit fees. In view of the overall satisfactory performance with independence, it proposes that the Board should consider appointing PriceWaterhouseCoopers ABAS Ltd. and its fees before tabling this firm for this year's shareholders' meeting.

#### **Overall opinion and observations based on performance against the charter**

In summary, the Audit Committee assessed its own overall group performance this year. It sufficiently and thoroughly executed its charter-stated tasks approved by the Board. To this end, it applied adequate competency, care, prudence, and independence for equitable benefit to all stakeholders. Its overall opinion is that the financial reports are accurate, complete, credible, and developed under generally accepted accounting practices. Singha Estate commands a suitable, effective internal control system together with internal audit; sufficient risk management; and practices aligning with good governance. Finally, Singha Estate's business aligned with securities and exchange laws, SET's requirements, and other applicable laws.

February 14, 2018



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(Ms. Napaporn Landy)  
Chair, Audit Committee

# REPORT OF THE RISK MANAGEMENT COMMITTEE

## Dear Shareholders,

Singha Estate's Risk Management Committee is made up of three knowledgeable and competent experts in risk management. On June 7, 2017, the Board meeting no. 5/2017 reviewed the composition of sub-committees by considering the qualifications, knowledge, experience, dedication of time, and checks and balances in implementation. With unanimous resolution to restructure all sub-committees, the Board therefore appointed Mr. Charamporn Jotikasthira as Chairman of the Risk Management Committee to replace Mrs. Napaporn Landy.

### As of February 20, 2018, the committee consisted of

1. Mr. Charamporn Jotikasthira	Chair (Independent Director)
2. Mr. Petipong Pungbun Na Ayudhya	Member (Independent Director)
3. Mr. Naris Cheyklin	Member

This year the committee held five meetings, highlighted below:

1. Reviewed and provided comments on this year's risks, followed up the progress of risk management plan, and reported key risk management outcomes for the Board's acknowledgment.
2. Provided recommendations on risk assessment of Tourist Facilities Development Project ("Crossroads Project") on Emboodhoo Lagoon, Republic of Maldives, to ensure that key risk factors were considered, risk management plan was appropriate, the progress of plan was tracked, and the result was reported for the Board's acknowledgement.

3. Reviewed the corporate's risk management policy, risk appetite, and risk management framework to ensure that these are well-suited for each situation and potential risks that the Company may potentially have to face.
4. Constantly promoted the nurturing of corporate risk management by advocating education for all executives.
5. Regularly communicated and shared data about risks and internal control with the Audit Committee.
6. Assessed its own performance as a group and tabled the findings for the Board's acknowledgment.

In summary, the Risk Management Committee executed all its duties against the scope and Board assigned duties and responsibility to ensure efficient corporate risk management, which leads Singha Estate toward achievement of its objectives and goals while supplementing sustainable value for the shareholders and stakeholders over the long run.

February 20, 2018



(Mr. Charamporn Jotikasthira)  
Chairman, Risk Management Committee



# REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

## Dear Shareholders,

The Board of Directors of Singha Estate Public Company Limited appointed the Nomination and Remuneration Committee (“NRC”) to be responsible for devising the criteria and processes for nominating qualified directors; nominating directors under such processes; and reviewing the remuneration criteria and formats for directors and the CEO in line with the corporate governance practices of listed companies. The Board also approved the NRC Charter to outline its scope of duties and clearly define the composition and qualifications of its members. The committee is made up of at least three directors who are neither the Board Chairman nor the CEO, with independent directors numbering no less than one half of its members. The members must be knowledgeable, competent, and experienced in fields useful to its performance. Equally important, they must be able to devote adequate time to the performance of their duties to ensure goal achievement.

### The current Nomination and Remuneration Committee is made up of

- |  |                                  |
|--|----------------------------------|
| 1. Mr. Chayanin Debhakam, D.B.A.           | Chair                            |
| 2. Mr. Karoon Nuntileepong                 | Member<br>(Independent Director) |
| 3. Asst. Prof. Thanavath Phonvichai, Ph.D. | Member<br>(Independent Director) |

## Highlights of 2017

This year the committee met four times to discuss relevant matters and execute its charter duties, including the duties assigned by the Board and/or shareholders, as follows:

1. Considered the performance outcomes of the Board and sub-committees.
2. Reviewed the performance assessment forms for the Board and sub-committees for 2016 and 2017.
3. Reviewed its own performance outcomes for 2016.
4. Set directors' remuneration for 2017 for the Board's endorsement before tabling to the 2017 AGM for approval.
5. Selected and nominated directors replacing those who had completed their terms in 2017.
6. Nominated directors, for the Board's appointment replacing those who had resigned.
7. Reviewed the structures and compositions of the Board and sub-committees to secure approval from the Board.
8. Assessed the CEO's performance outcomes for 2016.
9. Set the CEO's remuneration for 2017.
10. Considered the rights of directors who resigned in 2017 regarding the exercise of 'Warrants to Purchase the Company's Ordinary Shares to be Issued and Offered for Sale to the Directors and Employees of the Company and/or its Subsidiaries No. 1' (ESOP-Warrant-1).
11. Considered and approved the allocation of 'Warrants to Purchase the Company's Ordinary Shares to be Issued and Offered for Sale to the Directors and Employees of the Company and/or its Subsidiaries No. 2' (ESOP-Warrant-2) to directors and the CEO.
12. Collaborated with the Human Capital Vice President in considering the suitability of the CEO succession plan.
13. Reviewed and endorsed an amendment to the Board's charter for the Board's approval and enforcement.
14. Advocated Singha Estate's provision of opportunities, through the Company's website, for all shareholders to nominate agenda items and directors for election three months before the 2018 AGM (from October 1, 2017 to January 31, 2018).

February 9, 2018



(Mr. Chayanin Debhakam, D.B.A.)  
Chair, Nomination and Remuneration Committee

# REPORT OF THE SUSTAINABLE DEVELOPMENT COMMITTEE

## Dear Shareholders,

The Board of Directors appointed the Sustainable Development Committee ("SD Committee") to oversee Singha Estate's sustainable development to ensure that it conformed to the business directions, policies and strategy, integrated the framework, and incorporated sustainability into it. Furthermore, the guidelines for creating sustainable development were clearly put in place. With all these factors, Singha Estate can deliver sustainable value to all shareholders and stakeholders. In addition, the Board approved the charter of the SD Committee as the operational framework. The Board also specified the composition and qualifications of the SD Committee, which consists of no fewer than three members. The Chairman of this committee must not be the Chairman of the Board or the Chief Executive Officer. The members must not only have the knowledge, ability and experience beneficial for their duties, but also dedicate enough time to perform their duties and make sure that the committee's operations achieve its goals.

### The current SD Committee comprises:

1. Mr. Petipong Pungbun Na Ayudhya	Chair (Independent Director)
2. Mr. Chayanin Debhakam, D.B.A.	Member
3. Mr. Nutchdhawattana Silpavittayakul	Member
4. Mr. Naris Cheyklin	Member

## Performance in 2017

In 2017, the SD Committee set up two meetings, with all members attending and performing the following duties as stipulated in the charter:

1. Defining policies, strategies and the framework of sustainable development to create sustainability of the economy, society and the environment. This includes approving sustainable development goals under the framework of the UN Sustainable Development Goal as well as Singha Estate's action plans.
2. Setting these focused sustainable development matters and considering implementation guidelines:
  - 2.1 Business Sustainability: Singha Estate must focus on considering property business trends and megatrends, such as digital disruption and innovation.
  - 2.2 Corporate Image Sustainability: Singha Estate must focus on becoming a social enterprise, which will enable long-term project implementation. It must also create an effective communication method to forge customers' and stakeholders' awareness of its sustainable development, leading to value co-creation in the long run.
  - 2.3 Corporate Governance: Singha Estate must focus on setting clear corporate governance guidelines and communicating this matter with stakeholders to ensure effective implementation.

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3. Endorsing the direction of brand building and communication on sustainability development. Singha Estate applies the royal principle of "Understand, Access, and Develop" and the Sufficiency Economy philosophy of His Majesty the late King Bhumibol Adulyadej as a guideline for its positioning as a "developer".
  4. Giving sustainable development advice, which focuses on proactive implementation, to major projects such as the Maldives project. It pays attention to socio-geography, race, religion, history, culture as well as natural resources and environment of Maldives. The project was not only designed to facilitate the disabled and the elderly, but also applied environmental-saving innovations such as water saving and electricity-saving as well as waste and wastewater management.
  5. Organizing a knowledge-sharing session with an expert on digital disruption and innovation. Colonel Settapong Malisuwan, Ph.D., Chairman of the Telecommunications Commission and Vice Chairman of the National Broadcasting and Telecommunications Commission (NBTC) was invited as a lecturer. The session aimed to foster directors' and the management's awareness of business risks caused by digital disruption, which affected business sustainability.
  6. Summarizing the minutes of the 1<sup>st</sup> and 2<sup>nd</sup> Sustainable Development Committee Meetings for the Board of Directors.

February 10, 2018



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(Mr. Petipong Pungbun Na Ayudhya)  
Chair, Sustainable Development Committee

**01. Mr. Chutinant Bhirombhakdi**

- Chairman

**02. Mrs. Napaporn Landy**

- Independent Director
- Chairman of the Audit Committee

**03. Mr. Petipong Pungbun Na Ayudhya**

- Independent Director
- Chairman of the Sustainable Development Committee
- Member of the Risk Management Committee

**04. Mr. Charnporn Jotikasthira**

- Independent Director
- Chairman of the Risk Management Committee
- Member of the Audit Committee

**05. Mr. Karoon Nuntileepong**

- Independent Director
- Member of the Audit Committee
- Member of the Nomination and Remuneration Committee

**06. Asst. Prof. Thanavath Phonvichai, Ph.D.**

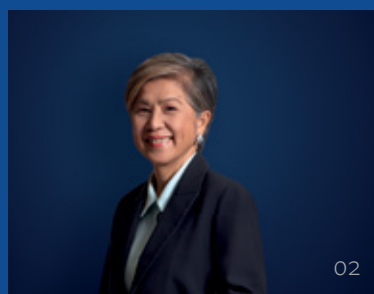
- Independent Director
- Member of the Nomination and Remuneration Committee

**07. Mr. Chayanin Debhakam, D.B.A.**

- Director
- Chairman of the Nomination and Remuneration Committee
- Member of the Sustainable Development Committee
- Chairman of the Executive Committee



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# MANAGEMENT



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## 08. Mr. Nutchdhawattana Silpavittayakul

- Director
- Member of the Sustainable Development Committee

## 09. Mr. Naris Cheyklin

- Director
- Member of the Risk Management Committee
- Member of the Sustainable Development Committee
- Member of the Executive Committee
- Chief Executive Officer

## 10. Mr. Nattavuth Mathayomchan

- Member of the Executive Committee
- Chief Residential Development Officer

## 11. Mr. Methee Vinichbutr <sup>1</sup>

- Member of the Executive Committee
- Chief Financial Officer

## 12. Mr. Dirk De Cuyper

- Member of the Executive Committee
- Chief Hospitality Officer (S Hotels and Resorts Inter Co., Ltd.)

## 13. Mr. Thiti Thongbenjamas <sup>2</sup>

- Member of the Executive Committee
- Chief Operating Officer-Crossroads, Maldives

## 14. Mr. Kittsanant Kittamaytrapemadej

- Member of the Executive Committee
- Chief Marketing Officer

## 15. Mr. Khem Kamwongpin

- (Acting) Chief Design and Construction Officer
- Senior Vice President - Design and Construction

Remark <sup>1</sup> Resigned on March 1, 2018

<sup>2</sup> Held the position of Chief Investment Officer from March 1, 2017 to January 3, 2018

# 2017 YEAR IN BRIEF



Singha Estate implements its business strategies to fulfill its vision and forge sustainable growth. The Company's major development in 2017 consisted of the fund raising, business expansion through investment in new assets, investment in existing assets to enhance their values, and development of "Best-in-Class" projects.

## January

- Approved in the Extraordinary General Meeting of Shareholders 1/2016, on December 16, 2017, the Company acquired 56% stake in Nirvana Daii Public Company Limited ("NVD"), previously called Daii Group Plc. ("DAII"), which engaged in manufacturing and distribution of prefabricated products and home building businesses.

### Details of the transaction

Acquisition of newly issued ordinary shares of DAII at the acquisition price of 5.00 baht per share, equivalent to 56% of the total issued and paid-up ordinary shares of DAII on a post-transaction basis, with a total transaction size of 3,293 million baht, and the transfer of (a) 51% of total issued and paid-up ordinary shares of Nirvana Development Company Limited ("Nirvana"), held by the Company, with a transaction size of 2,040 million baht and (b) the two plots of lands (located at Bangrakayai and Rattanathibet) with a transaction size of 1,253 million baht, to DAII in exchange for the issuance and allocation of the newly issued ordinary shares of DAII to the Company.

### Expected Benefits

1. Creating synergistic advantages by, for instance, raising Nirvana's construction capability to sufficiently support project expansion, leveraging DAII's experienced and skillful team in the progressive construction business.
2. Business integration between Nirvana and DAII will consequently give Nirvana a status analogous to that of a listed company, which enhances its fund-raising efficiency and project expansion speed.
3. Diversifying the Company's risks.

### Total Investment

About 3,293 million baht (excluding the invested amount required for the making a tender offer).

## February

- S Residential Development Company Limited (a 99%-owned subsidiary of the Company) partnered-up with HKL (Thai Developments) Limited, a subsidiary of a global developer Hongkong Land Holdings Limited, to jointly develop 'The ESSE Sukhumvit 36' – a luxury condominium project on Sukhumvit 36. The project is under a joint investment company, 51%-owned by S Residential Development Company Limited, and 49%-owned by HKL (Thai Developments) Limited.
- Launched 'The ESSE at Singha Complex' – a 4,300 million baht worth luxury condominium project located at the corner of Asoke-Montri and Phetchaburi Roads. The project was due to complete in 3Q19.

<sup>1</sup> As of December 31, 2017, the Company's ownership stood at 51.6%. The decrease was due to NVD's capital increase through a Private Placement in June and July 2017.





## March

- The Company acquired ordinary shares of DAI through tender offer, resulting an increase in the Company's interest in DAI to 60.3% <sup>1</sup>.

## April

- The 2017 Annual General Meeting of Shareholders ("2017 AGM"), held on April 28, 2017, approved the following key transactions
  - An investment in Phase 1 of Crossroads Project, a development project of tourist facilities on Embhoodoo Lagoon in the Republic of Maldives, with a total investment not exceeding 311.5 million US dollars.
  - An issuance and offering of 5-year convertible debentures in an amount not exceeding 200 million US dollars.
  - An issuance and offering of warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No.3 ("ESOP-Warrant-3).
  - An increase of registered capital of the Company in an amount of 2,401,829,723 baht by issuing its newly issued ordinary shares of 2,401,829,723 (a par value of 1.00 baht per share), resulting in a registered capital of 10,228,502,526 baht post transaction.

### Objectives

1. For the investment in Phase 1 of the Crossroads Project and funding future projects.

2. For repayment of loan from financial institutions.
3. As working capital of the Company and subsidiaries.

### Allocation of the Newly Issued Shares

1. Up to 500,000,000 shares to be allocated on specific persons under the general mandate capital increase by way of a private placement at no less than 90% of the market <sup>2</sup>.
2. Up to 1,491,829,723 shares to be reserved for the conversion of the convertible debentures.
3. Up to 50,000,000 shares to be reserved for the exercise of the ESOP-Warrant-3.

## July

- The Company completed the following fund-raising transactions approved in the 2017 AGM:
  - A capital increase – issuance and offering of 400 million new ordinary shares worth 1,664 million baht to institutional investors by way of Private Placement, and
  - Issuance of new debts – issuance and offering convertible bonds (US\$ currency, SGX listed, 2% p.a. coupon, 5-year maturity) worth 180 million US dollars to institutional investors.

## November

- S43 Property Company Limited (a 99%-owned subsidiary of the Company) purchased an approximately 2 rais of land located in Sukhumvit Soi 43 for a development of super luxury condominium.
- Launched 'The ESSE Sukhumvit 36' – a 6,300 million baht worth super-luxury condominium project located at the entrance of Sukhumvit Soi 36 (next to BTS Thong Lor Station). The project was due to complete in 4Q20.

<sup>2</sup> Calculated from the weighted average closing price of the Company's shares trading on SET for 7 consecutive trading days but not over 15 days before the date on which the price is determined.

# ECONOMIC AND MARKET REVIEW IN 2017

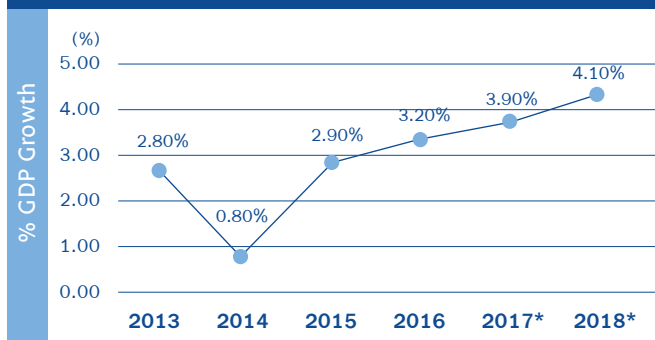
## Thailand's Economic Overview 2017

The Thai economy this year continually expanded from the demand growth, both domestic and international. Continuing to grow was the tourism sector while government spending was still vital for the economic push. These gave confidence to the business sector and stimulated private investment locally.





Figure 1: Gross Domestic Product (GDP)



\* Forecast figures: Office of the National Economic and Social Development Board (NESDB)

Domestic economic stability was quite sound, evident in low unemployment rates. The headline inflation this year was forecast to rise from last year due to the rising trend of the crude oil price in the world market. External economic stability beyond the borders was projected due to current account surplus.



#### Residential Property Business Overview

In 2017, the residential property business continued its steady growth from the previous year. Condominium still dominated the market, with price ranging around 2-3 million baht. Clarity of the government's mass transit projects was a major factor to enhance residential property market growth from 2016. However, negative factors were not only the lessening of land locations but also the higher sales prices which affected residential project development's cost and led to the higher selling price. Moreover, financial institutes remained cautious over approvals of mortgage loans as a result of the high household debt ratio per GDP.



#### Commercial Property Business Overview

In 2017 the office building business posted healthy performances and trends due to the high demand for leased areas. Increase of new leasable offices resulted in continued growth from last year with an occupancy rate of 91%. It was, therefore, an opportunity for middle to large enterprises which wish to expand their offices to new office buildings since no space for expansion in their existing offices was available to serve demand.

Retail space expanded at virtually the same rate as last year due to slight growth in demand and supply, many of which were under construction. Household expenditure grew 3.2% from last year and the December consumers' confidence index surged to 79.2, resulting from increasing trends of income in accordance with the prices as well as the public sector's economic stimuli and a healthy tourism sector supporting the gradual expansion in private consumption. Still, consumers remained cautious over spending, mainly due to their worries about the overall economy, which was sluggishly recovering. In addition, the growth of online businesses, which affected consumers' behavior, was another factor that concerned retail space developer.

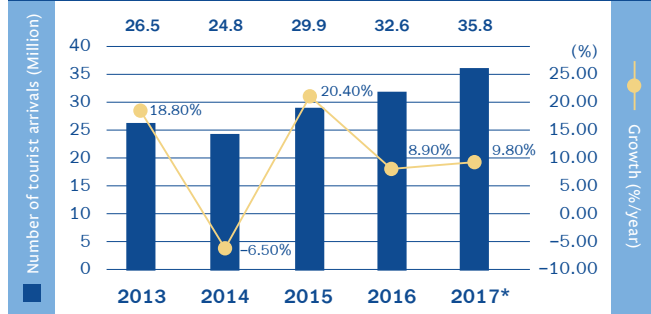


#### Hotel Business Overview

##### Hotel Business in Thailand

The hotel business this year grew remarkably from last year in line with the better recovery of the global economy. Increasing flights after the International Civil Aviation Organization (ICAO) lifted Thailand's red flag resulted in a rising number of inbound tourists all year round. Total tourist arrivals in 2017 was about 35.8 million, a 9.8% increase from last year.

**Figure 2: Number of tourist arrivals**



\* Forecast figures

Travels to major tourist attractions improved from last year in accordance with the overall tourism in the country. Phuket, for example, saw total tourist arrivals of 1.14 million this year, which increased 4.7% from last year. This number was accounted for by foreign tourists (71%), mainly Chinese, Russians, Australians, the Middle East, and East Asian tourists. Foreign tourists tend to gradually increase due to the rising number of flights and the expansion of Phuket International Airport.

Surat Thani tourism also grew from last year with tourist arrivals of 0.4 million, some 2.82% increase. Foreign tourists accounted for 55%, mainly Chinese and Scandinavian tourists traveling around Samui Island.

#### Hotel Business in the United Kingdom (UK)

Estimated data of the UK tourism at year-end 2017 showed continued growth in all regions, evident in the number of tourists, and spending was an all-time high. The number of tourists was forecast at 39.9 million, which increased 6.2% from 37.6 million last year. Furthermore, tourists' spending was also forecast to grow to 25.1 billion pounds, an 11.6% increase. World economic recoveries in EU members, USA, or Asia as well as the weakening of the British pound after Brexit contributed to the growth of the UK tourism as attracted destinations of tourists around the world.

#### Hotel Business in the Republic of Maldives (Maldives)

This year the tourism and hotel business sector of Maldives was still robust, with estimated tourist arrivals of more than 1.39 million, some 8% rise from last year. Tourists were mainly from EU members, Asia and Pacific, USA, and Africa. European tourists shared 46.5% of total tourist arrivals and were expected to track world economic recovery and the EU economy. Singha Estate was confident in Maldives tourism with more and more airline flights from many countries as well as the low-cost airlines converge there. Marine resources and a variety of hotel prices including luxury hotels make Maldives one of the destinations for natural marine tourism and honeymoons. All of these support Maldives' tourism growth.

#### Economic and Business Outlook for 2018

It is expected that the domestic economy will grow around 3.6%-4.6% year-on-year, mainly driven by public spending and infrastructural investment, the export sector's adjusted growth with the rise in the global economy, growth in consumption in line with the recovery of the agricultural sector which, in turn, added to consumers' purchasing power and the ongoing rise of the tourism sector with promising trends.

The residential property business will continue to grow, particularly the growth of residential projects along the routes of mass transit systems, evident in clarified investment projects in such routes which will come into service within 4-5 years. Therefore, it is necessary for property developers to find development approaches for maximum benefit from the rising prices of land, resulting in more mixed-use projects, while Prop Tech is implemented in response to service demand. However, the residential property business, especially projects focusing on customers of middle to lower levels, must exercise special precaution when banks' loan approvals are rigorous.

The office building business continues to look healthy with an opportunity to increase rent rates as a result of

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high demand versus currently limited supply. As for the retail business, new projects will be launched this year, such as Icon Siam, The Market by Platinum Group, Gateway Bangsue, and IKEA@CentralPlaza WestGate. Moreover, improvement of existing shopping centers to add value is important, specifically in the heart of town. It is anticipated to continue growing in 2018, evident in consumers' confidence index in December 2017 of 79.2, the fifth consecutive month of rises.

A rising growth trend in the domestic hotel business continues, the forecast overall tourism revenue to increase to 3 trillion baht or some 9% growth from 2017, contributing by the expected number of tourists, both quantity and quality, with foreign tourists accounting for 67% and increase in spending, with external factors, such as recovery and expanding global, regional and major economies as well as the proactive tourism promotion of public agencies. These make the hotel business one of the growing businesses in 2018.

As for the hotel business in the UK, tourist arrivals are forecast to grow 4.4% to 41.7 million together with spending increase by 6.8% to 26.9 billion pounds despite the lowering of business travelers as a result of Brexit. However, the weakening of the British pound and the recovery of EU economy will drive tourist arrivals. Nevertheless, the projected occupancy rates of hotels in London and outside London will be at 83% and 76% respectively, improving by 0.2% and 0.3%, with the average room rate increasing by 2.2% and 2%, of which growth is stable.

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The hotel business in Maldives will continue to grow from 2017, tracking the country's tourism sector. Tourist arrivals will increase by about 1.4-1.5 million, mainly from China, Germany, the UK, Italy, India, and Russia. A gradual increase in the middle-level customers is an important opportunity for the hotel business in Maldives. New hotels continue to be launched from last year, which might impact the overall occupancy rate, though in a short term. However, customers may prioritize new hotels, easy access, and beautiful natural resources. In summary, the short-term hotel business outlook in Maldives remains upbeat, especially after completion of expansion of the airport and infrastructure as planned.

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Source:

- Real Estate Information Center
  - Center for Economic and Business Forecasting, UTCC
  - Office of the National Economic and Social Development Board
  - Bank of Thailand
  - Bank of England
  - Department of Tourism, Ministry of Tourism and Sports
  - PricewaterhouseCoopers LLP
  - Thailand Property Intelligence Centre, JLL Thailand
  - CB Richard Ellis (Thailand) Co., Ltd. (CBRE)
  - Ministry of Tourism Republic of Maldives
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# MANAGEMENT DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR 2017

## Performance Overview

In 2017 Singha Estate Public Company Limited (“the Company” or “Singha Estate”) reported a consolidated net profit of 572 million baht, representing a growth of 236% YoY with an increase in total revenue of 81% YoY. These were mainly from a (one-time) recognition of an upfront 50-year lease payment of a certain office space at Singha Complex and higher contribution from residential business of Nirvana Daii Public Company Limited (“NVD”), a 52%-owned subsidiary of Singha Estate, invested in January 2017.

## Major Developments in 2017

- Approved in the EGM 1/2016, in 1H17 the Company acquired 60% stake in NVD, previously called Daii Group Public Company Limited. (“DAII”), through the following transactions:
  - a) A 56% investment in DAII through an acquisition of DAII’s newly issued shares in January, in exchange for transfer of the Company’s 51% stake in Nirvana Development Co., Ltd. (“Nirvana”) and two land plots (in Rattanathibet and Bangrakayai) to DAII; and
  - b) An additional acquisition of ordinary shares of DAII through tender offer.

Following the above transactions, DAII changed its company name from DAII to NVD.

- In February, the Company launched ‘The ESSE at Singha Complex’ – a luxury condominium project located at the corner of Asoke-Montri and Phetchaburi Roads. At the end of FY2017, sales progress reached 91%. The project is due to complete in 3Q19.
- In February, the Company partnered-up with HKL (Thai Developments) Limited, a subsidiary of a global developer Hongkong Land Holdings Limited, to jointly develop ‘The ESSE Sukhumvit 36’ – a luxury condominium project on Sukhumvit 36.
- Approved in the 2017 AGM, in July 2017 the Company completed the following fund-raising transactions:
  - a) A capital increase – issuance and offering 400 million new ordinary shares to institutional investors by way of Private Placement, totaling approximately 1,664 million baht, and
  - b) Issuance of new debts – issuance and offering convertible bonds (US\$ currency, SGX listed, 2% p.a. coupon) worth 180 million US dollars to institutional investors.
- In November, the Company launched ‘The ESSE Sukhumvit 36’ – a luxury condominium project located at the corner of Sukhumvit 36 (20 meters away from BTS Thong Lor Station). At the end of FY2017, sales progress reached 46%. The project is due to complete in 3Q20.
- In December, the Company transferred an approximately 20% of total net leasable area (“NLA”) office space at Singha Complex to an anchor tenant and recognized upfront 50-year lease payments.

## Performance Summary

### Consolidated Statement of Comprehensive Income

(Unit: Bt.mn)

	2016	2017	yoy change	%yoy change
<b>REVENUES</b>	<b>3,233</b>	<b>5,858</b>	<b>+2,625</b>	<b>+81%</b>
Residential properties	1,563	2,388	+825	+53%
Hotel	968	1,074	+106	+11%
Commercial properties	578	2,114	+1,536	+266%
Construction materials	0	173	+173	--
Others	125	109	(15)	(12%)
<b>GROSS PROFIT</b>	<b>1,311</b>	<b>2,434</b>	<b>+1,123</b>	<b>+86%</b>
Selling and administrative expenses	(1,206)	(1,569)	(363)	+30%
Other income	424	330	(94)	(22%)
<b>OPERATING PROFIT (LOSS)</b>	<b>529</b>	<b>1,195</b>	<b>+666</b>	<b>+126%</b>
Share profit (loss) from investment in joint venture	0	33	+33	--
<b>PROFIT (LOSS) BEFORE INTEREST AND INCOME TAXES</b>	<b>529</b>	<b>1,228</b>	<b>+699</b>	<b>+132%</b>
Financial cost	(311)	(369)	(58)	+19%
Income taxes	(54)	(228)	(174)	+321%
Non-controlling interests	(5)	59	+64	--
<b>NET PROFIT (LOSS)</b>	<b>170</b>	<b>572</b>	<b>+401</b>	<b>+236%</b>
Basic earnings (loss) per share (Bt/share)	0.028	0.086	0.058	+209%
Diluted earnings (loss) per share (Bt/share)	0.028	0.086	0.058	+209%

## Total Revenues

In 2017, consolidated total revenues grew by 81% YoY. The improvement was attributed to a (one-time) recognition of 50-year lease payment on office space at Singha Complex, amounted to 1,530 million baht, upon a transfer of office space at Singha Complex to an anchor tenant in December, as mentioned previously. Residential and commercial property businesses were the Company's key revenue contributors, contributing 41% and 36% of total revenues in the FY2017.

## Residential Business

As the Company's high-rise projects – namely 'The ESSE Asoke' (76% sales progress, tentative transfer in December 2018), 'The ESSE at Singha Complex' (91% sales progress, tentative transfer in 3Q19), and 'The ESSE Sukhumvit 36' (46% sales progress, tentative transfer in 3Q20) – are under development, the reported revenues were from sales of housing units and home building services of the 52%-owned NVD.

The initiative to expand residential business to landed property took place in April 2015, whereby Singha Estate invested in Nirvana, a mid-sized housing development company with significant long-term growth potentials. Overcoming challenges, Nirvana underwent a reverse acquisition in January 2017 and it is now incorporated and listed in mai under NVD. The Company's landed property business unit has proved itself and become the greatest revenue generator of Singha Estate in 2017.

In 2017, residential business registered its total revenues of 2,388 million baht, up by 53% YoY, reflecting the effectiveness of new marketing strategies and the launch of new product brand "DEFINE".

## Hotel Business

Performance of hotel business constitutes those of 100%-owned Santiburi Beach Resort & Spa ("Santiburi Beach") and Phi Phi Island Village Beach Resort ("Phi Phi Village"). Performance of the 29 hotels (50% owned) in UK was recognized under Equity Method and separately presented under share of gain (loss) from investment in joint venture.

Hotel business recorded a revenue growth of 11% YoY in FY2017. During 2016, Phi Phi Village underwent a major renovation with partial closure of the resort and was back in full capacity in late 2016. Despite 45 villas in addition, the resort showed an increase in occupancy rate and revenue per available room or RevPar, resulting in greater revenues in 2017.

## Hotel Business: Operation Statistics

Operation statistics	FY 2016	FY 2017
<b>Santiburi Beach</b>		
No. of rooms	77	77
Occupancy rate	71%	71%
RevPar (YoY growth)	45%	(3%)
<b>Phi Phi Village <sup>1</sup></b>		
No. of rooms	201	201
Occupancy rate	84%	85%
RevPar (YoY growth)	18%	5%
<b>Hotels in UK <sup>2</sup></b>		
No. of rooms	3,112	3,112
Occupancy rate	70%	72%
RevPar (YoY growth)	5%	5%

Note : <sup>1</sup> Excludes villas closed for renovation from April to November 2016.

<sup>2</sup> A 50%-owned business. Acquired 26 hotels (2,883 keys) in October 2015 and 3 hotels (229 keys) in December 2016.

### Commercial Property Business

Performance of commercial property business constitutes those of a 3,000-sqm NLA retail space ‘The Lighthouse’, a large-scale office complex ‘Suntowers’, and the newly developed ‘Singha Complex’, a mixed-use development which is due for commercial operation in August 2018.

In 2017, commercial property business reported a significant revenue growth of 266% YoY. This was attributed to the one-time income of 1,530 million baht from a recognition of upfront 50-year lease payments of 20% NLA office space at Singha Complex upon a transfer of the space to an anchor tenant. Regardless of the one-time revenue, performance of this business was still a growth, mainly from a steady rental increase at Suntowers. While performance was strong and stable, Suntowers underwent various value enhancement projects, including refurbishment of common area, adding new retail tenants, conversion of a retail space (day-market format) to a 2-storey air-conditioned shopping place “Sun Plaza”. These projects enhanced competitiveness of the asset and led to strong occupancy rate and a gradual increase in effective rents of Suntowers.

### Commercial Property: Operation Statistics

Operation statistics	FY 2016	FY 2017
<b>Suntowers<sup>1</sup></b>		
Net leasable area (sq.m)	58,819	59,010
Occupancy rate	93%	96%
Effective rent (YoY growth)	n/a	4%

Note : <sup>1</sup> Acquired in August 2015.

### Construction Material Business

Performance of this business constitutes performance of manufacturing and sales of construction materials, e.g. finished fences, aluminum products, etc., which is one of NVD’s businesses. The business has been incorporated in the Company’s performance starting from January 2017 onwards. In 2017, this business reported revenues of 173 million baht.

### Other Business

Performance of this part constitutes those of other business operations, e.g. property/hotel management service, project management service, etc.

In 2017, the Company was engaged in two distinct project management services – a tourist facility project in Maldives (starting in 3Q16) and The ESSE Sukhumvit 36 (starting in 3Q17). In 2017, the Company registered revenues from this business of totaling 109 million baht, decreased by 12%, as that of FY2016 incorporated a 100 million baht front-end load service fee from the Maldives project which was booked in September 2016.

### Gross Profit

Gross profit in FY2017 increased by 86% YoY to 2, 434 million baht, mainly from the recognition of the upfront lease payment of Singha Complex, as mentioned previously, and representing a margin of 42% of total revenues.

### Other Income

Other income constitutes interest income and non-operating income, e.g. gain from exchange rate, gain from fair value adjustment on investment property, amortization of derivatives, one-time income, etc.

In 2017, other income amounted to 330 million baht, which included 153 million baht interest income (including interest income from loans to its UK joint venture) and non-operating income of totaling 79 million baht. Compared to that of the preceding year, other income was down by 22%, as there was gain from exchange rate of 162 million baht incorporated in the preceding year performance.

### Selling and Administrative Expenses

Selling and administrative expenses (“SG&A”) constitute expenses on back office personnel, marketing and branding, office supplies, depreciations of hotel properties, and non-operating expenses, e.g. professional fees relating to M&A activity, loss from exchange rate, write-off/impairment of asset, etc.



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SG&A in 2017 increased by 30% YoY, mainly due to three distinct sources:

- a) Additional SG&A expenses from NVD after business integration in January 2017
- b) Increase in employee benefits from issuances and offerings of warrants to purchase the Company's ordinary shares to directors and employees No.1 ("ESOP-Warrant-1") and No.2 ("ESOP-Warrant-2")

### Financial Costs (Interest Expenses)

In 2017, the Company incurred 369 million baht of financial costs, increased by 19% YoY, mainly from the convertible bonds issued in July 2017.

### Financial Position

As at 31 December 2017, Singha Estate registered consolidated total assets of 40,910 million baht, grew by 10,318 million baht, or 34% from end of FY2016. This was a result of the following activities:

- a) The fund raising through a capital increase by way of Private Placement and an issuance of convertible bonds in US dollar currency. These were resulting in increases in Cash and Short-term investments.
- b) Sale of 49% stake in The ESSE Sukhumvit 36 to HKL (Thai Developments) Limited. The joint venture (51:49) led to a change in accounting treatment on this project, from previously Consolidation to Equity Method. This activity was resulting in a decrease in Cost of property development and an increase in Investment in joint-venture.

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Likewise, total liabilities grew by 6,719 million baht, or 45% from end of FY2016. This was a compound effect of the following transactions:

- a) Increase in Debentures and Financial derivatives as a result of the issuance of the above-mentioned convertible bonds.
- b) Increase in Trade payable from deposits and down payments of The ESSE at Singha Complex and The ESSE Sukhumvit 36.

Total equity stood at 19,096 million baht, grew by 23% from end of FY2016, mainly from FY2017 net profit and the increase of capital, as previously mentioned.

### Capital Structure

At the initial stage of Singha Estate and with the strategy to grow its business via M&A, short-term debts, i.e. collateral-free bridging loans, are designated sources of funds, particularly in acquiring lands and assets. Post acquisition, long-term debts, i.e. project financing loans, will be used to refinance such short-term debts.

As at 31 December 2017, interest-bearing debts stood at 16,067 million baht, increased from that of 2016 year-end, mainly from the issuance of convertible bonds, as mentioned previously. Net interest-bearing debt to equity ratio stood at 0.40 times, dropped from 0.60 times as at 2016 year-end, as proceeds from the fund-raising activities were under reserve for near-term investments.



## Consolidated Statement of Financial Position

(Bt.mn / % of total assets)

	End of 2016		End of 2017	
<b>Assets</b>				
Cash and Short-term investments	2,161	7%	8,396	21%
Trade and other receivables (net)	486	2%	574	1%
Costs of property development	10,132	33%	8,992	22%
Inventory	753	2%	670	2%
Investment in JV (net)	75	0%	311	1%
Long-term loan to related parties	1,703	6%	1,671	4%
Land held for development	413	1%	2,412	6%
Investment property	8,692	28%	9,679	24%
Property, plant and equipmentt	3,520	12%	3,854	9%
Goodwill	942	3%	1,131	3%
Others	1,716	6%	3,221	8%
<b>Total assets</b>	<b>30,592</b>	<b>100%</b>	<b>40,910</b>	<b>100%</b>
<b>Liabilities</b>				
Trade and other payables	1,112	4%	4,262	10%
Short-term loans	2,524	8%	1,310	3%
Current portion of long-term loans	600	2%	814	2%
Long-term loans (net)	8,291	27%	13,943	34%
Financial derivatives	0	0%	139	0%
Deferred revenue from a related party	1,445	5%	395	1%
Others	1,124	4%	952	2%
<b>Total liabilities</b>	<b>15,096</b>	<b>49%</b>	<b>21,815</b>	<b>53%</b>
<b>Shareholders' equity</b>				
Issued and paid-up share capital	6,454	21%	6,854	17%
Retained earnings	1,796	6%	2,389	6%
Non-controlling interests	1,252	4%	2,736	7%
Others	5,995	20%	7,117	17%
<b>Total shareholders' equity</b>	<b>15,496</b>	<b>51%</b>	<b>19,096</b>	<b>47%</b>

# NATURE OF BUSINESS

Singha Estate was founded on August 14, 1995, under the former name of “Panichpoom Pattana Company Limited”. The main objective was to engage in property development for housing estates and condominiums. The Company later underwent a name change to Rasa Property Development Public Company Limited (“Rasa”), with listing on the Stock Exchange of Thailand (SET) since April 12, 2007, under the “RASA” ticker symbol.

Then on September 12, 2014, the Company completed its business integration, by way of entire business transfer, with group of companies under the Singha Property Management Company Limited, and Mr. Santi Bhirombhakdi. The shareholding structure also underwent change: Singha Property Management (in which Boon Rawd Brewery Company Limited holds 99.99% shares) and Mr. Santi Bhirombhakdi became the major shareholders. On the same day, its name changed to Singha Estate Public Company Limited, which changed its ticker symbol on The Stock Exchange of Thailand from “RASA” to “S”.

## Business by Business Group

The above-mentioned business integration, coupled with Singha Estate becoming a part of Boon Rawd Brewery, paved the way for a new business plan together with business restructuring. The Company’s businesses now fall into five groups by source of income.

### 1. Residential Property Business

The Company’s policy for development of residential business, both high rise and low rise projects, is diverse in forms, namely single-detached houses, townhomes, home offices, and condominiums, to satisfy the needs of middle-tier to upper-tier customers under different brands. In developing residential projects, the Company and its subsidiaries secure land with good potential and suitability for project development; analyze project feasibility; control design and administration of construction; administer sales; and provide after-sale services.

This year the Company commanded four residential projects under the operation of itself and its 99.99%-owned

subsidiaries, comprising an ultra-luxury landed property project “Santiburi The Residences”, and three luxury condominium projects, namely “The ESSE Asoke”, The ESSE at Singha Complex, and The ESSE Sukhumvit 36. In addition, there were 15 residential property projects under the operation of Nirvana Daii Public Company Limited. (NVD), a 51.56%-owned subsidiary<sup>1</sup>. From this business, the bulk of revenue consists of revenue from selling condominium units and completed houses, which is recognized upon ownership transfer of such condominium units or houses to buyers; and revenue from selling made-to-order houses, for which revenue from land sale is recognized upon ownership transfer of land deeds while that of the house is upon progression of the construction.

### 2. Hotel Business

Belonging to another the Company’s core business, the hotel business and the hotel management business have featured leapfrogging growth after business restructuring. The Company’s policy is to grow this business through joint investments and acquisitions. The key considerations consist of location, supply and demand, asset quality, management team, returns on investment, and growth potential, in terms of occupancy rate, room rate, and opportunity for room expansion. Revenues from this business are revenue from room, food and beverage income, and other service fees.

In 2016, the Company operated 2 hotels in Thailand, namely Santiburi Beach Resort and Spa (on Samui Island, Surathani) and Phi Phi Island Village Beach Resort (on Phi Phi Island, Krabi). In addition, there are 29 hotels in the United Kingdom (27 Mercure-branded hotels and 2 Holiday Inn-branded hotels) under the ownership of FS JV Co Limited and FS JV License Limited, joint-venturers in which the Company holds 50% indirect shares (see details of the properties under “Our Projects”).

<sup>1</sup> % Shareholding as of December 31, 2017

### 3. Commercial Property Business

Commercial Properties, which includes community malls and office buildings for rent, hold high growth potential and high returns on investment and generate recurring income to the Company, which is why this is one of core business of the Company under its five-year business plan. With a policy to grow this business through development and by M&A, core revenue from this business are space rents, common-service charges for utility, security systems, and other service fees.

In development and investment, by and large the Company considers location suitability; limitations for project development or expansion; supply and demand in the vicinity; returns on investment; and growth potential. Today the Company has two commercial properties, namely “The Lighthouse” (a small retail building developed since Rasa’s days) and the “Suntowers” office complex, the whole of which was done by the entire business transfer in August 2015 (see details of the properties under “Our Projects”). The project under development is the “Singha Complex” (see details under “Future Projects”).

### 4. Property and Hotel Management Service Business

The property and hotel management service businesses

not only very well complement the property development and hotel businesses, but also extend businesses thanks to the caliber and business skills of the Company’s team of executives and staff, thus generating a steady stream of revenue for the Company without capital investment. This business consists of consultation on properties or hotels, or both, before and during operation, covering project feasibility studies, market surveys and studies, project format setting, development planning, design control and construction administration, sales administration, and integrated project management.

### 5. Manufacturing and Distribution of Construction Materials Business

Manufacturing and distribution of construction materials business well complements property development business. This business is under operation of NVD, consisting of manufacturing and distributing precast concrete products, and distribution of prefabricated fences under the “Fenzer” and “Nuevo” trademarks and door and aluminum window products under brand “Atech”.

To give Singha Estate Group’s businesses efficiency and no conflicts of interest, the Company has set the policy below to segregate the businesses run by itself and NVD.

The Company and its subsidiaries <sup>1</sup>	NVD and its subsidiaries
<b>Main businesses:</b> <ul style="list-style-type: none"><li>Residential property (condominium) business focusing on “Luxury” <sup>2</sup> and “Super Luxury” <sup>3</sup> and the landed residential property business focusing on “Luxury” customers</li><li>Hotel business</li><li>Commercial property business</li><li>Property and hotel management service business</li></ul>	<b>Main businesses:</b> <ul style="list-style-type: none"><li>Residential property (condominium) business focusing on customers below “Luxury” <sup>2</sup> group and the landed residentials, townhome, home office businesses focusing on customers below “Luxury” <sup>4</sup> group</li><li>Home building and construction services</li><li>Manufacturing and distribution of construction materials</li></ul>

Note : <sup>1</sup> Excluding NVD and its subsidiaries

<sup>2</sup> In general, Condominium focusing on luxury client segment means the condominium which has the selling price between 200,000 baht per square metres and 300,000 baht per square metres.

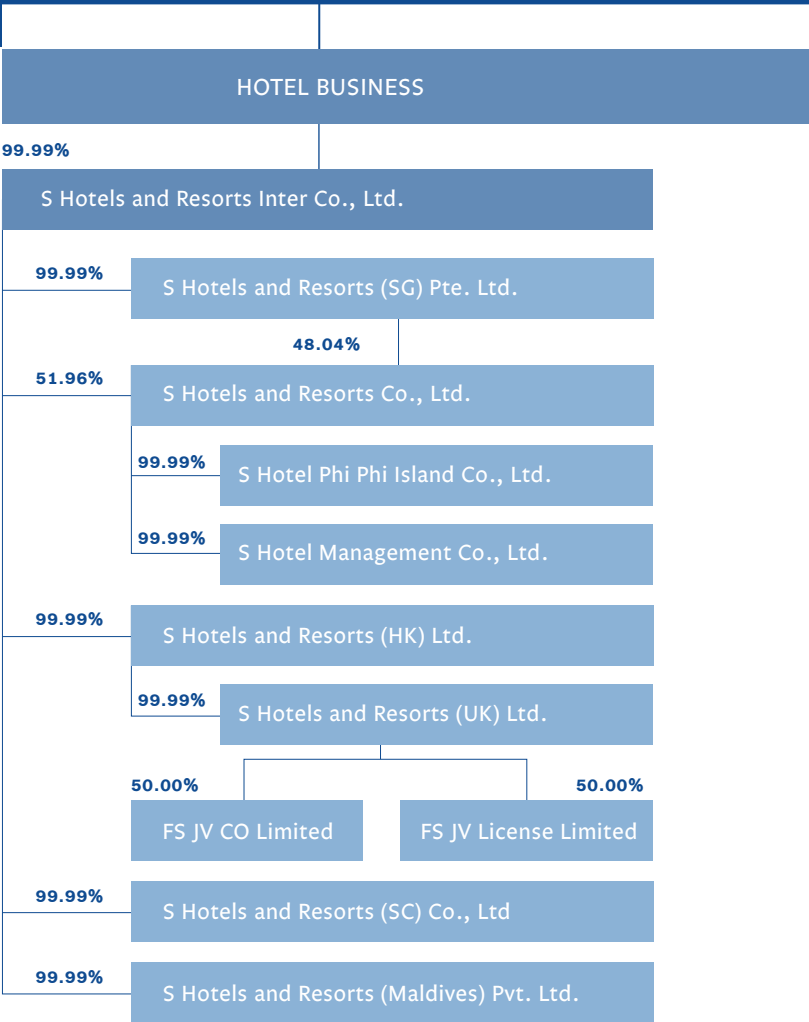
<sup>3</sup> In general, condominium focusing on super luxury client segment means the condominium which has the selling price over 300,000 baht per square metres.

<sup>4</sup> In general, landed residential business focusing on luxury client segment means that the land and building which has the selling price starting from 100 million baht per unit.

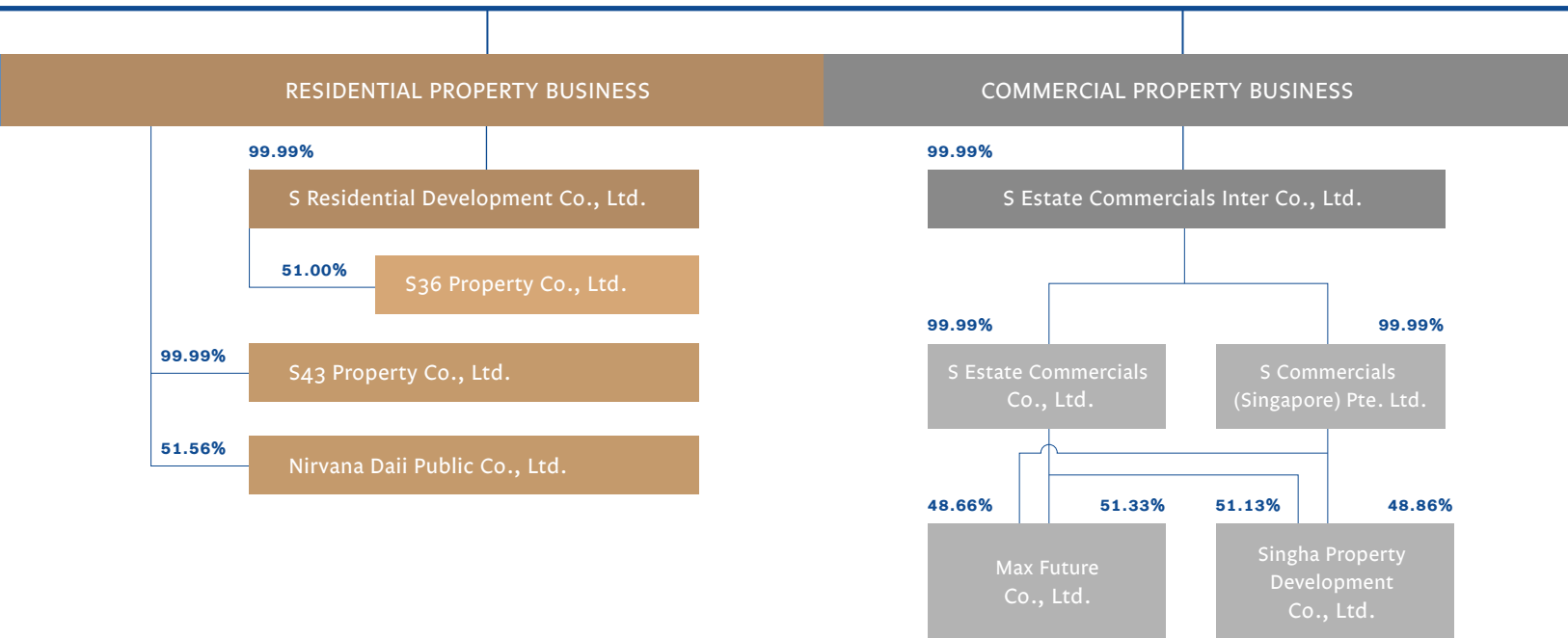
# BUSINESS STRUCTURE



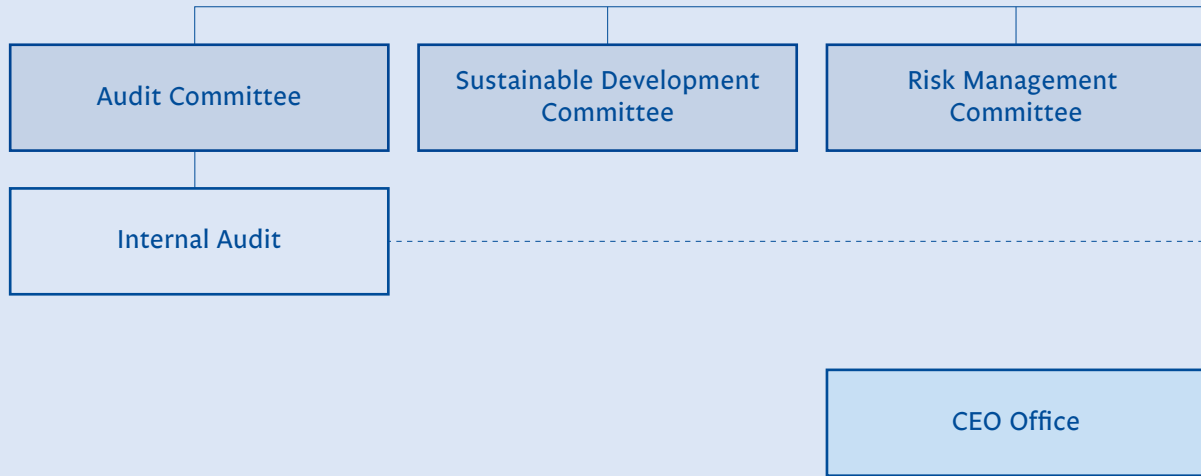
Singha Estate Plc.



