



**DOING NEW THINGS TOGETHER**

# 2017 ANNUAL REPORT

**PROJECT PLANNING SERVICE  
PUBLIC COMPANY LIMITED**

**ISO 9001  
CERTIFIED**







**DOING NEW THINGS TOGETHER**



**PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED**



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## VISION, MISSION, VALUE

### Vision



PPS determines to be leader in consulting business and related business and we also seek for other new opportunity business for a constant progression. We adhere to the integrity and the innovation for sustainable business practice.



### Mission

1. We will maintain the profit rate for shareholders by giving the customers successes regarding on the ethics and benefits for everyone.
2. We determinedly search for the investment channel and business opportunity.
3. We are accountable for the community, society, environment, nation, and shareholders.
4. We will develop the working process via innovation together with human resource continuously.

### Value

1. Having good service and being trustworthy
2. Having physical and mental determination
3. Team-working
4. Being honest, disciplinable, humble, and moral person
5. Thinking, talking, and working creatively
6. Life-long learning
7. Being adaptable for the changes
8. Maintaining the company's reputation
9. Thinking, doing, making decision, and commenting confidently
10. Having good attitude



## STRATEGY, AND LONG-TERM GOAL

### Strategy)

1. Acquire useful projects from the customers who are honest and regard the good governance in order to be advantages for our country with a fair business return.
2. Control the cost, quality, and time for the customers' satisfaction
3. Create the connection and expand the market for investment channel to decrease the possible risks and to ensure the long-term benefits for shareholders
4. Develop human resources, operating system in organization to increase the potential in the competition
5. Develop the innovation to support the capability in competition and knowledge management

### LONG-TEM GOAL

1. To continually gain profits by means of investment and various businesses.
2. To be a pride of Thais within 2037 B.E.
3. To hold a good governance for sustainable development of business, society, environment, and our nation.

Remark:

Approved by the Board of Director's Meeting No. 3/2017 held on August 10th, 2017.

## Company highlights



### TRUSTWORTHY

- 5- Star CG awarded company of 3 consecutive years
- Certified collective action against corruption (CAC)
- Award winning company eg. SET award 2017 best company performance
- Sustainability investment award 2017 rising star

### PROFESSIONAL

- In the business for more than 30 years with more than 300 projects region wide
- First company in sector that get ISO9002 since 1990 and continue its certificate until present
- More than 300 staffs of experience engineers and architects.



## High standard Following of the mega trend

- Global warming trend : PPS have new subsidiary that doing energy saving project on government and private own buildings
- Digital transformation trend : PPS developed its own IT system which cover wide range of services . PPS system is call Total operation integration system (TOI). This system can capture, manage and control project information, track and audit the flow and exchange of information between organisations and teams, control project handover, and impose project information audit. With this system, PPS can extend its services beyond the project construction phase.
- Thailand government project trend : PPS is capable of capture the wave of government spending of the infrastructure mega projects.

## Our Pride Awards



1. The company received CGR project survey 2017 with Excellent CG Scoring 5 Stars Rank (96%)
2. Thailand Sustainability Investment 2017 Award from SET Sustainability Award 2017 organized by The Stock Exchange of Thailand
3. Rising Star Award from SET Sustainability Award 2017 organized by The Stock Exchange of Thailand
4. The company received 100 evaluation scores of the Annual General Meeting of Shareholders for 2017



5. Best CEO Awards (CEO of company listed on mai) from SET Sustainability Award 2017 organized by The Stock Exchange of Thailand
6. CEO of company listed on mai from SET Sustainability Award 2017 organized by The Stock Exchange of Thailand
7. Best Company Performance Awards (Company Listed on mai) from SET Sustainability Award 2017 organized by The Stock Exchange of Thailand
8. Outstanding Company Performance Awards (Company Listed on mai) from SET Sustainability Award 2017 organized by The Stock Exchange of Thailand
9. Outstanding Continuing Professional Development Organization Award 2017 from Council of Engineers



## Message from the Chairman of Executive Director

It was a year of The Royal Cremation Ceremony of His Majesty King Bhumibol Adulyadej in 2017. We, as committees, executives, and employees of Project Planning Service PCL., would like to follow the King's royal wishes and we also would like to wish His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun long live His Majesty the King.

In the year 2017, Thailand's investment condition was better than the past year, 2016. This was because the government had contributed the country's infrastructure in every aspect. We also were a part of this country developing project since the late of 2016. Meanwhile, the investment of private sector was progressively recovering and will continue better in 2018 as well.

In 2017, it was our pleasure that Project Planning Service PCL. (PPS) was rewarded a 'Rising Star' and 'Thailand Sustainability investment 2017' from SET Sustainability award 2017. The awards caused PPS showed in the list of Thailand Sustainability investment three years in a row. Moreover, we received a five-star excellent level in Corporate Governance Report three years consecutively.

The board has been working hard in order to retain these successes. Each director took part in the policy and direction setting as well as administrated with the management sector for the possible risks especially the risk of corruption. However, PPS will continue to file a request for the warrant from Thailand's Private Sector Collective Action Coalition against Corruption.

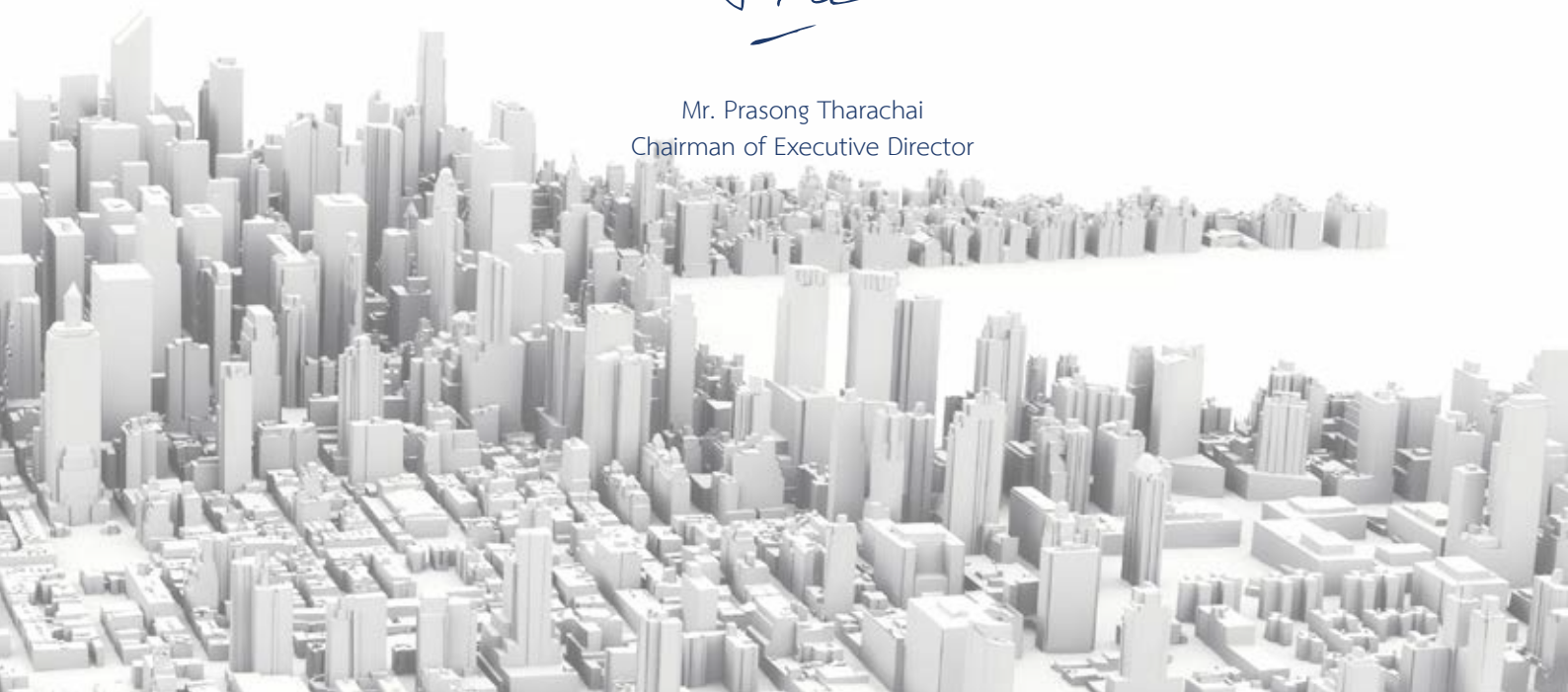
Another pleasant matter in 2017 was the BEST Performance and the BEST CEO award from SET Award 2017. The awards helped to assure that we intend to run our business well on the basis of business sustainability.

In addition, our company always concentrates on successes and profits for the stakeholders on the basis of the reliability and potential. During the previous year, our employees have been well cooperated ever in 30 years of the company's performance.

We greatly appreciate and feel thankful to all of the shareholders, customers, managements, staffs of PPS family, mass media, and The Stock Exchange of Thailand's officers for your assistance, opportunity, and support. Hence, we will perform our best to move the society forward with favorable results through good governance to ensure sustainable development of the company.



Mr. Prasong Tharachai  
Chairman of Executive Director



## Message from the Board of Director

2017 has truly been a year to be proud of for all the board of directors and PPS staffs as it is our 30th company anniversary. Therefore, this means it is the time to plan new step for the company.

As in 2017, the construction managing business part has still remained the main business of PPS. We also have the backlog project; Suvarnabhumi Airport Phase II Construction, which had been continuously building since 2016 invested by the government. We are expecting more projects launched by the government in the upcoming 2018. As for the private sector projects, it is continually increasing as well and it is expecting to see more investment from the private organizations in this 2018.

With regard to construction and system design, PPS Design Co., Ltd., the affiliated company, have gained significantly different net income from 2016 from the project Lessoo Mall by Chinese investors. This was the investment for only phrase I. We also cooperated with Swan and Maclaren, a joint venture of Swan and Maclaren Group Pte. Ltd., for architectural design. This means only the share of profit we are aware of.

However, the delay in new kinds of business investment including event management and application development made result not successful as expected. Hence, PPS Information Consultant or PIC faced financial loss in 2017. As such, we agreed to restructure PIC business strategies into a company that mainly focuses on production house. Nevertheless, what PIC have done have created inspiration and brand. Moreover, PPS monthly report of other organizations belonged to PPS helped making PPS GROUP ahead of others in competition.

PPS GROUP therefore has gained 396.03 million of net income which was 24.11% increased from 2016 (THB 319.10 millions). Similarly, our 2017 profit is THB 55.17 million, significantly increased 71.44% from THB 32.18 million in 2016.



For the past year, PPS has been planning to receive over 1 billion incomes from 2018 to 2022 and hoping to have a registered capital of about THB 300 million within 5 years. With this plan, PPS hopes to gain not more than THB 500 million per year from managing and construction business. In other words, the other THB 500 million must come from other kinds of business. As a result, this means PPS needs to develop other business related the main business, marketing advantage and skill in order to gain the expected income of THB 500 million per year. The company strongly needs to adapt in many ways along with the growth and competition in order to achieve the expected goal.

As a result, 2018 working plan focuses on three main points;

1. The company aims to continually develop working system and eventually creates PPS Innovation in every part. This includes the development in application that is used for controlling construction work and PPS Project Live which has the ability to deliver documents in a very short time and store information as the company's Knowledge Management. Continuously developing from 2017, PPS Project Live has currently improved to be mobile application for both IOS and Android. We are hoping that this in the future can promote PPS income as well. For working procedure developing, we try to focus more on the improving of pre-construction system and make sure that it will cover the process until the job has been submitted and used. Unlike the past works, the focus was only in the construction period. By doing so, there must be a developing in document control and working quality control for managing the increase, decrease and change of work. These two developing projects are expected to be done by the end of this year so that the company can make use of them as a chance of making money and for further business opportunity.

2. The company is planning to improve working process to become more international. Due to huge changes in business competition including working procedure, client expectation and foreign competitor's working process which is considered the important competitor of PPS since we are in the same market rank, PPS needs to improve the working process more international. By being international, this covers working process and communication. Thus, it is a need for the company to take care of in the following years.

3. PPS has been mainly doing managing and controlling construction businesses, meaning only focusing on construction process and new project coming. However, since nowadays ways to conduct business and the services within the company have been changed. There are more various ways in conducting business, covered from project brainstorming, design, construction process, submission, building managing, building usage managing and energy managing. Also, there must be a communication delivered to both company employees and clients to make them understand about our new plan for further benefits in PPS Group business conducting.

In this near future, there are many opportunities to grow for PPS. When conducting business, we strongly hold on to reliability, trust, transparency, free-corruption and concern in environment, stakeholders and community. We can at least practice these by ourselves and also in the company, to make it better in every aspect. We believe that the best way of teaching is to show them and the sustainable creating is to create people who can expand and take care of the good we have been done. Due to the trust given to PPS, we should take good care of all our shareholders and make sure that they gain good return from the continually sustainable investment in every year.



Dr. Phongthon Tharachai  
Chief Executive Officer (CEO)



## Board of Directors

### Mr. Prasong Tharachai

#### Position in the Company

Chairman of the Board of Directors, Authorized Director, and Chairman of Advisors of the Executive Committee

Age 72 years

#### Academic Degree

- Ph.D. Honorary Doctorate of Engineering, Faculty of Engineering, Ramkhamhaeng University
- Master Degree, Master of Engineering, Asian Institute of Technology (AIT)
- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

#### Training

- Director Accreditation Program (DAP) Class 91/2011 Thai Institute of Directors
- Role of the Chairman Program (RCP) Class 34/2014 Thai Institute of Directors
- Chairman Forum R-CF 1/2014 Thai Institute of Directors

#### Work Experience

- 2011 – 2015 Vice President of Council of Engineer
- 2008 - 2010 President of The Engineering Institute of Thailand Under H.M. The King's Patronage
- 2004 - 2006 Secretary of Council of Engineer
- 2003 - 2004 Secretary of The Engineering Institute of Thailand Under H.M. The King's Patronage
- 1987 - Present Chairman of Project Planning Service Public Company Limited
- 1987 - Present Chairman of PPS Design Company Limited
- 1976 - 1987 Vice President of Southeast Asia Technology Company Limited
- 1973 - 1976 Project Manager of Pramuan Pattanakan Company Limited
- 1971 - 1973 Project Manager of Wattana Engineering Consultants Company Limited
- 1968 - 1969 Field Engineer of Pramuan Pattanakan Company Limited

#### Directorships in the Company

- June 2nd, 2012 – April 17th, 2013 Chairman of Project Planning Service Public Company Limited (First Term)
- April 17th, 2013 – April 22nd, 2016 Chairman of Project Planning Service Public Company Limited (Second Term)
- April 22nd, 2016 – Present Chairman of Project Planning Service Public Company Limited (Third Term)

Date of Appointment April 22nd, 2016

Number of year tenure as director 31 years

Directorships in other listed company - None -

#### Directorships in other company

- 1987 – Present Chairman of PPS Design Company Limited

#### Other Current Positions

- 2014 – 2016 Vice President of "FOUNDATION FOR THE WELFARE OF NEEDY SCHOOLCHILDREN UNDER ROYAL PATRONAGE OF HERMAJESTY THE QUEEN"
- 2010 - Present Consultant of The Engineering Institute of Thailand Under H.M. The King's Patronage
- 1997 – Present Consultant of Thai Electrical & Mechanical Contractors Association Under H.M. The King's Patronage

Criminal history for the past 10 years - None -

#### Shareholding

- 108,552,312Shares (14.63%)<sup>1</sup>
- 96,456,312Shares (13.00%)<sup>2</sup>

Family Relationship between Company's Director(s) and Executives: Father of Mr. Phongthon Tharachai and Mr. Theerathon Tharachai

Note

(1) Held by the Directors includes the spouse, minor children and partnership referred to Section 258.

(2) Held by the Directors



## Mr. Tat Thongpakdi

**Position in the Company** Board of Director, Authorized Director, Executive Committee and Managing Director

**Age** 54 years

### Academic Degree

- Master of Engineering Administration, Major in Construction Management, George Washington University, Washington DC, USA
- Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

### Training

- Director Accreditation Program (DAP) Class 100/2013 Thai Institute of Directors
- Financial Instruments for Directors (FID) Class 3/2013
- Successful Formulation and Execution of strategy (SFE) Class 24/2015 Thai Institute of Directors
- Enhancing Thailand Competitiveness (2015) Thai Listed Companies Association

### Work Experience

- 2013 – Present Board of Director of Project Planning Service Public Company Limited
- 2013 – Present Managing Director of Project Planning Service Public Company Limited
- 2012 – Present Executive Committee of Project Planning Service Public Company Limited
- 2015 – Present Director of PPS Design Company Limited
- 1998 - 2011 Project Director of Project Planning Service Company Limited
- 1988 - 1998 Project Manager of Project Planning Service Company Limited
- 1986 - 1987 Assistant Project Manager of David Allen Company, Washington D.C., USA
- 1984 - 1985 Cost Engineer of Thai Konoike Construction Company Limited

### Directorships in the Company

- April 17th, 2013 – April 22nd, 2016 Board of Director (First Term)
- April 22nd, 2016 – Present Board of Director (Second Term)

**Date of Appointment** April 22<sup>nd</sup>, 2016

**Number of year tenure as director** 5 years

**Directorships in other listed company** - None -

### Directorships in other company

- 2015 – Present Director of PPS Design Co.,Ltd.

### Other Current Positions

- 2015 – Present Director of PPS Design Co.,Ltd.

**Other Current Positions** - None -

### Shareholding

- 12,272,219Shares (1.65%)<sup>1</sup>
- 12,272,219Shares (1.65%)<sup>2</sup>

**Family Relationship between Company's Director(s) and Executives: None** -None



## Dr. Phongthon Tharachai

### Position in the Company

Board of Director, Authorized Director, Chairman of the Executive Committee,  
Chairman of the Corporate Governance and Social Responsibility Committee, Risk Management Committee

**Age** 42 years

### Academic Degree

- Ph.D. Doctor of Engineering (Civil) Kyoto University, Japan
- Master Degree, Master of Science (Civil Engineering) University of Illinois at Urbana-Champaign, USA
- Bachelor Degree, Bachelor of Laws (Honors), Chulalongkorn University
- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

### Training

- Leadership Succession Program (LSP) Class 8/2017 of Institute of Research and Development for Public Enterprises (IRDPE)
- Training Program – Advance Potentiality Development of Innovation for Entrepreneurs by Institute of National Innovation, SET, mai and TMA
- Anti-Corruption for Executive Program Class 11/2014 (ACEP 1) Thai Institute of Directors Association
- CSR Report Class 8/2014 The Stock Exchange of Thailand (SET)
- Preliminary CSR for Corporate Sustainability Class 8/2014 The Stock Exchange of Thailand (SET)
- Thai Intelligent Investor Program 2014 Thai Investors Academy
- Corporate Sustainability Advisory Program 2014 The Stock Exchange of Thailand (SET)
- Future Entrepreneurs Forum (FEF) Class 1 Market for Alternative Investment (MAI)
- Director Accreditation Program (DAP) Class 91/2011 Thai Institute of Directors
- Executive Development Program (EDP) Class 5/2010 Thai Listed Company Association (TLCA)
- Anti-Corruption Seminar Class 2/2013 Thai Institute of Directors Association

### Work Experience

- 2017 – Present Chairman of the Executive Committee of Project Planning Service Public Company Limited
- 2017 – Present Director – SAPATT Project Company Limited
- 2016 – Present Director – Ensemble Equity Pte.,Ltd.
- 2013 – 2017 Deputy Chairman of the of the Executive Committee of Project Planning Service Public Company Limited
- 2013 - Present Managing Director of PPS Information Consultant Company Limited
- 2013 – Present Chairman of the Executive Committee of Swan & Maclaren (Thailand) Company Limited
- 2011 – Present Board of Director of Project Planning Service Public Company Limited

- 2011 – Present Executive Committee of Project Planning Service Public Company Limited
- 2010 – Present Director of Ahead Advisory Company Limited
- 2004 - 2011 Director of Romano Gatland (Asia-Pacific) Company Limited
- 2003 – Present Director of Phongtheerathon Company Limited
- 2003 - 2011 Project Manager of Project Planning Service Company Limited
- 1998 - 2000 Civil Engineer of Project Planning Service Company Limited
- 1997 Civil Engineer (Designing) of Siam Innovation Engineering Consultant Company Limited

### Directorships in the Company

- June 2nd, 2012 – April 9th, 2014 Board of Director (First Term)
- April 9th, 2014 – April 27th, 2017 Board of Director (Second Term)
- April 27th, 2017 – Present Board of Director (Third Term)

**Date of Appointment** April 27th, 2017

**Number of year tenure as director** 6 years

**Directorships in other listed company** - None

**Directorships in other company**

- 2017 – Present     Direction – SAPATT Project Company Limited
- 2016 – Present     Director – Ensemble Equity Pte.,Ltd.
- 2013 – Present     Managing Director of PPS Information Consultant Company Limited
- 2003 – Present     Director of Phongtheerathon Company Limited
- 2010 - Present     Director of Ahead Advisory Company Limited

**Other Current Positions**

- 2016 – Present     Cultural Ambassador, Embassy of The Republic of Korea

**Criminal history for the past 10 years**

- None -

**Shareholding**

- 93,102,360 Shares     (12.55%)<sup>1</sup>
- 93,102,360 Shares     (12.55%)<sup>2</sup>

**Family Relationship between Company's Director(s) and Executives:** Son of Mr.Prasong Tharachai

## Dr. Theerathon Tharachai

### Position in the Company

Board of Director, Deputy Chairman of the Executive Committee and Deputy Managing Director of Finance and Organization Management

**Age** 41 years

### Academic Degree

- Ph.D. in Civil Engineer/Construction Management / University of Michigan
- M.S.E. in Construction Engineer and Management / University of Michigan
- Executive MBA / Sasin of Chulalongkorn University
- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

### Training

- Leadership Succession Program Class 7 Institute of Research and Development for Public Enterprises
- Director Certification Program (DCP) Class 101/2008 Thai Institute of Directors
- Director Accreditation Program (DAP) Class 68/2008 Thai Institute of Directors
- Executive Development Program (EDP) Class 4/2009 Thai Listed Company Association (TLCA)
- Strategic CFO in Capital Markets Program (2015) The Stock Exchange of Thailand (SET)
- Enhancing Thailand Competitiveness (2015) Thai Listed Company Association (TLCA)
- CFO in the new financial world (2015) Securities and Exchange Commission, Thailand (SEC)

### Work Experience

- 2017 – Present Deputy Chairman of the Executive Committee of Project Planning Service Public Company Limited
- 2016 – Present Director of Project Planning Service Public Company Limited
- 2016 – Present Assistant Managing Director of Finance and Organization Management of Project Planning Service Public Company Limited
- 2016 – Present Director of Ensemble Equity Pte.,Ltd.
- 2014 – Present Director of PPS Design Co.,Ltd.
- 2013 – 2015 Assistant Managing Director of Financial and Administration of Project Planning Service Public Company Limited
- 2010 - Present Director of Ahead Advisory Company Limited
- 2007 – Present Independent Director and Audit Committee Member, Builder Smart Public Company Limited
- 2005 - 2013 Director of Property Perfect Public Company Limited
- 2003 – Present Director of Phongtheerathon Company Limited
- 1997 - 1998 Civil Engineer of Thai Obayashi Corporation Limited



### Directorships in the Company

- April 24th, 2015 – Present Board of Director (First Term)

**Date of Appointment** April 24<sup>th</sup>, 2015

**Number of year tenure as director** 3 years

### Directorships in other listed company

- 2007 – Present Independent Director and Audit Committee Member of Builder Smart Public Company Limited



#### Directorships in other company

- 2016 – Present Director of Ensemble Equity Pte.,Ltd.
- 2014 – Present Director of PPS Design Company Limited
- 2010 - Present Director of Ahead Advisory Company Limited
- 2003 – Present Director of Phongtheerathon Company Limited

#### Other Current Positions

- 2017 – Present Board of Director, Director, and Public Relations of The Engineering Institute of Thailand under H.M. The King's Patronage (EIT)

#### Criminal history for the past 10 years – None –

#### Shareholding

- 84,174,912Shares (11.35 %)<sup>1</sup>
- 84,174,912Shares (11.35 %)<sup>2</sup>

#### Family Relationship between Company's Director(s) and Executives:

Son of Mr.Prasong Tharachai

## Pol. Lt. Gen. Dr. Nukool Jeamanukoolkit

### Position in the Company

Board of Director, Independent Director, Non-Executive Director and Chairman of the Audit Committee

**Age** 72 years

### Academic Degree

- Bachelor Degree of Medicine, Siriraj Hospital, Mahidol University
- Management, Institute of Police Administration, Class 14

### Training

- Director Accreditation Program (DAP) Class 94/2012

### Work Experience

- 2014 – Present Co-director of the Heart Center and Director of the Medicine Center of Chaophya Hospital Public Company Limited
- 2012 – Present Independent Director, Chairman of the Audit Committee of Project Planning Service Public Company Limited
- 2012 – Present Executive Committee of Chaophya Hospital Public Company Limited
- 2011 – 2013 Director of Hospital, Chaophya Hospital Public Company Limited
- 2008 – 2013 Director of Personnel/Administration, Research and Academic Affairs of Chaophya Hospital Public Company Limited

### Directorships in the Company

- June 2nd, 2012 – 2015 Board of Director, Independent Director and Non-Executive Director (First Term)
- April 24th, 2015 – Present Board of Director, Independent Director and Non-Executive Director (Second Term)

**Date of Appointment** April 24<sup>th</sup>, 2015

**Number of year tenure as director** 6 years

**Directorships in other listed company** - None -

**Directorships in other company** - None -

### Other Current Positions

- 2014 Advisory Committee of Thai Atherosclerosis Society
- 2014 Central Committee of Thai Hypertension Society
- 2014 President of The Heart Foundation of Thailand ,Police General Hospital

**Criminal history for the past 10 years** - None -

**Shareholdings** - None -

**Family Relationship among Directors and Executives** - None -



## Mrs. Vipavee Boonyaprasit

### Position in the Company

Board of Director, Independent Director, Non-Executive Director, Audit Committee, Chairman of the Nomination and Remuneration Committee and the Corporate Governance and Social Responsibility Committee

**Age** 65 years

### Academic Degree

- Bachelor Degree, Bachelor of Accountancy, Faculty of Commerce and Accountancy, Chulalongkorn University
- Bachelor Degree, Bachelor of Business Administration, Major in General Management, Sukhothai Thammathirat Open University

### Training

- Director Accreditation Program (DAP) Class 91/2011 Thai Institute of Directors
- Role of the Compensation Committee 17/2013
- Anti-Corruption Seminar 2/2013 Thai Institute of Directors
- Governance as a driving force for business sustainability (2015) The Stock Exchange of Thailand (SET)
- Anti-Corruption: The Practical guide (2015) Thai Institute of Directors

### Work Experience

- 2013 – Present Chairman of the Nomination and Remuneration Committee of Project Planning Service Public Company Limited
- 2012 – Present Independent Director and Audit Committee of Project Planning Service Public Company Limited
- 2015 – Present The Corporate Governance and Social Responsibility Committee of Project Planning Service Public Company Limited
- 1998 – 2010 Audit Partner of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited
- 1986 – 1998 Vice President, Provident Fund of Dhana Siam Finance Public Company Limited
- 1975 – 1985 Audit Manager of Jaiyos Advisory Company Limited
- 

### Directorships in the Company

- June 2nd, 2012 – April 9th, 2014 Board of Director, Independent Director, Non-Executive Director (First Term)
- April 9th, 2014 – April 27th, 2017 Board of Director, Independent Director, Non-Executive Director (Second Term)
- April 27th, 2017 – Present Board of Director, Independent Director, Non-Executive Director (Third Term)

### Date of Appointment

April 27<sup>th</sup>, 2017

**Number of year tenure as director** 6 years

**Directorships in other listed company** - None -

**Directorships in other company** - None -

### Other Current Positions

- 2012 – Present Committee Member (Committee of Draft Regulation) Federation of Accounting Professions

**Criminal history for the past 10 years** - None -

**Shareholdings** - None -

**Family Relationship among Directors and Executives** - None -



## Mr. Kachen Benjakul

### Position in the Company

Board of Director, Independent Director, Non-Executive Director and Audit Committee, The Nomination and Remuneration Committee

**Age** 41 years

### Academic Degree

- Bachelor of Engineering, Major in Industrial Engineering, Faculty of Engineering, Chulalongkorn University
- Master of Liberal Arts, Major in Economics and Finance, Faculty of Economics, Chulalongkorn University

### Training

- Director Accreditation Program (DAP) Class 56/2006 Thai Institute of Directors Association

### Work Experience

- 2013 – Present The Nomination and Remuneration Committee of Project Planning Service Public Company Limited
- 2012 – Present Independent Director and Audit Committee of Project Planning Service Public Company Limited
- 2009 – Present Audit Committee of Se-Education Public Company Limited
- 2008 – Present Human Resources Advisor of Plearn Patt Company Limited
- 2005 – Present Independent Director of Se-Education Public Company Limited

### Directorships in the Company

- June 2nd, 2012 – April 9th, 2014 Board of Director, Independent Director and Non-Executive Director (First Term)
- April 9th, 2014 – April 27th, 2017 Board of Director, Independent Director and Non-Executive Director (Second Term)
- April 27th, 2017 – Present Board of Director, Independent Director and Non-Executive Director (Third Term)

**Date of Appointment** April 27<sup>th</sup>, 2017

**Number of year tenure as director** 6 years

### Directorships in other company

- 2009 – Present Audit Committee of Se-Education Public Company Limited
- 2005 – Present Independent Director of Se-Education Public Company Limited

**Directorships in other company** - None -

### Other Current Positions

- 2008 – Present Human Resources Advisor, Plearn Patt Company Limited

**Criminal history for the past 10 years**- None -

**Shareholdings** - None -

**Family Relationship among Directors and Executives** - None -





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## Executive Director



### Mr. Prasong Tharachai

Chairman of the Board of Directors, Authorized Director, and Chairman of Advisors of the Executive Committee

Age 72 years

#### Academic Degree

- Ph.D. Honorary Doctorate of Engineering, Faculty of Engineering, Ramkhamhaeng University
- Master Degree, Master of Engineering, Asian Institute of Technology (AIT)
- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

#### Training

- Director Accreditation Program (DAP) Class 91/2011 Thai Institute of Directors
- Role of the Chairman Program (RCP) Class 34/2014 Thai Institute of Directors
- Chairman Forum R-CF 1/2014 Thai Institute of Directors

#### Work Experience

- 2011 – 2015 Vice President of Council of Engineer
- 2008 – 2010 President of The Engineering Institute of Thailand Under H.M. The King's Patronage
- 2004 – 2006 Secretary of Council of Engineer
- 2003 – 2004 Secretary of The Engineering Institute of Thailand Under H.M. The King's Patronage
- 1987 – Present Chairman of Project Planning Service Public Company Limited
- 1987 – Present Chairman of PPS Design Company Limited
- 1976 – 1987 Vice President of Southeast Asia Technology Company Limited
- 1973 – 1976 Project Manager of Pramuan Pattanakan Company Limited
- 1971 – 1973 Project Manager of Wattana Engineering Consultants Company Limited
- 1968 – 1969 Field Engineer of Pramuan Pattanakan Company Limited

#### Directorships in the Company

- June 2nd, 2012 – April 17th, 2013 Chairman of Project Planning Service Public Company Limited (First Term)
- April 17th, 2013 – April 22nd, 2016 Chairman of Project Planning Service Public Company Limited (Second Term)
- April 22nd, 2016 – Present Chairman of Project Planning Service Public Company Limited (Third Term)

#### Date of Appointment

April 22<sup>nd</sup>, 2016

Number of year tenure as director 31 years

Directorships in other listed company - None -

#### Directorships in other company

- 1987 – Present Chairman of PPS Design Company Limited

#### Other Current Positions

- 2014 – 2016 Vice President of "FOUNDATION FOR THE WELFARE OF NEEDY SCHOOLCHILDREN UNDER ROYAL PATRONAGE OF HER MAJESTY THE QUEEN"
- 2010 – Present Consultant of The Engineering Institute of Thailand Under H.M. The King's Patronage
- 1997 – Present Consultant of Thai Electrical & Mechanical Contractors Association Under H.M. The King's Patronage

Criminal history for the past 10 years - None -

#### Shareholding

- 108,552,312Shares (14.63%)<sup>1</sup>
- 96,456,312Shares (13.00%)<sup>2</sup>

Family Relationship between Company's Director(s) and Executives: Father of Mr. Phongthon Tharachai and Mr. Theerathon Tharachai

#### Note

(1) Held by the Directors includes the spouse, minor children and partnership referred to Section 258.

(2) Held by the Directors



### Mr. Tat Thongpakdi

Board of Director, Authorized Director, Executive Committee and Managing Director

Age 54 ปี

#### Academic Degree

- Master of Engineering Administration, Major in Construction Management, George Washington University, Washington DC, USA
- Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

#### Training

- Director Accreditation Program (DAP) Class 100/2013 Thai Institute of Directors
- Financial Instruments for Directors (FID) Class 3/2013
- Successful Formulation and Execution of strategy (SFE) Class 24/2015 Thai Institute of Directors
- Enhancing Thailand Competitiveness (2015) Thai Listed Companies Association

#### Work Experience

- 2013 – Present Board of Director of Project Planning Service Public Company Limited
- 2013 - Present Managing Director of Project Planning Service Public Company Limited
- 2012 – Present Executive Committee of Project Planning Service Public Company Limited
- 2015 – Present Director of PPS Design Company Limited
- 1998 - 2011 Project Director of Project Planning Service Company Limited
- 1988 - 1998 Project Manager of Project Planning Service Company Limited
- 1986 - 1987 Assistant Project Manager of David Allen Company, Washington D.C., USA
- 1984 - 1985 Cost Engineer of Thai Konoike Construction Company Limited

#### Directorships in the Company

- April 17th, 2013 – April 22nd, 2016 Board of Director (First Term)
- April 22nd, 2016 – Present Board of Director (Second Term)

**Date of Appointment** April 22<sup>nd</sup>, 2016

**Number of year tenure as director** 5 years

**Directorships in other listed company** - None -

#### Directorships in other company

- 2015 – Present Director of PPS Design Co.,Ltd.

#### Other Current Positions

- 2015 – Present Director of The Consulting Engineers Association of Thailand (CEAT)

**Criminal history for the past 10 years** - None -

#### Shareholding

- 12,272,219 Shares (1.65%)<sup>1</sup>
- 12,272,219 Shares (1.65%)<sup>2</sup>

#### Family Relationship between Company's Director(s) and Executives: None

-None-



### Dr. Phongthon Tharachai

Board of Director, Authorized Director,  
Chairman of the Executive Committee,  
Chairman of the Corporate Governance and Social  
Responsibility Committee,  
Risk Management Committee

Age 42 ปี

#### Academic Degree

- Ph.D. Doctor of Engineering (Civil) Kyoto University, Japan
- Master Degree, Master of Science (Civil Engineering) University of Illinois at Urbana-Champaign, USA

#### Academic Degree

- Bachelor Degree, Bachelor of Laws (Honors), Chulalongkorn University
- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

#### Training

- Leadership Succession Program (LSP) Class 8/2017 of Institute of Research and Development for Public Enterprises (IRDPE)
- Training Program – Advance Potentiality Development of Innovation for Entrepreneurs by Institute of National Innovation, SET, mai and TMA
- Anti-Corruption for Executive Program Class 11/2014 (ACEP 1) Thai Institute of Directors Association
- CSR Report Class 8/2014 The Stock Exchange of Thailand (SET)
- Preliminary CSR for Corporate Sustainability Class 8/2014 The Stock Exchange of Thailand (SET)
- Thai Intelligent Investor Program 2014 Thai Investors Academy
- Corporate Sustainability Advisory Program 2014 The Stock Exchange of Thailand (SET)
- Future Entrepreneurs Forum (FEF) Class 1 Market for Alternative Investment (MAI)
- Director Accreditation Program (DAP) Class 91/2011 Thai Institute of Directors
- Executive Development Program (EDP) Class 5/2010 Thai Listed Company Association (TLCA)
- Anti-Corruption Seminar Class 2/2013 Thai Institute of Directors Association

#### Work Experience

- 2017 – Present Chairman of the Executive Committee of Project Planning Service Public Company Limited
- 2017 – Present Director – SAPATT Project Company Limited
- 2016 – Present Director – Ensemble Equity Pte.,Ltd.
- 2013 – 2017 Deputy Chairman of the of the Executive Committee of Project Planning Service Public Company Limited
- 2013 - Present Managing Director of PPS Information Consultant Company Limited
- 2013 – Present Chairman of the Executive Committee of Swan & McLaren (Thailand) Company Limited
- 2011 – Present Board of Director of Project Planning Service Public Company Limited
- 2011 – Present Executive Committee of Project Planning Service Public Company Limited
- 2010 – Present Director of Ahead Advisory Company Limited
- 2004 - 2011 Director of Romano Gatland (Asia-Pacific) Company Limited
- 2003 – Present Director of Phongtheerathon Company Limited

- 2003 - 2011 Project Manager of Project Planning Service Company Limited
- 1998 - 2000 Civil Engineer of Project Planning Service Company Limited
- 1997 Civil Engineer (Designing) of Siam Innovation Engineering Consultant Company Limited

#### Directorships in the Company

- June 2nd, 2012 – April 9th, 2014 Board of Director (First Term)
- April 9th, 2014 – April 27th, 2017 Board of Director (Second Term)
- April 27th, 2017 – Present Board of Director (Third Term)

**Date of Appointment** April 27<sup>th</sup>, 2017

**Number of year tenure as director** 6 years

**Directorships in other listed company** - None -

#### Directorships in other company

- 2017 – Present Direction – SAPATT Project Company Limited
- 2016 – Present Director – Ensemble Equity Pte.,Ltd.
- 2013 – Present Managing Director of PPS Information Consultant Company Limited
- 2003 – Present Director of Phongtheerathon Company Limited
- 2010 - Present Director of Ahead Advisory Company Limited

#### Other Current Positions

- 2016 – Present Cultural Ambassador, Embassy of The Republic of Korea

**Criminal history for the past 10 years** - None -

#### Shareholding

- 93,102,360 Shares (12.55%)<sup>1</sup>
- 93,102,360 Shares (12.55%)<sup>2</sup>

#### Family Relationship between Company's Director(s) and Executives:

Son of Mr.Prasong Tharachai



### Dr. Theerathon Tharachai

Board of Director, Deputy Chairman of the Executive Committee and Deputy Managing Director of Finance and Organization Management

Age 41 years

#### Academic Degree

- Ph.D. Civil Engineer/Construction Management / University of Michigan
- M.S.E. in Construction Engineer and Management / University of Michigan

#### Academic Degree

- Executive MBA / Sasin of Chulalongkorn University
- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering, Faculty of Engineering, Chulalongkorn University

#### Training

- Leadership Succession Program Class 7 Institute of Research and Development for Public Enterprises
- Director Certification Program (DCP) Class 101/2008 Thai Institute of Directors
- Director Accreditation Program (DAP) Class 68/2008 Thai Institute of Directors
- Executive Development Program (EDP) Class 4/2009 Thai Listed Company Association (TLCA)
- Strategic CFO in Capital Markets Program (2015) The Stock Exchange of Thailand (SET)
- Enhancing Thailand Competitiveness (2015) Thai Listed Company Association (TLCA)
- CFO in the new financial world (2015) Securities and Exchange Commission, Thailand (SEC)

#### Work Experience

- 2017 – Present Deputy Chairman of the Executive Committee of Project Planning Service Public Company Limited
- 2016 – Present Director of Project Planning Service Public Company Limited
- 2016 – Present Assistant Managing Director of Finance and Organization Management of Project Planning Service Public Company Limited
- 2016 – Present Director of Ensemble Equity Pte.,Ltd.
- 2014 – Present Director of PPS Design Co.,Ltd.
- 2013 – 2015 Assistant Managing Director of Finance and Administration Department of Project Planning Service Public Company Limited
- 2010 - Present Director of Ahead Advisory Company Limited
- 2007 – Present Independent Director and Audit Committee Member, Builder Smart Public Company Limited
- 2005 - 2013 Director of Property Perfect Public Company Limited
- 2003 – Present Director of Phongtheerathon Company Limited
- 1997 - 1998 Civil Engineer of Thai Obayashi Corporation Limited

#### Directorships in the Company

- April 24th, 2015 – Present Board of Director (First Term)

#### Date of Appointment

April 24th, 2015

#### Number of year tenure as director

3 years

#### Directorships in other listed company

- 2007 – Present Independent Director and Audit Committee Member of Builder Smart Public Company Limited

#### Directorships in other company

- 2016 – Present Director of Ensemble Equity Pte.,Ltd.
- 2014 – Present Director of PPS Design Company Limited
- 2010 - Present Director of Ahead Advisory Company Limited
- 2003 – Present Director of Phongtheerathon Company Limited

#### Other Current Positions

- 2017 – Present Board of Director, Director, and Public Relations of The Engineering Institute of Thailand under H.M. The King's Patronage (EIT)

#### Criminal history for the past 10 years

- None -

#### Shareholding

- 84,174,912 Shares ( 11.35 %)<sup>1</sup>
- 84,174,912 Shares ( 11.35 %)<sup>2</sup>

#### Family Relationship between Company's Director(s) and Executives:

Son of Mr.Prasong Tharachai



### Mr. Wanchai Ruangsup-anek

Executive Committee, Deputy Managing director of Project Department

Age 53 years

#### Academic Degree

- Bachelor Degree, Bachelor Science in Civil Engineer, University of Northern Philippines, The Philippines

#### Training

- None -

#### Work Experience

- 2017 – Present Assistant Managing Director of Project Department of Project Planning Service Public Company Limited
- 2012 – Present Executive Committee of Project Planning Service Public Company Limited
- 1992 – 2016 Project Director of Project Planning Service Company Limited

#### Directorships in the Company

- None -

#### Number of year tenure as director

- None -

#### Directorships in other listed company

- None -

#### Directorships in other company

- None -

#### Other Current Positions

- None -

#### Criminal history for the past 10 years

- None -

#### Shareholding

- 82,638 Shares ( 0.01 %)¹
- 82,638 Shares ( 0.01 %)²



### Mr. Nopparat Narin

Executive Committee, Assistant Managing Director  
of Business Development Department

Age 51 years

#### Academic Degree

- Master of Engineering, Major in Civil Engineering, Faculty of Engineering, King Mongkut's Institute of Technology Thonburi
- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering (Honors), King Mongkut's University of Technology Thonburi
- Master of Business Administration, MBA (Finance), Ramkhamhaeng University

#### Training

- Mini Master in HR Management, Faculty of Economics, Chulalongkorn University

#### Work Experience

- 2012 – Present Executive Committee of Project Planning Service Public Company Limited
- 2012 – Present Assistant Managing Director of Business Development Department of Project Planning Service Public Company Limited
- 2010 – Present Project Manager/Project Director/Project Advisor of Project Planning Service Public Company Limited

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

Directorships in other company - None –

Other Current Positions - None –

Criminal history for the past 10 years - None –

#### Shareholding

- 170,714 Shares ( 0.023 %)<sup>1</sup>
- 170,714 Shares ( 0.023 %)<sup>2</sup>



### Mr. Voradaj Piemsuwan

Executive Committee, Company Secretary

Age 57 years

#### Academic Degree

- Master Degree, Master of Business Administration, Major in Business Administration, National Institute of Development Administration (NIDA)
- Bachelor Degree, Bachelor in Engineering, Major in Electrical Engineering, King Mongkut's Institute of Technology Ladkrabang

#### Training

- Advance Potentiality Development of Innovation for Entrepreneurs by Institute of National Innovation, SET, mai and TMA
- COMPANY SECRETARY PROGRAM CLASS 42/2011 THAI INSTITUTE OF DIRECTORS (IOD)
- Workshop - Corporate Governance Report of Listed Companies (2013)
- Corporate Sustainability Advisory Program (2014) by The Stock Exchange of Thailand (SET)
- Assessment of Sustainability Development Level (2014), Thaipat Institute
- IOD Training Courses Anti - Corruption : The Practical Guide (ACPG) ACPG 15/2014

#### Work Experience

- 2017 – Present Director – SAPATT Project Company Limited
- 2013 – Present Executive Committee of Project Planning Service Public Company Limited
- 2012 – Present Secretary of Project Planning Service Public Company Limited
- 1990 – Present Project Director of Project Planning Service Public Company Limited
- 1984 – 1990 Electrical Engineer of SOUTHEAST ASIA TECHNOLOGY CO., LTD.
- 1983 – 1984 Electrical Engineer of Sirikit Electric Ltd., Part.

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

#### Directorships in other company

- 2017 – Present Director – SAPATT Project Company Limited

Other Current Positions - None –

Criminal history for the past 10 years - None –

#### Shareholding

- 8,238,131 Shares ( 1.12 %)<sup>1</sup>
- 8,238,131 Shares ( 1.12 %)<sup>2</sup>

## Other Sub-Committee



### Mr. Kamon Wiriachok

Chairman of Risk Management Committee,  
Project Director

Age 50 years

#### Academic Degree

- Bachelor Degree, Bachelor of Engineering, Major in Civil Engineering, Khon Kaen University
- Master Degree, Master of Engineering, Major in Structural Engineering, King Mongkut's University of Technology Thonburi

#### Training

- None -

#### Work Experience

- 2017 – Present Chairman of Risk Management Committee of Project Planning Service Public Company Limited
- 2013 – Present Risk Management Committee of Project Planning Service Public Company Limited
- 1990 – Present Project Manager/Project Director of Project Planning Service Public Company Limited

#### Directorships in the Company

- None -

#### Number of year tenure as director

- None -

#### Directorships in other listed company

- None -

#### Directorships in other company

- None -

#### Other Current Positions

- None -

#### Criminal history for the past 10 years

- None -

#### Shareholding

- 168,051 Shares ( 0.023 %)¹
- 168,051 Shares ( 0.023 %)²



### Miss Woraporn Pukpinyo

Nomination and Remuneration Committee,  
Cooperation Governance and Social Responsibility  
Committee, Director of Accounting Department

Age 50 years

#### Academic Degree

- Bachelor Degree, Bachelor of Accountancy, Faculty of Business Administration, Ramkhamhaeng University
- Certificate of Auditing, Thammasat Business School

#### Training

- None -

#### Work Experience

- 2015 – 2016 Executive Committee of Project Planning Service Public Company Limited
- 2015 – 2016 Assistant Managing Director of Financial and Administration of Project Planning Service Public Company Limited
- 2014 – Present Cooperation Governance and Social Responsibility Committee of Project Planning Service Public Company Limited
- 2013 – Present Director of Accounting Department of Project Planning Service Public Company Limited
- 1992 – 2011 Partner of DIA International Auditing

#### Directorships in the Company

- None -

#### Number of year tenure as director

- None -

#### Directorships in other listed company

- None -

#### Directorships in other company

- None -

#### Other Current Positions

- None -

#### Criminal history for the past 10 years

- None -

#### Shareholding

- 158,250 Shares ( 0.021 %)<sup>1</sup>
- 158,250 Shares ( 0.021% )<sup>2</sup>



### Mrs. Wanichthanan Vijacksungsithi

Cooperation Governance and Social Responsibility Committee

Age 40 years

#### Academic Degree

- M.S.E. (Civil Engineering) University of Michigan at Ann Arbor, USA
- Bachelor Degree, Bachelor of Engineering (Civil Engineering), Chulalongkorn University

#### Training

- Professional Development Program “Introduction to Mediation”, The Chartered Institute of Arbitrators Association (CIArb)
- International Construction Contracts and Dispute Analysis Training Courses
- International Arbitration Seminar, International Chamber of Commerce

#### Work Experience

- 2015 – 2016 Executive Committee, Assistant Managing Director of Operation and Business Development of Project Planning Service Public Company Limited
- 2015 – Present Cooperation Governance and Social Responsibility Committee of Project Planning Service Public Company Limited
- 2013 – Present Project Director of Project Planning Service Public Company Limited
- 2002 – 2012 Project Manager of TEAM Consulting Engineering and Management Co., Ltd.

