



บริษัท ริชี่เพลซ 2002 จำกัด (มหาชน)



ANNUAL
REPORT
2015

รายงานประจำปี
2558

Rich in living

มุ่งมั่นในการสร้างสรรค์ สังคมเปี่ยมสุข

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Message from Chairman of the Board

Dear all shareholders,

It has been 14 years since Richy Place PCL, was established and thrived in the property development business. We have continuously dedicated ourselves to develop high quality residential projects and to plan every steps of our operation with great care and concern. Although in 2015, we did not gain revenue recognition as planned, however, we have been unyielding and strongly devoted all our efforts to operate our business to achieve our objectives in 2016; that is, more business expansion in terms of amount and size of projects as well as concern for demands of resident owners and investors.

On behalf of Richy Place 2002 PCL, I would like to thank every shareholder, customers, financial institutions, media, business partners and other related government sectors for all their support which have pushed us forward more efficiently. I also thank our management team, executives and staffs for their dedication and cooperation which helps us thrive in the real estate business.

Sincerely yours,

Mr. Pranai Suwanrath
Chairman



Message from Chief Executive Officer

Dear all shareholders,

Year 2015 marked an important step for Richy Place 2002 PCL, to continuously develop its real estate development projects as well as to thrive on a solid business foundation. As for the previous year, the overall real estate business had decelerated as well as competition was increasing. Meanwhile, real estate project operators tried to search for potential locations along the electric train where land prices are very expensive as well.

Rich Place 2002 PCL, has been partly affected from economic recession. During the 4th quarter of 2015, Rich Park @Chaophraya Project had successively recognized the transfer of ownership, however, it did not achieve the target owing to slow construction process. Nevertheless, the Company continued to perform its duty as one of the real estate developers by emphasizing on potential locations along the electric train which is considered our major strength. Moreover, during the first quarter of 2016, the Company plans to launch new projects in the location along the electric train as well as potential city area. The Company also stresses on advertisement to promote the Company's image to be recognized more among the general public.

On behalf of Chairman of the Board, I would like to thank everyone for all your cooperation, dedication and support to our Company. My team and I will perform our best to supervise and monitor the Company's business operation with integrity and capacity for the Company's sustainable growth and development.

Sincerely Yours,

Dr. Apa Ataboonwongse

Vice President and Chairman of the Board



REPORT OF THE AUDIT COMMITTEE

Dear Shareholders

The Audit Committee of the Company consists of three independent directors who are qualified and experienced in finance, real estate, and corporate management. LT. Gen. Samang Thongpan is the chairman; ASSOC.Prof. Suthus Ratanakuakangwan and Mr. Somchai Pienstaporn are the audit committee.

The Audit Committee carried out its duties as assigned by the Board of Directors to review the corporate operation. In the year 2015, the committee has conducted in accordance with its responsibilities along with good governance. The committee held 4 meetings upon consultation with the management, the internal audit, and the external auditor on the related issues, which the significant activities were summarized below:

1. Review of Financial and Non-financial Report Systems

The Audit Committee reviewed quarterly, annually and consolidated financial statements for the year 2015 of Richy Place (2002) PLC with the management and the internal audit. The external auditor was invited to the meeting to discuss on the independence and the opinion of the external auditor in the absence of the management, including inquiring the external auditor about the accuracy and completeness of the financial statements, adjustment entries materially affecting the statements, adequacy and suitability of account recording methods, audit scope. Therefore, all these ensured that disclosure of the information was precise, complete, sufficient, and having the auditor's independence, as well as the reliability of the financial statements and information was sufficiently and timely disclosed in such statements for the benefit of investors or financial statement users. The Audit Committee has also considered the scope and directions on auditing. Besides, the committee held one meeting with the external auditor in the absence of the management to independently discuss on key matters on preparation of the financial statements and information disclosure being beneficial to financial users.

The Audit Committee reviewed the performance of all sectors compared to the plans, inquired the difficulties with suggestions, considered the management direction to ensure that such actions conducted appropriately and transparently

2. Review of Risk Management Evaluation System

The committee reviewed the risk management assessment in accordance with the risk management policy, and monitored the progress of the key risk management, possibilities of impacts arising from the risk management. All these ensured that the Company has significant risk management with sufficient and appropriate, as well as encouraging knowledge and understanding to all employees of the organization, which is the key elements on creating value to the business.

3. Internal Control Review

The Audit Committee reviewed the internal control system together with the external auditor and the chief audit executive every quarter by evaluating the sufficiency and adequacy of the internal control system under the standard of the internal audit and in accordance with the guidelines prescribed by the Notification of the Office of the Securities and Exchange Commission, including considering the audit result in compliance with the audit approved plan and report of audit prepared by the management. The executives corrected and improved as suggested and commented in the audit report and recommended by the Audit Committee continuously, including improving the internal control to match the changing situations. Hence, the Audit Committee found no substantial weaknesses or errors on the internal control system. The Committee agreed that the Company has the adequate and sufficient internal controls and risk management. Moreover, the auditors evaluated the internal control system and found no substantial weakness which would affect to the financial statements of the Company.

4. Review of Regulatory Compliance related to the Company's business

The Audit Committee reviewed the practices in compliance with the laws of the Securities and Exchange Act and regulations prescribed by the Stock Exchange and the Securities and Exchange Commission of Thailand, and other related laws. The Audit Committee found that the Company has conducted toward such related laws precisely.

5. Review of Related Transactions or possibly Having Conflicts of Interest

The Audit Committee reviewed such transactions and found that all were real normal business practices, reasonably, no conflicts of interest, and complied with the regulations of the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.

6. Review of the Practice on Anti-corruption Measurements

The Committee reviewed the internal control measurements and the conduct on anti-corruption practice, as well as the risk management. The committee suggested and reported the results of anti-corruption measurements to the Board of Directors. There is no substantial weakness or errors found in the internal control system in accordance with anti-corruption measurement substantially. The Audit Committee agreed that the Company has had the internal controls and anti-corruption measurements complied with the Collective Action Coalition, Thailand's private sector in the fight against corruption as sufficiently and properly.

7. Review of Regulations of the Audit Committee

The Committee reviewed its regulations to be appropriate and complied with the duties and responsibilities of the Audit Committee which newly defined, including other related laws. The Committee has carried out duties and responsibilities meticulously with independence and transparency for the most beneficial of the Company. The Committee is confident that the Company's financial statements are accurate, reliable and in compliance with the general accepted accounting standards. Also, the standard of financial statements report was implemented under the effective and adequate risk management and internal controls system which were complied with related laws and regulations.

8. Appointment of External Auditor and Audit Fee for 2015

The Audit Committee selected and proposed the appointment of the auditor and the audit fee for 2015 by considering the performance of the auditor on the previous year under the criteria of performance assessment of the Company on the qualifications of the auditor, their independence, quality and working standard. All were satisfactory and the auditor has qualification according to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Committee proposed the appointment of Karin Audit Co., Ltd. to be the Company's auditor for the year 2015 and the audit fee for the year 2015 to the Board of Directors to further present to the shareholders' meeting for approval.

The Audit Committee performed its duties and responsibilities stated in its Board-approved charter with using knowledge, competence, care, prudence, and adequate independence for equitable benefits of stakeholders. Its opinion is that the Company's financial reports are accurate, reliable, and in accordance with the generally accepted accounting principles. In addition, the Company commands adequate risk management practices and a suitable, effective internal audit, has in place work practices aligning with good governance, and complies with laws, requirements, and obligations related to its business operation.



LT. Gen. Samang Thongpan
Chairman of the Audit Committee

Board of Directors



Mr. Pranai Suwanrath

Chairman of the
Board of Director/
Independent Director



Dr. Apa Ataboonwongse

Vice Chairman/
Chief Executives Officer



Ms. Sunee Sathatinan

Vice Chairman/
Executives Director



**LT. Gen. Samang
Thongpan**

Independent Director/
Chairman of Audit Committee



**ASSOC.Prof. Suthus
Ratanakuakangwan**

Independent Director/
Audit Committee



Mr. Somchai Pienstaporn

Independent Director/
Audit Committee



Dr. Karoon Chandransu

Director



**Mr. Somsak
Ataboonwongse**

Director



**Police Colonel Suvit
Tansode**

Director



**Mr. Verapol
Ataboonwongse**

Director



**Mrs. Nonglak
Wanthammapong**

Director

Board of Directors and the Executives



Mr. Pranai Suwanrath

Age : 64 years

Chairman of the Board of Director/ Independent Director

Appointed : May 15, 2014

Relation among Family with Executives : None

Educations

- Master of Public Affairs : Indiana State University, U.S.A
- Bachelor of Law, Thammasat University

Work Experiences

Positions in Listed Company

- 2013 - Present Chairman, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

- None -

Relevant Positions in Other Organizations

- 2012 - Present Director, Thai Red Cross Chapters Administration Office

Past Experiences

- 2011 - 2014 Chairman of the Board, Metropolitan Electricity Authority
- 2014 - 2015 Permanent Secretary, Ministry of Interior
- 2008 - 2011 Deputy Permanent Secretary, Ministry of Interior
- 2006 - 2008 Director, Southern Border Province Administration Centre
- 2004 - 2006 Governor, Nonthaburi Province
- 2003 - 2004 Governor, Singburi Province

Certifications

- Director Accreditation Program (DAP) /2548
- Directors Certification Program (DCP) /2546

% of Share Possession as of December 31, 2015

- None -



Dr. Apa Ataboonwongse

Age : 62 years

Vice Chairman/ Chief Executives Officer

Appointed : November 18, 2002

Relation among Family with Executives

Unregistered spouse, but be acceptable and acknowledged by social: Police Colonel Suvit Tansode

Educations

- Diploma, National Defence College (Class: 4414)
- Doctor of Philosophy (Management), Christian University of Thailand
- Master of Business Administration (MBA), Kasetsart University
- Bachelor of Law, Dhurakij Pundit University
- Diploma for Executives Program, (Class 16), Capital Market Academy
- Diploma for Senior Executives Management Program, Class 4, Institute of Metropolitan Development
- Outstanding Alumni for 2013, Rajamangala University of Technology Phra Nakhon
- Outstanding Alumni for 2011, Christian University of Thailand
- Outstanding Alumni, Master Degree for the Executives, for 2004, Kasetsart University
- Outstanding Alumni for 2004, Dhurakij Pundit University Work Experiences

Positions in Listed Company

- 2002 – Present Vice Chairman / Chief Executives Officer of Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

- 1995 – Present Chairman of the Board, the Founder, Attaboon Asset Company Limited (Office Leasing)
- 1975 – Present Chairman of the Board, Attaboon Company Limited (auto parts distribution)

Relevant Positions in Other Organizations

- 1994 – Present The First President of Rotary Club of Sathorn
- 2008 – Present Vice President and Secretary, Thai Condominium Association

Past Experiences

- 1991 – 1999 Chairman, the Founder, YKC (Thailand) Company Limited (joint venture company with Toyota, Japan)
- 2004 – 2008 Director, Board of the Federation of Thai Industries
- 2007 – 2008 District Governor, Rotary International District 3350
- 2007 Member of Constitutional Drafting Council B.E. 2550
- 2003 Associate Judge, The Central Intellectual Property and International Trade Court
- 2000 – 2002 Chairman, The Federation of Thai Industries-Nonthaburi Chapter
- 1991 – 1999 Chairman of the Board, Thai NKK Metal Company Limited (manufacture and retail distribution of clutch plates for cars)

Certifications

- Direct Certification Program (DCP) / 2014
- Director Accreditation Program (DAP) / 2013
- Role of the Compensation Committee (RCC) /2013

% of Share Possession as of December 31, 2015

280,500,000 shares or 35.71%



Ms. Sunee Sathatinan

Age : 72 years

Vice Chairman / Executives Director

Appointed : November 18, 2002

Relation among Family with Executives : None

Educations

- MBA Syracuse University, New York State. USA.
- Bachelor of Economics (Honor), Thammasat University

Work Experiences

Positions in Listed Company

- 2002 - Present Vice Chairman, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

- 1977 - Present Managing Director, Sunee Way Company Limited (manufacture and export of leather bags)
- 1994 - Present Managing Director, Diamond Leather Craft Company Limited (manufacture and export of leather wallet)

Relevant Positions in Other Organizations

- Director, Board of the Federation of Thai Industries
- Honorary Chairman, the Federation of Thai Industries-Nonthaburi Chapter
- Committee, Alumni Association, Faculty of Economics, Thammasat University

Past Experiences

- Former Civil Servant, Technical Office, Board of Investment
- Member of Steering Committee, Thammasat Hospital
- Expert Committee, Subdistrict Administrative Organization (SAO) Nonthaburi
- President, Rotary Club of Nonthaburi
- Assistant District Governor, Rotary International District 3350
- Director, Board of the Federation of Thai Industries
- Deputy Secretary General, The Federation of Thai Industries

Certifications

- Director Accreditation Program (DAP) / 2013

% of Share Possession as of December 31, 2015

47,676,660 shares or 6.33%



LT. Gen. Samang Thongpan

Age : 68 years

Independent Director / Chairman of Audit Committee

Appointed : November 24, 2011

Relation among Family with Executives : None

Educations

- Master of Business Administration, National Institute of Development Administration
- Bachelor of Accounting, Chulalongkorn University
- Financial Management (Finance Academy Ft. Benjamin Harrison, US. Army)
- Resources Management (International Defence Resources Management Institute, US. Navy)
- Diploma, National Defence College, Class 44

Work Experiences

Positions in Listed Company

- 2011 – Present Chairman of Audit Committee, Richy Place 2002 Public Company Limited
- 2009 – Present Director, Vibhavadi Medical Center Public Company Limited

Relevant Positions in Non-listed Company

– None –

Relevant Positions in Other Organizations

– None –

Past Experiences

- 2003 – 2007 Executive Director, EMC Public Company Limited
- 2000– 2003 Director, General Finance Department, the Supreme Command Headquarter
- 1998 – 1999 Deputy Director, General Department, the Supreme Command Headquarter
- 1989 – 1998 Director, Budget Control Division, Office of the Comptroller General, the Supreme Command Headquarter
- 1986 – 1989 Office of Budget Control Division, Office of the Comptroller General, the Supreme Command Headquarter
- 1970 – 1986 Head of Accounting Division, Office of the Army Comptroller

Certifications

- Director Accreditation Program (DAP) / 2004
- Role of the Compensation Committee (RCC) / 2013

% of Share Possession as of December 31, 2015

– None –



ASSOC.Prof. Suthus Ratanakuakangwan

Age : 64 years

Independent Director / Audit Committee

Appointed : April 27, 2010

Relation among Family with Executives : None

Educations

- Master of Economics (Industrial Management)

License es Sciences Economiques (Gestion Industrielle) Universite' de Toulouse I, France

- Maitrisees Sciences Economiques (Gestion Industrielle) Universite' de Toulouse I, France

Work Experiences

Position in Listed Company

- Present Director, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

- None -

Relevant Positions in Other Organizations

- Associate Professor, Level 9
- Associate Professor in Industrial Engineering, Chulalongkorn University
- Assistant Professor in Industrial Engineering, Chulalongkorn University

Past Experiences

- Committee, Training Center, College of Continuing Education
- Head of Research and Industrial Engineering and Technology Laboratory
- Chairman of Working Committee of the Project of the Promotion of Biogas Technology in Food Waste Management

Certifications

- Director Accreditation Program (DAP) / 2012

% of Share Possession as of December 31, 2015

- None -



Mr. Somchai Pienstaporn

Age : 65 years

Independent Director / Audit Committee

Appointed : November 24, 2011

Relation among Family with Executives : None

Educations

- Bachelor of Science (Forestry), Kasetsart University
- Bachelor of Public Administration (Public Science), Ramkhamhaeng University
- Honorary Doctor of Philosophy (Environmental Science), Ramkhamhaeng University
- Army War College, Class 44 (AWC 44)
- The National Defence College, Class 44 (NDC 44)

Work Experiences

Positions in Listed Company

- 2011 – Present Audit Committee, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

– None –

Relevant Positions in Other Organizations

- Present Expert Member, The National Park Committee
- Present Expert Member, The Executive Board of the Designated Areas for Sustainable Tourism Administration Past Experiences
- 2010 Retired form the position of Director General of Royal Forestry Department
- 2008 Director General, Royal Forestry Department
- 2006 Acting Director General, Department of Marine and Coastal Resources
- 2005 Deputy Permanent Secretary, Ministry of Natural Resources and Environment (Chief of Administrative Cluster and Chief of Environmental Cluster)
- 2002 Director General, National Park, Wildlife and Plant Conservation Department
- 2000 Deputy Director General, National Park, Wildlife and Plant Conservation Department
- 1998 Deputy Director General, Royal Forestry Department (Suppression)
- 1993-1995 Director of Protection and Suppression Office, Royal forestry Department
- 1974 Forestry District Office in Nakonsawan district, Surat Thani District, Petchburi District, Prachinburi District, Royal Forestry Department
- 1974 Office of Forestry, Head of Forest Protection Tor Kor 13, Amphor Mae Sod, Tak Province, Royal Forestry Department