As of December 31, 2017

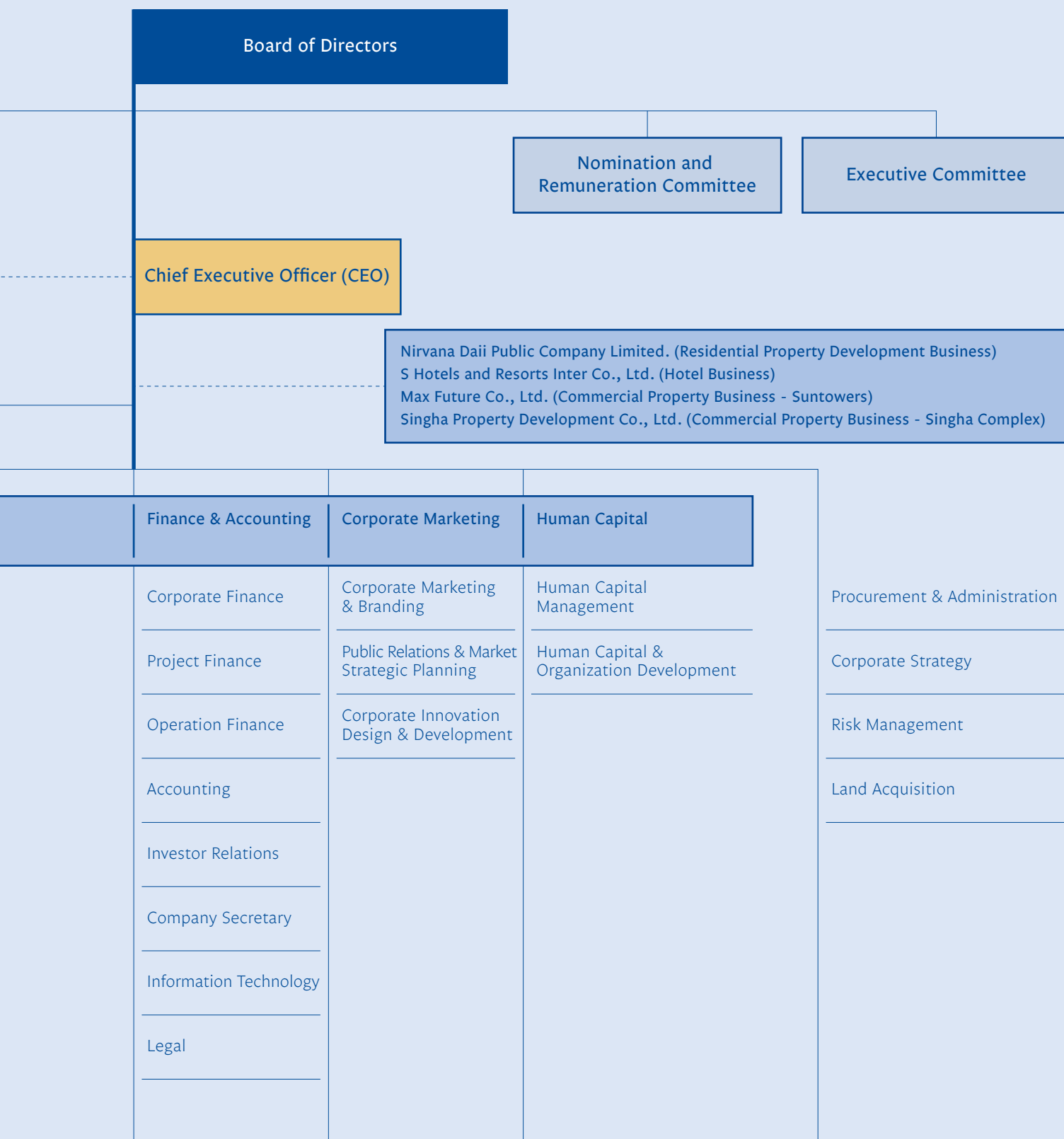


# MANAGEMENT ORGANIZATION



Business Development & Investment	Crossroads	Commercial & Retail	Residential Development	Design & Construction
Business Development & Investment	Construction Management	Business Development	Business Development	Design
	Cost Control	Operation	Product Design & Development	Construction & Quality Management
	Procurement	Marketing	Government & Public Administration	Cost Control
	Marketing Communication & Sustainability Development	Leasing	Marketing	Support
	Community Relations & Admin	Tenant Services	Sales	
	Facility Management & Operation	Building & System Management	Customer Services	
	Human Capital	Support	Condominium Project	
	Finance & Accounting	Light House	Housing Project	
	Legal	Crossroads Project		





# REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

Type of Business/Operated by	% of Shareholding <sup>1</sup>	2015		2016		2017	
		Bt.mn	%	Bt.mn	%	Bt.mn	%
<b>Residential property</b>		1,175	54.14	1,563	44.79	2,388	38.62
Single-detached house, townhome and homeoffice - Singha Estate Plc. - Max Future Co., Ltd. - Nirvana Development Co., Ltd.	99.99 51.56	1,126	51.88	1,259	36.07	1,934	31.27
Condominium - Singha Estate Plc.		49	2.26	0	0.00	0	0.00
Home building services - S Residential Development Co., Ltd. - Nirvana Construction Co., Ltd.	99.99 51.55	0	0.00	304	8.71	454	7.35
<b>Commercial property</b>		240	11.04	578	16.55	2,114	34.19
- Singha Estate Plc. - Singha Property Development Co., Ltd. - Max Future Co., Ltd.	99.99 99.99						
<b>Hotel</b>		734	33.81	968	27.74	1,074	17.37
- Singha Estate Plc. - S Hotel Phi Phi Island Co., Ltd.	99.99						
<b>Construction materials</b>		0	0.00	0	0.00	173	2.79
- Qtech Products Co., Ltd. - Atech Enterprise Co., Ltd.	51.55 51.55						
<b>Other business</b>		0	0.00	125	3.57	109	1.77
- S Hotels and Resorts Inter Co., Ltd.	99.99						
<b>Other revenues <sup>2</sup></b>		22	1.01	256	7.35	325	5.26
Interest income		35	1.60	148	4.23	153	2.48
Other incomes		28	1.31	109	3.12	139	2.25
Share of profit from investment in a joint venture		(41)	(1.90)	0	0.00	33	0.54
<b>Total revenues <sup>2</sup></b>		2,171	100.00	3,490	100.00	6,183	100.00

Remark: <sup>1</sup> As of December 31, 2017

<sup>2</sup> Excludes non-operating items - gains or losses from exchange rate, fair value adjustment on investment property, and acquisition/disposal of assets.



## VISION

To be the premier lifestyle developer by crafting quality settings for people to Live, Play, Work & Shop, while delivering sustainable growth, and creating value for all stakeholders

**Based on our vision, Singha Estate is committed to becoming:**

- **A trendsetting property developer** by pursuing a holding company that develops and invests in properties with a business portfolio of best-in-class commercial properties and investment in assets with recurring income-all these to foster continued, sustainable corporate growth over the long term.
- **A new lifestyle and value pioneer** by meticulously developing projects, investigating customers' intimate needs together with assorted trends. We deliver exquisite residences that multiply in long-term value, modern and green office buildings equipped with services to satisfy non-work lifestyles, and hotels that fill one with happiness and cherished memories. All these to improve the quality of life and give sustainable happiness to all.
- **A provider of sustainable value to all stakeholders** by developing and managing projects with due regard for stakeholders, relentlessly developing its people for career growth, caring for communities and the surroundings, and personifying good governance in and outside the corporation. All these so that our legacies may deliver sustainable value to all.

## OUR PROJECTS IN 2017

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The business integration and restructuring of shareholders in September 2014 led to a new business growth policy and new business expansion plans focusing on growth via land purchases in high-potential locations and quality project development under the “Best in Class” concept in tandem with investment, joint investment, and M&A of businesses or assets with high growth potential. The goal is to achieve its vision of becoming a premier lifestyle developer by crafting quality settings for people to live, play, work, and shop, while delivering sustainable growth, and creating value for all stakeholders.

Relentless investment and business expansion have resulted in Singha Estate today commanding assets under the operation of itself, subsidiaries, and joint-venture companies in and outside Thailand, detailed as follows.

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## Residential Properties

This year the Company commanded four residential projects under the operation of itself and a 99.99%-owned subsidiaries, comprising an ultra-luxury landed property project “Santiburi The Residences”, and three luxury condominium projects, namely The ESSE Asoke, The ESSE at Singha Complex, and The ESSE Sukhumvit 36.

### The ESSE Asoke



#### Location

333 Sukhumvit 21, Khlong Toei, Wattana, Bangkok



#### Area:

2-2-74 rais (freehold land)



#### Project detail:

a 55-storey luxury condominium of 419 units, featuring one bedroom, two bedrooms, and penthouse, complete with amenities including a Sky Panoramic Pool, fitness, golf simulator, library, meeting rooms, and supercar and superbike parking spaces.



#### Project highlights:

This project is located on Asoke-Montri Road, where is a high-potential business area, surrounded by shopping centers, leading schools and universities, hospitals, hotels, and major office buildings. The location is conveniently accessed by Srirat Expressway and mass transit systems, including MRT Petchburi and Sukhumvit stations, BTS Asoke Station, and Airport Rail Link Makkasan Station.



#### Project value:

Approximately 4,900 million baht



#### Progress:

Construction: Progressing as planned and budgeted  
Sales (net): 76% of project value



#### Completion:

Construction is set for completion and unit ownership transfer can begin in December 2018.



## The ESSE at Singha Complex

### Location:

At the corner of Asoke-Montri and Phetchburi Roads, Bangkok, Huaykwang, Bangkok. The project lies at the Asoke-Phetchburi Intersection (previously Japanese Embassy). It borders Phetchburi Road to the front, Asoke-Montri connection to Rama 9 Road and Sukhumvit Road to the left.

### Area:

2-0-98 rais (freehold land)

### Project detail:

A 39-storey luxury condominium of 319 units, featuring one bedroom, two bedrooms, and penthouse, complete with amenities including a swimming pool, fitness, library, meeting rooms, co-working space, and parking spaces and supercar designated parking.

### Project highlights:

The Asoke-Montri neighborhood commands ultra-high business potential. To its right, the project borders the Singha Complex-a Grade-A office building and a mixed-use commercial complex. Behind it is Saen Saep Canal, with an express boat pier nearby. The project lies near the central business district, surrounded by amenities, including shopping centers, major office buildings, banks, embassies, educational institutions and a university, and hospitals. Access is very convenient, since it lies close to the Sirat Expressway, MRT Phetchaburi, MRT Sukhumvit, and BTS Asoke Stations, not to mention the Airport Link (Makkasan Station).

### Project value:

Approximately 4,300 million baht

### Progress:

Construction: Progressing as planned and budgeted  
Sales (net): 91% of project value

### Completion:

Construction is set for completion and unit ownership transfer can begin by 3Q19.





## The ESSE Sukhumvit 36

The ESSE Sukhumvit 36 is a super-luxury condominium project under a joint investment company, 51%-owned by S Residential Development Company Limited (a 99.99%-owned subsidiary of the Company) and 49%-owned by HKL (Thai Development) Limited (a 99.99%-owned subsidiary of Hongkong Land Holdings Limited).

### Location:

The project is located at the entrance to Sukhumvit Soi 36, at the corner of Sukhumvit Soi 36, Sukhumvit Road, Phra Khanong, Khlong Toei, Bangkok.

### Area:

2-2-0 rais (freehold land)

### Project detail:

A 43-storey luxury condominium of 338 units, featuring one-to-three bedrooms, and penthouse, complete with amenities including a swimming pool, fitness, Onsen, mini theatre, library, meeting rooms, co-working space, and parking spaces.

### Project highlights:

With its proximity to a central business district, the project commands high business potential and is surrounded by amenities, including shopping centers and department stores, educational institutions, and hospitals. Easily accessible with a BTS Thong Lor Station within 20 meters.

### Project value:

Approximately 6,300 million baht

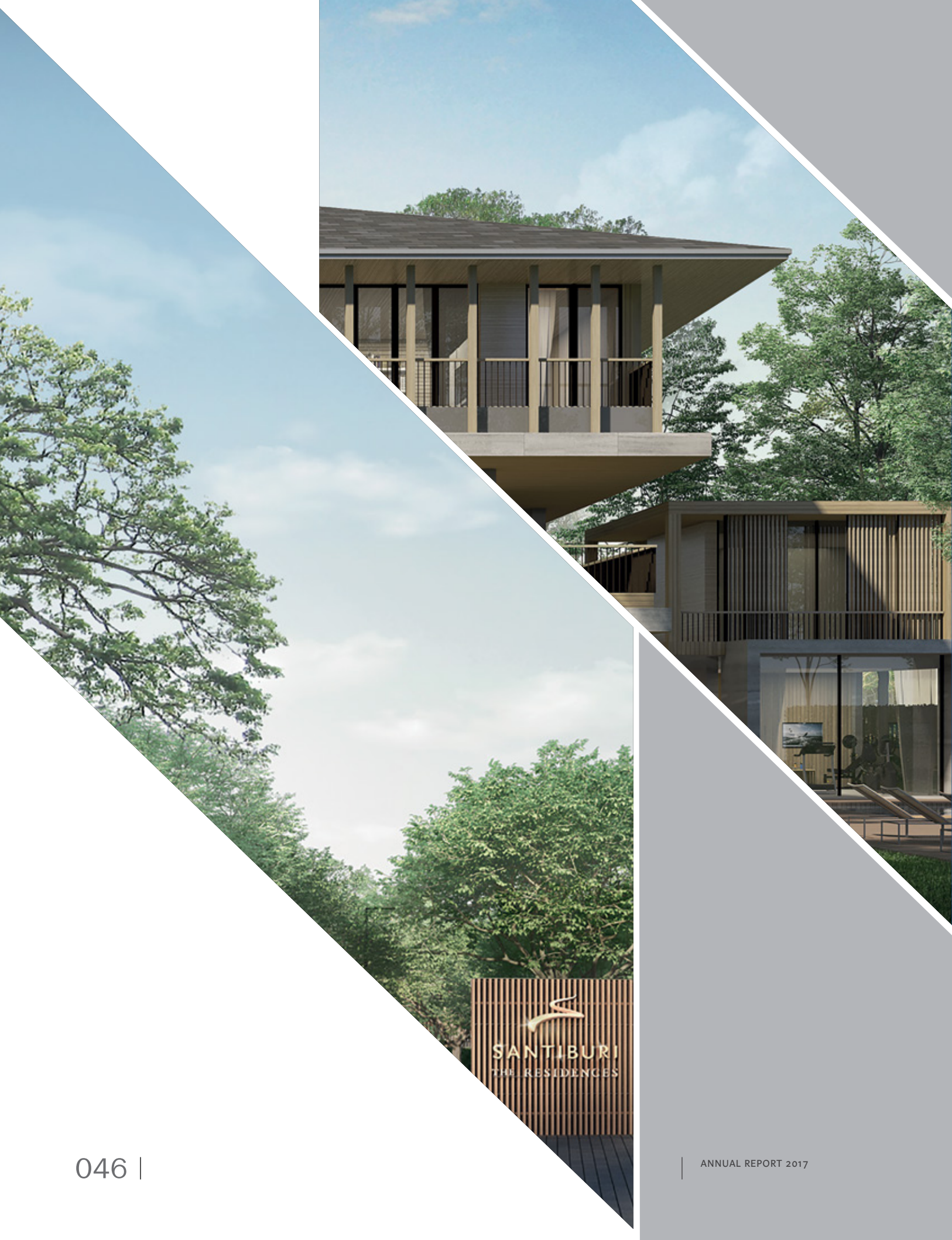
### Progress:

Construction: Progressing as planned and budgeted  
Sales (net): 46% of project value

### Completion:

Construction is set for completion and unit ownership transfer can begin by 4Q20.







## Santiburi The Residences



### Location:

Pradit Manutham Road, Nuan Chan, Bungkum, Bangkok



### Area:

45 rais (freehold land)



### Project detail:

Ultra-luxury residential project of two and three-storey made-to-order houses on land of one rai or more, an average usable space of approximately 1,250 square metres, totaling 26 units. Design and material quality are outstanding, with world-class services for residents.



### Potential:

The project is located in a well-developed mid to high-end residential area, surrounded by shopping malls and facilities. It is also easily accessed by Ram Intra – At Narong Expressway.



### Project value:

Approximately 5,500 million baht



### Progress:

Construction: under construction of sample units

Sales: Pre-sales from October 2016 to October 2017

The project is expected to launch in 3Q18.

In addition, it had 15 projects under the operation of Nirvana Daii Public Company Limited (NVD), a 51.56%-owned subsidiary.<sup>1</sup> The outstanding project value as of December 31, 2017, was about 7,229 million baht. (details of the properties appeared in NVD's 2017 Annual Report).

<sup>1</sup> Shareholding as of December 31, 2017





## Commercial Properties

This year, Singha Estate had two commercial property projects: The Lighthouse and Suntowers Complex.

### The Lighthouse

A small-scale retail commercial area developed and launched before the business integration, The Lighthouse forms part of The Lighthouse Condominium Project (a residential project whose ownership was transferred before the business integration).



#### Location:

Charoen Nakhon Road, Khlong Ton Sai, Khlong San, Bangkok



#### Project detail:

Rented space for retail stores, mainly for the convenience of those in nearby communities, with parking spaces for more than 100 cars.



#### Project highlights:

Downtown location, convenient for all modes of travel. On Charoen Nakhon Road, near an expressway, a pier, and the BTS Krung Thonburi Station.



#### Gross floor area:

Approximately 5,800 square metres



#### Lettable area:

Approximately 3,200 square metres



#### Occupancy rate:

84%



#### Tenants' type of business:

Supermarket, food & beverage shops, tutorial schools, clinics, bank branches, SME businesses





## Suntowers Complex

Suntowers, a quality property in which Singha Estate invested by way of an entire business transfer in August 2015, lies in a business district in the north of Bangkok, surrounded by leading office buildings, shopping complexes, and educational institutions. In 2016, the complex underwent a value enhancement project: upgrading office-building amenities and refurbishing the lobby and common areas. A two-storey retail space was built on an adjacent parcel of 15-year leasehold land and commenced its commercial operation in June 2017.



### Location:

Vibhavadi Rangsit Road, Chompon, Chatuchak, Bangkok



### Area:

On 14-1-49.8 rais, consisting of 5-3-19.8 rais of freehold land and 8-2-30 rais of leasehold land



### Project detail:

Twin-towered grade-A office buildings: Suntowers A (33 storeys), Suntowers B (41 storeys), and a retail area in the form of an occasional market, complete with parking spaces for rent



### Project highlights:

Prime location: Bangkok's transport hub with access to an expressway, near MRT and BTS routes. The office buildings house conference rooms for up to 150 persons, a fitness gym, and parking spaces complete with security systems and retail commercial areas, among others.



### Gross floor area:

Approximately 122,900 square metres



### Lettable area

- Office: Approximately 59,000 square metres
- Retail: Approximately 2,400 square metres



### Occupancy rate

- Office: 96%
- Retail: 96%



### Tenants' type of business:

Major and medium-size companies, both local and foreign









## Hotel Business

Singha Estate this year owned a total of 31 hotels in Thailand and abroad under the operation of a 99.99%-owned subsidiaries and joint ventures, detailed as follows :

### Santiburi Beach Resort and Spa

A five-star hotel, well-known to tourists for over 20 years, the resort was the very first hotel in which Singha Estate invested by way of an entire business transfer in 2014 after the business integration.



#### Location:

Koh Samui, Tambon Mae Nam, Amphoe Koh Samui, Surathani



#### Area:

56-3-93.7 rais (freehold land)



#### Hotel detail:

Five-star hotel with some 300 meters of private beach, complete with various amenities—large swimming pool, beach restaurant, spa center, fitness center, water sports activity center



#### Number of rooms:

77 (duplex and private villas)



#### Occupancy rate:

71%



#### Main customer group:

Family customers, notably Europeans



## Phi Phi Island Village Beach Resort

For over 20 years, this four-star hotel has been a destination for tourists and divers. It was acquired by Singha Estate in November 2014 and underwent a series of value enhancement projects, with the addition of 45 villas, a second swimming pool, and improved amenities—all completed in 2015. Original villas were also completely refurbished in 2016 for greater competitiveness and the soaring number of visiting tourists.



### Location:

Koh Phi Phi Don, Tambon Ao Nang, Amphoe Muang, Krabi



### Area:

167-1-42 rais (freehold land)



### Hotel detail:

Four-star hotel on a private beach about 800 meters long, complete with two large swimming pools, a beach restaurant, and a spa center, among others



### Number of rooms:

201 keys of bungalows and cluster of villas



### Occupancy rate:

81%



### Target customer group:

Family customers, notably Asians (Koreans, Chinese, Japanese) and Russians





mercure HOTEL

## Hotel Portfolio in the United Kingdom

At the year-end, Singha Estate had 29 hotels in United Kingdom (22 in England and 7 in Scotland) with a total room count of 3,115<sup>1</sup>. These were operated by a 50%-50% joint ventures. Each hotel lies in a high-potential location, including a business hub, domestic tourist attractions, and MICE conference center (conferences, seminars, and local banquets).

Hotels	Rating <sup>1</sup>	Address (City, Country)	Ownership	Number of Keys <sup>1</sup>
Mercure Ayr	3	Ayr, Scotland	Freehold	118
Mercure Bolton Georgian House	3	Bolton, England	Freehold	91
Mercure Bradford Bankfield	3	Bingley, England	Freehold	103
Mercure Brighton Seafront	4	Brighton, England	Freehold	116
Mercure Bristol North, The Grange	4	Bristol, England	Freehold	68
Mercure Burton-on-Trent, Newton Park	4	Staffordshire, England	Freehold	50
Mercure Chester East	4	Chester, England	Freehold	126
Mercure Edinburgh City - Princess Street	3	Edinburgh, Scotland	Leasehold (ended 2038)	169
Mercure Glasgow City	3	Glasgow, Scotland	Leasehold (ended 2036)	91
Mercure Gloucester, Bowden Hall	4	Gloucester, England	Freehold	72
Mercure Hull Grange Park	4	Hull, England	Freehold	100
Mercure Inverness	3	Inverness Scotland	Freehold	121
Mercure Bewdley The Heath	4	Kidderminster, England	Freehold	44
Mercure Leeds Parkway	3	Leeds, England	Freehold	118
Mercure Leicester The Grand	4	Leicester, England	Freehold	104
Mercure Livingston	3	Livingston, Scotland	Leasehold (ended 2033)	120
Mercure London Watford	4	Watford, England	Freehold	218
Mercure Maidstone Great Danes	4	Maidstone, England	Freehold	126
Mercure Manchester Piccadilly	4	Manchester, England	Leasehold (ended 2060)	280
Mercure Newbury Elcot Park	4	Newbury, England	Freehold	73
Mercure Norwich	4	Norwich, England	Freehold	107
Mercure Perth	3	Perth, Scotland	Leasehold (ended 2033)	76
Mercure Swansea	3	Swansea, England	Leasehold (ended 2109)	119
Mercure Tunbridge Wells	4	Tunbridge Wells, England	Freehold	84
Mercure Wetherby	3	Wetherby, England	Freehold	103
Mercure York, Fairfield Manor	4	Skelton, England	Freehold	89
Mercure Sheffield Parkway	4	Sheffield, England	Freehold	78
Holiday Inn Darlington North	3	Darlington, England	Freehold	80
Holiday Inn Dumfries	3	Dumfries, Scotland	Leasehold (ended 2105)	71

<sup>1</sup> As of December 31, 2017



## FUTURE PROJECTS

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To enable Singha Estate to grow its businesses as planned and achieve its vision of “Becoming a premier lifestyle developer by crafting quality settings for people to live, play, work, and shop” while nurturing growth and delivering sustainable value to all stakeholders, apart from investment/joint investment and M&As, the Company relies on another key strategy: land acquisition and constantly developing “Best-in-Class” quality projects. As of the year-end, Singha Estate’s projects under development and empty plots under study were as follows.

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## Residential Property Business

Below is land held for residential project development.

### Condominium Project in Sukhumvit 43



#### Location:

Sukhumvit Soi 43, Sukhumvit Road, Phra Khanong, Khlong Toei, Bangkok



#### Area:

1-3-71 rai (freehold land)



#### Project highlights:

With its proximity to a central business district, the project commands high business potential and is surrounded by amenities, including shopping centers and department stores, educational institutions, and hospitals. Easily accessible, with a BTS Phrom Phong Station.



#### Progress:

The project is under study and design development and due to launch in 2018.



## Commercial Property Business

### Singha Complex



#### Location:

At the corner of Asoke-Montri and Phetchburi Roads, Bangkok, Huaykwang, Bangkok, the project lies at the Asoke-Phetchburi Intersection (previously Japanese Embassy). It borders Phetchburi Road to the front, Asoke-Montri connection to Rama 9 Road and Sukhumvit Road to the left.



#### Area:

9-0-23 rai (freehold land)



#### Project details:

Mixed-use development with a grade-A 42-storey building, with approximately 120,000 square metres of gross floor area, consists of

- 28-floor office space (net lettable area of approximately 60,000 square metres )
- 4-level retail space (net lettable area of approximately 4,500 square metres )
- 10-floor parking space (approximately 880 cars)



#### Potential:

Asoke-Montri Road commands ultra-high business potential. To its left, the project borders The ESSE at Singha Complex, a luxury condominium. Behind it is Saen Saep Canal, with an express boat pier nearby. The project lies near the central business district, surrounded by amenities, including shopping centers, major office buildings, banks, embassies, educational institutions and a university, and hospitals. Access is very convenient, since it lies close to the Sirat Expressway, MRT Phetchaburi, MRT Sukhumvit, and BTS Asoke Stations, not to mention the Airport Link (Makkasan Station).



#### Progress:

Construction: Progressing as planned and budgeted  
Leased areas: 23% of office lettable area and 40% of retail lettable area



#### Target customers' type of business (tenants):

Office space: Local and international leading companies, seeking space for head office or branch in Bangkok

Retail space: Food and beverage shop, bank, fitness, counter service



#### Anchor:

Boon Rawd Brewery Co., Ltd. and its group of companies, which in 2015 signed a 50-year lease agreement for office space, with effect from the hand-over of the space.



#### Completion:

The project is due for completion and commercial operation in 3Q18.



#### Investment:

Approximately 4,255 million baht (excluding land cost)

The above-mentioned projects exclude future projects and land banks awaiting development by Nirvana Daii Public Company Limited (NVD), a 51.56%-owned subsidiary <sup>1</sup>. (details of the properties appeared in NVD's 2017 Annual Report)

<sup>1</sup> As of December 31, 2017.



# CORE VALUES

## - PRIDE -

### P Partnership

- We treasure our healthy relations with business partners, team members, and society.
- In the creation of our work, we consider public interests the top priority.
- We are mindful of our roles.

### R Refined

- Each of our masterpiece developments is brought to life with an eye for detail and cutting-edge design.
- We select only premium materials and equipment, setting new and premium standards for each market segment.
- We are dedicated to delivering quality workmanship with attention to all details.
- We conduct ourselves appropriately for every situation, in both our attires and mannerism.





## I Integrity

- We hold ourselves responsible for delivering every commitment made to clients, business partners, employees, shareholders, and society at large.
- We treat all stakeholders with dignity and equality.
- We stand firmly for righteousness and integrity.

## D Dynamic

- We respond with positive approaches to all challenges.
- We strive to relentlessly improve ourselves and our colleagues to stay abreast of the changing business world.
- We think creatively and present innovative viewpoints.
- We ensure effective and quality responses to all situations.

## E Entrepreneurship

- We work with passion and dedication for our goals.
- We satisfy all stakeholders: clients, business partners, team members, society at large.
- Our people are confident and PRIDE is embedded in all our actions.
- We are keen on devoting ourselves for the common good of society.



# BUSINESS STRATEGIES



In response to the vision that the Company aspires to be the premier lifestyle developer by crafting quality settings for people to live, play, work, and shop while delivering growth and creating value for all stakeholders, Singha Estate focuses on business growth through the development of various forms of properties with an ultimate goal of becoming the property development and investment holding company.

To realize the vision, it formulated corporate strategies as well as business and functional strategies as follows:

## Corporate Strategies

1. To achieve sustainable growth from various properties using diverse growth strategies, including developing best-in-class projects and smart M&As (mergers and acquisitions) under good corporate governance and risk management.
2. To build an organization that has a strong brand with sustainable development in parallel with the development of human capital and organizational infrastructure to lay a firm base for long-term competitiveness.

## Business and Functional Strategies

1. Investment and Business Development Strategy
2. Residential Business Strategy
3. Commercial Business Strategy
4. Hospitality Business Strategy
5. Corporate Branding and Marketing Strategy
6. Sustainability Development and Innovation Strategy
7. Project Development Strategy
8. Human Capital and Organizational Development Strategy
9. Corporate Infrastructure Development Strategy



## Investment and Business Development Strategy

Singha Estate is determined to increase the proportion of potential assets for sustainable returns. A strategy on investment has thus been devised with a focus on investment in potential assets, both in Thailand and abroad. The policies on investment and risk management are revised to keep up with external changes. The Company pays special attention to assets that can produce recurring income and have the potential to create added value from just some adjustments, such as refurbishing a hotel to make it more beautiful and modern while adding more rooms to unused space. When these assets reach their stable growth, the Company will offer some parts of them in the capital market using various financial tools, such as fundraising through the stock exchange or setting up a real estate investment trust (REIT). Still, Singha Estate will still retain ownership in these assets to ensure investors' confidence. Proceeds from asset capitalization will be used for further investment in other projects considered with even higher potential. All of these will be done under the Company's 'smart M&As' strategy.

As for business development, Singha Estate targets businesses in and outside Thailand that are outstanding, different, and able to create long-term returns based on the Company's sustainable development principle. To do so, Singha Estate will leverage its expertise in development and management of various types of property along with cooperation with business allies to create business opportunities, which could include seeking new markets and developing new products or business models. However, in developing a new business, the Company would have to undertake a thorough study under the policies on business development and risk management. Also taken into consideration is the sustainability development approach that involves all stakeholders, namely communities, society, and the environment, to ensure that the projects to be developed shall be properly managed and succeed in producing returns on investment and development as a new successful business.



## Residential Business Strategy

Singha Estate is determined to heighten lifestyles through projects in potential locations with detailed design that can respond to residents' needs for functionality, lifestyle, and mixture of innovation, as well as proximity to nature and friendliness with the environment, which are essential factors for future living. Efficient property management which can add value to the future of the project is included.

The Company therefore devised and adjusted its strategy of the entire residential property development process that stresses development of projects, particularly for super luxury and luxury groups of customers for both vertical and horizontal living. Singha Estate established Nirvana Daii Public Company Limited to take charge of residential property development for customers of middle to high levels, also for both vertical and horizontal living.

Singha Estate's Residential Development Unit develops projects in potential locations under the policies on business development and risk management. It explores plots of land considered suitable for target customers and outstanding when compared with other projects of the same class. Development is focused upon creating residences with lasting values based on an in-depth study about target customers' main concerns and their latest requirements for usable floor areas, amenities, lifestyle, innovation, and the natural environment. These features underpin product design that not only meets customers' needs but also makes the project well-received. The design work at Singha Estate focuses on every detail through teamworking with leading residential designers under the concept of 'Smart Design, Smart Living', which stresses both functionality and appearance. Decorative items are delicately selected. The Company pays attention to materials that are not only beautiful but also durable, friendly to the residents and the environment, and cost-saving. Regarding construction work, the Company uses only experienced and high-quality construction contractors according to its standards. Quality, safety, and minimal impacts from

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construction work on neighboring communities are stressed. Under its project development strategy, Residential Development Unit and Construction Unit will jointly work in compliance with the quality policy. Upon completion, the project must satisfy customers' needs for beauty, neatness, and flawlessness as contracted. Customers' trust will thus be gained. Moreover, after-sale service and property management by Singha Estate are another area that Singha Estate wants to set a new standard for customers to ensure that residents will receive an experience beyond their expectations and that the project will be managed by a professional team to ensure added value in the long run.

As for customers of middle-end and high-end levels, Nirvana Daii Public Company Limited provides a solution in the form of both landed property and house building on customers' land. Project development focuses on potential locations in keeping with city planning and planned mass transit systems. The design will be differentiated with an emphasis on unique styles with a mixture of innovative designs to ensure that residents live closer to nature. The Company's smart design can respond to customers' diverse lifestyles with various spaces provided to suit the interests of everyone in the family. Customers can also choose Nirvana Daii's outstanding designs for house building on their own plots of land. What the Company has continuously done is to carry out a thorough study on customers' needs so as to come up with designs that can respond to customers' lifestyles and truly bring happiness to all members of the family.



### Commercial Business Strategy

Singha Estate is committed to developing office buildings and retail space for rent on locations with high growth potential, while aiming to respond to facility users in various aspects, including usable floor areas, amenities, innovation, security system, environmental friendliness, as well as excellent service that can respond to customers' lifestyles in addition to working. This is to ensure that all the time that customers and visitors spend at Singha Estate's facilities is full of experience.

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Singha Estate's commercial property business comprises self-development of office buildings and retail space for rent and investment by way of entire business transfer. Both parts of investment are under the Company's policies on investment and risk management. For newly developed projects, Singha Estate focuses on potential locations that can respond to customers' needs for their daily commutes, such as city trains. Regarding design, the Company pays attention to tenants' requirements, convenience, and efficient use of space. It will select high-quality materials, taking into account their beauty and functionality as well as long-term maintenance. The property will be installed with a smart building system that covers security, IT management, and property management according to the Leadership in Energy and Environment Design (LEED). As for the development of retail space, Singha Estate aims to cater to customers' modern lifestyles to make their everyday full of experience beyond work. It also stresses joint marketing with retail shops for long-term success.

As for commercial property projects by entire business transfer, the Company focuses on adding value through renovation and refurbishment. Also, it selects high-potential customers/tenants in parallel with the management method that emphasizes service, facilities, installation of smart systems that enhance security management and all sorts of management support together with beautiful and modern decoration. Marketing activities are regularly held. The buildings will be managed according to environmental standards by a professional commercial property management team.



### Hotel Business and Service Strategy

Singha Estate aims to invest in hotels and develop them with a management style to create an experience and fond memories for guests with the support of a design that blends well with nature, boasting their respective unique beauty. This will accompany excellent service rendered by locally hired staff. Singha Estate also pays attention to environmental friendliness created by an



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experienced management team. Importantly, Singha Estate learns and conserves natural resources and cultural heritage of each tourist site.

The Company invests in hotels for development at tourist attractions with beautiful and unique landscapes, intended to draw quality tourists with high purchasing power. Investment sites are considered on the basis of their growth opportunities, taking into account investments in infrastructure that benefit the tourism industry, including roads, ports, and airports. As for overseas investment, Singha Estate will consider each country's policy on tourism development. The Company stresses handover of high-quality assets through development, renovation, and refurbishment of hotel rooms, lobby, restaurants, and surrounding areas. The Company values hotel cleanliness, beauty, and an appropriate increase in the number of rooms to create more income, while keeping its high standard of convenience and privacy for guests.

Singha Estate wants to create additional income from the expansion of target customer groups to those with high potential, taking advantage of online marketing channels in parallel with public relations activities co-organized with business allies. This includes income generation through upselling and cross-selling. The Company arranges for cost and expense reporting, while using some forecast tools for cost efficiency.

Regarding service, Singha Estate's hotels put an emphasis on providing skill development to staff to raise service levels to standards comparable to those of world-leading hotels. Staff will be trained to take good care of hotel premises and surrounding areas. This is done under the Company's policy on sustainable development, which aims to transfer the knowledge needed for conservation of nature and the environment as well as cultures. Singha Estate, in this area of work, cooperates with all stakeholders to ensure that hotels under its management will grow in tandem with communities, with whom the Company will jointly work to ensure that the richness of natural beauty will last forever.



## Corporate Branding and Marketing Strategy

Singha Estate aspires to build a sustainable brand in various dimensions. Regarding the corporate brand, Singha Estate aims to create brand awareness that is distinct, reflecting the uniqueness of Singha Estate as a leading property developer. As for the customer and product brand, Singha Estate aims to boost confidence among target customers through a corporate image that looks beautiful, neat, and can better respond to customers' needs when compared with other projects of the same class. It also wants to build a good employer brand to attract talented workers while retaining good employees. The Company, moreover, wants to project a partnership brand with partners and business allies. Above all, Singha Estate wants to project a sustainable development brand which values communities, society, and the environment.

According to the diverse dimensions of brand, Singha Estate started to develop and nurture its personnel with corporate values, which are reflected in the behavior of all staff, namely service quality and attention to quality, as well as development of projects that are neat, beautiful, outstanding, and can respond to all aspects of customers' lifestyles. This includes creating a good experience, being a partner who is faithful and transparent, as well as expressing its care for communities, society, and the environment through all its activities.

In marketing communication and public relations, Singha Estate puts a focus on an aggressive approach by defining clear target groups and design campaigns that suit each group to ensure that the marketing communication is efficient and achieves its goal. The Company is currently adding weight to online marketing, where differentiated contents can be presented and quickly changed to stay competitive in the digital world. In delivering a good experience to customers, Singha Estate aims to present its uniqueness at all contact points, including the sales office, online and offline media, and services through all channels, such as Customer Relations Department and



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the call center. The Company's Corporate Marketing and Branding Department will work with other units in developing employees' skills and work processes to ensure that the Company is able to deliver a good and differentiated experience to customers. This will result in a strong brand, which will in turn bring long-term corporate success.



### Project Development Strategy

Singha Estate aims to raise its competence for project development in order to hand over quality, beauty, and delicate uniqueness through professional management and oversight of projects, based on quality standards as well as specified time and budget with consideration of neighboring communities and the environment.

In response to challenges in the development of various types of property, namely vertical and horizontal residential facilities, office buildings, retail space, and hotels and resorts, Singha Estate has created a development team and a management team with expertise in property management, construction techniques, and innovative construction to take charge of its outstanding property design, which is in line with its corporate brand to deliver quality and sustainable values to customers.

The Company is determined to raise its quality of project management, work processes, and cost management by bringing in applications that facilitate efficient management. It also aims to transfer knowledge to partners and business allies to ensure that they can, in return, deliver to the work of desired quality and by the time promised with customers. Singha Estate established policies on quality control, safety at work, and responsibilities for communities surrounding construction sites and strictly implements these policies. Attempts to avoid impacts on surrounding people and communities are also part of the policy.



### Human Capital and Organization Development Strategy

Singha Estate aspires to be an employer of choice by developing a competent teamwork readily equipped with the ability to contribute to business expansion. It wants to build a capable and efficient organization that supports sustainable business growth.

Singha Estate realizes the importance of human capital, thus paying attention to recruiting 'top talents' with experience, knowledge and skills, and attitude that is in line with Singha Estate's values. Personnel development is carried out for all employees, namely top executives, managers, and operating staff. For top executives, the Company stresses leadership development and being role models of organizational values. For those at the middle management level, development focuses on grooming future leaders, while those at operating level will receive continuous training on key skills to raise their performance while nurturing organizational values and brand values, which will be incorporated into work processes as led and exemplified by top executives.

Regarding staff's incentives and motivation as well as loyalty, Singha Estate emphasizes raising staff welfare to a level considered competitive with other leading companies. This includes holding various activities and internal communication through various channels to ensure that Singha Estate achieves its goal as a happy workplace and an employer of choice.



## Organization Infrastructure Development Strategy

Singha Estate aspires to be a holding company that develops and invests properties, based on an organization structure that makes it ready in funding, information technology (IT), operating system, and corporate governance of international standards.

The Company focuses on efficient financial management using financial instruments and the capital market to ensure that Singha Estate is readily equipped with sufficient funding for long-term expansion. In doing so, the Company has framed its policies on investment, development, and risk management and strictly follows them. This includes development of operating systems and processes that comply with financial and accounting standards as well corporate governance and internal control.

Additionally, to keep up with new business challenges and to enter the digital-economy age, Singha Estate has nurtured its long-term preparedness by embracing IT to support efficient operation. In work processes, Singha Estate promotes cooperation between business functions and support functions to ensure seamless operation in investment, taking over, and M&As, property development and improvement, and asset management. Some IT systems have been added to existing systems, such as ERP for Nirvana Daii, IT systems for commercial property business, IT systems for residential properties business, facility and parking management systems, and human resource information systems.



## Sustainability Development and Innovation Strategy

Singha Estate aspires to grow and deliver sustainable quality to all stakeholders through its policies on investment and development as well as risk management, which enable the Company to envisage sustainable returns for shareholders. The policies will, moreover, support product development that raises the quality of life and communities as well as the efficiency of power, water, and waste management to hand over sustainable values to customers and communities. Construction by Singha Estate will be of desired standards to ensure sustainability for surrounding communities and the environment. Also under this strategy is the provision of knowledge that supports conservation of natural resources and cultural heritage of tourist attractions, which will in turn create sustainability for staff, communities, and the environment.

In delivering sustainable quality to all stakeholders, the concept of sustainable development has been integrated into all parts and processes of the business as well as all staff members to make Singha Estate's vision achievable. The Board of Directors, to ensure that the business will be concretely driven toward sustainability, set up the sustainable Development Committee to take charge of formulating policies, strategies, and framework, while providing recommendations and following up with sustainable development progress on a regular basis.

# SECURITIES AND SHAREHOLDERS

## 1 Capital structure

As of January 3, 2018, Singha Estate Public Company Limited was under the following capital structure:

### Common shares

- Registered capital of 10,228,502,526 baht  
Comprising 10,228,502,526 common shares at par value of 1.00 baht per share.
- Paid-up capital of 6,853,719,295 baht  
Comprising 6,853,719,295 common shares at par value of 1.00 baht per share.

## 2 Shareholder structure

The company has the following share distribution on January 3, 2018, the XO (registration roster closing date):

Shareholders	Number of shares	% shares
Paid-up registered capital	6,853,719,295	100.00
Thai shareholders		
• Juristic persons	2,860,135,212	41.73
• Ordinary persons	2,578,605,929	37.62
<b>Total</b>	<b>5,438,741,141</b>	<b>79.35</b>
Non-Thai shareholders		
• Juristic persons	1,414,936,783	20.65
• Ordinary persons	41,371	0.00
<b>Total</b>	<b>1,414,978,154</b>	<b>20.65</b>

### Restrictions on foreign nationals' portfolio

The company's foreign limit is 39% of the paid-up capital. On January 3, 2018, foreigners' shares accounted for 20.65%.

The top 10 shareholders on the above XO date were as follows:

No.	Name	Number of shares	% of paid-up shares
1	<b>Singha Property Management Co., Ltd., Group</b>	<b>2,411,458,977</b>	<b>35.19</b>
	• Singha Property Management Co., Ltd.	2,411,458,977	35.19
	• Singha Property Management (Singapore) Pte. Ltd. <sup>1</sup>	-	-
2	<b>Mr. Santi Bhirombhakdi's Group</b>	<b>1,869,710,799</b>	<b>27.28</b>
	• Mr. Santi Bhirombhakdi	1,580,104,278	23.06
	• Morgan Stanley & Co. International Plc <sup>2</sup>	289,606,521	4.23
3	Morgan Stanley & Co. International Plc <sup>3</sup>	112,109,716	1.64
4	Credit Suisse Securities (Europe) Limited	311,035,857	4.54
5	UOB Kay Hian (Hong Kong) Limited - Client Account	219,803,600	3.21
6	Thai NVDR Company Limited	166,248,066	2.43
7	N.C.B.Trust Limited-Norges Bank 11	148,000,000	2.16
8	CREDIT SUISSE (HONG KONG) LIMITED	100,000,000	1.46
9	CREDIT SUISSE AG, DUBLIN BRANCH	70,899,090	1.03
10	Bualuang Long-Term Equity Fund	63,646,800	0.93
	<b>Total</b>	<b>5,472,912,905</b>	<b>79.87</b>

Remark : <sup>1</sup> Singha Property Management (Singapore) Pte. Ltd. ("SPM SG"), shareholder of 626,301,966 shares in the Company, on July 18, 2017, had made available the total of its shares for Credit Suisse AG, Hong Kong Branch to borrow under the Securities Lending Contract ("SBL Transaction") in connection with the offering of the convertible bonds of the Company. Under the SBL Transaction, SPM SG will be entitled to require for the return of the shares tentatively from July 20, 2020 onwards or upon the termination of the SBL Transaction pursuant to terms and conditions under relevant agreements and documents.

<sup>2</sup> Shareholding of Mr. Santi Bhirombhakdi Group through account with Morgan Stanley & Co. International PLC.

<sup>3</sup> Excluding the shareholding of Mr. Santi Bhirombhakdi under item no. 2.

Details of shareholding of the Company's directors and management are illustrated in the table "The Company's Securities Holding of Directors and Management".

#### Major shareholder group that exert *de facto* significant influence on company policies or business

The Singha Property Management Co., Ltd., Group (wholly owned by Boon Rawd Brewery Co., Ltd.) and Mr. Santi Bhirombhakdi's Group hold totaling 62.47% (on January 3, 2018) of total shares of the Company, thus exerting *de facto* significant influence on company policies or business because of their three representative directors, namely Mr. Chutinant Bhirombhakdi, Mr. Chayanin Debhakam, D.B.A., and Mr. Nutchdhawattana Silpavittayakul, on the nine-man board.

### 3 Issuance of other securities

#### Warrants to purchase ordinary shares of the Company (the “S-W1”)

The 2015 Annual General Meeting of Shareholders on April 22, 2015 resolved to approve the issuance and offering of warrants to purchase ordinary shares of the Company (“S-W1”), which were already issued and offered. Details are as follows:

Nature and type of the warrants	Warrants for the purchase of newly issued ordinary shares of Singha Estate Public Company Limited No. 1 (S-W1), specified name of the holder and transferrable.
Term of the warrants	Not exceeding 4 years and 2 months from the date of issuance and offering of warrants
Number of the warrants issued and offered	1,632,953,488 units
Number of ordinary shares to be reserved for the exercise of warrants	1,632,953,488 units
Offering price per unit	0.00 baht
Exercise ratio	1 unit of warrants to 1 newly issued ordinary share (subject to change in accordance with the conditions of the rights adjustment)
Exercise price to purchase ordinary shares	15 baht per new ordinary share (subject to change in accordance with the conditions of the rights adjustment)
Offering/allocation method	The Company allocated the warrants to the existing shareholders who subscribed and paid for the subscription price of the Rights Offering shares at the ratio of 1 unit of the allocated newly issued ordinary share to 2 units of the warrants.
First exercise date	January 15, 2018
Last exercise date	July 15, 2019
Number of non-exercised warrants	1,632,953,488 units
Secondary market of the warrants	The Stock Exchange of Thailand
Trading date in the secondary market	July 3, 2015

Details of warrant holding (S-W1) of the Company’s directors and management are illustrated in the table “The Company’s Securities Holding of Directors and Management”.

#### Convertible Debentures

The 2017 Annual General Meeting of Shareholders on April 28, 2017 resolved to approve the issuance and offering of convertible debentures in an amount not exceeding 200,000,000 US dollars or an equivalent amount in other currencies.

On July 12, 2017, the Company entered into a subscription agreement with Credit Suisse (Singapore) Limited and Krung Thai Bank Public Company Limited for the issue of " USD 180,000,000 2.00 percent Standby Letter of Credit Backed Convertible Bonds due 2022" (the "Bonds"). The Bonds were issued on July 20, 2017 and offered entirely to investors outside Thailand and the U.S.A., as well as listed on the Singapore Exchange Securities Trading Limited.



## Warrants to Purchase the Ordinary Shares of Singha Estate Public Company Limited to be Issued and Offered for Sale to the Directors and Employees of the Company and/or its Subsidiaries No. 1 (ESOP-Warrant-1)

The 2016 Annual General Meeting of Shareholders on April 26, 2016 resolved to approve the issuance and offering of warrants to purchase the ordinary shares of Singha Estate Public Company Limited to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 1 (ESOP-Warrant-1), which were already issued and offered. Details are as follows:

Nature and type of the warrants	Warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 1 (ESOP-Warrant-1) (the "ESOP-Warrant-1"), registered name of the holder and non-transferable, except for the transfer as provided in the terms and conditions.
Term of the warrants	Not exceeding 5 years from the issuing date of the ESOP-Warrant-1
Issuing date	December 1, 2016
Number of warrants issued and offered	50,000,000 units
Number of ordinary shares to be reserved for the exercise of warrants	50,000,000 shares
Offering price per unit	0.00 baht
Exercise ratio	1 unit of the ESOP-Warrant-1 will be entitled to purchase 1 newly issued ordinary share (except in the case of adjustment of right pursuant to the conditions of the adjustment of right of the ESOP-Warrant-1.)
Exercise price to purchase ordinary shares	The exercise price to purchase ordinary shares for each period is as follows: (1) The 1 <sup>st</sup> year from the issuing date: the warrants cannot be exercised. (2) The 2 <sup>nd</sup> year from the issuing date: 5.00 baht (3) The 3 <sup>rd</sup> year from the issuing date: 5.50 baht (4) The 4 <sup>th</sup> and 5 <sup>th</sup> year from the issuing date: 6.05 baht Except in the case of adjustment of right pursuant to the conditions of the adjustment of right of the ESOP-Warrant-1.
First exercise date	November 30, 2017
Last exercise date	November 30, 2021
Number of non-exercised warrants	50,000,000 units
Secondary market of the warrants	The Company will not list the ESOP-Warrant-1 as registered securities on the SET.
Secondary market of newly issued ordinary shares as a result of the exercise of right under the warrants	The Stock Exchange of Thailand

## Warrants to Purchase the Ordinary Shares of Singha Estate Public Company Limited to be Issued and Offered for Sale to the Directors and Employees of the Company and/or its Subsidiaries No. 2 (ESOP-Warrant-2)

The 2016 Annual General Meeting of Shareholders on April 26, 2016 resolved to approve the issuance and offering of warrants to purchase the ordinary shares of Singha Estate Public Company Limited to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 2 (ESOP-Warrant-2), which were already issued and offered. Details are as follows:

Nature and type of the warrants	Warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 2 (ESOP-Warrant-2) (the "ESOP-Warrant-2"), registered name of the holder and non-transferable, except for the transfer as provided in the terms and conditions.
Term of the warrants	Not exceeding 5 years from the issuing date of the ESOP-Warrant-2
Issuing date	April 1, 2017
Number of warrants issued and offered	50,000,000 units
Number of ordinary shares to be reserved for the exercise of warrants	50,000,000 shares
Offering price per unit	0.00 baht
Exercise ratio	1 unit of the ESOP-Warrant-2 will be entitled to purchase 1 newly issued ordinary share (except in the case of adjustment of right pursuant to the conditions of the adjustment of right of the ESOP-Warrant-2.)
Exercise price to purchase ordinary shares	<p>The exercise price to purchase ordinary shares for each period is as follows:</p> <ol style="list-style-type: none"> <li>(1) The 1<sup>st</sup> year from the issuing date of the ESOP-Warrant-2: the warrants cannot be exercised.</li> <li>(2) The 2<sup>nd</sup> year from the issuing date of the ESOP-Warrant-2: the weighted-average price of the Company's ordinary shares trading on the SET for the past 15 consecutive business days prior to the issuing date of the ESOP-Warrant-2.</li> <li>(3) The 3<sup>rd</sup> year from the issuing date of the ESOP-Warrant-2: at the rate of 110 percent of the exercise price of the 2nd year.</li> <li>(4) The 4<sup>th</sup> and 5<sup>th</sup> year from the issuing date of the ESOP-Warrant-2: at the rate of 110 percent of the exercise price of the 3rd year.</li> </ol> <p>Except in the case of adjustment of right pursuant to the conditions of the adjustment of right of the ESOP-Warrant-2.</p>
First exercise date	May 31, 2018
Last exercise date	March 31, 2022
Number of non-exercised warrants	50,000,000 units
Secondary market of the warrants	The Company will not list the ESOP-Warrant-2 as registered securities on the SET.
Secondary market of newly issued ordinary shares as a result of the exercise of right under the warrants	The Stock Exchange of Thailand

## Warrants to Purchase the Ordinary Shares of Singha Estate Public Company Limited to be Issued and Offered for Sale to the Directors and Employees of the Company and/or its Subsidiaries No. 3 (ESOP-Warrant-3)

The 2017 Annual General Meeting of Shareholders on April 28, 2017 resolved to approve the issuance and offering of warrants to purchase the ordinary shares of Singha Estate Public Company Limited to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 3 (ESOP-Warrant-3). Details are as follows:

Nature and type of the warrants	Warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 3 (ESOP-Warrant-3) (the "ESOP-Warrant-3"), registered name of the holder and non-transferable, except for the transfer as provided in the terms and conditions.
Term of the warrants	Not exceeding 5 years from the issuing date of the ESOP-Warrant-3
Issuing date	No later than April 25, 2018
Number of warrants issued and offered	50,000,000 units
Number of ordinary shares to be reserved for the exercise of warrants	50,000,000 shares
Offering price per unit	0.00 baht
Exercise ratio	1 unit of the ESOP-Warrant-3 will be entitled to purchase 1 newly issued ordinary share (except in the case of adjustment of right pursuant to the conditions of the adjustment of right of the ESOP-Warrant-3.)
Exercise price to purchase ordinary shares	<p>The exercise price to purchase ordinary shares for each period is as follows:</p> <ol style="list-style-type: none"> <li>(1) The 1<sup>st</sup> year from the issuing date of the ESOP-Warrant-3: the warrants cannot be exercised.</li> <li>(2) The 2<sup>nd</sup> year from the issuing date of the ESOP-Warrant-3: the weighted- average price of the Company's ordinary shares trading on the SET for the past 15 consecutive business days prior to the issuing date of the ESOP-Warrant-3.</li> <li>(3) The 3<sup>rd</sup> year from the issuing date of the ESOP-Warrant-3: at the rate of 110 percent of the exercise price of the 2<sup>nd</sup> year.</li> <li>(4) The 4<sup>th</sup> and 5<sup>th</sup> year from the issuing date of the ESOP-Warrant-3: at the rate of 110 percent of the exercise price of the 3<sup>rd</sup> year.</li> </ol> <p>Except in the case of adjustment of right pursuant to the conditions of the adjustment of right of the ESOP-Warrant-3.</p>
First exercise date	The last business day of the month of the first anniversary from the issuing date
Last exercise date	The date that ESOP-Warrant-3 have reached its 5 years term
Number of non-exercised warrants	50,000,000 units
Secondary market of the warrants	The Company will not list the ESOP-Warrant-3 as registered securities on the SET.
Secondary market of newly issued ordinary shares as a result of the exercise of right under the warrants	The Stock Exchange of Thailand

## 4 Dividend policy

Singha Estate's policy is to pay dividends at no less than 40% of the net profits after deducting juristic-person income tax, legal reserves, and other provisions. Dividends are subject to change with performance outcomes, business expansion plans, liquidity, necessity, and other suitable future factors. The Board is authorized to decide on this matter in the best interests of the shareholders.