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

Directorships in other company - None –

Other Current Positions - None –

Criminal history for the past 10 years - None –

#### Shareholding

- 168,051 Shares ( 0.023 %)<sup>1</sup>
- 168,051 Shares ( 0.023 %)<sup>2</sup>



### Mr. Eakkamol Lertchunhakiat

Chairman of Business Improvement Committee,  
Corporate Governance and Social Responsibility  
Committee, Project Director

Age 46 years

#### Academic Degree

- Bachelor of Engineering (Civil Engineering),  
Faculty of Engineering, Chiang Mai University

#### Training

- None -

#### Work Experience

- 2017 – Present Chairman of Business Improvement Committee of Project Planning Service Public Company Limited
- 2014 – Present Corporate Governance and Social Responsibility Committee of Project Planning Service Public Company Limited
- 1995 – Present Project Manager/Project Director of Project Planning Service Public Company Limited

#### Directorships in the Company

- None -

#### Number of year tenure as director

- None -

#### Directorships in other listed company

- None -

#### Directorships in other company

- 2014 – Present Director of PPS Information Consultant Company Limited

#### Other Current Positions

- None -

#### Criminal history for the past 10 years

- None -

#### Shareholding

- 239,936 Shares ( 0.032 %)<sup>1</sup>
- 209,936 Shares ( 0.028 %)<sup>2</sup>



### Miss Rungnapha Srichuay

Corporate Governance and Social Responsibility Committee, Director of Human Resources and Organization Development, Deputy Secretary

Age 34 years

#### Academic Degree

- Bachelor of Law, Faculty of Law, Ramkhamhaeng University

#### Training

- None -

#### Work Experience

- 2017 – Present  
Corporate Governance and Social Responsibility Committee of Project Planning Service Public Company Limited
- 2016 – Present  
Director of Human Resources and Organization Development of Project Planning Service Public Company Limited
- 2016 – Present  
Deputy Secretary of Project Planning Service Public Company Limited
- 2013 – 2016  
Assistant Secretary of Project Planning Service Public Company Limited
- 2010 – 2013  
Legal Officer of TOT Company Savings Co-Operative Limited
- 2008 – 2010  
Legal Officer of Phantienlaw Co Ltd

#### Directorships in the Company

- None -

#### Number of year tenure as director

- None -

#### Directorships in other listed company

- None -

#### Directorships in other company

- None -

#### Other Current Positions

- None -

#### Criminal history for the past 10 years

- None -

#### Shareholding

- 39,882 Shares ( 0.005 %)<sup>1</sup>
- 39,882 Shares ( 0.005 %)<sup>2</sup>



### Mr. Opas Sakulsirikamon

Risk Management Committee, Corporate Governance and Social Responsibility Committee, Project Director

Age 51 Age

#### Academic Degree

- Bachelor of Industrial Technology Program in Structural Technology, King Mongkut's University of Technology North Bangkok

#### Training

- How to Develop a Risk Management Plan (HRP) generation of 13/2017 Thai Institute of Directors

#### Work Experience

2017 – Present

Risk Management Committee of  
Project Planning Service Public Company Limited

1990 – Present

Project Manager/Project Director of  
Project Planning Service Public Company Limited

Directorships in the Company

- None -

Number of year tenure as director

- None -

Directorships in other listed company

- None -

Directorships in other company

- None -

Other Current Positions

- None -

Criminal history for the past 10 years

- None -

#### Shareholding

- 39,882 Shares ( 0.005 %)<sup>1</sup>
- 39,882 Shares ( 0.005 %)<sup>2</sup>



### Mr. Panprajak Tansutas

Risk Management Committee, Business Improvement Committee, Project Manager

Age 29 years

#### Academic Degree

- Bachelor Degree, Bachelor in Engineering (Civil Engineering), King Mongkut's Institute of Technology Ladkrabang

#### Training

- How to Develop a Risk Management Plan (HRP) Class 13/2017 Thai Institute of Directors

#### Work Experience

- |                  |  |
|------------------|--|
| • 2017 – Present | Business Improvement Committee of<br>Project Planning Service Public Company Limited |
| • 2016 – Present | Risk Management Committee of<br>Project Planning Service Public Company Limited      |
| • 2011 – Present | Project Manager of Project Planning Service Public Company Limited                   |

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

Directorships in other company - None –

Other Current Positions - None –

Criminal history for the past 10 years - None –

#### Shareholding

- 15,842 Shares ( 0.002 %) <sup>1</sup>
- 15,842 Shares ( 0.002 %) <sup>2</sup>



### Mr. Prarunya Kamahayung

Business Improvement Committee, Assistant  
Project Manager

Age 29 years

#### Academic Degree

- Bachelor Degree, Bachelor in Engineering (Civil Engineering), King Mongkut's Institute of Technology Ladkrabang

#### Training

- 2017 Engineering Act and Approach to promotion of Civil Engineer  
Construction Claim & Dispute
- 2016 ISO9001 : 2008 Internal auditor  
ISO in Project Administration and Information Technology Application  
Safety Officer for Management Level Class  
Fire Life Safety Class  
Concrete for High-Rise Building Class
- 2015 Case Study: High Building Inspection  
Facade work
- 2012 Construction Contract Administration  
Construction Control
- 2011 Professional Construction Administration Class 2

#### Work Experience

- 2017 – Present Business Improvement Committee of Project Planning Service Public Company Limited
- 2011 – Present Assistant Project Manager of Project Planning Service Public Company Limited

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

Directorships in other company - None –

Other Current Positions - None –

Criminal history for the past 10 years - None –

#### Shareholding

- 54,486 Shares ( 0.007 %)<sup>1</sup>
- 54,486 Shares ( 0.007 %)<sup>2</sup>



### Mr. Weera Yenpreecha

Business Improvement Committee, Safety Officer,  
Project Secretary

Age 35 years

#### Academic Degree

- Bachelor of Science (Information Technology),  
North Bangkok University

#### Training

- Safety Officer at Management Level Class
- Safety in Construction Training
- Fire Life Safety Class
- Keys to Achieve Secretary Work in Construction Training

#### Work Experience

- |                  |  |
|------------------|--|
| • 2013 – Present | Business Improvement Committee   |
| • 2013 – Present | Safety Officer, Project Secretary of Project Planning Service Public Company Limited |
| • 2011 – 2012    | Computer System Officer, Executive Committee's Secretary of Thaimart Store Co.,Ltd   |
| • 2004 – 2010    | Computer System Officer of Songthai Air Ticttech Company Limited                     |

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

Directorships in other company - None –

Other Current Positions - None –

Criminal history for the past 10 years - None –

#### Shareholding

- 4,900 Shares ( 0.00 %)<sup>1</sup>
- 4,900 Shares ( 0.00 %)<sup>2</sup>



## Mr. Dittha Nonthiworawong

Business Improvement Committee, Senior Architect

Age 44 years

### Academic Degree

- Master Degree, Faculty of Architecture, Kasetsart University
- Bachelor Degree, Faculty of Architecture, Rajamangala University of Technology Thanyaburi

**Training** - None -

### Work Experience

- 2011 – Present Senior Architect of Project Planning Service Public Company Limited
- 2014 – 2015 Consultant (Energy Saving Contest) Department of Alternative Energy Development and Efficiency of Able Consultant Company Limited
- 2011 – 2008 Architect Director Consulting Architect of Bangkok BRT Project (Bus Rapid Transit) section STATION (under PCBK THAILAND CO.,LTD.) Consulting Architect of Bangkok BRT Project (Bus Rapid Transit) section DEPOT (under NORCIVENGINEERING CO.,LTD.) Arch G Tech Co.,Ltd.
- 2007 – 2008 Project Manager of Civil design& arch co.,ltd.
- 2005 – 2007 Manager of Modec design & arch co.,ltd.
- 1996 – 2005 Architect of Civil design& arch co.,ltd.

### Lecturer Experience

- 2008 – Present Faculty of Architecture, King Mongkut's University of Technology North Bangkok Faculty of Architecture, Rajamangala University of Technology Thanyaburi Faculty of Architecture, Rajamangala University of Technology Tawan-ok : Uthenthawai Campus Faculty of Architecture, Chandrakasem Rajabhat University
- 1997 – 2000 Faculty of Architect, Rajamangala University of Technology Tawan-ok : Uthenthawai Campas

**Directorships in the Company** - None -

**Number of year tenure as director** - None -

**Directorships in other listed company** - None -

**Directorships in other company** - None -

**Other Current Positions** - None -

**Criminal history for the past 10 years** - None -

### Shareholding

- 4,900 Shares ( 0.00 %)¹
- 4,900 Shares ( 0.00 %)²



### Mr. Thakorn Sirawutthiporn

Business Improvement Committee, Project Manager

Age 36 years

#### Academic Degree

- Bachelor of Engineering, Faculty of Engineering (Civil Engineering), Ramkhamhaeng University

#### Training

- 2011 Professional Construction Administration Class 1
- 2012 Keys to Professional Project Manager Class 2
- 2013 ISO 9001:2008 Construction Administration and Control 2015
- 2014 Leadership Development Program From Good to Great
- 2015 Construction Contract Administration / Construction Contract Administration FIDIC (17/12/2016) Project Live Challenge Season 2 (Present) Fire Life Safety Class
- 2016 Safety Officer for Supervisor Level  
Safety Officer for Management Level  
Occupational Safety Officer
- 2017 5th On Site Training: Mat Foundation  
Corporate Social Responsibility for Corporate Sustainability

#### Work Experience

- 2017 – Present Business Improvement Committee of Project Planning Service Public Company Limited
- 2012 – Present Project Manager of Project Planning Service Public Company Limited
- 2006 – 2012 Civil Engineer of of Project Planning Service Public Company Limited
- 2005 – 2006 Temporary Employee of Bureau of Location and Design, Department of Highway, Ministry of Transport

#### Lecturer Experience

- 2017 Lecturer for Adventure Team Synergy “CSR”

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

Directorships in other company - None –

Other Current Positions - None –

Criminal history for the past 10 years - None –

#### Shareholding

- 5,759 Shares ( 0.00 %)<sup>1</sup>
- 5,759 Shares ( 0.00 %)<sup>2</sup>



### Miss Saraporn Lerdlam

Business Improvement Committee, Secretary,  
Project Accountant

Age 42 years

#### Academic Degree

- Bachelor of Accountancy (Accounting),  
The University of Central Thailand

#### Training

- 2016 ISO9001 On the Job Training

#### Work Experience

- 2017 – Present Business Improvement Committee, Accountant for Suvarnabhumi Airport Project of Project Planning Service Public Company Limited
- 2014 – 2016 Procurement Manager of Project Planning Service Public Company Limited
- 2008 – 2014 Secretary of Project Consultant for new Tobacco Factory Construction of TEAM Consulting Engineering and Management Company Limited
- 2007 – 2008 Coordinator of Songkhla Finishing Company Limited
- 2005 – 2007 Secretary of Project Consultant for Interior Decoration and Service Event of Thai Airways International Public Co.,Ltd at Suvarnabhumi Airport / A&E Association Company Limited
- 2003 – 2005 Secretary of Project Consultant for Investment Project of Thai Airways International Public Co.,Ltd at Suvarnabhumi Airport of PB Asia Company Limited
- 2001 – 2003 Assistant Managing Director of Document Management of Consultant Project for Suvarnabhumi Airport Construction of Infinity Service Company Limited
- 1998 – 2001 Plan and Policy Analyst 3 of Land Settlement Cooperative Promotion Office, Khiri Mat district, Sukhothai

Directorships in the Company - None –

Number of year tenure as director - None –

Directorships in other listed company - None –

Directorships in other company - None –

Other Current Positions - None –

Criminal history for the past 10 years - None –

Shareholding - None -



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## Company Structure (Old)



Note: Approved by the Board of Directors Meeting No. 4/2559 on November 12, 2016.



Corporate Governance and Social Responsibility Committee

Nomination and Remuneration Committee

Managing Director

Deputy Managing Director

Assistant Managing Director (Business Development)

Assistant Managing Director (Finance and Organization Management)

Training and Human Resources Development Director

Research and Innovation Development Director

Human Resources and Organization Development Director

Accounting and Purchasing Director

Finance and Administration Director

## Company Structure (Current)



Remark: Approved by the Board of Directors Meeting No. 6/2017 on November 13, 2017. Including the approval of all Assistant Managing Directors are maintaining a position and performing duties under the same scope of authority until the change order. Effective from November 14, 2017 onward.

# BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

IMPROVEMENT  
COMMITTEE

NOMINATION AND  
REMUNERATION  
COMMITTEE

CHAIRMAN OF EXECUTIVE  
COMMITTEE

PPS MANAGING  
DIRECTOR

DEPUTY MANAGING  
DIRECTOR OF  
TECHNOLOGY  
AND INNOVATION  
DEPARTMENT

DEPUTY OF MANAGING  
DIRECTOR OF  
ADMINISTRATION  
DEPARTMENT

DEPUTY MANAGING  
DIRECTOR OF BUSINESS  
DEVELOPMENT  
DEPARTMENT 1,2,3..

DIRECTOR OF  
HUMAN RESOURCES  
AND PERSONNEL  
DEVELOPMENT

PROCUREMENT  
DIRECTOR





## Nature of Businesses

Project Planning Service PLC (PPS) was established in 1987 by Mr. Prasong Tharachai and Mr. Somphant Hongchintakul. This is the first engineering consulting company with the certification of quality standard ISO 9002 from the Engineering Institute of Thailand under His Majesty the King's Patronage and EAQA (Environmental Accredited Quality Assessment) Institute in the UK since March 1999. From January 2005 to present, the company has been improving and developing the quality system until being certified with the quality standard ISO 9001:2000 from BVQI. Currently, the Company has been offering a numerous of services in management and construction supervision of construction works such as building and Infrastructure, structural & architectural works, civil works, utilities system (electrical and communication systems, air conditioning and ventilation systems, sanitary and fire protection system), landscape, interior decoration including particular projects that need conversant skill for both private and public sectors. To reach clients expectation and gain trustworthiness, the company has applied ISO system to all projects and assigns the trained employee to perform internal audit along with the follow-up of BVQI for every six months. With over 30 years of management and construction supervision of construction experienced, the company has executed more than 350 domestic and cross-border projects for both private and public sectors as below:



### Pre-Construction Phase



- Project Planning / Scheduling
- Project Feasibility Study
- Financial Planning
- Design Management
- Quantity Survey
- Design Review
- Project Budgeting
- Value Engineering
- Architectural Design
- Engineering Design
- Green and Sustainable Design



### Construction Phase



- Engineering Procurement and Construction
- Construction Management
- Construction Supervision
- Project Cost Control
- Progress Report Presentation



### Post-Construction



- Claim Management
- Facility Management
- Energy Management
- Internet of thing
- IT Solution
- Web Design Application
- Marketing Communication

To reach clients expectation and gain trustworthiness, the company has applied ISO system to all projects and assigns the trained employee to perform internal audit along with the follow-up of BVQI for every six months. With over 30 years of management and construction supervision of construction experienced, the company has executed more than 350 domestic and cross-border projects for both private and public sectors as below:

### Public Sector Projects and Public Enterprise Sector

- The Second Stage Expressway
- Water-Pipeline Project of the Metropolitan Waterworks Authority
- Sirindhorn Hospital, Bangkok
- Mass Rapid Transit Authority of Thailand (Underground Transportation Project)
- Suvarnabhumi Airport phase 1 and phase 2
- Communication Authority of Thailand (CAT) Building
- The Bank of Thailand New Headquarters Building
- Sirat-Outer Ring Road Expressway
- MRTA : Blue Line Extension Project
- King Chulalongkorn Memorial Hospital, Thai Red Cross Society
- Supreme Court of Thailand Building
- New Tobacco Factory Project
- Standing Buddha at Wat Thip – Kanchanaburi
- Renovation of conservation buildings in the Grand Palace area and Underground Parking Garage and Top Garden Landscaping Project

### Private Sector

- Grand Hyatt Erawan Hotel
- Baiyoke Tower 2
- Headquarters of Bank of Ayudhya Public
- Information Center of Krungthai Bank Public Company Limited
- Information Center of Bangkok Bank Public Company Limited
- Thana City Project
- Jewelry Trade Center
- Gaysorn Plaza
- World Trade Center
- Central World
- Centara Grand Hotel
- Thairath TV Project
- The Paseo Town Project
- I Condo
- RHYTHM Condominium
- Central Festival Chiangmai
- Various branches of TESCO Lotus
- Central Plaza Changwattana
- Central Westgate
- Central Embassy
- G Tower
- U-Place Project
- Icon Siam C1, C2
- Makro Stores 8 branches
- Thanya Shopping Park
- Toyota Sukhapiban 3
- MegaBangna
- TESCO Lotus Store, Lumlukka, Khon kaen, Surat thani
- The Park Chidlom condominium
- Central Plaza Rama 9
- Terminal 21
- Amway New Head Office
- Pullman Phuket Arcadia Naithon Beach Resort
- Banyan Tree Resort & Spa , Koh Samui
- The Renaissance Hotel, Phuket
- The Street Ratchada
- NEO Factory, Pathumthani
- Homepro Rama 3 and Rama 9
- Langsuan Village
- Langsuan Parkview
- Serm Thai Complex, Mahasarakam
- INET Data Center (IDC 3), Saraburi

### International Sector

- Hongsa Power Plant Project (Laos, PDR)
- Vientiane Hospital (Laos, PDR)
- Central Plaza I-City (Malaysia)

In order to grow the organization sustainably, develop the company effectively and successfully gain the business opportunities in the future, the company has become a Public Company and fundraised in MAI stock market since 2012. After fundraising in 2012, Project planning Service PLC has grown steadily both in the main business and other businesses in subsidiary and joint-venture companies. These have been in accordance with the plan to develop the Company's capabilities beyond merely offering services of engineering advices and management of construction projects. At the moment, we have been able to offer services in various via subsidiaries and companies in various machine aspects including;

**PPS Design Company Limited** offers services in structural designs work and system building works.

**Swan & Maclaren (Thailand) Company Limited** offers services in architectural and interior designs. This is a joint-venture with Swan & Maclaren LLP, Singapore which is one of the oldest companies that offer services in architectural designs in Singapore.

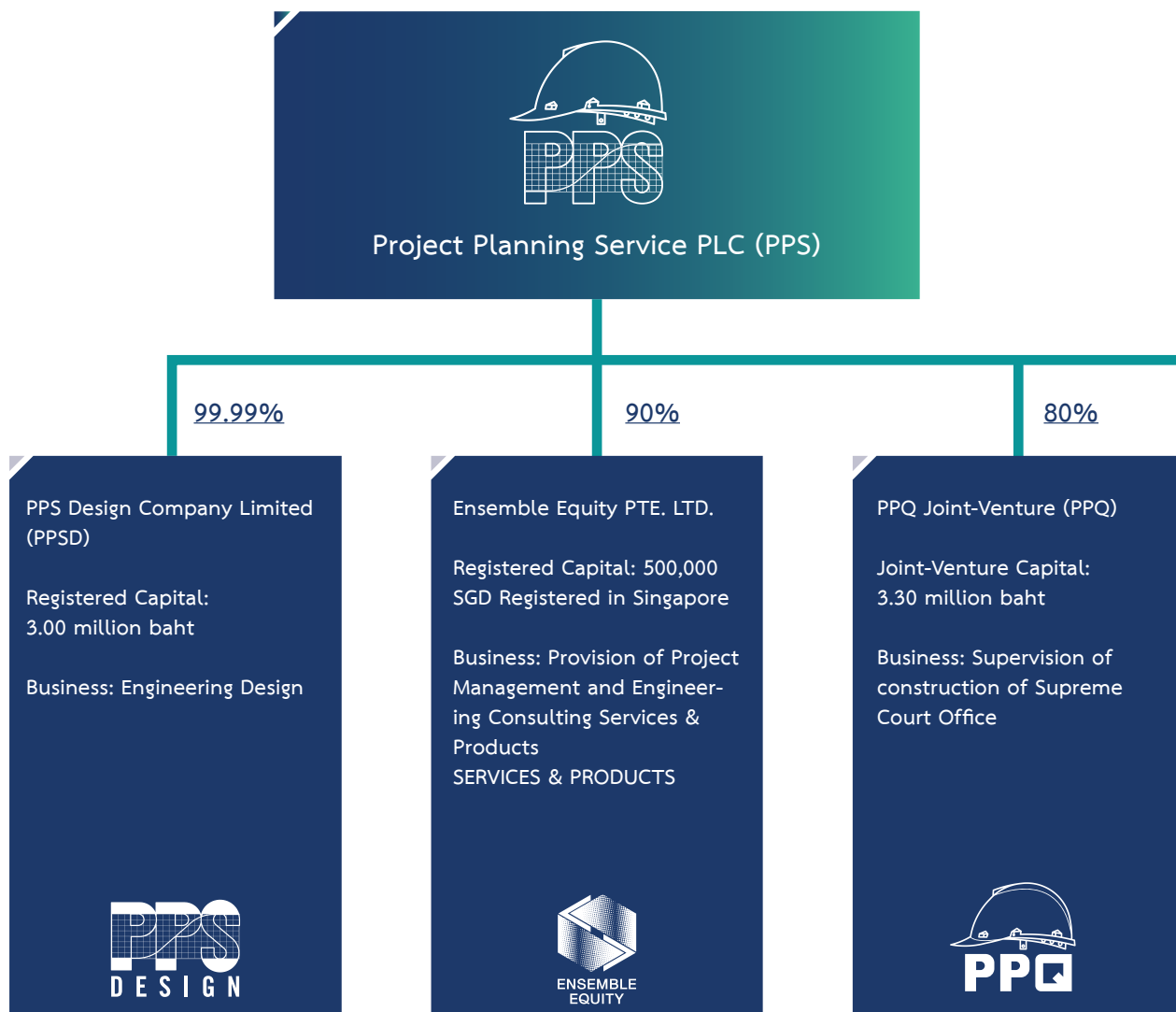
**PPS Information Consultant Company Limited** offers services in information technology in particular the media and advertising media including create its own program to facilitate construction supervision

**Ensemble Equity Pte.,Ltd. (registered in Singapore)** offers Provision of Project Management and Engineering Consulting Services & Products.

**Sapatt Project Company Limited (SPP)** offers services in energy business, intelligent building, and smart city and the supervision the projects for effective energy usage.



## Shareholding Structure

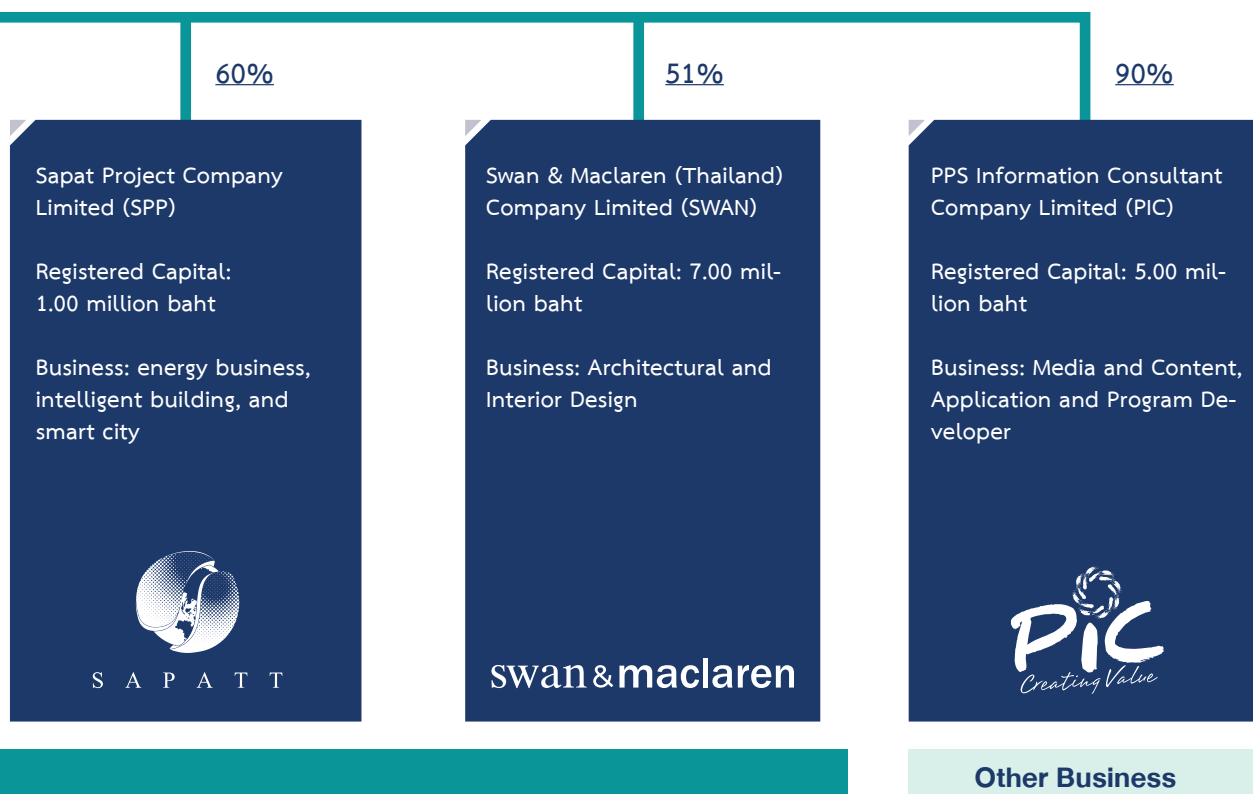


### Business Related to Conduction

#### Subsidiary Companies

**PPS Design Company Limited (PPSD)** was established on July 31st, 1990. The headquarters is located at 101 Phongtheerathon Building Floor 1, Soi Rama IX 60 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok 10250. PPSD is an engineering design company with 3.00 million baht (three million baht) of registered capitals. There are 30,000 common shares; 100 baht each. The company holds 29,998 shares or 99.99 percent of all registered capitals. There are 4 directors in PPSD and the names will be shown as follows.

No.	Name	Position
1	Mr. Prasong Tharachai	Chairman of the Board Directors
2	Mr. Tat Thongpak	Director
3	Mr. Teerathon Tharachai	Director
4	Mr. Tanin Sribenjarat	Director



**PPS Information Consultant Co., Ltd. (PIC)** was founded on January 4th, 2013. The headquarters is at 77 Soi Rama IX 58 (Soi 7 Seree 7) Rama IX Road, Suanluang, Bangkok, 10250. PIC serves an information technology media and content. Our services include film and video production, radio and television program, concert and event organization, and application and computer programming. PIC has registered capitals at 5 million baht. They are 500,000 common shares; 10 baht each. The company holds 450,000 or 90 percent of the shares. There are 2 directors and their names are displayed below.

No.	Name	Position
1.	Mr. Phongthon Tharachai	Chairman of the Board Directors
2.	Mr. Eakkamol Lertchunhakiat	Deputy Chairman of the Board Directors

**Ensemble Equity PTE. Ltd. (EE)** was registered on November 18th, 2015 in Singapore. The headquarters is located at 10 Anson Road, #31-01 International Plaza, Singapore 079903. The company serves the provision of project management and engineering consulting services and products. The amount of registered capital is 500,000 SGD. The common shares are 500,000 and each unit costs 1 SGD. The company holds 450,000 shares or 90 percent of all registered capital. The company is operated by 3 directors.

No.	Name	Position
1	Mr. Phongthon Tarachai	Director
2	Mr. Teerathon Tharachai	Director
3	Mr. Harry Tan	Director

**Sapat Project Company Limited (SPP)** was founded on October 18th, 2017. The headquarters is at 381/6 Soi Rama IX 58 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok, 10250. Our company provides energy business, intelligent building, and smart city. The registered capitals are 1 million baht. There are 100 common shares and each share costs 10,000 baht. SPP holds 60 shares or 60 percent of all registered capitals. SSP is run by 5 directors.

No.	Name	Position
1.	Mr. Phongthon Tarachai	Director
2.	Mr. Voradaj Piemsuwan	Director
3.	Mr. Sakayong Pattanavekin	Director
4.	Mr. Winai Pannadee	Director
5.	Mr. Teerachai Klaiseetong	Director

## Venture Capital

**Swan & Maclaren (Thailand) Company Limited** has been registered on April 9th, 2013. It has registered capitals at 7 million baht. This is a joint investment between Swan & Maclaren LLP (Singapore) and Project Planning Service Co., Ltd. Swan & Maclaren holds 49 percent of the company's shares while PPS holds 51 percent. This company serves an architectural and interior design services. We attempt to expand this kind of services for domestic and international marketing such as ASEAN Economics Community (AEC). Swan & Maclaren has no relation with the major shareholders, members of the board of directors, or the executive members of the company and subsidiary companies. The company is operated by 4 directors as follows.

No.	Name	Position
1.	Mr. Phongthon Tarachai	Director
2.	Mr. Lim Chai Boon	Director
3.	Mr. Somchai Malapaitoontip	Director
4.	Mr. Khunyos Boonperm	Director

## Joint-Venture

**PPQ Joint-Venture** has been registered on March 16th, 2009 from the co-investment between PPS, PTF Service Co., Ltd., and Qbic Engineering and Architects Co., Ltd. These three parties hold 80, 15, and 5 percent of the co-investment capital respectively. Our aim is to the contract to supervise the construction of the Supreme Court of Court of Justice. The co-investment capital totals 3.30 million baht. PPS invests 2.64 million baht which is still calculated as 80 percent. However, PTF Service Co., Ltd., and Qbic Engineering and Architects Co., Ltd. has no relation with the major shareholders, members of the board of directors, or the executive members of the company and subsidiary companies.

Supreme Court has been under the instruction since December, 2012 and will be expected to complete in 2018.

## Operating Report of 2017 and Goals for 2018

The political stability in Thailand is better in 2017 than the previous year. Since the government stimulated the economy by investing in infrastructures, this caused a money circulation. It also affected the construction industry to expand the business comparing to last year. Therefore, our company is influenced by that policy as well. The projects that we have operated in 2017 are shown below.

### Building Project

- New Supreme Court Office
- Thairath TV & Sound Studio Building
- Thairath Building 9 and Building 1 Renovation
- MAKRO Chiang Mai branch and Bodindecha branch
- Tesco Lotus
- Hom Pro Rama 9
- Serm Thai Complex, Maharakam
- Central Pattaya Renovation
- Central Plaza Chaeng Wattana - Food Desination Ground Floor Renovation
- Central Plaza West Gate – Tunnel Work
- Rhythm Condominium Sukhumvit 36-38
- Rhythm Condominium Sukhumvit 42
- The Magnolia Waterfront Residences Condominium (Iconsiam C1) and The Iconsiam Superlux Residences (C2)
- Langsuan Village
- Aspire Wutthakat
- Ban Hua Hin
- Langsuan Park View
- Central Embassy
- Renovation of conservation buildings in the Grand Palace area
- Underground Parking Garage and Top Garden Landscaping Project
- The Bangkok Residence
- Bangkok Midtown Hotel
- Chulalongkorn Hospital Development Project by The Thai Red Cross Society
- Neo Factory, Klong 13 Pathumthani
- INET Data Center (IDC 3), Saraburi
- Line Village Bangkok at Square 1

### Infrastructure Projects

- Suvarnabhumi Airport Development Project Phase 2
- MRT Blue Line
- Srirat - Outer Ring Road Project
- Srirat Expressway Stage 3/5 Renovation

### Special Project

- Standing Buddha at Wat Chana Songkram (Wat Thip)

# New Supreme Court Office



Building Project





Tesco Lotus



## Building Project





## Thairath Building 9 and Building 1 Renovation



## Building Project



MAKRO  
Chiang Mai branch and Bodindecha branch

**makro**





Aspire Wutthakat

aspire  
WUTTHAKAT





Home Pro Rama 9





# ICONSIAM

THE ICON OF ETERNAL PROSPERITY





Magnolias Waterfront Residences C1  
The Iconsiam Superlux Residences C2)

## Building Project



Langsuan Village









## Building Project





## Building Project



**Rhythm Condominium  
Sukhumvit 36-38**

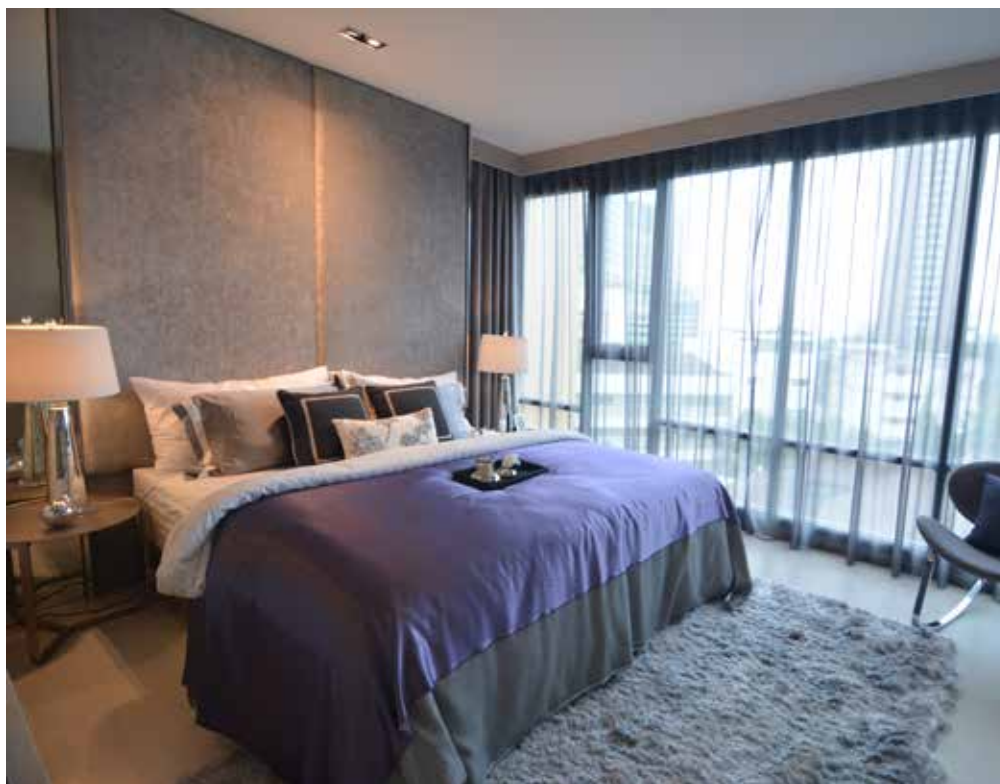




## Building Project



Rhythm Condominium  
Sukhumvit 42







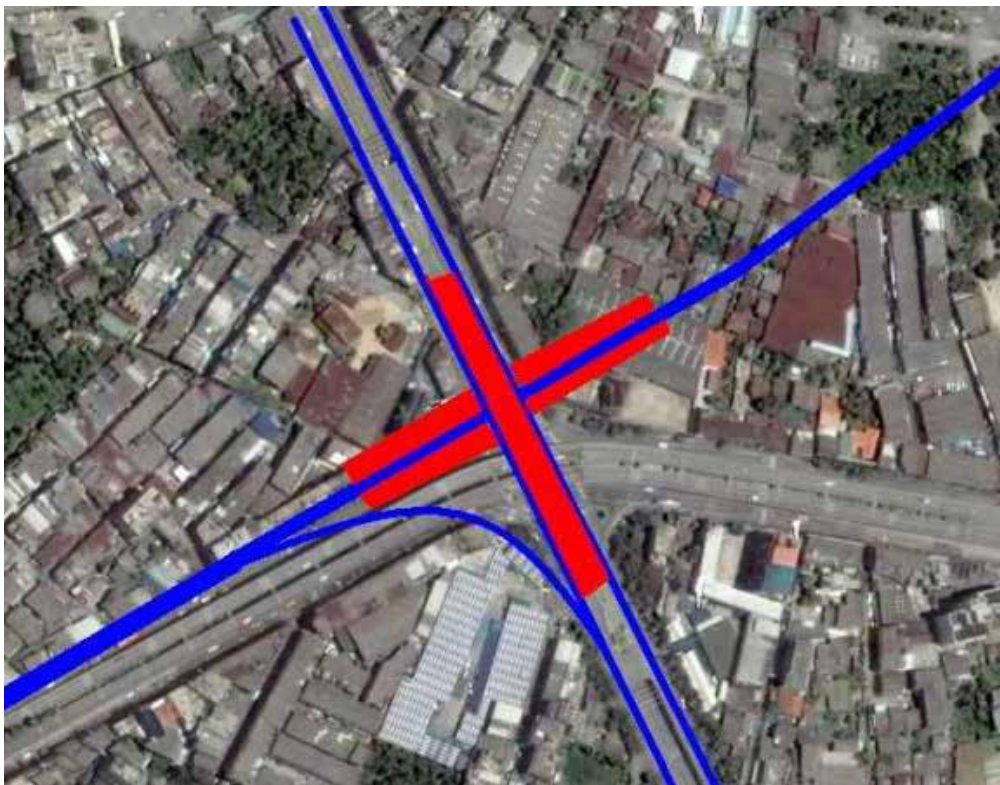
Suvarnabhumi Airport Development  
Project Phase 2







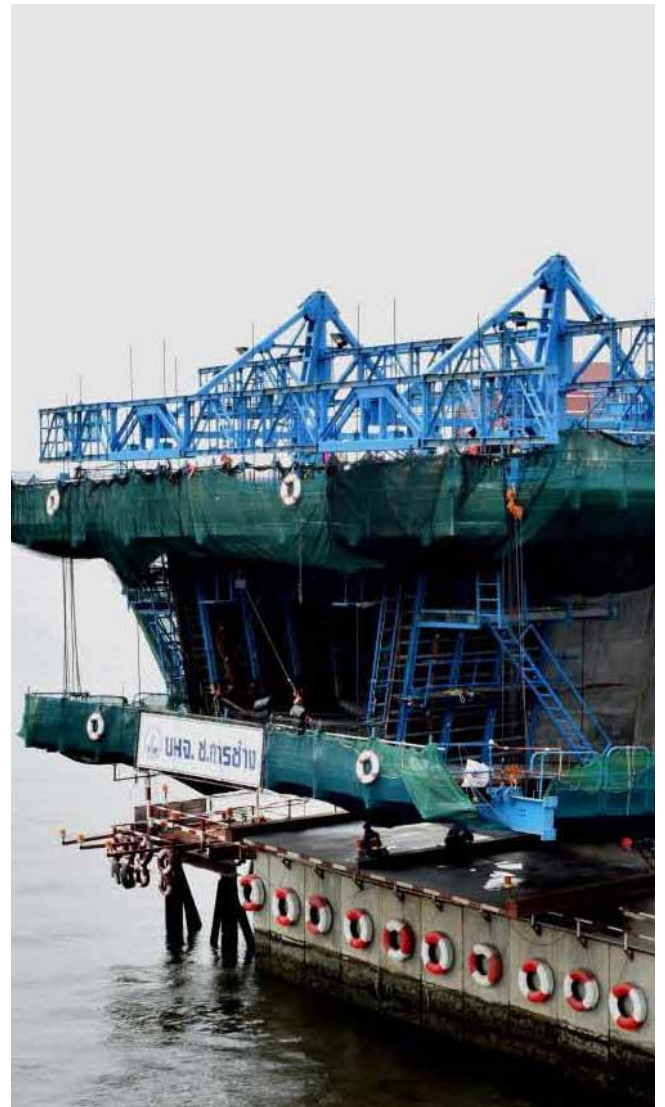
MRT Blue Line



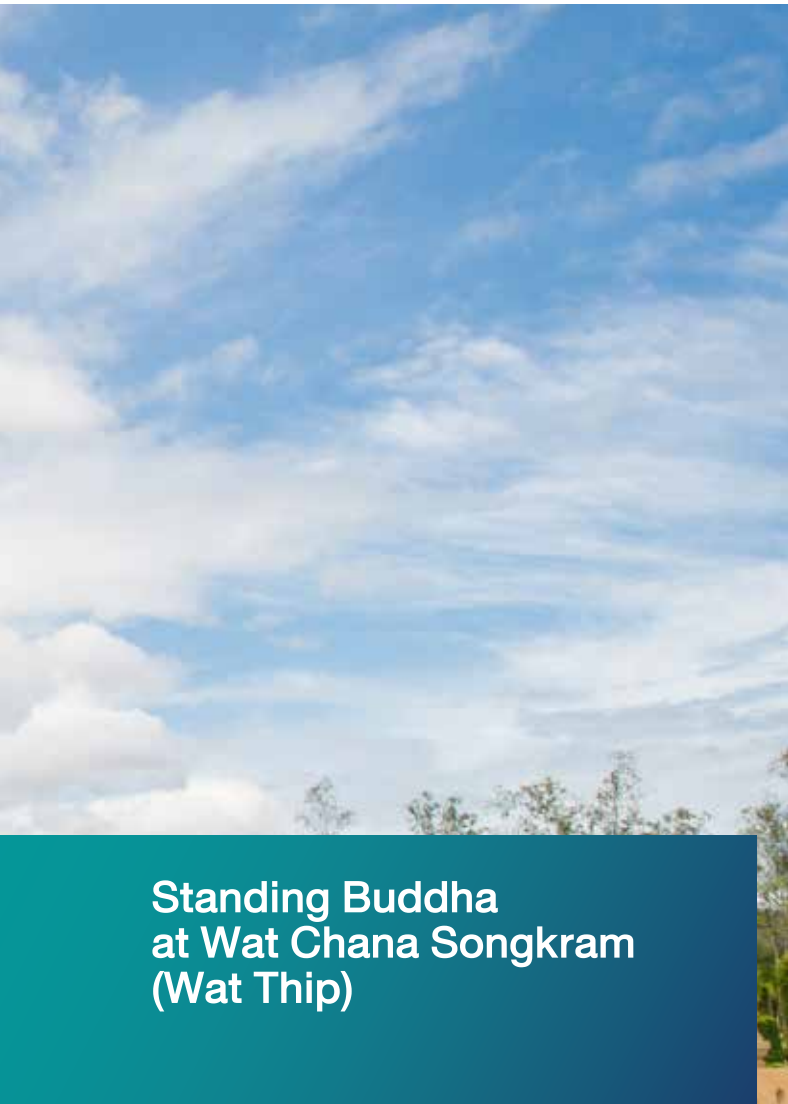


## Infrastructure Projects









Standing Buddha  
at Wat Chana Songkram  
(Wat Thip)



The operating result in 2017 was in a better condition comparing to 2016. The total revenue of the company in 2017 equals 396.03 million baht which increased from 319.10 million baht in 2016. It significantly increased 24.11 percent. The total profits in 2017 are 55.17 million baht which enlarged from 32.18 million baht or 71.44 percent in 2016. The gained revenue and profits resulted from the construction project for the second phase of Suvarnabhumi International airport that we have been overseeing. Moreover, the company's projects went along well.

The revenue of the company in 2017 came from the local market total 388.58 million baht. The company gained 282.90 million baht (71.43 percent of total revenue) from the private sector and gained 106.05 million baht (26.78 percent of total revenue) from the

public sector. We also made 0.37 million baht (0.09 percent of total revenue) from the international market. The return on equity grew up from the previous year as well since the net profit is increased by 22.99 million baht or 71.44 percent.

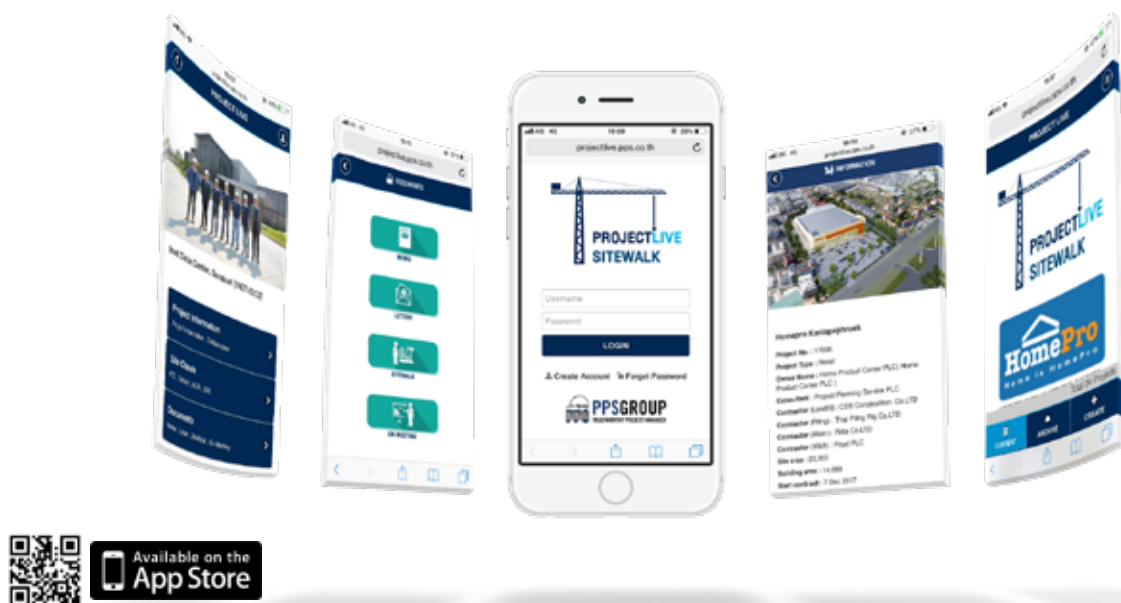
On December 2017, we have hold 27 projects with a backlog value of 374 million baht.

Apart from the mentioned results, the company still enhances our competency including operation standard, business administration, and training course to improve the staffs' skills.

Our company applied innovation and technology information to be used for standardizing the operation and the details will be explained as follows.



## INNOVATION THROUGH INFORMATION TECHNOLOGY



Available on the  
App Store

1. **SITE WALK Program** In 2016, the company developed the 'PROJECT LIVE' program for administrating and supervising the construction which is the main type of our business. PROJECT LIVE helps the staffs to oversee their work and process the documents correctly through the smart phone. Nevertheless, we, again, have developed another program named 'SITE WALK' which is a free-software for the public. The capacity of SITE WALK is similar to PROJECT LIVE's.
2. **TOTAL ORGANIZATION INTEGRATION (TOI)**  
Our company has developed technology information system being used in the company which is called TOTAL ORGANIZATION INTEGRATION or TOI. TOI leads the connection between each division and dimension including project management, operation, finance, documentation, customer service, and any other related divisions. It also creates the efficiency for the company and arranges the result in many ways such as strategy and business plan. In addition, TOI presents our company's IT management capability out of the same company type.  
PPS has been continually developing TOI from MyPPS system that was the technology information usage via internet of the company. We anticipate testing the prototype soon in 2018.
3. **DOCUMENT CONTROL SOFTWARE**  
We place an importance on the information management for both internal information and business information. Since we regard that the information is a core of business, the strategy must be correct and accurate. An effective information management, thus, is a major factor to improve our business especially the project administration information. That information comprises of design period, bid period, construction period, and post-construction. Therefore, the company has brought this software to use for accurate information and business administration.  
  
We started to store the information or data message as a database so that the staffs are able to access through cloud computing. For the upcoming 2018, company plans to apply this system with the ready project for administrating the documents such as shop drawing, RFI, as-built drawing, and manual. It includes the database management for developing our business in terms of the facility management. In the meantime, we focus on staff potential development in order to be ready for the business growth and to replace the retirees. The company has set the goal for the staff to be trained or improved at 40hours/person/year and training and human resources development division accomplished this goal in 2017.

Besides, we conduct the succession plan to ensure that project managers are well groomed from the company's resources and be in line with business growth. This process begins with the recruitment, selection, development, and maintenance. We also make up a 'project manager' training program for conforming the company's growth.

### The Company's implementation of the Anti-Corruptions

1. PPS has been certified by the Private Sector Collective Action Coalition against Corruption (CAC) in the preventive corruption measures on January 22nd, 2016.
2. PPS has revised the anti-corruption policy (Revision 1/2016) and published on the company's website.
3. PPS has arranged anti-corruption training regularly in order to provide all employees with the knowledge and understanding about the anti-corruption policy and good practices.

The operating results from the company's subsidiaries and joint ventures for the year 2017 are reported as follows:

**PPS Design Co.,Ltd.** has engineering design works on hand for both local and foreign projects namely design work project in Cambodia and Lesso Mall in Bangkok in order which took over from Swan & Maclaren Thailand Co.,Ltd. PPSD anticipated more engineering design projects in 2018 resulting from the domestic economic uptrend with the relax of fee competition. We also expect that PPSD will rise the revenue up from construction management works for small projects.

**Swan & Maclaren (Thailand) Co.,Ltd.** serves an architectural and interior design work. The company supervised Lesso Mall Bangkok project which was a mega in 2017. Furthermore, Swan & Maclaren offer architectural design work for projects in AEC country market such as Myanmar, Vietnam and Cambodia, and other projects from foreigner's investment as well.

**PPS Information Consultant Co.,Ltd. (PIC)** is continuing their course on media business and information technology. PIC grew from internal support to PPS with the initiative of utilizing information technology to the underutilized construction business.

PIC also supports PPS in all of their training programs and also develops the training media to become a content provider via internet channels, YouTube, and cable TV. PIC's revenue comes from media services for PPS and other media channels including ThaiRath TV, Changmuns channel on YouTube and other internet channels. This also exposes better image and professional identity of PPS to general public.

PIC also supports PPS in PROJECT LIVE cloud computing software created to service the need of an online tool for construction management and supervision through smart phone.

PIC services include film and video production, radio and television program, concert and event organization, and application and computer programming.

**ENSEMBLE EQUITY PTE. LTD.** was registered on November 18th, 2015 in Singapore. The company serves the provision of project management and engineering consulting services and products. The amount of registered capital is 500,000 SGD. EE is able to earn the projects and revenue at the present time.