Certifications

- Director Accreditation Program (DAP) / 2012

% of Share Possession as of December 31, 2015

– None –



Dr. Karoon Chandrangsri

Age : 66 years

Director

Appointed : May 24, 2007

Relation among Family with Executives : None

Educations

- Doctor of Civil Engineering, Ohio State University, Ohio, USA
- Master of Civil Engineering, Ohio State University, Ohio, USA
- Bachelor of Civil Engineering (Honor), Chulalongkorn University
- License for Professional Practice, Senior Professional Civil Engineer, License ID. 1023

Work Experiences

Positions in Listed Company

- 2015 - Present Director, BTS Group Holding Public Company Limited
- 2007 - Present Director, Richy Place 2002 Public Company Limited
- 2004 - Present Independent Director/Audit Committee, Quality Construction Products Public Company Limited

Relevant Positions of Non-listed Company

- 1992 - Present Chairman of the Board, K.C.S. Associates Company Limited

Past Experiences

- 2006 - 2007 Director, Council of Engineer
- 2002 - 2013 Chairman of the Ethical Committee, Council of Engineer
- 2006 - 2007 Chairman of the Engineering Institute of Thailand under H.M. the King, second time
- 2002 - 2003 Chairman of the Engineering Institute of Thailand under H.M. the King, second time
- 2000 - 2002 Director, Council of Engineer

Certifications

- Direct Certification Program (DCP) / 2005
- Finance for Non - Finance Director (FN) / 2005

% of Share Possession as of December 31, 2015

11,250,880 shares, or 1.43%



Mr. Somsak Ataboonwongse

Age : 54 years

Director

Appointed : May 24, 2007

Relation among Family with Executives

Brother of Dr. Apa Ataboonwongse

Educations

- Bachelor of Business Administration, Industrial Management, University of Thai Chamber of Commerce
- Certificate of Graphic Design from Japan

Work Experiences

Positions in Listed Company

- 2007 - Present Director / Executive Director, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

- Present Managing Director, Attaboon Company Limited
- Present Vice President, Thai NKK Metal Company Limited
- Present Managing Director, Aim Clutch Industries Company Limited

Relevant Positions in Other Organizations

- None -

Past Experiences

- 2008 - 2009 Chairman, The Federation of Thai Industries - Nonthaburi Chapter
- 2008 - 2009 Director, Board of the Federation of Thai Industries
- 2008 - 2010 Secretary General, Thai Subcontracting Promotion Association
- 2005 - 2007 Honorary Advisor, The Federation of Thai Industries - Nonthaburi Chapter

Certifications

- Director Accreditation Program (DAP) / 2013
- Role of the Compensation Committee (RCC) / 2013

% of Share Possession as of December 31, 2015

24,469,500 shares, or 3.12%



Police Colonel Suvit Tansode

Age: 69 years

Director

Appointed : November 24, 2011

Relation among Family with Executives

Unregistered spouse, but be acceptable and acknowledged by social: Dr. Apa Ataboonwongse

Educations

- Bachelor of Law, Dhurakij Pundit University

Work Experiences

Positions in Listed Company

- 2011 – Present Director, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

– None –

Relevant Positions in Other Organizations

– None –

Past Experiences

- 2006 Retired from public service
- 2002 Pol.Col., Superintendent, Team 4, Internation Airport Immigration Checkpoint
- 1998 Deputy Superintendent, Inspection Division 4, Office of the Inspection
- 1995 Pol. Lt. Col., Deputy Superintendent, Office of Personnel Division
- 1993 Inspector, Moveable vehicle Sub-Division (Firearm License), Registration Division, Police Department
- 1990 Pol.Maj., Inspector, Finance and Supplies, Registration Division, Police Department
- 1983 Pol.Capt., Sub-Inspector, Crime Planning, Central Investigation Bureau
- 1980 Pol. Lt., Sub-Inspector, Special Branch Division 7, Special Branch
- 1978 Pol.Sub.Lt., Sub-Inspector, Staff Education and Training, Central Investigation Bureau, Division 2, Nakornrachasima

Certifications

- Director Accreditation Program (DAP) / 2013

% of Share Possession as of December 31, 2015

– None –



Mr. Verapol Ataboonwongse

Age : 63 years

Director

Appointed : May 14, 2014

Relation among Family with Executives : Brother of Dr. Apa Ataboonwongse

Educations

- Business Administration, Fort Lauderdale College, Florida, USA

Work Experiences

Positions in Listed Company

- 2013– Present Director, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

- 1988– Present Manager-International Trade, Attaboon Company Limited

Relevant Positions in Other Organizations

– None –

Past Experiences

– None –

Certifications

- Director Accreditation Program (DAP) / 2013

% of Share Possession as of December 31, 2015

421,850 shares, or 0.05%



Mrs. Nonglak Wanthammapong

Age : 57 years

Director

Appointed : November 24, 2011

Relation among Family with Executives : Sister of Dr. Apa Ataboonwongse

Educations

- Master of Business Administration, Burapha University (EX-MBA)

Work Experiences

Positions in Listed Company

- Director, Richy Place 2002 Public Company Limited

Relevant Positions in Non-listed Company

- Managing Director, Attaboon Asset Company Limited
- Assistant Managing Director, Attaboon Company Limited
- Vice President, Thai NKK Company Limited

Relevant Positions in Other Organizations

- None -

Past Experiences

- None -

Certifications

- Director Accreditation Program (DAP) / 2013

% of Share Possession as of December 31, 2015

1,182,230 shares, or 0.15%



Ms. Kantaluk Chanthipdissaya

Age: 55 years

Chief Financial Officer / Risk Management Committee

Appointed : April 10, 2015

Relation among Family with Executives : - None -

Educations

- Bachelor of Business Administration (Accounting), Ramkhamhaeng University

Work Experiences

Positions in Listed Company

- 2015 - Present Risk Management Committee

Relevant Positions in Non-listed Company

- None -

Relevant Positions in Other Organizations

- 2013 - Present Assistant Chief Executive Officer, Richy Place 2002 Public Company Limited
- 2015 - Present Chief Financial Officer, Richy Place 2002 Public Company Limited

Past Experiences

- 2001 - 2013 The Owner of Kantaluk Accounting Company Limited

Certifications

- None -

% of Share Possession as of December 31, 2015

6,600 shares, or 0.00%



Mrs. Saranthorn Srisunthorn

Age : 39 years

Company Secretary / Director of Administration

Appointed : February 1, 2010

Relation among Family with Executives : - Non -

Educations

- Master of General Administration, Ramkhamhaeng University
- Bachelor of Business Administration, Siam University

Work Experiences

Positions in Listed Company

Relevant Positions in Non-listed Company

- None -

Relevant Positions in Other Organizations

- 2014- Present Company Secretary, Richy Place 2002 Public Company Limited
- 2010 - Present Director of Administration, , Richy Place 2002 Public Company Limited

Past Experiences

- 2000 - 2003 Executive Secretary, Attaboon Company Limited (auto parts distribution)

Certifications

- Company Secretary Program CSP / 2014

% of Share Possession as of December 31, 2015

-None -



Mr. Nimitr Inthakul

Age : 51 years

Project Director

Appointed : August 30, 2015

Relation among Family with Executives : - None -

Educations

- Master of General Administration, Kasetsart University
- Bachelor of Engineer (Civil), Prince of Songkla University

Work Experiences

Positions in Listed Company

- None -

Relevant Positions in Non-listed Company

- None -

Relevant Positions in Other Organizations

- 2015 - Present Project Director, Richy Place 2002 Public Company Limited

Past Experiences

- 2003 - 2015 President, Integral Engineering Company Limited
- 1989 - 2003 Project Manager, Metric Company Limited

Certifications

- None -

% of Share Possession as of December 31, 2015

- None -

GENERAL INFORMATION AND OTHER REFERENCES

General Information and Other Reference

Company Name	:	RICHY PLACE 2002 PUBLIC COMPANY LIMITED
Type of Business	:	Property Development
Head Office Location	:	667/15 Attaboon Building, 7 th Floor, Charan-sanitwong Road, Arun-amarin Sub-district, Bangkok Noi District, Bangkok 10700
Registered Number	:	0107556000655
Telephone	:	0-2886-1817
Facsimile	:	0-2886-1060
Website	:	www.rp.co.th
Common Shares	:	785,399,982 shares at Baht 1 per share
Registered Capital	:	Baht 985,400,000.00
Paid-up Capital	:	Baht 785,399,982.00
Company Secretary	:	Mrs. Saranthorn Srisunthorn
Telephone	:	0-2886-1817
Facsimile	:	0-2886-1060
Email	:	saranthorn.s@rp.co.th

Other References

1. Investor Relations

RICHY PLACE 2002 PUBLIC COMPANY LIMITED

667/15 Attaboon Building, 7th Floor, Charan-sanitwong Road, Arun-amarin Sub-district,
Bangkok Noi District, Bangkok 10700

Telephone: 0-2886-1817 Ext. 101, Facsimile: 0-2886-1060, website : www.rp.co.th

2. Security Registrar

Thailand Securities Depositary Co., Ltd.

62 The Stock Exchange of Thailand Building, Ratchadapisek Road, Klongtoey, Bantkok 10110

Telephone: 0-2229-2800, 0-2654-5599, Facsimile: 0-2359-1259, website: www.tsd.co.th

3. Auditor

Mr. Jiroj Siriroj

Certified Public Accountant Registration No. 5113

Karin Audit Co., Ltd.

138 Boonmitr Building, 6th Floor, Room B1, Silom Road,
Suriyawong Sub-district, Bangrak District, Bangkok; or

Ms. Wimolsri Jongudomsombut

Certified Public Accountant Registration No. 3899

Karin Audit Co., Ltd.

138 Boonmitr Building, 6th Floor, Room B1, Silom Road,
Suriyawong Sub-district, Bangrak District, Bangkok; or

Ms. Kannika Wipanurat

Certified Public Accountant Registration No. 7305

Karin Audit Co., Ltd.

138 Boonmitr Building, 6th Floor, Room B1, Silom Road,
Suriyawong Sub-district, Bangrak District, Bangkok; or

Ms. Nonglak Pattanabandith

Certified Public Accountant Registration No. 4713

Karin Audit Co., Ltd.

138 Boonmitr Building, 6th Floor, Room B1, Silom Road,
Suriyawong Sub-district, Bangrak District, Bangkok.

COMPANY'S POLICY AND OVERVIEW OF BUSINESS ACTIVITIES

Vision, Mission, and Values of Richy Place

“VISION”

The Company is prominent in real estate development sector in Thailand, which emphasizing to the need, satisfaction, and happiness in living of all target customers by focusing on the product design, site location, environment friendliness, and outstanding efficient services in order to create a long term confidence of all parties concerned.

“MISSION”

1. To be the one of top 20 leading real estate development of Thailand within 10 years
2. To maximize not less than 10% yield upon investment to shareholders
3. To reward employees higher than the average compensation of the industry within 3 years
4. To make human resources having high competence compared with the leading companies within 3 years
5. To create the corporate culture to be the organization of intelligence, diligence and dedication
6. To build the business allies network of real estate development
7. Providing the prompt after-sale-services and creating the customer satisfaction
8. Making good quality of life to the social, community, and environment
9. Cost management in order to compete with the industry within 3 years
10. To build the corporate image to be known and acceptable within 3 years

“VALUES OF RICHY PLACE”

Richy has emphasized to create a happy society to the residents in all areas; which having its outstanding are:

Rich in Premier Location

Rich in Urban Living & Life Style

Rich in Design

Rich in Construction

Rich in Environment

Such values can presently meet the consumers' need and living model as perfectly and make the residents in all projects of the Company be happy

Changes and Development Highlight

Background and Significant Development

Richy Place 2002 Public Company Limited was found on November 18, 2002 with initial registration capital of Baht 50 million by various professions but have similar objectives on real estate development under the administration of Dr. Apa Ataboonwongse in order to concentrate on project development on potential location and nearby the community. In 2013, the Company has registered as a public limited company with the registered capital of Baht 714 million and paid-up capital of Baht 500 million. The Company presently has the total registered capital of Baht 985.40 million; which be the paid-up capital of Baht 785.40 million.

Key Milestones and Development Highlights of the Company are concluded as following:

2002	November	<ul style="list-style-type: none"> The Company was found by various professions but have similar objectives on real estate development with initial registration capital of Baht 50 million, including 500,000 common shares, Baht 100 per share. Its objective is to operate business in the real estate development which the office is located at 667/15 Attaboorn Building, 5th Floor, Charan-sanitwong Road, Arun-amarin Sub-district, Bangkok Noi District, Bangkok
2004	January	<ul style="list-style-type: none"> Officially sale the project of “Richy Ville @Bangbuathong”, 74 units of a two-story house on 13 acres of land located on Bangbuathong District, Nonthaburi with the project value at Baht 160 million
2005	June	<ul style="list-style-type: none"> Officially sale the project “Richy Tower @Phetkasem-Sathorn”, 212 units of a 19-story residential condominium located on Phetkasem Road, Bangkok with the project value of Baht 300 million
2007	January	<ul style="list-style-type: none"> Officially sale the project “Le Rich Trendy Condo @Sathupradit” (Le Rich @Rama 3), 422 units of a 22-story residential condominium located on Rama 3 Road, Chong-nonsee Sub-district, Yannawa District, Bangkok with the project value of Baht 1,062 million
	May	<ul style="list-style-type: none"> Increasing the registered capital from Baht 50 million to Baht 130 million by offered to the existing shareholders to be fund for construction and project development in the future
2010	March	<ul style="list-style-type: none"> Officially sale the project “Le Rich @Ratchada-Suthisarn”, 77 units of a 8-story residential condominium located on Suthisarn Intersection, Dindaeng Sub-district, Dindaeng District, Bangkok with the project value of Baht 175 million
	November	<ul style="list-style-type: none"> Officially sale the project “Le Rich @Aree Station”, 73 units of a 8-story residential condominium located on Soi Aree 2, Samsen Nai Sub-district, Phayathai District, Bangkok with the project value of Baht 235 million
2011	January	<ul style="list-style-type: none"> Officially sale the project “Rich Park @Bangson Station”, 803 units of a 27-story residential condominium located on Krungthep-Nontaburi Road, Wongsawang Sub-district, Bangsue District, Bangkok with the project value of Baht 1,375 million
2012	July	<ul style="list-style-type: none"> The Annual Shareholders' meeting in 2012 held on July 31, 2012 had a resolution on dividend payment approval at Baht 10.00 per share, totally Baht 19.30 million, paid to entitled shareholders with totally 1,930,000 shares.
	November	<ul style="list-style-type: none"> The Extraordinary Shareholders' meeting in 2012 held on November 29, 2012 had a resolution on dividend payment approval at Baht 57.10 per share, totally Baht 110.20 million, paid to entitled shareholders with totally 1,930,000 shares.
	December	<ul style="list-style-type: none"> Increasing the registered capital from Baht 130 million to Baht 292.18 million by offered to the existing shareholders to be fund for construction and project development of The Rich BiZ Home Sukhumvit 105 and Rich Park @Taopoon Interchange Project. Officially sale the project “Rich Park @Taopoon Interchange”, 735 units of a 25-story residential condominium located on Pracharas Sai 2 Road, Bangsue Sub-district, Bangsue District, Bangkok with the project value of Baht 1,703 million
2013	February	<ul style="list-style-type: none"> Officially sale the project “The Rich Biz Home Sukhumvit 105”, 140 units of modern townhome located on Soi Sukhumvit 105, Srinakarin Road, Bangna Sub-district, Bangna District, Bangkok with the project value of Baht 671million
	April	<ul style="list-style-type: none"> The Annual Shareholders' meeting in 2013 held on April 26, 2013 had a resolution on dividend payment approval at Baht 18.56 per share, totally Baht 54.24 million, paid to entitled shareholders with totally 2,921,800 shares.

	June	<ul style="list-style-type: none"> Increasing the registered capital from Baht 292.18 million to Baht 370 million by offered to the existing shareholders to be fund for project development in the future
	September	<ul style="list-style-type: none"> The Extraordinary Shareholders' meeting in 2013 held on September 6, 2013 had a resolution on dividend payment approval at Baht 35.69 per share, totally Baht 132.05 million, paid to entitled shareholders with totally 3,700,000 shares. Increasing the registered capital from Baht 370 million to Baht 500 million by offered to the existing shareholders to be fund for the construction and project development of Rich Park @Chaophraya The Company registered to be a public limited company under the name of "Richy Place 2002 Public Company Limited", and changed the par value from Baht 100 per share to Baht 1 per share, including increasing its registered capital from Baht 500 million to Baht 714 million by issuing common shares of 214 million shares to offer to the public Officially sale the project "The Rich Park @Chaophraya", 635 units of a 33-story residential condominium located on Ratathibet Road, Sai-ma, Muang, Nontaburi with the project value of Baht 1,267 million
2014	April	<ul style="list-style-type: none"> Officially sale the project "The Rich Ville @Ratchaphruek", a 2-story twin house and single house, and townhome of total 138 units located on Ratchaphruek Road with the project value of Baht 560 million
	July	<ul style="list-style-type: none"> The Company conducted an Initial Public Offering (IPO) to trade to the public at Baht 3.30 per share.
	August	<ul style="list-style-type: none"> The Company registered to be the listed company in the Stock Exchange of Thailand
	November	<ul style="list-style-type: none"> The Company has launched to sell the project of "The Rich @Sathorn-Taksin", 511 units of a 23-story condominium located on Krungthonburi Road, Bangkok with the project value of Baht 2,100 million.
2015	May	<ul style="list-style-type: none"> Increasing the registered capital from Baht 714 million to Baht 985.40 million, being the paid-up capital of Baht 785.40 million

Shareholding Structure of Richy and its groups

The Company has no subsidiary and shares held in any companies, as of December 31, 2015.