## The Company's Securities Holding of Directors and Management <sup>1</sup>

Names	Position
1. Mr. Chutinant Bhirombhakdi Spouse / underage children	Chairman
2. Ms. Napaporn Landy Spouse / underage children	Independent Director Chairman of the Audit Committee
3. Mr. Petipong Pungbun Na Ayudhya Spouse / underage children	Independent Director Chairman of the Sustainable Development Committee Member of the Risk Management Committee
4. Mr. Charamporn Jotikasthira Spouse / underage children	Independent Director Chairman of the Risk Management Committee Member of the Audit Committee
5. Mr. Karoon Nuntileepong Spouse / underage children	Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee
6. Asst. Prof. Thanavath Phonvichai, Ph.D. Spouse / underage children	Independent Director Member of the Nomination and Remuneration Committee
7. Mr. Chayanin Debhakam, D.B.A. Spouse / underage children	Director Chairman of the Nomination and Remuneration Committee Member of the Sustainable Development Committee Chairman of the Executive Committee
8. Mr. Nutchdhawattana Silpavittayakul Spouse / underage children	Director Member of the Sustainable Development Committee
9. Mr. Naris Cheyklin Spouse / underage children	Director Member of the Risk Management Committee Member of the Sustainable Development Committee Member of the Executive Committee Chief Executive Officer
10. Mr. Nattavuth Mathayomchan Spouse / underage children	Member of the Executive Committee Chief Residential Development Officer
11. Mr. Methee Vinichbutr None of spouse / underage children	Member of the Executive Committee Chief Finance Officer
12. Mr. Thiti Thongbenjamas Spouse / underage children	Member of the Executive Committee Chief Investment Officer
13. Mr. Kittsanant Kittamaytrapemadej Spouse / underage children	Chief Marketing Officer
14. Miss Nuntiya Chaianont None of spouse / underage children	Vice President - Project Finance
15. Mrs. Samaporn Junhasobhaga Spouse / underage children	Vice President - Operation Finance
<b>Total shares held by directors and management not exceeding 25% of paid-up capital</b>	

Remark: <sup>1</sup> List of the directors and management according to the definition under the Notification of the Capital Market Supervisory Board No.Tor Jor 23/2551.

<sup>2</sup> The Company registered the change of paid-up capital from 6,453,719,295 baht to 6,853,719,295 baht on 19 July 2017.

<sup>3</sup> Non-Applicable for those who were not appointed as of December 31, 2016



[illegible]

# MANAGEMENT STRUCTURE

Singha Estate's management structure as described below allows clear segregation of roles, duties, and responsibilities of the Board, the sub-committees, and the management for checks and balances, as well as cross-checking of their performances.

## 1 Board of Directors

The Board is made up of directors with expertise and experience in various fields, being properly qualified and without forbidden qualities under the Public Limited Companies Act B.E. 2535 and the Securities and Exchange

Act B.E 2535. The directors must not possess any distrustful characteristics unsuitable for the management position in public limited companies under the announcement of the Securities and Exchange Commission (SEC).

The Board of Directors as of December 31, 2017 consists of nine directors, including

- eight non-executive directors, five of whom are independent directors, representing more than One-third of the members
- one executive director

Below is the list of directors as of December 31, 2017:

Name	Position	Appointment date
1. Mr. Chutinant Bhirombhakdi <sup>1</sup>	Chairman of the Board	September 12, 2014 (Re-elected on April 28, 2017)
2. Ms. Napaporn Landy	Independent Director	February 11, 2016 (Re-elected on April 28, 2017)
	Chairman of the Audit Committee	February 11, 2016
3. Mr. Karoon Nuntileepong	Independent Director	November 12, 2014 (Re-elected on April 26, 2016)
	Member of the Audit Committee	November 12, 2014
	Member of the Nomination and Remuneration Committee	May 15, 2015
4. Mr. Petipong Pungbun Na Ayudhya	Independent Director	October 12, 2016 (Re-elected on April 28, 2017)
	Member of the Risk Management Committee	October 12, 2016
	Chairman of the Sustainable Development Committee	June 7, 2017
5. Mr. Charamporn Jotikasthira	Independent Director	February 24, 2017
	Member of the Audit Committee	June 7, 2017
	Chairman of the Risk Management Committee	June 7, 2017
6. Asst. Prof. Thanavath Phonvichai, Ph.D.	Independent Director	April 22, 2015
	Member of the Nomination and Remuneration Committee	May 15, 2015

7. Mr. Chayanin Debhakam, D.B.A. <sup>1</sup>	Director	September 12, 2014 (Re-elected on April 26, 2016)
	Chairman of the Nomination and Remuneration Committee	May 15, 2015
	Member of the Sustainable Development Committee	June 7, 2017
	Chairman of the Executive Committee	September 12, 2014
8. Mr. Nutchdhawattana Silpavittayakul <sup>1</sup>	Director	June 7, 2017
	Member of the Sustainable Development Committee	June 7, 2017
9. Mr. Naris Cheyklin	Director	September 12, 2014 (Re-elected on April 26, 2016)
	Member of the Executive Committee	September 12, 2014
	Member of the Risk Management Committee	March 11, 2015
	Member of the Sustainable Development Committee	June 7, 2017
<b>Director who resigned in 2017</b>	<b>Position</b>	<b>Resignation date</b>
1. Mr. Longlom Bunnag	Director Member of the Executive Committee	January 31, 2017
2. Mr. Nattavuth Mathayomchan	Director	June 6, 2017

Remark: <sup>1</sup> Representative of major shareholder.

## Authorized company signatories

### General cases

The Company's seal affixed with the signatures of two of these three directors, namely Mr. Chutinant Bhirombhakdi, Mr. Chayanin Debhakam, and Mr. Naris Cheyklin, is considered valid.

### Specific cases

In the following cases

- Application for building all types of buildings and structures.
- Application for property allocation
- Application for land trading
- Application for merging and splitting land title deeds
- Application for splitting ownership
- Application for house numbers
- Application for the use and transfer of electricity and tap-water permits
- Rental of phone numbers' rights
- Submission of general petitions concerning telephones
- Application for linking paths and drains
- Application for curb stone cutting
- Verification and confirmation of land rights
- Application for condominium registration
- Application for condominium juristic person registration
- Application for building use
- Consent for business operation on premises
- Provision of testimony, filing and receiving documents related to Customs Department
- Complaint-lodging to police or investigating officers, complaint-withdrawing, compromising and provision of testimony, submission and retrieval of case documents
- Application for selling, cooking, mixing, and storing food or ice on private premises
- Application for using premises for objectionable or hazardous businesses

21. Application for selling whiskey, cigarettes, and playing cards
22. Application for a license for Exchange Control Act B.E. 2485 (1942) businesses,

the Company's seal affixed with the signature of one of these three directors, namely Mr. Chutinant Bhirombhakdi, Mr. Chayanin Debhakam, or Mr. Naris Cheyklin, is considered valid

Details of meeting attendance of the directors are illustrated in the table "2017 Meeting Attendance of Directors".

## 2 The Management

Singha Estate's management team as of December 31, 2017 consists of seven executives as follows:

- |                                     |  |
|-------------------------------------|--|
| 1. Mr. Naris Cheyklin               | Chief Executive Officer  |
| 2. Mr. Nattavuth Mathayomchan       | Chief Residential Development Officer  |
| 3. Mr. Thiti Thongbenjamas          | Chief Investment Officer   |
| 4. Mr. Kittsanan Kittamaytrapremdej | Chief Marketing Officer  |
| 5. Mr. Methee Vinichbutr            | Chief Financial Officer  |
| 6. Mr. Dirk De Cuyper               | Chief Operating Officer (S Hotels and Resorts Inter Co., Ltd.)                                       |
| 7. Mr. Khem Kamwongpin              | - (Acting) Chief Design and Construction Officer<br>- Senior Vice President, Design and Construction |

### Resignation of management team during the year 2017

- |                          |  |
|--------------------------|--|
| 1. Mr. Longlom Bunnag    | Chief Investment Officer, resigned on January 31, 2017         |
| 2. Mr. Terachart Numanit | Chief Design and Construction Officer, resigned on May 1, 2017 |

## 3 Company Secretary

The Board has appointed a person who is knowledgeable, competent, and suitable as Company Secretary, currently Ms. Choenporn Subhadhira, since September 12, 2014.

### Duties and responsibilities

The Company Secretary must perform the defined duties under Article 89/15 and Article 89/16 of the Securities and Exchange Act (No. 4), B.E. 2551 (2008), promulgated on August 31, 2008, with accountability, prudence, and integrity, while complying with the law, company objectives and articles of association, as well as the resolutions of the Board and shareholders' meetings. By law, her duties are as follows:

1. Establish and maintain the following documents:
  - Director roster
  - Board meeting notices, minutes of meetings, and the Company's annual report
  - Shareholders' meeting notices and minutes of meetings.
2. Maintain reports on vested interests filed by the directors, executives, or related parties, and send a copy of the reports on vested interests under Article 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within seven days of the Company's acknowledgment.
3. Hold Board meetings and shareholders' meetings under the applicable regulations and laws.
4. Provide recommendations on company businesses and the Board in line with the articles of association, company regulations, the Securities and Exchange Act, the Public Limited Companies Act, and applicable legislation.
5. Serve as a center of news and information for the directors, executives, and shareholders.
6. Coordinate and monitor compliance with the resolutions of the Board and shareholders' meetings.
7. Ensure disclosure of information and reporting of information under her responsibility to the regulators as required by the authority.
8. Take other actions as announced or required by the Capital Market Supervisory Board and as assigned by the Board.



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### Profile

Name – Surname Ms. Choenporn Subhadhira  
Position Vice President, Investor Relations  
and Company Secretary

### Education

- Master of Business Administration, California State University, Fullerton, U.S.A.
- Bachelor of Science in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University

### Training Courses

- 2017 - The Securities and Exchange Act B.E. 2559  
by Business Line and Life Company Limited
- Criminal liability of Directors and Corporate representative by The Stock Exchange of Thailand
  - Director Accreditation Program (DAP 136/2017) by Thai Institute of Directors Association (IOD)
- 2016 - Financial Statements for Directors (FSD 31/2016) by Thai Institute of Directors Association (IOD)
- 2014 - Fundamental Laws and Regulations for Listed Company by Thai Company Secretary Club, Thai Institute of Directors Association, with cooperation of the Stock Exchange of Thailand and the Securities and Exchange Commission

### Career

- 2014 - Present Vice President,  
Investor Relations and Company Secretary,  
Singha Estate Public Company Limited.
- 2013 Manager,  
Capital Market Communication,  
PYI Consulting Co., Ltd.
- 2006 - 2012 Manager, Investor Relations,  
Central Pattana Public Company Limited.

### Securities Holding in Singha Estate

Common share (S) -  
Warrant (S-W1) -



## 2017 Meeting Attendance of Directors

Name-Surname	Position	Meeting Attendance											
		Board of Directors (9 meetings)		Audit Committee (5 meetings)		Risk Management Committee (5 meetings)		Nomination and Remuneration Committee (4 meetings)		Sustainable Development Committee (2 meetings)		Executive Committee (17 meetings)	
		No. of meetings	%	No. of meetings	%	No. of meetings	%	No. of meetings	%	No. of meetings	%	No. of meetings	%
1 Mr. Chutinant Bhirombhakdi	Chairman of the Board	8/9	89										
2 Mrs. Napaporn Landy	Independent Director Chairman of the Audit Committee Chairman of the Risk Management Committee <sup>1</sup>	8/9	89	5/5	100	3/3	100						
3 Mr. Petipong Pungbun Na Ayudhya	Independent Director Chairman of the Sustainable Development Committee Member of the Risk Management Committee Member of the Audit Committee <sup>2</sup>	7/9	78	3/3	100	5/5	100			2/2	100		
4 Mr. Charamporn Jotikasthira <sup>3</sup>	Independent Director Chairman of the Risk Management Committee Member of the Audit Committee	7/8	88	2/2	100	2/2	100						
5 Mr. Karoon Nuntileepong	Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee	9/9	100	5/5	100			4/4	100				
6 Asst. Prof. Thanavath Phonvichai, Ph.D.	Independent Director Member of the Nomination and Remuneration Committee	7/9	78					2/4	50				
7 Mr. Chayanin Debhakam, D.B.A.	Director Chairman of the Nomination and Remuneration Committee Member of the Sustainable Development Committee Chairman of the Executive Committee	8/9	89					4/4	100	2/2	100	16/17	94
8 Mr. Nutchdhawattana Silpavittayakul <sup>4</sup>	Director Member of the Sustainable Development Committee	4/4	100							2/2	100		
9 Mr. Naris Cheyklin	Director Member of the Risk Management Committee Member of the Sustainable Development Committee Member of the Executive Committee	9/9	100			4/5	80			2/2	100	17/17	100

### Directors who left the office during the year 2017

1 Mr. Longlom Bunnag <sup>5</sup>	Resigned from the Board of Directors and the Executive Committee with effect on January 31, 2017												
2 Mr. Nattavuth Mathayomchan	Director (Resigned on June 6, 2017) Currently serve as a Member of the Executive Committee	3/4	75									17/17	100

Remarks: <sup>1</sup> Mrs. Napaporn Landy chaired the Risk Management Committee until June 7, 2017.

<sup>2</sup> Mr. Petipong Pungbun Na Ayudhya had been a member of the Audit Committee until June 7, 2017.

<sup>3</sup> Mr. Charamporn Jotikasthira was appointed as an independent director in the Board of Directors' Meeting No. 1/2017 on February 24, 2017. He was later appointed as the Chairman of the Risk Management Committee and a member of the Audit Committee in the Board of Directors' Meeting No. 5/2017 on June 7, 2017. One board meeting and three meetings of the Risk Management Committee and of the Audit Committee were already held prior to such appointments.

<sup>4</sup> Mr. Nutchdhawattana Silpavittayakul was appointed as a director and a member of the Sustainable Development Committee in the Board of Directors' Meeting No. 5/2017, dated June 7, 2017. There were five board meetings held before the appointment.

<sup>5</sup> Mr. Longlom Bunnag resigned from the directorship with effect on January 31, 2017, whereby none of the board meeting was held.



# NOMINATION AND APPOINTMENT OF DIRECTORS AND SENIOR EXECUTIVES

## Nomination and appointment of directors

### Criteria and procedures

The Board has assigned the Nomination and Remuneration Committee (“the NRC”) to recruit and nominate qualified persons under securities and exchange laws and in line with Singha Estate’s defined qualifications and submit a short list to the Board for appointment or for tabling it to a shareholders’ meeting as specified by company regulations, as the case may be. In so doing, the following channels will be considered:

- An opportunity given for shareholders to nominate directors during at least a 3-month period before each AGM, the latest one being from October 1, 2017 to January 31, 2018, under the criteria and terms announced on the company website
- Persons recommended by the company’s executives, directors, and reliable external sources, including director pool.
- Qualified persons recommended by professional search firms
- An opportunity given for directors to nominate qualified persons.

The NRC reviews annually the directors’ skills and characteristics together with the Board’s overall composition conforming to the Company’s strategy and business direction. Then, the Board Skill Matrix is tabled annually for consideration of the gap of necessary skills and set-up of nomination criteria. In such reviews, the NRC also considers the diversity of skills, expertise, proficiency, experience, and other special competencies of directors, regardless of age and gender.

Qualifications of directors and independent directors are disclosed in section 5 - Responsibilities of Directors, under “Corporate Governance”.

## Nomination and appointment procedure

### Position becomes vacant with term completion

When a position becomes vacant with term completion for a given director, the NRC recruits and nominates persons with suitable qualifications and nominate them to the Board for seeking approval from the AGM. As for directors’ reappointment for another term, the NRC looks at several factors, including performance outcomes, profiles of meeting attendance and participation, and support given to Board activities. For an independent director, his or her independence in expression of opinions will also be taken into account.

Directors’ election conforms to company regulations and those of relevant laws, which must be transparent and clear. Below are the criteria and methodology of directors’ election at a shareholders’ meeting:

1. Each shareholder’s votes equal his or her number of shares held, one share per one vote.
2. Voting is to be done for individual nominees, for which each shareholder is to exercise his or her entire votes for individual directors, one by one.
3. To pass the resolution for director appointment, it requires a majority vote of the shareholders who are present at the meeting and entitled to vote.
4. Those that secure the highest votes, and those with the second highest votes, and so on, are regarded as being elected, matching the number of directors to be elected. Should there be more than one person with equal votes for a given position, the chairman of the meeting is to cast a deciding vote.

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### Position becomes vacant for other reasons

The NRC recruits and nominates qualified persons to present to the Board for appointment replacing the resigned director(s) at the next Board meeting. An exception applies if the remaining term is less than two months, in which case an approval is needed from the AGM. In any case, the term of the replacement director is only as long as that remaining of the resigned one. The decision of the Board in this case needs no less than three-quarters of the remaining directors on the Board.

### Director removal and dismissal

1. Besides completing their terms, directors may leave their positions in the following cases:
  - 1.1 Death
  - 1.2 Resignation
  - 1.3 Lack of qualifications or having forbidden qualities under the Public Limited Companies Act
  - 1.4 Dismissal by shareholders' votes.
  - 1.5 Court order.
2. Directors who wish to leave their positions are to submit a resignation to the Company, which becomes effective from the date it is received by the Company. Such directors may also notify the public limited company registrar.
3. The shareholders' meeting may decide to have any director leave his or her position before term completion with a vote of no less than three-quarters of the attending eligible voters, which is no less than a half of the total shares of the attending eligible voters.

If the entire Board leave their positions, they are to remain in office to carry on business only as essential until the new Board takes office, except otherwise ordered by the court for the Board that leaves their positions at the court's order.

The Board that left their positions are to hold a shareholders' meeting to elect the new Board within one month after leaving their positions. To this end, it sends meeting notices to the shareholders no less than 14 days ahead of the meeting date, which are advertised in newspapers for three consecutive days and no less than three days ahead of the meeting date.

### Nomination and Appointment of Senior Executives

#### Nomination and Appointment of the CEO

The Board has assigned the NRC to prepare a CEO Succession Plan to ensure business continuity if the position becomes vacant. The committee is to nominate a qualified person to assume the position by selecting a competent, qualified person with experience beneficial to Singha Estate's operation from either inside or outside the Company before tabling his or her name to the Board for appointment. The committee is also responsible for regularly reviewing this succession plan as well as the list of those eligible for succession.

#### Nomination and Appointment of Senior Executives

The CEO recruits qualified person(s) suitable for the positions, duties, and responsibilities from those competent ones with experience beneficial to Singha Estate. Such selection must conform to Human Capital's personnel recruitment protocols.

Human Capital develops succession plans for senior executives and puts in place a system for personnel development for lesser positions to become ready to assume such positions.



# REMUNERATION OF DIRECTORS AND MANAGEMENT TEAM

## 1 Monetary Remuneration

### Directors' remuneration

#### Criteria for directors' remuneration

The Nomination and Remuneration Committee ("the NRC") is responsible for defining the criteria for directors' remuneration, considering the following aspects:

- Directors' Responsibilities
- Linking the remuneration to Company overall performance
- Comparing directors' remuneration with peers listed in the stock exchange of the same business and the same size.

The 2017 AGM approved the remuneration for the directors and committee members in the forms of meeting allowance and privilege for rooms and services at any of the Company's and its Group's hotels. Details are as follows:

Types of Remuneration	Meeting Allowance (Baht/Person/Meeting)	Privilege for rooms and services at any hotels of the Company's and its group's (Baht/Person/Year)
1. Board of Directors		
- Chairman	50,000	100,000
- Director	30,000	100,000
2. Sub-Committees <sup>1</sup>		
- Chairman	30,000	-
- Member	20,000	-

Note: <sup>1</sup> Members of the Executive Committee who are the Company's management shall not receive meeting allowance for the Executive Committee.

In summary, the monetary remuneration in 2017 for the total of 10 directors, including those who resigned during the year, amounted to 3,904,820.52 baht, which consisted of 2,260,000 baht for Board meeting allowance; 350,000 baht for the Audit Committee meeting allowance; 330,000 baht for the Risk Management Committee meeting allowance;

240,000 baht for the Nomination and Remuneration Committee meeting allowance; 360,000 baht for the Executive Committee meeting allowance; 180,000 baht for the Sustainable Development Committee meeting allowance; and 222,334.53 baht for actual expense under the privilege for rooms and services at any hotels of the Company's and its group's. (Details are illustrated in the table "2017 Monetary Remuneration of Directors")

## 2017 Monetary Remuneration of Directors

Name-Surname	Position	Monetary Remuneration (Baht)						Others <sup>2</sup>	Total Remuneration
		Meeting Allowances							
		Board of Directors	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee	Sustainable Development Committee	Executive Committee <sup>1</sup>		
1 Mr. Chutinant Bhirombhakdi	Chairman of the Board	400,000.00						93,433.51	493,433.51
2 Mrs. Napaporn Landy	Independent Director Chairman of the Audit Committee Chairman of the Risk Management Committee	240,000.00	150,000.00	90,000.00				11,362.00	491,362.00
3 Mr. Petipong Pungbun Na Ayudhya	Independent Director Chairman of the Sustainable Development Committee Member of the Risk Management Committee Member of the Audit Committee	210,000.00	60,000.00	100,000.00		60,000.00			430,000.00
4 Mr. Charamporn Jotikasthira	Independent Director Chairman of the Risk Management Committee Member of the Audit Committee	210,000.00	40,000.00	60,000.00					310,000.00
5 Mr. Karoon Nuntileepong	Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee	270,000.00	100,000.00		80,000.00				450,000.00
6 Asst. Prof. Thanavath Phonvichai, Ph.D.	Independent Director Member of the Nomination and Remuneration Committee	210,000.00			40,000.00				250,000.00
7 Mr. Chayanin Debhakam, D.B.A.	Director Chairman of the Nomination and Remuneration Committee Member of the Sustainable Development Committee Chairman of the Executive Committee	240,000.00			120,000.00	40,000.00	360,000.00		760,000.00
8 Mr. Nutchdawatana Silpavitayakul	Director Member of the Sustainable Development Committee	120,000.00				40,000.00			160,000.00
9 Mr. Naris Cheyklin	Director Member of the Risk Management Committee Member of the Sustainable Development Committee Member of the Executive Committee	270,000.00		80,000.00		40,000.00			390,000.00
Directors who left the office during the year 2017									
1 Mr. Longlom Bunnag	Resigned from the Board of Directors and the Executive Committee with effect on January 31, 2017								
2 Mr. Nattavuth Mathayomchan	Director (Resigned on June 6, 2017) Currently serve as a Member of the Executive Committee	90,000.00						80,025.01	170,025.01
Total		2,260,000.00	350,000.00	330,000.00	240,000.00	180,000.00	360,000.00	184,820.52	3,904,820.52

Remarks: <sup>1</sup> The 2017 AGM, dated April 28, 2017, approved the meeting allowances for sub-committees, with the condition that members of the Executive Committee who were the Company's executives shall not receive the meeting allowance.  
There were five Executive Committee meetings held before such approval.

<sup>2</sup> Privileges for rooms and services at any of the Company's and its subsidiaries' hotels as approved by the 2017 AGM at the rate of 100,000 baht/person/year.

## Management's remuneration

For the accounting year ended December 31, 2017, the total remuneration for the first four executives, from the CEO to all positions equivalent to the fourth executive (totaling seven persons), including those who resigned during the year, amounted to 79,210,074 baht, consisting of 50,393,800 baht for salaries and allowances; 6,172,247 baht for bonus; 4,465,740 baht for provident fund contribution; and 18,178,287 baht for others.

Executives who are members of the Provident Fund are entitled to a contribution of 10% of their salaries under the rules of the Provident Fund, which applies to all in the Company.

Note: The first four executives from the CEO and all positions equivalent to the fourth executive (according to the executive listing system of SEC) as of December 31, 2017, were

- |                                     |  |
|-------------------------------------|--|
| 1. Mr. Naris Cheyklin               | Chief Executive Officer  |
| 2. Mr. Nattavuth Mathayomchan       | Chief Residential Development Officer                                  |
| 3. Mr. Thiti Thongbenjamas          | Chief Investment Officer   |
| 4. Mr. Kittsanan Kittamaytrapremdej | Chief Marketing Officer  |
| 5. Mr. Methee Vinichbutr            | Chief Finance Officer  |
| 6. Mr. Longlom Bunnag               | Chief Development and Investment Officer resigned on January 31, 2017. |
| 7. Mr. Terachart Numanit            | Chief Design and Construction Officer resigned on May 1, 2017.         |

The management's remuneration excluded:

- |                       |   |
|-----------------------|---|
| 1. Mr. Dirk De Cuyper | Chief Hospitality Officer<br>(S Hotels and Resorts Inter Co., Ltd.) |
|-----------------------|---|

## 2 Non-Monetary Remuneration

Warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 1 (ESOP-Warrant-1), No. 2 (ESOP-Warrant-2), and No.3 (ESOP-Warrant-3)

The Company had issued and offered the warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries (ESOP-Warrant) to encourage their ownership, build their morale and courage in performing their duties, and retain their engagement with the Company in the long run.

The 2016 AGM, held on April 26, 2016, approved the issuance and offering of the ESOP-Warrant-1 and ESOP-Warrant-2 at the amount of 50,000,000 units each, those of which were already issued on December 1, 2016 and April 1, 2017 respectively. Next, the 2017 AGM, held on April 28, 2017, approved the issuance and offering of the ESOP-Warrant-3 at the amount of 50,000,000 units, which is expected to be issued no later than April 25, 2018.

There was no allocation exceeding 5 percent of the total number of the ESOP-Warrant-1 and ESOP-Warrant-2 to any directors and/or employees.

Details of the three sets of ESOP-Warrant are described in "Securities and Shareholders".

## 2017 Non-Monetary Remuneration of Directors

Name- Surname	Position	Non-Monetary Remuneration			
		ESOP-Warrant-1		ESOP-Warrant-2	
		No. of warrants (units)	% of issued warrants	No. of warrants (units)	% of issued warrants
1 Mr. Chutinant Bhrombhakdi	Chairman of the Board	2,500,000	5.00	2,500,000	5.00
2 Mrs. Napaporn Landy	Independent Director Chairman of the Audit Committee Chairman of the Risk Management Committee	1,470,588	2.94	1,388,889	2.78
3 Mr. Petipong Pungbun Na Ayudhya	Independent Director Chairman of the Sustainable Development Committee Member of the Risk Management Committee Member of the Audit Committee			833,333	1.67
4 Mr. Charamporn Jotikasthira	Independent Director Chairman of the Risk Management Committee Member of the Audit Committee				
5 Mr. Karoon Nuntileepong	Independent Director Member of the Audit Committee Member of the Nomination and Remuneration Committee	1,176,471	2.35	1,111,111	2.22
6 Asst. Prof. Thanavath Phonvichai, Ph.D.	Independent Director Member of the Nomination and Remuneration Committee	882,353	1.76	833,333	1.67
7 Mr. Chayanin Debhakam, D.B.A.	Director Chairman of the Nomination and Remuneration Committee Member of the Sustainable Development Committee Chairman of the Executive Committee	2,500,000	5.00	2,500,000	5.00
8 Mr. Nuchdhawattana Silpavitayakul	Director Member of the Sustainable Development Committee				
9 Mr. Naris Cheykin	Director Member of the Risk Management Committee Member of the Sustainable Development Committee Member of the Executive Committee	2,500,000	5.00	2,500,000	5.00
<b>Directors who left the office during the year 2017</b>					
1 Mr. Longlom Bunnag	Resigned from the Board of Directors and the Executive Committee with effect on January 31, 2017	588,235 <sup>1</sup>	1.18%		
2 Mr. Nattavuth Mathayomchan	Director (Resigned on June 6, 2017) Currently serve as a Member of the Executive Committee	882,353 <sup>1</sup>	1.76	833,333 <sup>1</sup>	1.67
<b>Total</b>		<b>11,029,412</b>	<b>23.81</b>	<b>11,666,666</b>	<b>25.01</b>

Remarks:

<sup>1</sup> Excluding the ESOP-warrants which were allocated to managements.

# CORPORATE GOVERNANCE

## Corporate Governance Policy

The Board of Directors of Singha Estate Public Company Limited is committed to a transparent, fair and accountable business conduct in strict adherence to Good Corporate Governance (CG) Principles. Besides enhancing the Company's competitiveness and strengthening the confidence of all investors and stakeholders at the domestic and international levels, such practices are key drivers for Singha Estate's business success, sustainable growth, flexible adaptation under a changing business environment, and good relationship with all stakeholders.

### Formulation of CG policy

The Board supports and oversees the formulation of a CG policy in line with the criteria and guidelines of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) and Thai Institute of Directors (IOD). All directors, executives and staff are required to strictly observe the policy, which encompasses diverse operational guidelines. The Board also promotes the communication of the CG policy, with monitoring and supervision measures undertaken to enhance all personnel's understanding and ensuring their compliance in a fully convinced and dedicated manner as part of the corporate culture to bolsters Singha Estate's security and sustainable growth.

Additional tasks under the CG policy carried out by the Board this year are:

- Appointed the Sustainable Development Committee to fully align the Company's operation with the direction, policy and strategic plan defined by the Board and ensure that the management performs its duties within the sustainable development framework with a clear direction for generating corporate sustainability and delivering sustainable value to all shareholders and stakeholders.
- Amended the charters of the Board and subcommittees in line with the Company's prevailing situation, the development of CG practices, SET's guidelines on CG practices for directors, and SEC's CG Code.

### CG principles and CG Code compliance assessment

Having acknowledged the practices under CG Code, the Board actively takes charge of its leadership in fostering sustainable value for Singha Estate's business, with an assessment of overall compliance with CG Code undertaken based on the outcomes of the company secretary's preliminary assessment and report. Meanwhile, additional elements of SET's CG practices under consideration are:

Issue under consideration	Reason/explanation
The Board should supervise the formulation of a clearly defined anti-corruption policy and guidelines, and communicate to all corporate levels and outsiders to facilitate practical observance.	<p>Recognizing that anti-corruption practices are vital for the Company's business, the Board encourages the management to speedily develop internal control, risk management and other operation systems for efficient and effective compliance with the anti-corruption policy to be formulated.</p> <p>Meanwhile, the Board oversees the cultivation of employees' awareness to collectively resist all forms of corrupt practices, while promoting the Company's commitment to a fair and transparent business conduct in full compliance with applicable laws, by embracing "Integrity" as one of the corporate values, to be assessed as part of the annual performance evaluation of all staff.</p>



Issue under consideration	Reason/explanation
The Chairman of the Board is an independent director.	<p>The Chairman was appointed by the Board resolution as defined by the business integration plan of 2014. Despite being a representative of the major shareholder, the Board charter states clearly that the Chairman of the Board shall be neither the Chairman of the Executive Committee nor the CEO, in order to clearly separate their roles and balance their authorities. The charter also clearly defines the scope of authorities, duties and responsibilities of the Board Chairman and the Board of Directors.</p> <p>Apart from expertise in Singha Estate's field of business and proficient leader, the Chairman is capable of motivating all directors to participate and freely express their opinions.</p>
All members of the Nomination and Remuneration Committee are independent directors.	<p>According to its charter, the Nomination and Remuneration Committee is composed of at least three directors, with no less than half of them being independent directors, and without the Board Chairman or the CEO being a member of the committee.</p> <p>In conformance to its charter, the Nomination and Remuneration Committee currently consists of three directors, with two members being independent directors. All committee members can freely express their views.</p>

To enhance the knowledge and understanding of all directors, executives and employees of their obligations under the CG principles, the Board has defined the following CG guidelines:



### Rights of Shareholders

Shareholders exercise their controlling rights as company owners through the appointment of the Board as their representatives in performing its duties. Appreciating and respecting the rights of all shareholders, Singha Estate takes no action that deprives their rights, with policies in place to promote and facilitate the exercise of shareholders' rights, along with equally safeguarding all shareholders' fundamental rights and benefits, which include:

- Rights of purchase, sales, and transfer of their securities in an independent manner
- Right of access to information, news, operating results, and administrative policies accurately, completely, and sufficiently in a timely manner
- Right to receive due benefits in the form of dividends
- Right to attend shareholder meetings, pose questions, express opinions and recommendations, and cast their votes for matters with significant impact to the Company
- Right to appoint and demote the Company's directors
- Right to appoint external auditors and determine auditor fees
- Other rights as determined by laws and company regulations

The Company has no Shareholders Agreement with significant impact on the Company and other shareholders, while having no policy to buy back shares.

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Moreover, the Company has the policy to encourage and facilitate the full exercise of rights relating to shareholders' meetings, the following measures are undertaken:

1. To provide sufficient time for shareholders to study the Company's performance outcomes of the previous year, Singha Estate holds its AGM within four months from the end of its accounting year and avoids setting the meeting date close to public holidays. The 2017 AGM was held on April 28, 2017, at the Main Conference Room, a large venue located on the 39<sup>th</sup> Floor of Suntowers Building B, No. 123 Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok, with transportation services provided for meeting attendants traveling from the BTS Mo Chit Station and the MRT Chatuchak Park Station.
2. The Company prepares the meeting notice in Thai and English, indicating the meeting date, time and venue, including other details comprising a map of the meeting venue, an invitation letter; minutes of the previous meeting; the Annual Report in CD-ROM form; meeting agenda with explanations of objectives, details, directors' opinions and information required for consideration of each agenda item; explanation of credentials to be presented for attending the meeting; a list of all independent directors who serve as proxies for voting; company articles of association concerning shareholders' meeting; a registration form with a barcode; and proxy forms. All these are sent to shareholders no later than 14 days before the meeting date and publicized on its website in advance so that shareholders may have time to study and acquire sufficient, accurate and complete information before casting their votes. The meeting notice was also advertised in Thai and English newspapers at least three days before the meeting for three consecutive days to announce the calling of the shareholders' meeting in advance.
3. The Company facilitates those shareholders who cannot attend the meeting in person by enclosing Proxy Form B (as specified by the Ministry of Commerce) with the meeting notice and enclosing a list of independent directors serving as proxies. Detailed explanation of

credentials to be presented for attending the meeting is also enclosed so that shareholders may prepare appropriate documents. Shareholders can also download Proxy Forms A, B and C (for foreign shareholders who appoint custodians in Thailand) from the company website and can appoint proxies or appoint independent directors as notified in the invitation letter as proxies. Revenue stamps are also provided for shareholders and institutional investor proxies on the actual day.

4. Singha Estate allows and encourages institutional investors to pre-register to save time on the actual day.
5. A barcode system is used to ensure the accuracy and efficiency of the vote-counting process. After a two-hour registration period, shareholders can still register if they wish to attend the meeting without losing rights.
6. The Company provides independent legal advisers and shareholder representatives to check the accuracy and transparency of the vote-counting process on each agenda item.
7. The Chairman allotted time and opportunities for the shareholders to fully express their views and ask questions. The Chairman of the Board, the Chairman of each subcommittee, all directors, senior executives, as well as external auditors, financial advisers or legal advisers related to the meeting agenda (or both) attended the meeting to answer shareholders' questions.
8. All resolutions of the meeting as well as the results of the voting on each agenda item is reported to the Stock Exchange of Thailand (SET) and uploaded onto the Company website immediately after the meeting or no later than 9.00 a.m. on the following work day.
9. The minutes of the meeting containing detailed records of all essential contents in line with the CG principles were prepared and submitted to SET and SEC within 14 days of the meeting. Singha Estate also disseminated on its website the minutes in Thai and English along with video recording of the meeting and informed the public about such dissemination via SET's various channels.



## Equitable Treatment of Shareholders

It is Singha Estate's policy to treat all shareholders with fairness, regardless of gender, color, race, nationality, or religion, without discrimination against any group or individual shareholders; organize shareholders' meetings that promote equitable treatment of all shareholders; and implement measures to prevent directors, executives and all employees from using inside information for their own benefit or the benefit of others. Below are the details of this policy:

1. Singha Estate encourages all shareholders to propose meeting agenda items, nominate directors, and submit questions in advance no less than three months before each AGM. Criteria and conditions are announced on the Company's website.
2. The Chairman conducts the meeting by the agenda and all issues outlined in the meeting notice without adding any agenda item.
3. Before the meeting, the Company explains the steps and the voting process to the shareholders. Each shareholder has one vote per share. After summarizing the vote counting result of each agenda item, shareholders will be informed about the result and resolution of such agenda item.
4. The Company prepares ballots for voting on each of the agenda items. As for election of directors, individual voting is required to ensure transparency and accountability.
5. To prevent potential conflicts of interest, directors and executives are required to disclose information on the vested interest of themselves and related persons, while director(s) or executive(s) with vested interests in any transaction of the Company is not allowed to take part in any deliberation for the approval of such transaction.
6. Singha Estate's securities trading policy forbids all directors, executives and employees from using or disclosing for the benefit of their own or related persons any inside information that is not yet publicized or inside information that could affect share prices.



## Roles of Stakeholders

The Board takes seriously the rights of all stakeholders, namely the shareholders, investors and analysts; customers; employees; business partners; business competitors; creditors; and community, society and the environment. The Company treats all stakeholders fairly in accordance with Company policy as follows:

### Shareholders, Investors, and Analysts

The Company treats all shareholders and investors with equality. The directors, executives, and all employees are committed to working with integrity, transparency, and fairness, taking into account the maximum benefit to the shareholders. They do not engage in conflicts of interest, use inside information for the benefit of their own or their family and friends, and do not disclose confidential information to outsiders.

The Company recognizes and respects the rights of all shareholders, investors, and analysts in having regular access to accurate and necessary information regarding company performance. The Company publicizes its operating results and essential information through the Investor Relations Webpage, as well as various activities such as meeting investors quarterly at the Opportunity Day event arranged by SET, uploading videos of the shareholders meetings on company website, and meeting investors in foreign countries.

### Customers

Apart from following conditions, offers, and commitments to its customers, Singha Estate strives for maximum customer satisfaction by providing its customers with quality products and services to raise their standard of living. The Company also focuses on details and creation of the "Best in Class" standard, differentiating from competitors by its distinctive design and superior services. It is determined to build

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good and lasting relations with customers, not to mislead the customers' or the public's understanding of the quality, prices, or conditions of sales or provision of services, and to strictly keep the customers' confidentiality or information that should not be disclosed.

### Employees

Employees are considered the most valuable resources, the Company, therefore, strictly comply with laws regarding labor and social welfare. It is committed to ensuring that all employees have a healthy work attitude, awareness of duties and responsibilities, pride and confidence in the organization, as well as focus on teamwork. Singha Estate's core value and organization culture to be instilled in all employees is "PRIDE". The Company also encourages employees to take various training courses relevant and useful to work. It pays attention to employees' health by arranging annual physical check-up for all employees, promotes safety and good working environment, and providing sufficient and suitable compensation and welfare. Moreover, the consideration of employees' compensation is mainly based on the assessment of their performance, relating to the Company's short-term and long-term operating results, against their peers of the same industry.

### Business Partners

Singha Estate treats its business partners with equitability. The process for selecting business partners and the procurement process must be fair and transparent, while systematically and effectively conducted under regulations without demand, acceptance or payment of any benefits to business partners. The Company focuses on maintaining healthy and sustainable relationships with business partners, taking into account the common benefit and mutual trust, and strictly complying with business contracts, agreements, and other trade conditions. It will maintain business partners' confidentiality and will not disclose such information for personal or others' benefits unless consensus.

### Business Competitors

Singha Estate, under Company policy guidelines, is committed to operating business in compliance with laws and regulations

based on fairness, transparency; and abstaining from seeking business competitors' confidentiality through dishonest and unlawful means, slandering business competitors, engaging in anything that is false, unfair and violates others' intellectual property rights.

### Creditors

Singha Estate strictly complies with the loan conditions stated in its contracts and agreements with creditors such as banks, financial institutions, and business creditors. It repays debts and interests on time and manages loans in compliance with its objectives, not abusing loans. It is committed to management with maximum efficiency to assure creditors of its financial status and its ability to repay loans. If it cannot comply with any contractual condition, the Company will urgently inform its creditor to jointly find a solution.

### Community, Society and the Environment

It is well aware and recognized that Singha Estate is a part of society and must be responsible for society and the environment. Therefore, its business is conducted under the principle of creating mutual values among business, community and society. It emphasizes environmental protection by promoting efficient and effective resource use such as designing and innovating an energy-efficient building under the concept of Leadership in Energy and Environmental Design (LEED) with a focus on building designs that rely on natural light to reduce energy consumption, increase green zones in projects, apply modern technology and environmentally friendly materials, while ensuring that the Company's operation does not damage the quality of life of society, communities, and the environment.

### Human Rights

In strict compliance with the domestic and international human rights principles, Singha Estate treats all stakeholders equally without discrimination regardless of differences in race, skin color, place of birth, religion, gender, age, disability, or personal characteristics irrelevant to their duties. The Company also undertakes measures preventing its personnel from involvement with any human rights violation or illegal labor.

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### Intellectual Property Rights

Intellectual property rights are valuable assets that enhance Singha Estate's business competitiveness. These include the Company's name, unique brands, logos, copyrights, patents, trademarks, trade secrets, innovations and specialized knowledge. Besides ardently protecting these assets, Singha Estate respects the intellectual property rights of others and will neither violate nor misuse such rights.

### Anti-Fraud and Anti-Corruption

Thanks to the Company's vision for sustainable growth and its recognition of threats arising from frauds and corruptions, which could thwart achievement of goals under such vision, the management jointly defined practical guidelines on "Integrity" as one of the corporate values for all employees to observe in their performance. In other words, they must perform their duties with integrity and show their responsibility to all stakeholders, support all forms of anti-corruption, and strictly comply with all laws applicable to anti-corruption in Thailand. The Company also conducts risk assessment and risk management, together with employing an effective internal control system to prevent all forms of corruption and bribery.

In addition, the Company has incorporated this as part of new employees' orientation to underscore the significance and cultivate awareness of integrity among all employees. To this end, all executives are to serve as role models for conscientious performance. Preventive and punitive guidance are clearly stated in employee regulations.

### Whistleblowing

The Company's whistleblowing policy provides all stakeholders with assorted channels for voicing their complaints or leads about misdeeds by directors, executives, or employees. Details and evidence of suspected or encountered cases of unlawful action, violation of the Company's regulation or infringement of stakeholders' rights should be sent to the Company through the following channels:

1. Mail: Singha Estate Public Company Limited  
Suntowers Building B, 40<sup>th</sup> Floor ,  
No. 123 Vibhavadi-Rangsit Road, Chom Phon,  
Chatuchak, Bangkok 10900, Thailand
2. Facsimile : +66 2 617 6444-5
3. Email : [company.secretary@singhaestate.co.th](mailto:company.secretary@singhaestate.co.th)
4. Website : [www.singhaestate.co.th](http://www.singhaestate.co.th)
5. Intranet or S@Net (for employees):  
<https://singhaestate.sharepoint.com/Pages/Default.aspx>

The Company defined procedures for complaint handling that are clear, suitable, efficient, fair, honest, transparent, and abide by international standards. Recommendations and complaints will be forwarded to relevant units for fact finding, clarification, remedy, improvement, and conclusion for eventually reporting to the Board under the procedures and timelines stated in such policy.

Whistleblowers, who are employees, customers or contractors, will be well protected by laws. The Company encourages whistleblowers to reveal themselves and provide contact information to establish communication channels.



### Disclosure of Information and Transparency

The Board focuses on transparent, accurate, and complete disclosure of information in a timely manner, both financial and non-financial, to the shareholders, investors, analysts, mass media, and stakeholders. Respecting the right of equal access for all parties, the Company has, therefore, prepared regular disclosures of information in Thai and English through various communication channels as follows:



- Company website and Investor Relations Webpage: [www.singhaestate.co.th](http://www.singhaestate.co.th)
- Electronic system for disclosure of news and information of SET and SEC
- Annual Information Disclosure (Form 56-1) and Annual Report (Form 56-2)
- Various media such as newspaper and magazines
- Information released to analysts and investors at company visits and meetings with executives
- Domestic and overseas roadshows
- Sending notice of shareholders meeting and key information through postal mail
- Meeting with investors at the Opportunity Day event, organized quarterly by SET, to communicate the operating results and key information
- Press conferences to disclose key company investment projects after dissemination on SET Portal

The Company sets out practices for disclosure of information as follows:

- Confidential information must be disclosed without discrimination.
- It will not publicize significant information that could affect share prices until it has notified SET, in which case it will immediately post such information on its website.
- It has no policy to comment on rumors or speculation that could skew Singha Estate share trading, particularly where it is clear that such rumors are not originated by the Company.
- The Company has set a silent period (non-communication for executives and Investor Relations regarding disclosure of financial information and general information to analysts and investors) as one month before the announcement of its operating results, quarterly and annually, to the public. This is to prevent inappropriate disclosure of information or unfair release of information that may affect the price of company securities.

In compliance with the information disclosure rules of SEC, SET or other supervising agencies (or both), Singha Estate discloses the following material information:

1. Financial position and financial performance
2. A report on the Board's responsibility for financial statements and the external auditor's report that are disclosed next to each other in Singha Estate's annual reports
3. A report on vested interests of directors, executives and other related persons / changes in their holding of the Company's shares
4. The roles and duties of the Board and subcommittees, the number of their meetings and the number of individual directors' attendance
5. Directors' remuneration policy including the form and amount of remuneration received by individual directors
6. CG Policy and subcommittee charters
7. Other relevant information including Singha Estate's vision, mission, risk factors, shareholding structure, business description, internal control, connected transactions and legal disputes
8. Information about the acquisition / disposal of assets, and connected transactions, and others.

To prevent conflicts of interest, the Board has defined the criteria for the preparation of annual reports on directors' and executives' vested interests annually along with quarterly reports of subsequent changes, the information of which is kept for internal use only. Strictly adhering to Singha Estate's information disclosure policy and CG principles, Investor Relations represents the Company in communicating and providing accurate information to, as well as sharing opinions with, shareholders, institutional investors, securities analysts, and various groups of stakeholders through the following conveniently accessible channels:

#### Investor Relations

Singha Estate Public Company Limited  
Suntowers Building B, 40<sup>th</sup> Floor,  
No. 123 Vibhavadi-Rangsit Road, Chom Phon,  
Chatuchak, Bangkok 10900, Thailand  
Tel: (66) 2050 5555 ext. 510  
Fax: (66) 2617 6444-5  
Email: [choenporn.s@singhaestate.co.th](mailto:choenporn.s@singhaestate.co.th)

This year, Singha Estate's investor relations activities consisted of Opportunity Day meetings with investors, domestic and overseas roadshows, company visit arrangement for investors and analysts, and conference calls.



## Responsibilities of Directors

The Board, regarded as a representative of the shareholders, plays important roles in governing the Company independently from the management for its maximum benefits. The Board must perform their duties and responsibilities with duly care, honesty, and integrity under the laws, objectives, goals, articles of association, laws, as well as the resolutions of the Board and shareholders meetings.

### 1. Structure of the Board

#### 1.1 Composition

In optimizing the diversity of its structure, the Board is composed of at least five directors with various qualifications, i.e. gender, professional skill, knowledge, competency, and field of specialization and experience, that are relevant to Singha Estate's business operations. The Board charter also requires that at least one-third of the directors, and no less than three, must be independent ones; and at least half of the Board must reside in Thailand.

The Board of Directors as of December 31, 2017, comprises one executive and eight non-executive directors, totaling nine members. Among the non-executive directors, which represent 89%, are five independent directors, representing 55.6%. All directors are knowledgeable, competent, skillful and experienced in fields useful to Singha Estate's business, and are able to fully devote their time to the performance of their duties.

#### 1.2 Qualifications of directors

- Be properly qualified without forbidden characteristics under the Public Limited Companies Act B.E. 2535 and the Securities and Exchange Act B.E. 2535; and must not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing business whose

shares are held by public shareholders under the announcement of the Securities and Exchange Commission (SEC).

- Can exert leadership and supervise the management's execution efficiently and effectively.