## Targets for 2018

In the year 2018, the company targets to expand and increase competitiveness including seeking opportunities from the main business and subsidiaries via joint venturing. Our growth strategies as follows:

### 1. BRANDING

We would like to strengthen the brand of PPS Group by expanding the scope of business to cover all works in construction industry. The technology information is brought to be used in operation together with proficient staffs. We believe they are able to upgrade our works and develop community, society, and environment.

### 2. INNOVATION AND TECHNOLOGY INFORMATION USAGE

Using technology information in company is one of our policies to increase the competitiveness. In 2017, PROJECT LIVE is being used to manage and supervise every project and we plan to apply Total Organization Integration (TOI) to support work process in 2018. Moreover, document control software is another system that will be used in projects' documentation including the database and facility management.

### 3. HIGH QUALITY STAFF

We hold a training program to improve the knowledge and potential of staff in terms of techniques of construction management and supervision and second language (Chinese or English). Then, the staff can handle an international project or foreign investor as the company has prepared the business partners for them.

### 4. REVENUE

Our main revenue comes from projects of government sector in order to suit the market condition. The government sector will extremely prosper by public utility infrastructure; in the meantime, we also keep working on the projects of private sector such as the former and new business partners and foreign investors. We are confident to invest more in private sector because of the economic stimulus and the investment in government sector.

However, PPS targets our company to increase 20 percent of the profit from the previous year which is divided into two parts; 10 percent from business administration and construction supervision, and another 10 percent from the growth of subsidiary companies including design work, technology information, energy business, intelligent building, and smart city. Apart from revenue target, PPS also has a policy of increasing the transparency and considering the shareholders as important to enhance our growth and to develop community, society, and environment.

The company will also ensure transparency throughout our business processes including care of stakeholder rights relating to all of our business. This will ensure sustainable growth of the company, the profession, the society and the country as a whole.

## Revenue Structure

Project Planning Service Public Company Limited and Subsidiary Companies and Subsidiary

Type of revenue (according to project type)	2015		2016		2017	
	MB	%	MB	%	MB	%
Revenue from Services	234.22	98.03%	306.92	96.18%	388.95	98.21%
Revenue from Construction Supervision	219.13	93.56%	301.68	98.29%	373.47	96.02%
Office Buildings	22.73	10.37%	24.72	8.19%	27.10	7.26%
Retail Areas	69.10	31.53%	93.70	31.06%	101.64	27.22%
Residential Buildings	61.73	28.17%	85.27	28.27%	101.23	27.11%
Multi-Purpose Buildings (Mix Use)*	17.95	8.19%	6.95	2.30%	9.58	2.57%
Hotels	4.19	1.91%	12.68	4.20%	4.93	1.32%
Hospitals	11.22	5.12%	19.39	6.43%	17.65	4.73%
Infrastructures	-	0.00%	2.41	0.80%	15.92	4.26%
Standard Public Utility	19.14	8.73%	42.62	14.13%	80.43	21.54%
Others **	13.07	5.96%	13.94	4.62%	14.99	4.01%
Revenue from Designs	2.99	1.28%	5.24	1.71%	12.97	3.33%
Revenue from Concerts	12.10	5.17%	-	0.00%	2.51	0.65%
Revenue from Sales	-	-	-	-	-	-
Other Revenue	4.71	1.97%	12.18	3.82%	7.08	1.79%
Total	238.93	100.00%	319.10	100.00%	396.03	100.00%

1. \*Multi-purpos Building (Mix Use): Department Store, Office Building, Hotel
2. \*\*Others: Distribution Center/ Data Center/ Industrial Factory/ Temple Measure/ Showroom

## Risk and Risk Management

Project Planning Service Public Company Limited or PPS recognizes the importance of risk management. As both internal and external factors could affect the performance, the company, then, has established the board of risk management since 2012 to be responsible for corporate risk management. The major function of the board of risk management is to prepare, monitor, and continuously evaluate the risk management plan. In the year 2017, the board has summarized the risk issues into 5 main categories including business risk, management risk, risk associated with the recruitment of qualified staff, research and innovation development risk and corruption risk. Moreover, there are 2 more issues that possibly happen in subsidiary company, PPS Information Consultant Co.,Ltd. (PIC), and they will be explained below.

### 1. Business Risk

#### 1.1 .Business risk (Price competition)

The business of construction project management and supervision can be formed with a few capitals so there are many new starters in the market. This caused the existing businesses to expand their operation for new projects. It also caused higher capitals for the operation, higher competitiveness in the market, and higher price competition. Despite the growing competition which gives more choices to the clients and more pressure on fee structure, we believe reputation, experience, and acceptance on professionals are still the most important factors that clients use in selecting the construction project manager. Therefore, we are able to manage the higher risk in this regards. Nevertheless, we are fully aware of the risk from growing business competition. It is our policy to create additional competitive advantages. We aim to make our differentiation more concrete and noticeable. For example, we have developed “PROJECT LIVE” program to be used internally to enhance construction project management activities. In addition, we have followed our quality policy to continually improve the efficiency of our operation. These ensure that we can maintain our existing customers and attract new customers from positive referral.

### 2. Management Risk executive

#### 2.1 Risk of Dependence on Executive and Risk associated with the lack of required staffs

Our company is the service business, thus, human resources regards as the most important resource of the company. It is crucial to retain and continuously develop this division for sustaining the business growth. It includes the recruitment, existing staffs’ potential development, and new management team development to continue the business.

The main reason for the higher risk in this concern is due to the rapid growth of construction related-businesses. This growth creates pressure in recruiting and maintaining the quality staffs.

We manage this risk by developing the human resources policy continuously so that we can support the demand of human resources in each department depending on the work and strategy. The human resource planning is monitored on the monthly basis. The continuous human resource development plan has been laid out. We also try to increase overall compensation and other benefits for our valuable staffs for maintaining high morale and retain most important staffs.

### 3. Risk associated with the recruitment of qualified staff

We advertise the job requirement on media and public relations such as job recruitment website and university relations. That website is [www.jobbkk.com](http://www.jobbkk.com) and we recruit online 25 positions. We can record and observe the resume of applicants as well. For the university relation, we sent the recruitment letter to the deans for requiring the students especially in international engineering program. The lists of university that we have cooperated are displayed below.

- Sirindhorn International Institute of Technology (SIIT), Thammasat University
- Kasetsart University
- King Mongkut's University of Technology Thonburi
- Asian Institute of Technology (AIT)

### 4. Research and innovation development risk

The innovation we created in 2015 to differentiate our company from the others of the same business field is in the risk of adaptation and reproduction.

The risk of lacking the staff in innovation development and the risk of the failed cooperation with external organization are also appeared. Hence, we restrict the access only for the staffs and collaborate with a trustworthy company. Another way is to recruit full-time staff for a closed monitoring and management.

### 5. Corruption Risk

Despite the low risk from internal fraud, we still see risks associated with corruption malpractice. The malpractice is crucial to our reputation. We do not tolerate any of this risk. Therefore, we have set our anti-corruption policy for the staff to follow along with an action plan ISO 9001:2008.

Our management closely monitors our operation to ensure transparency throughout operating process. Furthermore, PPS has set up a whistleblower line directly to the company's board of director at [whistleblow@pps.co.th](mailto:whistleblow@pps.co.th)

### Risk in subsidiary company: PPS Information Consultant Co.,Ltd. (PIC)

1. Risk associated with revenue  
We seek for the media content work including broadcasting on the website and social media to control this risk. In 2017, we made the video presentation for 3 external organizations and broadcast our project through Changmuns channel on YouTube, radio TV 3, and engineering tip on Thairath TV.
2. Risk associated with PIC's project in a specific community  
PPS realized the risk of our work has been broadcast in a specific audience. As a consequence, we outsource to design and improve the website for advertising our company.

## Market Sentiment and Competition

Engineering consultant business on design and project management which is the main business of the company is closely related to the property development and infrastructure development business. Thus, the analysis of these two businesses must be done to reflect the company's business as a whole.

Economy in Thailand in 2017 grew by approximately 3.8% slowly improving from 2016. Investment has been expanded at 1.1%. Government spending went down 0.2%. On the other hand, private investment is increased by 1.6%. According to the report of Economic and Social Development Board, the first nine months of 2017 presented the reduction of the country's construction business of 1.9% while public sector decreased by 2.2% and private sector decreased by 1.1%.

Real estate sector in 2017 has been decelerating after the finish of government's stimulus packages which led to negative consequence to both construction industry and engineering consultant business. Nevertheless, the better political stability and economic uptrend create positive sentiment to real estate sector. When considering the categories of residence, condominium has the highest growth rate which still has a tendency to grow up more this way than the horizontal residential segment.

The development of public transportation and the increasing of high land cost are counted as the positive factor for engineering consulting business. The other categories of real estate that consecutive grow comprising of rental office especially the ones nearing mass transit stations in Bangkok Metropolitan Region. However, the growth in other provinces has been decelerating from the excess supply, the weakness purchasing power, and particularly from the government's

delay in developing railway projects.

Wholesale and retail business is successive growing in line with household spending growth and accelerating growth rate of foreign tourist at 6.1% in 2017 and will continue growing in 2018. This caused the major firm in the wholesale and retail business can continue expanding branches to retain their competitiveness and serving such higher demand.

In 2017 continuing to 2018, the company sees more growth in hospital and healthcare service business which require additional construction facilities in both domestic and regional countries.

The public sector's projects are shown growing slow in 2017, however, the trend is predicted increase continuing in 2018 according to the government policy of spending and investments. The infrastructure projects are expected for the invitation of tender. It shows that more than 20 projects come from both directly from the government and public enterprises such as motor way projects, mass rapid transit lines, railway lines, water and air transportation, airports and including special economic zones.

However, there are risks from delays of such projects internally from the government processes and also from the clarity of public private participation scheme and difficulties

on expropriation of project lands. So, there are opportunities that could also associate with risks which need to be carefully managed.

Another factor that will benefit for the construction business sector is the AEC investments both inbound and outbound. The investment in AEC became stronger since 2015 and is expected more opportunities continually in 2018.

In an overall picture, the engineering consultant business might grow up in 2018 due to the political stability, government sector investments, private sector confidence, better balance of demand and supply in property development sector, low interest rates and low construction material costs. However, price competition is still seen and there is business pressure from the lack of staff. This could affect the engineering consultant business as a whole.

However, PPS will continue to move the business forward cautiously with sustainable growth and continuously monitoring the market sentiment and competition so the company could adjust its strategy accordingly and manage the risks associated efficiently.

## The Major Shareholder

List of the major shareholder of the company as of December 29, 2017 were as follows:

No.	Name of the Major Shareholders	No. of Shares held	The Proportion of Shareholding (%)
1	Mr. Prasong Tharachai	96,456,312	13.003
2	Mr. Phongthon Tharachai	93,102,360	12.550
3	Mr. Theerathon Tharachai	84,174,912	11.347
4	Thai NVDR Company Limited	43,614,701	5.879
5	Mr. Somphant Hongchintakul	28,500,000	3.842
6	Mr. Taksin Thantipijit	22,649,204	3.053
7	NOMURA CUSTODY NOMINEES LTD	17,458,700	2.353
8	Mr. Chai Manophars	16,000,000	2.157
9	Mr. Dusit Wongsutiroj	12,358,300	1.666
10	Tat Thongpakdi	12,272,219	1.654
11	Rewadee Tharachai	12,096,000	1.631
12	Miss Supranee Yensuk	11,919,000	1.607
13	Asset Plus Small and Mid-Cap Equity Fund	8,342,600	1.125
14	Mr. Voradaj Piemsuwan	8,238,131	1.111
15	Mr. Puwadaj Sawasdee	6,639,000	0.895
16	Mr. Ched Mueansom	5,355,000	0.722
17	Dr. Narandr Chevangkul	4,098,400	0.552
18	Mr. Pornchai Sricharoenlumsum	4,000,000	0.539
19	Mr. Surachai Bunpoem	3,900,000	0.526
20	Miss Anchana Pinitkusonchit	3,840,000	0.518
21	Other Shareholders	246,809,780	33.16
Total paid-up capital		741,824,619	100.000
Thai Investors		723,247,905	97.50
Foreign Investors		18,576,714	2.50

### Remark

1. Restrictions on Foreign Investors  
The company had imposed limitations on the number of shares which could be held by the foreigners at 49% of fully paid – up capital as of December 29, 2017. The company declared that 25% of fully paid – up capital shares were held by the foreigners.
2. There were 20 shareholders who held more than 0.5% of total shares as of December 29, 2017.

## Management Structure

The Company's management structure comprised the Board of Directors, six Sub – Committees and the Management Team as follows:

1. The Board of Directors
2. The Audit Committee
3. The Nomination and Remuneration Committee
4. The Corporate Governance and Social Responsibility Committee
5. The Executive Committee
6. The Risk Management Committee
7. The Improvement Committee
8. The Management Team (As defined by the SEC)¶

## Board of Directors

In 2017, the Board of Directors comprised executive and non-executive directors as follows:

No.	Name	Position	Director	Date of Appointment
1	Mr. Prasong Tharachai	Chairman	Executive Director and Authorized Director	April 22nd , 2016 Third Term
2	Mr. Tat Thongpakdi	Director	Executive Director and Authorized Director	April 22nd, 2016 Second Term
3	Mr. Phongthon Tharachai	Director	Executive Director and Authorized Director	April 27th, 2017 Third Term
4	Mr.Theerathon Tharachai	Director	Executive Director	April 24th, 2015 First Term
5	Pol.Lt.Gen.Nukool Jeamanukoolkit	Independent Director	Executive Director	April 24th, 2015 Second Term
6	Mrs.Vipavee Boonyaprasit	Independent Director	Executive Director	April 27th, 2017 Third Term
7	Mr. Kachen Benjakul	Independent Director	Executive Director	April 27th, 2017 Third Term

Mr. Voradej Piemsuwan is appointed as the Secretary to the Board of Directors and the Company Secretary

### Authorized Directors

Mr. Prasong Tharachai or Mr. Phongthon Tharachai or Mr. Tat Thongpakdi is authorized to sign jointly on behalf of the Company.

Limitation to the Board of Directors' Authorization : - None

## Scope of Duties and Responsibilities of the Company's Board of Directors

1. Work in accordance with the law, purposes and regulations of the Company as well as resolutions of shareholders' meetings and approvals of shareholders in meetings on matters including the connected items and the purchase and sales of important properties according to the regulations of the Stock Exchange of Thailand or as specified by any other organization.
2. Approve the business policies, purposes, operation plans, business strategies and annual budgets.
3. Appoint personnel who are qualified with no prohibited properties as specified in the Public Company Act 1992 and the legislation on securities and the Stock Exchange of Thailand as well as announcements, rules and/or regulations related to positions of the members of the Board of Directors in case there is a vacancy due to any other reason apart from a retirement on rotation.
4. Appoint the Executive Committee as well as determine the scope of duties and responsibilities of the Executive Committee.
5. Appoint Independent Committee and the Audit Committee by considering the qualifications and prohibited properties of Independent Committee and Audit Committee following the legislation on securities and the Stock Exchange of Thailand as well as announcements, rules and/or regulations related to the Stock Exchange of Thailand. Nominations are to be submitted to the shareholders' meeting for final approval and appointment the nominated persons as members of the Independent Committee and the Audit Committee.
6. Consider, determine and amend the names of members of the Board of Directors whose authority binds the Company.
7. Appoint any other person to operate the businesses of the Company under the supervision of the Board of Directors or grant power of attorney to authorize that person and/or within the timeframe deemed appropriate by the Board of Directors. The Board of Directors may cancel, revoke, alter or change such authority at any time.
8. Approve of a receipt or a sale of security unless such transaction needs an approval from the shareholders' meeting. Such approval is to be in accordance with the announcement, rules and/or regulations related to the Stock Exchange of Thailand.
9. Approve a connected transaction unless such transaction needs an approval from the shareholders' meeting. Such approval is to be in accordance with the announcement, rules and/or regulations related to the Stock Exchange of Thailand.
10. Approve interim dividend payments to shareholders when the Company has made enough profits and report the payment of dividends to the shareholders in the next shareholders' meeting.

The allocation of duties and responsibilities of the Company's Board of Directors is not a grant of authority or part of the authority that allows the Company's Board of Directors or those with the power of attorney from the Company's Board of Directors to approve any matter that involves any person in conflict (including themselves) (according to the definitions in the announcement by the Securities and Exchange Commission). This applies for the Company and its subsidiary companies.

### The Company Secretary

The Board appointed Mr.Voradej Piemsuwan as the company secretary responsible for organizing the meetings of the Board, committees and shareholders. He is deemed by the Board to be appropriate because he is knowledgeable in managing corporate secretarial work and having served as director of the corporate secretary office. The Company constantly supports the company secretary to undergo training in the Company Secretary Program Class 42 / 2011 by Thailand Institute of Directors (IOD) has been appointed as Company Secretary since 2012 according to the provisions of Article 89/15 of the Act on Public Limited companies Act 2535.

## Scope of Duties and Responsibilities of the Company Secretary

1. Produce and keep the following documents
  - (a) Registration of Members of the Board of Directors
  - (b) Board Meeting invitations, Board Meeting Reports and the Company's Annual Reports.
  - (c) Shareholders' meeting invitations and shareholders' meeting reports.
2. Keep stakeholder reports that have been submitted by members of the Board of Directors or the Executive committee and send report copies to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven days from the date that the Company receives the reports.
3. Systematically keep the following documents and evidence that is related to the display information. The secretary must ensure that the documents or evidences are accurately and completely stored. Such documents and evidences need to be accountable for at least 5 years from the dates that such documents or information were made. The storage of the aforementioned documents and evidences include digital storage or any other type of storage in which a document or evidence may be recalled without any alteration to the statement in the document or evidence.
  - (a) Provision of information to support the resolution of a shareholders' meeting.
  - (b) Financial statements and reports on the financial status and the performance of the Company or any other report that needs to be reveal following articles 56, 57, 58 or 199 of the Act on Securities and the Stock Exchange of Thailand.
  - (c) The Company's opinions when there are requests for Company's share purchase from the shareholders in an ordinary circumstance.
  - (d) Provision of information or any other report on the business that the Company has produced to disseminate among the shareholders or the general public as determined by the Capital Market Supervisory Board.
4. Be responsible for any other task following orders and announcements of the Capital Market Supervisory Board.
5. The secretary is to work with responsibilities, care and integrity. One is to comply with the law, purposes, the Company's regulations, the resolutions of the Board of Directors as well as resolutions of shareholders. One is not to act in any way that significantly obstruct or conflict the Company's interests.
6. Be responsible and careful as a wise business operator would do under the same circumstances by
  - (a) Decide and act with honest belief and rationality that such a decision or an act is mainly for the best interest of the Company.
  - (b) Decide and act on the basis of information that is honestly believed to be enough.
  - (c) Decide and act in a way that one is not at stake directly or indirectly with the matter.

In case the Company's secretary is retired from the position or cannot work, the Board of Directors is to appoint a new secretary for the Company within ninety days from the date of the previous secretary's retirement or inability to work.

## Audit Committee

In 2017, the Audit Committee comprised the following persons;

No.	Name	Position
1	Pol.Lt.Gen.Nukool Jeamanukoolkit	Chairman of the Audit Committee, Independent Director, Non-Executive Director
2	Mrs. Vipavee Boonyaprasit	Audit Committee, Independent Director, Non-Executive Director
3	Mr. Kachen Benjakul	Audit Committee, Independent Director, Non-Executive Director

Remarks:

1. Mrs. Vipavee Boonyaprasit was a member of the audit committee with knowledge and expertise on Accounting and Finance
2. Mr. Kachen Benjakul was a member of the Non-Executive Director with knowledge and experience on Engineering
3. Mr. Anupan Wananukul was the secretary of the Audit Committee.

### Scope of the Duties and Responsibilities of the Audit Committee

3. Review for the Company and the subsidiaries to report the financial matters accurately and in an open manner. The committee is to coordinate with the auditor and the responsible executive members to produce financial reports quarterly and annually. The audit committee may suggest the auditor to review or check any item that is deemed necessary and important during the Company's period of audition.
4. Review for the Company and its subsidiaries with regards to suitable and efficient Internal Control system and Internal Audit System. The audit committee is to consider the independence of the Internal Audit Office as well as to approve the appointment, transfer or dismissal of the head of internal audit office or any other unit under jurisdiction with regards to internal audition.
5. Review the work of the Company and its subsidiary companies to make sure that it is in compliance with the legislation on securities and the Stock Exchange of Thailand, regulations of the Stock Exchange of Thailand and other legislation related to the Company's businesses.
6. Propose and dismiss the external auditor for the selection and appointment which will be considered for an independent person to perform the duties of auditor in the Company and subsidiary companies and also propose the remuneration of the auditor with regard to reliability, resource adequacy, an amount of work in accounting office, an assigned auditor's experience and effectiveness, as well as attending meetings with the Company's external auditor, without the attendance of management, at least once a year.
7. Consider connected items/transactions or any item that suggests a conflict of interest to comply with the legislation and the regulations of the Stock Exchange of Thailand. This is to ensure that such items are reasonable and are for the best interest of the Company.
8. Produce reports of the audit committees which will be revealed in the Company's annual reports. Such reports are to be signed by the Chairman of the Audit Committee. A report should comprise the following information;
  - a) Opinions on the accuracy, completeness and credibility of the production and revelation of the financial reports information of the Company and its subsidiary companies.
  - b) Opinions on the sufficiency of the internal audit system of the Company and its subsidiary companies.

- c) Opinions on the compliance with the legislation on securities and the Stock Exchange of Thailand, the regulations of the Stock Exchange of Thailand, or legislation related to the businesses of the Company and its subsidiary companies.
  - d) Opinions on the suitability of the auditors of the Company and its subsidiary companies.
  - e) Opinions on certain items/transactions that may result in conflict of interests.
  - f) The number of Audit Committee meetings and the attendance of each member of the Audit Committee.
  - g) General opinions or observations that the Audit Committee has received from working according to the Charter.
  - h) Any other opinion that is deemed beneficial for shareholders and general investors to know under the scope of duties and responsibilities assigned from the Company's Board of Directors.
9. Review on the policy on financial management and risk management, a review on the compliance with the business ethics of the executive members, a review with the Company's executives on important reports that are to be publicized following the legislation including the report and analysis of the executives (MD&A).
10. The Audit Committee is to work for any other assigned task from the Company's Board of Directors that has been agreed.

The three members of the Company's Audit Committee are from the independent board members who are qualified according to article 16 of the Announcement No. Tor Jor. 28/2008 by Capital Market Supervisory Board.

## Nomination and Remuneration Committee

In 2017, the Nomination and Remuneration Committee comprised the following persons;

No.	Name	Position
1	Mrs. Vipavee Boonyaprasit	Chairman of the Nomination and Remuneration Committee
2	Mr. Kachen Benjakul	Nomination and Remuneration Committee
3	Miss. Woraporn Pukpinyo	Nomination and Remuneration Committee

Remarks: 1. Numbers 1 and 2 were independent committee members  
2. Miss. Woraporn Pukpinyo was the secretary of the Nomination and Remuneration Committee.

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

#### Duties and Responsibilities with regards to the Nomination Process

1. The committee is in charge of policy, criteria and method of recruitment attribution, selection and nomination of the Company's Board of Directors and the Nomination Committee as assigned by the Company's Board of Directors and submit the nominations to the Company's Board of Directors for approval to replace the positions of the Company's Board of Directors/ Nomination Committee that are vacant regardless of the reason for vacancy.
2. Carefully verify the nominated person for qualifications according to the legislation and regulations of related organizations.
3. Contact persons who have qualifications corresponding to the determined criteria in order to ensure that such persons are prepared to become members of the Company's Board of Directors should they be appointed from shareholders.
4. The nomination committee may be assigned to nominate high-level executives especially the managing director or the chairman of the executive personnel.

#### Duties and Responsibilities with regards to the Remuneration

1. The committee is to consider the forms and criteria of appropriate remuneration in terms of pays for the Company's Board of Directors and Managing Director to ensure the appropriate forms and criteria of remuneration.
2. Consider the criteria of performance assessment of the Managing Director and present them to the Company's Board of Directors for approval.
3. Consider and determine annual pays for the Company's Board of Directors and the Managing Director. The pays for the Company's Board of Directors are to be entered as an agenda for the approval from the AGM of shareholders.
4. Consider conditions and details of the sales of new securities or share warrants for members of the Board of Directors and employees (if any).
5. Work for any other duties assigned by the Company's Board of Directors.

**In order to facilitate the efficient work of the Remuneration Committee, the Remuneration Committee is to act in the following ways;**

1. In following the scope of duties and authority, the Remuneration Committee is to invite the managing department or the supervisors to attend meetings to explain or to submit relevant documents.
2. The Nomination and Remuneration Committee may ask for professional opinions from external experts or advisors from the Company's expenses.

## Corporate Governance and Social Responsibility Committee

In 2017, the Corporate Governance and Social Responsibility Committee comprised the following persons;

No.	Name	Position
1	Mr. Phongthon Tharachai	Chairman of the Committee
2	Mrs. Vipavee Boonyaprasit	Committee Member
3	Mr. Eakkamol Lertchunhakit	Committee Member
4	Mrs. Wanichthanan Vijacksungsithi	Committee Member
5	Miss Runghana Srichuai	Committee Member

### Duties and responsibilities of the Corporate Governance and Social Responsibility Committee

#### Duties and Responsibilities with regards to the Corporate Governance (CG)

1. Determine business strategy and the operation of the company, and consider and comment on anti-corruption policy to ensure that it is proper with this business, company's surroundings, organizational culture, then report to the board of the committee for the approval
2. Examine and give advices about the principles of corporate governance to the board of the committee in order to follow the principles of the Stock Exchange of Thailand and be accepted by the global standard
3. Consider, review, and revise business ethics, code of conduct, and anti-corruption policy of the company to correspond with the appropriateness and modernity, as well as determine the business operation to conform the good governance for the approval from the board of committee
4. Promote the Company's policies and the Company's good practices to support the corporate governance of the Company
5. Handle with the whistleblower's information when ones are violate the law, ethics, or any regulations of the company, together with examine the evidence, and present the matters to the board of the director to investigate the accusation and punishment
6. Report the Company's social responsibility performance to the Company's Board of Directors periodically
7. Appoint working groups to support the operation as deemed appropriate

#### Duties and Responsibilities with regards to the Social Responsibility (SR)

1. Consider and comment on the strategies and policies of social and environmental responsibility
2. Consider social and environmental responsibility's activities to propose the Company's Board of Directors for further approval
3. Consider work plan and annual budget for social responsibility to propose the Company's Board of Directors for further approval
4. Consider and track the progress of social responsibility activities including evaluation of the achievement and quality of activities
5. Promote the Company's policies and the Company's good practices to boost the social responsibility of the Company
6. Report the Company's social responsibility performance to the Company's Board of Directors periodically
7. Appoint working groups to support the operation as deemed appropriate

## Executive Committee

In 2017, the Executive Committee has a list of the following;

No.	Name	Position
1	Mr. Prasong Tharachai	Chairman of the Executive Committee/Chairman of Advisors of the Executive Committee
2	Mr. Phongthon Tharachai	Deputy Chairman of the Executive Committee/ Chairman of the Executive Committee
3	Mr. Theerathon Tharachai	Executive Committee/Deputy Chairman of the Executive Committee
4	Mr. Tat Thongpakdi	Executive Committee
5	Mr. Wanchai Ruangsup-anek	Executive Committee
6	Mr. Nopparat Narin	Executive Committee
7	Mr. Voradaj Piemsuwan	Executive Committee

Miss Angsupun Tongprapa was the secretary of the Executive Committee.

Remarks:

1. Mr. Prasong Tharachai, Chairman of the Executive Committee, was appointed to the Chairman of Advisors of the Executive Committee since October 12th, 2017
2. Mr. Phongthon Tharachai, Deputy Chairman of the Executive Committee, was appointed to Chairman of the Executive Committee since October 12th, 2017
3. Mr. Theerathon Tharachai, Executive Committee, was appointed to Deputy Chairman of the Executive Committee since October 12th, 2017

## Scope of Duties and Responsibilities of the Executive Committee

8. Conduct and present business policies, targets, operational plans, business strategies and annual budgets of the Company to the Company's Board of Directors for approval
9. Determine business plans, the administrative authority and the Company's budgets to seek for the approval from the Company's Board of Directors
10. Supervise the Company's business operation to comply with business policies, targets, operational plans, business strategies and budgets approved by the Board of Directors to ensure that they are efficient and facilitate our business
11. The Executive Committee is authorized to approve loans or application for a loan from a financial institution as well as to pay or to spend money for ordinary transactions of the Company's businesses, for instance, investment and other expenses under the budget determined following the Summary Table of General Approval Authority announced
12. Determine the efficient structure of the organization and the administration that are covering the recruitment, training, employment and termination of employment of the Company's employees at the level of executive members or high-level executives. The managing director may be assigned to be the authorized person signing an employment contract
13. Monitor, supervise and approve on matters related to the Company's operations. The committee may appoint or assign any person or a group of persons to act on behalf of the Executive Committee as deemed appropriate. The Executive Committee may revoke, change or alter such authority
14. Act as assigned by the Company's Board of Directors
15. The Executive Committee is to report to the Company's Board of Directors immediately should there be an incident of corruption or a suspicion of corruption, violation of a law, and an abnormal act causing significant damage to the Company's reputation and the financial status

With regards to the above provision of authority to the Executive Committee, an item/matter that the Executive Committee or an individual (in the Committee) may be in conflict, may have stakes in or may have any other conflict of interests with the Company or its subsidiary companies. Should that incident arises; the concerned member(s) of the Executive Committee will not have the right to vote on that matter. The approval of an item that may result in a conflict of interests as mentioned above is to follow the announcement of the Stock Exchange of Thailand on the regulations, method and revelations of related items of the registered companies.

## Risk Management Committee

In 2017, members of the Risk Management Committee were as follows;

No.	Name	Position
1	Mr. Kamon Wiriyaachok	Chairman of the Committee
2	Mr. Phongthon Tharachai	Committee Member
3	Mr. Opas Sakulsirikamol	Committee Member
4	Mr. Panprajak Tansutas	Committee Member
5	Miss Woraporn Pukpinyo	Committee Member

### Scope of Duties and Responsibilities of the Risk Management Committee

1. Monitor and supervise the development and participate in the annual analysis of the strategies of the organization's risk managements.
2. Develop and screen the risk levels deemed acceptable by the organization and screen for the acceptable deviations of the risks.
3. Provide directions and monitoring methods to the head of risk management personnel.
4. Assess significant risks and report to the Company's Board of Directors.
5. Assess the Company's risk reports.

Review the risk management plans of Headquarters and the project that occurred compared with the plans every quarter.

## Improvement Committee

Business Improvement Committee is appointed from the approval of the board of the Director since September 11th, 2017 which comprised of the following lists;

No.	Name	Position
1	Mr. Eakkamol Lertchunhakit	Chairman of the committee
2	Mr. Dittha Nonthiworawong	Committee
3	Mr. Thakorn Sirawutthiporn	Committee
4	Mr. Panprajak Tansutas	Committee
5	Mr. Prarunya Kamahayung	Committee
6	Mr. Weera Yenpreecha	Committee
7	Miss Saraporn Lerdlam	Committee

Miss Suree Thongsamarn and Miss Thanyawan Wongkuna was the secretary of the Business Improvement Committee.

## Scope of the Duties and Responsibilities of the Business Improvement Committee

### Duties and Responsibilities with regards to ISO

1. Be responsible for quality improvement to achieve goal of the Company
2. Apply the policy from the board of the committee for accomplishing the quality improvement goal
3. Require the sufficient resource and personnel for the business improving management
4. Provide the quality management documents for using in company's administration, and maintain the policy, goal, manual, and document about quality
5. Supervise the staff complying with the quality management and improve the quality management to conform the modernity and the Company administration
6. Hold a meeting to examine the process of quality management to assure the regulations' effectiveness

### Duties and Responsibilities with regards to the Organization Development (ORD)

16. Study, analyze, and evaluate the problems in the company in terms of policy and **practice level**
17. Study and determine the resolutions to solve or reduce the problems' effect on business administration which is corresponded with the law, regulations, and policy of the Company
18. Study, analyze, and propose the opinion to the board of director about the methods to increase the capability in business administration and coordination
19. Monitor and evaluate the business process to appropriately adjust the strategy and structure of the Company
20. Apply the quality improvement throughout the Company, coordinate with the institute to work along with the scope of required quality management, and follow up the operation in accordance with KPI
21. Advise the entire staff about the business processes used in the Company
22. Propose the policy, measure, procedure, and tool to effectively develop the Company, and to support the board of the directors' decision
23. Develop, manage, and distribute the database and information of the Company improvement
24. Summarize and present the overall operation report and problems and obstacles report to the directors in order
25. Act as assigned by the Company's Board of Directors

## Management Team

In 2017, the Management team as defined in the announcement of the Securities and Exchange Commission (SEC) comprised the following persons;

1. During January 1st, 2017 to October 11th, 2017 contains:

No.	Name	Position
1	Mr. Tat Thongpakdi	Managing Director
2	Mr. Phongthon Tharachai	Deputy Managing Director
3	Mr. Theerathon Tharachai	Assistant Managing Director of Operation and Business Development
4	Mr. Wanchai Ruangsup-anek	Assistant Managing Director of Financial and Administrative
5	Mr. Nopparat Narin	Assistant to the Managing Director on Financial and Administrative Affairs
6	Miss Woraporn Pukpinyo	Accounting Director

2. During October 12th, 2017 to December 31st, 2017 contains;

No.	Name	Position
1	Mr. Phongthon Tharachai	Chief Executive Officer
2	Mr. Tat Thongpakdi	Managing Director
3	Mr. Theerathon Tharachai	Assistant Managing Director of Operation and Business Development
4	Mr. Wanchai Ruangsup-anek	Assistant Managing Director of Financial and Administrative
5	Mr. Nopparat Narin	Assistant to the Managing Director on Financial and Administrative Affairs
6	Miss Woraporn Pukpinyo	Accounting Director

### Scope of the Duties and Responsibilities of the Chief Executive Officer (CEO)

1. The Chief Executive Officer (CEO) holds the authority to administrate the business following the policies determined by the Board of Directors or Executive Committee. The Chairman is to report the operation report to the company's Board of Directors or Executive Committee respectively.
2. The CEO is in charge of annual budget consideration, including annual expense of each department, to present to Executive Committee for an approval.
3. Consider and evaluate the business operation regularly in order to prevent the possible risks from internal or external factors.
4. The CEO has an authority to determine command, regulation, announcement, or memorandum for achieving the goals of the Board of Directors or Executive Committee, or for the Company's benefits.
5. Consider and approve of the purchases and expenses concerning the Company's operation, administration, investment to follow the Board of Directions or Executive Committee's permission within the credit limit.
6. Consider the right(s) and asset(s) of the Company when it comes to the obligations with any person, company, or financial institute, and present to Executive Committee for an approval.

7. Investigate the profits and losses, interim and annual dividend payment before receiving an approval from the Board of Directors.
8. Manage any actions to support the Company's administration.
9. Control, supervise, and follow up the administration of subsidiaries' managing directors.

However, the Chief Executive Officer (CEO) is under the supervision of Executive Committee and is to implement along the determined policies.

Furthermore, the CEO's operation must not approve any action that is able to cause the conflicts or interests to persons, the Company, or subsidiaries (according to the announcement of the Securities and Exchange Commission or of the Capital Market Supervisory Board). This is except the approval depending on the policies and principles determined by the Company's Board of Directors or the shareholders' meeting.

The Company's Board of Directors is authorized to change and amend the scope of duties and authority of the Managing Director as deemed necessary or appropriate.

### Scope of the Duties and Responsibilities of the Managing Director

1. The Managing Director is authorized to supervise the Company's management to comply with the policies determined by the Board of Directors or the Executive Committee and to report the outcomes to the Company's Board of Directors or the Executive Committee respectively
2. Consider the allocation of annual budget produced by the Management team to submit to the Executive Committee for approval as well as monitor the disbursements of annual budget of each agency
3. Evaluate the Company's performance regularly to prevent the risks from internal and external factors
4. The Managing Director is authorized to issue orders, rules, announcement and memorandum to ensure that the operations comply with the policies of the Company's Board of Directors or the Executive Committee or for the best interests of the Company
5. The Managing Director is authorized to approve the purchases and expenses related to normal operations of the Company. The Managing Director is to ensure that expenses in operation, administration and investment are within and according to the budget approved by the Company's Board of Directors or the Executive Committee following the Summary Table of General Approval Authority announced
6. Consider the issue of binding the Company's right(s) and property with an individual, company, shop or a financial institution and submit to the Executive Committee for approval
7. Act to support the Company's operations

The Managing Director is under the jurisdiction of and directly accountable to the Chief Executive Officer. The Managing Director is to act according to the ways and policies determined by the Chief Executive Officer.

Furthermore, the Chief Executive Officer's operation must not approve any action that is able to cause the conflicts or interests to persons, the Company, or subsidiaries (according to the announcement of the Securities and Exchange Commission or of the Capital Market Supervisory Board). This is except the approval depending on the policies and principles determined by the Company's Board of Directors or the shareholders' meeting.

The Company's Board of Directors is authorized to change and amend the scope of duties and authority of the Managing Director as deemed necessary or appropriate.

## Committee in 2017

(January 1 – December 31, 2017)

Name	Committee							Entered during the term
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee	Corporate Governance and Social Responsibility Committee	Improvement Committee	
1. Mr. Prasong Tharachai	✓			✓				
2. Mr. Tat Thongpakdi	✓			✓				
3. Mr. Phongthon Tharachai	✓			✓	✓	✓		
4. Pol.Lt.Gen. Nukool Jeamanukoolkit	✓	✓						
5. Mrs. Vipavee Boonyaprasit	✓	✓	✓			✓		
6. Mr. Kachen Benjakul	✓	✓	✓					
7. Mr. Theerathon Tharachai	✓			✓				
8. Mr. Wanchai Ruangsap-ank				✓				
9. Mr. Nopparat Narin				✓				
10. Mr. Voradaj Piemsuwan				✓				
11. Mr. Opas Sakulsirikamol					✓			
12. Mr. Kamon Wiriyachok					✓			
13. Miss Voraporn Pukpinyo			✓		✓			
14. Mr. Eakkamol Lertchunhakiat						✓	✓	✓
15. Mrs. Wanichthanan Vijacksungsithi						✓		
16. Mr. Panprajak Tansutas					✓		✓	✓
17. Miss Rungnapha Srichuay						✓		
18. Mr. Dittha Nonthiworawong							✓	✓
19. Mr. Thakorn Sirawutthiporn							✓	✓
20. Mr. Prarunya Kamahayung							✓	✓
21. Mr. Weera Yenpreecha							✓	✓
22. Miss Saraporn Lerdlam							✓	✓

### Remark

1. Mr. Wanchai Ruangsap-ank is Executive Committee on January 1st, 2017 which is in accordance with the resolution of the Board of Directors' Meeting No. 4/2016
2. Improvement Committee has started operation since 11 September 2017 which is in accordance with the resolution of the Board of Directors' Meeting No. 3/2017 on August 10, 2017

### Committee members who retired/resigned during the year

1. Mr. Prasong Tharachai completed the Executive Committee on October 12, 2017

## The General Approval Authority Summarized Table

Position	Approval Authority (Bath per transaction)		
	Agreement for the service	Investment	General Expenses
Board of Director		Over 20,000,000	
Executive Committee	Over 50,000,000	2,000,000 – 20,000,000	Over 2,000,000
Chief Executive Officer (CEO)	2,000,000 – 50,000,000	Up to 2,000,000	100,000 – 2,000,000
Managing Director	2,000,000 – 50,000,000	Up to 2,000,000	100,000 – 2,000,000
Deputy Managing Director	Up to 2,000,000	---	20,000 – 100,000
Assistant Managing Director of Finance and Administration	---	---	20,000 – 100,000
Assistant of Managing Director	---	---	20,000

Remark: The revised General Approval Authority Summarized Table is effective from August 10, 2017.

## Directors and the Executives

Persons who are appointed as members of the Board of Directors and the Executives of the Company are those who are qualified in accordance with article 68 of the Public Company Act 1992 and the Announcement of the Capital Market Supervisory Board No. Tor.Jor.28/2551 on the request and the permission to sell new shares dated December 15th, 2008. The qualified persons must not be of forbidden character according to the Announcement of the Capital Market Supervisory Board on the Regulations related to the executives of a

Company issuing securities. All members of the Board of Directors and executives must not have any record of violating law within the last 10 years before the date of submitting the request. All persons must not have a record of bankruptcy, violation of rules, regulations, announcements, orders, resolutions of the Board of Directors or the agreement on security registration with the Stock Exchange of Thailand and the circular notice at the Stock Exchange of Thailand as well as a dispute or a case that has not been fully judged or solved.

### Components and the Recruitment of the Board of Directors

1. The Company must comprise at least 5 members in the Board of Directors. At least half of the directors reside in the kingdom and they are to qualify with the regulations determined by law.
2. Members of the Board of Directors are to be elected in a shareholders' meeting through the following regulations and procedure;
  - 2.1 Each shareholder is to have the number of votes equals to the number of shares one holds.
  - 2.2 Each shareholder is to use all the votes that one possesses to elect one or more than one person as member(s) of the Board of Directors. However, it is not possible to divide the votes unequally to different candidates.
  - 2.3 Those candidates who receive the number of votes in descending order are to become the members of the Board of Directors as the number of the Board allows or as the number of vacancy of the Board of Directors to be elected at that time. In case the votes are equal and the number of the members to be elected at that particular time has been reached, the chairman is to provide a final vote on the matter.
3. At a shareholders' Annual General Meeting (AGM), at least 1/3 of the members of the Board of Directors are to stand down. If the number of the members cannot be divided into three groups, the number of those standing down has to be closest to 1/3. Those members of the Board of Directors may be reinstated into their positions as members of the Board of Directors should the meeting votes them back. Members of the Board of Directors who are to stand down in the first and second year after the Company's registration are to be selected randomly. Afterwards, those members who have been in the positions the longest are to stand down.
4. Any member of the Board of Directors wishes to resign is to submit the resignation to the Company. The resignation takes effect from the date the resignation reaches the Company.
5. In case there is a vacancy in the Board of Directors that is not due to the term retirement, the Board of Directors is to select a person who is qualified and is not of forbidden character according to the law to become a member of the Board of Director in the next meeting of the Board of Directors. Unless the remaining term of that Board member is less than two months, the person replacing the Board member may be in the position for the remaining term only. The resolution of the Board of Directors in appointing a person replacing a Board member needs to comprise at least 3/4 of the votes of the remaining Board members.
6. A shareholders' meeting may vote to ask any Board member to stand down before his/her term ends with at least 3/4 of the votes of shareholders who attend the meeting and are eligible to vote with the accumulated shares of those who vote for a member standing down at least half the number of shares held by shareholders who attend the meeting and are eligible to vote.
7. A member of the Board of Directors may or may not be a shareholder of the Company.

8. One board member is to be selected as the Chairman of the Board of Directors. One or more other member (s) may be selected as vice chairman and managing director should the Board deem appropriate. The vice chairman has the duties according to the regulations in businesses assigned by the Chairman of the Board of Directors.
9. The Board is to select the Secretary of the board of directors who is or is not the member of the board.
10. In case of vacancy of the Nomination and Remuneration Committee, the board of director will consider a qualified person according to the requirement and propose at the next Annual General Meeting of Shareholders.

### Components and the Recruitment of the Audit Committee

Members of the Audit Committee of the Company are to be appointed by the Board of Directors to the positions of the Company's Board of Directors. They are to be qualified according to the legislation on securities and the Stock Exchange of Thailand as well as announcement, regulations and/or rules of the Stock Exchange of Thailand. The Audit Committee comprises at least three members. One member in the Audit Committee is to have good knowledge in Accounting and Finance. The term of a member of the Audit Committee is three years from the date of appointment. When the term lapses and the shareholders' meeting has not appoint a new Audit Committee, the incumbent Audit Committee is to continue working until the Company's Board of Directors or the shareholders' meeting appoints a new committee to replace the incumbent Committee whose term has lapsed and/or whose members' terms have lapsed as members of the Board of Directors. Members of the Audit Committee that have been selected must be independent members and are qualified to be members of the Audit Committee.

### Qualifications of an Independent Member

The Company defined the independent directors of the company referred to the Securities and Exchange Commission (SEC) definition. The details are displayed as follows.

1. Holds shares of not more than 1 percent of the total number of shares that may be counted as votes of the Company, the Main Company, subsidiary Companies, joint-companies, large shareholders or those who are authorized to control the Company. The number of shares held by an independent member is to include the shares held by those related to that particular independent member.
2. An independent member is not and has never been a member of the Board that has the authority to supervise the businesses, employees, personnel, salaried consultants or those who have the authority to control the Company, the Main Company, subsidiary companies, joint-companies, same-level subsidiary companies, large shareholders or of those who have the authority to control the Company unless the member has been out of such position for at least 2 years prior to the date of submitting a request to the Office. Such forbidden character does not include the case where an independent member had been a civil servant or a consultant of a government agency who is a large shareholder or the authorized entity that controls the Company.
3. An independent member is not to have a blood relationship or legal relationship as a parent, spouse, sibling and child including a spouse of a child of an executive, large shareholder, an individual with the authority to control or the person who is about to be nominated as an executive or the individual with the authority to control the Company or its subsidiary companies.

4. An independent member does not have and has never had a business relationship with the Company, the Main Company, a subsidiary company, joint-company, a large shareholder or an individual with the authority to control the Company in a way that may obstruct the use of one's independent thoughts. An independent member is not and has never been a significant shareholder or an individual with the authority to control under a person who has a business relationship with the Company, the Main Company, a subsidiary company, a joint-company, a large shareholder or a person with the authority to control the Company unless the member has left that position for at least 2 years prior to the date of submission of the request to the Office.
5. An independent member is not and has never been an auditor of the Company, the Main Company, a subsidiary company, a joint-company, a large shareholder or an individual with the authority to control the Company. An independent member must not be a significant shareholder, an individual with the authority to control or a partner of the auditing office which auditor(s) of the Company, the Main Company, a subsidiary company, a joint-company, a large shareholder or an individual with the authority to control the Company works for unless the member has left that position for at least 2 years prior to the date of submission of the request to the Office.
6. An independent member is not and has never been a provider of any professional service including the service of legal consultancy or financial consultancy receiving a service fee of more than 2 million baht a year from the Company, the Main Company, a subsidiary company, a joint-company, a large shareholder or an individual with the authority to control the Company. An independent must not be a significant shareholder, an individual with the authority to control or a partner of a provider of a professional service unless the member has left that position for at least 2 years prior to the date of submission of the request to the Office.
7. An independent member is not a member appointed to represent the Company's Board of Directors, a large shareholder or a shareholder who is related to a large shareholder.
8. An independent member does not operate a business that is of similar type and significantly competing with the business of the Company or a subsidiary company. An independent member must not be a significant partner in a partnership or a committee member who participates in the management, an employee, a personnel, a regularly paid consultant or a shareholder with more than 1 percent of the total shares eligible to vote of another Company that operates in a similar type and significantly competing with the business of the Company or a subsidiary company.
9. There is no other quality that prevents one from giving an independent opinion on the Company's operations.
10. An independent member with the above qualifications may be assigned by the Company's Board of Directors to decide in the operations of the Company, the Main Company, a subsidiary company, a joint-company, a subsidiary company of the same level, a large shareholder or an individual with the authority to control in the form of collective decision.

### Qualifications of an Audit Committee Member

1. An Audit Committee member must not be a member who has been assigned by the Board of Directors to decide on the operations of the Company, the Main Company, a subsidiary company, a joint company, a subsidiary company of the same level, a large shareholder or an individual with the authority to control the Company and;
2. An Audit Committee member must not be a member of the Board of Director of the registered Main Company, subsidiary company or a subsidiary company of the same level.
3. An Audit Committee member must have enough knowledge and experience to act as a member of the Audit Committee. At least one member of the Audit Committee needs to have enough knowledge and experience to review the credibility of the financial statements.

4. An Audit Committee member performs duties in the same way that is determined in the announcement of the Stock Exchange of Thailand on the qualifications and the scope of the work of the Audit Committee.

### Components of the Nomination and Remuneration Committee

1. The Nomination and Remuneration Committee is appointed by the Company's Board of Directors. It comprises mostly independent members.
2. There must be at least 3 members in the Committee. The Committee's term is 3 years and may be re-appointed.
3. The chairman of the Nomination and Remuneration Committee is an independent member.
4. Members of the Nomination and Remuneration Committee apart from those characterized in 1.1 should not participate in the remuneration of the managing director.
5. The Company's Board of Directors appoints the secretary of the Nomination and Remuneration Committee.