Business Relationship with the company's major shareholding parties

The Company has not been involved in any business relationship with the company of major shareholding parties, as of December 31, 2015.

Nature of Business

Revenues Structure

	Executed by	Financial Statements (audited)							
		2012		2013		2014		2015	
		Value (MB)	Proportion (%)	Value (MB)	Proportion (%)	Value (MB)	Proportion (%)	Value (MB)	Proportion (%)
Revenues from real estate sales									
- Residential Condominium	RICHY	408.23	99.510	1,175.52	97.47	1,115.94	90.05	441.85	85.98
- Single House	RICHY	-	-	25.00	2.07	112.72	9.09	65.63	12.77
Total revenues from real estate sales		408.23	99.50	1,200.52	99.55	1,228.66	99.14	507.48	98.75
Other incomes ^{1/}	RICHY	1.46	0.36	5.38	0.45	10.60	0.85	6.34	1.23
Interest receivable	RICHY	0.58	0.14	0.03	0.00	0.12	0.01	0.10	0.02
Total revenues		410.27	100.00	1,205.92	100.00	1,239.38	100.00	513.92	100.00

Remark : ^{1/} other incomes are rental incomes as the guaranteed rental marketing plan and down payment forfeitures, etc.

Market and Competition

Market

Product Strategy

The Company has developed the real estate for sales on various types by focusing on comprehensive and distributed developments in a variety of products and locations to match the customers' needs on residences as much as possible. On residence development of each location, the Company shall consider appropriately on its market. Presently, the Company has determined its products into 3 categories: condominium group, single house group, and town house-town home group. The Company has recognized on the importance of decorations and designs, the designs of area arrangement and the usage of inside space perfectly in consistent with the new generations' styles and ways of life, including facilities within the projects entirely such as swimming pool, green area appropriately, fitness, etc.

Besides, the Company has paid more attentions on the project management and after sales services, which beginning on the project constructions, the construction development plans which not disturbing the residential customers. The specific services teams shall be assigned to provide the after sales services and solve problems to the residential customers.

Pricing Strategy

The Company has determined its pricing strategies by considering the factors such as the product placement, the target customers, the type of products, locations, usage area, etc. and comparing the price with other projects which having similar models and nearby location. The project costs shall be analyzed not only the land price, costs of designs, construction costs, but also other related expenses. The selling prices shall be set as appropriately and made customers feel their worthy such as reasonable selling price compared with the competitors on the similar location, which its price may be a little bit lower than the competitors but its quality and facilities equally, etc. Moreover, the Company has maintained the returns ratio on the appropriate level as required.

The Company has provided the discount policy for the patronized customers such as the directors, the employees of the Company, loan creditors, etc., by giving the discount at amount of not exceeding of Baht 100,000 per room.

Market Communication and Promotion Strategies

The Company has emphasized on the market communication on various channels by aiming to have the target customers acknowledging and recognizing the Company's name and projects as following:

- 1) Advertising through mass media such as radio, television, and other publications to widely market communication.
- 2) Communication through the outdoor media such as billboard, direction signs, to communicate to the customers surrounding the project or near the main project location.
- 3) Communication on other alternative channels (Below The Line) such as direct mail, the booth, the activities held at the projects, the invited customers by the existing customers activities, the activities held cooperatively with other organizations, etc.
- 4) Communication through new media such as communication through the Company's website (www.rp.co.th), E-Mail, other websites, SMS, etc.
- 5) Communication through the program of Member Get Member

Additionally, the Company has provided public relations of the Company's information through the media to promote its activities to the target customers acknowledging such as the press releases of launching new projects, publications of news direct mail to new customers and former customers to acknowledge its information and selling projects continually. The Customer Relation Management (CRM) with the customers who bought the Company's projects is organized in order to persuade such customers continually to participate the Company's activities, which is the long-term relationship creation. As a result, the customers shall introduce and recommend the Company's projects to other consumers continuously.

For sales promotion, the Company has considered on the motivation which encouraging customers' buying decision prior determining its sales promotion such as free furniture, free air condition, free mobile and tablets, etc. In addition, the Company has executed its promotion to stimulate its sales volumes, for example, the projects of Rich Park @Chaophaya, Le Rich Rama 3, and Le Rich Ratchada-Suthisan has been guaranteed the rent. The Company shall respond on finding the tenants to rent the customers' room bought for a period of time specified on the sales contract through the project salesman or customers visiting the Company's project. When totally calculating such promotion expenses, the Company has still get higher returns than the based selling price, which calculated from the feasibility of such projects.

Strategies of the Sales Distribution and the Channels of Sales Distribution

The Company has defined its channel on product sales distribution directly through the sales office of each project. Along with the sales teams who are professionally, competence, and understanding its products as well, the details and information of the projects are completely received and described to customers and people interested. The showroom shall be open to the visitors at the location of each project. The sales team of each project shall be consisted of 1-4 persons depending on the project size and the sale commission has been defined to motivate the sales term.

Moreover, the Company has analyzed the competitions around the projects, the level of selling difficulties. In case of high competition, the Company shall employ the expert sales team from the outside to manage the sales of the project. Such sales team shall be responsible on giving advises, analyzing the market as well as providing sales team working together with the Company's sales team. The Company has determined the compensation policy on a percentage of the actual sales values, which is the market rate, to motivate the agents employed or the salesman under the authority of the authorities of the Company, which shall be verified / reviewed by Division Manager, Department Manager, and the Chief Executive Officer according to the power authority table specified. All sales expenses are still supported the high returns rather than the base price, and no negative impacts to the revenues of the Company in any way.

The interested persons in the Company's projects shall require for more information through the telephone no. 02-886-1817, or receive the details through the Company's website: www.rp.co.th.

Category of the Target Customers

The Company shall mainly focus on the middle-level customers. The target customers are classified which may be appropriately changed depending on the circumstances. The Company's customers are all minor customers and none of them have earning over 30% of the total income.

The categories of the target customers of each project are as follows:

Target Group	Price per unit	Incomes level per month
A	5.00 – 7.50 MB	More than Baht 80,000
B	3.00 – 4.99 MB	Baht 50,001 – 80,000
C	1.00 – 2.99 MB	Baht 15,001 – 50,000

Industrial Overview

Industrial Status and Outlook

In 2015, the overview of global economy was well recovered from the economy of many countries expanded from 2014. The economy of the United States of America was continually expanded; unemployment problem was decreased continuously. The EU economy was expanded but still having high ratio on employment problems. Japan's economic grew slightly as a result of the increase of VAT adjustment. While China's economic was still slow down continually.

The global financial status of the central banks of many countries has still maintained the policy interest rate remained at a low level due to low in inflation steady, and still quantitative easing to stimulate the economy being growth sustainably.

The world oil prices have been steadily declined as a result of the OPEC deciding to remain its production and also having the production of shale oil in the US and Canada; therefore, the world oil supply is still oversupply. The Dubai crude oil price of average 11 months was at USD 52.7 USD per Barrel; the latest NYMEX crude oil price for January delivery (as of January 9, 2016) was at USD 37.5 per Barrel.

For Thai economic, the expenditures, exports, services, and public investment were growth expansion. Household spending and the public sector continuously expanded. While the goods exports have also been affected by the slowdown of the world economic and the decrease of the private investment; the production on the field of hotels and restaurants was grew well. The other services were also expanded continually. The industrial sector was gradually expanded and supported the economy growth as well. For the agricultural sector, it was still affected by drought and restrictions of the economic growth.

While private consumption and investments were adjusted increasingly compared with the same period of 2014; the industrial confidence index fell over the same period. The consumers' confidence index and the business adjustment were increased compared with the same period of 2014 as well.

The Office of the National Economic and Social Development has forecasted the direction of Thailand's economic expansion in 2015 which having supporting and risk factors as follows:

Supporting Factors for Thai Economic

- The acceleration of spending and public investment, which were driven by the frame of deficit budget for the fiscal year in 2016 at the amount of Baht 390,000, is increasingly from the deficit frame of Baht 250,000 in the annual budget of 2015 and progress outlook of the investment on infrastructure projects.
- On the driving forces from the stimulus policy (phase 3) in the second half of 2015, the government announced significant 6 measures of stimulus policies consisted of 1. The measures to promoting the well-being of people with low income and stimulus measures of small investment of the government throughout the countries 2. Fiscal measures to encourage small and medium-sized entrepreneurship (SMEs) in urgent period 3. Monetary measures to stimulate the economy of real estate sector 4. Tax incentives to encourage the investment in the country 5. Accelerating measures of BOI investment 6. Measures to strengthen rubber. Although the driving of credit and budget mostly incurred in 2015, the tax incentives have still been driven continually until 2016.

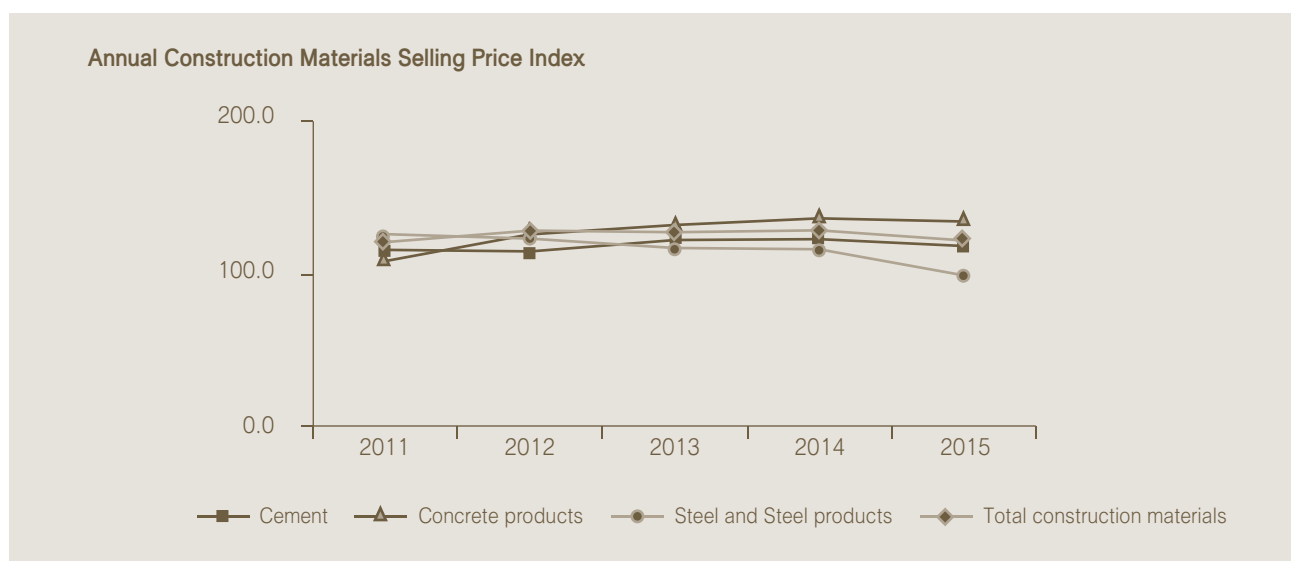
- The slow recovery of the world economy and goods export prices, which is a supporting factor on the export values in 2016, has been gradually expanded and supported the economic expansion greatly.
- The weakening of the Baht encourages the earning and liquidity of Thai Baht of enterprises continuously.
- The gradually rising prices of agricultural products
- Oil prices outlooks slowly increased and remained low, which encouraged the real purchasing power of population and be propitious to the monetary policy for the economic recovery continually.
- The expansion of the tourism sector in 2016 is forecasted to have a number of tourist arriving Thailand approximately 32.5 million persons which creating revenues from tourism totally Baht 1.65 trillion, an increase of 7.5% and 9.3% respectively from the year 2015.

Risk Factor

- China's economy is still deflation; while the countries' economic fundamentals are weak. Especially, China's economy is potentially risk on deflation more rapidly than expected. The countries with their weak economic fundamentals, especially the country having high foreign debt and depending on the primary goods export and value of money depreciated rapidly, are risk to the economic crisis continually. Such conditions may affect to the recovery of the world economy and make commodity prices in the global market recovered slower than expectation. The devaluation of other significant currency in the countries' trading partners and competitors, especially the Yuan currency, tends to weaken according to the policy of economic and financial liberalization, depreciation of the foreign exchange reserves, and the necessity of liquidity management in the country which the intervention to prop up the value of monetary will be more restricted.
- The impact of drought, which are potentially terribleness as continually on the water available in the 4 major large dams (Bhumibhol dam, Sirikit dam, Khwae Noi Bamrung Daen dam, and Pasak dam)

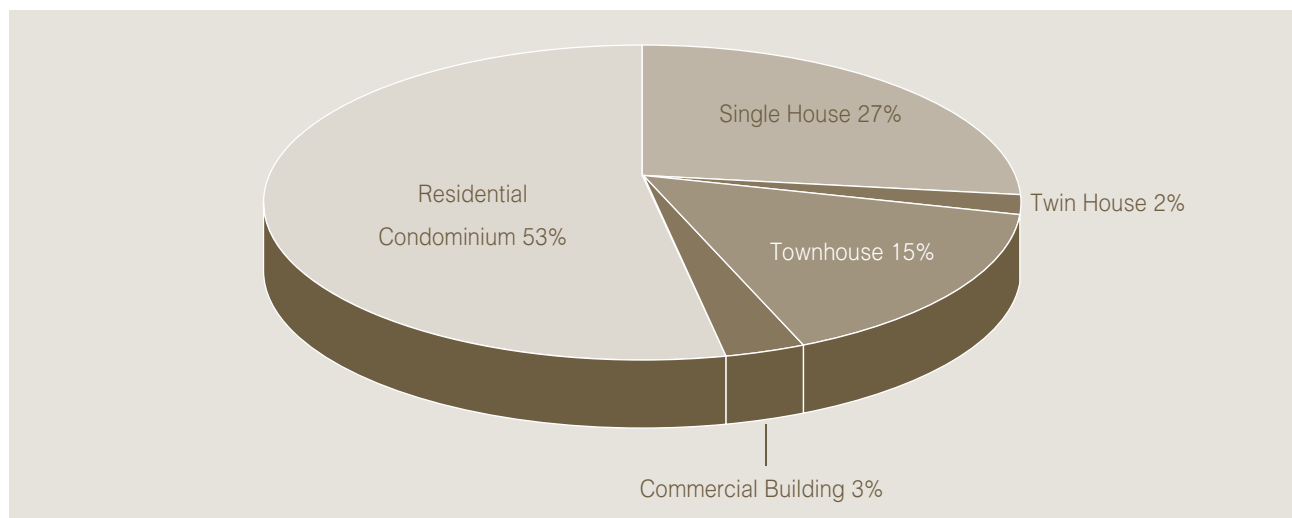
The economic outlook in 2016 is summarized that the private investment will be expanded increasingly compared with the year 2015. As a result that the demand in the country and foreign will be increased toward the recovery of the world economy and the Baht currency depreciation will support the export in Thai Baht accelerated and affected to the revenues and liquidity of enterprises improved.

The wholesale price index of construction materials in 2015 was decreased from 126.7 in 2015 to 120.2, representing a decrease of 5.1%, due to the significant effect of steel and steel products which their price was decreased. The price index of steel and steel products in 2015 was dropped from 114.9 in 2015 to 97.4, representing a decrease of 15.2%.