#### 1.3 Qualifications of independent directors

The Company's independent directors must possess qualifications as required by the Capital Market Supervisory Board and must be able to protect the benefits of all shareholders equally in order to avoid conflicts of interest. Moreover, they must also be able to express their opinions independently in the board meetings. The Company has set out the qualifications of independent directors as follows:

- (1) Hold up to 0.5% of the voting shares of the Company, holding company, subsidiaries, associates, major shareholders, or its controllers. For this purpose, the shares held by related persons of individual independent directors are to be included.
- (2) Are not or have not been involved in the management, wage earners, employees, advisers on regular payroll, or controllers of the Company, holding company, subsidiaries, associates, sister companies, major shareholders, or the mother company unless the foregoing status has ended for not less than two years.
- (3) Are not persons of blood relationship or legal registration as father, mother, spouse, sibling, or children, including the spouses of the children and of other directors, executives, major shareholders, controllers, or those nominated as directors, executives, or controllers of the Company or its subsidiaries.
- (4) Do not have or have not had business relationship with the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controller that could obstruct their independent exercise of discretion; are not or have not been significant shareholders, or controllers of those with business relationship with the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controller unless the foregoing status has ended for not less than two years.

Under the previous paragraph, business relationships include trade transactions routinely engaged for renting of real estates, asset-related or service-related transactions, or financial assistance provided or received involving loans or collateral, provision of assets as loan collateral or the likes-all of which result in the Company or its contract counterpart owing from 3% of its net tangible assets or 20 million baht upward (whichever is lower). The calculation of such debts is to follow the method of calculating the value of related-party transactions under the announcement of the Capital Market Supervisory Board on the criteria for engagement in related transactions *mutatis mutandis*. However, in the consideration of such debts, they are to incorporate debts incurred during the year before the business relationship date with the same person.

- (5) Are not or have not been the auditor of the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controller; and are not significant shareholders, controllers, or partners of the auditing office that the auditor of the Company, holding company, subsidiaries, associates, major shareholders, or the Company's controllers are attached to unless the foregoing status has ended for not less than two years.
- (6) Are not or have not been professional advisers, whether legal or financial, with a consulting fee of more than 2 million baht a year from the Company, holding company, subsidiaries, associates, major shareholders, the Company's controllers; and are not significant shareholders, controllers, or partners of such professional advisers unless the foregoing status has ended for not less than two years.
- (7) Are not directors appointed as the representatives of other directors of the Company, major shareholders, or shareholders related to the Company's major shareholders.
- (8) Are not engaged in similar businesses and significantly competitive businesses with those of the Company, its subsidiaries; are not significant partners in partnerships, management directors, wage earners, employees, advisers on regular payroll, or those holding more than 1% of the total voting rights in other companies engaged

- in similar businesses and significantly competitive businesses with those of the Company or its subsidiaries.
- (9) Do not have any characteristics that hinder expression of views freely on the Company's business.

#### 1.4 Terms of Directors

- The directors can serve the office no longer than 3 years per each term and can be re-elected to resume office.
- At each annual general meeting, at least one-third (1/3) of the directors, or, if their number is not a multiple of three, then the number nearest to one-third (1/3), must retire from office.
- Directors to retire from office in the first year and the second year after the registration of the Company shall be determined by drawing lots. In subsequent years, directors who have remained in office for the longest term shall retire. A retiring director may be eligible for re-election.
- Independent directors can serve up to 3 consecutive terms.

#### 1.5 Policy of Limiting Number of Listed Companies where the directors are permitted to serve as directors

To ensure their full dedication of time for efficient performance of their duties to optimize Singha Estate's benefits, directors are required by the Board charter to serve as a director in no more than five SET-listed companies (including the appointment as Singha Estate's director).

## 2. The roles and duties of the Board Chairman

The Board Chairman must not be an executive director and shall lead the Board with the following roles.

- Chairing and calling Board meetings by assigning the company secretary to issue meeting notices no less than seven days before each meeting so that the directors may have enough time to study, deliberate, and make proper decisions at each meeting.
- Jointly with the CEO, setting meeting agenda.
- Efficiently control meetings, allocating enough time for the management to present supporting data; giving the directors opportunities to ask questions and express

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opinions freely; controlling discussion issues; and summarizing resolutions.

- Encouraging the directors to attend the shareholders' meetings and chairing such meetings to efficiently control Board proceeding and answer shareholders' questions.
- Playing a key role in promoting directors' conformance to corporate governance and performance of their duties under the lawful authority of the Board; and promoting good relationship amongst the Board and the management.
- Inform the Board about crucial information and data.

### 3. The Segregation of Duty of the Board of Directors and Management

The Company has clearly defined the scopes of duties and responsibilities of the Board of Directors and the management for clear performance of each position, checks and balances, and cross-checking of their performances together with efficient, transparent management practices. Details are as follows:

- The Board of Directors plays a key role in defining directions, policies, and business strategies for maximum benefits of shareholders. The Board is also responsible for supervising and monitoring the performance of the Management to ensure the conformity with such policies and strategies in line with the laws, corporate objectives and articles of association, and shareholders' resolutions.
- The Management is responsible for managing the Company's businesses to achieve and in line with directions, policies, and strategies as defined by the Board; and managing to ensure smooth routine operations and businesses.
- The Board Chairman, as the leader of the Board, takes important roles in supervising and promoting the Board performance in compliance with the laws, corporate governance, etc. as mentioned earlier under item 2.
- The Chief Executive Officer, as the leader of the Management, is assigned by the Board to perform normal business duties for the Company by administering tasks strictly and honestly, with integrity under the Board's approved plans and budgets for the best interests of the Company and its shareholders. The CEO will not engage in vested interests or conflicts of interest with the Company and its subsidiaries.

- The Executive Committee Chairman is authorized to oversee performance in compliance with the Executive Committee's policy under the scope of laws, the Company's objectives and articles of association, together with the resolutions of the Board and the shareholders' meetings.

### 4. Duties and responsibilities of the Board

Singha Estate's charter has defined the Board's duties and responsibilities as follows:

1. Perform duties within the scope of the law, objectives, and company regulations, together with Board and shareholders' resolutions with duty of loyalty, duty of care, accountability, and ethics with due regard for the equitable interests of all shareholders.
2. Define the Company's vision, objectives, goals, strategies, business plans, and budgets annually; as well as review and approve the Company's vision, missions or strategies on a yearly basis.
3. Monitor the Company's performance in various aspects constantly to ensure goal achievement and timely handling of obstacles.
4. Define or change the names of directors who are the Company's binding signatories under the law and company regulations.
5. Approve key items under the Board's duties and responsibilities, under the law and company regulations, and approve investment budgets over 1 billion baht.
6. Appoint committees, with authority to appoint their chairmen and the Chairman of the Executive Committee if needed, to support its performance as necessary and as seen appropriate, with regular monitoring of such committees and the Executive Committee.
7. Appoint a qualified person as the CEO in case the position is vacated.
8. Independent directors should exercise their discretion freely in defining strategies, execution, resource consumption, director appointment, and setting of business standards. They must be ready to object to actions by the management or other directors if they disagree with matters affecting the equitability of all shareholders.

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9. Arrange for information disclosure to the shareholders and all stakeholders in an accurate, complete, open, credible, timely, and equitable way.
  10. Establish a credible accounting, financial reporting, and audit system, and ensure processes of assessing the suitability of internal control and internal audit for efficiency and effectiveness, financial reporting, and monitoring.
  11. Establish a suitable, effective risk management process to assess, monitor, and manage their key aspects.
  12. Appoint a company secretary to take care of assorted Board activities and ensure compliance with the law and related requirements on the part of the Board and the Company.
  13. Establish a code of conduct for the directors, executives, and employees to guide the Company's business conduct.
  14. Ensure execution under good corporate governance (CG) and advocate communication across the board for serious compliance.
  15. Ensure clear and transparent processes for connected transactions.
  16. Ensure a clear process for reporting to the Board by the Audit Committee. Once the Board encounters or becomes suspicious of certain actions that could significantly affect the Company's financial position and performance, it must take corrective actions within the time as seen suitable by the Audit Committee.
  17. Establish succession planning for the Company's senior executives.
  18. Establish regular reviews and improvement of major policies and plans so that they are up-to-date and suitable for business circumstances.
  19. Establish reviews and amendment of the Board's charter to fit circumstances.
  20. Seek professional advice on business execution by hiring third-party consultant(s) at Singha Estate's expenses.
  21. Perform other shareholder-assigned tasks related to the Company's business.

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22. Independent directors may be asked by the Board to decide business matters for the Company, holding company, subsidiaries, associates, sister companies, major shareholders, or the Company's controller through a collective decision.

## 5. Scope of authority of the Board of Directors

Although the Board of Directors has delegated specific powers to Sub-Committees, the Chief Executive Officer and executives, the Board of Directors has reserved its authorization over certain matters so as to protect the highest interests of the Company and its shareholders, including:

- Corporate strategy, business plan and budget
- Capital expenditure and expense which exceeds the approved authority of the Executive Committee
- Strategic investments in new business and divestments
- Significant policies
- Material contracts
- Material litigation
- Dividend policy

The Board's duties and responsibilities have been delegated to several committees, namely the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Sustainable Development Committee, and the Executive Committee. Their scopes of duties and responsibilities are clearly stated in the charter of each committee. Details of the list of directors and the scopes of duties and responsibilities are disclosed under "Sub-committees".

## 6. Board Meetings

- The Board meets at least every three months and can schedule extraordinary meetings as necessary. Every year the Board schedules meetings in advance to ensure that the Board members can allocate their time for the meetings.

In 2017, Singha Estate held nine board meetings. The details of the meeting attendance of each director are shown in the table "Meeting Attendance of Directors in 2017".



- Two or more directors may request convening a board of directors meeting. The chairman shall fix a date of the meeting within 14 days from the date of the request.
- The Chairman approves the agenda of the meeting on consultation with the CEO and Company Secretary. Directors can propose meeting agenda items for inclusion to the Chairman in advance before each Board meeting date.
- To constitute a quorum, at least half of the total number of directors must be present. The Chairman presides over the meeting, and if the Chairman cannot perform his duty, he may designate the Vice Chairman to take his place. In the case that there is no Vice Chairman, or the Vice Chairman cannot perform his duty, the directors present at the meeting shall, among themselves, elect any one of them to preside the meeting.
- All resolutions of the board of directors meeting shall be decided by a majority of the votes of the directors present thereat. In a case of a tie in votes, the chairman of the meeting shall cast one extra vote as a decisive vote. Any director who has an interest in any resolution is not entitled to vote on such resolution.
- The Company Secretary will mail to the directors an invitation letter to the Board meeting along with the agenda and complete accompanying documents at least seven days in advance for sufficient study time before each meeting. It is exceptional in case of an emergency in which the rights or benefits of the Company must be preserved, in which case the Company may tender notice of invitation to the board of directors meeting by other means and give a shorter notice period.
- During the meeting, the Chairman allocates sufficient time for and encourages all directors to freely express their views and ask questions, encourages executives or concerned management to participate in the meeting to provide information or explanation of related issues, and controls the meeting to be brief and completed in the time allotted.

- When the agenda directly concerns a director with conflicts of interest, the Chairman must ask that director to identify him/herself and abstain from voting or leave the meeting until the agenda has passed.
- Non-executive directors shall meet separately in the absence of executive directors and the management at least once a year to discuss or exchange their views on any issues related to their responsibilities.
- The Company Secretary must ensure the meeting minutes are composed and finished within 14 days after the meeting, then presented to all directors. The meeting minutes include details of proposals, opinions of the Board, and resolutions; and are to be systematically filed, along with accompanying documents.

#### 7. Policy of Limiting the Number of Listed Companies where the Executives are Permitted to Serve as Directors

The CEO may serve as a director in other companies, but such position(s) must not obstruct the work as the Company's CEO. Moreover, the business type must not be the same or must not compete with the Company's business. The CEO must seek prior approval from the Board before taking up the directorship of another company.

#### 8. Directors' and Executives' Development

To increase the efficiency of the directors' performance, Singha Estate encourages the directors, executives, and employees responsible for the Company's corporate governance to attend training and seminars in courses beneficial to their work in cooperation with other institutions, such as Thai Institute of Directors (IOD), SET, and Thai Listed Companies Association. The Company also distributes training schedules beforehand to all directors and subsidizes all costs of attendance. The goal is constant work improvement.

In 2017, three directors attended training courses for directors arranged by the Thai Institute of Directors (IOD) as follows:

Director	Position	Course
1. Mr. Petipong Pungbun Na Ayudhya	<ul style="list-style-type: none"> <li>Independent Director</li> <li>Member of the Risk Management Committee</li> <li>Chairman of the Sustainable Development Committee</li> </ul>	Risk Management Program for Corporate Leaders (RCL) class 7/2017
2. Ms. Napaporn Landy	<ul style="list-style-type: none"> <li>Independent Director</li> <li>Chairman of the Audit Committee</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management Program for Corporate Leaders (RCL) class 6/2017</li> <li>Strategic Board Master Class Retreat (SBM) class 2/2017</li> </ul>
3. Mr. Karoon Nuntileepong	<ul style="list-style-type: none"> <li>Independent Director</li> <li>Member of the Audit Committee</li> <li>Member of the Nomination and Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>Board Matters and Trends (BMT) class 2/2017</li> <li>Advanced Audit Committee Program (AACP) class 25/2017</li> </ul>

#### 9. Directors' and CEO's Remuneration

Singha Estate assigns the Nomination and Remuneration Committee ("the NRC") to consider the criteria of the remuneration of directors and sub-committees in line with their duties and responsibilities as well as company performance (both short-term and long-term) that is also comparable with that of industry peers. The NRC then submits these to the Board and seeks approval of the remuneration at the shareholders' meeting.

Regarding the remuneration of the CEO, the Board has also assigned the NRC to evaluate the CEO's performance and determine appropriate remuneration annually, based on the evaluation and Singha Estate's performance in each year.

The Company has disclosed remuneration paid to individual Board members and total remuneration paid to executives in the Annual Information Disclosure (Form 56-1) and Annual Report (Form 56-2), which are disclosed on company website. Details of such remuneration can be found under "Remuneration of Directors and Management Team".

#### 10. Evaluation of Board Performance

The Board has determined that there should be an annual performance assessment of the Board, the sub-committees and the individual directors as a framework for monitoring Board performance and whether it has been following good practices in order to improve Board operation and to review problems and obstacles.

Singha Estate has created a Board self-assessment in accordance with SET's guidelines and adapting it to the business and structure of the Board. The assessment comprises two sets of evaluation forms:

1. Board and sub-committee performance self-assessment (group assessment)
2. Board individual self-assessment

Criteria for Evaluation cover the following essential points:

1. Board structure and qualifications
2. Board Meetings
3. Roles, duties and responsibilities of the Board
4. Others, such as relations with the management, directors' self-development, and executive development.

Scoring in each of the topics, five levels of score are assigned:

- 0 = totally disagree or nothing has been done
- 1 = disagree or a few things have been done
- 2 = agree or quite a lot has been done
- 3 = mainly agree or something has been done quite well
- 4 = totally agree or there has been excellent undertaking

#### Evaluation Process

The NRC considers and reviews the Board Performance Evaluation Form and seeks Board approval. The Company Secretary then distributes copies of the evaluation form to all directors to be evaluated and handed in at the end of each year. The calculated results will be summarized in an evaluation report to be submitted to the NRC to determine appropriate annual remuneration for the directors. There must be an evaluation report submitted to the Board for acknowledgment and for discussion for future improvement.

#### Assessment outcomes

The assessment outcomes for the Board performance in 2017 can be summarized as follows:

Assessment form	Average score	(%)
<u>Form 1</u> Group Assessment		
a) Board Performance Assessment	4.64	93
b) Sub-committees Performance Assessment		
- Audit Committee	4.88	98
- Nomination and Remuneration Committee	4.69	94
- Risk Management Committee	4.80	96
- Sustainable Development Committee	4.64	93
<u>Form 2</u> Self-Assessment	4.65	93

#### 11. Evaluation of the CEO

The NRC considers and reviews the annual CEO Performance Evaluation Form by determining each year's performance goals with the CEO. The evaluation then compares the results of performance against the annual goals. The NRC will use the evaluation result to determine appropriate annual compensation for the CEO that is attractive and comparable to peers in the same industry.

The criteria for CEO evaluation can be divided into three parts:

Part 1 Corporate KPIs of the Company and policies that the Board had prioritized

Part 2 Evaluation of management

Part 3 Development of the CEO's career and other suggestions

#### 12. Orientation of New Directors

The Company organizes directors' orientation, where the CEO or senior executives will brief new directors on business operations, approaches to business management, and other necessary information useful for taking up the directorship. In this regards, Singha Estate prepares documents for new directors comprising key information such as business description, business structure, management structure, directions and strategies for business operation, Charters of the Board and/or sub-committees, Manual of Listed Company Directors, and other manuals related to serving on subcommittees (if applicable).

#### 13. Succession Plan

The Board has assigned the NRC, jointly with the Human Capital Vice President, to prepare a CEO Succession Plan to ensure business continuity if the position becomes vacant. The committee is to nominate a qualified person to assume the position by selecting a competent, qualified person with experience beneficial to Singha Estate's operation from either inside or outside the Company. The committee is also responsible for regularly reviewing this succession plan.

Human Capital develops succession plans for senior executives and puts in place a system for personnel development for lesser positions to become ready to assume such positions.

#### 14. Guarding against Conflicts of Interest

The Board ensures that Singha Estate commands a clear and transparent process of connected transactions and strictly complies with the criteria, methods, and disclosure of connected transactions as required by the relevant law or the regulators as follows:

- **Report of vested interests:** To comply with Announcement of the Capital Market Supervisory Board (CMSB) Tor Jor 2/2552 Re: Report of Directors, Executives, and other Related Persons' Change of Interest, the Board of Directors approved the criteria for preparing a report on directors' and executives' vested interests annually and any changes to be reported quarterly. The Company Secretary is responsible for compiling and sending copies of such report to the Chairman of the Board and the Chairman of the Audit Committee within seven days after the date of receiving. The information, however, is kept for internal use only.
- **Consideration of entering into connected transactions:** In deliberating connected transactions, the director(s) or executive(s) with vested interests is not allowed to join the meeting or pass any approval concerning the issue. The Chairman will ask each director to identify him/herself and abstain from voting or leave the meeting until such agenda has passed. It is Singha Estate's policy to engage in any transactions with related parties on an arm's length basis, i.e. at the market price and in the normal course of business, with primary regard for the best interests of the Company.

#### 15. Sub-Committees

The Board's duties and responsibilities are delegated to five committees, namely the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Sustainable Development Committee, and the Executive Committee. The scope of duties and responsibilities is clearly stated in the charter of each committee.

##### 1. The Audit Committee

The Audit Committee consists of three independent directors, with qualifications of independence under the announcement of the Securities and Exchange Commission. At least one of them must possess adequate expertise and experience in accounting and finance to review creditability of financial reports.

As of December 31, 2017, the Audit Committee comprised the following three independent directors:

1. Ms. Napaporn Landy	Chairman
2. Mr. Karoon Nuntileepong	Member
3. Mr. Charamporn Jotikasthira	Member

Whereby, Ms. Napaporn Landy has adequate expertise and experience in accounting and finance to review creditability of financial reports; and Ms. Patchanee Tangjitjaroen, Vice President-Internal Audit, served as secretary of the Audit Committee.

##### Scope of duties and responsibilities of the Audit Committee

1. To annually review the charter of the Audit Committee to consider the specified responsibilities of the committee and propose the revision as needed to the board of directors for approval.
2. To review the Company's financial reporting process to ensure that it is accurate and adequate.
3. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.

4. To review the Company's compliance with the law on securities and exchange, the SET regulations, and the laws relating to the Company's business.
5. To consider, select, nominate, and terminate independent persons to act as external auditors of the Company and propose their remuneration, include to have at least one meeting a year with external auditors without the Management's presence.
6. To approve "Internal Control System Sufficiency Evaluation Form" as reviewed and evaluated by the internal audit unit to ensure sufficiency and suitability of the internal control system.
7. To review internal audit's performance outcomes and approve annual internal audit plan and changes of such plan subject to the assessment outcomes of the enterprise risk management.
8. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations and are reasonable and for the highest benefit of the Company.
9. To prepare, and to disclose in the Company's annual report, an Audit Committee's report which must be signed by the Audit Committee's chairman and consist of at least the following information:
  - 9.1) an opinion on the accuracy, completeness and creditability of the Company's financial report,
  - 9.2) an opinion on the adequacy of the Company's internal control system,
  - 9.3) an opinion on the compliance with the law on securities and exchange, the SET regulations, or the laws relating to the Company's business,
  - 9.4) an opinion on the suitability of an auditor,
  - 9.5) an opinion of the transactions that may lead to conflicts of interests,
  - 9.6) the number of the Audit Committee meetings, and the attendance of such meetings by each committee member,
  - 9.7) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and

- 9.8) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
10. To perform any other act as assigned by the Company's board of directors, with the approval of the Audit Committee.

## 2. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of at least three members, and no less than half of them must be independent directors. Its members must neither be the Board Chairman nor the CEO.

As of December 31, 2017, the Nomination and Remuneration Committee comprised the following members:

- |                             |                                  |
|-----------------------------|----------------------------------|
| 1. Mr. Chayanin Debhakam    | Chairman                         |
| 2. Mr. Karoon Nuntileepong  | Member<br>(independent director) |
| 3. Mr. Thanavath Phonvichai | Member<br>(independent director) |

Ms. Choenporn Subhadhira, Company Secretary, served as secretary of the Nomination and Remuneration Committee.

## Scope of duties and responsibilities of the Nomination and Remuneration Committee

### Nomination

1. Define the director recruitment and nomination criteria and methodology.
2. Review the structures, sizes, and compositions of the Board and the committees to ensure suitability for Singha Estate's strategies and changing circumstances.
3. Define directors' qualifications with due regard for diversified expertise, proficiency, skills, and experience beneficial to the Company's business, as well as the ability to devote time to the duties.
4. In case a director position is vacated for
  - 4.1) Term completion: Recruit and nominate directors and propose them to the Board before seeking approval from the AGM



- 4.2) Other reasons: Recruit and nominate directors for the Board's appointment to fill such position
5. Encourage the Company to give minor shareholders opportunities to nominate directors.
6. Select directors that are qualified to become committee members for the Board's appointment as seen fit or when a position becomes available.
7. Regularly revise the succession plan for the CEO together with the list of potential successors and propose appointment to the Board when the position becomes available.

#### Remuneration

##### • Directors' remuneration

1. Annually provide views to the Board about the structure and composition of directors' compensation.
2. Endorse and revise the Board performance assessment forms for tabling to the Board for approval and assessment. The committee will use such assessment findings for their review of directors' compensation.
3. Propose criteria for compensation fitting directors' responsibilities, linking remuneration to performance outcomes, business plans, and Company overall performance to induce and retain competent, quality, and capable directors. The Board endorses such criteria before tabling them for the AGM's approval.

##### • CEO's remuneration

1. Consider, approve, and revise the annual CEO performance assessment form.
2. Consider, approve, and revise the structure and composition of the CEO's remuneration annually.
3. Carry out the annual performance assessment of the CEO and apply the findings in support of the decision on suitable remuneration for CEO.

#### 3. The Risk Management Committee

The Risk Management Committee comprises at least three members, with at least two of them being independent directors. The CEO, when taking up the position, shall automatically serve as a member of the Risk Management Committee.

As of December 31, 2017, the Risk Management Committee comprised the following three members:

1. Mr. Charamporn Jotikasthira (independent director)	Chair
2. Mr. Petipong Pungbun Na Ayudhya (independent director)	Member
3. Mr. Naris Cheyklin	Member

Ms. Amornrat Su-archawarat, Vice President-Risk Management, served as secretary of the Risk Management Committee.

#### Scope of duties and responsibilities of the Risk Management Committee

1. Define a risk management framework consisting of a risk management policy, structure, and process, and at least once a year review and revise such framework to ensure that it is efficient, on a par with international standards, and conforms to the Company's strategic directions and business plans before tabling a summary for the acknowledgment of the Board.
2. Approve the Company's risk appetite before tabling it for the Board's acknowledgment.
3. Supervise, monitor, and review key-risk management reports, including risk management reports for investment projects as required, and provide recommendations on the findings of risk assessment, risk management measures, and management plans for the Company's residual risks to ensure that efficient risk management is in place, fitting Singha Estate's business and able to deal with assorted risks to manageable levels in line with the risk management policy.
4. Define and revise the committee's charter in line with the risk management policy for effectiveness and adequacy, matching prevailing circumstances, and tabling them to the Board meeting for approval.
5. Provide support to continually and efficiently develop risk management and related tools across the Company. Constantly and regularly support amendment and development of corporate risk management.
6. Report key-risk management outcomes to the Board in case of events that could significantly affect the Company.

7. Take responsibility for other Board-assigned matters concerning risk management.
8. In performing its duties, the committee may seek comments from independent advisers as needed and as seen fit, for which the Company will fund the expenses.
9. Regularly communicate and share data and coordinate with the Audit Committee matters concerning risks and internal control.

#### 4. The Sustainable Development Committee

The Sustainable Development Committee consists of not less than three members. Its members must neither be the Board Chairman nor the CEO.

As of December 31, 2017, the Sustainable Development Committee comprised three members as follows:

- |  |        |
|--|--------|
| 1. Mr. Petipong Pungbun Na Ayudhya     | Chair  |
| (independent director)                 |        |
| 2. Mr. Chayanin Debhakam, D.B.A.       | Member |
| 3. Mr. Nutchdhawattana Silpavittayakul | Member |
| 4. Mr. Naris Cheykin                   | Member |

#### Scope of duties and responsibilities of the Sustainable Development Committee

1. Define policy, strategy, operation framework, strategic guidelines, goals, and sustainable development issues to be in line with the objective to become an organization that delivers sustainable values to all stakeholders.
2. Supervise, monitor, and review the operation on sustainable development; encourage into practice; and promote participation of internal and external parties in each project under the sustainable development framework.
3. Provide consultation, promotion, and support on suitable resources and personnel to ensure that the sustainable development strategy is implemented harmoniously throughout the organization.
4. Summarize annual performance, including management of sustainable development, and report to the Executive Committee or the Board of Directors annually.

#### 5. The Executive Committee

The Executive Committee should be made up of at least five directors, but not exceeding ten directors. The Chairman of the Executive Committee shall not be neither the Board Chairman nor the CEO. The CEO, when taking up the position, shall be automatically appointed as a member of the Executive Committee.

As of December 31, 2017, the Executive Committee comprised six members as follows:

- |                                      |          |
|--------------------------------------|----------|
| 1. Mr. Chayanin Debhakam, D.B.A.     | Chairman |
| 2. Mr. Naris Cheykin                 | Member   |
| 3. Mr. Nattavuth Mathayomchan        | Member   |
| 4. Mr. Methee Vinichbur <sup>1</sup> | Member   |
| 5. Mr. Dirk De Cuyper                | Member   |
| 6. Mr. Thiti Thongbenjamas           | Member   |

Ms. Choenporn Subhadhira, Company Secretary, served as secretary of the Executive Committee.

#### Scope of duties and responsibilities of the Executive Committee

1. Perform duties within the scope of the law, objectives, and regulations of the Company, together with Board and shareholders' resolutions with a duty of loyalty, duty of care, accountability, and ethics with due regard for the interests of all shareholders in an equitable way.
2. Provide recommendations to the management on the Company's strategic directions, management structure, business plans, and annual budgets before tabling them for the Board's approval.
3. Manage the company's businesses to achieve the Board's objectives, vision, mission, strategies, and policies while complying with the law, terms of reference, and regulations of the Company and applicable regulators.
4. Supervise and monitor the performance and financial position of the Company and its group, and regularly report the findings to the Board.
5. Provide views to the Board on the Company's dividend policy.

<sup>1</sup> Resigned on March 1, 2018.

6. Review and approve investment transactions, together with the acquisition and disposal of assets under 1 billion baht.
7. Efficiently supervise and manage the Company's investment capital for the best interests of the shareholders.
8. Endorse matters needing the Board's approval except for activities that the Board assign to other committees.
9. Hire consultant(s) or independent parties to provide necessary views or recommendations.
10. Regularly report to the Board key task performance, including other important issues.
11. Self-assess its performance annually.
12. When the CEO position is vacated and in the absence of the Nomination and Remuneration Committee, nominate a qualified person for the job for the Board's appointment, and revise succession plans and the list of those possible nominees for the CEO position.
13. Take other actions under its authority and responsibility, or as assigned by the Board.

The authority of the Executive Committee must follow the law and company regulations. Executive directors cannot approve any transactions of potential conflicts of interest with themselves or their related parties because of their vested interests with the Company and its subsidiaries (if any), in line with the announcements of SEC. Exceptions are the approval of the Company's routine businesses under the scope clearly defined by the Board.

#### 16. Governance of subsidiaries

Today, Singha Estate has 25 direct and indirect subsidiaries <sup>2</sup> and 16 associated companies, with one subsidiary listed on the Market for Alternative Investment (mai), namely Nirvana Daii Plc. In ensuring that all investment decisions are made in a meticulous, precise, transparent and homogenized manner, the Company defined the criteria and guidelines for investment, and a governance policy for subsidiary and associated companies that fully conform to its objectives, rules, regulations, criteria, strategic and business plans, the resolutions of shareholders and the Board, CG principles and applicable laws.

<sup>2</sup> Excluding subsidiaries under liquidation or dissolution

The progress of all projects operated by subsidiaries and associated companies, including problems and obstacles encountered, are required to be constantly reported to the Board for acknowledgment so that it can provide opinions or recommendations in a timely manner.

The management is responsible for nominating the Company's executives for appointment as directors or executives of subsidiaries and associated companies. Their common responsibility is the optimization of Singha Estate's benefit, along with the benefit of its subsidiaries and associated companies.

#### 17. Supervision of the Use of Inside Information

The Board defines a policy on the control of the use of inside information and the transactions of Singha Estate's securities to foster equality and fairness to all shareholders and prevent directors and executives from exploiting inside information for personal gains or unlawful gains of others. Such policy is also announced to employees, executives, and directors through various channels such as Annual Information Disclosure (Form 56-1), Annual Report (Form 56-2), and company website.

- **Control of the use of inside information:** The directors, executives, and all employees must strictly refrain from using inside information that is material and not yet publicized for their own benefit or the benefit of others.
- **Report of Singha Estate's securities portfolios:** Directors and executives must declare the Report of securities holding (Form 59-1) – including securities of themselves, their spouses and underage children – when they first take up their positions, and must report changes in securities holding of any acquisition, disposition, or transfer of securities (Form 59-2) to the SEC within three working days under Article 59 of the Securities and Exchange Act. The Company Secretary is responsible for compiling Singha Estate securities portfolios of the directors and executives, their spouses, and underage children, and reporting to the Board meeting for acknowledgement every quarter.

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- **Policy of Singha Estate’s securities trading:** Directors and executives do have the rights to purchase and sell the Company’s securities. However, to avoid conflicts of interest or the use of inside information for their own or others’ benefit, Singha Estate seeks cooperation from all directors and executives, including their spouses, and their underage children, in abstaining from purchasing, selling, transferring, or accepting transfer of the Company’s securities during one month before disclosure of financial statements and before entering into major or significant investment projects.

#### 18. Compliance to the Corporate Governance Policy

The Company pays attention to comply with the corporate governance principles as guided by the SET. In 2017, Singha Estate adapted those principles for continuous development and improvement of its business, e.g. restructuring the Board of Directors with independent directors at more than 50% of the total members; preparing the CG policy and Business Code of Conduct; and encouraging directors and management to attend any training courses relevant and useful to their performance conforming to ethics and business code of conduct, etc. Moreover, the Company is determined to comply with the corporate governance principles in higher levels gradually in the years to come.

However, there are some of the principles that cannot be complied at this stage. Details are described under “CG principles and CG Code compliance assessment”

# HUMAN CAPITAL DEVELOPMENT AND ADMINISTRATION

Singha Estate is dedicated to creating a family atmosphere at work, an ethical and quality society that attracts knowledgeable and skilled person to join the Company. The Company is determined to recruit and develop personnel, who possess the quality that matched the corporate culture to create exquisite projects and deliver impressive service with dedication. It therefore aims to communicate and support a “Happy Workplace” society through various projects and activities that promote a culture of friendship, contentment within the corporation, and a lifelong learning culture under the concept of cooperation for social benefits.

## Learning for capacity building and enabling employees

In creating opportunities for learning and capacity development of executives and personnel, it focuses on the support to business growth and skills required for each career path. Therefore, it conducts needs survey for the knowledge required in each function to determine an annual training plan, as well as seeking supplementary ways to train personnel for future business expansion. In 2017, Singha Estate worked on various learning dimensions such as cultivation of corporate values “PRIDE”, leadership, technical management and new technology with a variety of courses such as “Leadership Development Program (LDP)”, “Brand Workshop” and “Live Our PRIDE Workshop” to instill new skills and knowledge to ensure that employees can work more efficiently in Singha Estate’s style.

In 2017, several activities were organized to promote PRIDE, including the S-PERIENCE where company personnel undertook study visits to gain pride and more understanding of project standards under Singha Estate. Another remarkable program was “Knowing Yourself and Others” through ENNEAGRAM, where participants discovered more about themselves and understood others’ behaviors so that they could work together smoothly and empathetically.

For individual development, the Company has devised sets of core competency, managerial competency, and functional competency for use in competency assessment and long-term individual development planning across the Company.

Furthermore, the Company has planned to develop succession plans to select and develop successors for managerial levels and key positions to support growth and future business expansion.

In 2018, it will further develop a success factor system to support the strategic plan of human capital in several aspects, including recruitment, personnel database, and newcomer engagement from on-boarding until the end of the probation period. The aim is to upgrade Singha Estate’s human capital management to even more professional and modern practice.

In 2017, it set personnel training goals at 18 hours/person/year. However, due to its focus on the importance of personnel development through study visits, training and other learning activities, the training hours actually increased to an average of 30 hours/person/year.

## Good relations, lasting friendship

Singha Estate is committed to the PRIDE value at work and stresses good business relationships among business alliances, team members and society. The Company and its personnel are therefore dedicated to creating an atmosphere of giving. At all stages of work, public benefit is considered the foremost objective. Executives and personnel believe in doing “the right thing” and being responsible for their own roles, with superiors monitoring work processes to ensure compliance with regulations and make sure that employees use appropriate procedures. On every occasion, executives stress to all personnel the importance of nurturing good partner relationships, namely not taking advantage or seeking short-term benefit, conducting environmentally and community-friendly



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business with the “S Volunteer” activities that allow personnel to contribute to society.

### **Code of conduct compliance**

Since PRIDE is our standard for business conduct and “Integrity” is one of the crucial corporate values, the Company stresses transparency at every stage of business undertaking and provides training as well as pointing out the importance of the code of conduct from day one. All executives act as role models, strictly adhering to ethical principles, keeping promises given to every sector and being true to their duties so that they may act as models for the entire team. Finally, explicit preventive approaches and punitive provisions are in place.

### **Whistleblowing guidelines**

Singha Estate adheres firmly to its code of conduct. To be fair in its dealings, especially with complaints and whistleblowing, it established the “Whistleblowing Policy” to use as a practical guidelines for complaints and whistleblowing in 2016 and communicated such policy with personnel through internal channels such as the intranet, company newsletter, and planned to table it in personnel training.

### **Occupational health, safety and work environment**

To ensure that personnel command good physical and mental health as well as safety at work, it stresses the importance of occupational health, safety and environment at work through its support to projects, activities, communication and various regulations, such as:

- Improving the work environment for hygiene and safety
- Publicizing safety practices and assigning personnel to look after the tidiness of work areas and common areas
- Conducting annual checkups
- Promoting the establishment of sports and entertainment clubs to ensure opportunities for personnel to adequately exercise, and publicizing healthcare together with healthy lifestyles and behavior

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- Establishing regulations on and rights to medical treatment for sick personnel along with protection and benefits in case of disability and death
  - Expressing opinions to improve occupational safety and work conditions.

In 2017, Singha Estate achieved zero work related accident and sickness.

### **Listening to voices for development of Happy People, Happy Place**

To understand personnel’s expectations, in 2017 Singha Estate conducted an employee engagement opinion survey (EOS) by hiring an external consultant to proceed survey process and report the result, so that it could acknowledge factors that should be improved and ensure happiness and efficiency at work for all. The survey results this year will lead to a concrete development plan to increase employee engagement at a level comparable to leading companies.

### **Talent and conscientious people search**

Singha Estate is firmly committed to its intent that success in sustainable business comes from creating “talented, conscientious people”. A system for screening personnel with qualifications and attitudes in line with Singha Estate’s core value of “PRIDE” has been developed to ensure that they can help effectively steer it to business targets.

### **Provident fund**

Apart from the above compensation, it set up a provident fund in 2014 under the Provident Fund Act B.E. 2530 (1987) by contributing 5%, 8%, or 10% of a given employee’s salary into the fund. The employee can also choose to contribute to the fund at 3%, 5%, 8% or 10% of the salary.

### **Executive and employee remuneration**

Singha Estate determines executive remuneration by considering just and appropriate amount of payment

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according to the responsibilities assigned and in line with its performance. Equally important, the rates must be competitive so as to attract and maintain a talented pool of executives and key personnel that are critical to Singha Estate's long-term success.

As of December 31, 2017, the Company and its subsidiaries had a total of 1,267 employees and executives. In 2017, it has paid salaries, overtime, living allowances supplements, bonuses, special allowances, social security payment and provident fund contribution for a total of Baht 943.8 million.

(Details of executives' remuneration appear under Remuneration for Directors and Executives)

#### **Chief Executive Officer remuneration**

The Nomination and Remuneration Committee conducts performance assessment of the CEO annually, and such results dictate his remuneration in the form of salary, bonus or other benefits under the consideration of suitability and competitiveness in comparison with peer listed companies. Since it is personal information, the company cannot disclose the remuneration of the CEO.

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#### **Salary Administration System Development**

To establish a systematic salary administration approach, it acquired the service of a renowned world-class HR consultant to study and define a salary structure with clear, fair and standardized criteria well-accepted by all. The system will be an important tool for the Company to achieve its target of attracting and retaining talents and quality personnel. Apart from this, the salary administration system will promote a secured foundation to support corporate growth in having a standardized salary administration system in line with the target and policy of business expansion. Singha Estate also aims to impart knowledge and understanding of the system to executives so that the system can be integrated with its human capital system and other dimensions of the corporation.



# SUSTAINABILITY DEVELOPMENT

Singha Estate's work on sustainability development significantly progressed in 2017. The Board has appointed the Sustainable Development Committee (SDC) to oversee Singha Estate's sustainability strategy to ensure that any implementation of strategies, policies and directions has integrated a clear framework and issues regarding sustainability so that Singha Estate may deliver sustainable value to shareholders and stakeholders.

The SDC has established strategies, policies and framework, approved sustainable development goals following the UN Sustainable Development Goal framework, branding, communications and implementation plans.

In addition, Singha Estate follows the policy and framework responding to all stakeholders and strives to integrate sustainability into business processes. Community and social development projects are also implemented. With regard to environmental protection, Singha Estate has implemented new initiatives to leverage and expand existing projects that have been implemented.

## Singha Estate's Sustainability Development Policy

The philosophy of sustainability development of Singha Estate is derived from incorporating the guiding strategy of His Majesty the late King Bhumibol Adulyadej, namely "Understanding, Approaching, Developing", and the Sufficiency Economy Philosophy, reinforced with the value of doing good deeds and philanthropy, which is a philosophy of Boonrawd Brewery Company Limited. The sustainability philosophy is a guideline for Singha Estate to become a "developer" that creates knowledge and good practices for all stakeholders. The SDC approved the philosophy, commitment and practices for sustainable development as follows:

### Philosophy

The business development of Singha Estate is founded on coexistence in balance among the economy, society, and the environment.

### Commitment

Singha Estate's sustainability is derived from its commitment to strike a balance among business processes, stakeholders' values, economic growth, quality of life and the environment.

### Guidelines

Singha Estate will pass on knowledge from business operations to determine guidelines for economic, social and environmental responsibilities to create sustainable balance.

The SDC has endorsed goals under the framework of UN Sustainable Development Goal with details as follows:



**SDG 14: Life below Water:** Focus on caring, preservation and education on marine life. Singha Estate operates hotels located near oceanic tourist attractions. Therefore, it is Singha Estate's and its employees' duty to preserve the marine environment.



**SDG 11 : Sustainable Cities & Communities:** Focus on building quality cities, upgrading living and lifestyles through the design of projects that are close to nature, eco-friendly, safe, and, with sustainable well-connected community.



**SDG 7: Affordable and Clean Energy:** Focus on using clean energy such as solar energy along with energy conservation through the design and implementation of systems for residences, offices and hotels.



**SDG 6: Clean Water & Sanitation:** Focus on sustaining effective water consumption in both water conservation and wastewater treatment by standard treatment systems appropriate for residences, offices and hotels.



**SDG 12: Responsible Consumption & Production:** Focus on responsible consumption and appreciate the value. Use eco-friendly products, reduce, segregate and manage waste from residences, offices and hotels.

In addition, the SDC has determined core agenda to proceed in sustainability as follows:

1. *Business sustainability:* Singha Estate is to review the trend of the property business and megatrend overviews such as digital disruption & innovation.
2. *Corporate image sustainability:* Singha Estate aims to become a social enterprise that enables itself to implement its long-term projects. It also provides an appropriate way to communicate with customers and stakeholders so that their awareness of Singha Estate's sustainability may be effective, resulting in long-term mutual value creation.
3. *Corporate governance:* Singha Estate has specified clear-cut governance guidelines and procedures, also communication with its stakeholders to ensure of efficient implementation of corporate governance.

Given with the above, Singha Estate has implemented policy framework for the stakeholders as follows:



#### Fair Business Conduct

Singha Estate's policy requires all employees to equally and fairly treat customers, colleagues, shareholders, suppliers, creditors, and stakeholders by offering fair returns to all. All directors, executives, and employees must perform their duties with integrity and refrain from abusing their authorities to seek interests and accept any property or benefits worth more than gratuitous gifts that any sensible persons would give to others or that any persons would benefit from performing their duties.



#### Respect for Human Rights and Labor Treatment

Under the policy of human resource development, Singha Estate considers all employees invaluable assets, treating them equally without segregation regardless of differences on race, sex, skin color, religion, genealogy, age, disability, or personal characteristics irrelevant to a given job. The



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Company standardizes its hiring method to create equal employment opportunities and protect employees from being threatened or intimidated by any parties in any way.



### Responsibility for Customers

It is Singha Estate's policy to ensure that all customers receive high-quality services and products that meet professional standards. The Company not only adheres to the regulations of the Office of Consumer Protection Board, but also rigorously and equally honors conditions, proposals, or promises given to them. Any project advertisement must not mislead the public on prices, quality, or selling or service conditions. It strictly keeps customers' confidential information. Moreover, project design takes into account residents' safety, environmental impacts, and energy efficiency, and all projects select high-quality construction materials and decorative items. It guarantees construction and materials within periods indicated by applicable laws. Finally, it offers not only after-sales service, but also regular customer consultation and assistance.



### Environmental Conservation

Singha Estate formulated its environmental management policy in compliance with legal requirements. It fosters environmental conscience among all employees to ensure their stewardship of the work environment and surrounding communities. In addition to resource optimization, it promotes natural balance and formulates measures to control the potential environmental impacts of its operations. Complying with such guidelines, it encourages all employees to love communities, nature, and environment as a corporate culture, leading to sustainable practices. This consciousness is then transferred to related parties. Moreover, it encourages surrounding communities to solve environmental issues while developing the environment.



### Society and Community

Singha Estate sets goals to be accepted and cooperated by society and communities and to create a pleasant residential environment. It is the Company's social policy to help communities harmoniously co-exist and help one another. Besides fostering love for the hometown among the locals, it encourages them to sustainably save natural resources and the environment to maintain the attractiveness of residential areas. It, therefore, promotes community participation while conducting business and generating income for local communities. It also enhances locals' knowledge and capacity so that they may be aware of sustainable environmental conservation. Moreover, it offers labor and financial support to projects that enhance communities' quality of life and wellbeing. Finally, it cautiously operates to mitigate impacts on communities and the environment.



### Innovation Responsible for Society, Environment, and Stakeholders

Singha Estate defined a policy to promote innovative inventions that fulfill customers' needs. It is also concerned about community impacts and the surrounding environment. It therefore endorses not only its own operations but also business partners' and contractors' operations to deliver high-quality, high-standard work that does not pose negative impacts on related parties and surrounding areas. Recognizing this issue, it incorporates this into its core strategies (as detailed under "Corporate Strategies and Business Policies").

To fulfill this scope of responses to stakeholders, Singha Estate has integrated and cascaded the following strategic elements into its various functions, as summarized below:

1. **Residential buildings** - Singha Estate aims to create products that serve customers' needs by integrating the conservation and optimization of natural resources into the design. Buildings are designed to receive natural light, while reduce heat with sunshades. Its projects select durable materials and equipment, are water and electricity-efficient, and add green areas to buildings. Moreover, the Company conducts research and development to apply innovation to new projects and improve existing ones to help residents and nature co-exist in a balanced, sustainable way.
2. **Commercial buildings** - Singha Estate aims to develop and manage buildings under the scope of green buildings. Integration starts from design, work systems, standard building management process, to employee development to ensure effective building management that meets standards. For buildings acquired through business transfer, Singha Estate puts more investment in system improvement to save natural resources, water, and electricity. Moreover, the Company holds environmental and CSR activities with tenants, communities, and government agencies.
3. **Hotel business and service** - Singha Estate aims to manage its hotels by keeping in mind resource conservation and optimization. Aiming to become "Green Leave Hotels", it improves work processes to meet standards. It also trains employees to understand and values environmental care and work under the principles of green hotels. It cooperates with communities in saving natural resources, cultural heritage, and beautiful scenery of surrounding areas.
4. **Construction management** - Singha Estate sets high standards of construction management, which are communicated and transferred to suppliers, contractors, and related parties. Furthermore, it takes care of areas around construction sites such as roads, office buildings, schools, and residential areas to make sure that construction is safe, abides by labor laws and environmental standards, and poses minimal impacts on surrounding communities and the environment.

5. **Employees** - Singha Estate aims to be a good employer, in other words, an employer of choice. The Company bolsters a good brand by formulating a strategy of human capital management and development. It focuses on taking care of employees' wellbeing, being a happy workplace for employees, instilling corporate values, and continuously developing personnel. It conducts employee satisfaction surveys and uses feedback to formulate human capital plans.
6. **Brand-building on sustainable development** - Singha Estate aims to implement inside-out branding, starting from employees, who perform their duties in compliance with the integrated process of sustainable development. The Company also joins customers, suppliers, and communities in activities to save natural resources and the cultural heritage.
7. **Corporate governance and risk management** - Singha Estate aims to abide by the principles of corporate governance and risk management to ensure steady, sustainable growth. It incorporates these principles into work processes and applies best practices to its employees.

## 2017 Sustainable Development Programs

### "Toh Wai Wai (which means 'grow rapidly')" activity to support "Phi Phi is Changing" Sustainable Development Project

In 2016, Thailand's coral reefs, especially those around Phi Phi Islands, were heavily bleached. However, some corals called later as "super corals" near Yoong Island were not affected. Therefore, a project led by Dr. Thon Thamrongnawasawat under the Phi Phi Model proposed to close Yoong Island and restore the coral reefs has begun so that those "super corals" may become the breeder of the next coral generations.

Contributing to this goal, Singha Estate has implemented a policy to save and conserve the ecosystem by using the "From Cloud to Coral Collaborative Impact" framework, as both forests and oceans form the largest area to produce oxygen and absorb carbon dioxide.



In 2016, Singha Estate implemented a sustainability program under the “Phi Phi is Changing” by supporting mooring buoys, patrol vessels and fee-collecting booths to assist officials to work more efficiently.

In addition, Singha Estate has a plan to build a marine ecosystem educational center at Phi Phi Island Village Beach Resort, to open to tourists later. It is expected that this center will be a learning center for tourists about the ecosystem of Hat Noppharat Thara - Mu Ko Phi Phi National Park and a clown fish nursery for returning them to the ocean to recover biodiversity later.

On October 11, 2017, Singha Estate began the Toh Wai Wai program, which is part of the “Phi Phi is Changing Sustainable Development Project” with details as follows:

1. **Releasing of the orange-white clown fish**

The released orange-white clown fish were bred by Krabi Coastal Fisheries Research and Development Center. The orange-white clown fish is also a species found in the Andaman Sea.

2. **Coral planting**

The coral reefs around Yoong Island are rapidly recovering naturally due to the "Phi Phi Model" project that closed the area for coral restoration. However, the southeastern portion of Yoong Island is still an area that needs to be revitalized.

3. **Planting of Phi Phi trees**

Phi Phi (or grey mangrove) is called by the locals in Krabi province due to an abundance of these white trees, thus "Phi Phi Islands" became the name. However, over time, the number of Phi Phi trees and the mangrove areas have decreased, thus Singha Estate in cooperation with Biodiversity-based Economy Development Office (Public Organization) has supported the Phi Phi plantation.

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The program has taken place as follows:

1. **Bida Nai Island** - an island with an abundance of sea anemones, enough to release the clown fish.
2. **Yoong Island** - Thailand's important area for coral breeding.
3. **Moo 8, Ban Laem Tong** - a mangrove area suitable for Phi Phi planting.

Contributors to these programs:

- Singha Estate management team
- Officials from Hat Noppharat Thara - Mu Ko Phi Phi National Park
- Biodiversity-based Economy Development Office
- Volunteers
- Hotel employees
- Community, students and youths.

## Ongoing Projects from the previous year

### Community and Social Development Projects

#### Community Employment Program

Phi Phi Island Village Beach Resort supports community employment. For example, it lets local entrepreneurs register their long-tailed boats to serve tourists in marine tours. It also promotes local handicrafts by turning them into decorative items at the resort and souvenirs for sale.

#### Ecotourism Promotion Project

Phi Phi Island Village Beach Resort holds educational activities for tour guides or local guides. It provides helpful tourism knowledge so that they can make a career without posing environmental impacts. The project also educates tourists on ecotourism, fosters environmental conscience, and acts as a good role model for communities.

#### Effective Microorganism (EM) Project

Santiburi Beach Resort and Spa daily ferments leftover food to turn it into EM, which treats wastewater at the hotel. The treated water is then used for watering plants. The EM is also given away to communities to reduce water

pollution before discharging the water into the sea. Moreover, the hotel holds workshops to save the environment and study the pros and cons that affect communities to find preventive measures.

### Environmental Projects

#### Supporting Local Natural Resource Stewards

Phi Phi Island Village Beach Resort offers manpower and equipment to officials of Hat Noppharat Thara - Mu Ko Phi Phi National Park. The resort also transports waste and garbage between the national park and Phuket.

#### Increasing Coral Farming Areas

Phi Phi Island Village Beach Resort, joining Hat Noppharat Thara - Mu Ko Phi Phi National Park, established a project to restore and increase the number of corals in natural habitats. The resort collects damaged corals and cultivates them in farming areas of the breeding zone. Aiming to sustainably save the marine ecology, the resort plans to make it a long-term project.

### Fostering Morality and Professional Integrity

The Board recognizes the danger of fraud and corruption, which may destroy free, fair competition and cause great damage to the economy and society. It also poses a risk to sustainable growth. The management therefore came up with related approaches and embodied them as part of the corporate values. They also serve as employees' guidelines on stakeholder treatment. As a result, Singha Estate is committed to operating with integrity and transparency. Opposing all kinds of corruption, it conducts business in strict compliance with anti-corruption laws in Thailand. Furthermore, it holds training sessions to promote this issue among employees and stresses its importance on their very first day at work. Its executives are role models who work ethically for their teams and everyone in it. Moreover, it clearly includes preventive and punitive measures in the employee regulations.



# RISK MANAGEMENT

Singha Estate Public Company Limited is committed to integrating the corporate risk management with business management, with the following key actions taken to significantly drive sustainable business growth.

- Continuously developed its risk management framework by establishing the Risk Management Committee, Risk Management Department and assigning a risk coordinator in each unit.
- Introduced risk management tools by referring to the COSO standard (Committee of Sponsoring Organization of the Treadway Commission) to meet an international standard. It applied risk map and key risk indicators to assess and define management plans as well as continuously monitor the risk status to keep pace with the situation and respond effectively and efficiently.
- Assigned top and middle management to assess risks in all departments and all major projects of the Company to map out risk management guidelines and key risk indicators. Then, these issues were proposed to the Risk Management Committee.
- Provided training on risk management to make sure that employees know and understand the risk management process.