### Components and the Recruitment of the Executive Committee

**Components and the Recruitment of the Executive Committee (old version):** In effect on February 23<sup>rd</sup>, 2016 and is invalidated on November 13th, 2017. The details are shown as follows:

The Executive Committee comprises not more than 7 members. They need to be members of the Company's Board of Directors or the high-level executives of the Company. Individuals in the following positions are to be automatically considered as members of the Company's Board of Directors by their positions;

1. Managing Director
2. Deputy Managing Director
3. Assistant Managing Director of Financial and Administrative
4. Assistant Managing Director of Operation and Business Development
5. Assistant to the Managing Director on Financial and Administrative Affairs

However, the Board of Directors eligible nominate as Directors. According to the agreed maximum of two members, deemed appropriate by the Executive Committee, appoint a term of 2 years each term.

**Components and the Recruitment of the Executive Committee (present version):** In effect on November 13th, 2017 in the meeting of the Board of Directors No. 6/2017 and the details are presented below.

The Executive Committee must be a member of the Board of Directors or senior directors. The following positions are counted as the Company's Executive Committee;

1. Chief Executive Officer (CEO)
2. Managing Director (Project Planning Service Company Limited)
3. Deputy Managing Director of Finance and Administration Department
4. Deputy Managing Director of Project Department
5. Deputy Managing Director of Technology and Innovation Department
6. Deputy Managing Director of Administration Department
7. Deputy Managing Director of Business Development Department following the nomination from the Board of Directors

However, the Board of Directors eligible nominate as Directors. According to the agreed maximum of two members, deemed appropriate by the Executive Committee, appoint a term of 2 years each term.

### **Components and the Recruitment of Risk Management Committee Members**

The Risk Management Committee comprises of not more than 5 members. According to the Department consists of representatives from the followings: the management, financial , accounting, Project Department at least 1 per person and must be appointed by the Board of Directors the Board of Directors shall elect one of its members to be Chairman of the risk management. The risk management committee has been appointed and a 2-year tenure together no more than 2 each.

### **Components and the Recruitment of Corporate Governance and Social Responsibility Committee**

The Corporate Governance and Social Responsibility Committee is appointed by Board of Directors, comprised of nine members. At least one member must be independent Directors and another one member must be Board of Directors. The Corporate Governance and Social Responsibility Committee's term is 3 years and may be re-appointed.

### **Components and the Recruitment of Business Development Committee**

The Business Development Committee is appointed by the Board of Executive Directors consisting of at least six members. Those who are appointed must have knowledge, capability, integrity, and devotion over the business administration and the objective achievement.

### **Components and the Recruitment of Chairman of Chief Executive Officer (CEO)**

Chief Executive Officer (CEO) is nominated from the proposal of Executive Committee. Person who is nominated must be a member of Executive Committee during the selection period in order to present to the Board of Directors for the approval.

### **Components and the Recruitment of the Managing Director**

The Managing Director is nominated by the Executive Committee by selecting from the members of the Executive Committee. The selection is to be submitted to the Company's Board of Directors for approval and appointment of the nominated person as the Managing Director. The Managing Director's term is 4 years.

## Meeting Attendance of Various Committee Members (Number of Times)

(January 1 – December 31, 2017)

Name	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance and Social Responsibility Committee	Executive Committee	Risk Management Committee	Improvement Committee
1. Mr. Prasong Tharachai	6/6				10/10		
2. Mr. Tat Thongpakdi	6/6				12/12		
3. Mr. Phongthon Tharachai	6/6			2/2	11/12	4/4	
4. Pol.Lt.Gen. Nukool Jeamanukoolkit	6/6	4/4					
5. Mrs. Vipavee Boonyaprasit	6/6	4/4	3/3	1/2			
6. Mr. Kachen Benjakul	6/6	4/4	3/3				
7. Mr. Theerathon Tharachai	6/6				11/12		
8. Mr. Wanchai Ruangsap-ank					12/12		
9. Mr. Nopparat Narin					11/12		
10. Mr. Voradaj Piemsuwan					12/12		
11. Mr. Opas Sakulsirikamol						2/4	
12. Mr. Kamon Wiriyachok						4/4	
13. Miss Voraporn Pukpinyo			3/3			4/4	
14. Mr. Eakkamol Lertchunhakiat				2/2			3/3
15. Mrs. Wanichthanan Vijacksungsithi				2/2			
16. Mr. Panprajak Tansutas						3/4	3/3
17. Miss Runnapa Srichuay				2/2			
18. Mr. Dittha Nonthiworawong							3/3
19. Mr. Thakorn Sirawutthiporn							3/3
20. Mr. Prarunya Kamahayung							3/3
21. Mr. Weera Yenpreecha							3/3
22. Miss Saraporn Lerdlam							3/3

### Remark

1. Mr. Wanchai Ruangsap-ank is Executive Committee on January 1<sup>st</sup>, 2017 which is in accordance with the resolution of the Board of Directors' Meeting No. 4/2016
2. Improvement Committee has started operation since 11 September 2017 which is in accordance with the resolution of the Board of Directors' Meeting No. 3/2017 on August 10, 2017

### Committee members who retired/resigned during the year

1. Mr. Prasong Tharachai completed the Executive Committee on October 12, 2017

## Remuneration details and comparison chart between each committee during year 2015 to 2017

The remuneration policy for the directors (Board of directors, Independent directors, Executive directors, and Non-executive directors) has been stated clearly and transparently that the remuneration is within the same level of the industry and is sufficient to retain the directors of desirable attributes and that the policy has already been approved by the share holders. The directors who have been assigned to Auditing, Nomination, Corporate Governance & Social Responsibility Committee will get paid in extra proportional to the work.

### Remuneration Ratings

Annual general meeting of shareholders of year 2017, held in the 27th of April, has approved the remuneration for the board of directors as stated below.

#### 1. Remuneration as in money

Within the budget of 2,000,000 baht annually, consisting of (1) Meeting allowance and (2) Depending on the Revenue of the company each year, the company will give out bonuses as an extra remuneration. These bonuses will be allocated by the chairman of the board to each directors and these amounts of money is the same as the previous year's

Details of meeting allowances (each time)

Committees	Meeting allowance (each)	
	2017	2016 (previous year)
<b>Board of director</b>		
Chairman of the board	15,000 baht	15,000 baht
Vice chairman of the board	13,000 baht	13,000 baht
Member of the board	10,000 baht	10,000 baht
<b>Auditing committee</b>		
Chairman of auditing committee	15,000 baht	15,000 baht
Member of auditing committees	10,000 baht	10,000 baht
<b>Nomination and Remuneration Committee</b>		
Chairman of the Nomination and Remuneration Committee	10,000 baht	10,000 baht
Member of the Nomination and Remuneration Committee	10,000 baht	10,000 baht
<b>Corporate Governance &amp; Social Responsibility Committee</b>		
Chairman of Corporate Governance & Social Responsibility Committee	10,000 baht	10,000 baht
Member of Corporate Governance & Social Responsibility Committee	10,000 baht	10,000 baht

## 2. Other allowances: permanent allowance, salary, etc

-- None --

## Summary of remuneration to committees in year 2017

(หน่วย : บาท)

Meeting allowances for year 2017							
Name of the members	Position	Member of the board	Member of auditing committee	Member of nomination and remuneration committee	Member of corporate governance & Social Responsibility Committee	Extra allowances (bonuses)	Net
1. Mr. Prasong Tharachai	Chairman of the board, Chairman of the executive board	90,000	-	-	-		
2. Mr. Tat Thongpak	Director, Managing Director, Executive Director	60,000	-	-	-	180,000	240,000
3. Mr. Phongthon Tharachai	Director, Executive Director, Chairman of Corporate governance & Social responsibility committee, Vice Managing Director	60,000	-	-	-	180,000	240,000
4. Mr. Theerathorn Tharachai	Director, Executive Director, Deputy Managing Director of Accounting & Administration	60,000	-	-	-	180,000	240,000
5. Pol. Lt. Gen. Dr. Nukool Jeamanukoolkit	Director, Chairman of Independent Director	60,000	60,000	-	-	220,000	340,000
6. Mrs. Vipavee Boonyaprasit	Director, Auditing Director, Chairman of Nomination & Remuneration committee, member of Corporate governance & Social responsibility	60,000	40,000	30,000	10,000	200,000	340,000
7. Mr. Kachen Benjakul	Director, Auditing Director, Member of Nomination & Remuneration committee	60,000	40,000	30,000	-	200,000	330,000
<b>Net</b>		<b>450,000</b>	<b>140,000</b>	<b>60,000</b>	<b>10,000</b>	<b>1,340,000</b>	<b>2,000,000</b>

## Summary of remuneration to committees in year 2015-2017

Name of the members	2015			2016				2017			
	Member of the board	Member of Auditing committee	Member of Nomination & Remuneration committee	Member of the board	Member of Auditing committee	Member of Nomination & Remuneration committee	Member of the Corporate governance & Social responsibility	Member of the board	Member of Auditing committee	Member of Nomination & Remuneration committee	Member of the Corporate governance & Social responsibility
1. Mr. Prasong Tharachai	70,000	-	-	145,000	-	-	-	270,000	-	-	-
2. Mr. Tat Thongpak	50,000	-	-	140,000	-	-	-	240,000	-	-	-
3. Mr. Phongthon Tharachai	50,000	-	-	140,000	-	-	-	240,000	-	-	-
4. Mr. Theerathorn Tharachai	40,000	-	-	140,000	-	-	-	240,000	-	-	-
5. Pol. Lt. Gen. Dr. Nukool Jeamanukoolkit	60,000	60,000	-	184,000	60,000	-	-	280,000	60,000	-	-
6. Mrs. Vipavee Boonyaprasit	55,000	40,000	20,000	168,000	40,000	20,000	20,000	260,000	40,000	30,000	10,000
7. Mr. Kachen Benjakul	55,000	40,000	20,000	168,000	40,000	20,000	-	260,000	40,000	30,000	-
Net	380,000	140,000	40,000	1,085,000	140,000	40,000	20,000	1,790,000	140,000	60,000	10,000
Net (including everyone)	560,000			1,285,000				2,000,000			

## Compensation of Board of Director and Comparison Compensation between 2015 – 2017

The policy of Board of Director's compensation has been specified clearly. The compensation is at the same rate with Industrial and high enough to maintain required qualification BOD.

### Rule of Compensation

The Company pays the compensation of Board of Director as a salary, consultant fee, bonus, and other welfare such as daily allowance, provident fund, and telephone allowance. Senior engineer who is in charge of project consultant, consultant, or project director will receive the increased compensation at the rate following the professional fee rate (of a position) as specified in the contract

Compensation of Board of Director	2015		2016		2017	
	Amount (person)	Amount of money (million baht)	Amount (person)	Amount of money (million baht)	Amount (person)	Amount of money (million baht)
Salary, bonus, and welfare (exclude compensation of Board of Director)	7	25.44	7	24.17	7	28.64
<b>Total</b>	<b>7</b>	<b>25.44</b>	<b>7</b>	<b>24.17</b>	<b>7</b>	<b>28.64</b>

Remark :-

In 2017, the presented compensation of Board of Director comprises of compensation of 6 Board of Directors in accordance with the definition from Securities and Exchange Commission, Thailand (SEC) and compensation of 1 Chairman of the Board of Director.

## Report of the Changes in Shareholdings of the Company's Board of Directors and Executives (As defined by the SEC)

No.	Name	Characteristic of Shareholding	Position	Common Stock Holding at the End of the Year 2016 (December 30, 2016)	Common Stock Holding at the End of the Year 2017 (December 29, 2017)	Increase (Decrease)
1.	Mr. Prasong Tharachai	Direct	Chairman of the BOD	62,893,560	96,456,312	33,562,752
		Indirect (Spouse)		10,080,000	12,096,000	2,016,000
2.	Mr. Tat Thongpakdi	Direct	Board of Director/ Executive	6,851,875	12,272,219	5,420,344
3.	Mr. Phongthon Tharachai	Direct	Board of Director/ Executive	65,358,235	93,102,360	27,744,125
4.	Mr. Theerathon Tharachai	Direct	Executive	60,131,875	84,174,912	24,043,037
5.	Pol.Lt.Gen. Nukool Jeamanukoolkit	-	Independent Director	-	-	-
6.	Mrs. Vipavee Boonyaprasit	-	Independent Director	-	-	-
7.	Mr. Kachen Benjakul	-	Independent Director	-	-	-
8.	Mr. Wanchai Ruangsup- ank	Direct	Executive	54,948	82,638	27,690
9.	Mr. Nopparat Narin	Direct	Executive	131,875	170,714	38,839
10.	Miss Voraporn Pukpinyo	Direct	Executive	131,875	158,250	26,375

## PPS Sustainability

Project Planning Service PLC or the Company and the Company's Board of Directors are firmly determined to develop the organization for sustainable growth. Our aims are not only to increase profit in business but also to strengthen the organization in other ways to grow strongly and sustainably together with community, society and environment in the future.

The Board of Directors considers that this point is another vital key driver to conduct the business. Therefore, the Board of Directors has established the Corporate Governance and Social Responsibility Committee to support the Company's Board of Directors' administration in formulating a policy, strategies, work plan and annual budget to propose the Company's Board of Directors for further approval including tracking the progress of social and environmental responsibility activities to report the Company's Board of Directors.

The Company has separated the results of operations into the following 10 main topics based on the framework of sustainable development. The details are as follows.

### 1. Corporate Governance

The Board of Directors always emphasizes and expects to raise the Company corporate governance to international level because it can increase efficiency and effectiveness in the administration and can lead to fair practice of all parties.

In 2017, the Board of Directors has developed numerous things about the Company corporate governance as follows.

1. Anti-Corruption (Detailed in Topic 3 – Anti-Corruption)
  - 1.1 The Company has arranged anti-corruption training regularly in order to provide all employees with the knowledge and understanding about the anti-corruption policy and good practices.
  - 1.2 The Company has revised anti-corruption policy which is approved by the Board of Directors' meeting #6/2017 dated November 13th, 2017 and is announced for implementation details as posted on the Company's website.
2. Revised the term of protection to staff who informs any clues of corruptions or misconduct to the legal, Company's rules & ethics (Whistleblower Policy) and had been approved by the Board of Directors' meeting #6/2017 dated November 13th, 2017 and is announced for implementation details as posted on the Company's website.
3. Revised the Terms of Ethics and Code of Conduct for Directors and Employees (Revision 1/2017) to conduct in line with national and international standard to be sufficient, up-to-date and conform to the changing situation, and Code of Conduct for Directors and Employees was approved by the Board of Directors meeting No.1/2017 on February 22nd, 2017 and was published on the Company's website.
4. Excellent CG Scoring (5 Stars) from the result of Corporate Governance Report 2017 survey by IOD
5. Received Thailand Sustainability Investment 2017 Award from the Stock Exchange of Thailand
6. Received Rising Star award from SET Sustainability Awards 2017 by the Stock Exchange of Thailand
7. Received Full Score (100 Points) from the result of the quality evaluation of the Company's 2017 Annual General Meeting of Shareholder
8. Received Best CEO Awards (CEO of company listed on mai) from SET Awards 2017 by the Stock Exchange of Thailand

#### PPS Sustainability

1. Corporate Governance
2. Business operation with fairness
3. Anti-Corruption
4. Respect for Human Rights
5. Fair Treatment to Labor
6. Responsibility to customers and consumers
7. Responsibility to customers and consumers
8. Environmental Operation
9. Innovation and Distribution of Innovation
10. Making the Report

9. Received Best Company Performance Awards Company Listed on mai from SET Awards 2017 by the Stock Exchange of Thailand
10. Received Outstanding Company Performance Awards Company Listed on mai from SET Awards 2017 by the Stock Exchange of Thailand
11. Received CEO of Company Listed on mai from SET Awards 2017 by the Stock Exchange of Thailand
12. Received Continuing Professional Development (CPD) 2017 by Council of Engineers

Besides the good corporate governance practices, there are 5 more sections that the Company has been performed including the rights of shareholders, equitable treatment of shareholders, roles of stakeholders, transparency, and board responsibilities. Each section is explained as follows;

## Section 1 Rights of Shareholders

As the owners, the shareholders are entitled to dictate the Company's direction or decide on matters of significant impacts. The Company respects the rights and equality of each shareholder and adheres to the principle of fairness as indicated in the Company's regulations and other relevant legislation. Basic rights of shareholders that are upheld equally include the right to participate in the meeting, the right to grant the power of attorney for other persons to attend the meetings and vote on their behalves, the right to add meeting agenda, the right to nominate a person to become a board member, the right to vote in elections or impeach board members individually, the right to vote for the appointment and remuneration of auditors, the right to vote in various businesses of the Company, the right to receive dividends, the right to provide opinions and ask questions in shareholders' meetings, the right to receive information in a sufficient and timely manner. The Company also facilitates to shareholders to attend the meeting and vote.

The Company supervises the compliance with such policy as well as other regulations determined by law closely to protect rights of shareholders.

### 1.1 Shareholders' Meeting

**Before the Meeting**, the Company schedules an annual general meeting of shareholders (AGM) within four months of the annual closing date of its accounting books. In 2017, the Company decided to call the shareholders' meeting on April 27th, 2017 from 10.00-12.00 at Srinakarin 2, 9th floor, The Grand Fourwings Convention Hotel Bangkok, 333 Srinakarin Road Huamark, Bangkokpi Bangkok 10240, Thailand. The call for meeting was issued as written invitation letters indicating the venue, date, time, the meeting agenda and the points to be proposed in the meeting together with appropriate details and reasons. Points were clearly marked as points for acknowledgement, for approval or for consideration. Opinions of the board members on such issues were included. The invitations were then sent to shareholders and the registrar for their acknowledgement. Each invitation had the Power of Attorney form attached for any shareholder who cannot attend the meeting. Invitations were sent by registered post at least 7 days in advance prior to the meeting date.

The meeting details were announced in newspaper(s) for three consecutive days at least 14 days in advance prior to the meeting date following The Company's regulations or the legislation. The Company had set a target for sending out complete shareholders' meeting invitations at least 21 days in advance as well as publicizing the meeting details on the Company's website at least 30 days in advance in order to allow the shareholders enough time to prepare themselves for the meeting. The Company regards the shareholders' meetings highly so the Company has set a policy to make the convenience of the shareholders and investors in attending meetings. The management and the share registrar of the Company were responsible for the organization of a shareholders' meeting, sending out invitations, preparing the venue that was convenient and select date and time that are appropriate, providing information with regards to the meeting, facilitating the meeting as well as preparing information that was sufficiently revealed to assist the decision-making of shareholders in meetings. The chairman of the board allocated timings that were proper and encouraged shareholders to have an equal opportunity to provide opinions and ask questions at the meeting following the meeting's regulations. The Board of Directors ensured that the meeting proceeds according to the order of the agenda and did not add an item without notifying shareholders in advance.

**On the Meeting Day,** the Company took into account the convenience of the shareholders in attending meetings. Hence the Company opted for Srinakarin 2, 9th floor, The Grand Fourwings Convention Hotel Bangkok, 333 Srinakarin Road Huamark, Bangkok 10240. The Company had prepared to conduct the meeting in a smooth and appropriate manner. Such preparations included the preparation of the venue that was conveniently reached with appropriate numbers of receptionists and registration personnel, the use of Barcode system in registration and counting votes. The shareholders could register for the meeting 2 hours in advance prior to the meeting. The ballots were sufficiently prepared for all shareholders in accordance with the agenda of the meeting.

**The AGM Meeting in 2017 Started,** all 7 members of the Company's Board of Directors, the Company's secretary, and the Company's auditor took their seats to begin the meeting. Also, Thep Law Office Limited was invited to attend the meeting as an observer to ensure that the meeting complied with the law and the Company's regulations. Moreover, all members of the Board of Directors and committees especially the chairman of the Board of Directors and the chairmen of committees as well as the Company's high-level executives all attended the meeting to answer questions from shareholders. The chairman informed the meeting that the Company's secretary was assigned to call the number of shareholders who attended the meeting both in person and with proxies. The secretary informed the shareholders of their rights according to the regulations of the Company. After explaining the Company's rules on the method of voting by using different ballots for each minute of the meeting in particular and vote counting for individual agenda items, the chairman clearly addressed how to vote on each agenda item. These were in order to ensure that the shareholders could vote in a transparent and accountable manner.

**During the Meeting,** The chairman ensures that the meeting proceeds according to the order of the agenda and does not add an item without notifying shareholders in advance. Each minute is given appropriate time for discussion and voting. Accurate information of the auditor is given accurately and sufficiently to shareholders to reflect the independence of the auditor. Once information has been provided for each item, the chairman gives the floor to all attendants to express opinions or recommendations, to ask questions, and giving adequate time for debate. The chairman and the management are to address and answer all questions clearly and precisely, treating all questions with due respect. In order for the Company's meeting to be accountable, the Company had arranged for the recording of the meeting including questions from the shareholders and answers as well as vote results for each minute in written form with breakdowns of those shareholders who agreed, disagreed and abstained. The minutes of the meeting must be completely and accurately recorded.

**After the shareholders' meeting,** the Company duly submitted the summary of resolutions made to SET before the Stock Exchange opened its next round of trade. It also duly submitted the report of the shareholders' meeting with minutes, voting records, and every question raised by shareholders to SET and the SET Board within 14 days after the meeting. Moreover, the Company sent the annual report and copies of balance sheets and revenue accounts that had been audited by the auditor and approved by the shareholders' meeting as well as copies of the shareholders' meeting reports related to the approval of balance sheets, the allocation of profits and the payment of dividends to the Public Company Registrar. For balance sheets, the Company would publicize for the general public in newspaper at least 1 day within 1 month from the date that the shareholders' meeting approved of it.

Besides, the report of the shareholders' AGMs and extraordinary meetings are accessible through the Company's website.

## 1.2 Responsibilities to the Shareholders

The Company's Board of Directors have duty to ensure that the executives and employees have integrity and responsibility on their jobs which create the confidence and acceptance to large and small shareholders that the Company concern the basic lawful rights and maximize their profit.

In addition, shareholders are be able to exercise the right to look after their interests by voicing opinions and suggestions and voting to decide on significant changes including the election of the Board of Directors, the remuneration of the Board of Directors members and the committees, the allocation of profits and the payment of dividends as well as appointment and remunerations of auditor(s) at the shareholders' meeting. The Company is to reveal the information that is truthful, accurate, complete and accountable. For the Board of Directors remuneration, the Board of Directors has to propose it to the shareholders for approval every year and attach the Board of Directors remuneration policy for the shareholders consideration as well.

## Section 2 - Equitable Treatment of Shareholders

The Company treats all shareholders fairly regardless of different shareholding proportions, foreign or Thai shareholders by conducting the guideline for equitable treatment of shareholders. The rights of equal treatment that shareholders could expect to receive from the Company described as follows;

To enable minor shareholders to earnestly take part in business, the Company has defined the criteria and consideration process for entitling them to propose meeting agenda items and/or nominate directors in advance including the selection of qualified directors to perform their duties efficiently in the best interests of the Company and all stakeholders alike. The proposal of meeting agenda items and the nomination of directors by shareholders could be done through [www.pps.co.th](http://www.pps.co.th) since October 27th, 2017 to December 30th, 2017. However, no shareholder proposed a meeting agenda item or director nominee.

To maintain the rights of shareholders who cannot attend the AGM 2017 in person, the Company had sent types a, b, and c. of the Power of Attorney forms in accordance with the Notification of the Department of Business Development, Ministry of Commerce on the Determination of Forms of Power of Attorney (5th version) of 2007. The types include the ordinary form and the form in which a shareholder may determine the direction of the votes. A shareholder could grant the power of attorney to any one individual or a member of the Audit Committee approved by the Company for voting on behalf of shareholders. The Company will be responsible for attaching revenue stamps on power of attorney forms of shareholders.

With regards to the election of the Board of Directors agenda, a shareholder could exercise the right to elect a member of the Board of Directors individually. The amount of votes for a shareholder equals to the number of shares owned by the shareholder; in other words, one share equals to one vote. On the day of the shareholders' AGM 2017, the Company proceeded according to the Company's policy that requires all members of the Board of Directors to attend the meeting. On that day, 7 out of 7 members of the Board of Directors which is equivalent to 100% of the Company's Board of Directors attended the meeting. Once the meeting commenced, the Company's secretary explained the procedure of voting and counting the votes to shareholders following the regulations of the Company with regards to voting namely each share equals one vote and the open/transparent voting procedure. The Company had prepared ballots to shareholders for every minute/agenda. With regards to the appointment of members of the Board of Directors, the Company provided the opportunity for shareholders to exercise the right to consider the committee appointment individually.

The meeting proceeded according to the order of the agenda and did not add item without notifying shareholders in advance. The regulations of the Company were strictly upheld. The chairman of the Board of Directors presided over the meeting and provided opportunities for shareholders to voice their opinions and give suggestions to the meeting with sufficient and appropriate amount of time before voting in each minute of the meeting. Shareholders voted using ballots that the Company prepared for shareholders. Once shareholders had voted, the Company would immediately arrange for vote counting. The Company allowed the shareholders to become the staff who count, observe and verify the accuracy of the votes. Thus, the voting and counting procedures were preceded with accuracy, transparency and a speedy manner. The Company has also kept the voted ballots as evidence for future examination as well as questions, answers, opinions in the meeting and the record of the meeting resolutions including approved, disapproved and abstained votes in each minute/agenda in writing.

14 days after the meeting, the Company publicized the report of the shareholders' AGM on [www.pps.or.th](http://www.pps.or.th). The Company has kept the report of the meeting at the Company's headquarters to enable all parties to check.

With regards to the supervision of internal data of the Company, the Company has determined the policy which is implemented on the Company's executives and employees. The Company's executives and employees are forbidden to use the Company's internal information for personal benefits. Details on this topic can be found in the document on the use of internal information. In 2017, there was no evidence that the members of the Board of Directors, executives or the Company's employees bought and sold the Company's asset eccentrically before the financial statements publication.

The Company has determined the guidelines on conflict of interests in the Regulations on Business Ethics and Code of Ethics for the Board of Directors, executives and employees of the Company. Members of the Board of Directors, executives and employees are not to act in any way that may cause a conflict of interest against the Company. In 2017, there was no evidence that the Board of Directors, executives and employees of the Company had acted in any way which caused a conflict of interest against the Company.

## Section 3 Roles of stakeholders

The Company's businesses involve working together with several stakeholders. The Company has managed the interests with great care and has attempted to maintain fairness for all parties by strictly complying with related legislation in order to protect the rights of stakeholders.

### 3.1 Respect of Rights of Other Stakeholder

The Company is committed in justice and being ethical to treat all shareholders fairly despite different shareholding proportions and thus different voting proportions. The fundamental rights of the shareholders are conserved regardless of their gender, age, origin, nationality, or religious. The Company is fully aware of the responsibility to society and community and regards this as the main task. Thus, the Company seeks to create projects and activities that are beneficial to the development of society and community by creating policies and guidelines for all parties of stakeholders and also reporting the Company's performance to shareholders as follows;

1. **For Shareholders** - The Company is committed to operate profitable businesses leading to sustainable growth in order to compete in the long-term while allocating appropriate amount of profits to shareholders. Moreover, the Company also provides accurate, comprehensive, transparent, timely and equal information to shareholders.
2. **For Employees - All employees** - wherever they work - must be treated without prejudice. Furthermore, the Company uses the performance assessment system (KPI) to assess the performance of employees. The results of the assessment are used to plan the trainings and support for further

education of employees as well as to consider paying suitable compensations. The Company has also established a provident fund as well as other welfare benefits for employees and provided a safe work environment and good sanitation in workplaces. (Detailed in Topic 5 – Fair Treatment to Labor, page 138-139 )

3. **For Clients** - The Company pays attention and takes customers' satisfaction seriously especially for services. In 2017, the Company asked customers to evaluate their satisfaction with regards to the Company's services. The results of the evaluation amounted to the average score of 80%. The Company provides guarantee for clients with the registered capital of 215 million baht to further increase the confidence of clients. (Detailed in Topic 6 – Responsibility to customers and consumers, page 140 )
4. **For Business Partners** - As business partners are vital to the quality of the Company products and services, the Company strictly complies with values procurement processes, contracts and the law. (Detailed in Topic 2.2 – Performing to promote the social responsibility in trading partners, page 136 )
5. **For Competitors** - The Company sticks to the principles of good conduct in the framework of competition without using unfair methods to destroy competitors. To be fair competition, the quality of the work is the most essential factor to defeat the competitors. (Detailed in Topic 2.1 – Fair Competition, page 136 )
6. **For Creditors** - The Company complies with the contracts and relevant legislation to pay debts to creditors who lend to the Company. (Detailed in Topic 2.2 – Performing to promote the social responsibility in trading partners, page 136 )
7. **For Intellectual Property and the Copyrights** – The Company respects the right in property, intellectual property and the copyrights of others. (Detailed in Topic 2.3 – Respect the right in other's property, page 137)
8. **For Human Rights** – The Company puts an emphasis on fair treatment based on ethics and code of conduct including the respect of human rights. (Detailed in Topic 4 – Respect for Human Rights, page 138 )
9. **For Society** - The Company has emphasized on community and society accountability. (Detailed in Topic 7 – Society and Community Development, page 140-142 )
10. **For Community** - The Company values the well-being of communities by supporting activities in communities to assist society based on appropriate times and opportunities. (Detailed in Topic 7 – Society and Community Development, page 140-142 )
11. **For Resource and Environment** - The Company has an environmental management policy and disciplinary practices for business operations focusing on using resources efficiently. (Detailed in Topic 8 – Efficient Resource and Environment Management, page 142-143 )

### 3.2 Complaint Center

To increase the efficiency in the treatment of all stakeholders, the Company provides various channels allowing stakeholders easily to fill a complaint.

3.2.1 Clients and the general public may raise a complaint or provide opinions for the Company in accordance with the Regulation on the Procedure of Receiving and Considering Complaints 2009 through the following channels;

**Post**    Project Planning Service PLC,  
381/6 Soi Rama IX 58 (Soi 7 Seri 7), Rama IX Road, Suan Luang, Bangkok, 10250.  
**Website**      <http://www.pps.co.th>  
**Tel.**              0 2718-2785-9    Fax   0 2300-5545-6

Employees may raise a complaint or provide a suggestion or opinion to the Company's Board of Directors and Executives directly through the internal E-mail system of the Company.

3.2.2 If there are any complaints to the Company's staff, please inform to the CG & Social Responsibility Committee via Email: [cgcommittee@pps.co.th](mailto:cgcommittee@pps.co.th)

3.2.3 If there are any complaints to the Company's director(s) or Managing Director, please inform to the Audit Committee via Email: [whistleblow@pps.co.th](mailto:whistleblow@pps.co.th)

### 3.3 Direct Communication Channels to the Company's Board of Directors

Stakeholders who wish to contact the Company's Board of Directors directly (bypassing the Company's executives) may do so through email: [whistleblow@pps.co.th](mailto:whistleblow@pps.co.th). However the Company's Board of Directors has delegated to the Audit Committees, which all are the Independent Directors as recipients of the reports or complaints and examine them and report to the Board of Directors. The Company has determined the policy or guidelines to protect whistleblowers as well as the policy with regards to the confidentiality of information related to a case of whistle blowing.

The Company will investigate the case which has been raised and complained and will seek a solution.

### 3.4 Communication channels

The Company's Board of Directors has assigned the management to ensure that the Company has channels of communication and publication of information that are accurate, comprehensive and timely to investors, the press and other groups of stakeholders utilizing various media platforms, for instance, press releases, newspapers, radio, television, meetings and press conferences as well as website and e-mail which allow the Company to receive-send data and information quickly and accurately. There is an Investor Relations Department/Unit which is responsible for such matters.

### 3.5 Investor Relations

The Company has established an Investor Relations Department to be responsible for the provision of services and dissemination of the Company's news and information that are benefits to all groups of stakeholders including employees, shareholders, clients, trading partners, creditors and analysts equally, justly and comprehensively using diverse communication activities.

Contact details for the Investor Relations Department/Unit

**Address:**

**Project Planning Service PLC.**

**381/6 Soi Rama IX 58 (Soi 7 Seri 7) Rama IX Road Suan Luang, Bangkok 10250**

**Email: [ir@pps.co.th](mailto:ir@pps.co.th)**

**Website: [www.pps.co.th](http://www.pps.co.th)**

**Telephone: 0 2718-2785-9**

**FAX: 0 2300-5545-6**

## Section 4 Publication of Information and Transparency

The Company provides confidence to investors by publicizing important information of the Company accurately, comprehensively, timely, transparently and equally. Such information includes financial information and performances/operating results. Other relevant information is kept and under the rules, regulations as well as the Company's guidelines to prevent leakages of the Company's confidential information to trading competitors following the regulations of the Securities and Exchange Commission (SEC) and the regulations of the Stock Exchange of Thailand (SET). Apart from publicizing information through the Annual Information Form (Form 56-1) and the Annual

Report (56-2), most information is publicized through the website of the Stock Exchange of Thailand and the Company's website allowing shareholders, clients, analysts, investors and those interested parties to access credible information with ease and equality. Investors can learn more about the issuing of additional securities from the annual registration statement (Form 56-1) of companies listed on [www.set.or.th](http://www.set.or.th) or the Company website [www.pps.co.th](http://www.pps.co.th)

The Company specifies agencies and individuals who coordinate and provide information for shareholders, prospective investors and the Stock Exchange of Thailand. The Company also provides opportunities for meeting sessions that involve explanations, questions and answers from the Company's executives.

#### 4.1 Financial Reports

The Company's Board of Directors is responsible for the overall financial reports of the Company as well as the information proposed to shareholders in annual reports. The Board of Directors is to supervise the quality of the financial reports covering the overall financial statements of the Company. The financial statements are to be produced in accordance with the generally accepted accounting standards. There are auditing processes by credible and independent auditors. The Board of Directors is to use appropriate accounting policies and to comply with them regularly. The Board of Directors is to ensure that the overall financial reports of the Company are correct and accurate with sufficient, credible and rational publication of important information.

The Company's Board of Directors provides for the Audit Committee which inspects all departments of the Company in regular intervals in order to ensure correct and comprehensive information recording. The departments work according to the standards and integrity following the policies determined by the Company and not to act in a way that breaches any relevant legislation.

The Company's Board of Directors has appointed three independent board members as the Audit Committee which conducts; reviews to assure that the Company has financial reports which are correct, clear and timely; reviews to ensure that the Company has appropriate and efficient internal supervisory systems and internal audit system; as well as considers the compliance with various legislations and the Company's regulations; considers the publication of information to ensure its accuracy, clarity, transparency and timely manner in accordance with the regulations of listed companies. In case that there are items which are connected to or items that may amount to a conflict of interests, the Company is going to propose to the Audit Committee to consider their appropriateness and rationality before proceeding.

#### 4.2 Risk Management

The Company's Board of Directors has provided for the Risk Management Committee which considers and proposes risk management policies, plans, risk assessment and performances according to pre-determined plans to the Board of Directors. The Risk Management Committee's works cover all departments in the Company and cover all risk factors that are associated with the vision, objective, business strategies, finances, production, anti-corruption assessment and other aspects of operations. The Risk Management Committee also considers possibilities of occurrence and severity level of the impact, determines measures to correct and clear responsible individuals and determines measures of reporting and assessing results to ensure that the risk management system works efficiently.

#### 4.3 Internal Control System

The company's Board of Directors provides for the internal control system that covers all aspects including finances, performance compliance with the relevant legislation, rules and regulations including corporate governance to prevent, to reduce, and to monitor risk of anti-corruption. The Board of Directors provides for regular check and balance mechanisms that are sufficiently efficient in protecting and maintaining invested capitals of shareholders and the Company's assets. The Board of Directors provides for the determination of approving authority hierarchy and the responsibilities of executives and employees which inherently conduct inspections and create balances. The Board of Directors determines work regulations in written form and internal audit department that is independ-

ent. The Company hires Executive Accounting Service Co., Ltd. to be the internal auditor. The Info Associate Co., Ltd is directly accountable to the Audit Committee which inspects the work of various departments both the business and support departments according to the regulations.

#### 4.4 Transactions of Members of the Board of Directors or Executives

1. The Company's policy states that members of the Board of Directors are to reveal their share transactions and Company's asset possession.
2. The Company's policy states that members of the Board of Directors are to report their state of being stakeholder to the Audit Committee.
3. The Company's policy states that the important internal reports are to be considered and approved by the Committee.

#### 4.5 Meetings with Analysts, Investors and the Media

The company has participated in the event "Opportunity Day" organized by the Stock Exchange of Thailand which aims to facilitate investor relations activities of the listed companies. An Opportunity Day makes it convenient for analysts, investors, and the media to find out about the business and operations of listed companies – and for listed firms to communicate with these key audiences. In 2017, the Company has participated in the event 2 times as follows:

1st	March 21st, 2017
2nd	September 20th, 2017

## Section 5 Board Responsibilities

To maximize the benefit of company and shareholders, the Board of Directors is responsible for the operations of the Company and is truly independent from the management. Responsibilities are divided clearly between the Board of Directors and the management team. The Board of Directors sets the executive management policy and supervises to ensure that various systems and operations of the Company proceed according to correct policies, legislation and ethics. The executives have duty to make business profit and have to perform its duties with responsibilities with faithfulness, fairness and equity for all stakeholders.

The Board of Directors has duty to review and approve the policies on good corporate governance, the Terms of Ethics and Code of Conduct for Directors and Employees, vision, mission, value, and the Company's strategies before implementation. The Board of Directors supports and promotes good practices and monitors the performance result. Moreover, the Company established the compliant unit to perform such duty. The Company has publicized the name lists, profiles and roles of both the Board of Directors and other six committees such as the executive committee, the Audit Committee and the nomination and remuneration committee, the Corporate Governance and Social Responsibility Committee, the Risk Management Committee, and Business Improvement Committee in 2017 Annual Report and on [www.pps.co.th](http://www.pps.co.th). Moreover, the Board of Directors supports the chairman of committees to reveal the number of meetings, the number of meetings that each member attended in the previous year and the publication of opinions on their work in the annual report.

In addition, the Company has publicized the process of determination and appropriateness of compensations in the 2017 Annual Report on the compensations for the members of the Board of Directors and executives. The frequency of the board members and other committee members that attended the meetings are included and the details shown in the Table of Meeting Attendance of various Committee members. The compensations of various committee members show in the Comparison of Compensations of various committee members between 2015 and 2017 Table.

The Company's Board of Directors is responsible for the accuracy and completeness of the financial statements of the Company and to ensure that the financial statements are transparent. The Board of Directors also provides the publication of sufficient important information in the remarks accompanying financial statements as well as financial information in Annual Reports. Such financial statements are produced in accordance with the general accounting standards and are examined by auditors that have been certified by the Securities and Exchange Commission. The Company's Board of Directors has appointed 3 members as the Audit Committee who involves in the independent members but not be executives. The Audit Committee have to both review quarterly financial reports and annual financial statements and also ensure that the financial statement are accurate and completely comply with the generally accepted accounting principles before submitting to the Company's Board of Directors for further consideration.

The Company's accounting department is responsible for publicizing connected transaction information and transactions that result in conflict of interests following article 89/12 in the Act on Securities and Stock Exchange of Thailand (Fourth Version) 2008 and the Notification of the Capital Market Supervisory Board TorJor. 21/2551 on the Regulations on the connected transactions and the Notification of the Stock Exchange of Thailand Commission on the publication of information and conduct of listed companies with regards to connected transactions 2003. These are to be submitted to the Audit Committee for consideration and opinions.

The Company's Board of Directors emphasizes the publication of information that is transparent, accurate, comprehensive, and timely. This includes the financial information or other important information that may affect the share prices. The Company disseminates various news and information to investors and shareholders through various channels and media for instance through electronic media system of the Stock Exchange of Thailand and through [www.pps.co.th](http://www.pps.co.th). Besides, the Company's Board of Directors produces the report on responsibilities of the Board of Directors on financial reports and reports produced by the Audit Committee to be publicized together with reports of the auditors. These are to be publicized in annual reports regularly every year.

The dissemination of information of the Company to investors both shareholders and prospective shareholders falls under the discretion and authority of the chairman of the Board of Directors, Chairman of the Executive Committee, and managing director. An investor may contact the investor relations department of the Company at tel. 02-7182785-9 or [www.pps.co.th](http://www.pps.co.th)

## 5.1 Terms

Terms of the Company's Board of Directors are according to the Public Company Act 1992. The term of office for Independent Directors is 3 years and they may be in the same position for not more than 3 terms consecutively.

## 5.2 Remuneration for the Committees

The Company sets appropriate remuneration for members of the Committees clearly and transparently at rates comparable to other top companies in the same industries. Remuneration for the Committees is high enough to keep the qualified the Committees to work with the Company. Furthermore, the Company proposed this rate for approval in the Shareholders' Meeting before using. Remuneration for the Audit Committees, the nomination and remuneration committees is set by the Board of Directors, based on their responsibilities and performance.

The Remuneration for the Committees (As an executive director or non-executive Directors)

1. Monetary compensation.
  - 1.1 Attendance fee
  - 1.2 Gratuity (bonuses) based on the operating results of businesses
2. Monthly Remuneration and other remunerations
  - None -

The Nomination and Remuneration Committee proposes the approach and method in determining meeting allowances, hospitality allowances, bonuses and pensions as well as other financial benefits for the Board of Directors. The proposal to seek opinions and suggestions from the Company's Board of Directors meeting is submitted to the shareholders meeting for approval every year. These exclude inherent rights according to the Company's regulations.

### 5.3 Various Committees

The Company's Board of Directors appoints each committee member from qualified individuals. Each committee works as assigned by the Board of Directors. Each committee has the authority to summon the executives to attend the meeting, clarify or produce reports. The Board of Directors approves the charter of each committee.

At present, the Company's Board of Directors has appointed 6 committees.

1. **Executive Committee** must be either the Company's Board of Directors member or a high-level executive of the Company. An individual in one of the following positions is a member of the Company's executive committee by default.
  1. Chief Executive Officer (CEO)
  2. Managing Director (Project Planning Service Company Limited)
  3. Deputy Managing Director of Finance and Administration Department
  4. Deputy Managing Director of Project Department
  5. Deputy Managing Director of Technology and Innovation Department
  6. Deputy Managing Director of Administration Department
  7. Deputy Managing Director of Business Development Department following the nomination from the Board of Directors

The Board of Directors holds the right to nominate a person for Executive Committee. The term for this position is 2 years.

2. **The Audit Committee** comprises at least 3 independent board members and at least 1 audit committee member needs to have sufficient knowledge and experience to review the credibility of financial statements. The term for each audit committee member is 3 years. Once the term has expired, the committee member may be reinstated but limited not more than 3 consecutive terms.
3. **The Nomination and Remuneration Committee** comprises mostly of independent members. There are at least 3 members in this Committee. The term for each member is 3 years. Once the term has expired, the committee member may be reinstated.
4. **The Risk Management Committee** comprises of risk management committee members not more than 5 persons. Each member has to be the representatives of management department or accounting or finance department or project department (at least 1 person per 1 department). The term for risk management committee members from this appointment is 2 years but limited not more than 2 consecutive terms.
5. **The Corporate Governance and Social Responsibility Committee** comprises of five members in total. The term for the Corporate Governance and Social Responsibility Committee from this appointment is 3 years. Once the term has expired, the committee member may be reinstated.
6. **The Business Improvement Committee** comprises at least 6 persons and each must be approved by the Board of Directors. The term for each committee is 2 years. Once the term has expired, the committee member may be reinstated.

#### 5.4 Meetings of the Board of Directors

The Company's Board of Directors meet at least every 3 months to work as assigned and to acknowledge performance of the Company. In a meeting, members must be allowed to voice their opinions and discretion independently. The quorum of the vote in a Board of Directors meeting is at least 2/3 of the total number of Board members. Board members are to attend every meeting unless there is a reason of necessity that is force majeure. Such a reason needs to be informed to the Secretary of the Company's Board of Directors in advance. The Company publicizes the attendance of each member of the Board of Directors in the annual report. The Company arranges for the Secretary of the Company's Board of Directors to produce the meeting schedule for the year in advance in order for all members to acknowledge the schedule well in advance. The Secretary of the Board of Directors is to send meeting invitations to all Board members to confirm the date, time, venue and meeting agenda at least 7 days in advance. The Secretary of the Board of Directors collects supporting documents from the management to send to the Board of Directors in advance. Such documents form information that is sufficient for the decision-making and the use of independent discretion of the Board members. The Secretary of the Board of Directors is to record meeting minutes to produce meeting report with complete and comprehensive content within 14 days after the date of the meeting to submit it to the Chairman of the Board of Directors to sign. Good storage that allows for convenient search and access as well as confidentiality must be in place.

#### 5.5 Meetings of Board of Directors who are not Executives

The Company's Board of Directors may meet without directors who are executives as deemed necessary. This is to allow non-executive directors to discuss various issues of interest regarding the management without the attendance/interference of the management. Thus the discussion is conducted freely. The meeting is held at least once a year complying with the principles of good corporate governance. In 2017, the meeting was held on November 13th, 2017.

#### 5.6 Meeting of Independent Board Members

The Company's Board of Directors arranges for independent board members to meet among themselves to allow them to discuss various issues freely and independently. The meeting is held at least once a year complying with the principles of good corporate governance. In 2017, the meeting was held on November 13th, 2017.

#### 5.7 Reporting of Information

1. The Board of Directors is responsible for the report of financial information and general information to shareholders and general investors in an accurate, truthful, comprehensive and transparent manner. Information comes with rational explanations and quantitative supporting evidence both in terms of policies and performances, future trends, as well as successes and obstacles of the business.
2. The Board of Directors understands and supports the compliance with the professional standards of auditors.
3. The Company's Board of Directors has produced a report on the responsibilities of the Board of Directors on the provision and publication of financial reports of the business and has publicized it alongside the financial statements and reports of auditors. It covers;
  - 3.1 Legal regulations assign the Board of Directors with the duty to produce financial statements to show the financial status and the performance in the previous year that are accurate/true and rational.
  - 3.2 The responsibilities of the Company's Board of Directors in the provision of correct, comprehensive and sufficient accounting information to be able to maintain the Company's assets and to realize weaknesses to prevent corruption or abnormalities.
  - 3.3 Confirmation that the Company has adhered to the generally accepted accounting standards. The Company uses appropriate accounting policies and constantly adheres to them. The Company has carefully considered the rationality and appropriateness in producing financial statements of the Company.

### 5.8 Nomination and Succession Plan for Top Executive Positions

The Company has put in place a proper and transparent nomination process for key management positions at every level. The succession plan for top executives is carried out by the Nomination and Remuneration Committee and Managing Director, and considered by the Board of Directors.

The Company nomination process for top executive commences with the process of recruiting candidates who possess both talent and integrity. Young talents are the focus of recruitment, so that they can be groomed to become future leader. Qualified employees will undergo a high potential assessment and pursue development courses following individual career development plan. These talents will be assigned challenging tasks, and their positions will be rotated periodically in order to further develop their leadership skills and all-round knowledge in every area of the Company business. The plan is implemented at every level of employment to ensure that staff members are ready to fill any positions that become vacant.

### 5.9 Self-assessment of the Board of Directors

The performance appraisal of the Board of Directors consists of self-assessment, group assessment (as a whole), and subcommittees and then carries out on an annual basis at least once a year. The assessment results are reviewed in order to consider about their performance, problems and obstacles and find solutions for improving the performance. The performance evaluation form of the committees and subcommittees uses the SET guideline but adapts for the Company business characteristics.

In 2017, the Secretary of the Company disseminated self-assessment forms of the Board of Directors. It comprises 6 major topics as 1) The structure and qualifications of Board of Directors, 2) Roles, Duties and Responsibilities of the Board of Directors, 3) Directors' Meetings, 4) The Conduct of Directors, 5) The Relationship with the Management and 6) Self-development of the Directors

The score of the self-assessment of all members of the Board of Directors is divided into 4 = Very Good, 3 = Good, 2 = Moderate, 1 = Fair, 0 = Poor, the assessment result of the committees is shown below;

1. The assessment result of the Board of Directors as a whole was 3.63 out of 4 (Very Good)
2. The self-assessment result of the Board of Directors was 3.73 out of 4 (Very Good)
3. The assessment result of the Audit Committee was 3.5 out of 4 (Very Good)
4. The self-assessment result of the Nomination and Remuneration Committee was 3.87 out of 4 (Very Good)
5. The self-assessment result of the Corporate Governance and Social Responsibility Committee was 3.95 out of 4 (Very Good)
6. The self-assessment result of the Executive Committee was 4 out of 4 (Very Good)
7. The self-assessment result of the Risk Management Committee was 3.91 out of 4 (Very Good)
8. The self-assessment result of the Business Improvement Committee was 3 out of 4 (Very Good)

The performance appraisal of the Board of Directors carries out on an annual basis at least once a year. The assessment results are reviewed in order to consider about their performance, problems and obstacles and find solutions for developing the performance. The performance evaluation form of the committees and subcommittees uses the SET guideline but adapts for the Company business characteristics.

### 5.10 Orientation for new member(s) of the Committees

The Company's Board of Directors provides for an orientation for new member(s) of the Board of Directors before taking up the position as a director. This is in order for a new director to acknowledge the expectations of the Company on their roles, duties and responsibilities as well as the policies and guidelines in supervising the businesses of the Company and construct knowledge and understanding in the businesses and various aspects of operation of the Company, including any other relevant information to the new member(s) of the Board of Directors to prepare new member(s) for the job of being director(s).