Source: Real Estate Information Center

The completely built residences registered in Bangkok and Metropolitan areas

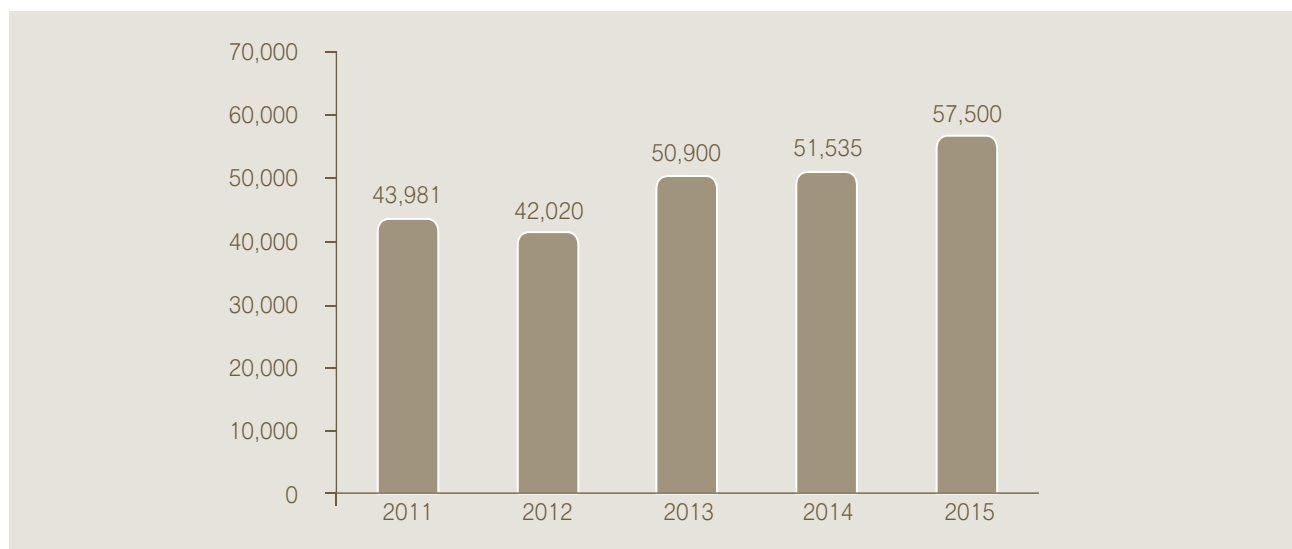


Source: Real Estate Information Center

In 2014, the number of completion-built housing registered in Bangkok and perimeter in 2015 and 2014 was 121,500 and 133,500 units, respectively, which decreasingly from 2014, representing 9.87 %. In 2015, the completion-built and registered houses were classified to single house of 32,800 units, twin house of 2,500 units, townhouse of 18,100 units, commercial building of 3,600 units, and residential condominium of 64,500 units.

The Outlook of Housing Development Market and Competitions

The number of completion-built housing development (single houses, detached houses, and townhouses) were registered in Bangkok and perimeter (unit)



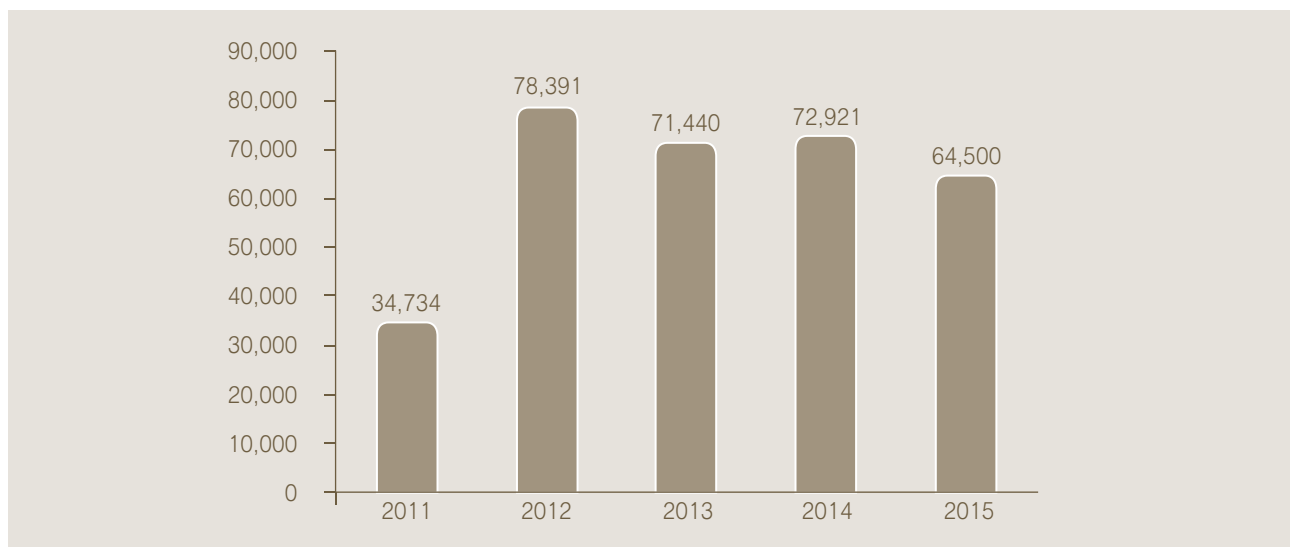
Source: Real Estate Information Center

In 2015, the number of completion-built housing development (single houses, detached houses, and townhouses) registered in Bangkok and perimeter was 57,505 units, representing an increase of 11.57%, compared to the previous year which was totally 51,535 units, which were the increase of single house and townhouse, or townhome projects, which resulted of the

increase of single houses, and townhouses and town homes projects according with the economic conditions at presently that consumers having less purchasing power, and high competitions of the global market, the entrepreneurs have adjusted their marketing strategies and applied more on sales promotions.

Outlook of Condominium and Competitions

The number of condominium was registered in Bangkok and perimeter (unit)



Source: the Real Estate Information Center

In 2015, the condominiums completely built and registered in Bangkok and Metropolitan areas were decreased to 64,500 units, representing 11.55%, compared to the year 2014 due to the business entrepreneurs were slow down on the project development which resulted of poor economic conditions. Consumers have focused on saving rather than spending. Therefore, entrepreneurs has emphasized on selling the rest of former projects by adding more sale promotion strategies.

The Summary of the Company's Projects and Other Entrepreneurs' Projects on the similar location

Area	Projects of the Company	Projects of Other Entrepreneurs	
		Project	Other Entrepreneurs
Rama 3	Le Rish Rama3	LPN Rama 3	L.P.N. Development Public Company Limited
		The TRUST	The Confidence Company Limited
Ratchadapisek	Le Rich Ratchada	The Kris	AQ Estate Public Company Limited
Bang Son	Rich Park @Bangson station	BANGKOK HORIZON	Chaophrayamahakorn Public Company Limited
		U delight	Grand Unity Development Company Limited
Tao Poon	Rich Park @Taopoon Interchange	THE TREE	Pruksa Real Estate Public Company Limited
		Chewathai Interchange	Chewathai Company Limited
Ratchapruet	The Rich Ville Ratchapruet	Lapawan 19	Lapawan Company Limited
		Veridian Ratchapruet	Teerakamol Property Company Limited
		Casa presto Ratchapruet- Chaeng Watthana	Quality Houses Public Company Limited
Sukhumvit 105	The Rich Bitz Home Sukhumvit 105	Le Nextra	Normboon Company Limited
		Flora Ville	Flora Ville Group Company Limited
		LPN Barring	L.P.N. Development Public Company Limited
Sai Ma	Rich Park @Chaophraya	Metro Riverfront	Property Perfect Public Company Limited
		D Condo Rattanathibet	Sansiri Public Company Limited
		Supalai City Resort Pha Nang Klao	Supalai Public Company Limited
		Aspire Rattanathibet	Quality Houses Public Company Limited
Sathorn-Taksin	The Rich	Bright	Albright Holdings Company Limited
		The Room	Land & Houses Public Company Limited
		Nye	Sansiri Public Company Limited
		Nyx	Sansiri Public Company Limited

The Potentiality on Competitions of the Company

The Company confidentially believes that its projects are able to compete with the projects of other entrepreneurs due to its potentiality on competition as follows:

- The Project Location**

The Company has emphasized priority on the importance of places and the locations of the real estate project developments to be presented to consumers. The projects shall be located on good location, potentiality, near the significant attractions such as schools, department stores, hospitals, etc. The travel transportation is convenient. Many projects of the Company are near the electric train at present or scheduled to construction in the future, or nearby the entrance and exit of the expressway or the ring roads. Therefore, the Company ensures that its projects shall be responded by the customers.

- The Unique Design of the Projects**

The Company has designed its projects by focusing on the design responding consumers' needs and life styles. The layout is fit with the area; the space is allocated to fully beneficial usage. In respect of responding on the market needs and changes, the Company's projects are designed by the well-known architects who have experience and be acceptable in business.

- Customer Relationship Management**

The Company has determined the operation policy to maximize the customers' satisfaction by implementing the customer relationship management system to organize the customer groups both existing and new customers. All data bases of every customer are recorded. In addition, the customers shall be constantly communicated, invited to participate the Company's activities for creating long term relationship. As a result, the customers shall introduce and recommend the Company's projects to other consumers continuously.

Risk factors

Key risk factors in business operation

Risk from operating in high competitive industry

According to the information from Real Estate Information Center for Bangkok Metropolitan Region during 2011-2015, the number of completed and registered condominium units were reported at 34,734 units, 78,391 units, 69,500 units, 45,200 units and 60,400 units respectively. The total number of newly launched condominium project in 2015 was 152 projects with 60,400 units in total, a decline of 17 percent from 2014 with 157 projects of 73,100 units. The total value in 2015 was equivalent to THB 210,600 million, an increase of 8.2 percent from 2014 which recorded at THB 194,700 million. Meanwhile, condominium units with value higher than THB 5 million was adjusted from 9 percent in 2014 to 16 percent and had started its sales during the first quarter through to the first half of the 2nd quarter, while condominium units with value not exceeding THB 2 million were declining to 53 percent from 2014 to 42 percent.

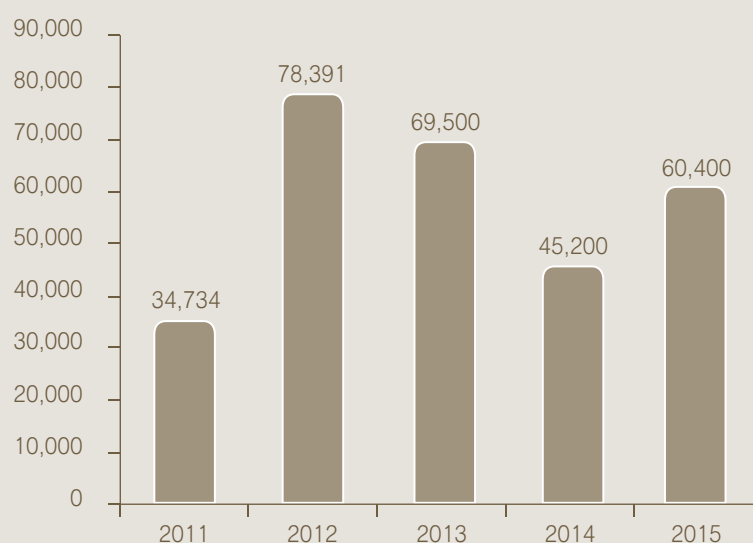
Housing projects (horizontal), a new type of residence in Bangkok and metropolitan area in 2015 consisted of 292 house projects, with the total of 44,500 units, an increase of 13 percent and an insignificant decline compared to 2014 with the total record of 45,200 units and the total value of THB 183,800 million which was close to the recorded value of THB 181,500 million in 2014.

Nevertheless, it is relatively evident that housing projects with the unit price not higher than THB 1 million had only 130 units whereas the units with the price between THB 1-1.3 million accounted for 13 percent and units with the value around THB 3.1-5 million were 28 percent and those with value more than THB 5 million were 22 percent.

However, in 2015, the total of residence ownership transfer in Bangkok and metropolitan area was equivalent to 196,100 units, an increase of 13 percent from 2014 which had 174,100 units. The total ownership transfer between November and December was 50,300 units, an increase of more than 45 percent, resulting from an inducement to transfer ownership due to 3 major factors before government laws and measures will be enforced.

Owing to the announcement on land asset value estimation during the accounting period of 2016-2020, inheritance tax and any other benefits derived from measures in reducing transfer and mortgage registration fees, it is predictable that from now on until April 29, 2016, the total amount of ownership transfer will continually increase before such measure will no longer be in effect.

Total amount of completed and registered condominiums in Bangkok and metropolitan area (unit)



Source : Real Estate Information Center

However, before investment in any project, the Company has conducted its feasibility such as Thailand's economic situation, real estate industry, financial measures which may influence financial institutions' loans, including consumer's confidence in the industry. The Company has thoroughly surveyed the area around the project location to gather important information with regard to the number of business competitors, types of project, pricing and location of its competitors. The Company has also prepared questionnaires to gain insight into consumers' needs and factors affecting their decision in purchasing the housing project. Furthermore, the Company's management team has carefully verified every details and information as well as considered the possibility of the project, including return on investment and risk factors before presenting any new projects to the Company's Board of Directors.

Risk from having condominium as a major source of revenue recognition

The Company's major source of income derives from real estate development project. Since its founding on December 31, 2015 onwards, the Company has developed 13 projects in total, comprising of 10 condominium projects which already completed their sales. Such projects are Richy Tower Petchkasem project, Le Rich Rachada-Sutthisarn project, Le Rich @ Aree Station project. The projects under construction consist of Rich Park @ Chaophraya project, the Rich @ Sathorn-Taksin project, Rich Park @ Triple Station project and the Rich Nana project. Between 2012-2015, revenue proportion from sales of condominium exceeded 90 percent of the total revenue which was relatively risky for the Company if the condominium market is saturated and deteriorated which in turn significantly affects the Company's business performance.

Nevertheless, the Company is not only professional in developing condominium projects, but also other project such as the Richville Bangbuathong, a single-home project with a successful sold out. Moreover, the Company has ongoing townhouse and townhome projects under construction which are the Rich Bizhome Sukhumvit 105 as well as the Richville Rachapruek, a single home project of which its revenue recognition has begun since 2015 onwards. This will enable the Company to distribute its revenue recognition from other businesses besides condominium development project. The Company's management executives strongly believe that their 10-year experience as real estate developer, including their skillful and experienced staffs will push the Company forward to better penetrate the market and respond more efficiently to consumers' demands.

Proportion of revenues from condominium projects between 2011–2015 (percent)

	2011	2012	2013	2014	2015
Le Rich Rama 3	50.70	21.79	1.29	25.29	11.86
Le Rich Rachada-Sutthisarn	47.37	8.40	3.95	27.49	-
Le Rich @ Aree Station	-	38.63	4.48	16.14	-
Rich Park @ Bangson Station	-	30.69	87.75	88.39	49.32
Rich Park at Taopoon Interchange	-	-	-	958.62	307.28
Rich Park @ Chaophraya	-	-	-	-	76.41
Total revenues from condominium	98.07	99.51	97.47	1,115.93	444.87

Source : Richy Place 2002 PCL.

Risk from operating performance based on success of projects under development

As of December 31, 2015, the Company had 3 projects under construction and during process of revenue recognition after ownership transfer which were Rich Park @ Chaophraya project, the Rich Biz Home Sukhumvit 105 project and the Rich Ville Rachapruek with 95.24 percent, 79.51 percent and 22.98 percent of project completion respectively. The Rich @ Sathorn-Taksin project was forecasted to complete and recognize its value in 2020 while Rich Park @ Triple Station project and the Rich Nana project which started their construction in 2016 were forecasted to complete its construction and ready for ownership transfer as well as revenue recognition in 2018 and 2019 respectively.

These 4 projects have the total value of THB 11,010 million; however, in 2015 Rich Park @ Taopoon Interchange project was estimated at THB 1,703 million and its revenue recognition was as high as 60.16 percent of the total revenue. In 2015, the condominium units without revenue recognition were recorded at 2.17 percent while Rich Park @ Chaophraya project was completely constructed and partly ready for ownership transfer during the 4th quarter of 2015. This resulted from 95.24 percent of completed construction with only the central area left under operation which was forecasted to complete in the first quarter of 2016.

In addition, the Company may face the risk from not recognizing revenues as expected if there is no certainty with regard to construction or success of project development. Such success depends on various factors; namely, sufficiency of the Company's cash flow, market and real estate situation, Thailand's economic status, cost of construction materials, buyers' confidence in terms of interest rate which is a significant factor in motivating their decision.

However, the Company has strictly followed and studied the country's economic situation that can affect consumers' buying decision; for example, interest rate, inflation rate, adjustment in loan approval of commercial banks that issue measures to establish loan to value ratio, including real estate industry situation which covers the issue permission of residential construction, a number of transferred condominium, progress of government projects such as electric train system, high-speed train and other factors affecting the completion of the project; namely, supply trend of consumers' residence and their confidence so that the Company can establish strategies that can be adjusted to changing circumstances and respond more effectively and instantly to the market's demand. The Company also set criteria and organize the feasibility study in considering new project development by carefully collecting and studying relevant data such as product concept, location, capital and return on investment etc.

Risk from failure to achieve performance target due to no ownership transfer from customer as agreed in the contract

As of December 31, 2015, the Company had 284 units reserved/ made contract but did not transfer ownership, representing the total value of THB 813.77 million in which the major proportion came from Rich Park @ Chaophraya project, with only the central area left and in the process of ownership transfer in 2016 with the amount of THB 377.98 million, representing the ratio of 46.45 percent from the total value of 813.77 million. The Rich Park @ Taopoon Interchange was completely constructed and in the process of ownership transfer at the amount of THB 39.56 million or equal to 4.86 percent of the total value. The rest of the customers were in the process of acquiring bank loans and room inspection before ownership transfer could be done. Nevertheless, the Company expected to complete the ownership transfer with customers of such projects within 2016.