## Risk factors

The Company assesses its potential risks by considering external and internal factors, which cover the strategy, operation (including information technology, fraud and corruption, compliance and personnel management), finance and safety from hazards to life and properties.

## Strategic risks

- Risks from economic uncertainty: The GDP forecast for 2017 was 3.9% (NESDB, November 2017), higher than 2016. However, each sector had a different growth rate; the real estate (property) sector enjoyed mild growth while the tourism sector had a satisfactory growth rate. This affected the revenues and profitability of all business owners. The Company conducted strategic risk management to ensure a secure income structure and stable profits. By diversifying and rebalancing its business

portfolios, Singha Estate enjoyed recurring income from hotels and office buildings and non-recurring income, which would be recognized after the project completion of condominiums and housing development. Therefore, the overall revenue is stable in the long run.

- Risks from business expansion: To generate continued and sustainable growth, Singha Estate makes business expansion investment, which may cause new risks. Therefore, the Company puts a systematic investment vetting process in place. In 2017, the Company decided to invest in the first phase development of the Tourist Facilities Project on the Emboodhoo Lagoon in the Republic of Maldives (“Crossroads Project”) through entering into a share purchase agreement of all shares in the Target Company with conditions precedent. As of December 31, 2017, the Company was proceeding under the terms and conditions of such agreement, expected to complete by March 2018. In this regard, the Company employed a leading specialized consultancy to make sure that the risk level of this project is acceptable.

## Operational risks

- Office building and retail space: In 2017, Singha Estate operated Suntowers as planned, by renewing contracts with major clients. Overall, it could satisfactorily manage the occupancy rate, average income per square meter and customer portfolio. According to the business expansion plan, it will gain more rental space from the Singha Complex around mid-2018, leading to significant revenue growth if it can find tenants as planned. As of December 2017, its major tenants represented 25% of the office space and 64% of the retail space. The Company has taken continued action to find tenants that need modern offices located in the heart of business district and share the same environmental conservation ideas as Singha Estate.
- Hotel Business: The Company generated profits from the hotel business as targeted, especially Phi Phi Island Village Beach Resort, which maintained high room rates and occupancy rates throughout the year. However, the revenue of Santiburi Beach Resort and Spa on Koh



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Samui did not meet the target because of two key factors - the floods that lasted from the end of 2016 to the beginning of 2017 and the declining spending per head of European tourists, especially Russians. To sustainably solve the flooding issue, it improved its flood prevention system and drainage system. It also adjusted the strategy to put more focus on Asian tourists. To meet their needs, the Company built 19 more contemporary-style pool villas in a special zone.

- Residential Business: The overview of the property business in 2017 remained unchanged from 2016. The factors that affected the overall business sector included demand concentration in some segments, cumulative supply in the market and the lack of supporting factors caused by banks' credit control. However, Singha Estate's target groups still had high purchasing power and loan eligibility. As a result, two condominium projects launched in 2017 were well received. The ESSE at Singha Complex and The ESSE Sukhumvit 36 enjoyed 92% and 45% booking of total units open to reservation, which outperformed the targets.
- Land acquisition for condominium projects: The existence of limited plots in the city center was a major factor contributing to rising land prices, which impacted the project cost. Although continuing to develop luxury and super luxury projects, the Company selected unique locations to meet the needs of target groups and always adheres to the quality delivered to customers.

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#### Financial risk

- Exchange Rates Fluctuation: In 2017, the volatility of the Baht and the pound (GBP) aggravated the Company's liabilities in GBP, caused by the investment worth 77.76 million baht in the U.K. However, when the debt burden was considered in Baht from the time the loan started (October 2015) to that when the debt was paid up (October 2017), the Company repaid less money than the loan amount of 100.44 million baht due to effective currency risk management.

#### Risks of hazard to life and assets

- Environmental risks and risks associated with occupational health and safety: The Company is aware of its social responsibility and has been focusing on safety management. Its project construction may pose such impacts as noise and dust on surrounding communities. To minimize such impacts, it has been communicating and working with nearby communities. Based on the accident statistics at 10 construction sites, no death was found through the year. Only a few incidents took place but did not cause construction shutdown. Singha Estate seriously took corrective and preventive measures to avoid recurrence.

# INTERNAL CONTROL

Singha Estate recognizes that internal control and internal audit systems are vital mechanisms. In fulfilling its goals, the Board supervises and assigns the Audit Committee to perform the duties of verifying that Singha Estate's financial reporting system accurately conforms to accounting standards and discloses information adequately; ensuring that the internal control and internal audit systems are appropriate, effective and fully comply with securities and exchange laws, SET's requirements and laws applicable to Singha Estate's business; reviewing connected transactions or transactions with potential conflicts of interest to assure their compliance with SET's requirements and relevant laws; and undertaking other operations.

Internal Audit has collaborated with the management, Accounting Department, Human Capital Department, Risk Management Department, Information Technology Department and Company Secretary Office in conducting this year's annual assessment of adequacy of internal controls according to SEC's assessment guidelines in the following aspects:

## 1 Control Environment

Singha Estate's control environment is appropriate and adequate for its business operations. The roles, duties and responsibilities of the Board and subcommittees are clearly defined in their charters. In performing its duties independently from the management and within the scope of Singha Estate's objectives, regulations and applicable laws, the Board supervises and clearly identifies measurable goals, its vision and strategic plans for business operations that correspond with rapid changes in business situation, with constant monitoring of operational progress.

Besides approving annual plans and budgets in line with Singha Estate's vision and strategic plan, the management defines guidelines on "integrity" as one of the corporate values, requiring strict observance by all staff, and incorporates

the value as part of new employees' orientation to underscore its significance and cultivate awareness of integrity among all employees.

Singha Estate also defines practical processes for performance monitoring and evaluation in line with the policy, goals and operation plan specified through the line of command of each business and the internal audit process.

## 2 Risk Assessment

Recognizing that efficient risk management is vital for the achievement of Singha Estate's objectives, the Board assigned the Risk Management Committee to perform the duties of supervising, defining risk management policy and monitoring the enterprise-wide management of risks to mitigate impacts on business operations. Based on quarterly assessments of internal and external risk factors potentially affecting Singha Estate's long-term and short-term business operations and investment, at the corporate and business unit levels, the committee formulates effective risk management plans for strategic, commercial, financial, operational, information system, organizational management, safety of lives and properties, and investment; monitors the implementation of all risk-management measures to reduce potential impacts on business operations; defines the Company's risk appetite; identifies key risk indicators (KRIs) and monitors the effectiveness in managing these indicators; implements Business Continuity Management measures; and continually reviews all risk factors and KRIs management measures for submission to the Board.

Besides constantly assessing all changes in business formats potentially creating new risks or intensifying existing threats, which include mergers and acquisitions (M&As), and fundraising in foreign currencies, Singha Estate will review its risk management and internal control measures to appropriately handle such changes in a timely manner.

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### 3 Control Activities

Controlling measures at the corporate and process levels are defined through Singha Estate's regulations, policies, standard operating procedures (SOPs) and the authorization procedure for business transactions. Besides a detailed description of the scopes and approval authorities of the management and staff at different levels, the latter provides a clear separation of key responsibilities for effective checks and balances of authority, and operational flexibility. Components under the internal control system also include measures that are suitable for each aspect of the Company's business operation.

The Board has considered and approved in principle commercial agreements under general commercial terms for engagement between Singha Estate or its subsidiaries (or both) with directors, executives, or related persons. All staff are required to observe the approved agreements, which fully conform to the Notification of the Capital Market Supervisory Board TorChor 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 (2003).

Singha Estate, its subsidiaries and associates jointly consider and make decisions on important matters to ensure uniformity of governance. The operations of subsidiary and associate companies are constantly monitored, while Singha Estate's representatives are appointed as their directors to supervise and review their performances to maintain consistency with the Company's business plan and goals.

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### 4 Information & Communication

Singha Estate's information and communication system provides crucial support for its systematic operation, management and financial reporting; the decision-making of directors and the management; and effective internal control. It has defined an information and communication policy, along with the regulations on information and communication security, which covers access by outsiders or external organizations through the VPN system.

It also communicates material information to the Board by sending in advance meeting documents for directors' consideration.

Singha Estate provides S@NET system, email and post notices for the communication between executives and staff, also organizes quarterly Management Information Meetings to keep all employees informed on the accomplishment of their duties. Employees can also send information complaints or recommendations directly to the CEO through the Voice of Employee channel.

Singha Estate discloses information through its website to stakeholders, who can contact or voice their complaints through the website, postal mail or by email to the Audit Committee, CEO or Company Secretary. Such practices, described in writing under the Whistleblowing Policy, enable employees and external parties to report or provide information relating to any violation of laws or regulations. The policy also includes protective measures for external complainants.

## 5 Monitoring Activities

Under Singha Estate's internal control monitoring and assessment process, Internal Audit performs the duties of reviewing compliance with relevant regulations, policies and laws, including approved operational plans to ensure that the internal control process is adequate; reporting any issue or shortcoming found in each operational system for the management to take corrective actions; reporting incidents directly to the Audit Committee for acknowledgment; and monitoring the progress of corrective actions. The outcomes of internal control assessment process undertaken jointly with the management and related departments together with information about the process and other relevant matters are constantly reported to the Audit Committee for acknowledgment at least once every quarter.

The Board of Directors' Meeting No. 2/2561 (2018) on February 21, 2018, acknowledged the assessment outcomes submitted by the Audit Committee and concurred that besides having an adequate and appropriate internal control system for its business operations, and clear separation of authorities, duties, and responsibilities, the Company had prepared sufficient manpower to support efficient operations; fully observed the regulatory requirements of Singha Estate, its subsidiaries, and their reporting structures for approval of transactions; and strictly supervised all connected transactions for Singha Estate's best interests.

## Chief of Internal Audit's Profile

Name: Ms. Patchanee Tangjitjaroen  
Position: Vice President, Internal Audit

### Education:

- Master's degree in Business Administration (MBA), Ramkhamhaeng University
- Bachelor's degree in Business Administration (BBA), Rajamangala Institute of Technology
- Bachelor's degree in Accounting, Sukhothai Thammathiraj University

### Specific Training Courses:

- |      |   |
|------|---|
| 2017 | Internal Audit in Disruptive Technology<br>Federation of Accounting Professions   |
| 2016 | TFRS 2560 Update Program<br>Federation of Accounting Professions  |
| 2014 | - COSO ERM Program<br>Federation of Accounting Professions<br>- Risk – Red Flags Program<br>Federation of Accounting Professions                  |
| 2011 | Certified Professional Internal Auditor<br>of Thailand Program (CPIAT, Class 18/2554)<br>The Institute of Internal Auditors<br>of Thailand (IIAT) |

### Work Experience

- |              |   |
|--------------|---|
| 2016-Present | Vice President, Internal Audit<br>and Secretary to the Audit Committee,<br>Singha Estate Public Company Limited                   |
| 2015-2016    | Assistant Vice President,<br>Internal Audit and Secretary<br>to the Audit Committee,<br>Gunkul Engineering Public Company Limited |
| 2014-2015    | Senior Manager, Internal Audit,<br>Berli Jucker Public Company Limited  |

Relevant important position -

Relationship with the management -

# TRANSACTIONS WITH RELATED PARTIES

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## Policy and trend for transactions with related parties

Singha Estate recognizes the principles of corporate governance concerning oversight of conflicts of interest. The Board steers the management by instituting clear, transparent processes concerning related parties and compliance with the rules, procedures, and approach for disclosing related transactions strictly in line with the law or regulators' requirements. As a rule, in engaging in transactions with Singha Estate's related parties, most transactions occurred in the normal course of business. Therefore, engagement in transactions with these businesses or parties is likely to recur. What is important is that Singha Estate's policy or trend for engagement is still based on the same principle observed last year, namely observing arm's length commercial terms with primary regard for the best interests of Singha Estate and its shareholders.

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Transactions between Singha Estate & subsidiaries and parties/juristic persons of potential conflicts of interest as of December 31, 2016, and December 31, 2017:

Individual / Juristic Person Who May Have Conflicts of Interest (Relationship)	Type of transaction	Transaction value (Baht)		Details and rationale
		2016	2017	
<b>Boon Rawd Brewery Co., Ltd</b> (Ultimate major shareholder and related parties of the Company served as major shareholders, directors, management, or controlling persons)	Deferred revenue	1,445,000,000	394,968,557	The lease of certain office space at Singha Complex under a 50-year lease agreement between a subsidiary of the Company and Boon Rawd Brewery Co., Ltd, approved at the Extraordinary General Meeting of Shareholders No.1/2015.
	Rental income	-	1,529,969,793	
	Revenue from services		379,100	Revenues from rooms and services from Santiburi Beach Resort and Spa and rental income from Suntowers. Rates and terms are in line with normal business practice following the condition of general trading.
	Other receivables	13,066	79,964,550	Receivables of the above-mentioned revenues and lease payment.
	Training expenses	-	1,146	Training fees and other expenses.
	Purchases of goods	-	34,983	Purchases of drinking water and bottled beverages.
<b>Bo Phut Property and Resort Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	50,524	37,120	Revenues from rooms and services from Santiburi Beach Resort and Spa. Rates and terms are based on agreed rate and conditions, comparable to those offered to key account customers.
	Revenue from services	53,595	432,000	
	Trade payables	-	66,445	Management fees in relation to administrative services at Santiburi Beach Resort and Spa.
	Service fees	-	166,445	
<b>Beer Singha Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade payables	27,671	69,351	Purchases of drinking water and bottled beverages.
	Purchases of goods	229,088	390,392	
<b>Singha Park Chiang Rai Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade payables	1,264,625	1,237,283	Purchases of goods and services.
	Purchases of goods	1,256,423	1,444,837	

Individual / Juristic Person Who May Have Conflicts of Interest (Relationship)	Type of transaction	Transaction value (Baht)		Details and rationale
		2016	2017	
<b>Santiburi Samui Country Club Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	30,601	27,951	Income from laundry service and commission charges when guests of Santiburi Beach Resort and Spa using golfing facilities at Santiburi Samui Country Club.
	Revenue from services	243,649	312,012	
	Trade payables	316,450	352,879	Service charges on using golfing facilities at Santiburi Samui Country Club by guests of Santiburi Beach Resort and Spa.
	Expenses	-	3,404,280	
<b>Boon Rawd Trading Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	3,797	20,000	Space rental and service income.
	Revenues from rental and services	-	47,944	
	Trade payables	688,748	71,085	Purchases of drinking water and bottled beverages.
	Purchases of goods	957,372	1,622,190	
<b>Singha Trend Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	57,320	74,722	Rental and service incomes. Rates and terms are in line with normal business practice following the condition of general trading.
	Revenues from rental and services	-	3,385,938	
	Trade payables and other payables	-	74,157	Purchases of goods and services.
	Purchases of goods	-	299,798	
<b>CTG 2002 Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	193,518	Advertising expenses and consulting fees. Price and terms are in line with normal business practice following the condition of general trading.
	Purchases of goods	1,590,310	3,596,325	
<b>Prep Group Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Purchases of goods	-	2,377	Purchases of goods and services.
<b>Prime Location Management Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Advances	-	14,459,896	These transactions are in connection with a project management service under a master service agreement for the development of tourist facilities in the Republic of Maldives. Details of the agreement were disclosed to the Stock Exchange of Thailand on September 30, 2016.
	Trade receivables	-	54,681,983	
	Revenue from sales of goods	-	62,229,641	

Individual / Juristic Person Who May Have Conflicts of Interest (Relationship)	Type of transaction	Transaction value (Baht)		Details and rationale
		2016	2017	
<b>EST Company (1993) Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	22,500	-	Purchases of goods and services.
	Purchases of goods	32,100	40,607	
<b>CB Holding Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Purchases of goods	-	7,207,024	Purchases of office cleaning service at Suntowers. Rates and terms are in line with normal business practice following the condition of general trading.
<b>Santiburi Private Community Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Purchases of goods	-	24,660,000	Marketing consulting fees, under a service agreement of which details were disclosed to the Stock Exchange of Thailand on October 13, 2016.
<b>Bangkok Glass PCL.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Purchase of goods	-	183,756	Purchases of construction materials.
<b>BG Float Glass Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	2,005,931	Purchases of construction materials. Price and terms are in line with normal business practice following the condition of general trading.
	Purchases of goods	-	7,980,554	
<b>Kabinburi Glass Industry Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	22,936	Purchases of goods.
	Purchases of goods	-	20,931	
<b>Singha Property Management (Singapore) Pte. Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade receivables	8,713,033	23,755,453	Revenues from rendering project management service under a master service agreement for the development of tourist facilities in the Republic of Maldives. Details of the agreement were disclosed to the Stock Exchange of Thailand on September 30, 2016.
	Management income	124,713,033	99,995,998	
<b>Brand Family Co.,Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	1,284,000	-	Advertising expenses and consulting fees. Price and terms are in line with normal business practice following the condition of general trading.
	Purchases of goods	2,655,312	350,000	

Individual / Juristic Person Who May Have Conflicts of Interest (Relationship)	Type of transaction	Transaction value (Baht)		Details and rationale
		2016	2017	
<b>Dream Islands Development 2 Private Limited</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other receivables	-	6,189,841	Revenues from rendering project management service under a master service agreement for the development of tourist facilities in the Republic of Maldives. Details of the agreement were disclosed to the Stock Exchange of Thailand on September 30, 2016.
	Management income	-	6,189,841	
<b>Dream Islands Development Private Limited</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	-	2,484,891	Advances which are in connection with a project management service under a master service agreement for the development of tourist facilities in the Republic of Maldives. Details of the agreement were disclosed to the Stock Exchange of Thailand on September 30, 2016.
<b>Boon Rawd Asia Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Trade payables	4,500	-	Purchases of drinking water and bottled beverages.
	Purchases of goods	3,604,736	-	
<b>KhonKaen Brewery Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Other payables	6,000	-	Purchases of goods and services.
<b>Singha Corporation Co., Ltd.</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Revenue from services	192,330	-	Revenues from rooms and services from Santiburi Beach Resort and Spa and rental income from Suntowers. Rates and terms are in line with normal business practice following the condition of general trading.
<b>FS JV CO Limited</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Loans to joint venture	1,680,980,340	1,649,275,857	Loans to a joint venture in connection with an investment in a hotel portfolio in United Kingdom with the interest at the rate of LIBOR+6.50% per annum. Details of the transaction were disclosed to the Stock Exchange of Thailand on October 22, 2015.
	Interest receivables	25,122,935	80,292,761	
	Interest income	136,933,703	114,036,410	
<b>FS JV LICENSE Limited</b> (Related parties of the Company served as major shareholders, directors, management, or controlling persons)	Loans to joint venture	22,017,800	21,993,250	Loans to a joint venture in connection with an investment in a hotel portfolio in United Kingdom with the interest at the rate of 8.00% per annum., which was comparable to the market rate.
	Interest receivables	554,969	1,870,330	
	Interest income	608,027	1,748,276	







# RESPONSIBILITY OF THE BOARD OF DIRECTORS TO FINANCIAL STATEMENT

The Board of Directors of Singha Estate Public Company Limited (“the Company”) is responsible for the consolidated financial statement of the Company and its subsidiaries as well as financial information in the annual report. The financial statement is prepared in accordance with generally accepted accounting standards which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statement.

The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are accurate, complete and sufficient to secure its assets. Moreover, all possible weakness could be found to prevent fraud or material unusual transactions.

The Board of Directors had appointed the audit committee which comprises independent directors, to control quality of financial report and internal control system. The opinion of the audit committee on this matter has already been presented in the audit committee report.

The Board of Directors is of an opinion that internal control systems of the Company are in the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statement of the Company and its subsidiaries as of 31 December 2017.



(Mr. Chutinant Bhirombhakdi)  
Chairman



(Mr. Naris Cheyklin)  
Director and Chief Executive Officer

# INDEPENDENT AUDITOR'S REPORT

## To the Shareholders of Singha Estate Public Company Limited

### My opinion

In my opinion, the consolidated financial statements of Singha Estate Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

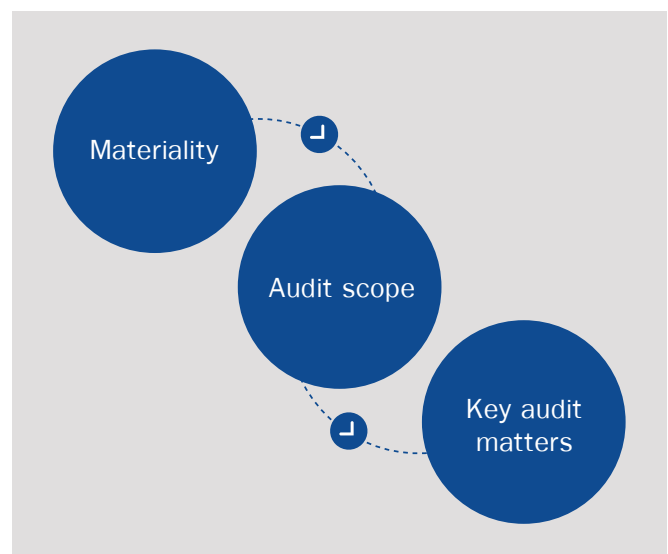
- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

### Basis for my opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate

financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### My audit approach - Overview



#### Materiality

Overall group materiality: 40 million which represents 5% of Group's profit before tax.

#### Audit scope

I conduct with audit work of the consolidated financial statements by focusing on the significant components which account for 95% of the Group's profit before tax and 82% of the Group's total assets.

#### Key audit matters

I identified the following matters as key audit matters

- Impairment testing of goodwill and intangible assets-trademark
- Valuation of investment properties
- Business combination

## Materiality

The scope of my audit was influenced by my application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on my professional judgement, I determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped me to determine the scope of my audit and the nature, timing and extent of my audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	baht 40 million
How I determined it	5% of profit before tax
Rationale for the materiality benchmark applied	I chose profit before tax as the critical measure because, in my view, it is the measure against which the performance of the Group is most commonly assessed. The 5% benchmark is a generally accepted auditing practice and there were no significant unusual elements that merited adjustments to this benchmark.

I agreed with the audit committee that I would report to them misstatements identified during my audit above baht 2 million, in my view, warranted reporting for qualitative reasons.

## How I tailored my group audit scope

I tailored the scope of my audit in order to perform sufficient work to enable me to provide an opinion on consolidated the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

## Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p><b>Impairment testing of goodwill and intangible assets-trademark</b></p> <p>Refer to Note 4 critical accounting estimates and judgements, Note 16 goodwill and Note 17 intangible assets.</p> <p>As at 31 December 2017, the Group recorded goodwill of Baht 1,131 million, which was created from the acquisitions of real estate businesses and a hospitality business in Thailand. The intangible assets-trademark of Baht 344 million arose from the acquisition of the real estate business.</p> <p>The cash generating unit (CGU) which includes the Group's goodwill and trademark. Management tested impairment by comparing the book value with the recoverable amount of asset which is the higher of the value-in-use or fair value less costs to sell. Management determined that no allowance for impairment of these assets was necessary.</p> <p>I focused my attention on this area due to the significant value of the goodwill and intangible assets to the Group's, as well as the nature of the judgements and various assumptions made by management in performing the Group's annual impairment test. Management reviews impairment of goodwill and trademark annually based on the requirements of Thai Accounting Standard 36: Impairment of assets (TAS36).</p>	<p>I assessed the appropriateness of management's identification of the Group's CGU.</p> <p>I read management's report of the Group's annual impairment test of goodwill and trademarks for each CGU and performed testing procedures.</p> <p>I assessed the impairment testing process and assessed inputs and assumptions used in impairment testing of goodwill and trademarks, specifically the growth rate and discount rate assumptions. I compared those inputs and assumptions to the appropriate published information and the approved business plan.</p> <p>I assessed the reasonableness of the business plan and forecasts by comparing them with historical results. Also, I performed a sensitivity analysis of the key assumptions used by management in its valuation model to consider the potential impact of a material change in a key assumption on the impairment assessment.</p> <p>As a results of the procedures performed, I concluded that management's determination is reasonable based on the available evidence.</p>



Key audit matter	How my audit addressed the key audit matter
<p><b>Valuation of investment properties</b></p> <p>Referring to Note 14, the Group measured investment property using the fair value method, which is acceptable under the Thai Accounting Standard 40: Investment property (TAS40).</p> <p>As at 31 December 2017, the Group recorded investment property, measured at fair value, of Baht 9,679 million and 85.5 million in the consolidated and separate financial statements, respectively. Gains arising from changes in the fair value of investment property of Baht 2.97 million and losses arising from changes in the fair value of investment property of Baht 12.3 million were recognised in the consolidated and separate comprehensive income for the year, respectively.</p> <p>The fair value of rental buildings was estimated using the income approach that was carried out by a professional appraiser who was engaged by the Group after their qualifications and expertise were assessed.</p> <p>I focused on this area because of the magnitude of the value of investment property and because the valuation model depends on judgement and the appropriateness and reliability of information and assumptions.</p>	<p>I read the valuation report and verified the appropriateness of the valuation approach and source data.</p> <p>I assessed the fair value of rental buildings using an income approach, which identified the future economic benefits that the Group can expect to generate from the property and discounted these cash flows with a reasonable rate of return. I compared the projected cash flows with historical results and the approved business plan and compared the discounted rate to the appropriate rate of return of the Group.</p> <p>I assessed the appraiser's qualifications and expertise and read the terms of their engagement with the Group to determine whether there were any matters that might have affected their objectivity or imposed a scope limitation on their work.</p> <p>As a result of the procedures performed, I concluded that the assumptions used for determining the fair value of the investment property is reasonable.</p>

Key audit matter	How my audit addressed the key audit matter
<p><b>Business combination</b></p> <p>Refer to Note 33, Business combination, in 2017, the Group acquired 56% of the share capital of Daii Group Public Company Limited and its subsidiaries by exchange the 51% of share capital of Nirvana Development Co., Ltd and two plots of land. The Group's management assessed that the acquisition of such shareholdings qualified as a business combination according to the definition in Thai Financial Reporting Standard no. 3 (TFRS 3) - Business Combination.</p> <p>Management determined that the fair value of net identifiable assets acquired was Baht 187 million, mainly comprising Baht 305 million relating to property, plant and equipment. Management determined that the transaction resulted in Baht 189 million goodwill based on the difference between the fair value of net assets acquired and the deemed consideration transferred. Management had a professional appraiser make a valuation of the net assets acquired. The appraiser used a market approach and cost approach to compute the valuation.</p> <p>I focused on the business combination transactions as a significant area of judgment in valuation. The valuation methodology, as well as the inputs and assumptions in the model, will affect the fair value of the goodwill. The key assumptions are the future results of the business and the discount rates.</p>	<p>I evaluated management's assessment that the acquisitions identified in Note 33 should be accounted for as business combinations and determined that they are appropriately accounted for in accordance with the requirements set out in TFRS 3.</p> <p>I read the sales and purchase agreement for Daii Group Public Company Limited and its subsidiaries, including minutes of Board of Directors' meeting and extraordinary shareholders' meeting in which it was approved.</p> <p>I assessed the appropriateness of the net assets acquired and liabilities assumed at the acquisition date by challenging management about the appropriateness of the procedures they used to determine the fair value, and comparing the appraiser's market value against the offering price.</p> <p>I assessed the appraiser's qualifications and expertise and read the terms of their engagement with the Group to determine whether there were any matters that might have affected their objectivity or imposed a scope limitation on their work.</p> <p>I tested the calculation of the goodwill arising from the business combinations, being the difference between the total purchase consideration and the fair value of the net identifiable assets.</p> <p>From the above procedures, I found that the Management's procedures used to assess about the accounting record of business combination was appropriate and in line with my expectation.</p>

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### Other information

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

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

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

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

### Responsibilities of the directors for the consolidated and separate financial statements

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

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a

going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

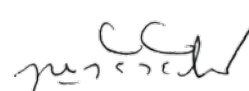
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting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

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

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

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

PricewaterhouseCoopers ABAS Ltd.




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Chanchai Chaiprasit  
 Certified Public Accountant (Thailand)  
 No. 3760 Bangkok  
 21 February 2018

# FINANCIAL STATEMENTS

Singha Estate Public Company Limited

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31 December 2017





**Singha Estate Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2017**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	6,760,522,450	983,120,337	112,111,674	126,088,105
Short-term investments	8	1,635,590,243	1,177,703,026	1,187,088,344	958,887,731
Trade and other receivables, net	9	311,570,812	485,912,194	19,344,573	16,607,110
Amounts due from related parties	31	262,346,491	34,555,699	501,058,055	381,830,684
Short-term borrowings to related parties	31	-	-	1,415,124,600	1,591,500,000
Costs of property development	10	8,991,947,960	10,131,795,417	840,439,231	1,889,520,574
Inventories	11	670,217,338	752,814,420	19,211,911	19,120,565
Construction Deposits		565,679,475	125,712,844	88,437,518	121,603,738
Other current assets		563,862,770	340,451,393	145,437,127	54,198,371
<b>Total current assets</b>		<b>19,761,737,539</b>	<b>14,032,065,330</b>	<b>4,328,253,033</b>	<b>5,159,356,878</b>
<b>Non-current assets</b>					
Restricted bank deposits		392,350,522	14,503,025	1,707,291	2,778,327
Investments in subsidiaries	12	-	-	16,477,326,361	8,287,132,502
Investments in joint ventures, net	12	310,504,711	75,365,760	-	-
Long-term borrowings to related parties	31	1,671,269,107	1,702,998,140	-	-
Long-term borrowings to other	13	91,500,000	91,500,000	-	-
Land held for development		2,411,531,285	413,311,333	141,113,080	-
Investments property	14	9,679,019,932	8,691,666,493	85,500,000	97,800,000
Property, plant and equipment, net	15	3,854,322,644	3,520,025,757	800,712,101	845,549,571
Goodwill	16	1,130,657,604	941,939,668	-	-
Intangible assets, net	17	481,767,020	458,486,574	35,823,917	29,410,391
Deferred income tax assets	18	121,208,049	50,126,124	81,751,203	8,211,088
Other non-current assets		1,004,550,131	600,212,301	5,728,808	5,888,276
<b>Total non-current assets</b>		<b>21,148,681,005</b>	<b>16,560,135,175</b>	<b>17,629,662,761</b>	<b>9,276,770,155</b>
<b>Total assets</b>		<b>40,910,418,544</b>	<b>30,592,200,505</b>	<b>21,957,915,794</b>	<b>14,436,127,033</b>

The notes to the consolidated and company financial statements are an integral part of this financial statements.

**Singha Estate Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2017**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Notes</b>		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term borrowings					
from financial institutions	20	715,000,000	1,894,720,258	-	-
Trade and other payables	19	4,261,580,494	1,112,065,259	897,850,803	542,067,941
Amounts due to related parties	31	6,631,076	3,614,494	34,622,583	35,223,184
Current portion of long-term borrowings, net	20	814,067,855	599,735,660	647,908,555	352,017,890
Short-term borrowings from others	32	-	525,105,438	-	-
Debentures due within one year, net	21	595,197,169	103,909,393	-	-
Income tax payable		59,411,895	57,919,351	-	-
Retention payables		221,422,286	104,797,142	26,529,740	13,691,131
Other current liabilities		74,967,103	62,235,047	29,149,292	21,597,257
<b>Total current liabilities</b>		<b>6,748,277,878</b>	<b>4,464,102,042</b>	<b>1,636,060,973</b>	<b>964,597,403</b>
<b>Non-current liabilities</b>					
Long-term borrowings, net	20	8,285,004,462	7,697,046,988	155,243,834	800,866,465
Debenture, net	21	5,657,689,047	594,112,365	5,657,689,047	-
Derivative liability		139,153,578	-	139,153,578	-
Deferred income tax liabilities	18	403,394,377	215,463,987	-	-
Employee benefits obligation	22	47,233,728	51,007,811	9,027,030	14,492,923
Deferred revenue from a related party	31	394,968,557	1,445,000,000	-	-
Other non-current liabilities		139,173,890	629,262,704	4,210,526	3,087,527
<b>Total non-current liabilities</b>		<b>15,066,617,639</b>	<b>10,631,893,855</b>	<b>5,965,324,015</b>	<b>818,446,915</b>
<b>Total liabilities</b>		<b>21,814,895,517</b>	<b>15,095,995,897</b>	<b>7,601,384,988</b>	<b>1,783,044,318</b>

The notes to the consolidated and company financial statements are an integral part of this financial statements.

**Singha Estate Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2017**

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Notes		Baht	Baht	Baht	Baht
<b>Liabilities and equity (Cont'd)</b>					
<b>Equity</b>					
Share capital	23				
Authorised share capital					
Ordinary shares, 10,228,502,526 shares at par value of Baht 1 each (2016 : Ordinary shares, 8,973,005,905 shares at par value of Baht 1 each)		10,228,502,526	8,973,005,905	10,228,502,526	8,973,005,905
Issued and paid-up share capital					
Ordinary shares, 6,853,719,295 shares paid-up at Baht 1 each (2016 : Ordinary shares, 6,453,719,295 shares paid-up at Baht 1 each)		6,853,719,295	6,453,719,295	6,853,719,295	6,453,719,295
Premium on share capital		7,116,798,868	5,892,050,140	10,761,523,248	9,536,774,520
Premium from acquisition		442,909,882	551,146,278	-	-
Discount from changing in percentage of shareholding in subsidiaries		(136,132,775)	(21,429,042)	-	-
Discount from business transferred under common control		-	-	(2,931,610,254)	(2,931,610,254)
Share-based payment	30	112,478,057	5,135,460	112,478,057	5,135,460
Retained earnings					
Appropriated					
Legal reserve	24	10,000,000	10,000,000	31,180,388	31,180,388
Unappropriated		2,379,423,867	1,785,562,351	(470,913,291)	(445,909,205)
Other components of equity	25	(419,326,223)	(432,286,366)	153,363	3,792,511
<b>Equity attributable to owner of the parent</b>		16,359,870,971	14,243,898,116	14,356,530,806	12,653,082,715
Non-controlling interests		2,735,652,056	1,252,306,492	-	-
<b>Total equity</b>		19,095,523,027	15,496,204,608	14,356,530,806	12,653,082,715
<b>Total liabilities and equity</b>		40,910,418,544	30,592,200,505	21,957,915,794	14,436,127,033

The notes to the consolidated and company financial statements are an integral part of this financial statements.

**Singha Estate Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2017**

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenue from sales of house and condominium units		1,933,531,592	1,258,749,486	-	-
Revenue from rental and services		2,221,825,297	1,974,488,329	372,575,750	377,343,708
Revenue from sales of goods		1,702,573,154	-	-	-
Costs of house and condominium unit sold		(1,301,162,180)	(865,463,819)	-	-
Costs of rental and services		(1,267,565,131)	(1,056,283,632)	(238,042,182)	(257,753,127)
Cost of goods sold		(855,211,092)	-	-	-
<b>Gross profit</b>		<b>2,433,991,640</b>	<b>1,311,490,364</b>	<b>134,533,568</b>	<b>119,590,581</b>
Other income	26	326,622,014	424,386,958	644,747,967	376,282,027
Gains (losses) from fair value adjustments	14	2,965,037	(87,843,705)	(12,300,000)	(87,843,705)
Selling expenses		(539,670,182)	(445,369,016)	(40,992,505)	(129,669,276)
Administrative expenses		(1,028,929,861)	(672,632,063)	(688,523,034)	(444,764,020)
Finance costs (interest expenses)		(369,218,947)	(310,820,904)	(146,079,632)	(88,288,231)
Share of profit from investment in a joint venture	12	33,097,955	-	-	-
<b>Profit (loss) before income taxes</b>		<b>858,857,656</b>	<b>219,211,634</b>	<b>(108,613,636)</b>	<b>(254,692,624)</b>
Income tax expenses	28	(227,826,794)	(54,122,089)	74,826,308	7,653,628
<b>Profit (loss) for the year</b>		<b>631,030,862</b>	<b>165,089,545</b>	<b>(33,787,328)</b>	<b>(247,038,996)</b>
<b>Other comprehensive income (expense), net of tax</b>					
Items that will be reclassified subsequently to profit or loss					
- Change in value of available-for-sale investments		(4,420,808)	1,690,769	(4,548,935)	1,510,636
- Currency translation differences		(2,185,607)	(388,923,687)	-	-
- Share of other comprehensive income of joint ventures		18,682,396	-	-	-
- Income tax relating to items that will be reclassified		884,162	(338,154)	909,787	(302,127)
Total items that will be reclassified to profit or loss, net of taxes		12,960,143	(387,571,072)	(3,639,148)	1,208,509
Items that will not be reclassified to profit or loss					
- Actuarial gain	22	27,473,207	-	10,979,052	-
- Income tax relating to items that will not be reclassified		(5,494,641)	-	(2,195,810)	-
Total items that will not be reclassified to profit or loss, net of taxes		21,978,566	-	8,783,242	-
<b>Other comprehensive income (expense) for the period</b>		<b>34,938,709</b>	<b>(387,571,072)</b>	<b>5,144,094</b>	<b>1,208,509</b>
<b>Total comprehensive income (expense) for the year</b>		<b>665,969,571</b>	<b>(222,481,527)</b>	<b>(28,643,234)</b>	<b>(245,830,487)</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		571,882,950	170,234,076	(33,787,328)	(247,038,996)
Non-controlling interests		59,147,912	(5,144,531)	-	-
		<u>631,030,862</u>	<u>165,089,545</u>	<u>(33,787,328)</u>	<u>(247,038,996)</u>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		606,821,659	(217,336,996)	(28,643,234)	(245,830,487)
Non-controlling interests		59,147,912	(5,144,531)	-	-
		<u>665,969,571</u>	<u>(222,481,527)</u>	<u>(28,643,234)</u>	<u>(245,830,487)</u>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share	29	0.086	0.028	(0.005)	(0.040)

The notes to the consolidated and company financial statements are an integral part of this financial statements.

Singha Estate Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2017

Consolidated financial statements																			
		Attributed to owners of the parent																	
		Discount from changing in shareholding in subsidiaries				Retained earnings				Other components of equity				Equity attributable to owner of the parent		Non-controlling interests		Total equity	
										Other comprehensive income									
										Fair value reserve of available-for-sale investments		Translation difference							
Notes	Issued and paid-up share capital	Premium on share capital	Premium from acquisition	Share-based payment	Appropriated - legal reserve	Unappropriated	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
	5,715,337,268	2,938,522,032	551,146,278	(21,429,042)	-	10,000,000	1,615,328,275	2,626,758	(47,342,052)	(44,715,294)	10,764,189,517	1,165,951,223	11,930,140,740						
23	738,382,027	2,953,528,108	-	-	-	-	-	-	-	-	3,691,910,135	-	3,691,910,135						
	-	-	-	-	-	-	170,234,076	1,352,615	(388,923,687)	(387,571,072)	(217,336,996)	(5,144,531)	(222,481,527)						
	-	-	-	-	-	-	-	-	-	-	-	-	-	91,499,800					
30	-	-	-	-	-	-	5,135,460	-	-	-	5,135,460	-	5,135,460						
	6,453,719,295	5,892,050,140	551,146,278	(21,429,042)	5,135,460	10,000,000	1,785,562,351	3,979,373	(436,265,739)	(432,286,366)	14,243,898,116	1,252,306,492	15,496,204,608						
	6,453,719,295	5,892,050,140	551,146,278	(21,429,042)	5,135,460	10,000,000	1,785,562,351	3,979,373	(436,265,739)	(432,286,366)	14,243,898,116	1,252,306,492	15,496,204,608						
23	400,000,000	1,224,748,728	-	-	-	-	-	-	-	-	1,624,748,728	-	1,624,748,728						
	-	-	(108,236,396)	(114,703,733)	-	-	-	-	-	-	(222,940,129)	-	(222,940,129)						
	-	-	-	-	-	-	593,861,516	(3,536,646)	16,496,789	12,960,143	606,821,659	59,147,912	665,969,571						
	-	-	-	-	-	-	-	-	-	-	-	-	1,424,197,652						
30	-	-	-	-	-	-	107,342,597	-	-	-	107,342,597	-	107,342,597						
	6,853,719,295	7,116,798,868	442,909,882	(136,132,775)	112,478,057	10,000,000	2,379,423,867	442,727	(419,768,950)	(419,326,223)	16,359,870,971	2,735,652,056	19,095,523,027						

The notes to the consolidated and company financial statements are an integral part of this financial statements.



Singha Estate Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2017

Separate financial statements														
Other components of equity														
Other comprehensive income														
Fair value reserve of available-for-sale investments														
Total equity														
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The notes to the consolidated and company financial statements are an integral part of this financial statements.

**Singha Estate Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2017**

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Cash flows from operating activities</b>					
Profit (loss) for the year before income taxes		858,857,656	219,211,634	(108,613,636)	(254,692,624)
<b>Adjustment to reconcile net profit (loss) for cash receipts (payments) from operations</b>					
Depreciation and amortisation expenses	15, 17	257,414,868	196,958,483	96,373,679	107,508,311
Write-off of assets	15, 17	51,659,376	2,644,576	20,353,171	841,943
Allowance for doubtful accounts	9	(7,438,136)	10,176,218	-	160,576
Gains from disposal of short-term investments		(23,927,046)	(6,957,597)	(16,836,569)	(5,362,436)
Gains from business acquisition		-	-	(203,583,340)	-
Fair values adjustment of investments property	14	(2,965,037)	87,843,705	12,300,000	87,843,705
Employee benefits obligation		14,916,877	11,737,283	5,513,159	5,513,159
Gains from disposal of assets		(10,551,161)	(1,228,483)	(3,443,756)	(47,401)
Net unrealised gains on exchange rate of long-term borrowings		(148,092,119)	(73,944,404)	(148,092,119)	(73,944,404)
Gains from classification of investment in a subsidiary to investment in a joint venture		(25,259,000)	-	-	-
Share of gains from investment in joint ventures		(33,097,955)	-	-	-
Share-based payment	30	107,342,597	5,135,460	94,032,319	4,479,148
Amortisation of derivative liability		(13,871,719)	-	(13,871,719)	-
Dividend income		-	-	(223,499,934)	-
Interest income		(153,284,635)	(147,728,100)	(65,771,180)	(65,763,334)
Financial costs		369,218,947	310,820,904	146,079,632	88,288,231
<b>Cash flows before changes in working capital</b>		1,240,923,513	614,669,679	(409,060,293)	(105,175,126)
<b>Changes in working capital</b>					
Trade and other receivables		202,070,908	(42,222,942)	191,805	(9,714,213)
Amounts due from related parties		(171,296,150)	(8,347,555)	55,600,044	(140,647,763)
Costs of property development		(1,758,298,278)	(2,319,097,326)	(344,275,996)	(193,543,651)
Inventories		807,969,779	(77,629,325)	(91,346)	(271,863)
Other current assets		(713,491,023)	(494,725,079)	(41,296,743)	(119,215,453)
Other non-current assets		(390,259,814)	(321,083,402)	159,468	(4,286,428)
Trade and other payables		3,023,227,606	87,566,990	302,694,619	424,730,039
Amounts due to related parties		3,027,882	2,789,918	(600,601)	18,894,997
Retention payables		116,625,144	32,806,769	12,838,609	(915,892)
Other current liabilities		9,365,074	(41,214,048)	7,552,035	(5,508,553)
Other non-current liabilities		(1,533,653,592)	1,113,438,465	1,122,999	(15,206,786)
<b>Cash used in operating activities</b>		836,211,049	(1,453,047,856)	(415,165,400)	(150,860,692)

The notes to the consolidated and company financial statements are an integral part of this financial statements.

**Singha Estate Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2017**

		Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Notes					
<b>Cash used in operating activities (Cont'd)</b>		836,211,049	(1,453,047,856)	(415,165,400)	(150,860,692)
Employee benefit paid	22	(1,343,292)	-	-	-
Interest paid		(270,928,331)	(316,010,687)	(65,606,261)	(88,361,996)
Income tax paid		(97,939,209)	(76,087,849)	(16,775,623)	(1,234,260)
<b>Net cash used in operating activities</b>		<b>466,000,217</b>	<b>(1,845,146,392)</b>	<b>(497,547,284)</b>	<b>(240,456,948)</b>
<b>Cash flows from investing activities</b>					
Cash receipts from short-term loans to related parties	31	-	-	729,875,000	1,563,009,600
Cash payments for short-term loans to related parties	31	-	-	(503,500,000)	(1,256,000,000)
Cash receipts for long-term loans to a related party	31	29,584,724	77,945,712	-	-
Cash decreased from classification of investment in a subsidiary to investment in a joint venture		(28,789,493)	-	-	-
Cash increased from business acquisition	33	35,611,841	-	-	-
Cash payments for long-term loans to related parties	31	-	(23,090,000)	-	-
Increase (decrease) in restricted bank deposits		(377,395,777)	(83,305)	1,071,036	(126,833)
Proceeds from disposal of property, plant and equipment		12,567,700	9,450,876	4,215,450	1,255,954
Proceeds from disposal of intangible assets		-	140,320	-	-
Proceeds from disposal of land held for development		-	86,818,000	-	-
Cash payments for purchase intangible assets	17	(31,914,501)	(27,929,418)	(10,573,184)	(16,161,668)
Cash payments for purchase investments property		(1,772,107,763)	(559,844,021)	-	(2,883,236)
Cash payments for purchase land held for development		(866,021,253)	(64,112,293)	-	-
Cash payments for purchase property, plant and equipment	15	(238,608,869)	(210,015,438)	(68,501,415)	(31,929,330)
Cash payments for investments in subsidiaries		-	-	(6,784,365,860)	(149,705,800)
Cash payments for purchase available-for-sale investments	8	(6,235,967,860)	(2,410,247,700)	(3,902,104,860)	(1,524,790,000)
Cash receipts from disposal of available-for-sale investments		5,796,985,000	1,630,921,380	3,685,590,000	939,000,000
Cash payments for investments in joint ventures		(108,100,000)	(75,365,760)	-	-
Cash receipts from dividends		-	-	104,999,940	-
Cash receipts from interest income		88,052,714	139,827,874	20,426,650	35,029,892
<b>Net cash used in investing activities</b>		<b>(3,696,103,537)</b>	<b>(1,425,583,773)</b>	<b>(6,722,867,243)</b>	<b>(443,301,421)</b>

The notes to the consolidated and company financial statements are an integral part of this financial statements.

**Singha Estate Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2017**

		Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Note					
<b>Cash flows from financing activities</b>					
	Net cash receipts (payments) from short-term loans from financial institutions	566,455,925	(4,355,318,877)	-	(2,284,649,200)
	Cash receipts from short-term loans from related parties	-	-	-	144,875,000
	Repayments of short-term loans from related parties	-	-	-	(721,080,515)
	Repayment of short-term loans from others	(532,009,440)	-	-	-
	Cash receipts from long-term loans from financial institutions	1,853,644,555	4,958,727,354	-	808,455,800
	Repayments of long-term loans from financial institutions	(1,059,350,703)	(1,235,476,088)	(353,179,954)	(1,029,246,226)
	Cash receipts from the debentures issuance of a subsidiary	596,000,000	700,000,000	-	-
	Cash payment for redemption of debenture of a subsidiary	(700,000,000)	-	-	-
	Cash receipts from issued convertible debentures of the Company	6,064,164,000	-	6,064,164,000	-
	Cash payments for deferred financing fees	(131,059,538)	-	(129,294,678)	-
	Repayment of finance lease	(1,109,283)	(2,762,485)	-	-
	Cash receipts from increase of share capital of a subsidiary	992,120,000	-	-	-
	Cash payments for investments in subsidiaries	(266,276,760)	(200)	-	-
	Cash receipts from increase of share capital of the Company	23 1,624,748,728	3,691,910,135	1,624,748,728	3,691,910,135
<b>Net cash generated from financing activities</b>		<b>9,007,327,484</b>	<b>3,757,079,839</b>	<b>7,206,438,096</b>	<b>610,264,994</b>
<b>Net increase (decrease) in cash and cash equivalents</b>					
		5,777,224,164	486,349,674	(13,976,431)	(73,493,375)
	Gains (losses) on exchange rate on cash and cash equivalents	177,949	5,465,891	-	-
	Cash and cash equivalents at beginning of the year	983,120,337	491,304,772	126,088,105	199,581,480
	Cash and cash equivalents at ending of the year	<u>6,760,522,450</u>	<u>983,120,337</u>	<u>112,111,674</u>	<u>126,088,105</u>

The notes to the consolidated and company financial statements are an integral part of this financial statements.

**Singha Estate Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2017**

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Non-cash transaction					
Material non-cash transaction					
as of 31 December as follows:					
Increase of land held for development from transfer of costs of property development		1,132,198,698	-	141,113,080	-
Increase of investment in a subsidiary from exchange of costs of property development		-	-	1,252,244,259	-
Increase of short-term borrowing to a subsidiary from transfer of investment in a subsidiary		-	-	49,999,600	-
Increase in long-term loans to others		-	91,500,000	-	-
Increase in cost of property development from transfer investment property	14	-	152,202,869	-	-
Increase in cost of property development from transfer property, plant and equipment		-	143,782	-	143,782
Increase in investment in joint ventures from classification of investment in a subsidiary		75,258,600	-	-	-
Decrease of costs of property development from classification of investment in a subsidiary to a joint venture		1,771,239,126	-	-	-
Decrease of short-term borrowings from financial institutions from classification of investment in a subsidiary to a joint venture		1,750,000,000	-	-	-
Increase of property, plant and equipment from transfer of investment property	14	91,922,237	-	-	-
Increase of inventory from transfer of investment property	14	695,797,124	-	-	-

The notes to the consolidated and company financial statements are an integral part of this financial statements.





# NOTES TO FINANCIAL STATEMENTS

Singha Estate Public Company Limited

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31 December 2017



## **1 General information**

Singha Estate Public Company Limited (the Company) is a public limited company, which is listed on the Stock of Exchange of Thailand and incorporated in Thailand. The address of the Company's registered office is as follows:

Head office: 123 Sun Towers Building B, 22<sup>nd</sup> Floor, Vibhavadi - Rangsit Road, Chomphon, Chatuchak, Bangkok 10900.

Branch: (1) 12/12 Moo 1, Mae Nam, Samui, Suratthani 84330.

(2) 8/299 and 8/300 Charoen Nakon Road, Ton Sai, Klong San, Bangkok 10600.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The Group is engaged in development and investment of real estate for rental and sale, in hospitality business and in related businesses in Thailand and overseas.

This consolidated and separate financial statements was authorised by the Board of Directors on 21 February 2018.

## **2 Accounting policies**

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

### **2.1 Basis of preparation**

The consolidated and separate financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except the measurement of available-for-sale investments and investment property at fair value, which is explained in the relevant accounting policies.

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

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

## **2 Accounting policies (Cont'd)**

### **2.2 New/revised financial reporting standards, and related interpretations**

2.2.1 New/revised financial reporting standards and interpretations are effective on 1 January 2017 which are relevant and have no significant impact to the Group :

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Group. The Group has not yet adopted these revised standards.

TAS 7 (revised 2017)	Statement of cash Flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

Management of the Group is in the assessment the impact from these financial reporting standards.

## 2 Accounting policies (Cont'd)

### 2.3 Group Accounting - Investments in subsidiaries and joint arrangements

#### (1) Subsidiaries

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

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

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

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

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

Intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

#### (2) Transactions and non-controlling interests

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

#### (3) Disposal of subsidiaries

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



## 2 Accounting policies (Cont'd)

### 2.3 Group Accounting - Investments in subsidiaries and joint arrangements (Cont'd)

#### (4) Joint arrangements

Investment in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long - term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

### 2.4 Foreign currency translation

#### (a) Functional and presentation currency

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

#### (b) Transactions and balances

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

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

#### (c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## **2 Accounting policies (Cont'd)**

### **2.5 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

### **2.6 Trade accounts receivable**

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

### **2.7 Inventories**

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

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

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

### **2.8 Costs of property development**

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

The Group recognises cost of sales from costs of property development upon the transfer of title to the buyer.