In 2017, there was no orientation as there was no new member of the Company's Board of Directors. However, to update all Board of Directors' member on Anti-corruption, Company's governance, Company's products & services and the situation of construction market, the Company had arrange the communication activity for directors on May 11th, 2017.

### 5.11 Policy with regards to members of the Board of Directors and High-level Executives taking up positions in other Companies

The Company's Board of Directors has issued a policy that limits the number of listed companies and non-listed companies in which each member of the Board of Directors may take up positions to not more than 3 places. For a managing director, the number of companies which one may take up a position as a Board or Committee member is limited to not more than 3 places. In 2017, there was no issue of non-compliance with this policy.

### 5.12 Development of Members of the Board of Directors and High-level Executives

The Company encourages the Company's Board of Directors and high-level executives to attend the seminars on curricula that are of benefits to their work and to regularly exchange their opinions with the Board of Directors and high-level executives of various other organizations. The curricula that directors should attend include those of Thai Institute of Directors (IOD), for instance, Directors Certification Program (DCP), Directors Accreditation Program (DAP), Audit Committee Program (ACP), and Executive Development Program (EDP). The knowledge and experience gained from these curricula and programs should be applied to Company development. So far, Board members who attended various curricula include

#### Mr. Prasong Tharachai

- Directors Accreditation Program (DAP) 91/2011, Thai Institute of Directors (IOD)
- Role of the Chairman Program (RCP) 34/2014, Thai Institute of Directors (IOD)
- Chairman Forum R-CF 1/2014, Thai Institute of Directors (IOD)

#### Pol. Lt. Gen. Dr. Nukool Jeamanukoolkit

- Directors Accreditation Program (DAP) 94/2012, Thai Institute of Directors (IOD)

#### Mr. Tat Thongpakdi

- Directors Accreditation Program (DAP) 100/2013, Thai Institute of Directors (IOD)
- Financial Instruments for Directors (FID) 3/2013, Market for Alternative Investment (MAI)
- Successful Formulation and Execution of strategy (SFE) 24/2015, Thai institute of Directors (IOD)
- Enhancing Thailand Competitiveness (2015), Thai Listed Companies Association (TLCA)

#### Mr. Kachen Benjakul

- Directors Accreditation Program (DAP) 56/2006, Thai Institute of Directors (IOD)

#### Mrs. Vipavee Boonyaprasit

- Directors Accreditation Program (DAP) 91/2011, Thai Institute of Directors (IOD)
- Anti-Corruption Seminar 2/2013, Thai Institute of Directors (IOD)
- Governance as a driving force for business sustainability (2015), The Stock Exchange of Thailand (SET)
- Anti-Corruption The Practical guide 2015, Thai institute of Directors (IOD)

#### Mr. Phongthon Tharachai

- Training Program – Advance Potentiality Development of Innovation for Entrepreneurs by Institute of National Innovation, SET, mai and TMA
- Directors Accreditation Program (DAP) 91/2011, Thai Institute of Directors (IOD)

- Executive Development Program (EDP) 5/2010, Thai Listed Company Association (TLCA)
- Future Entrepreneurs Forum (FEF) 1, Market for Alternative Investment (MAI)
- Anti-Corruption For Executive Program 11/2014 (ACEP 11), Thai Institute of Directors (IOD)
- Anti-Corruption Seminar 2/2013, Thai Institute of Directors (IOD)
- CSR Report 8/2014, The Stock Exchange of Thailand (SET)
- Preliminary CSR for Corporate Sustainability 8/2014, The Stock Exchange of Thailand (SET)
- Thai Intelligent Investor Program 2014, Thai Investors Academy
- Corporate Sustainability Advisory Program 2014, The Stock Exchange of Thailand (SET)
- Leadership Succession Program (LSP) Class 8 (2017), Institute of Research and Development for Public Enterprises (IRDP)

#### Mr. Theerathon Tharachai

- Leadership Succession Program Class 7 Institute of Research and Development for Public Enterprises
- Directors Certification Program (DCP) 101/2008, Thai Institute of Directors (IOD)
- Directors Accreditation Program (DAP) 68/2008, Thai Institute of Directors (IOD)
- Executive Development Program (EDP) 4/2009, Thai Listed Company Association (TLCA)
- Financial Instruments for Directors (FID) 3/2013, Market for Alternative Investment (MAI)
- Strategic CFO in Capital Markets Program (2015), The Stock Exchange of Thailand (SET)
- Enhancing Thailand Competitiveness (2015), Thai Listed Companies Association (TLCA)
- CFO in the new financial world (2015), Securities and Exchange Commission (SEC)

Every Company's committee has attended the seminars and training courses which Thai Institute of Directors (IOD) created. The percentage of attending committees is 100%.

In 2017, Board members who attended various programs include

#### Mr. Phongthon Tharachai

- Leadership Succession Program Class 8 (2017) Institute of Research and Development for Public Enterprises (IRDR)

### 5.13 The Policy Implementation

Company practices are conducted in line with the Company polished policies. Moreover, the Company assigns PPS Training Center to adjust some training courses by combining and adding the Company polished policies into the Company training courses. Also, the Company established Compliant Unit to be responsible for operating and monitoring the Company performance.

The Company published policies which are parts of training courses are described as follows;

1. Good Corporate Governance Policy
2. The Terms of Ethics and Code of Conduct for Directors and Employees
3. Anti-Corruption Policy
4. Respect for Human Rights
5. Friendly Environmental Operation
6. Using Resources Efficiently

### 5.14 Scope of Authority of the Chairman of the Board of Directors

The Company arranges for the Chairman of the Board of Directors has authority as follows:

1. Sets Board meeting agenda in consultation with the Managing Director and oversees to ensure Board members receive accurate, complete, timely, and clear information prior to the meeting to assist in their decision making process.

2. Provides leadership and direction to the Board of Directors and chairs meetings of the Board.
  - 2.1 Conducts a Board meeting according to the agendas, the Company's Regulations, and laws
  - 2.2 Encourages and allocates sufficient time to each Board member to discuss and express their free opinion with circumspection and concern for all stakeholders
  - 2.3 Sums up the Board meeting resolutions and the actions to take clearly
  - 2.4 Sets up a Board meeting without the presence of the Executive Director
  - 2.5 In case of an equality of votes, the Chairman shall have a casting vote.
3. Chairs meetings of shareholders according to the agendas, the Company's Regulations, and relevant laws by allocating time appropriately along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded to appropriately and transparently.
4. Supports and be a role model in compliance with the principles of good corporate governance and the Company Code of Conduct
5. Fosters a positive working relationship between the Board of Directors and the Management and supports the performance of the duties of the Managing Director and the Management team in accordance with the Company's policy.
6. Oversees to ensure the transparent disclosure of information and management in the event of conflicts of interest.
7. Oversees to ensure the Board of Directors has appropriate structure and composition.
8. Oversees that the Board of Directors as a whole, Sub-committee members, and each individual director perform their duties effectively and efficiently.
9. Oversees to ensure the performance assessment of the Board of Directors as a whole and self-assessment of directors, Chairman, and Sub-committee members. The assessment results are reviewed to find solutions for improving their performance and enhance the knowledge and capabilities of the directors and Sub-committee members.

### 5.15 Remuneration for the Board and the Top Executives

The Company sets appropriate remuneration for members of the Board and the Top Executives clearly and transparently at rates comparable to other top companies in the same industries. Remuneration for the Board and the Top Executives is adequately high to keep the qualified the Board and the Top Executives to work with The Company.

#### 1. Remuneration Rules

- 1.1 Short-term remuneration consists of salary, consulting compensation, bonuses and other welfares such as daily allowance and phone allowance. For senior consulting engineers, they will get extra remuneration based on the shown rate in contract agreement.'
- 1.2 Long-term remuneration comprises of provident fund, retirement compensation, the Employee Joint Investment Program (EJIP).

#### 2. Remuneration Consideration Payment

- 2.1 Managing Director Remuneration: The nomination and remuneration committees will use performance evaluation results which are assessed by the Company's Board of Directors for remuneration consideration. The chairman of the board of director will inform managing director and the board of director performance evaluation results.
- 2.2 Top Executive Remuneration: The committees assign managing director to evaluate top executive performance including considering top executive remuneration based on the rules
- 2.3 Executive Director Remuneration: The executive directors do not get paid as the committees but get paid as employees and executives.

### 5.16 Independent Directors

An independent director shall not be an executive director with management authority and a large Shareholder of the Company. There not have and never had a business relationship with the Company, the Main Company, a subsidiary company, joint-company, a large shareholder or the legal entity which could result in conflicts, which might affect the interests of the company and/or shareholders.

Currently, there are 3 independent directors of the Company; Pol. Lt. Gen. Dr.Nukool Jeamanukoolkit, Mrs. Vipavee Boonyaprasit, and Mr.Kachen Benjakul.They are qualified in accordance with the definition of independent (Qualifications) of the Company, which are equivalent to the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand.

### 5.17 Communications with the Executives

The Company's Board of Directors encourages high-level executives of the Company to meet with the Company's Board of Directors. The executives are to present information related to the agenda under their responsibilities to the Board of Directors in order to make the directors aware of the information and opinions of executives directly responsible for the work. At the same time, the executives also have an opportunity to learn and understand viewpoints of the Company's Board of Directors.

The Company's Board of Directors encourages meetings and exchange of opinions between directors and high-level executives in other opportunities apart from the Board of Directors meetings so that the Board members are able to build relationship with the Company's high-level executives.

### 5.18 Non-Executive Director with experience in related business

Mr. Kachen Benjakul acquired the bachelor degree at Chulalongkorn University in Faculty of Engineering. Currently, he is independent director and Board of Director and experiences in related engineering business. Therefore, he is able to raise the Company business operation effectively.

### 5.19 The Company's Strategy into practice.

The Board of Directors has to monitoring compliance with the company's strategy on a quarterly by setting the agenda for report and monitor on the Company's Board of Director Meeting.

### 5.20 Independence of the Company's Board of Directors and High-Level Executives from the external Auditor.

The Company has determined the Company's Board of Directors and High-Level Executives must be independent from the external auditors, must never be a partner or employee of the external auditors company during 2 years. In 2017, The Company has adopted stringently and there was no evidence that the Board of Directors and executives had acted in any way which caused a conflict of interest against the Company.

## 6 The Secretary of the Company

The Company's Board of Directors has created a position of a Secretary of the Company. Mr.Voradaj Piemsuwan has been appointed the Secretary of the Board of Directors and the Secretary of the Company in order to manage the Company to the highest efficiency in accordance with the principles of good corporate governance with the following main duties and responsibilities;

1. Provide suggestions and support the work of the Company's Board of Directors with regards to legal issues and related rules and regulations
2. Ensure that the Company operating according to the principles of good corporate governance as well as monitor to assure that policies and suggestions of the Board of Directors are being practically implemented
3. Be responsible in the production and storage of important documents
4. Ensure that the Company and the Company's Board of Directors as well as the management comply with the related legislation and various rules and regulations
5. Communicate with shareholders and look after shareholders in an appropriate manner
6. Communicate with the relevant supervisory organizations

Apparently, Mr.Voradaj Piemsuwan already took a "Company Secretary Program Class" 42/2011 of Thai Institute of Directors (IOD), which is specific class for the company secretary training.

## 2. Business Operation with Fairness

Project Planning Service PLC or PPS is one of the leading engineering professional services firm in Thailand providing engineering services, architectural services, and other works related to construction with long period of experience. With a team of professional engineers, PPS has completed a plenty of famous projects and built the strong customer trustworthiness and good relationship for 30 years. Moreover, PPS has fairly supported and created level of playing field for all parties with honesty. For clearly understanding, PPS has separated the operation of fairness into the following three main topics.

### 2.1 Fair Competition

PPS has a policy for fair practice and competitor responsibility by competing under the reasonable rules and applying anti-corruption policy to avoid discrediting competitors. PPS has always focused on competitive value, service satisfactory, and excellent project quality to meet customer expectations more than price competition. However, in case of project cost is regarded as a key element for competition, PPS has always purposed the reasonable bid price.

#### Guidelines in Practice

1. Compete in business with fairness and honesty to achieve competitor information legally under morality and ethics in the practice.
2. Focus on the fair bid price which is reasonable for the quality of workmanship and customer expectations.
3. Perform strictly good practices based on contract agreement.
4. Deliver qualitative services and products that meet the customer expectations with competitive prices.

#### Actions in 2017

PPS has attended in the project proposals with reasonable fees and costs under the terms and conditions of project owners.

However, since PPS has established the organization and run the business, there has been no one claiming about bidding transparency of PPS

### 2.2 Performing to Promote Social Responsibility in Trading Partners

Partners are another essential key driver to help business grow sustainably along with good economy, society, and environment. To operate the business into the right path, PPS has provided clear guidance on the definition of the word "partner" as a person, group or entity doing business with the company including business partners, vendors, service providers and creditors. Also, PPS has a policy to be complied with the partner agreements, partner contracts and conditions strictly and fairly.

#### Guidelines in Practice

1. Perform based on the obligations, commitment, terms in the contracts or agreements firmly. If PPS cannot fulfill any of them, PPS has to inform partners as soon as possible to find the best solutions together.
2. Treat partners equally and fairly including not to ask for or accept any corrupted assets from partners.
3. Establish the policies regarding any gifts and entertainment expenses from partners.
4. Create the terms of partner selection to clarify the qualifications and capabilities to join the businesses together such as
  1. According to PPS intention in operating the business without corruption, partners must have honesty and morality for doing business.
  2. Partners must have working experiences with creditability by mostly achieving the taking over certificates from clients.
  3. PPS has created the trustworthy vendor list for the partner selections to operate the business together.

#### Actions in 2017

PPS has strictly performed based on the above guidelines, especially in the obligation of the contracts and contract payment. During 2017, PPS has no any complaints from partners.

## 2.3 Respect the Right in Other's Property

PPS respects the right in property, intellectual property, and the copyrights of others. Also, PPS has clearly shown the intention of this topic by setting up the guidelines in practice as follows:

### Guidelines in Practice

1. Establish the Terms of Ethics and Code of Conduct for Directors and employees.
2. Respect and act followed by the laws related to intellectual property and copyright.
3. Set the campaign for employees to use resource and property with legal copyright and do not support products that are intellectual property right infringement.
4. Strongly support and promote the use of legitimate products. For example, all computer programs used in PPS is a licensed and legitimate program.

### Actions in 2017

1. Provide trainings about understanding of the intellectual property law and copyright.
2. Announce to all employees that for not using the illegitimate software in PPS. The announcement has publicized since October 7th, 2010.

## 3. Anti-Corruption

PPS considers that anti-corruption is a vital key driver to conduct the businesses and develop quality of projects. Therefore, PPS has created an anti-corruption policy under slogan "Perform Transparently, Good Corporate Governance, Anti-Corruption"

To ensure that anti-corruption policy is consistent with the business operation, PPS has done anti-corruption risk assessment to get the results of analysis before creating an anti-corruption policy.

Currently, PPS has announced its intention in this matter clearly. Not only publicizing an anti-corruption policy through the company's website [www.pps.co.th](http://www.pps.co.th), but also cooperating with other outside organizations to be a part of the Private Sector Collective Action Coalition against Corruption (CAC) and

the Thai Institute of Directors (IOD). As a result, PPS has set the guidelines in practice as follows:

### Guidelines in Practice

1. The board of directors, executives, and, employees have to follow the PPS anti-corruption policy.
2. The board of directors has duties and responsibilities to set guidelines on governance and oversight not only to prevent and monitor the risk of corruption but also support the anticorruption policy effectively.
3. The audit committee is responsible for directing, controlling and, monitoring the internal audit system to monitor and evaluate the implementation of the anti-corruption policy. Furthermore, the audit committee has to consider and follow the risk of corruption in order to ensure that the policy is sufficient, up-to-date, and conform to international standard. Also, the policy will be evaluated and revised at least every quarter.
4. All employees will be trained by PPS regularly to provide the knowledge and understanding about the anti-corruption policy and good practices. PPS has arranged anti-corruption training to be a part of the orientation of all new employees.
5. The employees must strictly follow the PPS anti-corruption policy. If employees witness any corruption activities, they must notify the supervisor or the responsible person for the matter, or inform the supervisor via the available communication channel.

### Actions in 2017

1. PPS has revised the anti-corruption policy (Revision 1/2017) and published on the company's website.
2. PPS has arranged anti-corruption training regularly in order to provide all employees with the knowledge and understanding about the anti-corruption policy and good practices.

## 4. Respect for Human Rights

PPS has placed importance towards the respect for human rights and considered it as the main policy in the permanency of business operation. PPS realizes that employees are an important factor which creates quality products for PPS. Therefore, PPS puts an emphasis on fair treatment based on ethics and code of conduct including the respect of human rights. For example, PPS always keeps the personal employee information to be secret such as biography, health records, working experience records, and etc. Moreover, PPS has never disclosed the personal employee information without the consent of the employees.

### Guidelines in Practice

1. Do not support any activities which are related to disrespect for human rights or corruption.
2. Train and communicate to all employees to acknowledge human rights policy.
3. Emphasize the employees to respect human rights of others and ensure that they will perform towards others based on culture, race, gender, religion, education, age, marital status, sexual orientation, identity, and/or gender expression, physical and mental disabilities including exotic ideas and working style.
4. Create appropriate and safe communication channel for all stakeholder groups to receive complaints when they see the clue on illegal action or ethical offense of any employees or board of directors.
5. Determine a whistleblower policy to protect employees and stakeholders who informed PPS when there is corruption activity or an illegal action. The details of whistleblower policy include management procedure, case investigation, good record-keeping and penalties for offenders.

### Actions in 2017

1. PPS has followed the guidelines in practice strictly.
2. PPS provides suitable and safe communication channel for all employees and stakeholders to file complaints or freely express their opinions.

However, throughout the year 2017, PPS has not been complained about human rights violations.

## 5. Fair Treatment to Labor

PPS has placed importance on a fair treatment to employees and to respect individuality and human dignity according to international human right standard, ethics and code of conduct to create the growth to organization.

### 5.1 Respect the Right in Work According to the Rule of Human Rights

PPS has a working policy which is stated clearly that PPS will not force people who are unwilling to work and not use child labor and respect the right and freedom of employees.

### Guidelines in Practice

1. Follow the fair treatment rules of PPS strictly in terms of hiring new employees, fair treatment to current employees, getting promoted, salary increment, and bonus. PPS will evaluate and consider fairly and frankly without prejudice and without limiting age, race, nationality, color, religion, background, or personal opinion.
2. Create appropriate and safe communication channel for all stakeholder groups to receive complaints in case they are treated unfairly, inequitably, or when they notify the clue on the thing that can be illegal and to have correcting measure and protecting measure of notifying employee that is systematic and fair.
3. Regularly, arrange several effective trainings for all employees to develop and increase their working skill and their potential.

### Actions in 2017

1. PPS has followed the guidelines in practice strictly.
2. PPS provides suitable and safe communication channel for all employees and stakeholders to file complaints or freely express their opinions.
3. PPS has established PPS Training Center for the purpose of training PPS employees and outsiders to achieve the training goal.

## 5.2 Social Protection and Work Condition of Employees

Besides respecting the right in the work, PPS always cares about fair working condition, receive remuneration, and social welfare in accordance with the law including special welfares subsidized by PPS such as provident fund.

### Guidelines in Practice

1. Distribute employee handbook and train all employees to acknowledge the fair employment conditions, benefits, suitable remuneration according to the potential and performance in a form of salary, leave, compensation, bonus, welfare including special welfares subsidized by PPS such as provident fund, the Employee Joint Investment Program (EJIP), retirement compensation, social security, health insurance
2. Stipulate a remuneration and welfare policy of employees clearly and transparently. Moreover, comparing to the same business level, PPS offers suitable and competitive compensation, and benefits which is sufficient enough to retain qualified employees.
  - 2.1 Short-term compensation comprises of salary and bonus which is based on the ability of individual employee and PPS's profit in each year, other benefits such as daily allowance, phone allowance, health insurance, social security.
  - 2.2 Long-term compensation comprises of provident fund, retirement compensation, the Employee Joint Investment Program.

### Actions in 2017

1. PPS has provided provident fund for all employees since August 2004 until now, which is the fund that PPS has been continuously providing for 15 years.
2. PPS has provided the Employee Joint Investment Program (EJIP) since April 2014, which was 4 years in operation.
3. PPS has provided health insurance for all employees.

## 5.3 Protection of Health and Safety at Work

According to PPS business characteristics, most of employees have to work in construction site to monitor and supervise the project quality. Therefore, there is a high risk of being harmed. PPS seriously recognizes the importance of this matter, so PPS has created guidelines concerning health protection and safety at work.

### Guidelines in Practice

1. Provide additional life and health insurance to every employee besides social security and other benefits as required by law.
2. Determine the safety measures, safety plan and health, environment management of PPS office, and construction sites.
3. Provide personal safety equipment to protect employees and visitors coming to work in the construction area such as helmets and safety shoes.
4. Train PPS staffs regularly about regulations, practices and safety health and environmental management measures especially during the pre-construction phase to reduce the risk of damage and accidents.

### Actions in 2017

In 2017, PPS staffs have followed guidelines in practice firmly so PPS had no accidents at work and work interruption.

## 6. Responsibility to Customers and Consumers

As professional service provider, PPS has used the principle and follow the policy to respond customers, who are directly received the service from PPS, with their most satisfaction. This will help customers to be confident that they will receive the service with good quality, fair price and delivery of project on time. This is the main goal of PPS for running the business. Also, PPS realized the safety that would affects communities, society, environment, and an action that would violate or cause customers to lose their right.

### Guidelines in Practice

1. Respond to the customer policies appropriately.
2. Execute the tasks followed by scope of works, the terms and agreements which are made with the customers correctly.
3. Pay attention to fair service and improving customer responsiveness.

### Actions in 2017

PPS has done the annual satisfaction survey among customers to assess PPS's operation in various aspects. The average score of all customers was 80% The information from the survey will be compared year by year and used to improve PPS ability to effectively answer to the demands of customers.

## 7. Society and Community Development

As being professional in the design and constructive supervision and project management for business operation, the board of directors has emphasized on community and society accountability including supporting and engaging in activities related to community and society development. Additionally, PPS also focuses on dissemination of knowledge, expertise and innovation to community and society in order to upgrade the engineering profession.

### Guidelines in Practice

1. Be part of community and society development.
2. Develop employee capability and personnel skills.
3. Promote and support positive attitudes in the engineering profession.

4. Be a role model of good engineer; "White Engineer Project".
5. Create cooperation networks among other organizations.

### Actions in 2017

1. PPS sees the significance of participating in community and society development and encourages our employees to perform the following activities.
  - 1.1 PPS Project Live Challenge – An activity "Forest Conservation" is to afforest in Dong Yai Wildlife Sanctuary, Buriram by the cooperation of Forestry Officers, villagers in Nang Rong district, Ban Lam Nang Rong School, Nong Born Than Choa Pha School, and Ban Sub Somboon School. The project is conducted to expand the forest area, to increase the awareness of environment conservation for the youth, to produce food sources and income for community, to maintain a good relationship between community, government sector, and PPS.
  - 1.2 "PPS and classroom builder" is an activity at Ban Tha Yae School, Kanchanaburi. This activity's purposes are to increase the potential, learning process through activity, build up relationship and harmony in and off organization. In addition, the school is push to be the learning center in community, and to develop for sustainability in education for youth.
  - 1.3 "Waste Bank" project happened in Ban Han School, Pak Thong Chai district, Nakhon Ratchasima. This activity helped the youth to acknowledge the importance of resources and environment conservation by teaching waste separation and conducting creative activities such as invention, drawing, and recycling dress contest. Moreover, it could further develop

- and cause income for the school, students, and nearby community.
- 1.4 “Yellow Star plating Commemorating His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun Rama X” activity took place at Pattanakarn intersection park collaborating with Suanluang District Office, Bangkok in order to enlarge the green area in community that helps absorbing carbon dioxide and decreasing global warming. Also, it helps to establish relationship between PPS, other organization, and nearby community.
  2. PPS realizes how importance of human resource development is, so PPS has created several activities to be another way to improve and increases potential and working skills of all employees through the activities.
    - 2.1 “Undergraduate Scholarships Endowment Project (2 continuous years)” - The project purpose is to give educational opportunities to employees for further study and improvement of their capabilities.
    - 2.2 “Upgraded License for Professional Practice Award” – The project purpose is to encourage engineer/ architect in the organization to develop their knowledge and working skills by upgrading their License for Professional Practice.
    - 2.3 “Value Employee Project” – The project purpose is to promote and create a good culture and good attitude within PPS about performing good actions in order to be a role model for PPS, supervisors, colleagues and other employees. These are the activities conducted to push and support the employees to use the Company’s program and be part of potential improvement along with innovation development for gaining more efficiency in the future.
    - 2.4 “Undergraduate Scholarships Endowment Project (2 continuous years)” - The project purpose is to give educational opportunities to employees for further study and improvement of their capabilities. “Marathon Commemorating of 84th Anniversary at Ananthamahidol Hospital, Lop Buri on 7th Rare Disease Day” – PPS’s employees has attended in activity “Charity Marathon Baby Muns Run for Rare” conducting by RAMATHIBODI FOUNDATION, Thai Rare Disease Foundation, Medical Genetics Network of Genetics Society of Thailand, Medical Genetics Department and Pediatrics Department of Ramathibodi Hospital, and other party network on February 26th, 2017. This activity caused the unity for employees, good attitudes for themselves, and the power of PPS.
    - 2.5 “UNICEF Line Run #Run to help disadvantaged children in Thailand” is an activity to support the equality. Children should have opportunity to do any activities regardless of nationality, gender, religion, education, etc.
  3. PPS believes that the dissemination of engineering and being good engineers to community and society are able to upgrade education and develop for sustainable growth. Thus, PPS has operated the following activities.
    - 3.1 Disseminate knowledge to project participants by working with PPS. With this activity, project participants such as customers, designers, contractors or subcontractors have seen right examples of good practice from PPS employee performance such as qualified person, well organized working procedure, and facilitated work with innovation.

- 3.2 Disseminate knowledge to community by inviting students to the community for learning real practices.
- 3.3 Disseminate knowledge to the community by creating an opportunity and knowledge for the community via “Chungmuns on Community” programs
  - 3.3.1 The forth program held at Puak Tam temple, Chiang Mai in “Renew Puak Tam”. This community was regarded as conservative area, then, art and culture is an outstanding matter of Puak Tam community such as Kua Thong or other decoration in Lanna style and associate with villagers over the topic of art and culture conservation.
4. Disseminate knowledge to the society through the white engineer project. Thus, people are able to see how good engineers should be. "Network of Good Engineers" be used as the PR channel to various universities
5. Create corporation network between organizations and gain opportunity for the student trainee to work with PPS.
  - 5.1 Nearby community development has been associated with the project owner in terms of financial support while PPS controlled the construction. We also constructed multi-purpose pavilion and learning tools for Ban Nong Samed school, Buriram, vegetable net house and playthings for Ban Nong Muang school, Satuek district, Buriram, greenhouse, restrooms, and painting playthings for Wat Ban Yang school, Buriram and Phayakkhaphum Phisai district, Maha Sarakham, greenhouse, floating basket, and agricultural tools for Ban Han school, Nakhon

Ratchasima, public property renewal for Kaeng Khro sub-district, restroom renewal and giving sport goods for Nong Sam Khao school, Kaeng Khro district, Chaiyaphum, library, restsoom, and sink renewal for Bannongjang school, Bueng Sam Phan district, Phetchabun, and building and restroom renewal for Bansrasilieam Childcare center, Chaturat district, Chaiyaphum.

- 5.2 Participating in donation for disadvantaged children or people through the foundation or charity. The examples are Foundation For The Welfare Of Needy Schoolchildren Under Royal Patronage Of Her Majesty The Queen, Thai Rare Disease Foundation, UNICEF, The Engineering Institute of Thailand for flood sufferers, Siriraj Foundation , Engineering Exhibition for Chulalongkorn University, golf charity event, and BRICOM for Civil Engineering Department, Sripatum University. PPS would like to be part of youth support and to donate for “Chulalongkorn Hospital, Thai Red Cross Society”.

## 8. Environmental Operation

PPS has an environmental management policy and disciplinary practices for business operations focusing on using resources efficiently. Moreover, PPS has procedures for environmental risk assessment and environmental risk management in the business operation.

### Guidelines in Practice

1. Train PPS staffs regularly about safety and environmental resources usage in order to acknowledge them and foster PPS culture.
2. Advice customers and designers about energy saving and friendly environmental building design and management (Green Building).

3. Set the campaign for employees to use resource efficiently and environmentally friendly by saving water and energy, saving paper, and also setting up Big Cleaning Day event.
4. Control the contractors to comply with safety health and environment requirements (SHE) and strictly follow the law and regulations. For example,
  - 4.1 Must have a strong, solid fence with at least 2 meters of height around the construction site.
  - 4.2 Must install canvas or other suitable materials around the construction site to protect and block falling debris, dust diffusion.
  - 4.3 Must have required equipment and facilities for cleaning wheels and body of vehicle before leaving the construction site. Moreover, the contractors have to maintain the cleanliness of public streets and adjacent sidewalks around the construction site.
  - 4.4 Must prevent noise and light in construction site in order not to disturb adjacent community.
  - 4.5 Must control and get rid of waste from the construction site appropriately.
  - 4.6 Must prepare safety equipment for staff and construction workers such as helmets, safety shoes, and safety belt when working at height, etc.
  - 4.7 Must have safety officer to monitor and check construction performance in terms of safety, health and environment at least every week. If there are items that do not comply with contract or specification, safety officer has to inform owner and find the solution to correct them.

### Actions in 2017

As guidelines in practice are part of PPS professional service standard, PPS has definitely implemented them to head quarter office and all construction projects. PPS has continued to improve efficiency of safety, health and environment management and has followed the laws and regulations including emphasizing on using resources efficiently to strengthen PPS capability sustainability. Additionally, PPS has conducted environmental activity for the employees to realize the importance of natural resource in organization and society through these activities.

1. Carbon Footprint for Organization (CFO) is applied to control energy usage or use alternative energy which leads to reduce cost and increase business opportunity in the future.
2. Develop Project Live and Blue Book (Cost Index) to store data of types and amount of materials for each project in order to control and reduce the material usage.
3. “Forest Conservation” is to afforest in Dong Yai, Buriram to expand the forest area, to absorb carbon dioxide, and to increase the awareness of environment conservation for the youth.
4. “Yellow Star Plating Commemorating His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun Rama X” activity is held to enlarge the green area in community and promote environment conservation.
5. “Waste Bank” project happened in Ban Han School, Pak Thong Chai district, Nakhon Ratchasima. This activity helped the youth to acknowledge the importance of resources and environment conservation by teaching waste separation and conducting creative activities such as invention, drawing, and recycling dress contest. Moreover, it could further develop and cause income for the school, students, and nearby community.

## 9. Innovation and Distribution of Innovation

PPS has developed its own information technology systems and innovation to use in the business. Moreover, PPS has distributed and shared innovation to the community, society and public for free.

### Guidelines in Practice

1. Apply information technology systems to use in a full range of business operation.
2. Create and develop its own information technology systems focusing on the part related to the management and constructive supervision of projects.
3. Distribute innovation back to the community and society.

### Actions in 2017

1. PPS has applied the information technology system to the business for information sharing among construction sites and head quarter office. It helps to speed up the working process and be able to serve the customer needs faster.
2. PPS had continuously developed “ProjectLive Program” to develop and increase the capacity of the Company. These programs have been applied in construction management projects to make a difference in the same industry. These programs enable the communication of project participants to be more convenient. Moreover, these programs are used in project management meeting to reduce redundant tasks, help to save time, and can be used as references and follow the project progress through the Application on the Smart Phone.
3. PPS has Animation "Knowledge with Lung Pee" which one of the company's portfolio dissemination of knowledge, innovation and outstanding due creativity combining technology and innovation, the company invented to make it easier to understand and to attract young people to get involved. The public can watch this Animation "Knowledge with Lung Pee" via Thairath TV, TV digital channel 32HD, YouTube “Changmuns Channel”, and Facebook Fanpage “White Engineer”.
4. PPS has generated radio program under the name “Changmuns” to broadcast on FM 106 MHz every Sunday at 14:00 to 15:00. This radio program was edutainment radio program containing various topics from different professional expertise. At the end of program, DJ will let the audiences to phone in to ask questions, and DJ will provide the clear answers, direct to the point, and easy to understand. However, this radio program has been abolished since September 24th, 2017.
5. Upgrade “Project Live” application to accord with SiteWalk performance and bring the data from SiteWalk to be a report.
6. Develop “SiteWalk” application on both iOS and Android by sync the data of ProjectLive and SiteWalk together. They are available on both App Store and Play Store.
7. Develop new intranet for communication between the Company's various project sites to head office call “My PPS” as the Company's centralized information system.
8. Create business development system and storage of the Company for a further business operation.
9. Bring API (Application Programming Interface) from other organization to adapt with internal system of PPS for document management and seek for new path of business.
10. Create new presentation and recruitment system for investigation and cost controlling.

## 10. Making the Sustainability Report

In order to clearly present PPS social responsibility information, PPS has prepared a sustainability report which is separated from the annual report. A sustainability report will disclose all social responsibility activity detail. However, all contents in a sustainability report have been developed to cover the index according to the Global Reporting Initiative (GRI) G4 (Generation 4), which is provided for sustainability reporting and is the most universally accepted indicator of sustainability report for now.

## Ethical Code and Regulations

“Engineering Profession” is a profession that requires personnel with integrity, ethics, and good knowledge and abilities in engineering. Engineers are to work with impartiality and integrity. The aim of these ethical code and regulations is to be adhered to at work for fairness and appropriateness.

Acting corresponding with the ethical code is the foundation of trust and credibility which are essential for the provision of engineering services. Any act of the Company’s employees that does not conform to the Ethical Code and Regulations determined by the Company will be regarded as an act against the profession and the Company. The person committed the act will receive disciplinary punishment.

1. Obligations to the Profession
  - 1.1 The Company’s engineers are to cooperate and support engineering profession by exchanging news, knowledge and experience with other engineers as well as students. Engineers are to support events and works of various engineering associations and academic institutions as well as the publication of engineering knowledge and information to the general public.
  - 1.2 The Company’s engineers are not to advertise their performance/work in a way that is considered boasting. Engineers are to refrain from any act that will discredit the engineering profession.
  - 1.3 The Company’s engineers are not to act beyond the scope of their knowledge and abilities. Must earnestly do the assigned projects
  - 1.4 The Company’s engineers must earnestly do the assigned projects. They are to strictly adhere to their professional codes and principles.
  - 1.5 The Company’s engineers are not to use their profession, knowledge and abilities illegally.
  - 1.6 The Company’s engineers are to comply with the Ethical Code of their profession according to the professional association and all relevant legislation.
2. Obligations to the Public
  - 2.1 The Company’s engineers are to support the dissemination of engineering knowledge and to discourage the dissemination of incorrect knowledge or beyond the truth or unjust especially on engineering matters.
  - 2.2 The Company’s engineers are to be careful on matters that are related to life safety, health of workers, and the general public which may be affected by the works under their responsibilities.
3. Obligations to the Employers
  - 3.1 The Company’s employees are to be honest and loyal to their employers.
  - 3.2 The Company’s employees are to reveal their status to the employers before accepting any job in case that they are assigned to do a task that may result in a conflict of interest.
  - 3.3 In case a Company’s engineer is responsible for the technical sufficiency of an engineering work, if the opinion of an engineer is in conflict with superior personnel, the engineer is to clearly indicate their opinions of the consequences that may result from any change in writing.
  - 3.4 In case an employee agrees that an expert would be beneficial to their employers, the employee is to recommend employing that expert the employer and the employee is to fully cooperate.
  - 3.5 The Company’s employees must not reveal any business information or technical procedure of the employers without permission.
  - 3.6 The Company’s employees must not accept financial compensation or any other form of compensation from more than one employer for one service unless permitted by all relevant parties.
  - 3.7 In a job that one is responsible for, an employee must not receive any compensation in the form of commission or compensation from a materials or tools seller or from any other person apart

from his/her employer.

- 3.8 The Company's employee must not have stakes as contractor or joint-venture party in the bidding process that one is responsible for or is related to unless permitted by the employer.
- 3.9 The Company's employee is to inform their employer immediately of any business that one has stakes in and may be a competitor or may affect the business of the employer.

#### 4. Obligations to fellow professionals

- 4.1 The Company's employees must not regard others' works as their own and must respect works of other people.
- 4.2 The Company's employees must not act in a way that damages the reputation, progress or professional conduct of others.
- 4.3 The Company's employees are to refrain from criticizing the Company's works in public unless it is part of the job.
- 4.4 The Company's employees are not to interfere in works of other company when they know that the other company has agreed to the particular job/project unless the employer has cancelled the contract with that company in writing.
- 4.5 The Company's employees are not to compete with other companies by cutting the fees of the Company lower than the prices proposed by other companies especially when they have acknowledged the hiring fees of those parties.

#### 5. Obligations to Shareholders

- 5.1 The Company is to treat all shareholders equally.
- 5.2 The Company is to reveal the available information in compliance with the policy on information revelation to all shareholders. The Company is to comply with the law, rules and relevant regulations.
- 5.3 The Company is to provide an opportunity for all shareholders to acknowledge or take part in important business decision-making of the Company.

The Company's Board of Directors and executives have ensured that employees in all departments of the Company strictly apply and comply with the approved Ethical Code. Apart from the aforementioned Ethical Code on Good Corporate Governance, the Company and all employees also adhere to the ethical code determined by the Council of Engineers and Architect Council of Thailand which are the organizations that supervise engineers and architects in Thailand.

## The Company's securities

The company has registered capital of 215,999,890.25 Baht divided into common stock 863,999,561 shares with 0.25 Baht PAR value. The paid-up registered capital is 185,456,154.75 Baht (Information as of December 29, 2017)

## Investment

The investment of Project Planning Service Public Company Limited in other companies as of December 31st, 2017. The company has invested in other companies by holding more than 10% of issued shares of the company.

Venture Capital Name	Location	Type of Business	Number of Issued Shares (unit: share)	Number of Shareholding	Percentage of Shareholding	Share Type
PPS Design Co.,Ltd.	Bangkok	Engineering Design Service	30,000	29,998	99.99%	Common Stock
Swan & Maclaren (Thailand) Co.,Ltd.	Bangkok	Architectural and Interior Design Service	700,000	356,998	51%	Common Stock
PPS Information Consultant Co.,Ltd.	Bangkok	Media, Content and Information Technology Services	500,000	450,000	90%	Common Stock
ENSEMBLE EQUITY PTE. LTD.	Singapore	Provision of Project Management and Engineering Consulting Services & Products	500,000	450,000	90%	Common Stock
SAPAT Project Co.,Ltd.	Bangkok	Energy Business, Smart Buildings and Smart Cities – Clean Energy	100	60	60%	Common Stock

Joint-Venture Name	Location	Type of Business	Joint-Venture Capital (Baht)	The Company's Investment	Percentage of Investment
PPQ Joint-Venture	Bangkok	Supervision of construction of the Supreme Court Project	3,300,000	2,640,000	80%

## POLICY AND HISTORY OF DIVIDEND PAYMENT IN THE ACCOUNTING YEARS 2015 – 2017

The Company has a policy to pay dividends annually to shareholders at least 40 percent of the net profits after all types of reserve deductions required by law considering the Company's specific financial statement(s). However, dividend payment also depends on cash flows, investment plans, legal requirements, necessity and appropriateness of various factors in the future. The Company needs to make sure that such dividend payment will not affect day-to-day running of the Company in any significant way. A resolution of the Company's board members approving the payment of dividends is to be submitted to a shareholders' meeting for approval. Also, the Company's board of directors is authorized to consider paying dividends in the interim if such payment is deemed appropriate and does not affect the operations of the Company. In any case, the report of such payment is to be prepared and reported to the next shareholders' meeting.

### HISTORY OF DIVIDEND PAYMENT IN THE ACCOUNTING YEARS 2015 – 2017

(unit : million baht)

Item	Dividend Payment Information		
	2015	2016	2017 (Proposed)
Net profit - parent company	4.23	32.87	49.39
Dividend pay out	22.24	28.31	31.91
The rate of dividend (%) /1	554.75	90.68	68.05

Remark : /1 - The rate of dividend = Dividends / Net profit

## Internal Data Control

The Company's policy on Internal Data Use is as follows;

1. The Company's Board of Directors determines the policy and guidelines with regards to the supervision of Internal Data Use by; having measures to prevent the members of the Board of Directors, executives and employees of the Company buying and selling securities using internal data in accordance with the regulations of the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET); by informing the Board of Directors, executives and all employees so that they are aware and comply with the policy and guidelines that forbade the Board of Directors, executives and employees to use internal data that has not been publicized to purchase, sell, transfer or receive the transfer of the Company's shares within the period of one month prior to the publication of financial statements and all personnel of the Company should wait at least 24 hours after the publication.
2. The Company has a policy and measure to prevent the Board of Directors and executives benefiting from using important information that may have an impact on investment. The Company is to inform every resolution of a meeting of Company's Board of Directors to the Stock Exchange of Thailand immediately before the opening of the next trading round of the Stock Exchange of Thailand. The Board of Directors and the executives are to report on their holdings of securities every time there is a purchase or sale of securities within 3 working days to the SEC Office.

## Personnel

### The number of personnel (Excluding Executives)

Between 2015-2017 and as of December 29th, 2017, the company has the personnel in various position with the detail as follows:

Position	Number of personnel (person)		
	As of December 29th, 2017		
	2015	2016	2017
Project Directors	17	16	16
Project Managers	30	40	29
Civil Engineers	40	57	71
Mechanical Engineers	24	25	26
Electrical Engineers	29	32	33
Architects	10	14	17
Technicians	33	37	37
Accounting and Finance Staffs	9	9	9
The Secretary's office and Administrative Staffs	40	53	67
Housekeeping Staffs and Drivers	8	7	6
<b>Total</b>	<b>240</b>	<b>290</b>	<b>311</b>

## Total Salary and Allowance of Personnel

The Company pays compensations to personnel in the form of salary, bonus and welfare such as allowance and provident fund.

(หน่วย : ล้านบาท)

Compensation	2015	2016	2017
Salary, Bonus and Welfare	158.25	184.82	207.90
<b>Total</b>	<b>158.25</b>	<b>184.82</b>	<b>207.90</b>

## Significant labor disputes in the last 3 years

The company have no significant labor disputes in the last 3 years

## Human Resources Managing and Developing

Project Planning Service Public Company Limited has always valued the importance of the developing of employees' potential. This is because the employees who have high potential and good attitude will be a significant core in order to bring success to the company. As such, there will be frequent courses held for developing the efficiency of the employees. "PPS Training Center," the company's own training center, which was qualified as the Continuing Professional Development (CPD) by the Council of Engineers, was established as a major department of the organization which helps improving employees' skill. Therefore, PPS Training Center was received the award "The Best Continuing Professional Development" in 2017. PPS

Training Center yet keeps improving employee efficiency and updating course information continuously by holding both in-house and out-house staffs. This can be considered as 1,983 Professional Development Units (PDU). The employees who join PDU can apply for a promotion from the Council of Engineers. In 2017, based on business conducting path and career path planning, the organization has planning the employee development plan as for the efficient growth of the company. The programs are various, including In-house Training operated by in-house and outsource speakers, Public Training, On the Job Training, E-Learning and Coaching. The programs are divided into 5 levels due to the career path planning as the followings;

- |         |   |
|---------|---|
| Level 1 | "Basic Training (0-1 year of employment duration)": Focus on new employee to create the comprehension in role, duty, responsibility of supervisor and career ethic and morality   |
| Level 2 | "Intermediate Training (1-3 years of employment duration)": Focus on intermediate employee to perform better in field works including inspection and construction supervision, construction survey, construction cost control and construction planning by Microsoft Project. |
| Level 3 | "Advance Training (4-6 years of employment period)": Focus on senior employee or project manager to be prepared for further managing level skills including construction contract managing and high-rise building structure engineering for supervisor.                       |
| Level 4 | "Continuous Training (6 years and more of employment duration)": Focus on soft skill training to increase working skill which will bring success and progress to work. This includes video presentation making techniques and Corporate Social Responsibility or CSR.         |
| Level 5 | "Special Training": Focus on specific detail to increase the outstanding skill and specialization. This includes fire life safety, BIM for project management and universal design.   |

Details of each program are as following;

**Level 1. Basic Training:** a program aims to shape attitude and provide new employee information, role and responsibility. Therefore, they are able to acknowledge and understand work procedure and career path. As such, all the work done by trained employee will go to the same direction as the company's.

The courses of the program are;

- 1.1 "Role, Duty and Responsibility of the Supervisor": focus on role, duty, responsibility and working behavior towards all the stakeholders, including shareholders, employees, clients, partners, competitors, creditors and societies. In addition, the behavior must not violate humanity right and intellectual property.
- 1.2 "My PPS": consists of the knowledge of making use of IT Application, which is developed by the company, to increase the efficiency of working.
- 1.3 "PPS Engineer": focus in business ethics and moralities for the managers, the directors and the employees of the company. This course will help promoting and supporting working procedure of the employees who hold to general ethics and moralities, especially the ethics set by the

Council of Engineers and the Architect Council of Thailand. The course additionally focuses on the Good Governance which is against corruption and supports transparency according to the company's policy; "Work on transparency, value Good Governance and avoid corruption."

**Level 2. Intermediate Training** this program is for employee who has intermediate knowledge of working which helps increasing career working efficiency.

- 2.1 "On the Job Training": the course is particularly for project manager, engineer, and any field of architects, technician, and project secretary. The course focuses on real practical operation in the construction site and the experience exchange during the project. As such, they can truly understand and gain knowledge which eventually leads to the better working performance based on this adapted knowledge.
- 2.2 "Construction Survey": the course focuses on field work, the use of Theodolite and Level cameras and construction techniques such as finding the spot of pillar center and the inspection of foundation pile.
- 2.3 "Inspection and Construction Supervision": the course focuses on field work in order to understand duty and responsibility of construction work and operate correctly.
- 2.4 "Safety Plan and Construction Safety Law": the course aims to bring employee the comprehension in construction safety law and therefore the ability to conduct safety plan for construction work.
- 2.5 "Construction Cost Control": the course covers the importance of construction budget and cost control by making sure that the cost is below the defined budget in each contract. This course also focuses on the control of the change in the project.

**Level 3. Advance Training** to improve the efficiency in project managing, this program is for senior employee or project manager or higher-level employee.

- 3.1 "High-rise Building Structure Engineering for Supervisor": the course purpose is to create the understanding in building construction, construction system, high-rise building and large-scale project inspection for supervisor.
- 3.2 "High-rise Building Inspection and Supervision": the course aims to focus on field work inspection and supervision and the understanding of working supervision so that the trained employee can perform correctly.

**Level 4. Continuous Training** the program is for all employees, focusing of soft skill knowledge in order to improve differently working skills. This program, in addition, aims to develop information technology skill to working procedure.

- 4.1 "Video Presentation Making Technique": the course focuses on editing video efficiently and the ability to make the video presentation from working result or project information, for example the video presentation of building construction process.
- 4.2 "Corporate Social Responsibility (CSR) for Sustainable Development": the course aims to provide the understanding in the idea and the process of conducting the project for sustainable development, for example CSR.

**Level 5. Special Training** the specific program is particularly for project manager or project director. Its purpose is to increase the ability and skill in working.

- 5.1 “Fire Life Safety in High-rise Building”: focus on every kind of safety including smoke detector, fire exist and fire alarm.
- 5.2 “BIM for Project Management”: focus on using the program’s tools and instructions for inspection and information management of BIM Model efficiently.
- 5.3 “Universal Design”: focus on the standard of building and environmental designs. This also includes indoor facilities for disabled, elderly and everyone in society.

Apart of mentioned above, the company also provides new employee new course “Train the Trainer or TTT.” As such, the new employee will be trained to be able to inspect field work according to Shop Drawing which is approved by working site mentoring system. Another added course “Executive Training” is a course which continuously improves employees’ skill into managing employees.

In 2017, not only in-house training, PPS Training Center has held some courses for other companies including Thai Obayashi Corporation Limited with the topic Engineering Act. and the Promotion Guidance for Civil Professional Engineer, Triumph Engineering Company Limited with the topic Construction Plan by Microsoft Project, Areeya Property Public Company Limited with the topic Construction Survey and T Engineering Corporation Public Company Limited with the topic Construction Plan by Computer Program.

## Internal Control

In the Audit Committee's meeting 4/2017 on November 13th, 2017 which all three member of the Audit Committee were attended, the responses of the evaluation form on the sufficiency and appropriateness of the Internal Audit of the Company were approved in year 2017. The results of the assessment of the Internal Audit were satisfactory and may be summarized following the assessment of sufficiency of the Internal Audit covered to following components.