Units reserved/ contracted but no ownership transfer as of December 31, 2015

Project	Units reserved but not transferred ownership			Period expected for ownership transfer
	Amount (unit)	Amount (unit)	Amount (unit)	
Condominium				
- Le Rich Rama3	1	3.10	0.38	2016
- Rich Park @ Bangson Station	1	1.62	0.20	2016
- Rich Park @ Taopoon Interchange	16	39.56	4.86	2016
- Rich Park @ Chaophraya	167	377.98	46.45	2016
- The Rich Sathorn Taksin	87	355.27	43.65	2017
Townhouse / townhome / home office				
- The Rich Biz Home Sukhumvit 105	1	5.10	0.63	2016
- The Rich Ville Rachapruet	11	31.14	3.83	2016
Total	284	813.77	100	

Source : Richy Place 2002 PCL.

Risk from delay and quality of work of building contractors and lack of labor

Risks from the project delay may result from lack of experience in terms of building contractors or from lack of labor or low quality work. These factors, in turn, cause the Company to be unable to control cost efficiently or affect the ownership transfer to miss the deadline as agreed. In order to minimize such risks, the Company has set its policy in selecting building contractors to compete in proposing financial budgets for every project, in which there should be more than 3 bidders. Then, the Company will consider various criteria such as experience, reputation and past performance of such bidders, especially their performance similar to the Company's project, the tidiness of building construction, punctuality in handling the completed project as well as considering readiness to operate and the financial status of building contractors.

However, from previous projects up until current projects, the Company has not relied on any particular distributor or building contractor since the Company has contacted with approximately 10 business partners who provided the Company with building materials and equipment and both parties have been in favorable relationship. The Company will not purchase building material from any specific provider more than 30 percent of the total purchase or procurement value. Nevertheless, in a particular year, the Company may hire external building contractor which is considered a relatively high proportion compared to the total purchase or procurement value. However, it is deemed standard practice for real estate business to have as many contractors as possible, depending on the project size. As for the hiring process, the building contractors must prepare contract of work suretyship for the Company to build trust and confidence in their performance. The Company, then, can select the external building contractor by allowing external contractors to bid for construction cost; therefore, there will not be any dependence on a particular building contractor.

INFORMATION ON SECURITIES AND SHAREHOLDERS

Registered Capital and Paid-up Capital

As of December 31, 2015, the Company had a total registered capital of Baht 985,400,000. The common share is 785,399,982 shares at par value of Baht 1.00 per share.

Shareholders Structure

The top ten of shareholders on the close of share register on August 3, 2015

No.	Name	No. of Shares	% Holder
1	Dr. Apa Attaboonwong	280,500,000	35.71
2	Attaboon Asset Co., Ltd.	63,739,660	8.12
3	Mrs. Sunee Satatinun	49,676,660	6.33
4	Mrs. Pichaya Tansod	35,075,590	4.47
5	Mr. Somsak Attaboonwong	24,469,500	3.12
6	Mrs. Worapa Mon-arak	16,200,000	2.06
7	Mr. Karoon Chandragu	11,250,880	1.43
8	Ms. Waranya Pinsam-ang	10,168,950	1.29
9	Mr. Thanasal Muneepeerakul	7,277,870	0.93
10	Mrs. Ni-orn Muneepeerakul	6,611,700	0.88
Total		505,263,110	64.33

Other Securities Issuance

1. Debenture

As of December 31, 2015, the Company has debenture, not redeemed, which details are as follows:

1.1 Debenture of Richy Place 2002 Public Company Limited No. 1/2558 Due B.E. 2560

Name of Debenture :	Debenture of Richy Place 2002 Public Company Limited No. 1/2558 Due B.E.2560
Issue Date :	September 11, 2015
Type of Debenture :	Unsubordinated and Unsecured Debentures without a Debentureholders' Representative in the Name-Registered Certificate
Offering to :	Institutional investors or major investors
Amount :	Not exceed of Baht 350,000,000
Tenor :	2 years
Coupon :	5.10% per year (fixed interest rate)
Interest Payment :	March 11, June 11, September 11, and December 11 of every year
Maturity Date :	September 11, 2017

1.2 Debenture of Richy Place 2002 Public Company Limited 2/2558 Due B.E. 2560

Name of Debenture :	Debenture of Richy Place 2002 Public Company Limited No. 2/2558 Due B.E.2560
Issue Date :	September 28, 2015
Type of Debenture :	Unsubordinated and Unsecured Debentures without a Debentureholders' Representative in the Name-Registered Certificate
Offering to :	Institutional investors or major investors
Amount :	Not exceed of Baht 190,000,000
Tenor :	2 years
Coupon :	5.35% per year (fixed interest rate)
Interest Payment :	March 28, June 28, September 28, and December 28 of every year
Maturity Date :	September 28, 2017

1.3 Debenture of Richy Place 2002 Public Company Limited 3/2558 Due B.E. 2563

Name of Debenture :	Debenture of Richy Place 2002 Public Company Limited 3/2558 Due B.E. 2563
Issue Date :	November 27, 2015
Type of Debenture :	Unsubordinated and Unsecured Debentures without a Debentureholders' Representative in the Name-Registered Certificate
Offering to :	Institutional investors or major investors
Amount :	Not exceed of Baht 100,000,000
Tenor :	5 years
Coupon :	5.5% per year (fixed interest rate)
Interest Payment :	February 26, May 26, August 26, and November 26 of every year throughout the tenor of debenture
Maturity Date :	November 26, 2020

1.4 Debenture of Richy Place 2002 Public Company Limited 4/2558 Due B.E.2561

Name of Debenture :	Debenture of Richy Place 2002 Public Company Limited 4/2558 Due B.E. 2561
Issue Date :	December 21, 2015
Type of Debenture :	Unsubordinated and Unsecured Debentures without a Debentureholders' Representative in the Name-Registered Certificate
Offering to :	Institutional investors or major investors
Amount :	Not exceed of Baht 300,000,000
Tenor :	3 years
Coupon :	5.6% per year (fixed interest rate)
Interest Payment :	March 21, June 21, September 21, and December 21 of every year throughout the tenor of debenture
Maturity Date :	December 21, 2018

1.5 Bill of Exchange

As of December 31, 2015, the Company has had debt securities, short-term bill of exchange, which its outstanding balance is follows:

Amount	Not exceed of Baht 600 million ^{1/} at any period
Balance amount on the bill of exchange	Baht 30 million ^{2/}
Interest Rate	Depending on the market conditions during issuance and offering a short-term bill of exchange on each time
Tenor	No less than 270 days from the issue date of the bill of exchange
Objectives	For working capital
Offering	Offering to specific and limited investors for issuing not over 10 bills of exchange, or offering to institutional and/or major investors.
Condition	In case of the redemption of short-term bill, resulted of a decrease in accrual, the Company can issue additional short-term bill of exchange at the amount approved by the Board of Directors' meeting.

Remarks : ^{1/} According to the Board of Directors' meeting No. 3/2558 held on July 28, 2015

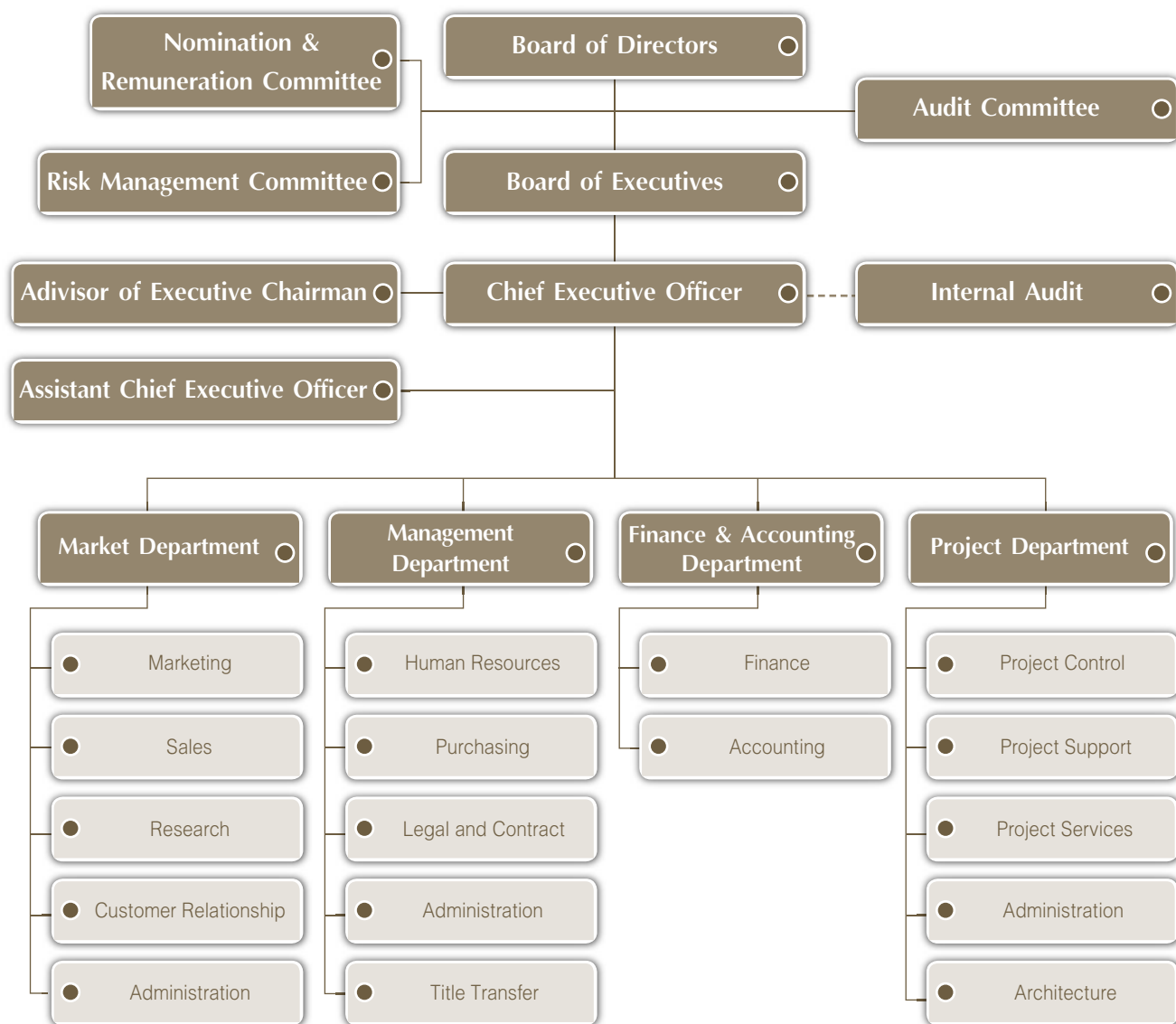
^{2/} According to the shareholders' meeting No. 1/2558 held on April 29, 2015

Dividend Policy

The Company has a dividend policy on paying out no less than 40.00% of its net income after deducting corporate tax based on the separate financial statements and all provisional reserves required by law and by the Company. The dividend payment is subject to any effect of normal business operation significantly. However, such dividend payment is subject to change depending on the operation result and financial status of the Company, liquidity, business expansion plans, necessity, and suitability in the future, including other factors related to the Company's management for which the Board of Directors and/or shareholders deem appropriately. Such actions must maximize the most beneficial to shareholders.

MANAGEMENT STRUCTURE

Management Structure as of December 31, 2015



Remark * The Company has engaged ACC Consult Service Co., Ltd. to be the internal auditor.

The Board of Directors

The Board of Directors, as of December 31, 2015, consisted of 11 members as follows:

Name	Position
1. Mr. Pranai Suwanrath	Chairman / Independent Director
2. Dr. Apa Ataboonwongse	Vice Chairman
3. Ms. Sunee Sathatinan	Vice Chairman
4. LT. Gen. Samang Thongpan	Independent Director / Chairman of the Audit Committee
5. Mr. Somchai Pienstaporn	Independent Director / Audit Committee
6. ASSOC.Prof. Suthus Ratanakuakangwan	Independent Director /Audit Committee
7. Mr. Somsak Ataboonwongse	Director
8. Dr. Karoon Chandrangsu	Director
9. Mrs. Nonglak Wanthammapong	Director
10. Police Colonel Suvit Tansode	Director
11. Mr. Verapol Ataboonwongse	Director

Authorized Signatory

The Directors whose signatures are recognized as binding for the Company consist of the two jointly signatures of either Dr. Apa Ataboonwongse, Ms. Sunee Sathatinan, or Mr. Somsak Ataboonwongse together with the Company's seal.

Terms, Authorities, and Responsibilities of the Board of Directors

The Board of Directors has authorities and responsibilities as defined in accordance with the Company's Articles of Association, and the Extraordinary General Meeting of Shareholders No. 2/2013 held on September 6, 2013 as following:

- 1) The Board of Directors has responded to manage the Company in compliance with the laws, objectives and regulations of the Company as well as the resolutions of the shareholders' meeting with honesty, consideration of the benefits of the Company.
- 2) The Board of Directors has authorized to define the Company's objectives, direction, policies, business plans and budgets, and monitor the management or persons assigned to such operation in order to ensure that such management or persons implementing along with the policies defined by the Board of Director.
- 3) The Board of Directors has authorized to review and approve the policies and operation plans on big investments proposed by the sub-committee and/or the management.
- 4) The Board of Directors has authorized to appoint, assign, or suggest to the sub-committee or working groups to consider or execute any activities as appropriated by the Board of Directors.
- 5) The Board of Directors has authorized to monitor the operation outcome in accordance with the plans and budgets of the Company.
- 6) The Board of Directors has authorized to determine an adequate and effective internal control system by establishing the internal control team to follow up and coordinate with the Audit Committee.

The Authorities of the Board of Directors

The Board of Directors has authority to approve any transactions of the Company under the law, regulations, and resolutions of the shareholders' meeting, including the approval of any transactions of the Company as following:

- 1) To define the Company's mission and review the Company's vision
- 2) The organization chart
- 3) Business plan and annual budget

- 4) To monitor and evaluation the operation performance both quarterly and annually
- 5) The budget on land purchase
- 6) The budget on any project investments
- 7) To consider and approve any significant transactions related or appropriated to the benefits of the Company

However, the following matters shall be carried out; the Board of Directors has proposed to the shareholders' meeting for approval:

- A) Any transactions are defined by law to be approved by the shareholders' meeting; and
- B) Any transactions which the director has a conflict of interest and are defined under the law or regulations of the Securities and Exchange Commission or the Stock Exchange of Thailand to be approved by the shareholders' meeting.

Under the decision making of the Board of Directors on the following matters, the Board of Directors shall carried out after approval by the shareholders' meeting with minimum 3 out of 4 of the total votes.

- C) Selling or Transferring the Company's business as a whole or significant parts to others
- D) Buying or merging other companies
- E) Amending or Terminating a contract relating to the lease as a whole or significant part of the Company, assigning other persons to operate the Company's business, or joint ventures with others by which are subject to share profit and loss
- F) Changing or adding the Memorandum of Association or the Company's regulations
- G) Increase, decrease, or issuance the Company's bond
- H) Merging or ceasing the Company
- I) Any activities under the Securities Exchange Act and/or announcements of the Stock Exchange of Thailand which required to be approved by the Board of Directors' meeting and shareholders' meeting with the above mentioned votes

However, the director who is a stakeholder or having a conflict of interest on any matters has no right to vote on such transactions.

Moreover, the Board of Directors is responsible to conduct business under the Act of Securities and Securities Market, regulations of the Stock Exchange of Thailand such as the related transaction on acquisition or disposal of asset under the regulations of the Stock Exchange of Thailand, or the notifications of the Office of the Securities and Exchange Commission, or any law related to the Company's business.

The Executives

As of December 31, 2015, the Company has total 6 members of the Executives named as follows:

Name	Position
1. Dr. Apa Ataboonwongse	Chief Executive Officer / Acting of Marketing Director
2. Ms. Sunee Sathatinan	Executive Director
3. Mr. Somsak Ataboonwongse	Executive Director
4. Mrs. Saranthorn Srisunthorn	Director of Administration
5. Ms. Kantaluk CHanthipdissaya	Finance and Accounting Director
6. Mr. Nimitr Inthakul	Project Director

Terms, Authorities, and Responsibilities of Chairman of the Executives Board

Reference to the Board of Directors' meeting No. 4/2013 held on August 14, 2013, the terms, authorities, and responsibilities of Chairman of the Executives Board has been defined as following:

Chairman of the Executives Board has responded to execute and monitor the management align with the fundamental objectives of the Company. Chairman of the Executive Board shall conduct and be accountable on the Company's operation by herself/himself or assign other executives to act on his/her behalf. The duty and responsibilities of Chairman of the Executives Board are as follows:

- 1) To monitor and advise any matters of the operation and management of the Company daily
- 2) To implement or carry out actions in accordance with the policy of operation plans and budget approved by the Board of Directors
- 3) Be authorized on business operation to achieve the objectives, policy, regulations, agreements, assignments, including the resolutions of the Board of Directors' meeting and/or shareholders' meeting
- 4) Having authority to issue rules, regulations, announcement, memorandum in order to implement according to the policy and benefits of the Company, as well as retaining working disciplines within the organization
- 5) To monitor and evaluate the operation performance of the Company daily to prepare and prevent any risks incurred from both inside and outside factors
- 6) Be authorized to comment on any legal activities related to the normal business operations such as selling and buying transactions, raw material procurement for production, expenditures on regular operation, investment, acquisition or distribution of tools, assets, or services for the Company's benefits as detailed in the management authority approved by the Board of Directors, including delegating his/her authority on such above activities for the flexibility on the Company's operation
- 7) Having authority to carry out actions and be representative of the Company to present to externals on the related activities and normal business practices for the Company's benefits
- 8) Having authority to approve an investment on fixed asset, loan, or other investments such as equity, bond, etc., for the amount not exceeding 1 million Baht
- 9) Having authority to approve the loan from the financial institutes at the amount not exceeding 100 million Baht
- 10) Having authority to approve the expenditures on the business operation and disposal of fixed asset per item at the amount not exceeding 10 million Baht
- 11) Having authority to approve any obligations, avail, warrant at the amount not exceeding 100 million Baht
- 12) To perform other functions assigned by the Board of Directors

The authority of any legal transactions, which might cause any conflict of interest between Chairman of the Executives Board and any stakeholders as defined under the law and notifications of the Office of the Securities and Exchange Commission, or the Stock Exchange of Thailand, is not covered by the authority of Chairman of the Executives Board to consider and vote for the said legal transactions either with one's own judgment or by acting person. In such case, such legal transactions shall be considered by the Audit Committee before presenting to the Board of Director and/or shareholder's meeting for approval (depending on circumstances) in accordance with the Company's regulations and law.