### **2.9 Construction contracts**

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress and for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within trade and other receivables. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

## **2 Accounting policies (Cont'd)**

### **2.10 Investments**

Investments other than investments in subsidiaries, associates and joint ventures are classified into the following two categories: (1) available-for-sale investments; and (2) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- (1) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- (2) Investments in non-marketable equity securities are classified as general investments.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

General investments are carried at cost less impairment loss.

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

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

### **2.11 Investment property**

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

Investment property of the Group is land and building held for long-term rental yields, including certain building under construction.

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

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment property under construction for which the fair value cannot be determined reliably but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions

Change in fair values are recognised in profit or loss. Investment property are derecognised when they have been disposed or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

## **2 Accounting policies (Cont'd)**

### **2.11 Investment property (Cont'd)**

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use

### **2.12 Property, plant and equipment**

Property, plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Land are stated at historical. Plant and equipment are stated at historical cost less accumulated depreciation cost and allowance of impairment loss (if any).

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

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives as follows:

Land improvements	5 to 15 years
Buildings and building improvements	Shorter of lease period or 5 to 20 years
Furniture, fixtures and office equipment	3 to 10 years
Vehicles	5 to 8 years

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### **2.13 Goodwill**

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liability of the acquired subsidiary and the fair value of the non-controlling interest in the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

## **2 Accounting policies (Cont'd)**

### **2.14 Intangible assets**

#### **(1) Trademarks**

Trademarks are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Indefinite trademark are tested annually for impairment.

#### **(2) Licence**

Licence is stated at historical cost. Indefinite licence are tested annually for impairment.

#### **(3) Leasehold right**

Leasehold right is stated at historical cost. Leasehold right is amortised over their estimated useful lives, 15 years.

#### **(4) Computer software**

Computer software is stated at cost less accumulated amortization. It is amortised over their estimated useful lives, 10 years.

### **2.15 Impairment of assets**

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

### **2.16 Leases**

#### **Where the Group is the lessee**

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

Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

#### **Where the Group is the lessor**

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in investment property. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.



## **2 Accounting policies (Cont'd)**

### **2.17 Borrowings**

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

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

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

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

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

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

### **2.18 Current and deferred income taxes**

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

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

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the statement of financial position.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects either accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

## **2 Accounting policies (Cont'd)**

### **2.19 Employee benefits**

The Group operates various post-employment benefits schemes. The Group has both defined benefit and defined contribution plans.

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

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

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

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

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

### **2.20 Share-based payment**

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions;
- Excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary, in separate financial statement undertakings, with a corresponding credit to equity.

## **2 Accounting policies (Cont'd)**

### **2.21 Provisions**

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

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

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

### **2.22 Share Capital**

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

### **2.23 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service. Revenues from sales of land and single detached house and condominium units are recognised upon the transfer of the title to the buyer. Revenue is shown net of rebates and discounts. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Service income is recognised as services are provided (see more information in Note 2.9 Construction contracts).

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

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

Other income is recognised on an accrual basis.

### **2.24 Dividends**

Dividends are recorded in the consolidated and separate financial statements in the period in which they are approved by the shareholders of the Company. Interim dividends are recorded in the consolidated and separate financial statements in the period in which they are approved by the board of directors' of the Company.

### **2.25 Segment reporting**

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

### 3 Financial risk management

#### 3.1 Financial risk factors

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

Risk management is carried out by a central finance department (Group finance) under policies approved by the Board of Directors. The Group finance identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

##### 3.1.1 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro, GBP and US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Entities in the Group use forward contracts, transacted with the Group treasury, to hedge their exposure to foreign currency risk in connection with measurement currency.

##### 3.1.2 Interest rate risk

The Group manages interest rate risk by closely monitoring the trend of interest rates in the world's markets as well as in Thailand. The Group allocates its debt portfolio in either short and long term contracts or loans with fixed and floating interest rates corresponding to their types of investments.

##### 3.1.3 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of goods and services are made to customers with an appropriate credit history. Cash transactions are limited to high credit quality financial institutions.

##### 3.1.4 Liquidity risk

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

#### 3.2 Fair value estimation

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

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

The following table presents the Group's financial assets that are measured at fair value at 31 December 2017. See Note 8 for disclosures of equity securities and Note 14 for investments property that are measured at fair value.

### 3 Financial risk management (Cont'd)

#### 3.2 Fair value estimation (Cont'd)

##### Consolidated financial statements

	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
<b>Assets</b>				
Equity securities	1,135,387,264	-	-	1,135,387,264
Investments property	-	-	9,679,019,932	9,679,019,932
	<u>1,135,387,264</u>	<u>-</u>	<u>9,679,019,932</u>	<u>10,814,407,196</u>

##### Separate financial statements

	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
<b>Assets</b>				
Equity securities	686,885,365	-	-	686,885,365
Investments property	-	-	85,500,000	85,500,000
	<u>686,885,365</u>	<u>-</u>	<u>85,500,000</u>	<u>772,385,365</u>

The following table presents the Group's financial assets that are measured at fair value at 31 December 2016.

##### Consolidated financial statements

	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
<b>Assets</b>				
Equity securities	1,177,703,026	-	-	1,177,703,026
Investments property	-	-	8,691,666,493	8,691,666,493
	<u>1,177,703,026</u>	<u>-</u>	<u>8,691,666,493</u>	<u>9,869,369,519</u>

##### Separate financial statements

	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
<b>Assets</b>				
Equity securities	958,887,731	-	-	958,887,731
Investments property	-	-	97,800,000	97,800,000
	<u>958,887,731</u>	<u>-</u>	<u>97,800,000</u>	<u>1,056,687,731</u>

There were no transfers between levels 1, 2 and 3 during the year.

#### (a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1.



### **3 Financial risk management (Cont'd)**

#### **3.2 Fair value estimation (Cont'd)**

##### **(b) Financial instruments in level 2**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 1.

Specific valuation techniques used to value financial instrument include:

- Quoted market prices or dealer for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flow based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There was no change to the valuation techniques during the year.

- (c) If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

### **4 Critical accounting estimates and judgments**

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

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

#### **a) Estimated impairment of goodwill**

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.13. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 16).

#### **b) Impairment estimation of indefinite assets**

The Group tests impairment of indefinite assets annually. The Group calculates recoverable amount by comparing the higher of fair value less cost to dispose or value-in-use. Determination of fair value less cost to dispose requires management's judgement, for example, business trend, growth rate and discount rate applied to the cash flow forecasts.

#### **c) Investments property**

The fair value of investment property is carried base on valuations by independent valuers. Fair value is measured by discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects any cash out flows that could be expected in respect of the property. The discount reflects current market assessments of the time value of the money.

## 5 Capital risk management

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

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

## 6 Segment information

The Group is engaged in a development and investment of real estate, hospitality business and property rental business and real estate development service business. Intercompany sales were eliminated. Profit (loss) from sales and services was determined by subtracting cost of sales and services, selling expenses and administrative expenses from net sales.

Revenue and profit of segment of the Group for the years ended 31 December are as follows:

	Consolidated financial statements		
	Segment Baht	Intersegment Baht	Net Baht
<b>For the year ended 31 December 2017</b>			
<b>Revenue</b> <sup>(1)</sup>			
House and condominium	2,560,592,469	-	2,560,592,469
Hospitality	1,073,966,497	-	1,073,966,497
Investments property	2,146,403,632	(32,395,220)	2,114,008,412
Others	1,544,118,765	(1,072,071,094)	472,047,671
Total	7,325,081,363	(1,104,466,314)	6,220,615,049
<b>Profit (Loss) before income taxes</b>			
House and condominium	(20,204,150)	-	(20,204,150)
Hospitality	284,231,920	-	284,231,920
Investments property	1,197,795,858	(17,812,646)	1,179,983,212
Others	74,382,347	(659,535,673)	(585,153,326)
Total	1,536,205,975	(677,348,319)	858,857,656
Income taxes			(227,826,794)
Net profit for the year			631,030,862
<b>Assets as at 31 December 2017</b>			
House and condominium	13,099,718,803	-	13,099,718,803
Hospitality	9,965,120,278	-	9,965,120,278
Investments property	9,518,087,448	-	9,518,087,448
Others	8,327,492,015	-	8,327,492,015
Total	40,910,418,544	-	40,910,418,544

## 6 Segment information (Cont'd)

Revenue and profit of segment of the Group for the years ended 31 December are as follows: (Cont'd)

(1) Reconciliation of revenue per segment information and per the statement of comprehensive income for the year ended 31 December 2017 are as detailed below.

	Consolidated financial statements		
	Statement of comprehensive income Baht	Reclassification Baht	Segment Baht
Revenue from sales of houses and condominium units	1,933,531,592	627,060,877	2,560,592,469
Revenue from rental and service	2,221,825,297	(2,221,825,297)	-
Revenue from hospitality services	-	1,073,966,497	1,073,966,497
Revenue from investment properties	-	2,114,008,412	2,114,008,412
Revenue from sales	1,702,573,154	(1,702,573,154)	-
Other income	362,685,006	109,362,665	472,047,671
Total	6,220,615,049	-	6,220,615,049

	Consolidated financial statements		
	Segment Baht	Intersegment Baht	Net Baht
<b>For the year ended 31 December 2016</b>			
<b>Revenue <sup>(1)</sup></b>			
House and condominium	1,562,872,259	-	1,562,872,259
Hospitality	967,958,042	-	967,958,042
Investments property	585,836,861	(8,142,380)	577,694,481
Others	740,342,936	(191,242,945)	549,099,991
Total	3,857,010,098	(199,385,325)	3,657,624,773
<b>Profit (Loss) before income taxes</b>			
House and condominium	(71,492,901)	-	(71,492,901)
Hospitality	88,116,171	-	88,116,171
Investments property	362,217,146	-	362,217,146
Others	(159,628,782)	-	(159,628,782)
Total	219,211,634	-	219,211,634
Income taxes			(54,122,089)
Net loss for the year			165,089,545
<b>Assets as at 31 December 2016</b>			
House and condominium	11,546,093,177	-	11,546,093,177
Hospitality	6,021,682,658	-	6,021,682,658
Investments property	8,424,348,525	-	8,424,348,525
Others	4,600,076,145	-	4,600,076,145
Total	30,592,200,505	-	30,592,200,505

## 6 Segment information (Cont'd)

Revenue and profit of segment of the Group for the years ended 31 December are as follows: (Cont'd)

- (1) Reconciliation of revenue per segment information and per the statement of comprehensive income for the year ended 31 December 2016 are as detailed below.

	Consolidated financial statements		
	Statement of comprehensive income Baht	Reclassification Baht	Segment Baht
Revenue from sales of houses and condominium units	1,258,749,486	304,122,773	1,562,872,259
Revenue from rental and service	1,974,488,329	(1,974,488,329)	-
Revenue from hospitality services	-	967,958,042	967,958,042
Revenue from rental service from investment properties	-	577,694,481	577,694,481
Other income	424,386,958	124,713,033	549,099,991
Total	3,657,624,773	-	3,657,624,773

## 7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash	1,537,801	965,286	680,000	517,000
Bank deposit	6,758,984,649	982,155,051	111,431,674	125,571,105
Cash and cash equivalents	6,760,522,450	983,120,337	112,111,674	126,088,105

The interest rate of bank deposit was 0.20% to 1.35% per annum (2016 : 0.20% to 0.63% per annum).

## 8 Short-term investments

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Held to maturities securities	500,202,979	-	500,202,979	-
Equity securities - available-for-sale investments	1,135,387,264	1,177,703,026	686,885,365	958,887,731
Short-term investments	1,635,590,243	1,177,703,026	1,187,088,344	958,887,731

8 Short-term investments (Cont'd)

	Held to maturities securities		Available-for-sale investments	
	Consolidated Baht	Separate Baht	Consolidated Baht	Separate Baht
At 1 January 2016	-	-	389,728,340	366,224,659
Additions	-	-	2,410,247,700	1,524,790,000
Disposals	-	-	(1,623,963,783)	(933,637,564)
Gains on re-measuring available-for-sale investments	-	-	1,690,769	1,510,636
At 31 December 2016	-	-	1,177,703,026	958,887,731
Additions	500,804,860	500,804,860	5,735,163,000	3,401,300,000
Disposals	-	-	(5,773,057,954)	(3,668,753,431)
Amortisation of deferred interest	(601,881)	(601,881)	-	-
Loss on re-measuring available-for-sale investments	-	-	(4,420,808)	(4,548,935)
At 31 December 2017	500,202,979	500,202,979	1,135,387,264	686,885,365

As at 31 December 2017, the fair values of short-term investments is as follows:

	Available-for-sale	
	Consolidated financial statements Baht	Separate financial statements Baht
Cost	1,134,833,856	686,693,662
Unrealised gains	553,408	191,703
Fair value	1,135,387,264	686,885,365

9 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade accounts receivable	189,166,063	380,280,884	15,584,460	16,541,173
<u>Less</u> Allowance for doubtful accounts	(2,289,895)	(2,476,636)	(160,576)	(160,576)
Trade receivables, net	186,876,168	377,804,248	15,423,884	16,380,597
Accrued income	46,715,444	71,739,739	3,653,868	9,600
Other receivables	81,227,396	46,867,796	266,821	216,913
<u>Less</u> Allowance for doubtful accounts	(3,248,196)	(10,499,589)	-	-
Trade and other receivables, net	311,570,812	485,912,194	19,344,573	16,607,110

Outstanding trade accounts receivable as at 31 December can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Less than 3 months	141,038,669	368,562,232	15,241,779	16,010,090
Over 3 months but less than 6 months	10,666,772	2,012,790	-	55,949
Over 6 months but less than 12 months	30,280,361	2,572,018	70,400	268,937
Over 12 months	7,180,261	7,133,844	272,281	206,197
<u>Less</u> Allowance for doubtful accounts	(2,289,895)	(2,476,636)	(160,576)	(160,576)
Trade receivables, net	186,876,168	377,804,248	15,423,884	16,380,597



###### 10 Costs of property development

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Land	5,117,141,341	7,960,074,495	233,478,081	1,552,630,598
Land development costs	69,569,562	144,946,033	20,117,800	21,994,846
Construction in progress	1,963,086,660	974,129,757	491,074,899	119,519,998
Utilities costs	1,357,588,817	400,541,283	-	565,624
Other development costs	484,561,580	652,103,849	95,768,451	194,809,508
Costs of property development	<u>8,991,947,960</u>	<u>10,131,795,417</u>	<u>840,439,231</u>	<u>1,889,520,574</u>

As at 31 December 2017, the Group has pledged the above land and constructions of Baht 8,241.87 million (2016: Baht 5,738.15 million) as collaterals for long-term loans from financial institutions (Note 20).

Borrowing costs included in cost of property development in the amount of Baht 164.78 million and Baht 16.83 million in the consolidated and the separate financial statements, respectively (2016 : Baht 132.55 million and Baht 21.39 million, respectively). The Group and the Company capital interest rate of such loans were 3.95% to 5.10% per annum and 4.00% per annum, respectively (2016: 3.45% to 5.07% per annum and 4.00% to 4.25% per annum, respectively). A Capitalisation rate was the actual rate of borrowing costs from loans used to financial the projects.

During 2017, the Group reclassified cost of land and related cost amounting to Baht 1,261 million, which was recognized as cost of property development, to land under development as a results of changing the project for development of the Group.

###### 11 Inventories

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Food and beverages	5,951,175	6,543,887	3,377,372	3,474,412
Supplies used in operation	33,911,795	29,557,375	15,465,859	15,170,740
Finished goods	20,449,735	2,095,498	368,680	475,413
Work in process	9,939,488	-	-	-
Raw material	17,459,124	-	-	-
Land for projects	338,369,890	494,706,106	-	-
Land and single detached house for sales	244,136,131	219,911,554	-	-
Inventories	<u>670,217,338</u>	<u>752,814,420</u>	<u>19,211,911</u>	<u>19,120,565</u>

The cost of inventories recognised as expense and included in cost of sales per the consolidated and separate financial statements of Baht 2,195.00 million and Baht 19.45 million, respectively (2016: Baht 929.93 million and Baht 19.87 million, respectively).

As at 31 December 2017 the Group has pledged the above inventories of Baht 382.19 million (2016: Baht 447.81 million) as collaterals for long-term loans from financial institutions (Note 20).

## 12 Investments in subsidiaries and joint ventures

### Subsidiaries

Movements in investments in subsidiaries for the years ended 31 December are as follows:

	Separate financial statements	
	2017 Baht	2016 Baht
<b>Investments in subsidiaries</b>		
At 1 January	8,287,132,502	8,137,426,702
Increase in investments in subsidiaries	8,190,193,859	149,705,800
At 31 December	16,477,326,361	8,287,132,502

Detail of investments in subsidiaries as at 31 December 2017 is as follow:

	Separate financial statements		
	Share capital Baht	% ownership interest	Amount Baht
<b>Subsidiaries</b>			
Nirvana Daii Public Co., Ltd.	1,405,599,978	51.56	3,532,932,601
S Estate Commercials Inter Co., Ltd.	4,062,000,000	99.99	4,061,998,900
S Hotels and Resorts Inter Co., Ltd.	7,950,345,300	99.99	8,251,145,300
S Residential Development Co., Ltd.	5,000,000	99.99	1,249,900
S43 Property Co., Ltd.	630,000,000	99.96	629,999,600
S Hotel Management Co., Ltd.	20,000,000	0.0003	60
Total			16,477,326,361

Detail of investments in subsidiaries as at 31 December 2016 is as follow:

	Separate financial statements		
	Share capital Baht	% ownership interest	Amount Baht
<b>Subsidiaries</b>			
Nirvana Development Co., Ltd.	878,768,100	51.00	1,810,828,242
S Estate Commercials Inter Co., Ltd.	4,062,000,000	99.99	4,061,998,900
S Hotels and Resorts Inter Co., Ltd.	2,062,255,800	99.99	2,363,055,800
S Residential Development Co., Ltd.	5,000,000	99.99	1,249,900
S36 Property Co., Ltd.	50,000,000	99.99	49,999,600
S Hotel Management Co., Ltd.	20,000,000	0.0003	60
Total			8,287,132,502

## **12 Investments in subsidiaries and joint ventures (Cont'd)**

### **Subsidiaries (Cont'd)**

#### **Changing in investment**

##### Nirvana Daii Public Co., Ltd.

See detail in Note 33.

##### S Hotels and Resorts Inter Co., Ltd.

On 2 November 2017, the extraordinary meeting of shareholders of S Hotels and Resorts Inter Co., Ltd., a subsidiary, passed a special resolution approving an increase in its registered capital by Baht 5,888.09 million, from Baht 2,062.25 million (20,622,558 ordinary shares of Baht 100 each) to Baht 7,950.34 million (79,503,453 ordinary shares of Baht 100 each), through the issuance of 58,880,895 additional ordinary shares with a par value of Baht 100 each. The Company has paid for such share subscription.

##### S36 Property Co., Ltd.

On 3 February 2017, the Company had transferred registered shares of S36 Property Co., Ltd. (S36), a subsidiary, to S Residential Development Co., Ltd. (SRD), another subsidiary, at 99.99% of shareholding. And SRD entered into the share subscription and shareholder agreement with HKL (Thai Developments) Limited (HKL), to jointly invest in S36 whereby SRD and HKL subscribed new shares of S36. The transaction resulted in SRD and HKL holding 51.00% and 49.00%, respectively. As a result, S36 has been become a joint venture from a subsidiary of the Group and the Group recognised such gain of Baht 25,259,000 in profit or loss.

#### **Establishment of the new companies**

##### S43 Property Co., Ltd.

On 4 September 2017, the Board of Directors' meeting of the Company approved to establish a new subsidiary in the name of S43 Property Co., Ltd. which registered in Thailand. The registered shares totaling Baht 1,000,000 which are 10,000 ordinary shares with a par value of Baht 100 each, registered with Ministry of Commerce on 21 September 2017.

On 15 November 2017, the extraordinary meeting of shareholders of S43 Property Co., Ltd., a subsidiary, passed a special resolution approving an increase in its registered capital by Baht 629.00 million, from Baht 1 million (10,000 ordinary shares of Baht 100 each) to Baht 630.00 million (6,300,000 ordinary shares of Baht 100 each), through the issuance of 6,290,000 additional ordinary shares with a par value of Baht 100 each. The Company has paid for such share subscription.

##### S Hotels and Resorts (SC) Co., Ltd.

On 22 February 2017, the Board of Directors' meeting of the Company approved to S Hotels and Resorts Inter Co., Ltd., a subsidiary, to establish a new subsidiary in name of S Hotels and Resorts (SC) Co., Ltd. which registered in The Republic of Seychelles. The registered shares totaling US Dollar 100,000 which are 100,000 ordinary shares with a par value of US Dollar 1 each, registered with the Registrar of International Business Companies on 20 April 2017 and called US Dollar 1 paid in share capital. The Company had changed registered share capital to US Dollar 500 million.

On 8 November 2017, the Company called an increase in its registered capital by US Dollar 177.70 million or equivalent to Baht 5,888.09 million. S Hotels and Resorts Inter Co., Ltd. has paid for such share subscription.

##### S Hotels and Resorts (Maldives) Private Limited

On 16 December 2016, the Board of Directors' meeting approved to S Hotels and Resorts Inter Co., Ltd., a subsidiary to establish a new subsidiary in name of S Hotels and Resorts (Maldives) Private Limited which registered in The Republic of Maldives. The registered shares totaling US Dollar 6,000 which are 6,000 ordinary shares with a par value of US Dollar 1 each, registered with Ministry of Economic Development on 22 June 2017.

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**12 Investments in subsidiaries and joint ventures (Cont'd)**

**Subsidiaries (Cont'd)**

Detail of subsidiaries of the Group as at 31 December is as follows:

	Country incorporation	Business	Proportion of ordinary share directly held by the parent		Proportion of ordinary share directly held by the Group		Proportion of ordinary share Directly held by non-controlling interest	
			2017 (%)	2016 (%)	2017 (%)	2016 (%)	2017 (%)	2016 (%)
Max Future Co., Ltd.	Thailand	Real Estate and property development	-	-	99.99	99.99	0.01	0.01
Singha Property Development Co., Ltd.	Thailand	Real Estate and property development	-	-	99.99	99.99	0.01	0.01
S Hotel Management Co., Ltd.	Thailand	Hotel management	0.003	0.003	99.99	99.99	0.01	0.01
S Hotel Phi Phi Island Co., Ltd.	Thailand	Hospitality	-	-	99.99	99.99	0.01	0.01
Nirvana Daii PCL.	Thailand	Real Estate and property development	51.56*	51.00*	-	-	48.44	49.00
Nirvana Praram 9 Co., Ltd.	Thailand	Real Estate and property development	-	-	51.55*	51.00*	48.45	49.00
Nirvana Construction Co., Ltd.	Thailand	Construction	-	-	51.55*	51.00*	48.45	49.00
Nirvana U Co., Ltd.	Thailand	Real Estate and property development	-	-	51.55*	51.00*	48.45	49.00
Subthanarin Co., Ltd.	Thailand	Real Estate and property development	-	-	36.09*	35.70*	63.91	64.30
Nirvana River Co., Ltd.	Thailand	Real Estate and property development	-	-	51.55*	-	48.45	-
Qtech Products Co., Ltd.	Thailand	Manufacturing	-	-	51.55*	-	48.45	-
Atech Enterprise Co., Ltd.	Thailand	Trading	-	-	51.55*	-	48.45	-
Deeji Home Center Co., Ltd.	Thailand	Construction	-	-	51.55*	-	48.45	-
S Estate Commercial Inter Co., Ltd.	Thailand	Investment in other company	99.99	99.99	-	-	0.01	0.01
S Estate Commercial Co., Ltd.	Thailand	Investment in other company	-	-	99.99	99.99	0.01	0.01
S Residential Development Co., Ltd.	Thailand	Construction	99.99	99.99	-	-	0.01	0.01
S Commercial (Singapore) Pte. Ltd.	Singapore	Investment in other company	-	-	99.99	99.99	0.01	0.01
S Hotels and Resorts Inter Co., Ltd.	Thailand	Investment in Real estate and management or technical service and supporting service to affiliates or branch	99.99	99.99	-	-	0.01	0.01
S Hotels and Resorts Co., Ltd.	Thailand	Investment in other company	-	-	99.99	99.99	0.01	0.01
S Hotels and Resorts (UK) Ltd.	United Kingdom	Investment in other company	-	-	100	100	-	-
S Hotels and Resorts (HK) Ltd.	Hongkong	Investment in other company	-	-	100	100	-	-
S Hotels and Resorts (SG) Pte. Ltd.	Singapore	Investment in other company	-	-	100	100	-	-
S36 Property Co., Ltd.	Thailand	Real Estate and property development	-	99.99	51.00	99.99	-	0.01

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**12 Investments in subsidiaries and joint ventures (Cont'd)**

**Subsidiaries (Cont'd)**

Detail of subsidiaries of the Group as at 31 December is as follows:

	Country incorporation	Business	Proportion of ordinary share directly held by the parent		Proportion of ordinary share directly held by the Group		Proportion of ordinary share Directly held by non-controlling interest	
			2017 (%)	2016 (%)	2017 (%)	2016 (%)	2017 (%)	2016 (%)
S43 Property Co., Ltd.	Thailand	Real Estate and property development	99.99	-	-	-	0.04	-
S Hotels and Resort (SC) Co., Ltd.	The Republic of Seychelles	Investment in other company	-	-	100	-	-	-
S Hotels and Resort (Maldives) Pte. Ltd.	The Republic of Maldives	Investment in Real estate and management or technical service and supporting service to affiliates or branch	-	-	99.98	-	0.02	-

All subsidiary undertaking are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

\* The Company 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 Nirvana Development Co., Ltd. and its subsidiaries.



## 12 Investments in subsidiaries and joint ventures (Cont'd)

### Subsidiaries (Cont'd)

#### Financial information of subsidiaries with non-controlling interests

Summarised financial information on subsidiaries with material non-controlling interests:

#### Summarised statement of financial position as at 31 December

	Nirvana Daii Public Co., Ltd. and subsidiaries(*)	
	2017 Baht	2016 Baht
<b>Current</b>		
Assets	7,007,007,016	4,446,252,374
Liabilities	(3,549,420,677)	(1,448,792,217)
Net current assets	3,457,586,339	2,997,460,157
<b>Non-current</b>		
Assets	3,867,786,330	1,918,847,519
Liabilities	(1,732,974,035)	(2,360,580,144)
Net non-current liabilities	2,134,812,295	(441,732,625)
Net assets	5,592,398,634	2,555,727,532
Carrying value of non-controlling of interest	2,735,652,051	1,252,306,492

(\*) Subsidiaries of Nirvana Daii Public Co., Ltd. comprised of Nirvana Praram 9 Co., Ltd., Nirvana Construction Co., Ltd., Nirvana U Co., Ltd., Subthanarin Co., Ltd., Nirvana River Co., Ltd., Qtech Products Co., Ltd., Atech Enterprise Co., Ltd. and Deeji Home Center Co., Ltd.

#### Summarised statement of comprehensive income for the years ended 31 December

	Nirvana Daii Public Co., Ltd. and subsidiaries(*)	
	2017 Baht	2016 Baht
Revenue	2,557,630,196	1,348,408,559
Profit before income tax	176,041,966	26,414,132
Income taxes	(50,292,445)	(16,939,085)
Post-tax profit from continuing operations	125,749,521	(9,475,047)
Other comprehensive income	-	-
Total comprehensive income	125,749,521	(9,475,047)
Total comprehensive income (loss) allocated to non-controlling interest	59,147,912	(5,144,531)

**12 Investments in subsidiaries and joint ventures (Cont'd)**

**Subsidiaries (Cont'd)**

**Financial information of subsidiaries with non-controlling interests (Cont'd)**

**Summarised statement of cash flows for the years ended 31 December**

	<b>Nirvana Daii Public Co., Ltd. and subsidiaries(*)</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>
<b>Cash flows from operating activities</b>		
Cash used in operating activities	208,995,428	(779,576,279)
Interest paid	(127,829,051)	(36,913,174)
Income tax paid	(49,287,179)	(19,631,422)
Net cash used in operating activities	31,879,198	(836,120,875)
Net cash generated from investing activities	(38,513,609)	69,871,345
Net cash generated from financing activities	905,939,258	704,674,845
Net increase (decrease) in cash and cash equivalents	899,304,847	(61,574,685)
Cash and cash equivalents at beginning of the year	92,347,281	153,921,966
Cash and cash equivalents at ending of the year	991,652,128	92,347,281

The information above is the amount before inter-company eliminations.

**Investments in joint ventures accounted for using equity method**

The amounts recognised in the financial position statements as at 31 December are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Joint ventures	310,504,711	75,365,760	-	-
	310,504,711	75,365,760	-	-

The amounts recognised in the profit or loss for the years ended 31 December are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Joint ventures	33,097,955	-	-	-
	33,097,955	-	-	-

**12 Investments in subsidiaries and joint ventures (Cont'd)**

**Investments in joint ventures**

The joint ventures listed below has share capital consisting solely of ordinary shares, which is held directly by the Group.

**Nature of investments in joint ventures are as follows:**

Name of entity	Place of Business/country of incorporation	% of ownership Interest		Nature of the relationship	Measurement method
		2017	2016		
FS JV CO LIMITED	United Kingdom	50	50	Joint venture	Equity
FS JV LICENSE LIMITED	United Kingdom	50	50	Joint venture	Equity
S36 Property Co., Ltd.	Thailand	51	-	Joint venture	Equity

FS JV CO LIMITED invests in Jupiter Hotel Holdings Limited and its subsidiaries, which are incorporated in United Kingdom and operating in hospitality business.

FS JV LICENSE CO LIMITED invests in The Hotelier Group and its subsidiaries, which are incorporated in United Kingdom and operating in hospitality business.

S36 Property Co., Ltd. is jointly control between S Residential Development Co., Ltd., a subsidiary, and HKL (Thai Developments) Limited, which is incorporated in Thailand and operation in real estate and property development.

FS JV CO LIMITED and FS JV LICENSE LIMITED and S36 Property Co., Ltd. are a limited company and have no available quoted price in the market.

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12 Investments in subsidiaries and joint ventures (Cont'd)

Investments in joint ventures (Cont'd)

Summarised financial information of joint ventures

Set out below are the summarised financial information for FS JV CO LIMITED and FS JV LICENSE LIMITED and S36 Property Co., Ltd. which is accounted for using the equity method.

Summarised statement of financial position as at 31 December

	S36 Property Co., Ltd.		FS JV CO LIMITED		FS JV LICENSE LIMITED		Total	
	2017 Baht		2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Current</b>								
Cash and cash equivalent	206,829,542		285,402,034	754,347,927	10,066,959	72,736,695	502,298,535	827,084,622
Other current assets	1,904,510,177		427,842,299	332,900,769	171,598,193	38,368,835	2,503,950,669	371,269,604
Total current assets	2,111,339,719		713,244,333	1,087,248,696	181,665,152	111,105,530	3,006,249,204	1,198,354,226
<b>Non-current asset</b>								
Non-current asset	44,624,123		7,546,327,062	7,527,879,302	479,348,274	531,948,989	8,070,299,459	8,059,828,291
Total non-current asset	44,624,123		7,546,327,062	7,527,879,302	479,348,274	531,948,989	8,070,299,459	8,059,828,291
<b>Current liabilities</b>								
Other current liabilities (included trade accounts payable)	(139,153,314)		(1,213,363,628)	(6,655,619,760)	(576,790,096)	(103,477,144)	(1,929,307,038)	(6,759,096,904)
Total current liabilities	(139,153,314)		(1,213,363,628)	(6,655,619,760)	(576,790,096)	(103,477,144)	(1,929,307,038)	(6,759,096,904)
<b>Non-current liabilities</b>								
Financial liabilities	(1,750,000,000)		(6,594,667,548)	(1,680,980,338)	-	(396,871,204)	(8,344,667,548)	(2,077,851,542)
Other non-current liabilities	(1,900,000)		(263,528,672)	(278,527,900)	-	-	(265,428,672)	(278,527,900)
Total non-current liabilities	(1,751,900,000)		(6,858,196,220)	(1,959,508,238)	-	(396,871,204)	(8,610,096,220)	(2,356,379,442)
<b>Net assets</b>	264,910,528		188,011,547	-	84,223,330	142,706,171	537,145,405	142,706,171

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**12 Investments in subsidiaries and joint ventures (Cont'd)**

**Investments in joint ventures (Cont'd)**

**Summarised financial information of joint ventures (Cont'd)**

Set out below are the summarised financial information for FS JV CO LIMITED and FS JV LICENSE LIMITED and S36 Property Co., Ltd. which is accounted for using the equity method. (Cont'd)

**Summarised statement of comprehensive income for the years ended 31 December**

	S36 Property Co., Ltd.	FS JV CO LIMITED		FS JV LICENSE LIMITED		Total
	For the year ended 31 December 2017 Baht	For the year ended 31 December 2017 Baht	For the year ended 31 December 2016 Baht	For the year ended 31 December 2017 Baht	For the period from 12 April 2016 to 31 December 2016 Baht	For the year ended 31 December 2016 Baht
Revenues	1,116,075	3,736,173,006	3,923,345,053	230,292,358	60,659,879	3,984,004,932
Cost of sales	-	(1,615,885,465)	(3,064,026,874)	(120,560,689)	(47,584,692)	(3,111,611,566)
Operating expenses	(43,410,240)	(1,561,783,237)	(423,662,494)	(141,358,437)	(8,848,712)	(432,511,206)
Interest expenses	(2,436,926)	(319,871,908)	(433,303,195)	(26,297,758)	(5,350,586)	(438,653,783)
Profit (loss) from continuing operations	(44,731,091)	238,632,396	2,352,490	(57,924,526)	(1,124,113)	1,228,377
Income tax	-	(34,793,176)	23,995,799	-	-	23,995,799
Post-tax profit (loss) from continuing operations	(44,731,091)	203,839,220	26,348,289	(57,924,526)	(1,124,113)	25,224,176
Post-tax profit from discontinued operations	-	-	-	-	-	-
Other comprehensive income (expense)	-	(48,613,015)	56,805,789	(558,315)	(6,901,236)	49,904,553
Total comprehensive income (expense)	(44,731,091)	155,226,205	83,154,078	(58,482,841)	(8,025,349)	75,128,729
Dividend received from joint ventures	-	-	-	-	-	-

The information above reflects the amounts presented in the financial statements of a joint venture (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and joint ventures.

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**12 Investments in subsidiaries and joint ventures (Cont'd)**

**Investments in joint ventures (Cont'd)**

**Summarised financial information of joint ventures (Cont'd)**

Set out below are the summarised financial information for FS JV CO LIMITED and FS JV LICENSE LIMITED and S36 Property Co., Ltd. which is accounted for using the equity method. (Cont'd)

**Reconciliation of summarised financial information**

Reconciliation of the summarised financial information presented to the carrying amount of its interest in a joint venture:

	S36 Property Co., Ltd.		FS JV CO LIMITED		FS JV LICENSE LIMITED		Total	
	For the year ended 31 December 2017	For the year ended 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2016	For the period from 12 April 2016 to 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2017	For the year ended 31 December 2016
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Opening net assets</b>								
Addition	49,641,619	-	-	(83,154,078)	-	142,706,171	225,133,132	(83,154,078)
Profit (loss) for the year	260,000,000	-	-	-	154,744,194	(57,924,526)	260,000,000	154,744,194
Other comprehensive income (expense)	(44,731,091)	179,699,847	8,311,700	26,348,289	(1,124,113)	(558,315)	31,514,646	25,224,176
	-	56,805,789		56,805,789	(6,901,236)		20,497,627	49,904,553
<b>Closing net assets</b>	264,910,528	188,011,547	188,011,547	-	146,718,845	84,223,330	537,145,405	146,718,845
Interest in joint ventures	160,206,882	108,186,164	108,186,164	-	75,365,760	42,111,665	310,504,711	75,365,760
<b>Carrying value</b>	160,206,882	108,186,164	108,186,164	-	75,365,760	42,111,665	310,504,711	75,365,760



**12 Investments in subsidiaries and joint ventures (Cont'd)**

**Investment in joint ventures (Cont'd)**

The future aggregate minimum lease payments under non-cancellable operating leases of joint venture, based on the percentage of interest, are as follows:

	Consolidated financial statements (Original currency)			
	Baht'000		GBP'000	
	2017	2016	2017	2016
Not later than 1 year	148	-	427	65
Later than 1 year but not later than 5 years	99	-	526	187
Later than 5 years	-	-	4,666	2,119
Total	247	-	5,619	2,371

**13 Long-term loan to others**

As at 31 December 2017, the Group has long-term loan to BP Partner International Co., Ltd., a third party, of Baht 91.50 million (2016 : Baht 91.50 million), with the interest rate at 10.00% per annum (2016 : interest rate at 10.00% per annum) and the repayment term is pertaining as the condition in agreement which is over than one year. These loan came from disposal of a subsidiary.

**14 Investments property**

Investments property of the Group is carried at fair value:

	Consolidated financial statements			
	Building and improvements Baht	Under construction		Total Baht
		Land Baht	Building Baht	
Fair value at 1 January 2016	3,805,788,877	4,089,663,837	479,499,645	8,374,952,359
Additions from purchases	18,107,254	-	541,736,767	559,844,021
Transfer to property, plant and equipment	(2,939,531)	-	-	(2,939,531)
Transfer to cost of property development - at fair value	-	(152,346,651)	-	(152,346,651)
Loss from fair value adjustments on investment property	(87,843,705)	-	-	(87,843,705)
Fair value at 31 December 2016	3,733,112,895	3,937,317,186	1,021,236,412	8,691,666,493
Fair value at 1 January 2017	3,733,112,895	3,937,317,186	1,021,236,412	8,691,666,493
Additions from purchases	-	-	1,772,107,763	1,772,107,763
Transfer to property, plant and equipment	(91,922,237)	-	-	(91,922,237)
Transfer to inventory	-	-	(695,797,124)	(695,797,124)
Transfer in (out)	62,734,964	-	(62,734,964)	-
Profit from fair value adjustments on investment property	2,965,037	-	-	2,965,037
Fair value at 31 December 2017	3,706,890,659	3,937,317,186	2,034,812,087	9,679,019,932

14 Investments property (Cont'd)

	Separate financial statements	
	Building and building improvement Baht	Total Baht
Fair value at 1 January 2016	185,700,000	185,700,000
Additions from purchases	2,883,236	2,883,236
Transfer to property, plant and equipment	(2,939,531)	(2,939,531)
Loss from fair value adjustments on investment property	(87,843,705)	(87,843,705)
Fair value at 31 December 2016	97,800,000	97,800,000
Fair value at 1 January 2017	97,800,000	97,800,000
Loss from fair value adjustments on investment property	(12,300,000)	(12,300,000)
Fair value at 31 December 2017	85,500,000	85,500,000

Valuation processes

The Group's investment properties were valued by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The Group's finance department includes a team that review the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held among the CFO, the valuation team and the independent valuers on a regular basis. At each financial year end the finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report;
- holds discussions with the independent valuer.

During 2017, executives were valued a renovated investment property is determined based on discounted projected-operation cash flow with reflected rental income from current leases and assumptions about rental income from future leases including the relevant cash outflows.

The principal unobservable inputs used were as follows:

	Consolidated financial statements		Separate financial statements
	Office rental	Retails	Retails
Occupancy rate (%)	95	85 to 95	80

Sensitivity of inputs analysis is as follows:

	Consolidated financial statements		
	Impact on fair value		
	Change in assumption	Increase in assumption	Decrease in assumption
Occupancy rate (%)	1%	Increase by 2%	Decrease by 2%
	Separate financial statements		
	Impact on fair value		
	Change in assumption	Increase in assumption	Decrease in assumption
Occupancy rate (%)	1%	Increase by 2%	Decrease by 2%

As at 31 December 2017, the Group uses investments property of Baht 9,257.99 million (2016: 8,593.87 million) as collaterals in order to pledge the long-term loans from financial institutions (Note 20).

**14 Investments property (Cont'd)**

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Rental income	584,038,619	577,694,481	17,921,803	15,296,514
Direct operating expense arise from investment property that generated rental income	(196,995,267)	(187,282,271)	(10,330,135)	(11,195,381)
Direct operating expense arise from investment property that did not generate rental income	(61,966,746)	(54,599,963)	(177,257)	(344,868)

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**15 Property, plant and equipment, net**

	Consolidated financial statements					
	Land Baht	Land improvement Baht	Buildings and building improvement Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht
<b>At 1 January 2016</b>						
Cost	2,051,630,475	78,672,358	1,034,880,469	532,560,005	48,547,910	193,610,849
Less Accumulated depreciation	-	(19,442,390)	(204,334,802)	(186,675,641)	(22,306,080)	-
Net book amount	2,051,630,475	59,229,968	830,545,667	345,884,364	26,241,830	193,610,849
<b>Year ended 31 December 2016</b>						
Opening net book amount	2,051,630,475	59,229,968	830,545,667	345,884,364	26,241,830	193,610,849
Additions	904,270	409,917	6,741,756	32,742,011	1,660,710	167,556,774
Transfer in (out)	-	27,920,838	250,486,187	37,629,819	-	(313,241,095)
Write-off and disposals, net	-	-	(809,923)	(8,360,741)	(617,321)	(766,408)
Depreciation charge	-	(9,795,313)	(73,489,317)	(98,351,067)	(7,738,493)	-
Closing net book amount	2,052,534,745	77,765,410	1,013,474,370	309,544,386	19,546,726	47,160,120
<b>At 31 December 2016</b>						
Cost	2,052,534,745	107,003,112	1,307,236,912	556,213,731	44,255,025	47,160,120
Less Accumulated depreciation	-	(29,237,702)	(293,762,542)	(246,669,345)	(24,708,299)	-
Net book amount	2,052,534,745	77,765,410	1,013,474,370	309,544,386	19,546,726	47,160,120
<b>Year ended 31 December 2017</b>						
Opening net book amount	2,052,534,745	77,765,410	1,013,474,370	309,544,386	19,546,726	47,160,120
Additions	-	503,572	5,965,993	39,961,335	5,995,654	186,182,315
Increase from acquisition of a subsidiary, net (Note 33)	80,873,100	109,666	103,558,876	102,950,398	5,719,221	12,182,002
Transfer in (out)	-	351,622	269,027,198	(56,867,179)	262,019	(120,732,749)
Write-off and disposals, net	-	(7,087)	(44,624,676)	(3,148,073)	(5,802,447)	(7,160)
Depreciation charge	-	(10,339,572)	(132,639,631)	(98,014,138)	(7,163,372)	-
Closing net book amount	2,133,407,845	68,383,611	1,214,762,130	294,426,729	18,557,801	124,784,528
<b>At 31 December 2017</b>						
Cost	2,133,407,845	108,097,172	1,716,237,438	627,475,245	46,089,144	124,784,528
Less Accumulated depreciation	-	(39,713,561)	(501,475,308)	(333,048,516)	(27,531,343)	-
Net book amount	2,133,407,845	68,383,611	1,214,762,130	294,426,729	18,557,801	124,784,528

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

	Separate financial statements					
	Land Baht	Land improvement Baht	Buildings and building improvement Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht
<b>At 1 January 2016</b>						
Cost	207,817,082	27,693,757	596,239,779	368,287,787	15,004,876	1,243,743,316
Less Accumulated depreciation	-	(12,506,174)	(169,846,951)	(134,882,117)	(9,332,462)	(326,567,704)
Net book amount	207,817,082	15,187,583	426,392,828	233,405,670	5,672,414	917,175,612
<b>Year ended 31 December 2016</b>						
Opening net book amount	207,817,082	15,187,583	426,392,828	233,405,670	5,672,414	917,175,612
Additions	904,270	-	6,390,859	14,853,081	199,560	32,329,330
Transfer in (out)	-	1,163,441	23,358,257	3,108,638	-	2,395,749
Write-off and disposals, net	-	-	(41,448)	(1,240,415)	(2,225)	(2,050,496)
Depreciation charge	-	(2,528,929)	(37,858,944)	(62,258,865)	(1,653,886)	(104,300,624)
Closing net book amount	208,721,352	13,822,095	418,241,552	187,868,109	4,215,863	845,549,571
<b>At 31 December 2016</b>						
Cost	208,721,352	28,857,198	625,937,085	380,243,847	13,631,392	1,270,071,474
Less Accumulated depreciation	-	(15,035,103)	(207,695,533)	(192,375,738)	(9,415,529)	(424,521,903)
Net book amount	208,721,352	13,822,095	418,241,552	187,868,109	4,215,863	845,549,571
<b>Year ended 31 December 2017</b>						
Opening net book amount	208,721,352	13,822,095	418,241,552	187,868,109	4,215,863	845,549,571
Additions	-	503,573	1,694,733	10,576,823	561,500	68,501,415
Transfer in (out)	-	-	86,880,056	(67,752,478)	262,019	24,394
Write-off and disposals, net	-	(7,087)	(18,031,185)	(1,768,964)	(1,231,155)	(21,038,391)
Depreciation charge	-	(2,589,110)	(53,242,608)	(35,112,923)	(1,380,247)	(92,324,888)
Closing net book amount	208,721,352	11,729,471	435,542,548	93,810,567	2,427,980	800,712,101

Singha Estate Public Company Limited  
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15 Property, plant and equipment, net (Cont'd)

	Separate financial statements					
	Land Baht	Land improvement Baht	Buildings and building improvement Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht
<b>At 31 December 2017</b>						
Cost	208,721,352	29,360,771	724,419,981	244,017,260	14,003,956	48,480,183
Less Accumulated depreciation	-	(17,631,300)	(288,877,433)	(150,206,693)	(11,575,976)	-
Net book amount	208,721,352	11,729,471	435,542,548	93,810,567	2,427,980	48,480,183

As at 31 December 2017, the Group uses land and building of Baht 2,652.08 million (2016: Baht 2,708.63 million) as collaterals in order to pledge the long-term loans from financial institutions (Note 20).

As at 31 December 2017, net book amount of the assets under the financial lease of the Group is Baht 1,555,009 (2016: Baht 2,987,067).

For Group, depreciation expense of Baht 158,564,387 and Baht 89,592,326 has been charged in cost of rental and services and administrative expenses, respectively (2016: Baht 144,505,321 and Baht 44,868,869 respectively). For Company, depreciation expense of Baht 75,243,722 and Baht 17,081,166 has been charged in cost of services and administrative expenses, respectively (2016: Baht 73,957,195 and Baht 30,343,429, respectively).



16 Goodwill

	Consolidated financial statements	
	2017 Baht	2016 Baht
<b>At 1 January</b>		
Cost	941,939,668	941,939,668
<u>Less</u> Allowance for impairment	-	-
<b>Net book amount</b>	<u>941,939,668</u>	<u>941,939,668</u>
<b>Year ended 31 December</b>		
Opening net book amount	941,939,668	941,939,668
Increase from acquisition of a subsidiary, net (Note 33)	188,717,936	-
<b>Closing net book amount</b>	<u>1,130,657,604</u>	<u>941,939,668</u>
<b>At 31 December</b>		
Cost	1,130,657,604	941,939,668
<u>Less</u> Allowance for impairment	-	-
<b>Net book amount</b>	<u>1,130,657,604</u>	<u>941,939,668</u>

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

A segment-level summary of the goodwill allocation is presented below.

	Consolidated financial statements					
	2017			2016		
	House Baht	Hospitality Baht	Total Baht	House Baht	Hospitality Baht	Total Baht
Goodwill allocation	881,454,927	249,202,677	1,130,657,604	692,736,991	249,202,677	941,939,668

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates. Based as the calculation, there are sufficient headroom over the book value.

The key assumptions used for value-in-use calculations are as follows:

	House & Condominium	Hospitality
Growth rate	3%	3%
Discount rate	15%	12%

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

**Singha Estate Public Company Limited**  
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## 17 Intangible assets, net

	Consolidated financial statements						
	Software Baht	Software under installation Baht	Rights for rental of land Baht	Trademark Baht	Licenses Baht	Rights Baht	Total Baht
<b>At 1 January 2016</b>							
Cost	40,175,726	2,173,384	25,171,427	344,000,000	45,750,000	2,263,050	459,533,587
Less Accumulated amortisation	(16,245,560)	-	(4,513,578)	-	-	(180,094)	(20,939,232)
Net book amount	23,930,166	2,173,384	20,657,849	344,000,000	45,750,000	2,082,956	438,594,355
<b>Year ended 31 December 2016</b>							
Opening net book amount	23,930,166	2,173,384	20,657,849	344,000,000	45,750,000	2,082,956	438,594,355
Additions	14,967,209	12,896,404	-	-	-	65,805	27,929,418
Transfer in (out)	-	(1,257,464)	-	-	-	1,257,464	-
Write-off and disposals, net	(452,906)	-	-	-	-	-	(452,906)
Amortisation charge	(5,766,115)	-	(1,260,376)	-	-	(557,802)	(7,584,293)
Closing net book amount	32,678,354	13,812,324	19,397,473	344,000,000	45,750,000	2,848,423	458,486,574
<b>At 31 December 2016</b>							
Cost	54,358,517	13,812,324	25,171,427	344,000,000	45,750,000	3,586,319	486,678,587
Less Accumulated amortisation	(21,680,163)	-	(5,773,954)	-	-	(737,896)	(28,192,013)
Net book amount	32,678,354	13,812,324	19,397,473	344,000,000	45,750,000	2,848,423	458,486,574

Singha Estate Public Company Limited  
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For the year ended 31 December 2017

17 Intangible assets, net (Cont'd)

	Consolidated financial statements						
	Software Baht	Software under installation Baht	Rights for rental of land Baht	Trademark Baht	Licenses Baht	Rights Baht	Total Baht
<b>Year ended 31 December 2017</b>							
Opening net book amount	32,678,354	13,812,324	19,397,473	344,000,000	45,750,000	2,848,423	458,486,574
Additions	29,096,475	2,690,035	-	-	-	128,400	31,914,910
Increase from acquisition of a subsidiary	828,838	-	-	-	-	-	828,838
Transfer in (out)	2,889,966	(3,008,641)	-	-	-	-	(118,675)
Write-off and disposals, net	(86,472)	-	-	-	-	-	(86,472)
Amortisation charge	(7,342,773)	-	(1,258,064)	-	-	(657,318)	(9,258,155)
Closing net book amount	58,064,388	13,493,718	18,139,409	344,000,000	45,750,000	2,319,505	481,767,020
<b>At 31 December 2017</b>							
Cost	84,300,409	13,493,718	25,171,427	344,000,000	45,750,000	3,714,719	516,430,273
Less: Accumulated amortisation	(26,236,021)	-	(7,032,018)	-	-	(1,395,214)	(34,663,253)
Net book amount	58,064,388	13,493,718	18,139,409	344,000,000	45,750,000	2,319,505	481,767,020

17 Intangible assets, net (Cont'd)

	Separate financial statements			
	Software Baht	Software under installation Baht	Rights Baht	Total Baht
<b>At 1 January 2016</b>				
Cost	16,337,110	2,173,384	2,263,050	20,773,544
<u>Less</u> Accumulated amortisation	<u>(4,137,040)</u>	<u>-</u>	<u>(180,094)</u>	<u>(4,317,134)</u>
Net book amount	<u>12,200,070</u>	<u>2,173,384</u>	<u>2,082,956</u>	<u>16,456,410</u>
<b>Year ended 31 December 2016</b>				
Opening net book amount	12,200,070	2,173,384	2,082,956	16,456,410
Additions	3,199,459	12,896,404	65,805	16,161,668
Transfer in (out)	-	(1,257,464)	1,257,464	-
Amortisation charge	<u>(2,649,885)</u>	<u>-</u>	<u>(557,802)</u>	<u>(3,207,687)</u>
Closing net book amount	<u>12,749,644</u>	<u>13,812,324</u>	<u>2,848,423</u>	<u>29,410,391</u>
<b>At 31 December 2016</b>				
Cost	19,536,569	13,812,324	3,586,319	36,935,212
<u>Less</u> Accumulated amortisation	<u>(6,786,925)</u>	<u>-</u>	<u>(737,896)</u>	<u>(7,524,821)</u>
Net book amount	<u>12,749,644</u>	<u>13,812,324</u>	<u>2,848,423</u>	<u>29,410,391</u>
<b>Year ended 31 December 2017</b>				
Opening net book amount	12,749,644	13,812,324	2,848,423	29,410,391
Additions	7,754,749	2,690,035	128,400	10,573,184
Transfer in (out)	2,984,247	(3,008,641)	-	(24,394)
Write-off and disposals, net	(86,473)	-	-	(86,473)
Amortisation charge	<u>(3,391,473)</u>	<u>-</u>	<u>(657,318)</u>	<u>(4,048,791)</u>
Closing net book amount	<u>20,010,694</u>	<u>13,493,718</u>	<u>2,319,505</u>	<u>35,823,917</u>
<b>At 31 December 2017</b>				
Cost	29,397,485	13,493,718	3,714,719	46,605,922
<u>Less</u> Accumulated amortisation	<u>(9,386,791)</u>	<u>-</u>	<u>(1,395,214)</u>	<u>(10,782,005)</u>
Net book amount	<u>20,010,694</u>	<u>13,493,718</u>	<u>2,319,505</u>	<u>35,823,917</u>

Trademark and licenses are part of the assets from business acquisitions. Management considered it impairment together with goodwill (Note 16).