### Part 1. The Organization and Environment of Control

- 1.1 Organization performs full commitment to value of honesty
- 1.2 Directors are independent of the management and perform directing and development department.
- 1.3 Management department provides appropriate report structure, command authorization, and responsibility to facilitate company's achievement to objectives under Board of Directors' directing.
- 1.4 Organization performs full effort to persuade, develop and retain competent staffs.
- 1.5 Organization arranges staffs to be responsible for internal control to achieve objectives.

### Part 2. Risk Assessment

- 2.1 Organization clearly set up objectives in order to define and assess various risks concerning to Company's objectives.
- 2.2 Organization defines and analyzes all type of risks which may affect the achievement of objectives though out the organization.
- 2.3 Organization considers the possibility of corruption in the risk assessment process.
- 2.4 Organization is able to define and evaluate any changes that may affect internal control

### Part 3. Operation Control

- 3.1 Organization has controlling measures to reduce the risks of failed objective to be in an acceptable level.
- 3.2 Organization selects and develops general control activities by using technology system to support objective achievement.
- 3.3 Organization provides the control activities through policies which are practically defined expectation and implementations.

### Part 4. Information and Data Communication System

- 4.1 Organization provides qualified data to support the internal control achieving the objectives.
- 4.2 Organization performs internal communication including objectives and responsibilities for essential internal control to accomplish the objectives.
- 4.3 Organization performs external communication on any issues which may affect internal control.

### Part 5. Follow up System

- 5.1 Organization follows up and evaluates the appropriateness of internal control.
- 5.2 Organization evaluates and communicates to responsible persons including of management executives and directors about the deficiencies of internal control.

## Summary of the Assessment of Internal Control Systems Following the Opinions of Internal Auditor

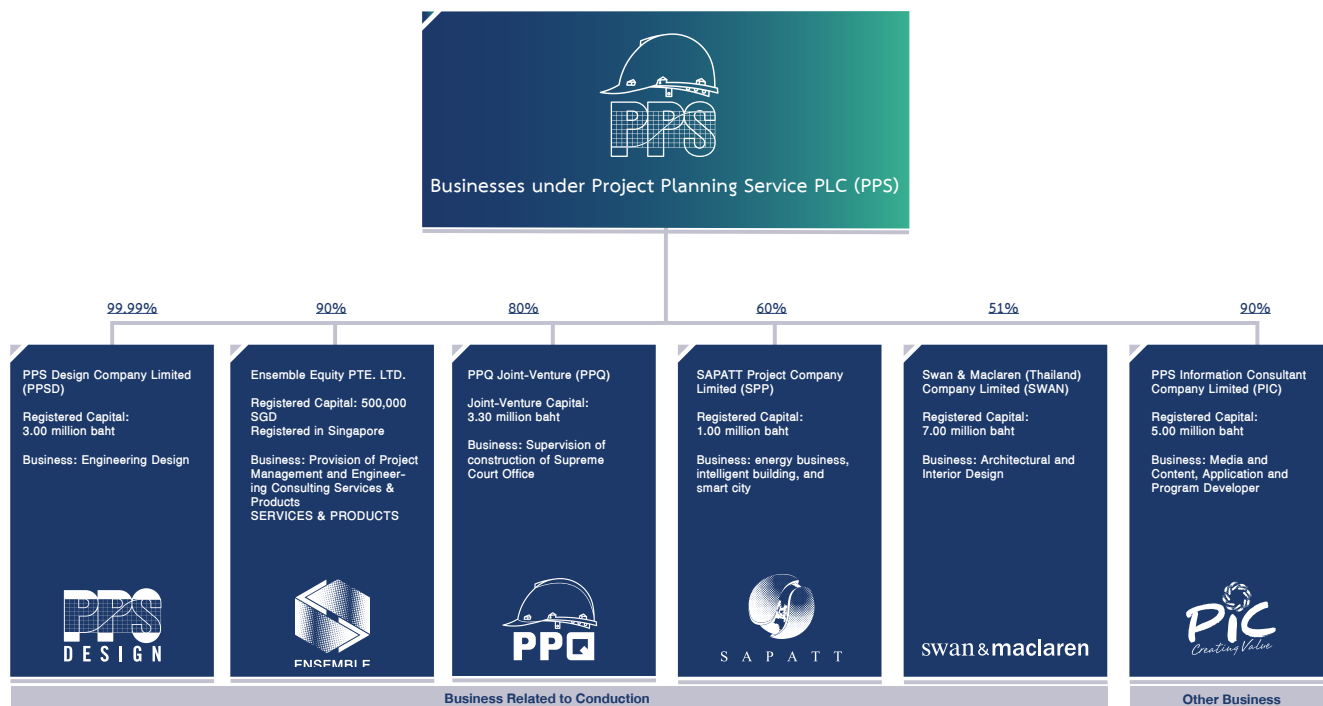
The Company has employed “Executive Accounting Service Co., Ltd.” to be the Internal Audit to inspect the Company’s internal control systems quarterly during the year 2017, as well as assesses and monitors the implementation following suggestions of the Internal Auditor. Executive Accounting Service Co., Ltd. assigned Miss Patcharatida Juramongkon and Mr. Winai Wangsa-nguankit as an auditor to efficiently perform the Company’s assessment. With regards to the latest assessment of the internal control systems, the internal audit’s report states that there is no significant deficiency in the internal control systems.

Moreover, the Company has established an internal audit office and assigned Mr. Anupan Wananukul, the secretary of the Audit Committee who is a Company’s employee to coordinate and direct the internal audit procedures of Executive Accounting Service Co., Ltd. The Internal Audit office is directly accountable to the Audit Committee and is independent from the executives.

The Audit Committee has reviewed the sufficiency, appropriateness and efficiency of the internal control system by supervising, providing suggestions and supporting the independent work of Internal Audit office, reviewing the reports on the audit results in year 2017 including the improvement following suggestions stated in the internal auditor’s report to ensure the efficiency and effectiveness of the work. No significant deficiency has been found.

The company gives priority to the arrangement of internal control system in both management and operational level to be in an efficient and effective way. Specifically, the internal control system of risk management, the company has appointed risk management committee to set up a yearly risk management strategy, as well as to review and track the solution or take any action to prevent or reduce the risk in organization according to the opinion of the Board of Directors, The Audit Committee and the internal auditor.

## Investment in Subsidiaries Associate and Joint-Venture



## Related transactions of PPS at the end of the year (ended December 31, 2017)

Person/ Juristic person with possibility of conflict	Relationship	Characteristics of Activities	
1. Pongtheerathon Co.Ltd.	A company of major shareholders member of Pongtheerathorn Co., Ltd. consists of 1. Mrs. Rewadee Tharachai 2. Mr. Phongthon Tharachai 3. Mr. Theerathon Tharachai	The company is renting part of Pongtheerathon building 4th floor as a conference room and 1st floor to expand the office	
		The company has place insurance according to the contract	
2. PPQ joint venture	Joint venture company with joint proportion of 80 percent	The company provides project consulting services	
		The company charges overtime work	
		The company rentout office builind	
		other services the company provides	
3. BULK Asia Co., Ltd.	Associate company - Company invests in common stock for 10 % Chief Executive of PPS company acting as a director in BULK Asia Co., Ltd. ( Mr. Theerathon Tharachai)		
	In January 2559 the company had Divested from - BULK Asia Co., Ltd	Company provides hosting and regulating Informaion Technology system	
		Company lentout concertible loans	
		Receivable and accued recevable interest	
		Other debtor - transit bank cheque	
4. Swan & Maclaren (Thailand) Co., Ltd.	Associate company - Company invests in common stock for 51 %	other services the company provides	
		The company provides project consulting services	

Statement of financial position Balance (Baht)		Comprehensive P&L statement		Executives remarks on justifying the act
31, Dec, 2559	31, Dec, 2560	2559	2560	
10,855	11,627	851,139	874,375	The renting costs is similar to the previous building the company had rented ( EIT ) but is more convenient because the building is close to the company
120,000	120,000			
2,920,075	9,794,316	6,102,370	6,907,241	Company has made an agreement for project consulting to the supreme court project with other 2 joint businesses. The service fee is calculated from selling price
-		321,600	120,000	Charges the same rate as the contractor
2,000	-	24,000	24,000	Company rent out part of the building as establishment
35,000	18,400	210,000	220,800	Using the company's employee, the price is calculated from the base salary plus by 5 %. The rate increases 5 % annually
				The company saw the potential of BULK Asia Co.,Ltd. as its technology would assists the company overall, and BULK company is likely to grow in revenue for its IT expertise. So the two company join forces to design softwares that would be used in the industry
-	-	-	-	Charges the same rate as the agreement
-	-			Loan Agreement has an interest rate of 6 %, but have to pay 1% interest
-	-	41,311	-	every last day of the year. The maturity year is 2561.
				On the 29th, January, 2559, had already paid off the loan in full
-	-	-	-	
-	168,250	-	1,704,375	Using the company's employee, the price is calculated from the base salary plus by 5 %. The rate increases 5 % annually
-	60,000	-	660,000	The company signed the agreement as a consultant for Lesso Mall Project.

## Legal Dispute

Currently, the company and the subsidiaries do not have any legal disputes which may cause damage to the company more than 5% of the shareholders' equity and significantly affect regarding the company business in the negative consequence.

## Obligations for Issuing Shares

### Issuance of other securities

#### 1. Detailed of the Right offering of the Warrants

Type of Offering Security	: Warrants for rights to purchase ordinary shares of Project Planning Service Public Company Limited No.1 ("Warrant" or "PPS-W1")
Type of Warrant	: Nominated and transferable
Numbers of Warrant in Issuance and offering	: Not exceed 240,000,000 (two hundred forty million) units.
Numbers of new ordinary shares to be issued to accommodate the Warrants	: 239,999,946 (two hundred thirty-nine million nine hundred ninety nine thousand nine hundred forty six) shares, accounting for ratio at 50% of the paid-up registered capital (par value of THB 0.25 per share)
Offering Method	: Warrant shall be allocated to the existing shareholders of the Company (Rights Offering) at the ratio of 2 ordinary shares to 1 Warrants.
Offering Price	: 0 THB (Zero THB)
Date of Issuance and offering	: June 10, 2016
Tenor	: 2 years 6 months from the date of Issuance and Offering of warrants (From June 10, 2016 to December 9, 2018)
First Exercise Date	: December 31, 2016 (the event that the exercise date occurs on the holiday, the exercise date shall be moved forward to the last business day).
Last Exercise Date/Expiry Date	: December 9, 2018
Exercise Ratio	: 1 unit of warrant has the right to purchase 1 unit of ordinary share (except for any subsequent adjustments of right of the Warrant)
Exercise Price	: THB 0.40 (zero point four THB) per one unit of ordinary share (subject to change as per right adjustment conditions)
Exercise Period	: Warrant holders shall be able to exercise their rights 5 times, which are on December 31, 2016, June 30, 2017, December 31, 2017, June 30, 2018 and December 9, 2018. The last exercise date that Warrant holders can exercise their right ("Last Exercise Date") is 2 years 6 months after the date indicated in the Warrants, which will be on December 9, 2018 (the event that the exercise date occurs on the holiday, the exercise date shall be moved forward to the last business day).
Secondary Market for Warrants	: Market for Alternative Investment (mai)
Secondary Market for Shares from Exercising Warrants	: Market for Alternative Investment (mai)

## Information concerning bonds or bills

The company has never issued debentures or bills for business.

## Report on the Board of Directors' Responsibilities for Financial Statements

Responsibility for the integrity and objectivity of the financial budget and financial information presented in this annual report rests with PPS management. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in Thailand by applying the financial policies reasonably and carefully. They are also to reveal significant information sufficiently in the remark in financial budget report. Moreover, PPS has set the policies, work system, and other matters consideration to manage the internal control management, to supervise the business, to perform the risk management effectively, to provide the whistle blowing line, and to act in accordance with the laws and regulations

The company's internal control over financial reporting includes those policies and procedures that pertain to the maintenance of record that, in responsible detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

The audit committee of the board of directors is composed solely of non-management directors, independent directors to be responsible for quality control of financial statements and internal audit procedures and efficient risk management system. The opinion of this audit committee about these mentioned issues is demonstrated in the audit committee report which is included in the annual report.

Management concluded that the company's internal control over financial reporting was effective, sufficient, and trustworthy as of December 31, 2017. Also, the audit committee has audited all financial information and accepted that all financial statement have been prepared in accordance with accounting principles generally accepted in Thailand.



.....  
(Mr. Prasong Tharachai)  
Chairman of the Board of Directors



.....  
(Mr. Tat Thongpakdi)  
Managing Director

## Audit Committee Report

To Shareholder(s)

The Audit Committee has proceeded according to the charter of the Audit Committee conforming to scope of duties and responsibilities assigned by the Board of Directors. The aims are to monitor and to review the company's corporate governance and internal control systems are adequate, including to benefit all stakeholders equally.

In 2017, the Audit Committee had held 4 meetings. All of the Audit Committee members attended every meeting. The Audit Committee proceeded consideration through various agenda which can be summarized as follows;

- The Accuracy and Credibility of the Financial Reports:** The Audit Committee has reviewed the quarter and annual financial statements for year 2017 to ensure that the preparation of financial statements of the Company has been in accordance with the generally accepted accounting standards and the information has been correctly publicized, comprehensive and credible manners. The auditor has given their opinions on financial statements which have been submitted to the Board of Directors and shareholders.
- Sufficiency of the Internal Control System of the Company:** The Audit Committee has reviewed the sufficiency, appropriateness and efficiency of the internal control system by supervising, providing suggestions and supporting the independent work of Internal Audit office, reviewing the reports on the audit results in year 2017 including of monitoring the improvement and correction following recommendations and suggestions stated in the internal auditor's report to ensure the efficiency and effectiveness of the work. The Committee is of the opinion that the internal control systems of the Company and subsidiary companies are sufficient and appropriate in preventing and reducing possible risks. No significant deficiency has been found.
- Compliance with the law on securities and the Stock Exchange, regulations of the Stock Exchange of Thailand and other legislation related to the businesses of the Company including the compliance with the regulations and obligations that the Company has agreed with external parties :** The Audit Committee has reviewed the compliance with the law on securities and the Stock Exchange, regulations of the Stock Exchange of Thailand and other legislation related to the businesses of the Company including the compliance with the regulations and obligations that the Company has agreed with external parties. The Audit Committee has concurred that a significant breach of legislation and regulations as well as obligations that the Company has made with external parties has not been found.
- Selection of the Auditor:** The Audit Committee performs selection of auditor based on competency, experiences, independency, audit team and reasonable remunerations therefore proposed DIA International Auditing Company Limited to as the Board of Directors for appointment as auditor of the Company for year 2017. A meeting was quarterly held between the Audit Committee to the auditor discussed all issues regarding auditing process and solutions of significant issues.

5. **Risk Management:** The Company's audit committee has verified the effectiveness and appropriateness of risk management procedures which caused by both internal and external factors. Risk Management Committee recommended holding the consideration quarterly for supervising the policy structure, working plan, and risk management strategy. The Committee are also to perform the following up and reviewing the risks regularly in order to improve and ensure that they are up-to-date and correspond to the current situations. Hence, it is believed that the risk management procedures accommodate benefit to the Company and all shareholders.
6. **Report that may result in a conflict of interest:** The Audit Committee has reviewed and provided opinion on related items or items that result in conflict of interest as well as the data publication of such reports according to the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
7. **Good Corporate Governance:** The Company's Board of Directors and executives regard good corporate governance as important issue to generate confidence among shareholders. The audit committee has reviewed the effectiveness and appropriateness of the corporation and it is found that the directors and staffs adhere to the Company's regulations.
8. **Anti-Corruption:** The Company's Board of Directors and executives regard anti-corruption after Company's launch of anti-corruption policy which assigned major involvement to the audit committee. The Company has joined to the "Collective Action Coalition against Corruption in Private Sector" in the year 2014. The current Joint Committee of Collective Action Coalition against Corruption in Private Sector in Thailand had certified the Company as a member on January 22, 2016 with intensive implementation and control throughout the year 2017. There is also a channel for a whistleblower via the website [www.pps.co.th/whistleblow](http://www.pps.co.th/whistleblow)

In overall conclusion, the Audit Committee has performed within the scope of duties and responsibilities assigned by the Company's Board of Directors and those determined in the Charter of the Audit Committee. Using the knowledge, ability and discretion are sufficiently independent to benefit all stakeholders equally. The Audit Committee agreed that the Company has reported its financial information accurately. The Company has operated under the internal control system that is efficient and under an effective Risk Management. The Company has also complied with the legislation, rules and regulations that are relating to the Company's businesses. There were appropriate publication of related items and operations is in accordance with sufficient good corporate governance, transparency and creditability.



(Pol. Lt. Gen. Nukool Jeamanukoolkit)  
Chairman of the Audit Committee

## Nomination and Remuneration Committee Report

To Shareholder(s)

The Nomination and Remuneration Committee is to prudently and reasonably perform in accordance with the scope of the duties and responsibilities under the charter of the Nomination and Remuneration Committee. The committee duties include determining methods and principles of the Executive Committee, Managing Director, and new nominated person recruitment, determining methods and principles of remuneration or other benefits to the committee, Chairman of Executive Committee, Managing Director according to the duties and responsibilities. The Nomination and Remuneration Committee comprised of three members; two members from independent directors and another one from Company's executive.

Mrs.Vipavee Boonyaprasit, independent director, as Chairman of the Nomination and Remuneration Committee, followed by Mr. Kachen Benjakul, independent director, as a member and Mrs. Voraporn Chaona, Accounting Director, as a member and secretary of the Committee. In 2017, the Committee has held three meetings and all of the members had attended. The transactions can be summarized as follow;

1. Recruiting qualified persons as nominated Company's directors abide by the Charter, the laws governing public companies, securities law and the Stock Exchange of Thailand, and good governance. The persons are required the knowledge, skills, experience, leadership, ethics and positive attitude towards the company and ability to devote sufficient time to get enough.
2. Consider the methods and principles of the committee party's assessment and the remuneration of the committee
3. Consider the Directors and the Managing Director's remuneration by taking into account the results of operations of the Company with comparison to other companies in the same industry or a similar size as well as economic conditions.
4. Consider the appropriateness of the remuneration for the executive committees in "Employee Joint Investment Program (EJIP)" participation
5. Consider the charter of Nomination and Remuneration Committee



.....  
Mrs.Vipavee Boonyaprasit  
Chairman of the Nomination and Remuneration Committee

## Corporate Governance and Social Responsibility Committee Report

Dear valued shareholders,

As the company's Board of Director assigned scope of duty and responsibility, the Corporate Governance and Social Responsibility Committee has performed our duty based on the charter of The Corporate Governance and Social Responsibility Committee. the Corporate Governance and Social Responsibility Committee has scheduled a meeting twice in 2017. As such, after reviewing all the agendas, the important issues are as follows;

1. **Reconsider the charter and the anti-corruption policy:** The Corporate Governance and Social Responsibility Committee agreed to reconsider the charter of the Corporate Governance and Social Responsibility Committee and the anti-corruption annually. Moreover, there should be an announcement to the company's employees regarding the stated policy and employees' ethic. As such they can acknowledge and follow the instruction.
2. **Reconsider roadmap of 2013 - 2017 regarding sustainable development:** As the Corporate Governance and Social Responsibility Committee has reviewed the sustainable development roadmap from 2013 to 2017, each department is assigned to report the result based on their responsibility. This is for following up and supporting working process to make the most effective.
3. **Consider Road map of 2018 - 2022 regarding sustainable development:** The Board of Good Governance and Corporate Social Responsibility has reviewed the sustainable development roadmap form 2018 to 2022 to keep it stay current and consistent to the company path in the future. In addition, each department is assigned to plan working procedure in order to achieve the expected goal based on the Roadmap.
4. **Sustainable risk management:** The Corporate Governance and Social Responsibility Committee has reviewed the possible risk factors related to sustainability and found out 3 main risk factors including quality, safety and supply chain transparency. Therefore, the Board has found the appropriate protections and the solutions. Moreover, all the risks have been carefully considered in order to appropriately plan how to reduce the risk and its factors. All the directors and company's employees are also informed to follow the plan correctly and appropriately.
5. **Reconsider complaint receiving process and complaint review process:** The Corporate Governance and Social Responsibility Committee has seen the value in respect for right, freedom and action to all the employees and the stakeholders equally. Therefore, anyone who feels unfairly mistreated or suspects any illegal action is encouraged to report a complaint, share opinion or give advice through the company's complaint channel due to whistleblower policy. This whistleblower policy aims to give the whistleblower protection and justice via a website [whistleblow@pps.co.th](mailto:whistleblow@pps.co.th). However, so far the company has not received any complaints submitted to whistleblower system in 2017.

Considering all the aspects, the company believes that it will be able to shape the company's business conducting and eventually simultaneously make the company, the community, the society and the environment grow strongly and sustainably in the future.

Best regards,



(Dr. Phongthon Tharachai)

Director of the Corporate Governance and Social Responsibility Committee

## Risk Management Committee Report

To Shareholder(s)

According to the moving forward to ASEAN Economics Community (AEC) in 2017, the Company still determines to be the leader in the consulting business including related businesses. In the present condition, business competition is regarded as a significant factor. Therefore, the Company's committee values risk management as the most important and necessary tool to achieve those goals while maintain effectiveness and ensuring that all of business opportunities are not lost.

PPS has a policy that the main business and all subsidiaries need to evaluate the risk management that might affect the business administration. Then the Risk Management Committee is appointed to be responsible for the policy directions, to enhance the effectiveness of the risk management, and to define the risk management as an important mission for every department. The purpose is to manage the risks into an acceptable level without losing business opportunities.

In 2017, risk management committee had four meetings in which the following resolutions could be summarized as follows:

1. **Presentation of KPI and Risk Management plan for 2017**

The committee held the meeting with all departments and subsidiaries to present the risk management plans and their KPI of 2017 operations for the approval.

2. **Risk Evaluation, Mitigation Measure, and Risk Management Plan**

The Risk Management Committee had assigned the responsible institute to consider the risk factors that might influence the business administration. The Committee also provided Mitigation Measure, Risk Management Plan, and any other way to reduce the effects into an acceptable level.

3. **Follow up on Risk Mitigation Measure and Risk Management Plan**

Quarterly meetings were held to closely follow up the risk mitigation measure with relevant departments to ensure that those measures were being implemented. Comments and feedbacks were collected to improve the process efficiently.

4. **Risk Management Associated with Social and Environmental Issues**

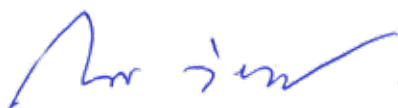
PPS had set up the social and environmental obligation policies. The Risk Management Committee had assigned the responsible institute to assess the risks associated with social and environment issues, and to follow up the evaluation in order to decrease the effects that might defame the Company's reputation. In terms of security concerning with the services, the Committee had assigned the risk evaluation as well.

5. **Risk Management Associated with Corruption Issue**

The risk management committee has also informed all of the departments and subsidiaries to evaluate the risk associated with corruption issue following the company's policy of anti-corruption which was announced with the Private Sector Collective Action Coalition against Corruption movement.

From the above report, the risk management committee has successfully implemented risk management practices to ensure that all aspects of business risks are foreseen and measures are implemented to alleviate those risks identified. The risk management committee strongly believes that the risk management implementation will ensure sustainable business practices of the company in the longer term.

Yours sincerely



(Mr. Kamon Wiriyachok)

Chairman of the Risk Management Committee

## Improvement Committee Report

Dear valued shareholders,

The Improvement Committee was established with the agreement of the Board of Directors due to the solution of the Board of Director Meeting No. 3/2017 on September 11, 2017, with the attendance of 7 committees; 1 director committee and 6 committees.

Assigned by the Board of Directors, the Improvement Committee has performed duties regarding the responsibilities in International Organization for Standardization (ISO) and Office of Research and Development (ORD) due to the charter of the Board of Working System Improvement.

The Improvement Committee has held the meeting at least twice within 2017 in order to follow the plan regarding the work related to ISO. Moreover, in accordance to the assigned responsibilities, the committees have reviewed, analyzed and evaluated the company's problems to find the most effective solutions which are compatible with the company's working system improvement policy. The important issues can be concluded as follows;

1. **Reconsider the charter:** The committees have reconsidered the charter and agreed to hold the monthly meeting. As such the committees could plan working policy and specify the company's achievement.
2. **Reconsider duties and responsibilities regarding to the International Organization for Standardization (ISO):** The committees have reviewed and rearranged the old document of ISO 9002: 2008 into ISO 9001: 2015. This new document will be applied to the company's working policy and furthermore to maintain Quality Policy, Quality Objective, Quality Manual and Quality Management System Document of the company.
3. **Reconsider duties and responsibilities regarding to the Office of Research and Development (ORD):** The committees have reviewed, analyzed, evaluated and collected information from internal working from both center and project units. The committees have also collected information from external resources for conducting the company's database system which is responsible by the Quality Surveyor Department. This, therefore, will be the essential factor in the improvement of the company in the future.

Due to the mentioned working plans, it will help the company's business conducting become clearer, more stable and effective.

(Mr. Eakkamol Lertchunhakiat)  
Director of the Improvement Committee

## INDEPENDENT AUDITOR'S REPORT

To The Shareholders of PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED

### Opinion

I have audited the accompanying consolidated and separate financial statements of PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2017, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholder's equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED as at December 31, 2017, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' 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.

### 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 Matters included Auditing Procedures are as follows:

Recognition of revenues from hire of work contracts on a step of completion (consolidated and separate financial statements)

As stated in notes 4.1.1 to financial statements relating to revenues recognition from services policy, revenues from certain service contracts are recognized by stage of completed work by calculating based on proportion of total actual costs incurred until the reporting date compared with total estimated costs of the contracts. The accuracy and completeness of total estimated costs of the contracts depends on the substantive judgment made by the management for considering the several factors and variables such as the delay of construction contractor, expansion or reduction scope of construction work which is agreed by the employer and contractor. The accuracy of continuing estimated costs until termination of contracts may have impact on the accuracy of revenues recognition by stage of completed work. Accordingly, I have addressed as key audit matter.

I have obtained an assurance relating to recognition of revenues from hire of work contract on a step of completion, by included;

- Obtained an understanding of the design of internal controls relating to engagement of hire of work contracts to be recognized on the step of completion and preparing total estimated costs of the contracts.
- Inquired the management of all significant issues related to the cause and assumptions used in the preparation of costs estimation and the filing of bidding price.
- Selected the sample of hire of work contract entered during the year, obtained an understanding and considered any factors having impact the costs incurred which may result in the provisions (if applicable).
- Tested the internal control system relating to engagement and preparation of total estimated costs under the contracts.
- Compared the actual cost and the estimated cost, follow up and find out cause for considering the impacts on continuing cost until termination of contracts including check the accuracy of step of completion work for using in revenues recognition.
- Checked the accuracy of changes in continuing estimated costs until termination.
- Checked evidence of work assignment from customers, receiving of service fee are proper and compliance with the percentage of completed work.
- Checked the confirmation letter under the contract value, completion value, and completion and outstanding assignment value.

### Other Information

Management is responsible for the other information. The other information comprises information in the annual report but does not include the consolidated and separate financial statements and my auditor's report thereon.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not and 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the 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, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the 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 Thai Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism 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's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

D I A International Audit Company Limited

February 23, 2018



(Ms. Sushaphorn Mangjit)  
C.P.A. Thailand Registration No. 8125

## STATEMENTS OF FINANCIAL POSITION

### AS AT DECEMBER 31, 2017

Assets	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Current assets					
Cash and cash equivalents	6	50,731,099	41,969,255	39,827,909	29,889,737
Current investment	7	154,273,676	64,050,515	154,273,676	64,050,515
Trade and other current receivables	8	133,249,504	96,532,255	126,939,732	87,572,631
Work in service rendering under agreement	9	11,694,154	0	11,694,154	0
Short-term loans to related parties	10	0	0	5,700,000	9,617,444
Total current assets		349,948,433	202,552,025	338,435,471	191,130,327
Non-current assets					
Investments in subsidiaries	11	0	0	12,280,447	15,280,447
Investments in associate	12	4,596,930	2,388,703	3,749,980	2,449,980
Investments in joint venture	13	5,155,624	3,766,338	2,640,000	2,640,000
Investment properties	14	460,000	460,000	460,000	460,000
Property, plant and equipment	15	10,040,578	9,345,289	8,533,490	8,097,704
Other intangible assets	16	5,180,435	2,783,509	6,767,269	4,159,890
Fixed deposit with obligations	17	9,005,084	44,200,887	5,969,169	41,188,897
Deferred tax assets	19	5,054,247	5,134,408	8,507,902	7,955,416
Retention		9,366,811	14,548,977	9,366,811	14,548,977
Other non-current assets					
Income tax deducted at source		6,972,439	6,063,732	5,186,248	5,182,900
Deposit - retention		365,044	401,156	314,960	351,072
Total non-current assets		56,197,192	89,092,999	63,776,276	102,315,283
Total assets		406,145,625	291,645,024	402,211,747	293,445,610

Notes to financial statements are parts of these financial statements.

## STATEMENTS OF FINANCIAL POSITION

### AS AT DECEMBER 31, 2017

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
Assets	Note	2017	2016	2017	2016
Current assets					
Cash and cash equivalents	6	50,731,099	41,969,255	39,827,909	29,889,737
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Notes to financial statements are parts of these financial statements.

## STATEMENTS OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Services income		388,950,630	306,923,518	364,422,952	293,982,810
Cost of services		(255,412,454)	(206,236,137)	(236,662,200)	(196,456,450)
Gross profit		133,538,176	100,687,381	127,760,752	97,526,360
Other income					
Interest income		977,948	1,893,338	1,056,923	2,016,769
Compensation from the partial termination of the Shareholders Agreement	18	0	1,968,689	0	1,968,689
Gain on sale of investments in associate		0	3,500,000	0	3,500,000
Others		6,105,409	4,814,928	6,802,675	5,433,024
Total other income		7,083,357	12,176,955	7,859,598	12,918,482
Profit before expenses		140,621,533	112,864,336	135,620,350	110,444,842
Administrative expenses		(78,684,947)	(64,669,460)	(74,133,628)	(61,784,695)
Other expenses					
Loss on impairment of investments		0	0	(3,600,000)	0
Doubtful accounts - loans to related parties		0	0	382,556	(566,000)
Loss on terminate of assets		(108,930)	(866,500)	(108,930)	(866,500)
Reversed allowance for doubtful accounts (doubtful accounts) - trade accounts receivable		2,958,688	(6,049,724)	3,107,576	(4,776,872)
Total other expenses		2,849,758	(6,916,224)	(218,798)	(6,209,372)
Finance costs		(1,469)	(893)	(1,469)	(772)
Share of profit (loss) on investment in associates and joint venture		2,297,513	309,677	0	0
Profit before income tax expense		67,082,388	41,587,436	61,266,455	42,450,003
Tax expense	19	(12,520,185)	(9,682,694)	(11,874,000)	(9,579,066)
Profit for the year		54,562,203	31,904,742	49,392,455	32,870,937
Other comprehensive income :					
Component of other comprehensive income that may be reclassified to profit or loss					
Gain (loss) on re-measuring of available for sale investment		2,216,985	1,175,335	2,216,985	1,175,335
Exchange differences on translation of financial statements in foreign currency		(216,195)	(406,325)	0	0
Component of other comprehensive income that may be reclassified to profit or loss		2,000,790	769,010	2,216,985	1,175,335
Other comprehensive income for the year - net of tax		2,000,790	769,010	2,216,985	1,175,335
Total comprehensive income for the year		56,562,993	32,673,752	51,609,440	34,046,272

Notes to financial statements are parts of these financial statements.

## STATEMENTS OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Services income		388,950,630	306,923,518	364,422,952	293,982,810
Cost of services		(255,412,454)	(206,236,137)	(236,662,200)	(196,456,450)
Gross profit		133,538,176	100,687,381	127,760,752	97,526,360
Other income					
Interest income		977,948	1,893,338	1,056,923	2,016,769
Compensation from the partial termination of the Shareholders Agreement	18	0	1,968,689	0	1,968,689
Gain on sale of investments in associate		0	3,500,000	0	3,500,000
Others		6,105,409	4,814,928	6,802,675	5,433,024
Total other income		7,083,357	12,176,955	7,859,598	12,918,482
Profit before expenses		140,621,533	112,864,336	135,620,350	110,444,842
Administrative expenses		(78,684,947)	(64,669,460)	(74,133,628)	(61,784,695)
Other expenses					
Loss on impairment of investments		0	0	(3,600,000)	0
Doubtful accounts - loans to related parties		0	0	382,556	(566,000)
Loss on terminate of assets		(108,930)	(866,500)	(108,930)	(866,500)
Reversed allowance for doubtful accounts (doubtful accounts) - trade accounts receivable		2,958,688	(6,049,724)	3,107,576	(4,776,872)
Total other expenses		2,849,758	(6,916,224)	(218,798)	(6,209,372)
Finance costs		(1,469)	(893)	(1,469)	(772)
Share of profit (loss) on investment in associates and joint venture		2,297,513	309,677	0	0
Profit before income tax expense		67,082,388	41,587,436	61,266,455	42,450,003
Tax expense	19	(12,520,185)	(9,682,694)	(11,874,000)	(9,579,066)
Profit for the year		54,562,203	31,904,742	49,392,455	32,870,937
Other comprehensive income :					
Component of other comprehensive income that may be reclassified to profit or loss					
Gain (loss) on re-measuring of available for sale investment		2,216,985	1,175,335	2,216,985	1,175,335
Exchange differences on translation of financial statements in foreign currency		(216,195)	(406,325)	0	0
Component of other comprehensive income that may be reclassified to profit or loss		2,000,790	769,010	2,216,985	1,175,335
Other comprehensive income for the year - net of tax		2,000,790	769,010	2,216,985	1,175,335
Total comprehensive income for the year		56,562,993	32,673,752	51,609,440	34,046,272

Notes to financial statements are parts of these financial statements.

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Consolidated financial statements) FOR THE YEAR ENDED DECEMBER 31, 2017

Consolidated financial statements												(Unit : Baht)		
Note	Paid-up share capital	Share premium	Amount received in advance for ordinary shares	Retained earnings				Other components of shareholders' equity				Total equity attributable to shareholders of the Company	Non-controlling interests	Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	Unrealized gain (loss) on changes in investment valuation	Translation of financial statements	Total other components of shareholders' equity						
Balance as at January 1, 2016	100,000,000	48,312,106	0	3,500,000	21,801,085	127,922	0	127,922	173,741,113	(697,756)	173,043,357			
Common shares of subsidiaries, non-controlling interests	0	0	0	0	0	0	0	0	0	1,669,375	1,669,375			
Legal reserve	24	0	0	1,650,000	(1,650,000)	0	0	0	0	0	0			
Dividend paid by ordinary shares	25.2	19,999,973	0	0	(19,999,973)	0	0	0	0	0	0			
Dividend paid by cash	25.2	0	0	0	(2,240,011)	0	0	0	(2,240,011)	0	(2,240,011)			
Ordinary shares exercised														
from warrants	23.3	0	0	11,834,567	0	0	0	0	11,834,567	0	11,834,567			
Profit (loss) for the year		0	0	0	32,175,485	0	0	0	32,175,485	(270,743)	31,904,742			
Other comprehensive income		0	0	0	0	1,175,335	(406,325)	769,010	769,010	0	769,010			
Total comprehensive income for the year		0	0	0	32,175,485	1,175,335	(406,325)	769,010	32,944,495	(270,743)	32,673,752			
Balance as at December 31, 2016	119,999,973	48,312,106	11,834,567	5,150,000	30,086,586	1,303,257	(406,325)	896,932	216,280,164	700,876	216,981,040			
Common shares of subsidiaries, non-controlling interests	0	0	0	0	0	0	0	0	0	400,000	400,000			
Ordinary shares exercised														
from warrants	22.4, 23.3	39,982,428	15,256,457	6,800,357	0	0	0	0	62,039,242	0	62,039,242			
Legal reserve	24	0	0	2,500,000	(2,500,000)	0	0	0	0	0	0			
Dividend paid by ordinary shares	25.1	25,473,754	0	0	(25,473,754)	0	0	0	0	0	0			
Dividend paid by cash	25.1	0	0	0	(2,832,703)	0	0	0	(2,832,703)	0	(2,832,703)			
Profit (loss) for the year		0	0	0	55,168,037	2,216,985	(216,195)	2,000,790	55,168,037	(605,834)	54,562,203			
Other comprehensive income		0	0	0	0	2,216,985	(216,195)	2,000,790	2,000,790	0	2,000,790			
Total comprehensive income for the year		0	0	0	55,168,037	2,216,985	(216,195)	2,000,790	57,168,827	(605,834)	56,562,993			
Balance as at December 31, 2017	185,456,155	63,568,563	18,634,924	7,650,000	54,448,166	3,520,242	(622,520)	2,897,722	332,655,530	495,042	333,150,572			

Notes to financial statements are parts of these financial statements.

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

## (Separate financial statements)

### FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

		Separate financial statements									
		Note	Paid-up share capital	Share premium	Amount received in advance for ordinary shares	Retained earnings				Other components of shareholders' equity	
						Appropriated	Legal reserve	Unappropriated	Income	Unrealized gain (loss) on changes in investment valuation	Total other components of shareholders' equity
											Total shareholders' equity
Balance as at January 1, 2016			100,000,000	48,312,106	0	3,500,000		24,066,050		127,922	176,006,078
Legal reserve		24	0	0	0	1,650,000		(1,650,000)		0	0
Dividend paid by ordinary shares		25.2	19,999,973	0	0	0		(19,999,973)		0	0
Dividend paid by cash		25.2	0	0	0	0		(2,240,011)		0	(2,240,011)
Ordinary shares exercised											
from warrants		23.3	0	0	11,834,567	0		0		0	11,834,567
Profit (loss) for the year			0	0	0	0		32,870,937		0	32,870,937
Other comprehensive income			0	0	0	0		0		1,175,335	1,175,335
Total comprehensive income for the year			0	0	0	0		32,870,937		1,175,335	34,046,272
Balance as at December 31, 2016			119,999,973	48,312,106	11,834,567	5,150,000		33,047,003		1,303,257	219,646,906
Ordinary shares exercised											
from warrants		22.4, 23.3	39,982,428	15,256,457	6,800,357	0		0		0	62,039,242
Legal reserve		24	0	0	0	2,500,000		(2,500,000)		0	0
Dividend paid by ordinary shares		25.1	25,473,754	0	0	0		(25,473,754)		0	0
Dividend paid by cash		25.1	0	0	0	0		(2,832,703)		0	(2,832,703)
Profit (loss) for the year			0	0	0	0		49,392,455		0	49,392,455
Other comprehensive income			0	0	0	0		0		2,216,985	2,216,985

## STATEMENTS OF CASH FLOWS

### FOR THE YEAR ENDED DECEMBER 31, 2017

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Cash flows from operating activities</b>				
Profit before income tax	67,082,388	41,587,436	61,266,455	42,450,003
Adjustment net profit to cash receipt (disbursement)				
from operating activities				
Dividend income	(876,990)	(1,589,750)	(876,990)	(1,589,750)
(Gain) loss on disposal of current investment	(2,584,609)	(1,475,027)	(2,584,609)	(1,475,027)
(Gain) on sale of investments in associate	0	(3,500,000)	0	(3,500,000)
(Gain) on sale of assets	(9,207)	(162,926)	(9,207)	(162,926)
Loss on terminate of assets	11,430	866,500	11,430	866,500
Compensation from the partial termination of				
the Shareholders Agreement	0	(1,968,689)	0	(1,968,689)
Reversed provision for impairment of investment				
(loss (reversed) on impairment of investment				
in subsidiaries)	0	(500,000)	3,600,000	(500,000)
Doubtful accounts (reversed allowance				
for doubtful accounts) - trade accounts receivable	(2,958,688)	6,049,724	(3,107,576)	4,776,872
Doubtful accounts (reversed allowance for				
for doubtful accounts) - loans to related parties	0	0	(382,556)	566,000
Depreciation of assets	1,421,725	1,492,125	1,053,416	1,233,381
Amortized intangible assets	585,505	396,508	727,249	476,122
Amortized income tax deducted at source	220,834	740,174	0	700,000
Employee benefit expenses	3,970,277	3,869,269	3,897,995	3,805,461
Interest expenses	1,469	893	1,469	772
Share of (profit) loss on investment in associates				
and joint venture	(2,297,513)	(309,677)	0	0

## STATEMENTS OF CASH FLOWS

### FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
(Increase) Decrease in part of operating assets				
Trade and other current receivables	(34,395,714)	(59,490,907)	(36,896,678)	(52,418,878)
Work in service rendering under agreement	(11,694,154)	0	(11,694,154)	0
Retention	5,182,166	3,816,851	5,182,166	3,816,851
Other non-current assets	8,612	40,502	8,612	40,502
(Increase) Decrease in assets from operation	(40,899,090)	(55,633,554)	(43,400,054)	(48,561,525)
Increase (Decrease) in part of operating liabilities				
Trade and other current payables	(4,065,285)	24,870,419	(4,523,915)	24,982,183
Non-current provisions for employee benefit	(956,782)	(1,600,496)	(956,782)	(1,600,496)
Increase (Decrease) in liabilities from operation	(5,022,067)	23,269,923	(5,480,697)	23,381,687
Cash generated (paid) from operation	18,645,464	13,132,929	14,716,325	20,498,881
Interest paid	(1,469)	(893)	(1,469)	(772)
Income tax paid	(15,367,466)	(8,137,102)	(14,227,734)	(7,732,263)
Income tax deducted at source received	0	2,853,113	0	2,853,113
<b>Net cash provided by (used in) operating activities</b>	<b>3,276,529</b>	<b>7,848,047</b>	<b>487,122</b>	<b>15,618,959</b>
<b>Cash flows from investing activities</b>				
Proceeds from dividend	876,990	1,589,750	876,990	1,589,750
Payments for current investment acquisition	(195,450,657)	(139,293,858)	(195,450,657)	(139,293,858)
Proceeds from sales of current investment	111,220,489	162,256,681	111,220,489	162,256,681
Payments for investment in subsidiary	0	0	(600,000)	(15,280,447)
Payments for investment in associates	(1,300,000)	0	(1,300,000)	0
Proceeds from sales of investments in associates	0	4,000,000	0	4,000,000
Proceeds from loans from related parties	0	10,031,311	4,300,000	10,031,311
Proceeds from the partial termination of the				
Shareholders Agreement	0	1,968,689	0	1,968,689

Notes to financial statements are parts of these financial statements.

## STATEMENTS OF CASH FLOWS

### FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Fixed deposit with obligations	35,195,803	(31,313,266)	35,219,728	(31,388,287)
Proceeds from sales of plant and equipment				
acquisition	14,000	194,392	14,000	194,392
Payments for property, plant and equipment				
acquisition	(2,097,137)	(1,196,966)	(1,469,325)	(865,561)
Payments for intangible assets acquisition	(2,364,517)	(744,295)	(2,566,714)	(1,758,218)
<b>Net cash provided by (used in) investing activities</b>	<b>(53,905,029)</b>	<b>7,492,438</b>	<b>(49,755,489)</b>	<b>(8,545,548)</b>
<b>Cash flows from financing activities</b>				
Payments for financial lease liabilities	0	(60,688)	0	(60,688)
Proceeds from share capital in subsidiary from				
non-controlling interests	400,000	1,669,375	0	0
Proceeds from exercise of warrants to purchase				
ordinary shares	62,039,242	11,834,567	62,039,242	11,834,567
Dividend paid	(2,832,703)	(2,240,011)	(2,832,703)	(2,240,011)
<b>Net cash provided by (used in) financing activities</b>	<b>59,606,539</b>	<b>11,203,243</b>	<b>59,206,539</b>	<b>9,533,868</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>8,978,039</b>	<b>26,543,728</b>	<b>9,938,172</b>	<b>16,607,279</b>
Exchange difference on translation of financial statements	(216,195)	(406,325)	0	0
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>8,761,844</b>	<b>26,137,403</b>	<b>9,938,172</b>	<b>16,607,279</b>
<b>Cash and cash equivalents as at January 1</b>	<b>41,969,255</b>	<b>15,831,852</b>	<b>29,889,737</b>	<b>13,282,458</b>
<b>Cash and cash equivalents as at December 31</b>	<b>50,731,099</b>	<b>41,969,255</b>	<b>39,827,909</b>	<b>29,889,737</b>

Supplemental disclosures of cash flows information are detailed in note 31 to financial statements.

Notes to financial statements are parts of these financial statements.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### 1 GENERAL INFORMATION

- 1.1 Project Planning Service Public Company Limited "The Company" was registered as a company limited on June 25, 1987 and converted to be public company limited on June 5, 2012 which is located at 381/6 Soi Rama IX 58 (Soi 7, Seree 7), Rama IX Road, Suanluang, Bangkok.
- 1.2 The Company engaged in business of engineering consultation service, construction project consultation and management, and utility system construction project.

#### 2. FINANCIAL STATEMENTS PREPARATION AND PRESENTATION BASIS

##### 2.1 Financial statements preparation basis

The Group's financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (FAP) and the regulation of The Stock Exchange of Thailand (SET) dated January 22, 2001 regarding the preparation and submission of financial statements and reports for the financial performance of the listed companies B.E. 2544. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding the condensed form should be included in the financial statements (No. 2) B.E. 2559 dated October 11, 2016.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

##### 2.2 Measurement of fair values

A number of the Company and subsidiaries' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company and subsidiaries have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

Significant valuation issues are reported to the Company and subsidiaries Audit Committee.

When measuring the fair value of an asset or a liability, the Company and subsidiaries use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company and subsidiaries recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes :

- Note 4.3.1 and 7 Available-for-sale investments
- Note 34 Financial instruments

#### 2.3 Issued and revised financial reporting standards adoption during the year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016 ) and new accounting treatment guidance which are effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 2.4 Financial Reporting Standards issued and revised which will be effective in the future

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs), which are effective for the financial statements for the period beginning on or after January 1, 2018 onwards, as follows:

<u>Thai Accounting Standards ("TAS")</u>	<u>Contents</u>
TAS 1 (Revised 2017)	Presentation of Financial Statements
TAS 2 (Revised 2017)	Inventories
TAS 7 (Revised 2017)	Statement of Cash Flows
TAS 8 (Revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2017)	Events after the Reporting Period
TAS 11 (Revised 2017)	Construction Contracts
TAS 12 (Revised 2017)	Income taxes
TAS 16 (Revised 2017)	Property, Plant and Equipment
TAS 17 (Revised 2017)	Leases
TAS 18 (Revised 2017)	Revenue
TAS 19 (Revised 2017)	Employee Benefits
TAS 20 (Revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2017)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2017)	Borrowing Costs
TAS 24 (Revised 2017)	Related Party Disclosures
TAS 26 (Revised 2017)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2017)	Separate Financial Statements
TAS 28 (Revised 2017)	Investment in Associates and Joint Ventures

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

##### Thai Accounting Standards ("TAS")

##### Contents

TAS 29 (Revised 2017)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2017)	Earnings Per Share
TAS 34 (Revised 2017)	Interim Financial Reporting
TAS 36 (Revised 2017)	Impairment of Assets
TAS 37 (Revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2017)	Intangible Assets
TAS 40 (Revised 2017)	Investment Property
TAS 41 (Revised 2017)	Agriculture

##### Thai Financial Reporting Standards ("TFRS")

TFRS 2 (Revised 2017)	Share-based Payment
TFRS 3 (Revised 2017)	Business Combinations
TFRS 4 (Revised 2017)	Insurance Contracts
TFRS 5 (Revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2017)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2017)	Operating Segments
TFRS 10 (Revised 2017)	Consolidated Financial Statements
TFRS 11 (Revised 2017)	Joint Arrangements
TFRS 12 (Revised 2017)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2017)	Fair Value Measurement

##### Thai Standing Interpretations Committee ("TSIC")

TSIC 10 (Revised 2017)	Government Assistance-No Specific Relation to Operating Activities
TSIC 15 (Revised 2017)	Operating Leases-Incentives
TSIC 25 (Revised 2017)	Income Taxes-Changes in the Tax Status of and Enterprise or its Shareholders

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

##### Thai Standing Interpretations Committee ("TSIC") Contents

TSIC 27 (Revised 2017)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2017)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2017)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2017)	Intangible Assets-Web Site Costs

##### Thai Financial Reporting Interpretations Committee ("TFRIC")

TFRIC 1 (Revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2017)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2017)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2017)	Applying the Restatement Approach under TAS 29 (Revised 2017) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (Revised 2017)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2017)	Service Concession Arrangements
TFRIC 13 (Revised 2017)	Customer Loyalty Programmes
TFRIC 14 (Revised 2017)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, TAS 19 (Revised 2017) <i>Employee Benefits</i>
TFRIC 15 (Revised 2017)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2017)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2017)	Transfers of Assets from Customers
TFRIC 20 (Revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2017)	Levies

The Company has no a plan to adopt those financial reporting standards earlier application date and expected that they will have no material impacts on the financial statements in the period in which they are applied.