Qualifications of the Executives

The Company's executives are certified to be ethics, competence, experiences on business administration with honesty and caution on management for the Company's benefits. They has intended on business execution, understanding and responsibilities to the public, and not being prohibited according to the notification no. korjor 8/2553 of the Securities and Exchange Commission regarding the attribution of trustworthiness of directors and executive officers of the Company, dated April 23, 2010.

Company Secretary

The Board of Directors has realized the importance on promoting the good governance and conducting in compliance with the section 89/15 of the Securities and Exchange Act (No. 4), which is defined that the Board of Directors has to appoint the Company Secretary in order to prepare and archive the documents, maintain report of interest reports filed by directors or executives, and carry out other proceedings as prescribed by the Capital Market Supervisory Board, including coordinating, organizing the Board of Directors' meeting and shareholders' meeting, and assisting the company directors and management to supervise matters pertaining to the relevant laws and regulations.

The Board of Directors has resolved to appoint Mrs. Saranthorn Srisunthorn to be the Company Secretary effectively on May 15, 2013 and be attended the Company Secretary Program (CSP), Class of 57/2014, held by Thai Institute of Directors Association (IOD) on June 10-11, 2014.

Remuneration for the directors and management members

The Director

The Company has defined the remuneration policy to the Board of Directors and management members at the amount of Baht 8,000,000 by which the Nomination and Remuneration Committee considered, reviewed and compared such compensation to the directors with the related business. The remuneration criteria paid to the Board of Directors and sub-committee was as follows:

Position	Meeting Allowance / time (Baht)
Chairman	25,000
The Director	15,000
Chairman of the Audit Committee	15,000
Member of the Audit Committee	10,000
Chairman of the Executives Board	15,000
Member of Executives Board	10,000
Chairman of the Nomination and Remuneration Committee ^{1/}	15,000
Member of the Nomination and Remuneration Committee ^{1/}	10,000
Chairman of the Risk Management Committee ^{1/}	15,000
Member of the Risk Management Committee ^{1/}	10,000

Remark ^{1/} It was defined by the Meeting of the Board of Directors No. 4/2013 on August 14, 2013.

Remuneration in Cash

Name of Director	Remuneration to the Director (Baht) in 2015					
	The Meeting of the Board of Director (The total of 6 meetings)	The Meeting of Audit Committee (The total of 4 meetings)	The Meeting of Executive Board (The total of 6 meetings)	The Meeting of the Nomination & Remuneration Board (The total of 1 meeting)	The Meeting of the Risk Management Committee (The total of 1 meeting)	Total Payment (Baht)
1. Mr. Pranai Suwanrath	100,000 (4/6)	-	-	-	-	100,000
2. Ms. Sunee Sathatinan	60,000 (4/6)	-	10,000 (5/6)	-	-	70,000
3. Dr. Apa Ataboonwongse	90,000 (6/6)	-	15,000 (6/6)	-	-	105,000
4. Mr. Somsak Ataboonwongse	90,000 (6/6)	-	10,000 (6/6)	10,000 (1/1)	-	110,000
5. Mrs. Nonglak Wanthampong	90,000 (6/6)	-	-	-	-	90,000
6. Police Colonel Suvit Tansode	90,000 (6/6)	-	-	-	-	90,000
7. LT. Gen. Samang Thongpan	75,000 (5/6)	60,000 (4/4)	-	15,000 (1/1)	-	150,000
8. Mr. Somchai Pienstaporn	90,000 (6/6)	30,000 (3/4)	-	-	-	120,000
9. ASSOC.Prof. Suthus Ratanakuakangwan	90,000 (6/6)	40,000 (4/4)	-	10,000 (1/1)	10,000 (1/1)	150,000
10. Dr. Karoon Chandransu	90,000 (6/6)	-	-	-	15,000 (1/1)	105,000
11. Mr. Verapol Ataboonwongse	90,000 (6/6)	-	-	-	-	90,000
Total	955,000	130,000	35,000	35,000	25,000	1,180,000

Remark *** The Executive Board, held the meeting on February 20, 2015, had unanimously resolved that all members of the Executive Board refused to receive the meeting allowance because they had been paid on their administration as amonthly.

In 2015, the remuneration was paid to the Board of Directors and sub-committee as follows:

1. Meeting Allowance for the Board of Directors and Sub-committee	1,180,000 Baht
2. The pension to the Director for 11 members	4,700,000 Baht
Total	<u>5,880,000 Baht</u>

The Executives (Including the Executives Committee)

The Company has remuneration policy to motivate an employee by considering on the performance evaluation of the management in the form of Key Performance Index: KPI every year. Such performance shall be compared with the KPI defined as the objectives shown in the employment contract and/or operation plans proposed to the Chief Executive Officer and/or the Board of Directors, which such remunerations to employee and the management are differed according to the ration derived from the revenue for each accounting period.

The Company has paid the remuneration in 2015 for the salary and bonus to the executives, totally 6 persons, at the amount of Baht 10,057,695.59.

Other Remuneration

- None -

Employees

The number of employees of the Company as of December 31, 2015 was totally 89 persons, classified into following department:

Department	Total Employees (person)
1. Market Department	34
2. Management Department	27
3. Finance and Accounting Department	10
4. Project Department	18
Total	89

In the period of past three years, the Company has never any labor disputes.

Employees' Remuneration

The employees' remunerations of the Company (excluding the executives) as of December 31, 2015 were classified into salary, wage, overtime, bonus, and other welfares which the details are as following:

Employee's Remuneration	2014 (Baht)	2015 (Baht)
Salary	20,792,831	20,926,965
Bonus and other remunerations	3,994,085	10,383,288
Total	24,786,916	31,310,253

Human Resources Development Policy

The Company has realized on developing the knowledge and competence of the directors, the executives, as well as employees in order to enhance their efficiency and quality of services. The training, seminar, courses held by Thai Institute of Directors (IOD) or the Stock Exchange of Thailand or other institutes are organized to increase their working abilities and able to apply such knowledge on their work. The remuneration policy is also appropriately provided to motivate its employees for working with the Company in the long term. In addition, the Company has regularly organized activities to create great relationship and unity within the organization for the management and employees such as birthday gift for an employee, CSR activities, New Year party and gifts, etc.

CORPORATE GOVERNANCE

Corporate Governance Policy

For the transparency and beneficial contribution to the Company's business operation, the Company has policy to conduct in compliance with the Code of Best Practice in order to enhance the confidence to shareholders, investors, and all persons concerned. The Board of Directors has determined the corporate governance policy referred on the good governance practices for the listed companies of the Stock Exchanges of Thailand. This covers the good governance structure, guidelines of corporate governance practices, working structures, and policies in order to rigorously conduct under the corporate governance policy.

The Company has defined the code of corporate governance conduct to be the guidelines circulated to the directors, executives, and employees to conduct under the law, regulations, and related rules to ensure that the Company has carried on business with integrity, efficiency and effectiveness. The corporate governance of the Company that has been constantly conducted is comprised of the 5 items namely the rights of shareholders, equitable treatment of shareholders, roles of stakeholders, disclosure of information and transparency, and responsibility of the Board of Directors (details of the conduct of corporate governance of the Company are viewed on the Company's website (www.rp.co.th)). Moreover, the Company has provided other regulations and operation manuals for the high level executives and employee to implement.

To ensure that all employees acknowledge, understand the regulations, rules including the code of business conduct, and precisely conduct as appropriately, the Company has assigned the Human Resources Department organizing the training to review such regulation, rules including the code of business conduct to all employees. In addition, the post test after training is provided to evaluate employees' understanding. In case of their score below the criteria, employees are supplementary trained until they pass the test.

The executives of each department shall monitor employees' operation in compliance with the corporate governance practices.

The conduct on the corporate governance policy of the Company is comprised of 5 chapters as follows:

1. Rights of Shareholders

The Company has recognized the importance of the rights of shareholders on their decision making on any significant changes of the Company and obtaining the Company's information accurately, completely, adequately, timely and equally for decision making in every subjects. Therefore, the Board of Directors has determined the policy as follows:

- 1.1 The Company shall send the invitation letter along with the meeting agenda sufficiently, which identify the objectives and reason together with the comments of the Board of Directors for each agenda for shareholder to consider entirely prior to the Meeting at least 14 days. If shareholders who unable to attend the Meeting can assign the Independent Director or other person to be a proxy to attend the Meeting by using the proxy form attached to the invitation letter.
- 1.2 The Company has policy to organize facilities conveniently to shareholders by providing the Meeting at a convenient place, having a map attached to the invitation letter, including setting the date and time appropriately and sufficient timeframe of the Meeting.
- 1.3 Prior the Meeting, the Company shall notify shareholders to the process of exercising their votes and the rights on expressing their opinions, as well as raising questions to the Meeting according to the agenda. During the Meeting, shareholders have rights equally to express their opinions and raise questions, which the Chairman of the Meeting shall provide sufficient time appropriately. The Director and the Executives concerned shall attend the Meeting to answer questions at the Meeting.
- 1.4 The communication channels are added to send and disclose information, news, and details to shareholders through the Company's website. Particularly, the invitation letter shall be noticed prior the Meeting for shareholder to download the meeting agenda conveniently and completely and having sufficient time to obtain information adequately prior receiving the actual printed documents from the Company.

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- 1.5 The Minutes of Meeting shall be recorded completely, accurately, and all significant questions and comments for shareholder to verify. The Company shall provide video record of the Meeting for reference. Besides, the Company shall disclose the Minutes of the Meeting through the Company's website for shareholder to consider, including submitting such minutes of the meeting to the Stock Exchange of Thailand within 14 days from the date of Annual General Shareholders' Meeting.
 - 1.6 The dividend payment shall be paid by transferring to shareholders' bank account for their convenience to receive dividend on time (in case of having dividend payment) and prevent problems on check damages, loss, or delay.

2. Equitable Treatment of Shareholder

The Company has complied to shareholders equivalently; thus the policy is defined as following:

- 2.1 To facilitate minor shareholders to propose a nominee for selection to the Director or additional agenda prior the Meeting
- 2.2 To determine the criteria clearly in advance to consider whether the agenda proposed by minor shareholders shall be added or not, including defining the procedures for minor shareholders to propose a nominee to be the Director
- 2.3 On the Meeting, shareholders shall consider and exercise their vote on specified agenda without any changes on significant information or adding agenda without notification prior for shareholders' approval
- 2.4 To facilitate shareholder who be unable to attend the Meeting by appointing a person or the Independent Directors at least 1 person attending the Meeting be their proxy and exercise their vote. The details of the Independent Directors are identified on the invitation letter
- 2.5 To treat all shareholders equivalently, major or minor shareholders, Thai or foreign shareholders
- 2.6 To encourage the exercise of vote by using ballots on every agenda for transparency and accountability, in case of any disputes after the Meeting and on the agenda of election of Directors, shareholders have opportunity to exercise their right to appoint the Director individually.
- 2.7 To make shareholders ensure that the directors, executives, and employees including internal persons concerned shall not use or disclose the inside significant information that they know and non public for their own benefits, the Company has defined the guidelines for keep and prevention on using information in the written manual, and notified to all employees to comply with. Besides, the Company has strictly complied with the regulations of the Stock Exchange of Thailand by providing the directors and executives, after appointment, be responsible to report their securities holding and changing in compliance with the regulations and procedures set by the Securities Exchange Act of B.E. 2535.
- 2.8 In case of related transaction, the Company has regulated the terms and condition on related transaction in the power authority approval guidelines based on the rules of the Capital Market Supervisory Board, Notification No. TorChor 21/2551 Re: Rules on Connected Transaction. The Company shall consider the type and value of related transaction, and disclose to the Stock Exchange of Thailand, including rigorously proposing to the Board of Directors or shareholders depending on circumstances. The Company has disclosed the details of related transactions on the annual report, which such transactions were fairly done according to market price and normal business practices (fair and at arm's length), as well as reporting the necessity and reasons on such transaction.

3. Roles of Stakeholders

The Company has realized and be aware of the rights of all stakeholders not only the internal stakeholders such as shareholders, employees, and the external stakeholders such as customers, trade partners, competitors, public sectors, and other agencies, including nearby communities concerned. With the supports of stakeholders, the Company enables to compete and create profit which is the long-term value to the Company. Besides, the Company has complied with the human rights principles by which any actions shall be considered of human dignity, freedom, and equity of human. The Board of Directors has defined the policy as follows:

3.1 The Conduct and Responsibility to Shareholders

The Company has realized that shareholders are the ownership of the Company and the Company is responsible to create long-term value to shareholders by determining the guidelines for its employees to conduct as follows:

- 3.1.1 To perform duties with honest and integrity, as well as, carefully making decision fairly to all shareholders and for the benefits of whole shareholders
- 3.1.2 To conduct its business complied with the corporate governance to ensure that the Company has good financial status and operation. The business status, operation results, financial information, accounting and other reports are presented regularly, completely, and actually.
- 3.1.3 To report the Company's direction in the future to shareholder equally both positive and negative based on the possibility, adequate and reasonable information.
- 3.1.4 Not taking benefits for oneself and others by using the internal information of the Company which not been disclosed to the public, or taking any actions causing the conflicts of interest to the organization.
- 3.1.5 The Company has treated all shareholders in the Meeting equally.

3.2 The Conduct and Responsibility to the Public Sectors

The Company has operated its business with recognition of the importance on conducting to the law, regulations, and rules of the public sectors. In particular, the Company shall not predispose an officers to take any actions illegal and inappropriately on its transactions, but shall focus on creating good relationship on the extent appropriately and applicably such as meeting and discussion at the public places, congratulation on occasion, festival, or traditional events, etc. The guidelines are defined as below:


- 3.2.1 To perform properly when contacting with the officers or the public sectors
- 3.2.2 To be always aware that the laws, regulations, or rules of the public sectors, which properly having different conditions, procedures or practices, the Company has to acknowledge and strictly follow.

3.3 The Conduct and Responsibility to Employees

The Company has recognized that all employees are the most valuable resources and the key factors to achieve its goals. Therefore, the Company has determined the policy fairly in terms of opportunity, compensation, appointment, as well as potentiality development by complying with the following:

- 3.3.1 To perform to the employees with respect of their prestige, dignity, and individual rights
- 3.3.2 To maintain the working environment be safety and healthy workplace to the life and property of employees regularly in order that employees enable to work effectively and safety. In 2014-2015, the Company has no record of employees who died or were injured from working in any way.
- 3.3.3 The appointment and transfer, as well as rewards and punishment, shall be conducted impartially and based on the knowledge, competence, and suitability of employees.
- 3.3.4 To pay more importance on development of knowledge and competence of employees frequently such as organizing training, seminar, and giving opportunity to all employees thoroughly; therefore, the Company recorded the statistics of employees' training, seminar as following:

The average number of hour of training per person	The cost of training	Examples of training courses
60 hours	388,729	The operation system of Real Estate Management, the construction management (horizontal,vertical, Professional Sales Techniques, Finance for real estate business, Efficient planning and control, Leadership Development Program, Consumers' Behavior, Real estate professional sales, Strategy on land purchase for real estate development, etc.

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- 3.3.5 To determine the remunerations to employees fairly, according to the market rate, business competition, work characteristic, operation performance, and employees' competence, including welfares provided more than required by law such as setting provident fund, annual health check-up, annual trip activity, 5S activity, other promoting activities to employees, encouraging employees to participating mini-marathon running to make employees relax and spend time for mutually attending activities.
- 3.3.6 Avoiding any actions inequitably violating the human rights of employees which might impact to the stability of employees' career.
- 3.3.7 Avoiding on infringing intellectual property rights, the Company has policy to carry on regarding on not violating any copyright or intellectual property. The Company has directions to conduct on such matters; for example, all employees are required to sign a memorandum of legal computer practices and intellectual property. The Company has set up the policy on using information technology policy and monitoring the use of software programs of employees to prevent any pirated use of software or not related to work.
- 3.3.8 Providing employees an opportunity to suggest or complain on working and determining the solutions for contribution of benefits to all parties and creating good relationship on working together.