## 18 Deferred income taxes

Deferred income tax presented in the statements of financial position comprised of:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Deferred income tax assets	121,208,049	50,126,124	81,751,203	8,211,088
Deferred income tax liabilities	(403,394,377)	(215,463,987)	-	-
Deferred income tax, net	<u>(282,186,328)</u>	<u>(165,337,863)</u>	<u>81,751,203</u>	<u>8,211,088</u>

The analysis of deferred income tax assets and liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Deferred income tax assets:</b>				
Deferred income tax asset to be recovered within 12 months	-	-	-	-
Deferred income tax asset to be recovered after more than 12 months	170,984,402	51,080,726	117,049,789	9,159,046
	<u>170,984,402</u>	<u>51,080,726</u>	<u>117,049,789</u>	<u>9,159,046</u>
<b>Deferred income tax liabilities:</b>				
Deferred income tax liabilities to be settled within 12 months	(110,682)	(994,673)	(38,341)	(947,958)
Deferred income tax liability to be settled after more than 12 months	(453,060,048)	(215,423,916)	(35,260,245)	-
	<u>(453,170,730)</u>	<u>(216,418,589)</u>	<u>(35,298,586)</u>	<u>(947,958)</u>
Deferred income tax, net	<u>(282,186,328)</u>	<u>(165,337,863)</u>	<u>81,751,203</u>	<u>8,211,088</u>

The gross movement of the deferred income tax account is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
At 1 January	(165,337,863)	(190,899,210)	8,211,088	859,587
Increase from acquisition of a subsidiary	(16,881,884)	-	-	-
Increase/(decrease) to profit or loss	(95,356,102)	25,899,501	74,826,308	7,653,628
Increase/(decrease) to other comprehensive income	(4,610,479)	(338,154)	(1,286,193)	(302,127)
At 31 December	<u>(282,186,328)</u>	<u>(165,337,863)</u>	<u>81,751,203</u>	<u>8,211,088</u>

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**18 Deferred income taxes (Cont'd)**

The movement in deferred income tax assets and liabilities are as follows:

	Consolidated financial statements									
	Employee benefit obligation	Depreciation	Allowance for doubtful debt	Deposits	Tax losses	Share loss from joint ventures	Share-based payment	Provision for after sales services	Other	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Deferred income tax assets</b>										
As at 1 January 2016	6,993,235	-	315,330	14,514,171	7,756,252	8,328,018	-	-	-	37,907,006
Increase/(decrease) to profit or loss	3,208,327	5,364,631	2,247,800	1,881,869	(1,176,572)	-	1,027,092	620,573	-	13,173,720
As at 31 December 2016	10,201,562	5,364,631	2,563,130	16,396,040	6,579,680	8,328,018	1,027,092	620,573	-	51,080,726
As at 1 January 2017	10,201,562	5,364,631	2,563,130	16,396,040	6,579,680	8,328,018	1,027,092	620,573	-	51,080,726
Increase from acquisition of a subsidiary	2,024,998	147,083	-	-	-	-	-	-	2,193,022	4,365,103
Increase/(decrease) to profit or loss	2,714,826	(5,163,295)	(1,487,627)	6,728,947	103,068,610	(8,328,018)	18,675,202	(165,723)	4,990,292	121,033,214
Decrease to other comprehensive income	(5,494,641)	-	-	-	-	-	-	-	-	(5,494,641)
As at 31 December 2017	9,446,745	348,419	1,075,503	23,124,987	109,648,290	-	19,702,294	454,850	7,183,314	170,984,402





18 Deferred income taxes (Cont'd)

The movement in deferred income tax assets and liabilities are as follows: (Cont'd)

	Separate financial statements					
	Employee benefit obligation Baht	Depreciation Baht	Share based payment Baht	Tax losses Baht	Total Baht	
<b>Deferred income tax assets</b>						
At 1 January 2016	1,795,953	-	-	-	1,795,953	
Increase to profit or loss	1,102,632	5,364,631	895,830	-	7,363,093	
At 31 December 2016	2,898,585	5,364,631	895,830	-	9,159,046	
At 1 January 2017	2,898,585	5,364,631	895,830	-	9,159,046	
Increase/(decrease) to profit or loss	1,102,631	(5,064,212)	18,806,464	95,241,670	110,086,553	
Decrease to other comprehensive income	(2,195,810)	-	-	-	(2,195,810)	
At 31 December 2017	1,805,406	300,419	19,702,294	95,241,670	117,049,789	
	Separate financial statements					
	Re-measuring of fair value Baht	Depreciation Baht	Prepaid expenses Baht	Debentures Baht	Premium on share capital Baht	Total Baht
<b>Deferred income tax liabilities</b>						
At 1 January 2016	(645,831)	(290,535)	-	-	-	(936,366)
Increase to profit or loss	-	290,535	-	-	-	290,535
Decrease to other comprehensive income	(302,127)	-	-	-	-	(302,127)
At 31 December 2016	(947,958)	-	-	-	-	(947,958)
At 1 January 2017	(947,958)	-	-	-	-	(947,958)
Decrease to profit or loss	-	-	(4,279,315)	(23,130,675)	(7,850,255)	(35,260,245)
Increase to other comprehensive income	909,617	-	-	-	-	909,617
At 31 December 2017	(38,341)	-	(4,279,315)	(23,130,675)	(7,850,255)	(35,298,586)

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group and the Company did not recognise deferred income tax assets of Baht 91.87 million and Baht 66.42 million, respectively in respect of losses amounting to Baht 495.35 million and Baht 332.10 million, respectively that can be carried forward against future taxable income. These loss carry forward will be expired in 2022.

19 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade accounts payable	306,413,439	87,804,291	4,157,930	4,452,974
Other payables	1,640,334,567	195,087,818	81,260,388	74,001,690
Accrued expenses	652,716,961	326,261,728	118,700,981	60,098,656
Unearned revenue	1,662,115,527	502,911,422	693,731,504	403,514,621
Trade and other payable	4,261,580,494	1,112,065,259	897,850,803	542,067,941

20 Borrowings

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Borrowings</b>				
Loans from financial institutions, net	9,812,957,247	10,189,278,553	803,152,388	1,152,884,355
Finance lease liabilities, net	1,115,070	2,224,353	-	-
	9,814,072,317	10,191,502,906	803,152,388	1,152,884,355
<b>Current</b>				
Short-term borrowings	715,000,000	1,894,720,258	-	-
Current portion of finance lease liabilities, net	888,700	1,022,598	-	-
Current portion of long-term borrowings, net	813,179,155	598,713,062	647,908,555	352,017,890
	814,067,855	599,735,660	647,908,555	352,017,890
Total current, net	1,529,067,855	2,494,455,918	647,908,555	352,017,890
<b>Non-current</b>				
Finance lease liabilities, net	226,370	1,201,755	-	-
Long-term borrowings, net	8,284,778,092	7,695,845,233	155,243,833	800,866,465
Total non-current, net	8,285,004,462	7,697,046,988	155,243,833	800,866,465
<b>Total borrowing, net</b>	9,814,072,317	10,191,502,906	803,152,388	1,152,884,355

Borrowings of Baht 8,450.05 million (2016 : Baht 9,052.09 million) are secured by the Group's costs of property development, inventories, investments property and land (Note 10, 11, 14 and 15).

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**20 Borrowings (Cont'd)**

Short-term loans from financial institutions as at 31 December 2017 and 2016 are detailed as follows:

No.	Credit facility (Baht)	Condition of loan		Interest % per annum	Consolidated financial statements		Separate financial statements	
		Payment term	Secured by		2017 Baht	2016 Baht	2017 Baht	2016 Baht
S36 Property Co., Ltd.								
1.	1,750,000,000	15 May 2017 with interest 21 June 2017 with interest	Land and Buildings Land and Buildings	3.250% 3.250%	- -	1,360,000,000 390,000,000	- -	- -
Nirvana Daii PCL And subsidiaries								
2.	30,000,000	27 January 2017 with interest	Land	6.025%	-	6,644,000	-	-
3.	90,000,000	8 March 2017 with interest	-	4.950%	-	89,214,466	-	-
4.	50,000,000	22 June 2017 with interest	-	4.950%	-	48,861,792	-	-
5.	200,000,000	22 March 2018 with interest 29 May 2018 with interest	Land Land	4.100% 4.100%	50,000,000 100,000,000	- -	- -	- -
6.	515,000,000	15 June 2018 with interest 19 January 2018 with interest 23 February 2018 with interest 28 March 2018 with interest 14 April 2018 with interest 16 May 2018 with interest 15 June 2018 with interest	Land Land Land Land Land Land Land	4.750% 4.750% 4.750% 4.750% 4.750% 4.750% 4.750%	- - - - - - -	- - - - - - -	- - - - - - -	- - - - - - -
Total short-term loans from financial institutions					715,000,000	1,894,720,258	-	-

20 Borrowings (Cont'd)

Long-term loans from financial institutions as at 31 December 2017 and 2016 are detailed as follows: (continued)

No.	The Company	Credit facility	Payment term	Condition of loan	Secured by	Interest % per annum	Consolidated financial statements		Separate financial statements	
							2017 Baht	2016 Baht	2017 Baht	2016 Baht
1.	GBP 27,000,000	On quarterly basis from 31 March 2016 to 14 October 2017	As assignment the right over bank deposit	LIBOR plus certain margin	-	352,017,890	-	352,017,890	-	352,017,890
2.	Baht 2,110,000,000	On unit transfer within 21 March 2021	Land and building	MLR minus certain margin	155,243,833	153,767,643	155,243,833	153,767,643	155,243,833	153,767,643
3.	Baht 550,000,000	Within 31 August 2018	-	MLR minus certain margin	549,544,178	548,856,678	549,544,178	548,856,678	549,544,178	548,856,678
4.	Baht 150,000,000	Within 28 September 2018	-	MLR minus certain margin	98,364,377	98,242,144	98,364,377	98,242,144	98,364,377	98,242,144
<b>S Hotel Phi Phi Island Co., Ltd.</b>										
5.	Baht 2,320,000,000	On quarterly basis from 31 March 2018 to 31 March 2027	Land and building and the transfer of the beneficiary rights under insurance policy	MLR minus certain margin	2,063,681,436	2,058,397,589	-	-	-	-
<b>Singha Property Development Co., Ltd.</b>										
6.	Baht 3,700,000,000	On quarterly basis from 31 March 2020 to 23 February 2031	Land and Building	MLR minus certain margin	1,109,764,070	621,791,037	-	-	-	-
7.	Baht 1,850,000,000	On unit transfer within 26 February 2022	Land and Building	MLR minus certain margin	344,612,432	-	-	-	-	-
<b>Max Future Co., Ltd.</b>										
8.	Baht 3,064,070,404	On quarterly basis from 31 August 2019 to 28 February 2026	Land and Building	Fixed 6 months plus certain margin	3,068,979,238	3,064,792,276	-	-	-	-
9.	Baht 1,520,000,000	On quarterly basis from 31 January 2020 to 31 December 2022	Land and Building	MLR minus certain margin	194,729,072	-	-	-	-	-
<b>Nirvana Daii PCL. And subsidiaries</b>										
10.	Baht 67,000,000	On unit transfer within December 2018	Land	MLR minus certain margin	-	62,723,250	-	-	-	-
11.	Baht 164,000,000	Within February 2018	Land and future building	MLR minus certain margin	-	15,695,172	-	-	-	-
12.	Baht 36,000,000	Within May 2016	Land and future building	MLR minus certain margin	-	32,356,266	-	-	-	-
13.	Baht 180,000,000	Within June 2016	Land and future building	MLR minus certain margin	-	35,183,300	-	-	-	-
14.	Baht 500,000,000	Within December 2019	Land and future building	MLR minus certain margin	334,355,678	435,020,050	-	-	-	-
15.	Baht 215,000,000	Within November 2019	Land and future building	MLR minus certain margin	27,370,000	17,030,000	-	-	-	-
16.	Baht 140,000,000	Within March 2019	Land and future building	MLR minus certain margin	96,411,700	75,113,000	-	-	-	-
17.	Baht 245,000,000	Within December 2018	Land and future building	MLR minus certain margin	49,270,600	136,812,000	-	-	-	-
18.	Baht 269,000,000	Within February 2020	Land and future building	MLR minus certain margin	73,670,185	231,000,000	-	-	-	-
19.	Baht 2,430,000,000	Within October 2021	Land and future building and fully guarantee by Nirvana Development Co., Ltd	MLR minus certain margin	931,960,448	355,760,000	-	-	-	-
Total long-term loans from financial institutions							9,097,957,247 (813,179,155)	8,294,558,295 (598,713,062)	803,152,388 (647,908,555)	1,152,884,355 (352,017,890)
Less: Current portion of long-terms loans							8,284,778,092	7,695,845,233	155,243,833	800,866,465
Long-term loans, net										

## 20 Borrowings (Cont'd)

Interest rate risk of loans from financial institutions is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Loans				
At fixed rates	715,000,000	1,894,720,258	-	-
At floating rates	9,097,957,247	8,294,558,295	803,152,388	1,152,884,355
Total loans	9,812,957,247	10,189,278,553	803,152,388	1,152,884,355

The effective interest rates at the statement of financial position date are as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
- Bank borrowings	3.7% to 4.8%	3.3% to 6.0%	3.8% to 4.0%	3.8 to 4.1%

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant.

Maturities of long-term loans (excluded finance lease liabilities) are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Within 1 year	813,179,155	598,713,062	647,908,555	352,017,890
Later than 1 year but not later than 5 years	8,284,778,092	7,695,845,233	155,243,833	800,866,465
Later than 5 years	-	-	-	-
Total loans	9,097,957,247	8,294,558,295	803,152,388	1,152,884,355

### Borrowing facilities

The Group have the following undrawn committed borrowing facilities:

	Consolidated financial statements		Separate financial statements	
	2017 Million Baht	2016 Million Baht	2017 Million Baht	2016 Million Baht
Floating rate				
- expiring within one year	5,000.00	5,023.36	5,000.00	5,000.00
- expiring beyond one year	11,047.19	8,521.65	2,001.54	2,001.54
	16,047.19	13,545.01	7,001.54	7,001.54

The facilities expiring within one year are annual facilities subject to review at various dates during year. The other facilities have been arranged to help finance the proposed expansion of the Group and the Company activities.



21 Debentures, net

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Current portion</b>				
Debentures due within one year, net	595,197,169	103,909,393	-	-
	595,197,169	103,909,393	-	-
<b>Non-current portion</b>				
Debentures, net	-	594,112,365	-	-
Convertible debentures, net	5,657,689,047	-	5,657,689,047	-
	5,657,689,047	594,112,365	5,657,689,047	-
	6,252,886,216	698,021,758	5,657,689,047	-

On 20 July 2017, the Company issued 2% convertible debentures at a nominal value of US Dollar 180 million. The convertible debentures mature 5 years from the issue date at a nominal value of US Dollar 180 million, unless converted into the Company's ordinary shares at the holder's option at the rate of Baht 4.99 per share, conversion price.

The fair values of the liability component of convertible debentures are determined on issue of the debentures. The fair value of convertible debentures, as at 20 July 2017 amounted to US Dollar 175.37 million or equivalent to Baht 5,908.11 million, the fair value is calculated using cash flows discounted at a market interest rate for an equivalent non-convertible debenture of 2.55% and are within level 2 of the fair value hierarchy. The residual amount, representing the value of derivative liability amounted to Baht 152.73 million.

In subsequent periods, convertible debentures continues to be presented on the amortised cost basis, until extinguished on conversion or maturity of the debentures. Derivative liability is determined on issue of the debentures and subjected to be amortised over the period of convertible debentures.

## 21 Debentures, net (Cont'd)

Details and main condition of convertible debentures are summarized as follows:

<b>Issuer</b>	Singha Estate Public Company Limited
<b>Offering</b>	US Dollar 180,000,000 2.00 percent standby letter of credit backed convertible debentures, convertible into ordinary shares of the Company that are capable of being registered in the name of non-Thai nationals, and if the context so requires, non-voting depositary receipts (NVDRs) issued in respect thereof, offered and sold outside Thailand and the U.S.
<b>Status</b>	Direct, unconditional, unsubordinated and unsecured obligations of the Company
<b>Offer Size</b>	US Dollar 180,000,000
<b>Standby Letter of Credit</b>	The Convertible debentures will have the benefit of an irrevocable standby letter of credit (SBLC) issued by KTB pursuant to which the Trustee, on behalf of bondholders, can make a claim under the SBLC in certain circumstances.
<b>Issue Date</b>	20 July 2017
<b>Maturity Date</b>	20 July 2022
<b>Coupon</b>	2.00% per annum, payable semi-annually in arrear
<b>Redemption Price</b>	100% of the principal amount
<b>Initial Conversion Price</b>	Baht 4.99 per share, subject to the Conversion Price Reset. The Initial Conversion Price may be adjusted upon occurrence of adjustment events specified in the terms and conditions of the convertible debentures.
<b>Conversion Period</b>	41 days after the Issue Date to 10 days before the Maturity Date, except during the period in which the conversion is not permitted.
<b>Conversion Price Reset</b>	On 20 September 2018, if the market price of one ordinary share is less than the conversion price in effect, the conversion price shall be reset to the then market price but not less than Baht 4.6033.
<b>Redemption at the Option of Bondholders</b>	The Bondholders have a put option to have the Convertible debentures redeemed on 20 July 2020 (at the end of 3 years from the Issue Date) at the principal amount together with accrued but unpaid interest.
<b>Redemption at the Option of the Company</b>	The Company has a call option to redeem the Convertible debentures at any time after 10 August 2020 at the principal amount together with accrued but unpaid interest provided that the closing price of the shares for 30 consecutive Trading Days was at least 130% of the Conversion Price then in effect.

Movement of convertible debentures for the year ended 31 December 2017 is as follow:

	<b>Consolidated and separate financial statements 2017 Baht</b>
Principle value of convertible debentures as at 20 July 2017	6,064,164,000
<u>Less</u> Derivative liability	(156,056,840)
	5,908,107,160
<u>Less</u> Increase in deferred financing fees	(125,967,374)
Total value of convertible debentures as at 20 July 2017	5,782,139,786
Amortisation of deferred financing fees	10,559,528
Unrealised gain on exchange rate	(135,010,267)
Closing balance	5,657,689,047

Interest on the convertible debentures is calculated on the effective yield basis by applying the coupon interest rate 2.55% for an equivalent non-convertible debentures.

As at 31 December 2016, the Group has debentures which are unsecured and unsubordinated, bearing interest at rates in the range of 5.10% per annum (2016 : 4.75% to 5.00% per annum). The maturity date are in the period from March 2018 to October 2018.

## 22 Employee benefits obligation

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Statement of financial position				
Retirement benefits	47,233,728	51,007,811	9,027,030	14,492,923
Liability in the statement of financial position	47,233,728	51,007,811	9,027,030	14,492,923
Profit or loss charge included in operating profit				
Retirement benefits	14,916,817	11,737,283	5,513,159	5,513,159
	14,916,817	11,737,283	5,513,159	5,513,159
Remeasurement for:				
Retirement benefits	27,473,207	-	10,979,052	-
	27,473,207	-	10,979,052	-

Movement in employee benefits obligation is as follow:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
At 1 January	51,007,811	39,270,528	14,492,923	8,979,764
Increase from acquisition of a subsidiary	10,125,539	-	-	-
Current service cost	13,312,509	10,567,931	5,252,746	5,252,746
Interest cost	1,604,368	1,169,352	260,413	260,413
Benefit payment	(1,343,292)	-	-	-
Re-measurement actuarial gains	(27,473,207)	-	(10,979,052)	-
At 31 December	47,233,728	51,007,811	9,027,030	14,492,923

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rate (%)	2.39 and 4.12	2.9 and 4.12	2.39	2.9
Inflation rate (%)	3.0	3.0	3.0	3.0
Salary growth rate (%)	5.74 and 10.52	6.0 and 10.52	5.74	6.0

Sensitivity of actuarial assumptions analysis is as follows:

	Consolidated financial statements		
	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	Decrease by 4%	Increase by 7%
Inflation rate	1%	Increase by 7%	Decrease by 6%
	Separate financial statements		
	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	Decrease by 7%	Increase by 8%
Inflation rate	1%	Increase by 8%	Decrease by 7%

## 22 Employee benefits obligation (Cont'd)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

As at 31 December 2017, the weighted average duration of the defined benefit obligation of the Group is 10.7 years to 23.3 years and for the Company is 22.7 years. (2016 : the Group is 10.7 years to 23.3 years and for the Company is 22.7 years).

## 23 Share capital and premium on share capital

Consolidated financial statements				
	Number of shares Shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2016	5,715,337,268	5,715,337,268	2,938,522,032	8,653,859,300
Increase from business acquisition	738,382,027	738,382,027	2,953,528,108	3,691,910,135
At 31 December 2016	6,453,719,295	6,453,719,295	5,892,050,140	12,345,769,435
Issue of shares	400,000,000	400,000,000	1,224,748,728	1,624,748,728
At 31 December 2017	6,853,719,295	6,853,719,295	7,116,798,868	13,970,518,163
Separate financial statements				
	Number of shares Shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2016	5,715,337,268	5,715,337,268	6,583,246,412	12,298,583,680
Increase from business acquisition	738,382,027	738,382,027	2,953,528,108	3,691,910,135
At 31 December 2016	6,453,719,295	6,453,719,295	9,536,774,520	15,990,493,815
Issue of shares	400,000,000	400,000,000	1,224,748,728	1,624,748,728
At 31 December 2017	6,853,719,295	6,853,719,295	10,761,523,248	17,615,242,543

The Company issued and offered of 400,000,000 newly issued ordinary shares with a par value of Baht 1 per share (the Shares) by way of private placement through the placing agents which are the international financial institutions. In this regard, the final offering price is not lower than 90% of the market price pursuant to the Notification of the Capital Market Supervisor Board, which is calculated from the weighted-average price of the Company's shares trading on the Stock Exchange of Thailand (the SET) during the period of 7 consecutive business days prior to the date on which the such final offering price. Such subscribing and being allocated with the Shares upon completion of the offering and payment for the Shares subscription on 17 July 2017. The Company registered with the Ministry of Commerce on 19 July 2017.

## **23 Share capital and premium on share capital (Cont'd)**

On 28 April 2017, Annual General Shareholders Meeting passed a resolution for the following:

- a) Approved the cancellation of the increase of registered share capital of the Company and the allocation of 300,000,000 ordinary shares with a par value of Baht 1 per share under the general mandate capital increase by way of a private placement (General Mandate) and the decrease of registered share capital of the Company in the amount of Baht 786,333,102 from the existing registered share capital of Baht 8,973,005,905 to Baht 8,186,672,803, by cancelling 786,333,102 unissued ordinary shares with a par value of Baht 1 per share, which are the shares (a) that have been issued in support of the allocation of ordinary shares under the general mandate capital increase by way of a private placement (General Mandate) in a number of 300,000,000 shares and (b) that have remained from the allocation of ordinary shares to the existing shareholders by way of rights offering in a number of 486,333,102 shares as previously approved by the 2016 Annual General Meeting of Shareholders held on 26 April 2016. The Company registered with the Ministry of Commerce on 8 May 2017.
- b) Approved the issuance and offering of the warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 3 in the amount of not exceeding 50 million units, with free of charge and offering for sale within 1 year from the date of receiving an approval from the shareholders' meeting. The exercise price to purchase ordinary shares for each period is as follows:
  - 1<sup>st</sup> Year from the issuing date and offering for sale to directors and employees of the ESOP-Warrant-3: Warrant cannot be exercised.
  - 2<sup>nd</sup> Year from the issuing date and offering for sale to directors and employees of the ESOP-Warrant-3: the weighted-average price of the Company's ordinary shares trading on the SET for the past 15 consecutive business days prior to the issuing date of the ESOP-Warrant-3
  - 3<sup>rd</sup> Year from the issuing date and offering for sale to directors and employees of the ESOP-Warrant-3: at the rate of 110% of the exercise price of the 2<sup>nd</sup> year
  - 4<sup>th</sup> Year and 5<sup>th</sup> Year from the issuing date and offering for sale to directors and employees of the ESOP-Warrant-3: at the rate of 110% of the exercise price of the 3<sup>rd</sup> year

Except in the case of adjustment of right pursuant to the conditions of the adjustment of right.

- c) Approved the increase of registered capital of the Company in an amount of Baht 2,041,829,723 from the existing registered capital of Baht 8,186,672,803 to Baht 10,228,502,526, by issuing the newly issued ordinary shares in the number of 2,041,829,723 shares with a par value of Baht 1 per share from the existing registered capital to be (a) allocated under the general mandate capital increase by way of a private placement (General Mandate) in a number of not exceeding 500,000,000 shares with a par value of Baht 1 per share, (b) reserved for the exercise of conversion rights by the holders of the convertible debentures in the number of not exceeding 1,491,829,723 shares with a par value of Baht 1 per share, and (c) reserved for the exercise of warrants to purchase the Company and/or its subsidiaries No. 3 in the number of not exceeding 50,000,000 shares with a par value of Baht 1 per share. The Company registered with the Ministry of Commerce on 9 May 2017.
- d) Approved the allocation of the newly issued ordinary shares in the number of not exceeding 2,041,829,723 shares with a par value of Baht 1 each, (a) to specific persons under the general mandate capital increase by way of a private placement (General Mandate) in the number of not exceeding 500,000,000 shares, (b) to be reserved for the exercise of conversion rights by the holders of the convertible debentures of the Company in the number of not exceeding 1,491,829,723 shares and (c) to be reserved for the exercise of warrants to purchase the Company's ordinary shares to be issued and offered for sale to the directors and employees of the Company and/or its subsidiaries No. 3 in the number of not exceeding 50,000,000 shares.

At as 31 December 2017, the total authorised number of ordinary shares of 6,853,719,295 shares (2016: 6,453,719,295 shares) with a par value of Baht 1 per share (2016 : Baht 1 per share) are issued and fully paid-up.

**24 Legal reserve**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
At 1 January	10,000,000	10,000,000	31,180,388	31,180,388
Appropriation during the year	-	-	-	-
At 31 December	<u>10,000,000</u>	<u>10,000,000</u>	<u>31,180,388</u>	<u>31,180,388</u>

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

**25 Other component of equity**

	<b>Consolidated financial statements</b>		
	<b>Change in fair value of available-for- sales investments Baht</b>	<b>Translation adjustment Baht</b>	<b>Total Baht</b>
At 1 January 2016	2,626,758	(47,342,052)	(44,715,294)
Revaluation	1,352,615	-	1,352,615
Translation adjustment	-	(388,923,687)	(388,923,687)
At 31 December 2016	<u>3,979,373</u>	<u>(436,265,739)</u>	<u>(432,286,366)</u>
At 1 January 2017	3,979,373	(436,265,739)	(432,286,366)
Revaluation	(3,536,646)	-	(3,536,646)
Translation adjustment	-	(2,185,607)	(2,185,607)
At 31 December 2017	<u>442,727</u>	<u>(438,451,346)</u>	<u>(438,008,619)</u>

	<b>Separate financial statements</b>	
	<b>Change in fair value of available-for-sales investments Baht</b>	<b>Total Baht</b>
At 1 January 2016	2,584,002	2,584,002
Revaluation	1,208,509	1,208,509
At 31 December 2016	<u>3,792,511</u>	<u>3,792,511</u>
At 1 January 2017	3,792,511	3,792,511
Revaluation	(3,639,148)	(3,639,148)
At 31 December 2017	<u>153,363</u>	<u>153,363</u>



**26 Other income**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Dividend income	-	-	223,499,934	-
Interest income	153,284,635	147,728,100	65,771,180	65,763,334
Management fee	25,119,197	-	161,107,552	143,303,084
Net gains on disposal of assets	10,551,161	1,228,483	-	47,401
Gains from sales in investment in a subsidiary	-	-	154,902,071	-
Gains on exchange rate	-	159,724,396	-	158,258,171
Gains on disposal of available-for-sales investments	23,927,046	6,957,597	16,836,569	5,362,436
Others	113,739,975	108,748,382	22,630,661	3,547,601
<b>Total</b>	<b>326,622,014</b>	<b>424,386,958</b>	<b>644,747,967</b>	<b>376,282,027</b>

**27 Expense by nature**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Construction costs	1,996,959,305	865,463,819	-	-
Cost of services	652,038,219	353,942,966	36,788,548	89,735,098
Raw material and consumables used	12,827,760	18,751,959	12,779,428	17,400,162
Staff costs	917,848,843	684,520,423	554,184,893	309,918,838
Depreciation and amortisation	257,414,868	196,958,483	96,373,679	107,508,311
Marketing expenses	261,670,992	199,500,072	24,992,748	30,209,872
Operating lease payment	55,294,527	18,983,720	24,681,554	14,854,673
Repair and maintenance	45,653,118	57,319,045	9,887,090	11,253,816
Consulting fee	94,627,242	80,798,914	47,423,379	48,260,644
Losses on exchange rate	15,692,751	-	28,745,092	-
Services fee	65,566,863	49,033,405	38,024,020	37,024,039
Utilities expenses	158,368,739	124,433,865	25,982,734	23,247,343
Claim expenses	13,172,596	100,528,069	-	92,244,580
Losses of written-off of fixed assets	51,572,906	2,644,576	19,315,836	841,943
Special business tax	80,483,301	44,822,276	-	899,020
Allowance for doubtful debt	(7,438,136)	10,176,218	-	160,576
(Gains) losses on fair value adjustments on investments property	(2,965,037)	87,843,705	12,300,000	87,843,705

28 Income tax expenses

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current income tax:				
Current tax on profits for the year	132,470,692	80,021,590	-	-
<b>Total current income tax</b>	<b>132,470,692</b>	<b>80,021,590</b>	<b>-</b>	<b>-</b>
Deferred income tax:				
Origination temporary differences	95,356,102	(25,899,501)	(74,826,308)	(7,653,628)
<b>Total deferred income tax</b>	<b>95,356,102</b>	<b>(25,899,501)</b>	<b>(74,826,308)</b>	<b>(7,653,628)</b>
<b>Total income tax expenses</b>	<b>227,826,794</b>	<b>54,122,089</b>	<b>(74,826,308)</b>	<b>(7,653,628)</b>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Profit (loss) before tax	858,857,656	219,211,634	(108,613,636)	(254,692,624)
Tax calculated at a tax rate of 20 % (2016: 20%)	171,771,531	43,842,327	(21,722,727)	(50,938,525)
Tax effect of:				
Income/Expenditure adjustment in accordance with Revenue Code	(36,567,970)	(22,624,426)	(119,526,296)	(7,653,628)
Tax losses for which no deferred income tax asset was recognised	91,866,175	39,559,149	66,422,715	50,938,525
Tax effect from different tax rate	(2,214,490)	(11,729,903)	-	-
Others	2,971,548	5,074,942	-	-
<b>Tax charge</b>	<b>227,826,794</b>	<b>54,122,089</b>	<b>(74,826,308)</b>	<b>(7,653,628)</b>

The weighted average applicable tax rate for the Group and the Company was 26.53% and 68.89%, respectively (2016: 24.69% and 3.01%, respectively).

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2017			2016		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Fair value gains:						
Available-for-sale investments	(4,420,808)	884,162	(3,536,646)	1,690,769	(338,154)	1,352,615
Actuarial gain on retirement benefit obligations	27,473,207	(5,494,641)	21,978,566	-	-	-
<b>Other comprehensive income</b>	<b>23,052,399</b>	<b>(4,610,479)</b>	<b>18,441,920</b>	<b>1,690,769</b>	<b>(338,154)</b>	<b>1,352,615</b>

**28 Income tax expenses (Cont'd)**

The tax (charge)/credit relating to component of other comprehensive income is as follows: (continued)

	<b>Separate financial statements</b>					
	<b>2017</b>			<b>2016</b>		
	<b>Before tax Baht</b>	<b>Tax charge Baht</b>	<b>After tax Baht</b>	<b>Before tax Baht</b>	<b>Tax (charge)/ credit Baht</b>	<b>After tax Baht</b>
Fair value gains:						
Available-for-sale investments	(4,548,935)	909,787	(3,639,148)	1,510,636	(302,127)	1,208,509
Actuarial gain on retirement benefit obligations	10,979,052	(2,195,810)	8,783,242	-	-	-
<b>Other comprehensive income</b>	<b>6,430,117</b>	<b>(1,286,023)</b>	<b>5,144,094</b>	<b>1,510,636</b>	<b>(302,127)</b>	<b>1,208,509</b>

**29 Basic earnings (loss) per share**

Basic earnings (loss) per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue and paid-up during the year.

Basic earnings (loss) per share for the years ended 31 December 2017 and 2016 are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Profit (loss) for the year attributable to ordinary shareholders of the Company (Baht)	571,882,950	170,234,076	(33,787,328)	(247,038,996)
Weighted average number of ordinary shares outstanding (shares)	6,636,732,994	6,118,824,714	6,636,732,994	6,118,824,714
Basic earnings (loss) per share (Baht per share)	0.086	0.028	(0.005)	(0.040)

As previously mentioned in Note 30, warrants which can be converted to 100 million shares are instruments that are convertible into ordinary shares as to increase the number of ordinary shares for calculating of diluted earnings per share. Adjustments on finance costs relating to the warrants should be made to net profit. However, for the year ended 31 December 2017, the assumed conversion of the shares has resulted in antidilutive (2016 : Nil) as shown in Note 30. Therefore, no diluted earnings (loss) per share has been presented in the consolidated and separate financial statements.

### 30 Share-based payment

The Company issued and offered grants of warrants to the executives and employees of the Company and its subsidiaries (ESOP - Warrant), which their terms 5 years from the issued date and no offered price. The criteria of right exercise is regarding to the Company policy. The exercise ratio and price on issued date are as follows:

	Issued date	Expired date	Exercise price Baht/unit	Number of Issued warrants units	Exercise Ratio unit/share	Exercise period	
						Start	End
ESOP - Warrant-1	1 December 2016	30 November 2021	5.00 to 6.05	50,000,000	1:1	30 November 2017	30 November 2021
ESOP - Warrant-2	1 April 2017	31 March 2022	4.59 to 5.56	50,000,000	1:1	1 May 2018	31 March 2022

The fair value of the warrant is measured by a Black-Scholes Model with the following financial assumptions:

	ESOP - Warrant - 1	ESOP - Warrant - 2
Fair value of the warrant at the grant date	1.97 Baht/unit	2.37 Baht/unit
Share price at the grant date	4.64 Baht/share	4.84 Baht/share
Exercise price	5.00 to 6.05 Baht/unit	4.59 to 5.56 Baht/unit
Expected volatility	49.67%	53.49%
The expected period, that shareholders will completely use their right on warrant	5 years	5 years
Risk free interest rate	2.00%	2.14%

Costs arising from share-based payment transactions in the financial statements and consolidated financial statements for the year ended 31 December 2017 amounted to Baht 107,342,597 and Baht 94,032,319, respectively (2016 : Baht 5,135,460 and Baht 4,479,148, respectively).

Movements of capital reserve for share-based payment for the year ended 31 December 2017 are as follows:

	Consolidated and separate financial statements Baht
At 1 January 2017	5,135,460
Increase during the year	107,342,597
At 31 December 2017	112,478,057

Movements of number of the warrants for the year ended 31 December 2017 are as follows:

	Consolidated and separate financial statements Number of warrants (Units)
At 1 January 2017	50,000,000
Increase during the year	50,000,000
At 31 December 2017	100,000,000

### 31 Related-party transactions

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

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

The Group is controlled by Singha Property Management Co., Ltd. (incorporated in Thailand) and Singha Property Management (Singapore) Pte. Ltd., which owns 35.81% of the Company's share and Mr. Santi Bhrombhakdi and Morgan Stanley & Co. International Plc. owns 28.92% of the Company's shares. The remaining of the shares is widely held. The Group's ultimate parent is Boon Rawd Brewery Co., Ltd. (incorporated in the Thailand).

The relationship with the related parties are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries as at 31 December 2017 are listed below.

Entities' name	Country/Nationality	Relationship
Mr. Santi Bhrombhakdi	Thai	Shareholder and Director is shareholder
Boon Rawd Brewery Co., Ltd.	Thailand	Director is shareholder
Singha Corporation Co., Ltd.	Thailand	Director is shareholder
Singha Property Management Co., Ltd.	Thailand	Shareholder
Singha Property Management (Singapore) Pte. Ltd.	Singapore	Shareholder
Damerius Pte. Ltd.	Singapore	Shareholder and Director is shareholder
Singha Property Development Co., Ltd.	Thailand	Subsidiary
Max Future Co., Ltd.	Thailand	Subsidiary
Nirvana Daii PCL.	Thailand	Subsidiary
Nirvana Praram9 Co., Ltd.	Thailand	Subsidiary
Nirvana Construction Co., Ltd.	Thailand	Subsidiary
Nirvana U Co., Ltd.	Thailand	Subsidiary
Subthanarin Co., Ltd.	Thailand	Subsidiary
Nirvana River Co., Ltd.	Thailand	Subsidiary
Qtech Products Co., Ltd.	Thailand	Subsidiary
Atech Enterprise Co., Ltd.	Thailand	Subsidiary
Deeji Home Center Co., Ltd.	Thailand	Subsidiary
S Estate Commercial Inter Co., Ltd.	Thailand	Subsidiary
S Estate Commercial Co., Ltd.	Thailand	Subsidiary
S Commercial (Singapore) Pte. Ltd.	Singapore	Subsidiary
S Hotels and Resorts Inter Co., Ltd.	Thailand	Subsidiary
S Hotels and Resorts Co., Ltd.	Thailand	Subsidiary
S Hotels and Resorts (UK) Ltd.	United Kingdom	Subsidiary
S Hotels and Resorts (HK) Ltd.	Hongkong	Subsidiary
S Hotels and Resorts (SG) Pte. Ltd.	Singapore	Subsidiary
S Hotels and Resorts (SC) Pte. Ltd.	Republic of Seychelles	Subsidiary
S Hotels and Resorts (Maldives) Pte. Ltd.	Republic of Maldives	Subsidiary
S Hotel Management Co., Ltd.	Thailand	Subsidiary
S Hotel Phi Phi Island Co., Ltd.	Thailand	Subsidiary
S Residential Development Co., Ltd.	Thailand	Subsidiary
S43 Property Co., Ltd.	Thailand	Subsidiary
S36 Property Co., Ltd.	Thailand	Joint venture
FS JV CO LIMITED	United Kingdom	Joint venture
FS JV LICENSE LIMITED	United Kingdom	Joint venture
Santiburi Development Co., Ltd.	Thailand	Director is shareholder
Chiang Rai Santiburi Golf Club Co., Ltd.	Thailand	Director is shareholder
Santiburi Private Community Co., Ltd.	Thailand	Director is shareholder
Santiburi Samui Country Club Co., Ltd.	Thailand	Director is shareholder
Bo Phut Property and Resort Co., Ltd.	Thailand	Director is shareholder
Beer Singha Co., Ltd.	Thailand	Director is shareholder
Brand Family Co., Ltd.	Thailand	Director is shareholder

**31 Related-party transactions (Cont'd)**

Entities' name	Country/Nationality	Relationship
Singha trend Co., Ltd.	Thailand	Director is shareholder
Boon Rawd Trading Co., Ltd.	Thailand	Director is shareholder
Boon Rawd Asia Co., Ltd.	Thailand	Director is shareholder
EST Company (1933) Co., Ltd.	Thailand	Director is shareholder
Singha Park Chiang Rai Co., Ltd.	Thailand	Director is shareholder
Prep Group Co., Ltd.	Thailand	Director is shareholder
CTG 2002 Co., Ltd.	Thailand	Director is shareholder
CB Holding Co., Ltd.	Thailand	Director is shareholder
Bangkok Glass Plc.	Thailand	Director is shareholder
BG Float Glass Co., Ltd.	Thailand	Director is shareholder
Kabinburi Glass Industry Co., Ltd.	Thailand	Director is shareholder
Prime Location Management Ltd	Republic of Seychelles	The Group's ultimate parent is shareholder
Dream Islands Development Private Limited	Republic of Maldives	The Group's ultimate parent is shareholder
Dream Islands Development 2 Private Limited	Republic of Maldives	The Group's ultimate parent is shareholder

**31.1 Pricing policy for transactions between the Company and related parties are summarised below:**

- Revenues from sales of condominium units are based on sales and purchase contracts with discounts per staff and management welfare schemes at the rates of 5% to 15% of normal selling prices.
- Management and other services income are based on actual cost plus a contribution margin not more than 5%.
- Purchase of inventories is based on an agreed price comparable to rates to third parties.
- Rental is based on agreed rate comparable to rates to third parties.
- Project management expense is based on an agreed rate in accordance with the co-venture agreement.
- Consulting fee is based on an agreed rate for the construction advisory contracts.

**31.2 The following significant transactions were carried out with related parties:**

**a) Sales of goods and services**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Transactions with subsidiaries:</b>				
Rental and service related rent income	-	-	22,196,584	23,075,190
Dividend income	-	-	223,499,934	-
Management fee	-	-	85,589,842	102,295,076
Management income	-	-	161,107,552	143,303,083
Interest income	-	-	52,508,962	65,371,225
Finance costs	-	-	-	8,175,988
<b>Transactions with joint ventures:</b>				
Interest income	115,784,685	137,541,730	-	-
<b>Transactions with other related parties:</b>				
Sales of goods	1,596,756,427	1,242,905	1,114,888	1,242,905
Management income	109,362,665	124,713,033	-	-
Purchases of goods	51,404,926	10,325,341	6,924,144	3,291,735



**31 Related-party transactions (Cont'd)**

31.2 The following significant transactions were carried out with related parties: (Cont'd)

b) Outstanding balances arising from sales/purchases of goods and services

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Amounts due from related parties				
Trade receivables				
- Other related parties	158,449,937	8,817,817	-	43,667
	<u>158,449,937</u>	<u>8,817,817</u>	<u>-</u>	<u>43,667</u>
Amounts due from related parties				
Others				
- Subsidiaries	-	-	340,841,821	267,617,134
- Other related parties	7,264,112	50,524	313,422	50,524
	<u>7,264,112</u>	<u>50,524</u>	<u>341,155,243</u>	<u>267,667,658</u>
Interest receivables				
- Subsidiaries	-	-	131,939,981	88,922,838
- Joint ventures	82,163,092	25,677,904	-	-
- Other related parties	9,454	9,454	-	-
	<u>82,172,546</u>	<u>25,687,358</u>	<u>131,939,981</u>	<u>88,922,838</u>
Advances to				
- Subsidiaries	-	-	13,502,935	25,196,521
- Other related parties	14,459,896	-	14,459,896	-
	<u>14,459,896</u>	<u>-</u>	<u>27,962,831</u>	<u>25,196,521</u>
Total amounts due from related parties	<u>262,346,491</u>	<u>34,555,699</u>	<u>501,058,055</u>	<u>381,830,684</u>

**31 Related-party transactions (Cont'd)**

31.2 The following significant transactions were carried out with related parties: (Cont'd)

b) Outstanding balances arising from sales/purchases of goods and services (Cont'd)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Amounts due to related parties				
Trade payables				
- Other related parties	422,126	647,195	67,930	151,587
	<u>422,126</u>	<u>647,195</u>	<u>67,930</u>	<u>151,587</u>
Other payables				
- Subsidiaries	-	-	31,748,255	32,312,796
- Other related parties	6,208,950	2,967,299	1,658,898	1,611,301
	<u>6,208,950</u>	<u>2,967,299</u>	<u>33,407,153</u>	<u>33,924,097</u>
Advances from				
- Subsidiaries	-	-	1,147,500	1,147,500
	<u>-</u>	<u>-</u>	<u>1,147,500</u>	<u>1,147,500</u>
Total amounts due to related parties	<u>6,631,076</u>	<u>3,614,494</u>	<u>34,622,583</u>	<u>35,223,184</u>
Deferred revenue				
- Other related parties	394,968,557	1,445,000,000	-	-
Total deferred revenue from a related party	<u>394,968,557</u>	<u>1,445,000,000</u>	<u>-</u>	<u>-</u>

Deferred revenue from a related party is from the rental income received in advance in accordance with the financial lease agreement with Boon Rawd Brewery Co., Ltd. The total contract value is Baht 1,925 million for the leased period of 50 years. During 2017, the Group transferred office rental space to Boon Rawd Brewery Co., Ltd. The Group, therefore, recognised this transaction under revenue from sales of Baht 1,530 million. The remaining of Baht 394.97 million represents deferred revenue which will be recognised as rental income along the with the lease agreement over 50 years.

**31 Related-party transactions (Cont'd)**

31.2 The following significant transactions were carried out with related parties: (Cont'd)

c) Loans to related parties

Movement of short-term loans to related parties for the years ended 31 December is as follow:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
At 1 January	-	-	1,591,500,000	1,898,509,600
Addition during the year	-	-	553,499,600	1,256,000,000
Repayment	-	-	(729,875,000)	(1,563,009,600)
At 31 December	-	-	1,415,124,600	1,591,500,000

	<b>Interest rate</b>		<b>Separate financial statements</b>	
	<b>2017 % per annum</b>	<b>2016 % per annum</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
<u>Short-term loans</u>				
S Hotel Phi Phi Island Co., Ltd.	3.00 and 3.50	3.00 and 3.50	553,250,000	753,250,000
S Estate Commercial Inter Co., Ltd	3.00	3.00	705,375,000	838,250,000
S Residential Development Co., Ltd.	3.00	-	156,499,600	-
Total			1,415,124,600	1,591,500,000

Movement of long-term loans to related parties for the years ended 31 December is as follow:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
At 1 January	1,702,998,140	2,140,138,000	-	-
Addition during the year	-	23,090,000	-	-
Repayment	(29,584,724)	(77,945,712)	-	-
Translation adjustment	(2,144,309)	(382,284,148)	-	-
At 31 December	1,671,269,107	1,702,998,140	-	-

	<b>Interest rate</b>		<b>Consolidated financial statements</b>	
	<b>2017 % per annum</b>	<b>2016 % per annum</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
<u>Long-term loans</u>				
FS JV CO LIMITED	LIBOR+6.50	LIBOR+6.50	1,649,275,857	1,680,980,340
FS JV LICENSE LIMITED	8.00	8.00	21,993,250	22,017,800
Total			1,671,269,107	1,702,998,140

As at 31 December 2017, long-term loans to joint ventures represent GBP loan of GBP 37.99 million (2016 : GBP 38.17 million). The loans are repayable in 2021 and 2022.

The fair value of long-term loan equals their carrying amount, as the impact of discount is not significant.

**31 Related-party transactions (Cont'd)**

31.2 The following significant transactions were carried out with related parties: (Cont'd)

e) Management remuneration

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Salary and short-term employee benefits	114,061,883	107,500,313	70,691,280	74,813,553
Long-term benefits	4,173,909	4,707,570	3,571,716	4,159,092
Share-based payment benefits	71,934,798	3,546,548	65,121,342	3,197,337
<b>Total</b>	<b>190,170,590</b>	<b>115,754,431</b>	<b>139,384,338</b>	<b>82,169,982</b>

**32 Short-term loans from other parties**

As at 31 December 2016, the Group has short-term loans from other parties in terms of the promissory notes of Baht 525.11 million, bear the interest at the rate of 4.50% to 6.20% per annum. During the year 2017, the Group already paid all loan principles.

**33 Business combinations**

On 17 January 2017, the Group acquired 56% shareholding of the share capital of Daii Group Public Company Limited (Daii) by exchange the 4,481,717 shares of Nirvana Development Co., Ltd (Nirvana), a subsidiary, with a par value of Baht 100 each, represents 51.00% of share capital of Nirvana, with the fair value of Baht 3,611 million and two plots of land with the fair value of Baht 1,265 million.

The consideration paid for Daii represented a) 44% of the value of two plots of land, previously the Group own 100%, however, after the acquisition, the Group own 56% of those plots. The Group' therefore, paid 44% of the land's value for Daii, totally Baht 556.60 million (44% of Baht 1,265 million); less b) gain in non-controlling interest in Nirvana of Baht 180.54 million (5% of Nirvana's value). This is because the Group gains more percentage of shareholding in Nirvana from 51% to 56%. As a result, the consideration paid for Daii is totaling Baht 376.06 million.

**Detail of business acquisition are as follows:**

	<b>Baht</b>
<b>Total purchase consideration</b>	<b>376,061,500</b>
Cash and cash equivalents	35,611,841
Property, plant and equipment, net	305,393,263
Other assets less other liabilities	(6,463,026)
<b>Fair value of net acquired assets</b>	<b>334,542,078</b>
% shareholding	56
<b>Total acquire consideration</b>	<b>187,343,564</b>
<b>Goodwill</b>	<b>188,717,936</b>

### 33 Business combinations (Cont'd)

After 17 January 2017, the Group completed the tender offer for additional shares of Daii from other shareholders of 53,255 million shares at the price of Baht 5 per share, totaling Baht 266.28 million. As a result, the Group's shareholding in Daii increased from 56% to 60%.

On 3 May 2017, Daii changed its name to Nirvana Daii Public Co., Ltd.

On 31 May 2017, Nirvana transferred the assets and liabilities according to the Entire Business Transfer of Revenue Code to Nirvana Daii Public Co., Ltd.

During the year ended 31 December 2017, Nirvana Daii Public Co., Ltd. increased its share capital totally from Baht 1,180.60 million to Baht 1,405.60 million. However, the Group has not participated in such increases. As a result, the percentage of shareholding of the Group in Nirvana Daii Public Co., Ltd. decreased from 60% to 51.56% of share capital.

The revenue included in the consolidated statement of comprehensive income since 17 January 2017 contributed by Daii was Baht 273.54 million. Daii also contributed profit of Baht 151.42 million over the same period. Had Daii been consolidated from 1 January 2017, the consolidated statement of comprehensive income would show revenue of Baht 5,863.94 million and profit of Baht 623.56 million.

As at 31 December 2017, the Company was under the process of determining fair value of the acquired net assets and reviewing purchase price allocation (PPA) of an acquisition of Daii. Therefore, the goodwill may be subject to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the acquisition date.