Notes to the financial statements (cont'd)

3. CONSOLIDATED FINANCIAL STATEMENTS PREPARATION BASIS

- 3.1 These financial statements have been consolidated by including the financial statements of subsidiaries in which Project Planning Service Public Company Limited has a power to control such company. Balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated on the controllable date.
- 3.2 Investment between Project Planning Service Public Company Limited and its subsidiaries have been eliminated under equity method as if the Company owns 100 per cent shareholding in that subsidiaries, and the interest of other shareholders is shown as "Non-controlling interests".
- 3.3 These consolidated financial statements are prepared with the objective to show the consolidated financial position and the results of operation of Project Planning Service Public Company Limited and its subsidiaries only. The usefulness of these financial statements for other purposes may be limited due to the difference in types of business of those consolidated companies.
- 3.4 The consolidated financial statements consist of the financial statements of Project Planning Service Public Company Limited, a parent company which has shareholding or significantly power to control in subsidiaries, and share of profit (loss) on associates and joint venture as follows:

Country of incorporation	Currency	Paid-up share capital		Percentage of shareholding by the group		Type of business	
		2017	2016	2017	2016		
		( Unit : Baht )		Percent	Percent		
Subsidiaries :							
PPS Design Co., Ltd.	Thailand	Baht	3,453,720	3,453,720	99.99	99.99	Construction design, planning and controlling
PPS Information Consultant Co., Ltd.	Thailand	Baht	4,499,990	4,499,990	89.99	89.99	Computer services and media services
SAPAT PROJECT CO., LTD.	Thailand	Baht	600,000	0	60.00	0.00	Providing services as a consultant for Energy Efficient Buildings, Green Building and Sustainable Building Projects
ENSEMBLE EQUITY PTE., LTD.	Singapore	Singapore Dollar	11,680,447	11,680,447	90.00	90.00	Advisory for investment in information technology system and other investment in the Region

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Country of incorporation		Currency	Paid-up share capital		Percentage of shareholding by the group		Type of business	Notes to the financial statements (cont'd)
			2017	2016	2017	2016		
			( Unit : Baht )					
					Percent	Percent		
Associates :								
Swan & Maclaren (Thailand)	Thailand	Baht	3,749,980	2,449,980	51.00	35.00	Architecture design, project inspection, project study and construction direction	
Co., Ltd.								
Associates :								
P P Q Joint Venture Co., Ltd.	Thailand	Baht	2,640,000	2,640,000	80.00	80.00	Construction design, planning and controlling for building of a public agency	

Subsidiaries are entities controlled by the Company. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

In the second quarter of 2017, the Company has additionally investment in ordinary shares of Swan & Maclaren (Thailand) Co., Ltd., as a result, the investment proportion is increased from 35% to 51% but the Company still hold the relationship as an associate of the Company caused by the joint investment with the group of shareholders, that agreed to joint control such company with the same ratio of control by executive management at 1:1.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

##### Loss on control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### Interests in equity

The interests in equity comprise interests in associates and joint ventures.

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

P P Q Joint Venture is an entity which was established in accordance with the covenants in construction agreement on March 20, 2009 from the joint operations of Project Planning Services Public Company Limited, TPF Service Company Limited and Engineering and Architecture QBIC Company Limited in proportion of 80%, 15% and 5% respectively.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 4.1 Revenues and Expenses recognition

4.1.1 Revenues from services are recognized as income by reference to the stage of completion which can be estimated reliably. The stage of completion is determined by using the proportion that costs incurred to date bear to estimated total costs of the transaction.

4.1.2 Revenues from services under agreement with undefined service fee are recognized as income when the services are rendered.

4.1.3 Revenues from sales are recognized as income when the goods are delivered and the ownership have been transferred to the buyer.

4.1.4 Revenues and expenses are recognized on an accrual basis.

##### 4.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand and deposit at financial institution which the maturity is less than three months (excluding pledged bank and financial institution deposits).

##### 4.3 Current investment

4.3.1 Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, are recorded to other comprehensive income and cumulative recognized directly in equity.

When these investments are sold, the changes in value are recognized in profit or loss.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

4.3.2 Investments in debt securities which held to maturity are stated at amortized cost. Premium/discount on such debt securities value is amortized by using effective interest rate method. Amortization amount is stated as adjustment with interest income.

Fair value of marketable securities is determined as the quoted bid price at the at the reporting date of the Stock Exchange of Thailand.

Impairment loss of investments in debt securities which held to maturity is recorded in statements of comprehensive income when the carrying value of investments is higher than net recoverable value.

The cost of investments is determined by using weighted average method.

#### 4.4 Trade and other receivables

Trade and other receivables are stated at the rights to receive amount less allowance for doubtful accounts.

The Company and subsidiaries provide the allowance for doubtful accounts equal to the expected uncollectible receivable base on historical collection experience or the outstanding is more than 365 days that the allowance for doubtful accounts is provided in full amount.

#### 4.5 Inventories

Inventories comprise computer and accessories, are stated at the lower of cost on a first-in first-out basis or net realizable value whichever is lower. The costs of purchase of inventories comprise the purchase price and expenses directly attributable to the acquisition of goods such as transport less discount and rebates from acquisition of goods.

Net realizable value is the estimated selling price in the ordinary course of business less cost necessary to make the sale and selling expenses.

Allowance for devaluation is determined for obsolete and defective of goods.

#### 4.6 Investment in subsidiaries and associate

Investment in subsidiaries and associate in the separate financial statements are stated at cost less provision for impairment (if any).

Investment in associate in the consolidated financial statements is stated by equity method.

#### 4.7 Investment in joint venture

Investment in joint venture is stated at cost less provision for impairment (if any) in separate financial statements and equity method in consolidated financial statements.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

##### 4.8 Investment properties

Investment properties are properties held to earn rentals or for capital appreciation or both, are stated at cost less provision for impairment loss.

##### 4.9 Property, plant and equipment

Assets are stated at cost, cost of assets consist of cost of acquisition, dismantlement, removal and restoration less accumulated depreciation and provision for impairment (if any).

Depreciation is determined separately for each significant part of assets.

Building and equipment are depreciated on a straight-line method over the estimated useful lives of the assets as follows :

	<u>Number of years</u>
Building , building improvement	20
Vehicles, office furniture, office equipment, articles, computer	3-5

##### 4.10 Impairment of assets

The Company has assessed the impairment of investment properties, investing, land and intangible assets whenever events or changes indicate that the carrying amount of assets exceeds its recoverable value. The impairment loss will be recognized in statements of comprehensive income. The Company will reverse the impairment loss whenever there is no longer impairment or reduction in impairment.

Recoverable value of asset is either the net selling price or value from utilization of that asset, whichever is higher. The impairment will be estimated from each item of assets or each asset unit generating cash flow, whichever is practical.

##### 4.11 Intangible assets

Intangible assets with the certain useful lives are stated at cost less accumulated amortization and provision for impairment (if any) which will be amortized on a straight line basis as following :

Computer software	3-10 years
-------------------	------------

##### 4.12 Finance lease assets

The Company and subsidiaries record vehicles under finance lease as assets and liabilities in statements of financial position in an amount equal to the fair value of the leased assets at the inception of the agreements. The present value of the minimum payments under the agreements is calculated using the interest rates stipulated in the agreements. Interest expenses are recorded to each period over the term of the agreements based on the outstanding balance of the liabilities finance lease during each period.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

##### 4.13 Income tax expenses

Income tax expenses for the accounting period comprises current tax and deferred tax.

##### 4.13.1 Current tax

The Company and subsidiaries recorded income tax to be paid in each year as expenses in the that period and calculated income tax in conditions as prescribed by the Revenue Code.

##### 4.13.2 Deferred tax

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax is recognized directly to shareholders' equity, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

##### 4.14 Provisions

The Company recognizes a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company settles the obligation. The amount recognized should not exceed the amount of the provision.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 4.15 Accounting estimates

The provisions and assumptions may have a risk of causing an adjustment to the assets in the next financial year related to employee benefit provisions which estimated by the actuary on the actuarial basis and certified by the management at the statements of financial position. It is probable that the provisions may have uncertainty in respect of the nature of project is to be long-term loans as stated in note 4.16.3. Other estimates are further described in the corresponding disclosures.

#### 4.16 Provident fund and employee benefits

##### 4.16.1 Provident fund

The Company has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

##### 4.16.2 Employee Joint Investment Program (EJIP)

Employee Joint Investment Program (EJIP) obligations will be recorded as expenses in statements of comprehensive income when they are incurred.

##### 4.16.3 Employee benefits

The Company provides for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions. The assumptions used in determining the net period cost for employee benefits include the discount rate, the rate of salary increment, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis, the Company determine the appropriate discount rate, which represents the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Company consider the market yield based on Thai government bonds with currency and term similar to the estimated term of benefit obligation.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

##### 4.17 Foreign currencies transaction

Transactions in foreign currencies are translated to the respective functional currency ruling the exchange rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Gains or losses on exchange are recognized in profit or loss.

##### 4.18 Earnings per share

Earnings per share as presented in the statements of comprehensive income is the basic earnings per share which is determined by dividing net profit (loss) for the year by the weighted average number of ordinary shares held by shareholders during the year.

##### 4.19 Diluted earnings per share

Diluted earning per share is calculated by dividing profit belonging to the Company's shareholders (excluded other comprehensive income) by the weighted average number of ordinary shares issued during the year and the diluted potential ordinary shares issued for conversion to ordinary shares by assuming that the exercise of warrants to purchase ordinary shares conversion to ordinary shares at the end of the year or the potential ordinary shares issued date.

#### 5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

##### **Leases**

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

##### **Allowance for doubtful accounts**

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

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

##### Impairment of equity investments

The Company and its subsidiaries treat available-for-sale investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

##### Property, plant and equipment/Depreciation

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

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

##### Deferred tax assets

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

#### 6. CASH AND CASH EQUIVALENTS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Cash on hand	3,946,924	5,131,454	120,000	90,000
Current accounts	2,101,563	5,187,744	30,000	39,787
Savings deposit	44,682,612	30,420,049	39,677,909	28,763,630
Cheque in transit	0	1,230,008	0	996,320
Total	50,731,099	41,969,255	39,827,909	29,889,737

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 7. CURRENT INVESTMENT

	Consolidated and Separate financial statements (Baht)	
	2017	2016
Investments in bills of exchange	81,200,072	33,727,152
Marketable securities available-for-sale	9,426,791	28,694,291
Equity linked note derivatives	19,562,320	0
Add Unrealized gain (loss) on change in investment value	4,400,303	1,629,072
Net	114,589,486	64,050,515
Bills of exchange	40,000,000	0
Less Deferred interest	(315,810)	0
Net	39,684,190	0
Total	154,273,676	64,050,515

As at December 31, 2017, the Company entered into agreement with a securities company to acquire non-transferable short-term derivative debentures and redemption reference to fair value of investment in ordinary shares-marketable securities for total acquisition price amount of Baht 19.56 million, with the maximum return rate at 8.9740% per annum for the exercise period of 91 days maturity in February 14, 2018. If the fair value of investment in ordinary shares-marketable securities is higher than the exercise price where maturity, the Company will obtain the return as cash including rewards under agreement and obtain of underlying securities based on amounts and cash (shares and cash settlement plus capital protection (if any)) where the fair value is lower than exercise price.

As at December 31, 2017, fair value of investment in ordinary shares-marketable securities had higher than exercise price, therefore, fair value of equity linked note derivatives at the end of period had the price of Baht 19.79 million calculated from cost plus the above mentioned return.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 8. TRADE AND OTHER CURRENT RECEIVABLES

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2017	2016	2017	2016
<b>8.1 Trade accounts receivable</b>					
Related companies	30.1.1	62,400	35,400	521,917	2,186,460
Other companies		66,662,879	48,360,719	65,437,170	42,201,267
Total		66,725,279	48,396,119	65,959,087	44,387,727
Less Allowance for doubtful accounts					
Other receivables - other companies		(1,425,088)	(2,173,713)	(1,425,088)	(2,173,713)
Trade accounts receivable - net		65,300,191	46,222,406	64,533,999	42,214,014
<b>8.2 Unbilled work completion</b>					
Related companies	30.1.2	9,791,916	2,884,675	9,791,916	2,884,675
Other companies		58,418,640	40,335,948	51,953,036	38,123,804
Total		68,210,556	43,220,623	61,744,952	41,008,479
Less Allowance for doubtful accounts		(2,841,236)	(5,051,299)	(1,419,497)	(3,778,448)
Unbilled work completion - net		65,369,320	38,169,324	60,325,455	37,230,031
<b>8.3 Other current receivables</b>					
Accrued income		6,357	41,588	6,357	41,588
Advance payment		1,357,500	2,547,168	1,428,252	2,672,734
Prepaid expenses		549,642	979,791	347,705	903,486
Deposit - retention		2,500	8,243,602	2,500	4,152,670
Other receivables		663,994	328,376	295,464	358,108
Total other current receivables		2,579,993	12,140,525	2,080,278	8,128,586
Total trade and other current receivables - net		133,249,504	96,532,255	126,939,732	87,572,631

Trade accounts receivable was separated by aging as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
In due	41,245,118	29,792,878	40,753,038	25,724,282
During 1 - 90 days	22,770,349	16,348,741	22,489,349	16,408,945
During 91 - 180 days	989,600	0	989,600	0
During 181 - 365 days	372,012	1,156,100	378,900	1,156,100
Overdue 365 days	1,348,200	1,098,400	1,348,200	1,098,400
Total	66,725,279	48,396,119	65,959,087	44,387,727

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 9. WORK IN SERVICE RENDERING UNDER AGREEMENT

Work in service rendering under agreement is the cost of acquiring assets and services other than the project management and construction management services such as the construction of office buildings, meeting room arrangement, provide supply of office equipment to be completed in accordance with the agreement for the part which was not assigned.

#### 10. SHORT-TERM LOANS TO RELATED PARTIES

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2017	2016	2017	2016
PPS Design Co., Ltd.	30.1.6	0	0	5,700,000	10,000,000
PPS Information Consultant Co., Ltd.		0	0	9,500,000	9,500,000
Total		0	0	15,200,000	19,500,000
Less Allowance for doubtful accounts					
PPS Design Co., Ltd.		0	0	0	(3,741,000)
PPS Information Consultant Co., Ltd.		0	0	(9,500,000)	(6,141,556)
Total		0	0	(9,500,000)	(9,882,556)
Short-term loans to related parties - net		0	0	5,700,000	9,617,444

As at December 31, 2017 and 2016, the Company has loans to two subsidiaries in the form of promissory notes in the amount of Baht 15.20 million and Baht 19.50 million respectively, which are due at call, at the interest rate fluctuated from the rate of deposit with twelve-month maturity of TMB Bank Public Company Limited. During the period, the interest rate is ranking from 0.65%. Such loans have no collaterals.

As at December 31, 2017 and 2016, the Company has estimated allowance for doubtful accounts of loans to related parties for the amount of Baht 9.50 million and Baht 9.88 million respectively, which estimated from net assets value of subsidiaries at the end of the period.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 11. INVESTMENTS IN SUBSIDIARIES

	Consolidated financial				Separate financial	
	statements (Baht)				statements (Baht)	
	Percentage of shareholding		Equity method		Cost method	
	2017	2016	2017	2016	2017	2016
PPS Design Co., Ltd.	99.99	99.99	0	0	3,453,720	3,453,720
PPS Information Consultant						
Co., Ltd.	89.99	89.99	0	0	4,499,990	4,499,990
SAPAT PROJECT CO., LTD.	60.00	0.00	0	0	600,000	0
ENSEMBLE EQUITY PTE., LTD.	90.00	90.00	0	0	11,680,447	11,680,447
Total			0	0	20,234,157	19,634,157
Less : Provision for impairment of investment						
PPS Design Co., Ltd.			0	0	(3,453,720)	(3,453,720)
PPS Information Consultant Co., Ltd.			0	0	(4,499,990)	(899,990)
Total			0	0	(7,953,710)	(4,353,710)
Total investments in subsidiaries - net			0	0	12,280,447	15,280,447

The financial statements for the year ended December 31, 2017 and 2016, of ENSEMBLE EQUITY PTE., LTD have been taken for preparation of consolidated financial statements, were audited by the auditor.

On May 12, 2016, at the Board of directors' meeting No. 2/2016, approved to invest the increase share capital of PPS Information Consultant Co., Ltd. for 360,000 shares of Baht 10 each in order to maintain capital ratio.

As at December 31, 2017 and 2016, the Company has estimated provision for impairment of investment in a subsidiary for the amount of Baht 7.95 million and Baht 4.35 million respectively, which estimated from net assets value of subsidiaries at the end of the period.

On August 10, 2017, at the Board of directors' meeting No. 3/2017 passed the resolution to approve investment framework to establish a subsidiary which is engaged in business of energy, intelligent building, intelligent city. Such subsidiary has registered its incorporation with the Ministry of Commerce on October 18, 2017, in the name of "SAPAT PROJECT Co., Ltd."

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 12. INVESTMENTS IN ASSOCIATE

	Percentage of shareholding		Consolidated financial		Separate financial	
			statements (Baht)		statements (Baht)	
			Equity method		Cost method	
	2017	2016	2017	2016	2017	2016
Swan & Maclaren (Thailand)						
Co., Ltd.	51	35	4,596,930	2,388,703	3,749,980	2,449,980
Investments in associates - net			4,596,930	2,388,703	3,749,980	2,449,980

On April 5, 2017, the Board of executive directors' meeting No. 4/2017, passed the resolution to acquire share capital of Swan & Maclaren (Thailand) Co., Ltd. from Contech Trading Co., Ltd. for 112,000 shares of Baht 11.61 each, totally Baht 1.30 million. The Company has paid for such share capital on April 24, 2017. From such investment resulting to the investment proportion is increased from 35% to 51% but such company still hold the relationship as an associate of the Company caused by the joint investment with the group of shareholders, that agreed to joint control such company with the same ratio of control by executive management at 1:1.

On April 11, 2016, the Company has sold investment in associate, Built Asia Co., Ltd., resulted gain on sale amount of Baht 3.50 million.

#### 13. INVESTMENTS IN JOINT VENTURE

	Percentage of shareholding		Consolidated financial		Separate financial	
			statements (Baht)		statements (Baht)	
			Equity method		Cost method	
	2017	2016	2017	2016	2017	2016
PPQ Joint Venture	80	80	5,155,624	3,766,338	2,640,000	2,640,000
Total			5,155,624	3,766,338	2,640,000	2,640,000

PPQ Joint Venture is established under the joint venture agreement between Project Planning Services Public Company Limited, PTF Services Co., Ltd. and Cubic Engineer and Architect Co., Ltd. on March 20, 2009 in proportionate of 80:15:5 respectively with the objective to engage in business of construction work control services for a public agency.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

Summary financial information of investment in parties under common control in which the Company recorded such investment by using equity method base on its proportion.

(Unit : Baht)

	2017	2016
Percentage owned	80	80
Current assets	16,109,879	4,328,777
Non-current assets	2,444,073	2,444,535
Current liabilities	13,398,327	3,006,974
	2017	2016
Services income	12,399,533	7,351,114
Cost of services	10,398,946	6,565,346
Other income	12,085	14,731
Administrative expenses	276,004	315,051
Income tax expenses	347,381	107,010

#### 14. INVESTMENT PROPERTIES

##### Consolidated and Separate

##### financial statements (Baht)

	2017	2016
Cost - land	1,031,800	1,031,800
(Less) Provision for impairment	(571,800)	(571,800)
Total investment properties - net	460,000	460,000

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Notes to the financial statements (cont'd)

#### 15. PROPERTY, PLANT AND EQUIPMENT

	Consolidated financial statements (Baht)							Total
	Land	Building	Building improvement	Office equipment	Office furniture	Vehicles	Computer accessories	
Cost :-								
Balance as at January 1, 2016	2,900,000	9,214,852	5,518,590	7,234,845	400,760	7,806,739	1,178,843	34,254,629
Increase	0	0	50,000	436,290	11,250	0	503,331	1,225,871
Disposal/Write off	0	0	0	0	0	(503,738)	0	(728,738)
Balance as at December 31, 2016	2,900,000	9,214,852	5,568,590	7,671,135	412,010	7,303,001	1,682,174	34,751,762
Increase	0	0	0	436,872	135,500	0	1,360,865	2,133,237
Disposal/Write off	0	0	0	(87,737)	0	0	0	(87,737)
Balance as at December 31, 2017	2,900,000	9,214,852	5,568,590	8,020,270	547,510	7,303,001	3,043,039	36,797,262
Accumulated depreciation :-								
Balance as at January 1, 2016	0	(9,214,847)	(1,215,706)	(5,607,014)	(173,377)	(7,694,117)	(481,559)	(24,386,620)
Depreciation for the year	0	0	(278,760)	(769,269)	(65,338)	(81,150)	(297,608)	(1,492,125)
Disposal/Write off	0	0	0	0	0	472,272	0	472,272
Balance as at December 31, 2016	0	(9,214,847)	(1,494,466)	(6,376,283)	(238,715)	(7,302,995)	(779,167)	(25,406,473)
Depreciation for the year	0	0	(278,430)	(625,720)	(62,674)	0	(454,901)	(1,421,725)
Disposal/Write off	0	0	0	71,514	0	0	0	71,514
Balance as at December 31, 2017	0	(9,214,847)	(1,772,896)	(6,930,489)	(301,389)	(7,302,995)	(1,234,068)	(26,756,684)
Net book value								
Balance as at December 31, 2017	2,900,000	5	3,795,694	1,089,781	246,121	6	1,808,971	10,040,578
Balance as at December 31, 2016	2,900,000	5	4,074,124	1,294,852	173,295	6	903,007	9,345,289
Depreciation for the year ended December 31, 2017 and 2016 amounted to Baht 1.42 million and Baht 1.49 million respectively.								

As at December 31, 2017 and 2016, the Company's land, building and part of building improvement-net amount of Baht 5.28 million and Baht 5.49 million respectively were used as guarantee against letter of guarantee issued by banks as stated in notes 20 and 32.4 respectively.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Notes to the financial statements (cont'd)

#### Separate financial statements (Baht)

	Land	Building	Building improvement	Office equipment	Office furniture	Vehicles	Computer accessories	Construction in progress	Total
<b>Cost :-</b>									
Balance as at January 1, 2016	2,900,000	9,214,852	5,013,511	5,956,609	332,007	7,806,738	943,331	0	32,167,048
Increase	0	0	50,000	313,920	0	0	276,641	225,000	865,561
Disposal/Write off	0	0	0	0	0	(503,738)	0	(225,000)	(728,738)
Balance as at December 31, 2016	2,900,000	9,214,852	5,063,511	6,270,529	332,007	7,303,000	1,219,972	0	32,303,871
Increase	0	0	0	187,034	129,000	0	989,391	200,000	1,505,425
Disposal/Write off	0	0	0	(87,737)	0	0	0	0	(87,737)
Balance as at December 31, 2017	2,900,000	9,214,852	5,063,511	6,369,826	461,007	7,303,000	2,209,363	200,000	33,721,559
<b>Accumulated depreciation :-</b>									
Balance as at January 1, 2016	0	(9,214,847)	(1,201,753)	(4,760,049)	(171,807)	(7,694,119)	(402,483)	0	(23,445,058)
Depreciation for the year	0	0	(253,438)	(624,328)	(51,445)	(81,150)	(223,020)	0	(1,233,381)
Disposal/Write off	0	0	0	0	0	472,272	0	0	472,272
Balance as at December 31, 2016	0	(9,214,847)	(1,455,191)	(5,384,377)	(223,252)	(7,302,997)	(625,503)	0	(24,206,167)
Depreciation for the year	0	0	(253,176)	(433,247)	(45,965)	0	(321,028)	0	(1,053,416)
Disposal/Write off	0	0	0	71,514	0	0	0	0	71,514
Balance as at December 31, 2017	0	(9,214,847)	(1,708,367)	(5,746,110)	(269,217)	(7,302,997)	(946,531)	0	(25,188,069)
<b>Net book value</b>									
Balance as at December 31, 2017	2,900,000	5	3,355,144	623,716	191,790	3	1,262,832	200,000	8,533,490
Balance as at December 31, 2016	2,900,000	5	3,608,320	886,152	108,755	3	594,469	0	8,097,704

Depreciation for the year ended December 31, 2017 and 2016 amounted to Baht 1.05 million and Baht 1.23 million respectively.

As at December 31, 2017 and 2016, the Company's land, building and part of building improvement-net amount of Baht 5.28 million and Baht 5.49 million respectively were used as guarantee against letter of guarantee issued by banks as stated in notes 20 and 32.4 respectively.

## Notes to the financial statements (cont'd)

	Consolidated financial statements (Baht)	Separate financial statements (Baht)
1. Current assets	1,000,000	1,000,000
2. Non-current assets	2,000,000	2,000,000
3. Current liabilities	1,500,000	1,500,000
4. Non-current liabilities	500,000	500,000
5. Shareholders' equity	1,000,000	1,000,000
6. Total	3,500,000	3,500,000

The Company and subsidiaries amortized intangible assets for the year ended December 31, 2017 and 2016 amount of Baht 0.59 million and Baht 0.40 million respectively

(Separate : Baht 0.73 million and Baht 0.48 million respectively).

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Notes to the financial statements (cont'd)

#### 17. FIXED DEPOSIT WITH OBLIGATIONS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Pledged fixed deposit	9,005,084	44,200,887	5,969,169	41,188,897
Total	9,005,084	44,200,887	5,969,169	41,188,897

As at December 31, 2017, the Company used its fixed deposit to guarantee against goods acquisition facility - oil coupon amount of Baht 1 million and letter of guarantee for work performance agreement amount of Baht 3.77 million as stated in note 32.1 and 32.4 respectively. Subsidiaries used their fixed deposit to guarantee against bank overdrafts amount of Baht 3.00 million as stated in note 20.

As at December 31, 2016, the Company used its fixed deposit to guarantee against goods acquisition facility - oil coupon amount of Baht 1 million and letter of guarantee for work performance agreement amount of Baht 39.65 million as stated in note 32.1 and 32.4 respectively. Subsidiaries used their fixed deposit to guarantee against bank overdrafts amount of Baht 3.01 million as stated in note 20.

#### 18. LONG-TERM LOANS TO RELATED PARTIES

As at January 29, 2016, the Company has received the repayment of such loans in full including accrued income amount of Baht 10.03 million and compensation from the partial termination of the shareholders agreement amount of Baht 1.97 million recognized as other income in the statement of comprehensive income.

#### 19. INCOME TAX EXPENSES / DEFERRED TAX

Deferred tax assets and liabilities components comprise the following transaction:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
<b>Deferred tax assets</b>				
Allowance for doubtful accounts				
- Loans to related parties	0	0	1,900,000	1,976,511
- Provision for impairment of investment	3,273	3,273	1,594,015	874,015
- Investment properties	114,360	114,360	114,360	114,360
- Reserve for long-term employee benefits	5,701,674	5,102,589	5,664,587	5,076,344
- Reserve for retentions	115,000	0	115,000	0
- Expenses provisions	0	240,000	0	240,000
Total deferred tax assets	5,934,307	5,460,222	9,387,962	8,281,230
<b>Deferred tax liabilities</b>				
- Unrealized gain (loss) on available-for-sale investment	(880,060)	(325,814)	(880,060)	(325,814)
Total deferred tax liabilities	(880,060)	(325,814)	(880,060)	(325,814)
Total	5,054,247	5,134,408	8,507,902	7,955,416

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

Income tax expenses for the year ended December 31, 2017 and 2016 are summarized as follows:

	Statements of comprehensive income			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
<b>Current tax :</b>				
Income tax	12,994,270	10,252,585	12,980,732	10,252,585
<b>Deferred tax :</b>				
Deferred tax resulted from temporary differences and reversal of temporary differences	(474,085)	(569,891)	(1,106,732)	(673,519)
Income tax expenses presented in statements of comprehensive income	12,520,185	9,682,694	11,874,000	9,579,066
<b>Income tax recognized in other comprehensive income</b>				
Income tax related to				
Income tax related to gain (loss) on re-measuring available-for-sale investments	554,246	293,833	554,246	293,833
Income tax recognized in other comprehensive income	554,246	293,833	554,246	293,833

Reconciliation between income tax expenses and multiply of accounting profit and tax rate used for the year periods ended

December 31, 2017 and 2016 can be presented as follows :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Accounting profit before income tax	67,082,388	41,587,436	61,266,455	42,450,003
Income tax rate	20%	20%	20%	20%
Accounting profit before income tax multiplied by tax rate	13,416,478	8,317,487	12,253,291	8,490,001
Taxable effects for :				
Exempted income	(175,398)	(317,950)	(175,398)	(317,950)
Non-deductible expenses	820,218	1,724,483	729,711	1,524,913
Amounts of taxable loss unrealized as deferred tax assets	(853,838)	0	0	0
Different of inequality income tax rate of group of company	304,119	0	0	0
Others	(991,394)	(41,326)	(933,604)	(117,898)
Total	(896,293)	1,365,207	(379,291)	1,089,065
Income tax expenses presented in statements of income	12,520,185	9,682,694	11,874,000	9,579,066
Effective income tax rate	18.66%	23.28%	19.38%	22.57%

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Notes to the financial statements (cont'd)

#### 20. BANK OVERDRAFTS

As at December 31, 2017 and 2016, the Company and subsidiaries have overdrafts line amount of Baht 8 million (Separate : Baht 5 million), guaranteed by land, building and equipment, and fixed deposit with obligations as stated in note 15 and 17 respectively.

#### 21. TRADE AND OTHER CURRENT PAYABLES

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2017	2016	2017	2016
21.1 Trade accounts payable					
Related companies	30.1.9	0	0	4,343,276	461,944
Others		6,237,231	3,660,597	2,091,032	2,699,234
Total trade accounts payable		6,237,231	3,660,597	6,434,308	3,161,178
21.2 Other current payables					
Accrued expenses					
Related companies	30.1.10	11,627	10,855	301,627	816,172
Others		12,486,912	10,183,084	11,505,316	9,593,960
Notes payables		4,031,464	3,435,835	3,985,500	3,328,683
Advance received		15,412,635	24,370,628	15,148,135	24,275,628
Provisions for retentions		575,000	0	575,000	0
Others		4,393,334	4,925,975	4,199,373	4,721,038
Total other current payables		36,910,972	42,926,377	35,714,951	42,735,481
Total trade and other current payables		43,148,203	46,586,974	42,149,259	45,896,659

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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#### Notes to the financial statements (cont'd)

#### 22. SHARE CAPITAL

22.1 According to the minutes of shareholders' general meeting for the year 2017 No. 1/2017 held on April 27, 2017, passed the resolution to decreasing of the registered capital for Baht 91.50 by cancellation of 366 unallocated ordinary shares at par value of Baht 0.25 per share, comprise 108 ordinary shares remained from stock dividend payment and 258 unallocated shares reserved for PPS-W1, and approved the amendment to clause 4 of Memorandum of Association for corresponding with the decreasing of the Company's registered capital. The Company has registered the decrease share capital with the Department of Business Development, Ministry of Commerce on May 25, 2017

22.2 According to the minutes of shareholders' general meeting for the year 2017 No. 1/2017 held on April 27, 2017, passed the resolution to increase authorized share capital from Baht 179,999,908.50 (719,999,634 ordinary shares at Baht 0.25 par value) to Baht 215,999,890.25 (863,999,561 ordinary shares at Baht 0.25 par value) for reserve the stock dividend payment and the right adjustment of 210,413,325 units of unexercised "PPS-W1" and approved the allocation of the increase share capital, the details of right adjustment which the Company has registered the increase share capital with the Department of Business Development, Ministry of Commerce from Baht 179,999,908.50 to Baht 215,999,890.25 and authorized share capital amount of Baht 152,870,330.75 on May 25, 2017.

22.3 According to the minutes of shareholders' general meeting for the year 2016 No. 1/2016 held on April 22, 2016, passed the resolution to increase authorized share capital from Baht 100,000,000 million (400,000,000 million ordinary shares at Baht 0.25 par value) to Baht 180,000,000 million (720,000,000 million ordinary shares at Baht 0.25 par value). Not exceed 80 million newly issued ordinary shares will be reserved for stock dividend and not exceed 240 million newly issued ordinary shares will be reserved for the exercising of warrants to purchase ordinary shares of the Company No. 1 "PPS-W1" which the Company has registered the increase share capital with the Department of Business Development, Ministry of Commerce from Baht 100,000,000 to Baht 180,000,000 on April 27, 2016 and authorized share capital amount of Baht 119,999,973 on May 19, 2016.

22.4 The increase of share capital are as follow:

	Authorized share capital		Issued and paid-up share capital	
	Number of shares	Amount (Baht)	Number of shares	Amount (Baht)
Balance as at December 31, 2016	720,000,000	180,000,000	479,999,892	119,999,973
Increase authorized share capital	143,999,927	35,999,982	0	0
Ordinary shares issued from				
exercise of PPS-W1	0	0	159,929,713	39,982,428
Decreasing of the registered capital	(366)	(92)	0	0
Dividend paid by ordinary shares	0	0	101,895,014	25,473,754
Balance as at December 31, 2017	863,999,561	215,999,890	741,824,619	185,456,155

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 23. WARRANTS TO PURCHASE ORDINARY SHARES

23.1 According to the minutes of Annual General Meeting of shareholders for the year 2016 No. 1/2016 held on April 22, 2016, passed the resolution to approve the issuance of warrants to purchase ordinary share No. 1 ("PPS-W1") not exceed 240,000,000 units to the existing shareholders and the minutes of Board of directors' meeting No. 1/2016 held on February 23, 2016 respectively, passed to issue warrants to purchase ordinary shares No. 1 ("PPS-W1") and allocated warrants to purchase 239,999,742 ordinary shares on June 10, 2016, the details are as follows:-

#### Details

Type of Warrants	Specified the name of the holder and transferable	
Price per unit	Baht zero	
Tenor	Two years and six-months from the date of issuance and offering of warrants	
Exercise ratio	1 unit of warrant to purchase 1 ordinary share	
Exercise price	Baht 0.40 per share	
Exercise period	Times	Exercise Date
	1	December 31, 2016
	2	June 30, 2017
	3	December 31, 2017
	4	June 30, 2018
	5	December 9, 2018

In the case of the exercise date is the holiday, such exercise date will be postponed to the last business day before such exercise date.

23.2 The increase and decrease of warrants for the year ended December 31, 2017 are as follows :

	<u>Number of units</u>
Balance as at January 1, 2017	239,999,742
Exercise of warrants	(138,205,831)
Balance as at December 31, 2017	<u>101,793,911</u>

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

23.3 On December 29, 2017, the Company has received the payment from the exercise under warrants to purchase ordinary shares for 46.63 million rights (55.96 million shares) in the amount of Baht 18.63 million. As at December 31, 2017, the Company has presented such amount as "ordinary shares subscription received in advance. The Company has registered the paid-up of increase share capital from exercise right to purchase ordinary shares of such company with the Ministry of Commerce on January 8, 2018.

On June 30, 2017, the Company has received the payment from the exercise under warrants to purchase ordinary shares for 108.62 million rights (130.34 million share) in the amount of Baht 43.40 million. The Company has registered the paid-up of increase share capital from exercise right to purchase ordinary shares of such company with the Ministry of Commerce on July 5, 2017.

On December 30, 2016, the Company has received the payment from the exercise under warrants to purchase ordinary shares for 29.59 million rights in the amount of Baht 11.83 million. As at December 31, 2016, the Company has presented such amount as "ordinary shares subscription received in advance. The Company has registered the paid-up of increase share capital from exercise right to purchase ordinary shares of such company with the Ministry of Commerce on January 9, 2017.

#### 24. LEGAL RESERVE

By virtue of the Public Company Limited B.E. 2535, the Company is required to appropriate net profit as a legal reserve at least 5% of annual net profit deducted with deficit brought forward (if any) until the reserve reach an amount of 10% of authorized share capital. Such reserve is not available for dividend distribution.

#### 25. DIVIDEND PAID

25.1 According to the minutes of Board of directors' meeting No. 1/2017 and the minutes of shareholders' general meeting for year 2017 held on February 22, 2017 and April 27, 2017 respectively, passed the resolution to pay dividend from the results of operation for the accounting period of 2016 to the shareholders at Baht 0.0556 per share amounting to Baht 28.31 million. The dividend will be paid by stock dividend of Baht 25.48 million (101.92 million newly issued ordinary shares at Baht 0.25 per value) and cash dividend of Baht 2.83 million. The Company has paid such dividend on May 25, 2017.

25.2 According to the minutes of Board of directors' meeting No. 1/2016 and the minutes of shareholders' general meeting for year 2016 held on February 23, 2016 and April 22, 2016 respectively, passed the resolution to pay dividend from the results of operation for the accounting period of 2015 to the shareholders at Baht 0.0556 per share amounting to Baht 22.24 million. The dividend will be paid by stock dividend of Baht 20.00 million (80 million newly issued ordinary shares at Baht 0.25 per value) and cash dividend of Baht 2.24 million. The Company has paid such dividend on May 19, 2016.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 26. EARNINGS PER SHARE

##### 26.1 Basic earnings (loss) per share

Earnings (loss) per share presented in statements of comprehensive income is basic earnings (loss) per share, is calculated by dividing net profit (loss) for the year by the weighted average number of common shares issued and paid-up during the period.

Number of weighted average common shares using for dividing net profit (loss) for the period is calculated by using the number of common shares issued and paid-up for 479,999,892 shares including share dividend payment of 101,895,014 shares by retroactively adjustment the weighted average common shares for the year ended December 31, 2016.

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2016	2016	2016	2016
	Before share dividend	After share dividend	Before share dividend	After share dividend
Profit attributable to owners of the Company	32,175,485	32,175,485	32,870,937	32,870,937
Weighted average number of common shares (share)	479,999,892	581,894,906	479,999,892	581,894,906
Earnings per share (Baht)	0.067	0.055	0.068	0.056

##### 26.2 Diluted earnings per share

Diluted earnings per share is calculated by dividing profit for the year belonging to the Company's shareholders (excluded other comprehensive income) by the weighted average number of ordinary shares issued during the year and the diluted potential ordinary shares issued for conversion to ordinary shares by assuming that the conversion to ordinary shares.

Diluted earnings per share for the year ended December 31, 2017 and 2016 include the following details:-

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Profit for the period	55,168,037	32,175,485	49,392,455	32,870,937
Weighted average number of common shares (share) assuming the conversion of shares	804,578,240	672,494,404	804,578,240	672,494,404
Earnings per share (Baht)	0.069	0.048	0.061	0.049

#### 27. DIRECTORS' REMUNERATION AND MANAGEMENT BENEFIT EXPENSES

##### 27.1 Directors' remuneration

According to the minutes of shareholders' general meeting for the year 2017 held on April 27, 2017, passed to determine directors' remuneration, meeting allowance and directors' gratuity for the year 2017 not exceed total amount of Baht 2 million.

##### 27.2 Management benefit expenses

Management benefit expenses focus salaries, remunerations and other benefits paid to their directors and in accordance with the definitions of the Office of the Securities and Exchange Commission.

For the year ended December 31, 2017 and 2016, the Company and subsidiaries paid the contribution to provident fund amount of Baht 28.64 million and Baht 24.17 million respectively (Separate : Baht 27.02 million and Baht 22.43 million respectively).

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 28. EMPLOYEE BENEFITS

##### 28.1 Provident Fund

The Company and employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530 and the Provident Fund Act No. 2 (B.E. 2542). The fund is contributed both by the employees and the Company by deducting the employees' salaries and the Company will pay a contribution. The benefits are entitled to the employees on their resignation in accordance with the fund regulation.

For the year ended December 31, 2017 and 2016, the Company and subsidiaries paid the contribution to provident fund amount of Baht 4.69 million and Baht 4.36 million respectively (Separate : Baht 4.51 million and Baht 4.18 million respectively).

##### 28.2 Non-current provisions for employee benefit

Changes in present value of employee benefit obligations plan.

	Statements of financial position (Baht)			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Employee benefit provisions,				
beginning of the period	25,556,687	23,287,914	25,381,722	23,176,757
Current cost of service and interest	3,970,277	3,869,269	3,897,995	3,805,461
Employee benefit expenses	(956,782)	(1,600,496)	(956,782)	(1,600,496)
Employee benefit provisions,				
end of the period	28,570,182	25,556,687	28,322,935	25,381,722

Expenses recognized in statement of comprehensive income comprise current cost of service and interest which are presented in the following items.

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Cost of service	3,672,137	2,806,467	3,609,484	2,750,220
Administrative expenses	298,140	1,062,802	288,511	1,055,241
	3,970,277	3,869,269	3,897,995	3,805,461

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Discount rate	3.62	3.62	3.62	3.62
Future salary increases	5	5	5	5

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary Life table 2008

("TMO08").

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined benefit obligation as at December 31, 2017

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2,400,515)	2,735,895	(2,350,041)	2,672,149
Future salary growth				
(1% movement)	2,672,984	(2,394,803)	2,610,589	(2,344,329)

Defined benefit obligation as at December 31, 2016

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2,237,068)	2,552,244	(2,200,610)	2,505,908
Future salary growth				
(1% movement)	2,494,109	(2,232,251)	2,448,766	(2,195,799)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

#### 29. EXPENSES ANALYZED BY NATURE

The Company's expenses analyzed by nature for the year ended December 31, 2017 and 2016 are summarized below:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Salary, wages and other employee				
benefit expenses	236,535,794	206,267,369	227,276,468	197,200,425
Depreciation and amortization				
of intangible assets	2,007,230	1,888,633	1,780,665	1,709,503
Directors' remuneration	2,000,000	1,285,000	2,000,000	1,285,000

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 30. TRANSACTION WITH RELATED PERSONS AND PARTIES

No.	Persons or parties	Relationship	Type of relation	Pricing policy
1	PPS Design Company Limited	Subsidiary	Rent and other services Project's consultant The Company provided short-term loans	At the agreed price At the agreed price At the interest rate fluctuated from the rate of deposit with twelve-month maturity of TMB Bank Public Company Limited.
2	PPS Information Consultant Company Limited	Subsidiary	Rent and administrative services Purchase of goods and services The Company provided short-term loans Hire of intelligence services	At the agreed price At the agreed price At the interest rate fluctuated from the rate of deposit with twelve-month maturity of TMB Bank Public Company Limited. At the agreed price
3	ENSEMBLE EQUITY PTE., LTD.	Subsidiary	Information services related to design and control work by BIM technology	At the agreed price
4	SAPAT PROJECT CO., Ltd.	Subsidiary	Rent and administrative services	At the agreed price
5	Pongtheerathorn Company Limited	Common directors and shareholders	Rent of room for seminar	At the agreed price
6	PPQ Joint Venture	Joint ventures	Project's consultant Rent and other services	At the agreed price At the agreed price
7	Swan & Maclaren (Thailand) Co., Ltd.	Associate	Other services Project's consultant	At the agreed price At the agreed price
8	Builk Asia Co., Ltd.	Associate and sold investment in full amount in 2016	Advertising on web site of Builk Asia Co., Ltd. Hire of software development Loans to the Company	At the agreed price At the agreed price At the interest rate of 6% with collaterals

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

30.1 Transactions and amounts in statements of financial position as at December 31, 2017 and 2016, with related parties are as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
30.1.1 Trade accounts receivable				
PPS Design Co., Ltd.	0	0	459,517	2,151,060
Swan & Maclaren				
(Thailand) Co., Ltd.	60,000	0	60,000	0
PPQ Joint Venture	2,400	35,400	2,400	35,400
Total	62,400	35,400	521,917	2,186,460
30.1.2 Unbilled work completion				
PPQ Joint Venture	9,791,916	2,884,675	9,791,916	2,884,675
Total	9,791,916	2,884,675	9,791,916	2,884,675
30.1.3 Rental receivables				
PPS Design Co., Ltd.	0	0	0	10,000
PPQ Joint Venture	0	2,000	0	2,000
Total	0	2,000	0	12,000
30.1.4 Other service receivables				
PPS Design Co., Ltd.	0	0	26,000	50,000
PPS Information Consultant				
Co., Ltd.	0	0	19,000	18,000
SAPAT PROJECT CO., LTD.	0	0	20,000	0
Swan & Maclaren				
(Thailand) Co., Ltd.	168,250	0	168,250	0
PPQ Joint Venture	18,400	35,000	18,400	35,000
Total	186,650	35,000	251,650	103,000
30.1.5 Advance payment				
PPS Design Co., Ltd.	0	0	25,338	50,627
PPS Information Consultant				
Co., Ltd.	0	0	45,414	74,939
Total	0	0	70,752	125,566

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Notes to the financial statements (cont'd)

Separate financial statements (Baht)				
	January 1, 2017	Increase	Decrease	December 31, 2017
30.1.6 Short-term loans to related parties				
PPS Design Co., Ltd.	10,000,000	0	(4,300,000)	5,700,000
PPS Information Consultant				
Co., Ltd.	9,500,000	0	0	9,500,000
Total	19,500,000	0	(4,300,000)	15,200,000
Less : Allowance for doubtful accounts- short term loans to related parties				
PPS Design Co., Ltd.	(3,741,000)	0	3,741,000	0
PPS Information Consultant				
Co., Ltd.	(6,141,556)	(3,358,444)	0	(9,500,000)
Total	(9,882,556)	(3,358,444)	3,741,000	(9,500,000)
	9,617,444	(3,358,444)	(559,000)	5,700,000
Consolidated financial statements (Baht)		Separate financial statements (Baht)		
	2017	2016	2017	2016
30.1.7 Intangible assets				
PPS Information Consultant				
Co., Ltd.	0	0	1,000,000	1,800,000
Total	0	0	1,000,000	1,800,000
30.1.8 Damages guarantee				
Pongtheerathorn Co., Ltd.	120,000	120,000	120,000	120,000
Total	120,000	120,000	120,000	120,000
30.1.9 Trade accounts payable				
PPS Design Co., Ltd.	0	0	13,443	11,944
PPS Information Consultant				
Co., Ltd.	0	0	150,000	450,000
ENSEMBLE EQUITY PTE., LTD.	0	0	4,179,833	0
Total	0	0	4,343,276	461,944

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

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## Notes to the financial statements (cont'd)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
30.1.10 Accrued expenses				
PPS Information Consultant				
Co., Ltd.	0	0	290,000	805,317
Pongtheerathorn Co., Ltd.	11,627	10,855	11,627	10,855
Total	11,627	10,855	301,627	816,172
30.2 Transactions and amounts of statements of comprehensive income for the year ended December 31, 2017 and 2016, with related companies are as follows:				
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
30.2.1 Consulting income				
PPS Design Co., Ltd.	0	0	6,844,458	3,037,809
Swan & Maclaren				
(Thailand) Co., Ltd.	660,000	0	660,000	0
PPQ Joint Venture	6,907,241	6,102,370	6,907,241	6,102,370
Total	7,567,241	6,102,370	14,411,699	9,140,179
30.2.2 Over-time income				
PPS Design Co., Ltd.	0	0	1,763,145	775,809
PPQ Joint Venture	120,000	321,600	120,000	321,600
Total	120,000	321,600	1,883,145	1,097,409
30.2.3 Rental income and service				
PPS Design Co., Ltd.	0	0	472,000	435,000
PPS Information Consultant				
Co., Ltd.	0	0	228,000	216,000
SAPAT PROJECT				
CO., LTD.	0	0	66,000	0
Swan & Maclaren				
(Thailand) Co., Ltd.	1,704,375	0	1,704,375	0
PPQ Joint Venture	244,800	234,000	244,800	234,000
Total	1,949,175	234,000	2,715,175	885,000

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

		Notes to the financial statements (cont'd)			
		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2017	2016	2017	2016
30.2.4	Interest income				
	PPS Design Co., Ltd.	0	0	56,409	80,014
	PPS Information Consultant				
	Co., Ltd.	0	0	61,750	76,013
	Bulk Asia Co., Ltd.	0	41,311	0	41,311
	Total	0	41,311	118,159	197,338
30.2.5	Cost of services				
	PPS Design Co., Ltd.	0	0	94,100	107,328
	PPS Information Consultant				
	Co., Ltd.	0	0	1,800,000	190,500
	ENSEMBLE EQUITY PTE., LTD.	0	0	6,096,584	0
	Total	0	0	7,990,684	297,828
30.2.6	Administrative expenses				
	PPS Information Consultant				
	Co., Ltd.	0	0	3,574,838	4,472,317
	Pongtheerathorn Co., Ltd.	874,375	851,139	874,375	851,139
	Total	874,375	851,139	4,449,213	5,323,456

### 31. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

#### 31.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and all type of deposit with the original maturity less than three months and are not subject to restriction on withdrawal.