3.4 The Conduct and Responsibility to Customers

The Company has engaged in the real estate development by motivating to have creative presentation, and product and services management to customers as standard and having ethical principles as follows:

- 3.4.1 To commit on supply, develop products and services to meet the customers' need
- 3.4.2 To deliver quality products and services under fairly conditions.
- 3.4.3 To provide customer accurate and sufficient information on the products and services to customers for their decision making; either advertisement or other media to promote the Company's products and services shall be reasonable and reality, not make them misunderstanding on the quality, quantity or the conditions of products and services.
- 3.4.4 To provide procedure or channels that customers being able to inform the Company on the problems or giving services inappropriately. As a result, the Company is able to prevent and promptly solve a problem to customers and take such information for further product and services improvement or development.
- 3.4.5 To keep the information and confidentiality of customers without disclosure or take benefits from such information incorrectly.

3.5 The Conduct and Responsibility to Trade Partners and Parties

The Company has treated its trade partners and parties, which are partnership and factors to business success, with equality and mutually benefits. The guidelines on this conduct are as follows:

- 3.5.1 The Company has provided to procure products and services efficiently under the following principles:
- Competition on impartial information
 - Having criteria on evaluating and selecting trade partners and parties
 - Preparing the contract as appropriate and fair to both parties
 - Providing the management system and monitoring to ensure that the conditions on the contract are executed and prevent fraud in all procedures of the procurement.
 - Paying to supplies and trade parties on time under the payment terms agreed.
- 3.5.2 The Company has focused to develop and retain sustainably relationship with trade partners and parties with objectively, clear supplying the good quality products and services valuable to the payment and being reliable mutually.
- 3.5.3 To prohibit the Management and all employees to receive, both directly and indirectly, any benefits individually from the trade partner and parties.
- 3.5.4 Not using the information receiving from the procurement for his/her own benefit or others.

3.6 The Conduct and Responsibility to Creditor

The Company has committed to operate its business with principles and discipline to establish reliability to the creditors. The Company has conducted with the terms of the contracts or conditions agreed as strictly. For repayment of loan, interest and guarantees, in case of non-compliance with the conditions as agreed, the Company shall notify the creditors in advance in order to jointly solve the problems.

3.7 The Conduct and Responsibility Business Competitors

The Company has operated the business for its success sustainably and been the leader under the competition in the industry with integrity and ethics. The guidelines to conduct to the competitors are as follows:

- 3.7.1 To conduct under the rules of good competitions
- 3.7.2 Not taking confidential information of the business competitors with the methods dishonesty or improperly for the benefits of the Company
- 3.7.3 No accusation or discredit its competitors
- 3.7.4 No taking any action that violating the intellectual property rights of others or business competitors

3.8 The Conduct and Responsibility to Society

The Company has realized the importance of the communities and social surroundings, as be the part of society to jointly promote the social and environment development sustainably. The Company has carried out the activities for communities and social continually, together with business operation under the responsibility to communities and social as follows:

- 3.8.1 To operate business by consideration of the environment significantly under the laws and regulations enforced related to the environment strictly
- 3.8.2 To determine the policy of the corporate social responsibility (CSR) clearly and conduct within the organization
- 3.8.3 To encourage the Company's employees to be aware of and responsible on the environment and social
- 3.8.4 To be respect to the local traditions, and culture of each communities where the Company run its business
- 3.8.5 To promote activities, held by the Company and cooperated with the public or private sectors, and communities, contributing to social, communities, and environment regularly, to make communities, where the Company locates, have good quality of life.
- 3.8.6 To participate activities with communities surrounding the area where the Company run its business appropriately
- 3.8.7 To respond promptly and effectively to any circumstances affected to the environment, communities, life, and property caused by the Company's operations, the Company shall cooperate entirely with the government officers and other related agents.
- 3.8.8 Besides, stakeholders can inquire for information, complain or notify any illegal clues, the accuracy of financial statements, deficient internal control systems, or unethical business through the Independent Directors or the Audit Committee. The information of complaints and clues shall be protected and confidential kept; the Independent Directors or the Audit Committee organize to verify the information and solutions solving (if have) and will report to the Board of Directors.

The Board of Directors has provided the channels for all stakeholders to contact/complain/inform any problems regarding offending the law, ethics, incorrectly financial reports, or deficiency internal system through various channels as follows:

1. The Company's website: stakeholders enable to complain or inform any illegal matters found through www.rp.co.th, on the investor relations page on the topic of information inquiries>complaint channel, then such information shall be sent to the Chairman of the Audit Committee.
2. To contact the Chairman of Audit Committee via email: audit.committee.richy@rp.co.th
3. To contact the Chairman of Executives Board via email: richy.complain@rp.co.th
4. To contact the Company Secretary via email: saranthorn.s@rp.co.th

Or mailing a letter to Richy Place 2002 Public Company Limited at 667/15 Attaboon Building, 7th Floor, Charan-sanitwong Road, Arun-amarin Sub-district, Bangkok Noi District, Bangkok 10700, the Company Secretary shall collect problems and report to the Board of Directors to find out solutions for such complains.

Action on violations / complaints and protection of protecting person whistle blowing or complaining

- Complainer or person who cooperates in the investigation shall choose not to appear themselves if such disclosure causes insecurity or any damages. In case of appearance, the Company is able to report a progress, inform the facts, or mitigate any damages easily and rapidly.
- The Company shall not reveal name, surname, address or any information, which can be identified, of a complainer or person who cooperates in the investigation and proceed to investigate the fact.
- The recipient must keep related information confidentially and will disclose as necessary by considering on the safety and damages of the complainer or person who cooperates in the investigation, give sources of information, or persons involved.
- In case that a complainer or person who cooperates in the investigation feel unsafe or may suffer any damages, he/she is able to request the Company to determine the appropriate directions to protect him/her. Or the Company shall define the protection policy to a complainer or person who cooperates in the investigation if it is likely to cause any troubles, damages, or insecurity.
- Those who suffer from any damages will be solved such damages through the appropriate and fairly processes.

In the past year, the Company has not received any complaints of fraud, or ethical misconduct, or any circumstances of negative reputation of the Company due to the administration of the Board of Directors. Additionally, none of the directors resign because of conducting the corporate governance of the Company incorrectly.

4. Information Disclosure and Transparency

4.1 The Company has provided the report disclosing the securities holding, both directly and indirectly, of the directors and executives. Such details as of December 31, 2015 are as follows:

No.	Name	Position	Total shares holding as of March 5, 2015	Total shares holding as of December 31, 2015	Total shares increase/decrease	Ratio of share holding (%)
1.	Mr. Pranai Suwanrath	Chairman	-	-	-	-
	Spouse and minor children		-	-	-	-
2.	Dr. Apa Ataboonwongse	Vice President / Chairman of Executive Board	255,000,000	280,500,000	25,500,000	35.71
	Spouse and minor children		-	-	-	-
3.	Ms. Sunee Sathatinan	Vice President / Executive Director	45,160,600	49,676,660	4,516,060	6.33
	Spouse and minor children		-	-	-	-
4.	LT. Gen. Samang Thongpan	Chairman of Audit Committee	-	-	-	-
	Spouse and minor children		-	-	-	-
5.	ASSOC.Prof. Suthus Ratanakuakangwan	Audit Committee	-	-	-	-
	Spouse and minor children		40,000	44,000	4,000	0.01
6.	Mr. Somchai Pienstaporn	Audit Committee	-	-	-	-
	Spouse and minor children		-	-	-	-
7.	Dr. Karoon Chandrangsu	Director	10,300,800	11,250,880	950,000	1.43
	Spouse and minor children		-	-	-	-

No.	Name	Position	Total shares holding as of March 5, 2015	Total shares holding as of December 31, 2015	Total shares increase/decrease	ratio of share holding (%)
8.	Mr. Somsak Ataboonwongse	Director	22,245,000	24,469,500	2,224,500	3.12
	Spouse and minor children		-	-	-	-
9.	Mr. Suvit Tansode	Director	-	-	-	-
	Spouse and minor children		255,000,000	280,500,000	25,500,000	35.71
10.	Mr. Verapol Ataboonwongse	Director	461,500	421,850	-39,650	0.05
	Spouse and minor children		-	-	-	-
11.	Mrs. Nonglak Wanthammapong	Director	1,031,900	1,182,230	150,330	0.15
	Spouse and minor children		-	-	-	-
12.	Ms. Kantaluk Chanthipdissaya	Chief Financial Officer	6,000	6,600	600	0.00
	Spouse and minor children		-	-	-	-
13.	Mrs. Saranthorn Srisunthorn	Director of Administration Department	-	-	-	-
	Spouse and minor children		-	-	-	-
14.	Mr. Nimitr Intrhakul	Director of Project Department	-	-	-	-
	Spouse and minor children		-	-	-	-

- 4.2 The Board of Directors has policy to disclose the financial information and other information related to the business and operation results accuracy, complete, sufficient, regularly, and in time that demonstrate the financial status and the actual operation as well as the future business.
- 4.3 The Board of Directors is committed to comply with the laws, rules, and regulations related to the information disclosure and transparency as strictly. The information shall be provided and disclosed through the Company's website both in Thai and English, mass media releases, publication of the Stock Exchange of Thailand for shareholders and other related persons to receive the Company's information thoroughly and amend in compliance with the guidelines notified by the Stock Exchange of Thailand and the Securities and Exchange Commission.
- 4.4 On the Investor Relations function, the Company has not established specific section to handle but assigned Khun Saranthorn Srisunthorn, the Company Secretary, to be responsible on communicating significant information of the Company to investors, shareholders, including analysts and other interested persons, which can be contacted by phone no. 0-28861816-7.
- 4.5 The Company has organized the directors and high level executives to disclose the details of their conflict of interest and persons concerned which related to the conflict of interest of the Company's business management and operation, when one firstly appointed to be the director or high level executives and every time when changing the information of the conflict of interest, including the annual report at the year ended. The Company Secretary must sent such copy of report of the conflict of interest to the Chairman of Executive Board and Chairman of Audit Committee within 7 days from the date of receiving the report in compliance with the Securities Exchange Act, B.E. 2535, and to use such data for monitoring and preventing any conflicts of interest.
- 4.6 The Company has realized on the importance of the financial reports to present its financial status and real operation results on the fundamental accounting information of accuracy, completely and sufficient according to the accounting standard acceptable in general.
- 4.7 The Company shall disclose the details of each directors, the roles, and the responsibility of the Board of Directors and its sub-committee on the annual report (form 56-2) and the annual information form (form 56-1), the number of Meeting and the number of times each director attending the Meeting. In addition, the directors' and the top management's remunerations shall be disclosed on the annual report (form 56-2) and the annual information form (form 56-1).



5. Responsibility of the Board of Directors

The Board of Directors has responded to shareholders on the business operation, and conducted complied with the corporate governance according to the laws, objectives, the Company's regulations, and the resolution of the Meeting.

5.1 The Structure of the Board of Directors

5.1.1 The Board of Directors

1) Elements of the Board of Directors

The Board of Directors consists of the directors who have knowledge, competence, and experiences on business operation. They are responsible on determining the policies, vision, strategies, goal, objectives, business plans and budgets of the Company. Additionally, the Board of Directors has monitored and supervised the Executive to manage according to the specified policies as effectively and efficiently under the laws, objectives, regulations, resolutions of the Board of Directors' Meeting and shareholders' Meeting. With the responsibilities, integrity, concentration under the code of conducts, it can increase the economic value to its business and stability to shareholders. In 2015, The Board of Directors considered, reviewed, and approved the Company's vision, mission, and business strategies in order that the executives and employees have the same directions. Moreover, the Board of Directors is responsible to monitor the operation of the executives by requiring the progress report and operation results of the Company on every the meeting of the Board of Directors.

The Board of Directors consisted of at least 9 directors and being the Independent Directors not less than one of the three of the total directors. The Independent Directors are persons having qualification under the notices of the Capital Market Commission and the related notices of the Stock Exchange of Thailand. The directors, not less than one-half of the total directors, must be Thai residents.

Each director can take actions and independently use its discretion to considerably make a decision on matters which are questioned, give comments or dispute in case of disagreement on any impacts to the benefits of shareholders or stakeholders without being under the influence of others.

2) The Terms of the Board of Directors

On every the Annual General Shareholders' Meeting, the Director shall be retired by rotation at one third. In case that the number of the directors cannot be divided into three parts, then the number of the directors retired should be closely to one third. The directors, who retire on the first year and the second year after the conversion, shall ballot to be the director. For the subsequent years, the directors, who serve as the director longest, shall be retired. The retired direction shall be re-elected by voting at the Annual General Shareholders' Meeting.

Except resigning by their term, the Director shall retire by

1. Death
2. Resign
3. Lack of Qualification
4. To be retired by the resolutions of the shareholders' Meeting with the votes not less than three fourth of the total shareholders attending the Meeting and having voting rights, and shares amounting not less than one-half of the number of shares held by shareholders attending the Meeting and having voting rights.
5. The court ordered resignation

3) The Qualification of the Independent Director

1. Holding shares not exceeding one percent of the total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company, including shares held by related parties of an independent director
2. Being or has never been an executive director, employee, staff, advisor receives salary, nor controlling party of the Company, its parent company, subsidiaries, associates, same-level

subsidiaries, major shareholder, or controlling parties of the Company, except retiring from such manner for at least two years prior the appointment.

3. Not being the person who has relationship by descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of the management, major shareholders, controlling party or the person who is in the process of nomination as the management or controlling party of the Company or its subsidiaries.
 4. Has no or never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company which may harm an independent decision-making, including not being or never been a significant shareholder, or controlling party of any persons having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company, except disbanding from such manner for at least two years prior the appointment. Such business relationship is included the items notified by the Capital Market Supervisory Board, the notification no. TorJor 28/2551 on the topic of the Application and Approval on Offering New Issued Securities.
 5. Being not or has never been an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of Company, and is not a significant shareholder, controlling party, or partner of the auditing firm which employs an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company, except disbanding from such manner for at least two years prior the appointment.
 6. Being not or has never been the professional service provider, including but not limited to legal consultant or financial advisor who received the service fee more than two million baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not a significant shareholder, controlling party, or partner of the aforementioned service firms, except disbanding from such manner for at least two years prior the appointment.
 7. Being not a director who is nominated as the representative of directors of the Company, major shareholders, or any other shareholders related to major shareholders.
 8. Do not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares exceeding one percent of total voting shares of any other companies which operate the same and competitive business with the business of the Company, or its subsidiaries.
 9. Being not any otherwise which unable to have an independent opinion regarding the business operation of the Company.
 10. Being not the director assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of Company.
 11. Being not the directors of its parent company, subsidiaries, or same-level subsidiaries, especially being the listed companies.
- 4) Chairman of the Board

Chairman of the Board must be knowledge, competence, experience and appropriate qualifications. Chairman of the Board shall be responsible as the leader of the Board of Directors and serve as the Chairman of the Meeting of the Board of Directors and Annual General Shareholders' Meeting. Chairman of the Board is accountable to the Board of Directors on the management in accordance with the guidelines and policies of the Board of Directors.

5) Nomination

The Company places importance on nominee who have knowledge, competence, experiences, good working records, and leadership, wide vision, including ethics, as well as positive attitude towards the organization, enabling to dedicate his time to execute the benefits to the Company's operation sufficiently. Besides, the Board of Directors considers on the adequate qualifications and in compliance with the elements and the structure of the directors to the Company's strategy. The nomination is organized transparently and reliable to shareholders.

6) The Company Secretary

The Company Secretary is appointed by the Board of Directors and responds as described in the topic of scopes, authority, duties, and responsibilities of the Company Secretary.

5.1.2 Sub-Committee

The Board of Directors has appointed some members from the Board of Directors to be the Directors of the sub-committee to respond on assigned duties particularly. Each director of sub-committee shall have its term as same as the terms of the Board of Directors and respond on duties assigned by the Board of Directors.

The Board of Directors has policies to appoint 4 sub-committees namely the Audit Committee, the Executives Committee, the Nomination and Remuneration Committee, and the Risk Management Committee.

5.2 Roles, Authorities, and Responsibilities

Reference to the corporate governance, beyond to operating its business in accordance with the laws, objectives, and the regulation of the Company including the resolutions of the shareholders' meetings, the Board of Directors has determined the roles, duties, and responsibilities of the Board of Directors. The details are described on the topic of terms, authority, duties, and responsibilities of the Board of Directors.