### 34 Contract work in progress

#### a) Unbilled receivable

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Contract work in progress	234,050,200	183,755,482	-	-
Attributable profit	60,414,177	60,592,658	-	-
	294,464,377	244,348,140	-	-
<u>Less</u> Progress billings	(260,896,253)	(176,072,906)	-	-
	<u>33,568,124</u>	<u>68,275,234</u>	<u>-</u>	<u>-</u>

The Group recognised unbilled receivable under other current assets.

#### b) Due from customers on construction contracts

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Progress billings	768,846,116	367,708,616	-	-
<u>Less</u> Contract work in progress	(514,656,296)	(227,128,727)	-	-
Attributable profit	(143,370,626)	(84,041,999)	-	-
	<u>110,819,194</u>	<u>56,537,890</u>	<u>-</u>	<u>-</u>

The Group recognised due from customers on construction contracts under trade and other payables.

### 35 Contingent and commitment liabilities

#### Commitment

##### a) Capital expenditure commitments

Capital expenditure commitments but not recognised in the financial statements is as follow:

	Consolidated financial statements		Separate financial statements	
	2017 Million Baht	2016 Million Baht	2017 Million Baht	2016 Million Baht
Capital expenditure commitments	1,197.37	1,956.17	101.16	6.24

##### b) Commitments under contracts for project developments

Commitments under contracts for project developments but not recognised in the financial statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Million Baht	2016 Million Baht	2017 Million Baht	2016 Million Baht
Commitments under contracts for project development	4,544.24	3,892.37	1,335.64	1,570.58

##### c) Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Million Baht	2016 Million Baht	2017 Million Baht	2016 Million Baht
Not later than 1 year	48.85	41.23	20.85	24.94
Later than 1 year but not later than 5 years	84.59	60.21	24.56	31.12
Later than 5 years	138.81	101.43	-	-
Total	272.25	202.87	45.41	56.06

##### d) Bank guarantee

As at 31 December 2017, the Group had outstanding bank guarantees for the normal course of business, issued by banks of Baht 249.10 million (2016 : Baht 212.92 million). The Company had been guarantee of Baht 1.85 million (2016 : Baht 2.67 million).

##### e) Foreign currency forward contract

As at 31 December 2017, the Group had outstanding foreign currency forward contract in the amount of USD 10.8 million at the exchange rate of Baht 33.1950 per USD 1 (2016 : amounted to GBP 7.9 million at the exchange rate of 54.3 per GBP 1). The maturity date of contract is in the period during 18 January 2018 to 18 July 2020. The Group will recognise the impact of such contract at the maturity date.



**36 Event occurring after the reporting date**

- a) On 21 February 2018, Board of Directors of the Company passed a resolution of the decrease of registered share capital of the Company in the amount of Baht 100 million from the existing registered share capital of Baht 10,228.50 million to Baht 10,128.50 million, by cancelling 100 million unissued ordinary shares with a par value of Baht 1 per share, which are the shares that have been issued in support of the allocation of ordinary shares under the general mandate capital increase by way of a private placement (General Mandate) as previously approved by the 2016 Annual General Meeting of Shareholders held on 28 April 2017.
- b) On 19 February 2018, Board of Directors of Nirvana Daii Public Co., Ltd., passed a resolution to approve dividend payment amount Baht 0.06 per share and increase share capital 276,119,995 shares at a par value of Baht 1 per share.

# AUDIT FEE 2017

## Audit fee

The Company and its subsidiaries paid for the audit fees to the auditors' company for the 2017 account period amounting to 5,237,684.99 baht (five million, two hundred thirty-seven thousand, six hundred eighty-four baht and ninety-nine satangs).

## Non-Audit fee

The Company and its subsidiaries paid to the auditors' company for non-audit fees – risk management consultation fees, accounting service fees, etc. – amounting to 5,580,477.25 baht (five million, five hundred eighty thousand, four hundred seventy-seven baht and twenty-five satangs only).

# MANAGEMENT BIOGRAPHY



## Mr. Chutinant Bhirombhakdi

Chairman of the Board of Directors (Non-Executive Director)

Age : 60 Years Old

First Appointment Date : September 12, 2014

(Re-elected on April 28, 2017)

### Education

- Honorary Doctorate degree in Business Administration, Rajamangala University of Technology Tawan-ok
- Honorary Doctorate degree in Finance, Rajamangala University of Technology Phra Nakhon
- Bachelor's Degree in Economics, Boston University, Massachusetts, U.S.A.

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Audit Committee Program (ACP 38/2012)
- Role of the Chairman Program (RCP 11/2005)
- Director Certification Program (DCP 49/2004)

### Other Trainings

- 2009 Capital Market Academy Leader Program (Class 8/2009)
- 2003 Diploma, National Defence College of Thailand, Politics
- 2001 Strategic Negotiations: Deal Making for the Long Term, Harvard University, U.S.A.
- 1998 Families in Business: From Generation to Generation, Harvard University, U.S.A.

### Work Experience

- 2000 - 2014 Assistant Managing Director, Boonrawd Trading Company Limited
- 2012 - 2014 Managing Director, Boonrawd Trading International Company Limited
- 2011 - 2014 Director, Member of the Audit Committee, Member of the Corporate Social Responsibility Committee, Thai Airways International Public Company Limited

### Other Current Positions

Listed Company -

Public Company

- Director, Bangkok Glass Public Company Limited

### Limited Company

- Director, Singha Property Management Company Limited
- Executive Vice President, Boonrawd Brewery Company Limited
- Chief Executive Officer, Singha International Headquarter Company Limited
- Chairman, C.B. Holding Company Limited
- Director, Park Industry Company Limited
- Director, Singha Corporation Company Limited
- Director, Chiang Mai Beverage Company Limited
- Director, Treasury Properties Development (Thailand) Company Limited
- Director, Nares Voraritd Company Limited
- Director, Boonrawd Asia Beverage Company Limited
- Director, Pathum Thani Brewery Company Limited
- Director, Prep Group Company Limited
- Director, Music Move Company Limited
- Director, Wangnoi Beverage Company Limited
- Director, Samsen Brewery Company Limited
- Director, Singha Beverage Company Limited
- Director, Surat Thani Beverage Company Limited
- Director, S Company (1933) Company Limited

### Organization/ Institution

- President, Paralympic Committee of Thailand
- Committee of the Council of National Scout Organization of Thailand
- National Sports Development Fund

### State Enterprise

- Committee, Sports Authority of Thailand

### Securities Holding in Singha Estate as of December 31, 2017

Common share (S)	770,932 shares, 0.0112% of total paid-up capital
Warrant (S-W1)	157,866 units

### Family Relation with Other Directors

- Uncle of Mr. Chayanin Debhakam, D.B.A.

### Lawsuits in the 10 Preceding Years

-



## Ms. Napaporn Landy

Independent Director

Chairman of the Audit Committee

Age : 66 Years Old

First Appointment Date : February 11, 2016

(Re-elected on April 28, 2017)

### Education

- Master of Business Administration-Finance, University of Pennsylvania, U.S.A.
- Bachelor of Accountancy (Honors), Faculty of Commerce and Accountancy, Chulalongkorn University

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 8/2001)
- Audit Committee Program (ACP 39/2012)
- Chartered Director Class (CDC 7/2013)
- Risk Management Program for Corporate Leaders (RCL 6/2017)
- Strategic Board Master Class (SBM 2/2017)

### Other Trainings

- Advanced Certificate in Credit Management, Standard Chartered Bank
- Capital Market Academy Leader Program (Class 9)
- Top Executive Program in Commerce and Trade (TEPCoT), Class 5, Commerce Academy, University of the Thai Chamber of Commerce
- OIC Advanced Insurance Institute Class 5, OIC Advanced Insurance Institute

### Work Experience

- 2009 - 2012 Managing Director, TSFC Securities Public Company Limited
- 2004 - 2007 Managing Director, The Agricultural Futures Exchange of Thailand
- 1999 - 2001 Vice President - Credit Department, Standard Chartered Bank Nakornthon Public Company Limited
- 1993 - 2001 Executive Vice President, Siam City Bank Public Company Limited

### Other Current Positions

Listed Company -

Public Company

- Independent Director and Member of the Audit Committee, Allianz Ayudhya Assurance Public Company Limited
- Independent Director and Chairman of the Audit Committee, Allianz General Insurance Public Company Limited

Limited Company

- Director, Primo Company Limited

Organization/ Institution

- Director, Thai-German Development Foundation
- Director, Navatham Foundation

State Enterprise -

### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S) -

Warrants (S-W1) -

Family Relation with Other Directors -

Lawsuits in the 10 Preceding Years -



## Mr. Petipong Pungbun Na Ayudhya

Independent Director

Chairman of the Sustainable Development Committee

Member of the Risk Management Committee

Age : 71 Years Old

First Appointment Date : October 12, 2016

(Re-elected on April 28, 2017)

### Education

- Honorary Doctorate in Agricultural and Resource Economics, Kasetsart University
- MPA (Development Administration), California State University, U.S.A.
- B.A. (Economics), North East Missouri State University, U.S.A.
- Bachelor of Law, Ramkhamhaeng University

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Risk Management Program for Corporate Leaders (RCL 7/2017)

### Other Trainings

- Capital Market Academy Leader Program (Class 12)
- Diploma, National Defence College, The Joint State-Private Sector Course (Class 33)

### Work Experience

- 2015 - 2017 Member of National Reform Steering Assembly
- 2015 - 2017 Chair Person of the National Reform Steering Sub-Committee on Economy
- 2014 - 2015 Minister of Agriculture and Cooperatives
- 2013 - 2014 Member of the Audit and Evaluation Committee for Ministry of Natural Resources and Environment
- 2011 - 2014 Member of the National Committee on Water Resource Management Strategy
- 2011 - 2014 President of the Board of Directors, Thailand Center Excellence for Life Sciences (Public Organization)

- 2008 - 2014 Board of Directors, Office of Knowledge Management and Development (Public Organization)
- 2007 - 2014 Advisor to the Agricultural Research Development Agency (Public Organization)
- 2007 - 2014 President of the Board of Directors, Biodiversity-Based Economy Development Office (Public Organization)
- 2005 - 2012 President of the Board of Directors, Highland Research and Development Institute (Public Organization)

### Other Current Positions

Listed Company -

Public Company -

Limited Company -

### Organization/ Institution

- Member of Council of State
- Chairman of the Committee for Verification Draft Legislations Development, The Secretariat of the Cabinet
- President of the Academic Advisory Board of the Prime Minister
- Advisor of the Board of Directors, Highland Research and Development Institute (Public Organization)
- President of the Committee on Biodiversity-Based Economy Development Foundation
- Chairman of National Social Reform Committee

State Enterprise -

### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S) -

Warrants (S-W1) -

Family Relation with Other Directors -

Lawsuits in the 10 Preceding Years -



## Mr. Charamporn Jotikasthira

Independent Director

Chairman of the Risk Management Committee

Member of the Audit Committee

Age : 60 Years Old

First Appointment Date : February 24, 2017

### Education

- Master of Business Administration, Harvard University, U.S.A.
- Bachelor of Science in Electrical Engineering and Computer Science, Massachusetts Institute of Technology, U.S.A.

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP 66/2007)
- Director Certification Program (DCP 185/2014)

### Other Trainings

- National Defence Course for the Joint State Private Sector (2004), The National Defence College of Thailand
- Capital Market Academy Leader Program (Class 11)
- The Executive Program of Energy Literacy for a Sustainable Future (Class 1/2012), Thailand Energy Academy (TEA)

### Work Experience

- 2014 - 2017 - Director and President,  
Thai Airways International Public Company Limited
- Director, Thai Smile Airways Company Limited
  - Director, Nok Air Public Company Limited
- 2011 - 2014 - Member, The Financial Institutions Policy Committee (FIPC), Bank of Thailand
- Executive Chairman, Electronic Transactions Development Agency

- 2010 - 2014 - President, The Stock Exchange of Thailand
- Chairman, Thailand Securities Depository Company Limited
  - Chairman, Thailand Clearing House Company Limited
  - Chairman, Settrade.com Company Limited
  - Chairman, Family Know How Company Limited

### Other Current Positions

#### Listed Company

- Independent Director and Member of the Audit Committee, Minor International Public Company Limited
- Executive Director, Bangkok Bank Public Company Limited

#### Public Company

-

#### Limited Company

- Director, The Thai Silk Company (Jim Thompson)

#### Organization/ Institution

- Member of the Chulabhorn Royal Academy Council
- Director, Office of the National Strategic Committee
- Director, Suksapattana Foundation
- Director, Foundation for Research in Information Technology

#### State Enterprise

-

### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S)

-

Warrants (S-W1)

-

### Family Relation with Other Directors

-

### Lawsuits in the 10 Preceding Years

-





## Mr. Karoon Nuntileepong

Independent Director

Member of the Audit Committee

Member of the Nomination and Remuneration Committee

Age : 58 Years Old

First Appointment Date : November 12, 2014

(Re-elected on April 26, 2016)

### Education

- Master of Business Administration, Chulalongkorn University
- Bachelor of Laws, Thammasart University

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 9/2001)
- How to Develop a Risk Management Plan (HRP 11/2016)
- Board Matters and Trends (BMT 2/2017)
- Advanced Audit Committee Program (AAP 25/2017)
- Justification and Transparency of Directors and Executive's Remuneration

### Other Trainings

- Enterprise Risk Management and Procedure by the Stock Exchange of Thailand (SET)
- Career and Competency Management System
- Intellectual Property Law and International Trade by the Central Intellectual Property and International Trade Court
- Internal Quality Audit (IQA)
- Key Performance Indicator (KPI) – Management System
- Compensation Management System

### Work Experience

2012 - 2014 Director, CPP Company Limited

2011 - 2014 Director, CPI Agrotech Company Limited

2007 - 2014 Managing Director,  
Chumporn Palm Oil Industry Public Company Limited

### Other Current Positions

#### Listed Company

- Director, Chumporn Palm Oil Industry Public Company Limited

#### Public Company

-

#### Limited Company

- Director, Chumporn Holding Company Limited
- Director, Nature Touch Company Limited

#### Organization/ Institution

-

#### State Enterprise

-

### Securities Holding in Singha Estate as of December 31, 2017

#### Common shares (S)

-

#### Warrants (S-W1)

-

### Family Relation with Other Directors

-

### Lawsuits in the 10 Preceding Years

-



## Assistant Professor Thanavath Phonvichai, Ph.D.

Independent Director

Member of the Nomination and Remuneration Committee

Age : 52 Years Old

First Appointment Date : April 22, 2015

### Education

- Doctor of Philosophy, Applied Statistics and Research Methods, University of Northern Colorado, U.S.A.
- Master of Economics (Economics Development – Economics Planning, Second-Class Honors), National Institute of Development Administration
- Bachelor of Economics (Financial Economics, Second-Class Honors), Ramkhamhaeng University

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP 51/2006)
- Financial Statements for Directors (FSD 31/2016)
- Successful Formulation & Execution of Strategy (SFE 26/2016)

### Other Trainings

- Top Executive Program in Commerce and Trade (TEPCoT), Class 2, Commerce Academy, University of the Thai Chamber of Commerce
- Certificate in Capital Market Academy Leadership Program, Class 16
- Certificate in Energy Education Program for Executives, Class 4, Thailand Energy Academy
- Diploma, National Defence College, The National Defence Course Class 57

### Work Experience

- 2012 - 2015 - Vice President for Research, University of the Thai Chamber of Commerce
- 2009 - 2014 - Dean of Faculty of Economics, University of the Thai Chamber of Commerce
- Director, Thai National Tourism Committee
  - Director, Thai National Food Commission
  - Director, International Institute for Trade and Development
  - Director, Thai National Rice Policy Subcommittee - Marketing

- Director, Monitoring and Evaluation of Macroeconomics Subcommittee, the Senate
- Director, Trade Competition Committee, Ministry of Commerce
- Director, Study and Development Committee on Retail and Wholesale Trade System, Ministry of Commerce
- Director, Economics and Academy Committee, the Thai Chamber of Commerce
- Etc.

### Other Current Positions

**Listed Company** -

**Public Company**

- Chairman of the Audit Committee, Siam City Leasing and Factoring Public Company Limited
- Advisor, Managing Director, Muang Thai Insurance Public Company Limited

**Limited Company** -

**Organization/ Institution**

- Senior Vice President for Academic Affairs and Research, University of the Thai Chamber of Commerce
- Director of the Center for Economic and Business Forecasting, University of the Thai Chamber of Commerce
- Advisor to the Board, Thai Chamber of Commerce
- Director of the Anti-dumping and Countervailing Duty Committee, Ministry of Commerce
- Director of Patent Commission, Ministry of Commerce
- Guest Speaker for “Song Moom Khao” - a radio news talk - on Monday to Friday, 100.5 FM Radio

**State Enterprise**

- Board, The Government Lottery Office
- Board, Rubber Authority of Thailand

### Securities Holding in Singha Estate as of December 31, 2017

**Common shares (S)** -

**Warrants (S-W1)** -

**Family Relation with Other Directors** -

**Lawsuits in the 10 Preceding Years** -



### Mr. Chayanin Debhakam, D.B.A.

Director (Non-Executive Director)

Chairman of the Nomination and Remuneration Committee

Member of the Sustainable Development Committee

Chairman of the Executive Committee

Age : 48 Years Old

First Appointment Date : September 12, 2014

(Re-elected on April 26, 2016)

#### Education

- Doctorate degree in Business Administration, Rattana Bundit University
- Master of Management, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Biomedical Science, Kingston University, United Kingdom

#### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 191/2014)

#### Other Trainings

- Securities & Exchange Commission Capital Markets Leader Program: Building Competitiveness of Nation and Thai Capital Markets, the Securities and Exchange Commission (SEC)
- Advanced Certificate Course in Politic and Governance in Democratic Systems for Executive 12
- Advanced Certificate Course in Judicial Training for Executive 15

#### Work Experience

- Director, Boonrawd Brewery Company Limited
- Director, C.V.S. Syndicate Company Limited
- Director, Leo Links Company Limited
- Director, Fine Food Capital Company Limited

#### Other Current Positions

**Listed Company**

-

**Public Company**

-

**Limited Company**

- Director of 15 subsidiaries and/or joint ventures of the Company
- Director, Park Industry Company Limited
- Director, CTG 2002 Company Limited
- Director, Mahasan Enterprise Company Limited
- Director, Angthong Power Company Limited
- Director, Siam Parboiled Rice Company Limited
- Director, Khao Pun Dee Company Limited
- Director, Absolute Power P Company Limited
- Director, Solar Innovation Company Limited
- Director, G-Force Company Limited
- Director, Bangkok 12 Company Limited
- Director, Kasem Wanarom Company Limited
- Director and Deputy Managing Director, Singha Corporation Company Limited

**Organization/ Institution**

-

**State Enterprise**

-

#### Securities Holding in Singha Estate as of December 31, 2017

**Common share (S)** 4,000,000 shares,  
0.0584% of total paid-up capital

**Warrant (S-W1)**

-

#### Family Relation with Other Directors

- Nephew of Mr. Chutinant Bhirombhakdi

#### Lawsuits in the 10 Preceding Years

-



## Mr. Nutchdhawattana Silpavittayakul

Director (Non-Executive Director)

Member of the Sustainable Development Committee

Age : 54 Years Old

First Appointment Date : June 7, 2017

### Education

- Master Degree in Business Administration, Faculty of Commerce and Accountancy, Thammasat University
- Bachelor Degree in Accounting, Faculty of Commerce and Accountancy, Thammasat University

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Role of the Chairman Program (RCP 39/2016)
- Director Certification Program (DCP 102/2008)

### Other Trainings

- Strategy Management Program (SMP, Class 1), Faculty of Commerce and Accountancy, Chulalongkorn University
- Fiscal Economy Program for Executives (Class 3), King Prajadhipok's Institute
- CFO Certification Program, The Federation of Accounting Professions

### Work Experience

2009 - 2014 Corporate Finance and Accounting Director, Boonrawd Brewery Co., Ltd.

### Other Current Positions

Listed Company -

Public Company -

#### Limited Company

- Assistant Vice President, Boonrawd Brewery Co., Ltd.
- Chairman of the Board, Mahasarakham Beverage Co., Ltd.
- Director, Singha Park Chiangrai Co., Ltd.
- Director, Composer One Co., Ltd.
- Director, Beer Singha Beer Thai Co., Ltd.
- Director, C.B. Holding Co., Ltd.
- Director, Boonrawd Trading International Co., Ltd.
- Director, Singha Venture Capital Fund Ltd.

Organization/ Institution -

State Enterprise -

### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S)	- 340,728 shares,
	0.0050% of total paid-up shares
	- 212,500 shares,
Warrants (S-W1)	0.0031% of total paid-up shares (Spouse)
	- 81,052 units
	- 50,000 units (Spouse)

Family Relation with Other Directors -

Lawsuits in the 10 Preceding Years -



## Mr. Naris Cheyklin

Director

Member of the Risk Management Committee

Member of the Sustainable Development Committee

Member of the Executive Committee

Chief Executive Officer

Age : 56 Years Old

First Appointment Date : September 12, 2014

(Re-elected on April 26, 2016)

### Education

- Master of Accounting, Thammasat University
- Bachelor of Accounting, Thammasat University

### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 9/2002)

### Other Trainings

- Institute of Metropolitan Development (Class 4/2015)
- Advanced Security Management Program (Class 4/2013)
- Capital Market Academy Leader Program (Class 2/2006)
- Organizational Risk Management Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University (Class 2/2004)
- Corporate Financial Strategies, Kellogg School of Management, Chicago, U.S.A.
- Executive Development Program in Real Estate Management, Thammasat University (1993)
- Computer Audit Program, Arthur Andersen
- General Audit Program, SGV-Na Thalang, Bangkok and SGV Manila, Philippines

### Work Experience

- 2015 - 2017 Director, S36 Property Company Limited
- 2014 - 2017 Chairman, Nirvana Development Company Limited
- 2014 - 2017 Director, Thai Setakij Insurance Public Company Limited
- 2012 - 2013 President of Thai Shopping Center Association
- 1998 - 2013 Senior Executive Vice President, Central Pattana Public Company Limited

### Other Current Positions

#### Listed Company

- Director, Member of the Nomination and Remuneration Committee, and Chairman of the Executive Committee, Nirvana Daii Public Company Limited

#### Public Company

-

#### Limited Company

- Chairman, Nirvana River Company Limited
- Director of 31 subsidiaries and/or joint ventures of the Company
- Director, Siratan Company Limited
- Director, Interaccy Company Limited
- Director, Inthanon Club Resort Company Limited

#### Organization/ Institution

-

#### State Enterprise

-

### Securities Holding in Singha Estate as of December 31, 2017

<b>Common shares (S)</b>	4,300,000 shares, 0.0627% of total paid-up shares
<b>Warrants (S-W1)</b>	2,000,000 units

### Family Relation with Other Directors

-

### Lawsuits in the 10 Preceding Years

-



### Mr. Nattavuth Mathayomchan

Member of the Executive Committee  
Chief Residential Development Officer  
Age : 47 Years Old

#### Education

- Master of Business Administration (Management), Kasetsart University
- Bachelor of Engineering (Civil Engineering), Khon Kaen University

#### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 228/2016)
- Risk Management Program for Corporate Leaders (RCL 4/2016)

#### Other Trainings

-

#### Work Experience

2015 - 2017 Director, Singha Estate Public Company Limited  
2015 - 2017 Director, Nirvana Development Company Limited  
2015 - 2016 Member of the Risk Management Committee, Singha Estate Public Company Limited  
2010 - 2014 Vice President - Real Estate Development, Boonrawd Brewery Company Limited

#### Other Current Positions

**Listed Company** -  
**Public Company** -  
**Limited Company**  
• Director, Boonrawd Farm Company Limited  
• Director of 8 subsidiaries and/or joint ventures of the Company  
**Organization/ Institution** -  
**State Enterprise** -

#### Securities Holding in Singha Estate as of December 31, 2017

**Common shares (S)** -  
**Warrants (S-W1)** -

#### Family Relation with Other Directors

-

#### Lawsuits in the 10 Preceding Years

-



### Mr. Methee Vinichbutr

Member of the Executive Committee  
Chief Finance Officer  
Age : 36 Years Old

#### Education

- Master's Degree in Management, London School of Economics and Political Science, England
- Bachelor's Degree in Economics, London School of Economics and Political Science, England

#### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP 129/2016)

#### Other Trainings

- Executive Development Program (EDP), Thai Listed Companies Association

#### Work Experience

2015 - 2017 Director, Nirvana Development Company Limited  
2011 - 2014 Executive Vice President, Property and Infrastructure Fund Group, SCB Asset Management Company Limited

#### Other Current Positions

**Listed Company** -  
**Public Company** -  
**Limited Company**  
• Director of 17 subsidiaries and/or joint ventures of the Company  
**Organization/ Institution** -  
**State Enterprise** -

#### Securities Holding in Singha Estate as of December 31, 2017

**Common shares (S)** 198,699 shares,  
0.0029% of total paid-up shares  
**Warrants (S-W1)** 47,270 units

#### Family Relation with Other Directors

-

#### Lawsuits in the 10 Preceding Years

-





### Mr. Dirk De Cuyper

Member of the Executive Committee  
Chief Hospitality Officer  
(S Hotels and Resorts Inter Company Limited)  
Age : 52 Years Old

#### Education

- Bachelor of Hotel Management, Brussels Erasmus University, Belgium

#### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Certification Program (English Program) (DCP 247/2017)

#### Other Trainings

- Executive Leadership - Cornell, IMD and LBS

#### Work Experience

2012 - 2015	Regional General Manager Thailand & General Manager Millennium Hilton Bangkok, Hilton Worldwide
2012	Senior Director – Openings, Hilton Worldwide, Regional Office Shanghai, PR China
2009 - 2012	General Manager, Waldorf Astoria Shanghai on the Bund, PR China

#### Other Current Positions

Listed Company	-
Public Company	-
Limited Company	-
• Director of 20 subsidiaries and/or joint ventures of the Company	
Organization/ Institution	-
State Enterprise	-

#### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S)	-
Warrants (S-W1)	-

Family Relation with Other Directors	-
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Lawsuits in the 10 Preceding Years	-
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### Mr. Thiti Thongbenjamas

Member of the Executive Committee  
Chief Investment Officer\*  
Age : 45 Years Old

#### Education

- Bachelor of Arts, University of California, Berkeley, U.S.A.
- Executive Master of Business Administration, San Francisco State University (Concurrent), U.S.A.

#### Director Training Courses by Thai Institute of Directors Association (IOD)

-

#### Other Trainings

-

#### Work Experience

2009 - 2017	Vice President, Chief Finance & Controlling Officer, Asia Pacific & China Mövenpick Hotels & Resorts
2007 - 2017	Director, Siam Resort Company Limited
2009 - 2017	Director, MH&R Man (Thailand) Limited
2013 - 2017	Director, MH&R Asia (ROH) Limited

#### Other Current Positions

Listed Company	-
Public Company	-
• Director and Member of the Executive Committee, Nirvana Daii Public Company Limited	
Limited Company	-
• Director of 9 subsidiaries of the Company	
Organization/ Institution	-
State Enterprise	-

#### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S)	-
Warrants (S-W1)	-

Family Relation with Other Directors	-
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Lawsuits in the 10 Preceding Years	-
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\* Mr. Thiti Thongbenjamas was appointed as a Chief Operating Officer- Crossroads, Maldives on January 04, 2018.



### Mr. Kittsanant Kittamaytrapemadej

Chief Marketing Officer

Age : 58 Years Old

#### Education

- MBA Executive (MMP14), Chulalongkorn Business School
- Master of Business Administration in International Business Management, University of Thai Chamber of Commerce
- Bachelor of Business Administration, Ramkhamhaeng University

#### Director Training Courses by Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 74/2006)
- Director Accreditation Program (DAP 52/2006)
- Finance for Non-Finance Directors (FND 29/2006)

Other Trainings -

#### Work Experience

2014 - 2017 Freelance Business Strategist  
2012 - 2013 Chief Executive Officer,  
CTH Public Company Limited

#### Other Current Positions

##### Listed Company

- Director and Member of the Executive Committee,  
Nirvana Daii Public Company Limited

Public Company -

Limited Company -

Organization/ Institution -

State Enterprise -

#### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S) -

Warrants (S-W1) -

Family Relation with Other Directors -

Lawsuits in the 10 Preceding Years -



### Mr. Khem Kamwongpin

Acting Chief Design and Construction Officer

Senior Vice President - Design and Construction

Age : 45 Years Old

#### Education

- Master Degree in Civil Engineering, King Mongkut's University of Technology Thonburi
- Bachelor Degree in Civil Engineering, Chiangmai University

#### Director Training Courses by Thai Institute of Directors Association (IOD)

-

Other Trainings -

#### Work Experience

2002-2013 Assistant Vice President,  
Central Pattana Public Company Limited.

#### Other Current Positions

Listed Company -

Public Company -

Limited Company -

Organization/ Institution -

State Enterprise -

#### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S) -

Warrants (S-W1) -

Family Relation with Other Directors -

Lawsuits in the 10 Preceding Years -



### Mr. Longlom Bunnag (Resigned on January 31, 2017)

Director

Member of the Executive Committee

Chief Investment Officer

Age : 54 Years Old

First Appointment Date : September 12, 2014  
(Re-elected on April 22, 2015)

#### Education

- Higher National Diploma in Marketing Hammersmith and West London College, England

Director Training Courses by Thai Institute of Directors Association (IOD) -

Other Trainings -

#### Work Experience

2014-2017 Director of 29 subsidiaries and/or joint ventures  
1990-2013 Chairman, Jones Lang LaSalle (Thailand) Co., Ltd.

#### Other Current Positions

Listed Company	-
Public Company	-
Limited Company	-
Organization/ Institution	-
State Enterprise	-

#### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S)	-
Warrants (S-W1)	-

Family Relation with Other Directors -

Lawsuits in the 10 Preceding Years -

### Mr. Terachart Numanit (Resigned on May 1, 2017)

Member of the Executive Committee

Chief Design and Construction Officer

Age : 61 Years Old

#### Education

- Bachelor Degree in Civil Engineering, Polytechnic University, New York, U.S.A.

Director Training Courses by Thai Institute of Directors Association (IOD) -

Other Trainings -

#### Work Experience

2017	- Director and Member of the Executive Committee, Nirvana Daii Public Company Limited
	- Director of 5 subsidiaries and/or joint ventures of Nirvana Daii Public Company Limited
2014 - 2017	Director of 8 subsidiaries and/or joint ventures of the Company
2003-2014	Executive Vice President, Central Pattana Public Company Limited

#### Other Current Positions

Listed Company	-
Public Company	-
Limited Company	-
Organization/ Institution	-
State Enterprise	-

#### Securities Holding in Singha Estate as of December 31, 2017

Common shares (S)	- 506,200 shares, 0.0089% of total paid-up shares
	- 2,174,810 shares, 0.0381% of total paid-up shares (Spouse)
Warrants (S-W1)	774,820 units

Family Relation with Other Directors -

Lawsuits in the 10 Preceding Years -



## GENERAL INFORMATION OF BUSINESS HELD BY SINGHA ESTATE 10% UPWARDS

AS OF DECEMBER 31, 2017

Company Name and Address	Date of Establishment	Registration Number
<b>Hotel Business</b>		
<b>S Hotels and Resorts Inter Co., Ltd.</b> 123 Sun Towers Building B, 28 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	September 25, 2015	0105558156189
<b>S Hotels and Resorts (SG) Pte. Ltd.</b> 38 Beach Road, #29-11 South Beach Tower, Singapore 189767	November 11, 2015	201540210R
<b>S Hotels and Resorts Co., Ltd.</b> 123 Sun Towers Building B, 28 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	November 10, 2015	0105558179600
<b>S Hotel Phi Phi Island Co., Ltd.</b> 123 Sun Towers Building B, 28 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	November 24, 2014	0105557173454
<b>S Hotel Management Co., Ltd.</b> 123 Sun Towers Building B, 28 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	September 15, 2014	0105557135820
<b>S Hotels and Resorts (HK) Limited</b> 18 <sup>th</sup> Floor, One Exchange Square, 8 Connaught Place, Central, Hong Kong	October 7, 2015	2293599
<b>S Hotels and Resorts (UK) Ltd.</b> The Broadgate Tower, 3 <sup>rd</sup> Floor, 20 Primrose Street, London, United Kingdom, EC2A 2RS	September 30, 2015	09802164
<b>FS JV Co Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	September 24, 2015	09793554
<b>FS Mezz Co Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	September 24, 2015	09793967
<b>FS Mid Co Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	September 24, 2015	09794137
<b>FS Senior Co Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	September 24, 2015	09794219
<b>Jupiter Hotels Holdings Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	March 3, 2011	07550744
<b>Jupiter Hotels Midco Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	March 3, 2011	07550973
<b>Jupiter Hotels Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	March 3, 2011	07550805

Nature of Business	Registered Capital	Type of Share	Number of Paid-up Shares (Shares)	Value of Share	Shareholding
Property investments and management services or technical services and/or supporting services to associated companies or branches	7,950,345,300 Baht	Common	79,503,453	100 Baht	99.99%
Investment in other companies	684,498 USD	Common	684,498	1 USD	99.99% (shareholding through S Hotels and Resorts Inter Co., Ltd.)
Investment in other companies and/or property investments and management services or technical services and/or supporting services to associated companies or branches	51,000,000 Baht	Common	510,000	100 Baht	99.99% (51.96% shareholding through S Hotels and Resorts Inter Co., Ltd. and 48.04% through S Hotels and Resorts (SG) Pte. Ltd.)
Hotel management and investment	30,000,000 Baht	Common	300,000	100 Baht	99.99% (shareholding through S Hotels and Resorts Co., Ltd.)
Hotel management and investment	20,000,000 Baht	Common	2,000,000	10 Baht	99.99% (shareholding through S Hotels and Resorts Co., Ltd.)
Investment in other companies	42,632,000 GBP	Common	42,632,000	1 GBP	99.99% (shareholding through S Hotels and Resorts Inter Co., Ltd.)
Investment in other companies	500,000 GBP	Common	500,000	1 GBP	99.99% (shareholding through S Hotels and Resorts (HK) Limited)
Investment in other companies	1,000,000 GBP	Common	1,000,000	1 GBP	50% (shareholding through S Hotels and Resorts (UK) Ltd.)
Investment in other companies	1,000,000 GBP	Common	1,000,000	1 GBP	50% (shareholding through FS JV Co Limited)
Investment in other companies	1,000,000 GBP	Common	1,000,000	1 GBP	50% (shareholding through FS Mezz Co Limited)
Investment in other companies	1,000,000 GBP	Common	1,000,000	1 GBP	50% (shareholding through FS Mid Co Limited)
Investment in other companies	27,100,000 GBP	Common	27,100,000	1 GBP	50% (shareholding through FS Senior Co Limited)
Investment in other companies	27,100,000 GBP	Common	27,100,000	1 GBP	50% (shareholding through Jupiter Hotels Holdings Limited)
Investment in other companies and hotel management and investment	35,776,000 GBP	Common Preference	35,750,000 26,000	1 GBP 1 GBP	50% (shareholding through Jupiter Hotels Midco Limited and Jupiter Hotels Holdings Limited)



Company Name and Address	Date of Establishment	Registration Number
<b>Jupiter Hotels Wetherby Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	March 3, 2011	07550824
<b>Jupiter Hotels Management Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	February 28, 2014	08917598
<b>FS JV License Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	April 12, 2016	10119634
<b>FS Mid License Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	April 12, 2016	10119891
<b>The Hotelier Group Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	July 7, 2004	05173209
<b>Aston Hotels Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	July 7, 1994	02946395
<b>Aston Ventures Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	May 29, 2003	04780953
<b>Aston Hotels (Sheffield) Limited</b> 54 Portland Place, London, United Kingdom, W1B 1DY	February 6, 2006	05698974
<b>S Hotels and Resorts (SC) Co., Ltd.</b> Oliaji Trade Centre, 1 <sup>st</sup> Floor, Victoria, Mahe', the Republic of Seychelles	April 20, 2017	193638
<b>S Hotels and Resorts (Maldives) Pvt. Ltd.</b> H. Orchidmaage' 1 <sup>st</sup> Floor, Ameer Ahmed Magu, K. Male' 20095, Republic of Maldives	June 22, 2017	C-0621/2017
<b>Phi Phi Village Asset Management Co., Ltd.<sup>1</sup></b> 49 Moo 8 Phi Phi Island, Ao Nang, Amphoe Muang, Krabi, Thailand	July 20, 2011	0105554094677
<b>Talay Noi Property Co., Ltd.<sup>1</sup></b> 1/2 Soi Promdan 3, Bangbon, Bangkok	September 14, 2015	0105558149654
<b>Residential Property Business</b>		
<b>S Residential Development Co., Ltd.</b> 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	August 24, 2016	0105559132801
<b>S36 Property Co., Ltd.</b> 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Soi Choeiphuang Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	October 26, 2016	0105559168113
<b>S43 Property Co., Ltd.</b> 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	September 21, 2017	0105560160562
<b>Nirvana Daii Plc.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	September 15, 2004	0107547000851

Nature of Business	Registered Capital	Type of Share	Number of Paid-up Shares (Shares)	Value of Share	Shareholding
Hotel management and investment	4,505,000 GBP	Common Preference	4,500,000 5,000	1 GBP 1 GBP	50% (shareholding through Jupiter Hotels Limited and Jupiter Hotels Holdings Limited)
Hotel management and investment	1 GBP	Common	1	1 GBP	50% (shareholding through Jupiter Hotels Limited)
Investment in other companies	3,264,000 GBP	Common	3,264,000	1 GBP	50% (shareholding through S Hotels and Resorts (UK) Ltd.)
Investment in other companies	1 GBP	Common	1	1 GBP	50% (shareholding through FS JV License Limited)
Investment in other companies	8,022,378.7 GBP	Common	80,223,787	0.1 GBP	50% (shareholding through FS JV License Limited)
Hotel management and investment	3,000,000 GBP	Common	1,500,000	1 GBP	50% (shareholding through The Hotelier Group Limited)
Hotel management and investment	1,000,000 GBP	Common	1,000,000	1 GBP	50% (shareholding through The Hotelier Group Limited)
Hotel management and investment	1,000,000 GBP	Common	1,000,000	1 GBP	50% (shareholding through The Hotelier Group Limited)
Investment in other companies	500,000,000 USD	Common	177,700,001	1 USD	99.99% (shareholding through S Hotels and Resorts Inter Co., Ltd.)
Management of tourist resort developments in Maldives	6,000 USD	Common	0	1 USD	99.98% (shareholding through S Hotels and Resorts Inter Co., Ltd.)
Hotel management and investment	50,000,000 Baht	Common Preference	250,000 250,000	100 Baht 100 Baht	99.99% (shareholding through S Hotel Phi Phi Island Co., Ltd.)
Hotel management	1,000,000 Baht	Common	100,000	10 Baht	99.99% (shareholding through S Hotel Phi Phi Island Co., Ltd.)
Construction business	5,000,000 Baht	Common	50,000	100 Baht	99.99%
Property development (Condominium)	310,000,000 Baht	Common	3,100,000	100 Baht	51.00% (shareholding through S Residential Development Co., Ltd. )
Property development (Condominium)	630,000,000 Baht	Common	6,300,000	100 Baht	99.99%
Property and Construction	1,405,599,978 Baht	Common	1,380,599,978	1 Baht	51.56%

Company Name and Address	Date of Establishment	Registration Number
<b>Qtech Products Co., Ltd.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	April 17, 1995	0105538046680
<b>Atech Enterprise Co., Ltd.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	September 11, 2003	0105546109903
<b>Deeji Home Center Co., Ltd.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	October 5, 2005	0105548131353
<b>NVDG Co., Ltd.</b> <sup>2</sup> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	July 31, 2009	0105552077368
<b>Nirvana U Co., Ltd.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	September 28, 2009	0105552103733
<b>Nirvana Ramag Co., Ltd.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	February 22, 2008	0105551021652
<b>Nirvana River Co., Ltd.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	November 15, 2013	0105556183821
<b>Nirvana Construction Co., Ltd.</b> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	February 27, 2006	0105549027304
<b>NVDA Co., Ltd.</b> <sup>3</sup> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	March 12, 2001	0105544024684
<b>Nirvana Development Co., Ltd.</b> <sup>1</sup> 123 Sun Towers Building A, 11 <sup>th</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-105-6789 Fax +66 (0) 2-105-6787	February 1, 2005	0105548015663
<b>Commercial Property Business</b>		
<b>S Estate Commercials Inter Co., Ltd.</b> 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	July 24, 2015	0105558121547
<b>S Estate Commercials Co., Ltd.</b> 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	July 29, 2015	0105558124031
<b>S Commercials (Singapore) Pte. Ltd.</b> 38 Beach Road, #29-11 South Beach Tower, Singapore 189767	August 3, 2015	201530744M
<b>Max Future Co., Ltd.</b> 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	August 6, 2013	0105556124875
<b>Singha Property Development Co., Ltd.</b> 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok Tel. +66 (0) 2-050-5555 Fax +66 (0) 2-617-6444-5	June 12, 2012	0105555084454

Note <sup>1</sup> Under liquidation process

<sup>2</sup> The company's original name was Ginza Home Co., Ltd.

<sup>3</sup> The company's original name was Subthanarin Co., Ltd.

Nature of Business	Registered Capital	Type of Share	Number of Paid-up Shares (Shares)	Value of Share	Shareholding
Manufacturing of prefabricated fences, structures, and walls.	10,000,000 Baht	Common	1,000,000	10 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Trading of aluminum doors and windows.	7,000,000 Baht	Common	700,000	10 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Construction	8,000,000 Baht	Common	800,000	10 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Construction	5,000,000 Baht	Common	500,000	10 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Real Estate	80,000,000 Baht	Common	800,000	100 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Real Estate	150,000,000 Baht	Common	1,500,000	100 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Real Estate	305,000,000 Baht	Common	3,050,000	100 Baht	36.09% (shareholding through Nirvana Daii Plc.)
Construction	140,000,000 Baht	Common	1,400,000	100 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Real Estate	65,000,000 Baht	Common	650,000	100 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Real Estate	878,768,100 Baht	Common	8,787,681	100 Baht	51.56% (shareholding through Nirvana Daii Plc.)
Acquisition, divestment, exchange, lease, and let out of lands, buildings and properties of all kinds, and investment in other companies	4,062,000,000 Baht	Common	40,620,000	100 Baht	99.99%
Acquisition, divestment, exchange, lease, and let out of lands, buildings and properties of all kinds, and investment in other companies	2,080,000,000 Baht	Common	20,800,000	100 Baht	99.99% (shareholding through S Estate Commercials Inter Co., Ltd.)
Investment in other companies	56,796,178 USD	Common	56,796,178	1 USD	99.99% (shareholding through S Estate Commercials Inter Co., Ltd.)
Property development and investment	1,500,000,000 Baht	Common	15,000,000	100 Baht	99.99% (51.33% shareholding through S Estate Commercials Co., Ltd. and 48.66% through S Commercials (Singapore) Pte. Ltd.)
Property development and investment	2,562,000,000 Baht	Common	25,620,000	100 Baht	99.99% (51.13% shareholding through S Estate Commercials Co., Ltd. and 48.86% through S Commercials (Singapore) Pte. Ltd.)

# LIST OF DIRECTORS IN SUBSIDIARIES AND JOINT VENTURES

AS OF DECEMBER 31, 2017

Directors	Singha Estate Plc.	Subsidiaries															
		S Hotels and Resorts Inter Co., Ltd.	S Hotels and Resorts Co., Ltd.	S Hotel Phi Phi Island Co., Ltd.	S Hotel Management Co., Ltd.	S Hotels and Resorts (SG) Pte. Ltd.	S Hotels and Resorts (HK) Limited	S Hotels and Resorts (UK) Ltd.	S Hotels and Resorts (SC) Co., Ltd.	S Hotels and Resorts (Maldives) Pvt. Ltd.	S Estate Commercials Inter Co., Ltd.	S Estate Commercials Co., Ltd.	S Commercials (Singapore) Pte. Ltd.	Max Future Co., Ltd.	Singha Property Development Co., Ltd.	S Residential Development Co., Ltd.	S43 Property Co., Ltd.
1. Mr. Chutinant Bhirombhakdi	★																
2. Ms. Napaporn Landy	•																
3. Mr. Karoon Nuntileepong	•																
4. Mr. Petipong Pungbun Na Ayudhya	•																
5. Mr. Charamporn Jotikasthira	•																
6. Asst. Prof. Thanavath Phonvichai, Ph.D.	•																
7. Mr. Chayanin Debhakam, D.B.A	•	•	•	•	•	•	•	•			•	•	•	•	•	•	•
8. Mr. Nutchdhawattana Silpavittayakul	•																
9. Mr. Naris Cheyklin	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
10. Mr. Nattavuth Mathayomchan											•	•	•	•	•	•	•
11. Mr. Methee Vinichbutr		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
12. Mr. Dirk De Cuyper						•	•	•	•	•							
13. Mr. Thiti Thongbenjamas									•	•	•	•	•	•	•	•	•
14. Mr. Kittsanant Kittamaytrapremdej																	
15. Mr. Sornsak Somwattana																	
16. Mr. Anuchat Angsumethangkoon																	
17. Mr. Parichatr Yampandh																	
18. Mr. Yoo Loo Ping						•							•				
19. Mr. Sanjay Kumar Singh																	
20. Mr. Krit Srichawla																	
21. Mr. Shane Harris																	
22. Mr. Andrew Edward Pring																	
23. Mr. Gavin Stephen Taylor																	
24. Mr. Sutthichai Sungkamanee																	
25. Dr. Preeprem Nonthaleerak																	
26. Ms. Pojanard Prinyapatpakorn																	
27. Ms. Wachiraporn Sakulchan																	
28. Mr. Toontawee Mongkolsangsuree																	
29. Mr. Narongrit Sudthongkong																	
30. Mr. Thitiwut Vimuktanonda																	
31. Mr. Wee Hsien Tan																	
32. Ms. Siew Fong The																	
33. Mr. Mohamed Shahdy Anwar										•							

★ Chairman

• Director





## REFERENCE FIRMS

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### Registrar of Common Share and Warrant (S-W1)

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building

93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400, Thailand

Tel.: +66 (0) 2009 9000

SET Contact Center : +66 (0) 2009 9999

Fax: +66 (0) 2009 9991

Email: SETContactCenter@set.or.th

### Auditors

PricewaterhouseCoopers ABAS Ltd.

By Mr. Vichien Khingmontri Certified Public Accountant (Thailand) No. 3977, or

Mrs. Anutai Poomsurakul Certified Public Accountant No. 3873, or

Miss Varaporn Vorathitikul Certified Public Accountant No. 4474, or

Mr. Chanchai Chaiprasit Certified Public Accountant No. 3760

15th Floor Bangkok City Tower,

179/74-80 South Sathorn Road, Bangkok 10120, Thailand

Tel.: +66 (0) 2344 1000

Fax: +66 (0) 2286 8200

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# INFORMATION FOR INVESTORS

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## Singha Estate Public Company Limited

Registered Capital: 10,228,502,526 baht  
Issued and Paid-up Capital: 6,853,719,295 baht  
Comprising of ordinary shares of 6,853,719,295 shares  
par value of 1 baht per shares

### Stock Information

- Common shares of the Company have been listed and traded on the Stock Exchange of Thailand since 12 April 2007 under the company name Rasa Property Development Public Company Limited with “RASA” as the abbreviated security name.
- On September 12, 2014, the Company underwent a business integration with a change in its shareholding structure and company name to Singha Estate Public Company Limited with “S” as the abbreviated security name.

### Annual General Meeting of Shareholders

The Board of Directors of Singha Estate Public Company Limited agreed to hold the 2017 Annual General Meeting of Shareholders (“AGM”) on April 25, 2018, at 14.00 p.m. at the Main Conference Room, 39<sup>th</sup> Floor, Suntowers Building B, No. 123 Vibhavadi-Rangsit Road, Chompon, Chatuchak, Bangkok 10900 Thailand.

### Company Secretary and Investor Relations

Contact person: Ms. Choenporn Subhadhira  
Address: Singha Estate Public Company Limited  
123 Suntowers Building B, 40<sup>th</sup> Floor,  
Vibhavadi-Rangsit Road, Chompon,  
Chatuchak, Bangkok 10900 Thailand  
Telephone: +66(0) 2050 5555 Ext. 510  
Facsimile: +66(0) 2617 6444 - 5  
Email: [choenporn.s@singhaestate.co.th](mailto:choenporn.s@singhaestate.co.th) and  
[company.secretary@singhaestate.co.th](mailto:company.secretary@singhaestate.co.th)  
Website: [www.singhaestate.co.th](http://www.singhaestate.co.th)

### Dividend Policy:

S has a policy to pay dividends at a rate of about 40 percent of the annual net profit (unless there is a compelling reason against this).

## 2017 and 2018 Financial Calendar

Financial Calendar	2017	2018 (Tentative)
Announcement of full year financial results (prior year)	February	February
The closing date of the shareholders registration book for the rights to attend the AGM	March	March
The Annual General Meeting of the Shareholders	April	April
Announcement of first quarter financial results	May	May
Announcement of second quarter financial results	August	August
Announcement of third quarter financial results	November	November

## 2017 Investor Relations Activities

Month	Key Events
January	“8 <sup>th</sup> Annual ASEAN Conference” in Singapore, organized by Credit Suisse Securities
	“SET Thai Corporate Day” in Bangkok, organized by The Stock Exchange of Thailand, incorporation with CIMB Securities (Thailand)
March	“Opportunity Day” for the FY2016 financial results in Bangkok, organized by The Stock Exchange of Thailand
April	Non-deal roadshow in Singapore and Hong Kong, organized by Credit Suisse Securities (Thailand)
May	Non-deal roadshow in Bangkok, organized by Credit Suisse Securities (Thailand)
June	Non-deal roadshow in Bangkok, organized by Credit Suisse Securities (Thailand)
	“Opportunity Day” for the 1Q/2017 financial results in Bangkok, organized by The Stock Exchange of Thailand
August	“Opportunity Day” for the 2Q/2017 financial results in Bangkok, organized by The Stock Exchange of Thailand
November	“Opportunity Day” for the 3Q/2017 financial results in Bangkok, organized by The Stock Exchange of Thailand

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**SINGHA ESTATE PUBLIC COMPANY LIMITED**

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Head Office	: 123 Sun Towers Building B, 22 <sup>nd</sup> Floor, Vibhavadi-Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900
Tel	: +66 (0) 2050-5555
Fax	: +66 (0) 2617-6444 - 5
Corporate Website	: <a href="http://www.singhaestate.co.th">www.singhaestate.co.th</a>
Company Registration Number	: 0107547000443
Year of Establishment	: 1995
Principal Activities	: Investment, development, and management of residential and commercial property and hotel business
Security Information	: Common shares of Singha Estate Public Company Limited have been listed and traded on the Stock Exchange of Thailand since 2007 under the current security symbol of “S”
Share Capital	
Registered Capital	: Baht 10,228,502,526, comprising 10,228,502,526 ordinary shares at par value of Baht 1 per share
Issued and Paid-up Capital	: Baht 6,853,719,295, comprising 6,853,719,295 ordinary shares at par value of Baht 1 per share
Contacts	: Investor Relations and Company Secretary
Telephone	: +66 (0) 2050-5555 Ext. 510-511
Fax	: +66 (0) 2617-6444 - 5
Email	: <a href="mailto:Choenporn.s@singhaestate.co.th">Choenporn.s@singhaestate.co.th</a> / <a href="mailto:Company.secretary@singhaestate.co.th">Company.secretary@singhaestate.co.th</a>

**SINGHA ESTATE PUBLIC COMPANY LIMITED**

123 Sun Towers Building B, 22<sup>nd</sup> Floor,  
Vibhavadi-Rangsit Road, Chom Phon,  
Chatuchak, Bangkok 10900

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Fax : +66 (0) 2617-6444 - 5

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