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2017	2016	2017	2016
Cash on hand		3,946,924	5,131,454	120,000	90,000
Current accounts		2,101,563	5,187,744	30,000	39,787
Savings deposit		44,682,612	30,420,049	39,677,909	28,763,630
Cheque in transit		0	1,230,008	0	996,320
Total		50,731,099	41,969,255	39,827,909	29,889,737

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

#### Notes to the financial statements (cont'd)

#### 31.2 Non-cash transactions

31.2.1 For the year ended December 31, 2017 and 2016, the Company and subsidiaries have acquired assets by using credit in the amount of Baht 0.04 million and Baht 0.03 million respectively. (Separate : Baht 0.04 million ).

31.2.2 For the year ended December 31, 2017 and 2016, the Company and subsidiaries have acquired intangible assets by using credit in the amount of Baht 0.59 million and Baht 0.30 million respectively. (Separate : Baht 0.74 million and Baht 0.25 million respectively).

#### 32. COMMITMENT AND CONTINGENT LIABILITIES

32.1 As at December 31, 2017 and 2016, the Company has purchase order facility in the form of oil coupon amount of Baht 1 million, guaranteed by pledged bank deposits as stated in note 17.

32.2 As at December 31, 2017 and 2016, the Company and subsidiaries are liable on payment under operating lease below :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Within 1 year	3,551,462	3,684,021	3,359,504	3,684,021
Over 1 year not exceed 5 years	6,541,589	8,540,763	5,933,722	8,540,763
Total	10,093,051	12,224,784	9,293,226	12,224,784

32.3 As at December 31, 2017 and 2016, the Company and subsidiaries are liable to pay service fee under service agreement amount of Baht 55.64 million and Baht 52.51 million respectively (Separate : Baht 43.86 million and Baht 57.38 million respectively).

32.4 As at December 31, 2017, the Company has contingent liabilities for bank issuance of letter of guarantee against work contract amounting to Baht 40.80 million guaranteed by part of and pledged fixed deposit in note 17 and property, plant and equipment as stated in note 15.

As at December 31, 2016, the Company has contingent liabilities for bank issuance of letter of guarantee against work contract amounting to Baht 39.65 million guaranteed by part of and pledged fixed deposit in note 17 and has unused letter of guarantee amount of Baht 95 million, guaranteed by property, plant and equipment as stated in note 15.

#### 33. SEGMENT INFORMATION

The Company and subsidiaries' operations involve virtually in business of engineering advisory, project design and contents relating to technology, and concert exhibition. The Company and subsidiaries engaged their business only in geographical segment in Thailand and overseas but there is result of operation in an oversea not reach 10% of total income, therefore, there is no financial information by segment to be disclosed.

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Notes to the financial statements (cont'd)

#### 34. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

##### 34.1 Interest rate risk

Interest rate risk from changes in market interest rate will affect the results of the fluctuation on market rate and financial lease liabilities of which had fixed interest rate.

##### 34.2 Credit risk

Credit risk derives from failure by counter parties to discharge their obligations relating in financial loss to the Company and subsidiaries. The Company's management has carefully managed the business and adopted the accounting policy of income recognition on the percentage of work completion and assignment. The management has adopted the policy to deal with creditworthy counterparties by determining the amount of credit line providing and provided allowance for doubtful accounts derived from credit risk.

##### 34.3 Fair value of financial instruments

Financial assets shown in statements of financial position consist of cash on hand and at banks, trade accounts receivables, notes receivable and promissory notes. Financial liabilities shown in statements of financial position consist of bank overdrafts, trade accounts payable and financial lease liabilities.

The book value of financial assets and liabilities in the statements of financial position are close to their estimated fair value.

#### 35. CAPITAL MANAGEMENT

The objective of capital management of the Company and subsidiaries is to prepare the financial structure to be properly appropriated and preserve the ability to continue their operation as a going concern.

As at December 31, 2017 and 2016, the Company and subsidiaries have debt to equity ratio as summarized below :

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2017	2016	2017	2016
Debt to equity ratio	0.22	0.34	0.22	0.34

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2017

Notes to the financial statements (cont'd)

#### 36. EVENTS AFTER THE REPORTING PERIOD

On February 23, 2018, the Company's Board of directors' meeting No. 1/2018, passed the resolution to propose to the Annual General Meeting of the shareholders for the year 2018 as follows :

Approved dividend payment from the 2017 results of operations to the shareholders at Baht 0.04 per share amounting to Baht 31.91 million. The Board of directors determined the shareholders who are entitled to their dividend (Record Date) on May 9, 2018. The dividend payment will be made on May 23, 2018.

#### 37. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 23, 2018.

## Comparison of financial statistics between 3 years

### Financial statement

#### (A) Auditor and Auditor's report summary

The auditor's report has included the the financial statement of the company and its subsidiaries being audited between year 2015 - 2017

Audit budget	:	Accounting period of year 2015 ends on the 31st December 2015
Auditor	:	DIA International Auditing Company Limited Mrs. Vilairat Rojnuckarin Certified Public Accountant No.3104 Approved by the office of SEC
Auditor's Opinion	:	commented unconditionally that the consolidated financial statement, standalone financial statement, standalone financial status of the company, consolidated and standalone performance of the company as well as consolidated and standalone cash flow, is reasonable and legitimate according to the financial standards
Audit budget	:	Accounting period of year 2016 ends on the 31st December 2016
Auditor	:	DIA International Auditing Company Limited Miss Suphaphorn Mangjit Certified Public Accountant No. 8125 Approved by the office of SEC
Auditor's Opinion	:	commented unconditionally that the consolidated financial statement, standalone financial statement, standalone financial status of the company, consolidated and standalone performance of the company as well as consolidated and standalone cash flow, is reasonable and legitimate according to the financial standards
Audit budget	:	Accounting period of year 2017 ends on the 31st December 2017
Auditor	:	DIA International Auditing Company Limited Miss Suphaphorn Mangjit Certified Public Accountant No. 8125 Approved by the office of SEC
Auditor Opinion	:	commented unconditionally that the consolidated financial statement, standalone financial statement, standalone financial status of the company, consolidated and standalone performance of the company as well as consolidated and standalone cash flow, is reasonable and legitimate according to the financial standards

## Summary of financial condition and results of operations. (Consolidated)

STATEMENTS OF FINANCIAL POSITION	AUDITED		AUDITED		AUDITED	
	December 31, 2015		December 31, 2016		December 31, 2017	
	million baht	%	million baht	%	million baht	%
Cash and cash equivalents	15.83	7.26%	41.97	14.39%	50.73	12.49%
Current investment	82.42	37.82%	64.05	21.96%	154.27	37.98%
Trade accounts receivable - net	34.90	16.01%	84.39	28.94%	130.67	32.17%
Trade accounts receivable	36.07	16.55%	91.61	31.41%	134.93	33.22%
Allowance for doubtful accounts	(1.17)	(0.54%)	(7.22)	(2.48%)	(4.26)	(1.05%)
Other current receivables	10.87	4.99%	12.14	4.16%	2.59	0.64%
Work in service rendering under agreement	0.00	0.00%	0.00	0.00%	11.69	2.88%
<b>Total current assets</b>	<b>144.02</b>	<b>66.09%</b>	<b>202.55</b>	<b>69.45%</b>	<b>349.95</b>	<b>86.16%</b>
Investments in subsidiaries and associate	2.46	1.13%	2.39	0.82%	4.60	1.13%
Investments in joint venture	3.39	1.56%	3.77	1.29%	5.16	1.27%
Investment properties	0.46	0.21%	0.46	0.16%	0.46	0.11%
Property, plant and equipment	9.87	4.53%	9.35	3.21%	10.04	2.47%
Intangible assets	2.93	1.34%	2.78	0.95%	5.18	1.28%
Pledged fixed deposit	12.89	5.91%	44.20	15.16%	9.01	2.22%
Long-term loans to related parties	9.00	4.13%	0.00	0.00%	0.00	0.00%
Deferred tax assets	4.86	2.23%	5.13	1.76%	5.05	1.24%
Retention	18.36	8.42%	14.55	4.99%	9.37	2.31%
Other non-current assets	9.69	4.45%	6.46	2.22%	7.33	1.80%
<b>Total non-current assets</b>	<b>73.91</b>	<b>33.91%</b>	<b>89.09</b>	<b>30.55%</b>	<b>56.20</b>	<b>13.84%</b>
<b>Total assets</b>	<b>217.93</b>	<b>100.00%</b>	<b>291.64</b>	<b>100.00%</b>	<b>406.15</b>	<b>100.00%</b>
Trade and other current payables	21.54	9.88%	46.58	15.97%	43.15	10.62%
Current portion of financial lease liabilities	0.06	0.03%	0.00	0.00%	0.00	0.00%
Accrued income tax	0.00	0.00%	2.52	0.86%	1.27	0.31%
<b>Total current liabilities</b>	<b>21.60</b>	<b>9.91%</b>	<b>49.10</b>	<b>16.84%</b>	<b>44.42</b>	<b>10.94%</b>
Financial lease liabilities	0.00	0.00%	0.00	0.00%	0.00	0.00%
Non-current provision for employee benefit	23.28	10.68%	25.56	8.76%	28.57	7.03%
<b>Total non-current liabilities</b>	<b>23.28</b>	<b>10.68%</b>	<b>25.56</b>	<b>8.76%</b>	<b>28.57</b>	<b>7.03%</b>
<b>Total liabilities</b>	<b>44.88</b>	<b>20.59%</b>	<b>74.66</b>	<b>25.60%</b>	<b>72.99</b>	<b>17.97%</b>
Authorized share capital	100.00	45.89%	180.00	61.72%	216.00	0.00%
Issued and paid-up share capital	100.00	45.89%	120.00	41.15%	185.46	45.66%
Premium on share capital	48.31	22.17%	48.31	16.56%	63.57	15.65%
Share subscription received in advance	0.00	0.00%	11.83	4.06%	18.63	4.59%
Retained earnings						
Appropriated	3.50	1.61%	5.15	1.77%	7.65	1.88%

Unappropriated	21.80	10.00%	30.09	10.32%	54.45	13.41%
Other components of shareholders' equity	0.13	0.06%	0.90	0.31%	2.90	0.71%
Total owners of the Company	173.74	79.72%	216.28	74.16%	332.66	81.91%
Non-controlling interests	(0.69)	(0.32%)	0.70	0.24%	0.50	0.12%
<b>Total shareholders' equity</b>	<b>173.05</b>	<b>79.41%</b>	<b>216.98</b>	<b>74.40%</b>	<b>333.16</b>	<b>82.03%</b>
<b>Total liabilities and shareholders' equity</b>	<b>217.93</b>	<b>100.00%</b>	<b>291.64</b>	<b>100.00%</b>	<b>406.15</b>	<b>100.00%</b>

STATEMENTS OF COMPREHENSIVE INCOME	AUDITED		AUDITED		AUDITED	
	December 31, 2015		December 31, 2016		December 31, 2017	
	million baht	%	million baht	%	million baht	%
Services and sales income	234.22	100.00%	306.92	100.00%	388.95	100.00%
Services income	234.22	100.00%	306.92	100.00%	388.95	100.00%
Cost of services and sales	172.48	73.64%	206.24	67.20%	255.41	65.67%
Cost of services	172.48	73.64%	206.24	67.20%	255.41	65.67%
Gross profit	61.74	26.36%	100.68	32.80%	133.54	34.33%
Other income	4.71	2.01%	12.17	3.97%	7.08	1.82%
Profit before expenses	66.45	28.37%	112.85	36.77%	140.62	36.15%
Administrative expenses	62.21	26.56%	64.67	21.07%	78.78	20.25%
Other expenses	(1.14)	(0.49%)	6.91	2.25%	(2.95)	(0.76%)
Share of profit (loss) on investment in associate and joint venture	(0.41)	(0.18%)	0.31	0.10%	2.29	0.59%
Profit before finance cost and income tax	5.79	2.47%	41.58	13.55%	67.08	17.25%
Finance costs	0.00	0.00%	0.00	0.00%	0.00	0.00%
Profit before income tax	5.79	2.47%	41.58	13.55%	67.08	17.25%
Income tax expenses	3.01	1.29%	9.68	3.15%	12.52	3.22%
<b>Profit (loss) for the year</b>	<b>2.78</b>	<b>1.19%</b>	<b>31.90</b>	<b>10.39%</b>	<b>54.56</b>	<b>14.03%</b>
Other comprehensive income (expense) - net of tax	2.62	1.12%	0.77	0.25%	2.00	0.51%
<b>Total comprehensive income for the year</b>	<b>5.40</b>	<b>2.31%</b>	<b>32.67</b>	<b>10.64%</b>	<b>56.56</b>	<b>14.54%</b>
Profit attributable to						
<b>Owners of the Company</b>	<b>3.39</b>	<b>1.45%</b>	<b>32.17</b>	<b>10.48%</b>	<b>55.17</b>	<b>14.18%</b>
Non-controlling interests	(0.61)	(0.26%)	(0.27)	(0.09%)	(0.61)	(0.16%)
Total comprehensive income attributable to						
<b>Owners of the Company</b>	<b>6.01</b>	<b>2.57%</b>	<b>32.94</b>	<b>10.73%</b>	<b>57.17</b>	<b>14.70%</b>
Non-controlling interests	(0.61)	(0.26%)	(0.27)	(0.09%)	(0.61)	(0.16%)
Earnings per share # owners of the Company	0.008		0.067		0.074	
Ordinary shares of par (Baht / Shares)	0.25		0.25		0.25	
Issued and paid-up share capital	400.00		480.00		741.83	

	AUDITED	AUDITED	AUDITED
STATEMENTS OF CASH FLOWS	2015	2016	2017
	million baht	million baht	million baht
Profit (loss) before income tax	5.79	41.58	67.08
Adjustment net profit to cash receipt (disbursement)	(0.55)	3.91	(2.52)
Profit from operation before changes in operating assets and liabilities	5.24	45.49	64.56
Trade and other current receivables	1.16	(59.49)	(34.40)
Work in service rendering under agreement	0.00	0.00	(11.69)
Retention	(3.07)	3.82	5.18
Other non-current assets	(0.13)	0.04	0.01
(Increase) Decrease in assets from operation	(2.04)	(55.63)	(40.90)
Trade and other current payables	(5.57)	24.87	(4.07)
Employee benefit provisions	(1.09)	(1.60)	(0.95)
Increase (Decrease) in liabilities from operation	(6.66)	23.27	(5.02)
Cash generated (paid) from operation	(3.46)	13.13	18.64
Interest paid	0.00	0.00	0.00
Corporate income tax paid	(6.46)	(8.13)	(15.37)
Income tax deducted at source received	0.00	2.85	0.00
<b>Net cash provided by (used in) operating activities</b>	<b>(9.92)</b>	<b>7.85</b>	<b>3.27</b>
Proceeds from dividend	1.01	1.59	0.88
Payments for current investment acquisition	(59.05)	(139.29)	(195.45)
Proceeds from sales of current investment	62.86	162.25	111.22
Payments for investment in associate	0.00	0.00	(1.30)
Proceeds from sales of investment in associates	0.00	4.00	0.00
Proceeds from loans from related parties	0.00	10.03	0.00
Proceeds from the partial termination of the Shareholders Agreement	0.00	1.96	0.00
Fixed deposit with obligations	(0.12)	(31.31)	35.20
Proceeds from sales of plant and equipment acquisition	0.00	0.19	0.01
Payments for property, plant and equipment acquisition	(2.14)	(1.19)	(2.10)
Payments for intangible assets acquisition	(0.72)	(0.74)	(2.36)
<b>Net cash provided by (used in) investing activities</b>	<b>1.84</b>	<b>7.49</b>	<b>(53.90)</b>
Payments for financial lease liabilities	(0.13)	(0.06)	0.00
Proceeds from exercise of warrants to purchase ordinary shares	0.00	11.83	62.04
Dividend paid	(12.00)	(2.24)	(2.83)
Proceeds from share capital in subsidiary from non-controlling interests	0.00	1.67	0.40
<b>Net cash provided by (used in) financing activities</b>	<b>(12.13)</b>	<b>11.20</b>	<b>59.61</b>
<b>Exchange difference on translation of financial statements</b>	<b>0.00</b>	<b>(0.40)</b>	<b>(0.22)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(20.21)</b>	<b>26.14</b>	<b>8.76</b>
<b>Cash and cash equivalents as at January 1</b>	<b>36.04</b>	<b>15.83</b>	<b>41.97</b>
<b>Cash and cash equivalents as at December 31</b>	<b>15.83</b>	<b>41.97</b>	<b>50.73</b>

FINANCIAL RATIOS		Audited		
		2015	2016	2017
Liquidity Ratios				
Liquidity Ratios	Time	6.67	4.13	7.88
Cash Flow Ratio	Time	(0.39)	0.22	0.07
Accounts receivable turnover	Time	6.01	4.81	3.43
Average collection period	Day	60	75	105
Accounts payable turnover	Time	6.73	6.06	5.69
Period is payable	Day	54	59	63
Cash cycle	Day	6	16	42
Profitability Ratios				
Margin	%	26.36%	32.80%	34.33%
Operating margin	%	2.47%	13.55%	17.25%
Cash to profitability	%	(171.33%)	18.88%	4.87%
Net margin	%	1.42%	10.08%	13.93%
Return on equity	%	1.92%	16.50%	20.06%
Efficiency Ratios				
Return on assets	%	1.50%	12.63%	15.81%
Return on fix assets	%	7.48%	41.79%	17718.83%
Asset Turnover	Time	1.06	1.25	1.14
Financial Policy Ratios				
Debt to equity shares	Time	0.26	0.34	0.22
Interest Coverage Ratio	Time	0.00	0.00	0.00
Charge Coverage Ratio (Cash basis)	Time	(0.66)	1.86	0.45
Dividend Payout	%	554.75%	90.68%	68.05%

Summary of financial condition and results of operations. (Separate Financial Statements)

PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED

Summary of Financial Position And Performance	AUDITED		AUDITED		AUDITED	
	December 31, 2015		December 31, 2016		December 31, 2017	
	million baht	%	million baht	%	million baht	%
Total assets	219.91	100.00%	293.45	100.00%	402.21	100.00%
Total liabilities	43.90	19.96%	73.80	25.15%	71.75	17.84%
Total shareholders' equity	176.01	80.04%	219.65	74.85%	330.46	82.16%
Total income	218.35	100.00%	293.98	100.00%	364.42	100.00%
Profit (loss) for the year	4.23	1.94%	32.87	11.18%	49.39	13.55%

Financial Ratios		2015	2016	2017
Liquidity Ratios	Time	7.17	3.95	7.79
Debt to equity shares Ratios	Time	0.25	0.34	0.22
Return on assets Ratios	%	1.86%	12.81%	14.20%
Return on equity Ratios	%	2.37%	16.62%	17.96%

PPS Design Co., Ltd. (PPS subsidiary, which holds 99.99% of the share capital.)

Summary of Financial Position And Performance	AUDITED		AUDITED		AUDITED	
	December 31, 2015		December 31, 2016		December 31, 2017	
	million baht	%	million baht	%	million baht	%
Total assets	7.90	100.00%	11.50	100.00%	13.99	100.00%
Total liabilities	11.23	142.15%	13.85	120.43%	10.85	77.56%
Total shareholders' equity	(3.33)	(42.15%)	(2.35)	(20.43%)	3.14	22.44%
Total income	4.48	100.00%	15.30	100.00%	29.90	100.00%
Profit (loss) for the year	(3.67)	(81.92%)	0.98	6.41%	5.49	18.36%

Financial Ratios		2015	2016	2017
Liquidity Ratios	เท่า	0.35	0.54	0.86
Debt to equity shares Ratios	เท่า	(3.37)	(5.89)	3.46
Return on assets Ratios	%	(45.14%)	10.10%	43.08%
Return on equity Ratios	%	240.66%	(34.51%)	1,389.87%

PPS Information Consultant Co., Ltd (PPS subsidiary, which holds 90.00% of the share capital.)

Summary of Financial Position And Performance	AUDITED		AUDITED		AUDITED	
	December 31, 2015		December 31, 2016		December 31, 2017	
	million baht	%	million baht	%	million baht	%
Total assets	3.91	100.00%	8.87	100.00%	4.39	100.00%
Total liabilities	9.90	253.20%	9.95	112.18%	10.10	230.07%
Total shareholders' equity	(5.99)	(153.20%)	(1.08)	(12.18%)	(5.71)	(130.07%)
Total income	4.65	100.00%	8.09	100.00%	9.84	100.00%
Profit (loss) for the year	(5.12)	(110.11%)	0.91	11.25%	(4.63)	(47.05%)

Financial Ratios		2015	2016	2017
Liquidity Ratios	เท่า	0.25	0.72	0.21
Debt to equity shares Ratios	เท่า	(1.65)	(9.21)	(1.77)
Return on assets Ratios	%	(188.93%)	14.24%	(69.83%)
Return on equity Ratios	%	148.41%	(25.71%)	136.38%

ENSEMBLE EQUITY PTE. LTD. (บริษัทย่อยซึ่ง PPS ถือหุ้น 90.00% ของทุนจดทะเบียน)

Summary of Financial Position And Performance	AUDITED		AUDITED		AUDITED	
	December 31, 2015		December 31, 2016		December 31, 2017	
	million baht	%	million baht	%	million baht	%
Total assets	0.00	0.00%	10.14	100.00%	10.47	100.00%
Total liabilities	0.00	0.00%	0.19	1.87%	0.67	6.40%
Total shareholders' equity	0.00	0.00%	9.95	98.13%	9.80	93.60%
Total income	0.00	0.00%	0.00	100.00%	6.02	100.00%
Profit (loss) for the year	0.00	0.00%	(2.59)	(100.00%)	0.07	1.16%
<b>Financial Ratios</b>			<b>2015</b>	<b>2016</b>	<b>2017</b>	
Liquidity Ratios			เท่า	0.00	53.37	15.49
Debt to equity shares Ratios			เท่า	0.00	0.02	0.07
Return on assets Ratios			%	0.00%	(25.54%)	0.68%
Return on equity Ratios			%	0.00%	(26.03%)	0.71%

บริษัท สะพัฒน โปรเจค จำกัด (บริษัทย่อยซึ่ง PPS ถือหุ้น 60.00% ของทุนจดทะเบียน)

Summary of Financial Position And Performance	AUDITED		AUDITED		AUDITED	
	December 31, 2015		December 31, 2016		December 31, 2017	
	million baht	%	million baht	%	million baht	%
Total assets	0.00	0.00%	0.00	0.00%	0.78	100.00%
Total liabilities	0.00	0.00%	0.00	0.00%	0.07	8.97%
Total shareholders' equity	0.00	0.00%	0.00	0.00%	0.71	91.03%
Total income	0.00	0.00%	0.00	0.00%	0.00	100.00%
Profit (loss) for the year	0.00	0.00%	0.00	0.00%	(0.29)	(100%)
<b>Financial Ratios</b>			<b>2015</b>	<b>2016</b>	<b>2017</b>	
Liquidity Ratios			เท่า	0.00	0.00	0.78
Debt to equity shares Ratios			เท่า	0.00	0.00	0.10
Return on assets Ratios			%	0.00%	0.00%	(37.18%)
Return on equity Ratios			%	0.00%	0.00%	(40.85%)

## MANAGEMENT DISCUSSION AND ANALYSIS

### OPERATING RESULT

#### (A) OVERVIEW OF THE OPERATING RESULT

Through the year 2017, the company had achieved operating objectives including business expansion, seeking business opportunities in the parent business, subsidiaries, and joint ventures, in order to strengthen competitiveness and business development. The company has operating in various fields as follows:

- **Local market** — The company cooperated with the government sector, Basic Public Utilities according to the government policy. Also, the company continuously collaborated with the private sector including original partners and new partners. This resulted in the pleasant growth in revenues.
- **Foreign market** — As for a design service in Cambodia, the goal had not been achieved partly due to its business sector. Even the Company therefore had not opportunities to expand services for management and control system, but as design services collaborated with Swan & Maclaren (Thailand) Company Limited, the Company still had the opportunities to expand design services into Vietnam and other countries.
- **Design Works** — The Company's subsidiaries, which are PPSD Design Company Limited (PPSD) and Swan & Maclaren (Thailand) Company Limited (SMT), had a progressive operating performance and affected the increase of revenues from the cooperated projects. In 2017, 46% of the project for the first phase had been completed.
- **Innovation and Information Technology Sector** — the Company boosted and supported resources in innovation and information technology development working together with PPS Information Consultant Co., Ltd. The intention to develop was as to build a Company's foundation and to sustain the business in long term, as well as to have the developed innovation and information technology build the opportunities in construction industry in order for revenues growth. Importantly, it was to enhance the effectiveness of the Company's operating performance. In 2017, the Company has been continuously putting an attempt to improve the innovation in order to build the opportunities in revenues.

Overview of the Company and subsidiary's operating result is significantly expanded comparing to 2016. Total revenue of the Company and the subsidiaries in year 2015 to 2017 were 238.93 million baht in 2015, 319.19 million baht in 2016, and 396.03 million baht in 2017, respectively. The results were from Supervision services of construction project for the second phase of Suvarnabhumi International Airport and many projects which were in fully growth period. In 2017, the government sector's portion of our revenue is increasing as expected but less than the set goal. However, we will not drop down our strength in the private sector. Furthermore, we are in penetration into new markets and new potential customers as business partner to ensure our secured revenue. In 2017, we have successfully expanded into Data Center projects and factory sector. As the growing in design works, the revenue in the amount of 10.72 million baht were from that PPSD has been awarded of 46% for the first phase of the project.

The net profits (attributed to owners of the Company) were 3.39 million baht in 2015 and raising up to 32.18 million baht in 2016 and 55.17 million baht in 2017, respectively. Partly due to the revenue in 2017, the Company's net profit had increased significantly.

#### (B) ANALYSIS OF THE OPERATING RESULT REVENUE

The main revenue of the company and the subsidiaries have earned from providing consultancy and project construction management service. The accounting policy of the Company to recognize the revenue differs according to 2 contract types as follows:

1. The fixed-revenue contract (lump sum fixed price contract) where the Company recognizes the revenue from service providing on a percentage of completion method when a completion can be accurately estimated in accordance to the proportionate cost of service as incurred to the total estimated cost of service. The company bills the invoice on a monthly basis according to the amount in the contract.
2. The monthly-based payment contract where the Company recognizes the revenue when the service provided is completed and the service fee will be charged on a monthly basis according to the actual number of staffs involved in the project by calculating from the professional service fee for each profession stated in the contract.

For other service revenue from the subsidiaries, for example, other service revenue could be recognized when the service finished, the revenue of design architecture could be recognized during the design progress as the day in the revenue statement with acknowledged the finished portion.

For the fiscal year of 2015-2017, the revenues of the Company and the subsidiaries were 238.92 million baht, 319.10 million baht, and 396.03 million baht, respectively. The details are as follows:

	2015		2016		2017	
	Million baht	%	Million baht	%	Million baht	%
Revenue from service	234.22	98.03%	306.92	96.18%	388.95	98.21%
Other revenue	4.71	1.97%	12.18	3.82%	7.08	1.79%
<b>Total revenue</b>	<b>238.93</b>	<b>100.00%</b>	<b>319.10</b>	<b>100.00%</b>	<b>396.03</b>	<b>100.00%</b>

## REVENUE FROM SERVICE

For the fiscal year of 2015-2017, the revenues from service of the Company and the subsidiaries were 234.22 million baht and 306.92 million baht, respectively. In the year 2017, the Company earned 388.95 million baht which was increased 82.03 million baht (26.73%) from previous year consists of the revenue from project directing and managing, the revenue of architectural design and the revenue of digital and media business.

Revenue from project directing and managing is provision of service to 58 new projects commenced in 2017 (earned 87.49 million baht), and 60 consecutive projects from previous year (earned 285.08 million baht). The results of Supervision services of construction project for the second phase of Suvarnabhumi International Airport and other projects, were in extreme progress in 2017. The government sector's portion of our revenue had increased as planned. However, the operating performance was sometimes delayed. The subsidiary, PPS Design Co., Ltd. which cooperates with wan & Maclaren (Thailand) Co., Ltd.'s revenues were from design works of 46% of the projects for the first phase. Moreover, revenue from digital & media business earned 3.41 million baht.

Revenues from new projects and the number of projects that were serviced and realized in each fiscal year during 2015-2017 can be categorized as below:

	2015		2016		2017	
	Million baht	The amount of projects	Million baht	The amount of projects	Million baht	The amount of projects
Revenue from consecutive projects	161.87	38	175.45	46	296.5	60
Revenue from new projects	59.74	40	129.91	77	89.04	58
Revenue from event and media	12.61		1.56		3.41	
<b>Total revenue from service</b>	<b>234.22</b>	<b>78</b>	<b>306.92</b>	<b>123</b>	<b>388.95</b>	<b>118</b>

## OTHER REVENUES

Other revenues from the Company and the subsidiaries included interest received, profit from selling of financial investment and other sources. During the fiscal year 2015-2017, the Company and the subsidiaries have earned 4.71 million baht, 12.18 million baht, and 7.08 million baht respectively as other revenues. Other revenues in 2017 were mainly earned from 0.98 million baht of the interest received, 2.58 million baht of profit from selling of financial investment, and 0.88 million baht of dividend received from investment unit fund.

## COST OF SERVICES AND GROSS PROFIT MARGIN

Cost of services of the Company and the subsidiaries are comprised of major items such as salary, benefits, and personnel expenses for project directors, project managers, engineers, architects, technical specialists, and project secretaries. The Company recorded the costs according to the actual number of staffs in each project in accordance to the consultancy contract. Other service costs are comprised of project management expense and traveling expense for example. Additional consultancy cost is applicable for some projects which the Company has to employ external specialists.

For the fiscal year of 2015-2017, the Company and the subsidiaries' costs of services were 172.48 million baht, 206.24 million baht, and 255.41 million baht respectively, or 73.64%, 67.19%, and 65.67% of the revenue from services respectively. The cost of services in 2017 had increased as the proportion of the rise of Company and the subsidiaries' revenues due to the unexpected failure in operating performance of one of the subsidiaries. However, costs management and human resource remained the level of the increase as planned effectively.

For the fiscal year 2015-2017, the Company and the subsidiaries had a gross profit margin at 61.74 million baht, 100.69 million baht, and 133.54 million baht respectively, or 26.36%, 32.81%, and 34.33% of the total revenue from services respectively.

## ADMINISTRATIVE EXPENSES

Administrative expense of the Company and the subsidiaries were primarily consisted of office personnel including the executive, and other management expenses such as vehicle and transportation expenses, financial tax, and legal consultancy fee for example. During the fiscal year 2015-2016, the Company and the subsidiaries' administrative expenses were at 62.19 million baht and 64.67 million baht respectively. For 2017, the administrative expense of the Company and the subsidiaries was at 78.68 million baht, increased of 14.01 million baht or 21.66% from the previous year. The administrative expense was partly from holding 30th year anniversary (PPS Corporate Event) which was 7.96 million baht, staffs and other administrative expenses increased by 5.50 million baht.

## OTHER EXPENSES

For the fiscal year 2017, other expenses had decreased at 9.86 million baht. The Company received 4.09 million baht from doubtful accounts in 2016 on a government sector's pending project. In 2017, the Company and the subsidiaries had recorded the doubtful accounts from a project which had not received the bills at 0.98 million baht. The subsidiaries had recorded the doubtful accounts from the terminated-contract design at 0.15 million baht.

## SHARE OF PROFIT FROM INVESTMENT IN SHAREHOLDERS AND JOINT VENTURE

In the fiscal year 2017, the Company had received the share of profit from its shareholders and joint venture increasing by 1.99 million baht due to the joint companies completing architectural design as of cooperating with the subsidiaries which was PPS Design Co., Ltd.

## NET PROFIT AND NET PROFIT RATIO

Fiscal year	2015	2016	2017
Net profit	3.39	32.18	55.17
Net profit ratio	1.42%	10.08%	13.93%
Average shareholder's equity	176.34	195.02	274.47
Return on equity	1.92%	16.50%	20.10%
Dividend payout	22.24	28.31	31.91
Dividend payout ratio	554.72%	90.68%	68.05%

For the fiscal year 2015-2016, the Company and the subsidiaries had a net profit margin (parent company part only) of 3.39 million baht and 32.18 million baht respectively, or net profit margin ratio of 1.42% and 10.08% of the total revenues respectively.

For the fiscal year 2017, the Company and the subsidiaries had a net profit margin (parent company part only) of 55.17 million baht or 13.93% of the revenue from service. This is a result of the overview of the revenue in 2017. The Company's net profit had increased significantly, caused by effective cost & personnel management.

## RETURN ON SHAREHOLDER'S EQUITY

The Company and the subsidiaries' return on equity during the fiscal year 2015-2016 were 1.92% and 16.50% respectively. The average return on equity (only for the parent company) were 176.34 million baht and 195.02 million baht respectively.

During the fiscal year 2017, the Company and the subsidiaries' return on equity was 20.10%, an increase of 21.82% from the previous year. The return on equity (only for the parent company) was 332.65 million baht. The increment of the shareholder's equity in comparison to 2016 was resulting from the increase of net profit of 22.99 million baht or 71.44%

## FINANCIAL POSITION AND ASSETS

The net assets of the Company and the subsidiaries were valued at 217.93 million baht, 291.64 million baht, and 406.15 million baht on 31 December 2015, 31 December 2016, and 31 December 2017, respectively. Total assets in 2017 were increased by 114.51 million baht or 39.26% from the previous year. The examples of assets were 50.73 million baht in cash and cash equivalent, 154.27 million baht in temporary investment, and 133.25 million baht in account receivables and other current receivables.

### • cash and cash equivalent

On 31 December 2015, 31 December 2016, and 31 December 2017, the Company and the subsidiaries possessed 15.83 million baht, 41.97 million baht, and 50.73 million baht of cash and cash equivalent respectively, mainly cash advance and petty cash for project sites (5,000 – 25,000 baht per project). Remaining parts was bank deposit as saving accounts, current accounts and fixed deposit accounts.

As of 31 December 2017, the Company and the subsidiaries possessed 50.73 million baht of cash and cash equivalent, an increment of 8.76 million baht or 20.87% from the previous year resulting from the average duration of account receivables collection which was longer than last year but a delay of payment later than that of the previous year as well, and 2 advance payments of ordinary shares from exercise of PPS-W1 in 2017.

### • account receivables, unchanged value of finished project and allowance for doubtful debt

(Unit: Million baht)

Maturity	31 December 2015	31December 2016	31December 2017
Not yet due	25.99	73.01	109.46
During 1-90 days	7.75	16.35	22.77
During 91-180 days	1.24	0	0.99
During 181-365 days	0.00	1.16	0.37
Over 365 days	1.10	1.09	1.35
<b>Total</b>	<b>36.08</b>	<b>91.61</b>	<b>134.94</b>
Less allowance for doubtful debt	(1.18)	(7.22)	(4.27)
<b>Net account receivables</b>	<b>34.90</b>	<b>84.39</b>	<b>130.67</b>

The Company's account receivables were coming from the 30-45-day credit term offered to the customers after the invoice date, however, the Company had a collection process from project owners which had a specific monthly schedule such as invoice date and cheque collection date for example, in order to collect the receivables in the scheduled time period.

As of 31 December 2015 and 31 December 2016, the company and the subsidiaries were having 34.90 million baht and 84.39 million baht in net account receivables respectively. As of 31 December 2017, the company has 130.67 million baht in net account receivables, an increase of 46.28 million baht was in line with increase of revenue growth.

As of 31 December 2017, the company and the subsidiaries have an increment in net account receivables and other receivables with more than 365 days of 1.13 million baht of doubtful debt from a pending construction project for 0.98 million baht and provision of doubtful debt for amended contract of design work for 0.15 million baht.

- **retention**

As of 31 December 2015, and 31 December 2016, the Company and the subsidiaries had a retention valued at 18.36 and 14.55 million baht respectively; this is to comply with the project management contract that requires the retention. The owner of large-scale projects or high-value or government-owned projects would deduct the retention from the invoiced amount for approximately 5-10 % of the project value. The average warranty period is 1-2 year from the delivery date.

As of 31 December 2017, the Company and the subsidiaries had a retention valued at 9.37 million baht, decreased from the year earlier, as the Company has successfully released back outstanding long period retention money for 9.45 million baht. The increased revenue during a year is the deduction of contributions under the conditions of the normal contract.

- **Land, building, and equipment**

As of 31 December 2015, and 31 December 2016, the Company and the subsidiaries possessed 9.87 million baht and 9.35-million-baht worth of net land, building and equipment, respectively. This comprised of the land and building of the head office, the decoration, facilities, office furniture, office equipments and vehicles, etc.

As of 31 December 2017, the Company and subsidiaries possessed 10.04-million-baht worth of net of property and equipment. During the year 2017, the Company had invested in office equipments such as office furniture and computers for 1.80 million baht according to normal accounting practices and asset disposal on project.

- **fixed deposits with pledged guarantee**

As of 31 December 2015, and 31 December 2016, the Company and the subsidiaries were having 12.89 million baht and 44.20 million baht in fixed deposits with pledged guarantee respectively, an increase from bank deposit as underlying asset for bank guarantee of performance bond form Suvarnabhumi International Airport phase 2 project.

As of 31 December 2017, the Company and the subsidiaries were having 9.01 million baht in fixed deposits with pledged guarantee, a decrease from land and equipments (partly) as underlying asset for bank guarantee as fixed deposits instead of Suvarnabhumi International Airport phase 2 project.

## **CAPITAL SOURCE**

### **liabilities**

As of 31 December 2015, 31 December 2016, and 31 December 2017, the Company and the subsidiaries were having 44.88 million baht, 74.66 million baht, and 73.00 million baht for total liabilities respectively. The total of liabilities in year 2017 did not significantly increase. The Company and the subsidiaries have no outstanding loan or debts to any banks or financial institutions. Description of major items in the liabilities is listed below

- **Account payables and other current payables**

As of 31 December 2015 and 31 December 2016, the Company and the subsidiaries were having 21.54 million baht and 46.59 million baht in account payables and other current payables, respectively. The Company was having account payables because some project owners would like to hire the overall project management and the Company does not have a specialist according to the requirement from the project owners, so the Company had hired external specialists. Other payables were inclusive of unpaid expenses and unearned revenue for example.

As of 31 December 2017, the Company and the subsidiaries were having 43.15 million baht in account payables and other current payables. Account payables amount was 6.24 million baht and other payables amount was 36.91 million baht, which was comprised of 12.50 million baht unpaid expense and 15.41 million baht advance payment received (13.66 million baht from Suvarnabhumi International Airport phase 2 project), 4.03 million baht of payable bills and 4.39 million baht of other payables for example.

#### • employee benefit liabilities estimation

As of 31 December 2015, 31 December 2016, and 31 December 2017, the Company and the subsidiaries were having 23.29 million baht, 25.56 million baht, and 28.57 million baht in employee benefits respectively, a net increase of 3.01 million baht or 11.78%. The increase of 3.97 million baht in record of provision but decrease of employee's retirement benefits of 0.96 million baht.

#### Shareholder's equity

As of 31 December 2015, 31 December 2016, and 31 December 2017, the Company was having 173.74 million baht, 216.98 million baht, and 333.15 million baht in shareholder's equity, respectively. The shareholder's equity was increased from the previous year as a result of capital increase from stock dividend of 25.47 million baht, advance payment of ordinary shares of 18.63 million baht, net profit in year 2017 and decrease from dividend payout of 28.30 million baht.

#### capital structure

The Company and the subsidiaries had the debt to equity ratio (D/E ratio) of 0.26 times, 0.34 times, and 0.22 times at the end of 2015, 2016, and 2017, respectively (calculated from total liabilities divided by the parent's company equity on the same year-end date). The debt to equity ratio in 2017 was decreased from the previous year as the increasing of the Company's shareholder equity, however, a total debts were not significantly different from the previous year.

#### Liquidity

		31 December		
	Unit	2015	2016	2017
Cash and cash equivalent	MB	15.83	41.97	50.73
Current assets	MB	144.02	202.55	349.95
Current liabilities	MB	21.60	49.11	44.42
Current ratio (Current assets/Current liabilities)	Times	6.67	4.13	7.88
Cash flow from operation	MB	(9.93)	7.85	3.28

Current ratio at the end of 2017 was 7.88 times, increased from the year 2016 as increase of current assets were greater than increase of current liabilities. The Company still had high liquidity with increased of current assets for 147.40 million baht (72.77%) whilst decreased of current liabilities for 4.69 million baht (9.55%).

The Company and the subsidiaries' cash flow from operation was 3.28 million baht, decreased from the previous year due to the increase of account receivables, provided services, and cash of company's tax.

#### Investment expense

In 2017, The Company has invested more as follows:

- In April 2017, the company invested 1.30 million baht in a subsidiary which was Swan & Maclaren (Thailand) Co., Ltd. The increase of the shareholder equity was of 16%, so now as 51%. Later, the company still record as the Associate investment after changing the portion according to corporation management.
- In October 2017, the company established SAPAT Project Co., Ltd. Which holding 60% shares of 1 million baht registered capital.
- However, the Company and the subsidiaries had no significant investment expenses in 2017. The investment expense was only buying office stationary and computer equipments which was 1.80 million baht

## Tax Policy

PPS and the subsidiaries have realized the duties and responsibilities of taxpayer. Paying tax punctually and legally is counted as an important factor to develop out country, to administrate the Company's tax management circumspectly, and to pay the tax correctly and completely. The Company also focuses on tax planning, guidelines for tax information, as well as tax planning for the best performance for the Company including the tax guidelines for the operation, and the tax dispute with government office. The Company and subsidiaries place an importance on tax management adhering to accuracy, transparency, and accountability in order to prevent the company and subsidiaries' reputation risk, tax risk (penalty, surcharge, etc.), tax risk associated with special transactions, and to support the added value to the shareholders. The policies are approved by senior directors of the company in accordance with the good governance in business administration.

### The procedures comprise of;

#### 1. Tax Operation

##### 1.1 Planning and Guideline for Tax Operation

- Administrate and supervise the operation in accordance with the law and other relevant regulations including exercise the tax right to get most benefit for shareholders and government sector by legally paying tax and maintaining reputation, and a good relation between the organization and the government's tax institute
- Perform the tax payment within the duration determined by law and manage the tax payment or refund for the Company's liquidity
- Consider tax impact regularly to be in line with a new legislation or tax policy or tax law adjustment or the Company's new transaction
- Administrate tax planning by studying laws and other regulations for possible effects consideration, including consulting the tax professional for an accurate guidelines in order not to be a tax evasion
- Hire an outsource personnel and hold a training program for employees to learn about the taxes in order that the employees or relevant staffs are able to perform their duties correctly

##### 1.2 Tax Coordination and Consulting with Government Office

- Assign the responsible employee for the tax coordination and tax information disclosure following the facts when receiving complaints or investigation
- Appoint for tax consulting for the accurate understanding and practice

#### 2. Tax Dispute with Government Office

When tax disputes arise that might affect the amount of tax significantly, the Board of Directors must consider and review the tax effect before carry on the clarification or discussion with the government office to examine the solutions

## Compensation of Auditor

### 1. Compensation for Financial Statements (Audit Fee)

PPS and Subsidiaries Company paid the audit fee for accounting period 2016-2017 and estimated of 2018 to DIA International Audit Company Limited. The information will be displayed below.

Unit : Baht

	2016	2017	2018
<b>1. Audit Fee</b>			
1.1. PPS and consolidated financial statement	375,000	410,000	470,000
1.2. PPSD	80,000	80,000	90,000
1.3. PIC	50,000	50,000	53,000
1.4. EE	-	30,000	30,000
1.5. SPP	-	25,000*	90,000
<b>2. Interim Financial Statement Fee</b>			
2.1. PPS and consolidated financial statement	225,000	315,000	330,000
2.2. PPSD	90,000	90,000	120,000
2.3. PIC	45,000	45,000	48,000
2.4. EE	-	30,000	30,000
2.5. SPP	-	-	120,000
<b>Total of PPS and consolidated financial statement</b>	<b>600,000</b>	<b>725,000</b>	<b>800,000</b>
<b>Total</b>	<b>865,000</b>	<b>1,075,000*</b>	<b>1,381,000</b>

\*Audit Fee of 2017 increased 25,000 baht since there was a subsidiary foundation.

### 2. Non Audit Fee

- None

## Independence and Reliability of Auditor

Board of Director and Audit Committee have considered the independence, experience, and ability issue of auditor, and have come to the resolution that PPS should appoint Mrs. Suvimol Kittayakiern, C.P.A. Registration No. 2892, or Miss Suphaphorn Mangjit, C.P.A. Registration No. 8125, or Miss Somjintana Polhilunrat, C.P.A. Registration No. 5599, from DIA International Audit Company Limited as the Company's auditors. The auditors do not operate any other services to the Company and have no relation and/or are disinterested in the Company/subsidiary companies/ Board of Director/major shareholder, or are related with the mentioned persons.

These 3 auditors are Certified Public Accountant (C.P.A.) that are certified by Securities and Exchange Commission, Thailand (SEC) and have qualification in accordance with the regulations of The Stock Exchange of Thailand.

## General Information of the Company and Referenced Persons

### Head office

#### Project Planning Service PCL (PPS)

Contact Address	381/6 Soi Rama IX 58 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok 10250
Telephone	0 2718 2785-9
Fax	0 2300 5545-6
Website	www.pps.co.th
Type of Business	Provision of Consultant Engineer Service regarding consultancy and construction project management for the project owner, for instance, building construction project and other infrastructure projects, especially the project which requires the expertise of engineering.
Registered Capital	215.99 million baht, each share unit has a par value of 0.25 baht and the total shares amount of 863.99 million shares.
Registration Number	0107555000147

### Subsidiary Companies

#### PPS Design Company Limited (PPSD)

Contact Address	101 Phongtheerathon Building Floor 1, Soi Rama IX 60 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok 10250
Telephone	0 2718 2785-9
Fax	0 2300 5545-6
Website	www.pps.co.th
Type of Business	Provision of Structural and System Design.
Registered Capital	3 million baht, each share unit has a par value of 100 baht and the total shares amount of 30,000 shares.

#### Ensemble Equity Pte. Ltd.

Contact Address	10 Anson Road, #31-01 International Plaza, Singapore 079903
Telephone	(+65) 9742-8370
Website	www.ensembleequity.com
Type of Business	Provision of Project Management and Engineering Consulting Services & Products
Registered Capital	500,000 SGD, each share unit has a par value of 1 SGD and the total shares amount of 500,000 shares

#### PPS Information Consultant Company Limited (PIC)

Contact Address	77 Soi Rama IX 58 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok 10250
Telephone	0 2718 2785-9
Fax	0 2300 5545-6
Website	www.ppsic.co.th
Type of Business	Provision of Information Technology regarding production media and advertising.
Registered Capital	5 million baht, each share unit has a par value of 10 baht and the total shares amount of 500,000 shares.

#### SAPAT Project Company Limited

Contact Address	381/6 Soi Rama IX 58 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok 10250
Telephone	0 2718 2785-9
Fax	0 2300 5545-6
Website	www.sapatt.com
Type of Business	Provision of Energy Business including Smart Buildings and Smart Cities.
Registered Capital	1 million baht, each share unit has a par value of 10,000 baht and the total shares amount of 100 shares.

## Joint-stock Company

### Swan & Maclaren (Thailand) Company Limited

Contact Address	101 Phongtheerathon Building Floor 3, Soi Rama IX 60 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok 10250
Telephone	0 2718 2785-9
Fax	0 2300 5545-6
Website	www.pps.co.th
Type of Business	Provision of Architectural Design Service to accommodate architectural and interior design.
Registered Capital	7 million baht, each share unit has a par value of 10 baht and the total shares amount of 700,000 shares
Shareholding Proportion	356,998 units or 51%

## Joint-Venture

### PPQ Joint-Venture

Contact Address	381/6 Soi Rama IX 58 (Soi 7 Seree 7), Rama IX Road, Suanluang, Bangkok 10250
Telephone	0 2718 2785-9
Fax	0 2300 5545-6
Website	www.pps.co.th
Type of Business	Supervise construction project of the Supreme Court Building, Office of the Judiciary
Joint-venture's Capital	3.30 million baht
Joint-venture Proportion	2.64 million baht

## Other Referenced Persons

### Securities Register

**Thailand Securities Depository Company Limited**

4th and 7th floors, Stock Exchange of Thailand  
62 Ratchadapisek Road, Klong Toei, Bangkok, 10110  
Telephone 0 2229 2000  
Fax 0 2359 1259

### Auditor

**DIA International Auditing Company Limited**

316/32 Sukhumvit 22, Rama IV, Klong Tan, Klong Toei, Bangkok 10110  
Telephone 0 2259 5300-2, 0 2332 5126-9

### Legal Advisor

**Thep Legal Office**

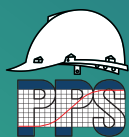
No. 1193 Exim Building, Units 1106-1108, 11th Floor, Phahonyothin Road,  
Samsennai, Phayathai, Bangkok 10400  
Telephone 0-2278-1679-84  
Fax 0-2271-2367, 0-2271-2587

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**PPSGROUP**  
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