5.3 The Meeting of the Board of Directors

The Company has defined the Board of Directors' Meeting at least 4 times a year by arranging the date of the meeting throughout the year in advance and notified each member of the Board of Directors. In 2015, the Company held total 6 meetings of the Board of Directors. The Company has set the guidelines of the Board of Directors' meeting as follows:

- 1) The Board of Directors has determined in advance the normal frequency of meetings on quarterly basis. Other special additional meetings may be held as necessary and appropriate by notifying 7 days in advance prior the meeting. In addition, the number of the directors attending the meeting must be not less than one-half of the total directors on voting on the meeting, which shall be a quorum.
- 2) The meeting agenda is clearly determined in advance. Chairman of the Board of Directors and Chairman of the Executives Committee shall jointly consider the agenda of the Board of Directors' Meeting and define clearly agenda. The Company Secretary is responsible to send the invitation letter to the directors and ensures that the directors receive documents in advance and have sufficient time to study all pertinent information prior to attending the meeting and consider the agenda to give comments and voting.
- 3) The Board of Directors obtains sufficient, complete, continual, timely information prior every meeting. The Board of Directors is able to contact the Company Secretary directly and independently and the Company Secretary is responsible to advising the Board of Directors on the matters related to compliance with the laws and regulations.
- 4) The Chairman of the Board of Directors has allocated sufficient time for proposal of documents and information, and significant issues for discussion. The Chairman encourages and promotes each director to thoroughly give an opinion before summarizing comments from the meeting.
- 5) The Board of Directors has policies that the directors, who are non-executives, enable to hold a meeting mutually as necessary to discussion on the issues related to the management as attentively without attendance of the Executives and notify the resolution of such meeting to the Chairman of the Board of Directors.

- 6) The Board of Directors promotes the Chairman of the Board of Directors to invite the senior executive to attend the meeting of the Board of Directors to provide additional information as the direct operator and has a chance to know the senior executive for its consideration on succession plans.
- 7) On consideration of agenda, the directors who have conflicts of interest on such agenda are prohibited to exercise their votes and not attend the meeting on that period.
- 8) On every meeting, the minutes of meetings are written recorded and kept the minutes of the meeting approved by the Board of Directors ready for examination by the directors and other related parties.

5.4 Merger or Segregation

The Company has policy on merger or segregation of the directors in other companies in compliance with the best practices prescribed, or any recommendations by the regulatory agents. To provide each director to completely execute, the Company has considered on the number of companies the director being appointed. The directors who be the executives shall not be the director in the listed companies not exceed 3 companies and the director who be non-executive shall be the director in the listed companies not exceed 5 companies.

5.5 Self-Evaluation of the Directors

The Board of Directors has provided the self-evaluation every year for one time. Such evaluation form is complied with the corporate good governance of the Company and scopes of duties and responsibilities of the Board of Directors in order to assess the performance, problems issues, or other obstacles on the previous year, including improving the performance of the Board of Directors to be efficiently. In 2015, the Company has provided 2 categories of evaluations as follows:

Type 1: Self-evaluation of the Board of Directors

Type 2: Self-evaluation of each director

Evaluation Process

The Company Secretary will send both type of evaluation form to the Board of Directors to assess their annual performance. After the evaluation is complete, it will be send back to the Company Secretary to collect the evaluation results of each director and summarize such assessment of the Board of Directors, then report to the Board of Directors accordingly.

Evaluation Criteria of the Board of Directors

- The percentage of scores results of 90 – 100, meant “the excellent”
- The percentage of scores results of 70 – 89, meant “good”
- The percentage of scores results of 50 – 69, meant “moderate”
- The percentage of scores results of 0 – 49, meant “should be improved”

The evaluation results of the Board of Directors

No.	Evaluation Topic	Evaluation Result (%)	Level
1	Structure and qualification of the Board of Directors	99.77	Excellent
2	Roles, Duties, and Responsibilities of the Board of Directors	99.49	Excellent
3	The Meetings of the Board of Directors	97.44	Excellent
4	Performance of the Director	99.35	Excellent
5	Relationship with the Management	99.09	Excellent
6	Self-development of the directors and development of the executives	98.48	Excellent
Overall Average		98.94	Excellent

The evaluation results of each director

No.	Evaluation Topic	Evaluation Result (%)	Level
1	Structure and qualification of the Board of Directors	100.00	Excellent
2	The Meetings of the Board of Directors	99.43	Excellent
3	Roles, Duties, and Responsibilities of the Board of Directors	100.00	Excellent
Overall Average		99.81	Excellent

Besides, the Board of Directors has evaluated Chief Executive Officer (CEO) by assessing various aspects such as the leadership on strategic setting, the implementation on strategic planning and financial operating results, relationship with the Board of Directors and external, management and relationship with employees, successor, product and services knowledge, and personal characteristic. Such evaluation form is adjusted from the sample of CEO evaluation pattern of the Stock Exchange of Thailand.

CEO Evaluation Result

No.	Evaluation Topic	Evaluation Result (%)	Level
1	Leadership	99.24	Excellent
2	Strategic formulation	99.62	Excellent
3	Implementation on strategy	100.00	Excellent
4	Strategic planning and financial operating results	99.62	Excellent
5	Relationship with the Board of Directors	99.62	Excellent
6	Relationship with external	99.55	Excellent
7	Management and relationship with employees	99.62	Excellent
8	Successor	95.45	Excellent
9	Product and Services knowledge	100.00	Excellent
10	Personal Characteristic	99.24	Excellent
Overall Average		99.20	Excellent

5.6 Remuneration of the Directors

The Company's policy on remuneration of directors is appropriate depending on the Company's operation results and in compliance with the similar business/industries, including the suitability of the duties and responsibilities of each director and executive. The Company considers carefully on the remuneration payment to the executives at the appropriate level and comparably with the same business to attract and retain the qualified executives. The executives get additional remunerations appropriately to the increasing assigned duties and responsibilities. The Company has provided the remuneration as clearly and transparently and been approved by the shareholders' meeting. The remuneration paid to the directors and the executives shall be disclosed accordance with the formats defined by the Office of the Securities and Exchange Commission.

5.7 Successor Plan

The Board of Directors realizes the importance on successor, especially in senior executive position which is Chief Executive Officer (CEO), for the purposed of maintaining the confidence of investors as well as employees in order to ensure that the Company's operation has been executed in time. Therefore, the Executives Board is assigned to consider the criteria and plan of successor.

5.8 Development of Directors

The Board of Directors has policies on promoting and facilitating to organize the training and develop related directors to be knowledgeable according to the corporate governance such as the directors, the Audit Committee, the executives, etc. in order to improve the performance continually. In case of changing or appointing new directors, the Management shall provide documents and information beneficially to the performance of new directors as well as introducing its nature of business and guidelines on business operation to new directors.

The Directors of the Company, almost everyone, attended the training courses of directors held by the Thai Institutes of Directors. Some directors attended the course of Director Accreditation Program (DAP), and some took the course of Director Certification Program (DCP), from the same institute including the training/seminar from other institutes. In 2015, the Company promoted the directors to attend the following training/seminar:

No.	Name	Position	Training Courses/Seminar in 2015
1	Dr. Apa Ataboonwongse	Vice Chairman and Chief Executive Officer	- Strategic Thinking for Total Business Growth - The Road towards Corporate Sustainability
2	LT. Gen. Samang Thongpan	Independent Director / Chairman of the Audit Committee	- Responsibility of the Board of Director and the management on the internal control
3	Mr. Somsak Ataboonwongse	Director	The Road towards Corporate Sustainability

5.9 The Internal Control

The Board of Directors has provided the internal control system covering all functions both finance and operations according with the laws, regulations and related rules. In addition, the Company has provides the system examination and balancing the power effectively and sufficiently to protect its assets continuously. The hierarchy of authorities and responsibilities of the executives and employees who are audited and balancing the power are determined, as well as the written guidelines on operations, having independent internal control section to audit the performance of overall functions to comply with the rules defined, including evaluating the effectiveness and sufficiency of the internal control on other functions of the Company. Therefore, the Company has employed ACC Consult Services Co., Ltd. to be the internal auditor who directly reports to the Audit Committee.

5.10 Conflict of Interest

The Board of Directors has defined the policy regarding to the conflict of interest to be the guideline for conducting as following:

- 1) Not using its authority to seek personal or closely person's benefits by either directly or indirectly actions
- 2) Immediately inform the Company if the following circumstances occurred:
 - Acceptance of being the director or advisor of other companies
 - The director and his/her family members involving or holding shares in any companies which may be beneficial effect or conflict of interest with the Company
 - Being a stakeholder either directly or indirectly on the contract signed with the Company which identifying the nature, name of the parties, and equity in the contract.
- 3) Avoiding a conflict of interest which may be incurred. If there is a conflict of interest, the director shall consider whether not to participating, giving an opinion, or abstain from voting on such agenda, or not receiving any documents on such related agenda, or resign from the director in case that such conflict is essential.
- 4) The director, who is the executives must take great care to the conflict of interest that may incurred during working while acting the management and the director whom shareholders are trustful.

5.11 Supervising the Use of Internal Information

The Board of Directors places great importance on the corporate governance and transparency, including the prevention on using internal information of the Company not disclosed to the public for individual benefits. The Company has defined the guidelines on using the internal information as described on the policy of supervising the use of internal information.

5.12 Annual Report

The Board of Directors is responsible to prepare the financial report and information shown on the annual report. The financial reports are prepared in accordance with the general accepted accounting principles by selecting the appropriate policies and constantly conducting, including prudent in preparation. Besides, the Company has determined to disclose sufficient information on the notes of the financial statements. The Board of Directors has assigned the Audit Committee to respond on the quality of the financial reports and give an advice to the Board of Directors.

Sub-Committee

The Audit Committee

All members of the Audit Committee are knowledge and competence on accounting and finance, which are consisted of 3 members as follows:

Name	Position	Number of attending the Meeting
1. Lt. Gen. Samang Thongpan ^{/1}	Chairman of the Audit Committee / Independent Director	4/4
2. Mr. Somchai Pienstaporn	Audit Committee / Independent Director	3/4
3. Assoc.Prof. Suthus Ratanakuakangwan ^{/1}	Audit Committee / Independent Director	4/4

Remark: ^{/1} Being the Audit Committee who has knowledge and competence on accounting and finance

1. Lt. Gen. Samang Thongpan, graduated of Bachelor Degree of Accounting, Chulalongkorn University / Master Degree of Business Administration, National Institute of Development Administration / Financial Management (Finance Academy Ft. Benjamin Harrison, US. Army) / Resources Management (International Defense Resources Management Institute US. Navy) / National Defence College of Thailand Class 44 / Director Accreditation Program Class 20 of 2004 from Thai Institute of Directors
2. Assoc.Prof. Suthus Ratanakuakangwan, graduated of Maitrise es Sciences Economiques (Gestion Industrielle)Universite' de Toulouse I, France / Master Degree of Economics (Industrial Management) / Director Accreditation Program Class 94 of 2012 from Thai Institute of Directors

Role, Duty, Authority and Responsibilities of the Audit Committee

Reference to the Extraordinary Shareholders' Meeting No. 2/2013 held on September 6, 2013, the roles, authority, and responsibilities of the Audit Committee was determined as follows:

- 1) To review the Company's financial reporting to ensure that it is accurate and adequate disclosed by cooperation with the auditor and the Management responsible on preparing the financial reports both quarterly and annual. The Audit Committee may suggest the auditor to review or monitor issues necessary and significantly during auditing the Company's account.
- 2) To review the Company's internal control system and internal audit system as appropriate and efficiently by participating the review with the auditor and the internal control persons
- 3) To consider the independence of the internal audit units as well as approval on appointment, transfer, termination of the chief of an internal audit unit or other units related to the functions of internal audit.

- 4) To review the Company's compliance with the law on securities and exchange, the regulations of The Stock Exchange of Thailand, and the laws relating to the Company's business
- 5) To consider, select and propose to appoint a nominee to be the Company's auditor and the audit fee by consideration of the independence, accountability, adequacy of resources on auditing of the auditor, and experience of a person assigned to audit the Company's account, as well as to attend a meeting with an auditor at least once a year, with no involvement of the management.
- 6) To consider on the disclosure of the Company's information, in particular, the connected Transactions, or transactions that may lead to conflicts of interest, accurately, completely and in compliance with the laws and regulations of The Stock Exchange of Thailand, including the necessity and reasonability of those transactions for the highest benefit of the Company.
- 7) To perform any other acts as assigned by the Board of Directors, with an approval of the Audit Committee
- 8) To prepare the report of activities of the Audit Committee by disclosure in the Company's annual report, which signed by the Chairman of the Audit Committee
- 9) To report the performance of the Audit Committee to the Board of Directors at least once a year
- 10) To have authority to review and investigate matters as necessarily, as well as opinion independently from other professional advisors when deemed necessary by the Company's cost in order to perform the duties under its responsibility accomplished.

The Executive Committee

The Executive Committee is consisted of 3 members as follows:

	Name	Position	Number of attending the Meeting
1.	Dr. Apa Ataboonwongse	Chief Executive Officer	6/6
2.	Miss Sunee Sathatinan	Executive Vice President	5/6
3.	Mr. Somsak Ataboonwongse	The Executive Director	6/6

Role, Duty, Authority and Responsibilities of the Executives Committee

Reference to the Extraordinary Shareholders' Meeting No. 2/2013 held on September 6, 2013, the roles, authority, and responsibilities of the Executives Committee was determined as follows:

- 1) To prepare and propose the business policies, goals, business plans, business strategies and annual budget of the Company for the Board of Directors' approval
- 2) To supervise and control the Company's operation to conform according to the business policies, goals, business plans, business strategies and budget that approved by the Board of Directors
- 3) To determine the organization structure and authorities on management with covering the details of screening, employment, compensation, transfer, training, and termination of employees of the Company
- 4) May delegate or assign either a person or many persons to take action on behalf of the Executives Committee as it deems appropriate and the Executive Committee can dismiss, change, or amend such authority
- 5) To approve expenditures on the normal operations such as the procurement of assets, the investment expenditures for the Company's benefits, for example, an authority to approve the investment of fixed assets, lending or other investments such as equities, bonds, etc., in the amount of not exceeding Baht 500 million / an authority to approve on borrowing from the financial institutes, in the amount of not exceeding Baht 500 million / an authority to approve the expenses on operations and disposal of fixed assets (per item) in the amount of Baht 10 million / an authority to approve the obligations, aval, guarantee, in the amount of not exceeding Baht 500 million, etc.
- 6) To perform any other acts as assigned by the Board of Directors

Nonetheless, the authorization on approval of the Executives Committee shall not include any transactions that the Executive Committee, or person involved conflicts of interest, have conflicts of interest or other benefits on any matters to the Company, or assign any proxy to take action on the behalf of the Executive Committee on such transaction. In addition, transactions which must be approved by shareholders are the connected transactions, and the acquisition and disposal of significant assets of the Company to be in compliance with the regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission, or laws related to the Company's business.

The Nomination and Remuneration Committee

As of September 6, 2013, the Nomination and Remuneration Committee is consisted of 3 members as follows:

Name	Position	Number of attending the Meeting
1. Lt. Gen. Samang Thongpan	Chairman of the Nomination and Remuneration Committee	1/1
2. Assoc.Prof. Suthus Ratanakuakangwan	the Nomination and Remuneration Committee	1/1
3. Mr. Somsak Ataboonwongse	the Nomination and Remuneration Committee	1/1

Role, Duty, Authority and Responsibilities of the Nomination and Remuneration Committee

Reference to the Board of Directors' Meeting No. 4/2013 held on August 14, 2013, the roles, authority, and responsibilities of the Nomination and Remuneration Committee was determined as follows:

- 1) To consider the qualifications of the Company's Director
- 2) To screen and nominate a nominee who has knowledge, competence appropriate to the Company's business and propose nominee to be the director in case of vacancy to the Board of Directors or the shareholders' meeting for approval on appointment
- 3) To consider the structure of remuneration of the directors such as compensation, bonus, meeting allowances and other benefits both in cash and others as agreed
- 4) To perform any other acts as assigned by the Board of Directors, in particular the nomination and remuneration

The Risk Management Committee

The Risk Management Committee is consisted of 3 members as follows:

Name	Position	Number of attending the Meeting
1. Mr. Karoon Chandrangsui	Chairman of the Audit Committee	1/1
2. Assoc.Prof. Suthus Ratanakuakangwan	The Audit Committee	1/1
3. Mrs. Kanthalak Chanthipdisaya	The Audit Committee	1/1

Role, Duty, Authority and Responsibilities of the Risk Management Committee

Reference to the Board of Directors' Meeting No. 4/2013 held on August 14, 2013, the roles, authority, and responsibilities of the Risk Management Committee was determined as follows:

- 1) To review and present the risk management policy and the acceptable risks to the Board of Directors for approval
- 2) To supervise on the development and the conduct under the guidelines of the risk management thoroughly organization
- 3) To review the report of the risk management to monitor the significant risks and provide the organization to manage risks adequately and appropriately
- 4) To present overall risks of the Company as well as the adequacy of the internal control system to manage important risks to the Board of Directors

- 5) To advise the Company on the risk management and consider on information amendment related to the development of the risk management
- 6) To have an authority to appoint the working group to evaluate and follow up the Company's risks
- 7) To perform any other acts as assigned by the Board of Directors concerned to the risk management

The Nomination and Appointment of the Directors and Senior Executives

The Company has determined the policy on the Board Diversity by defining the qualifications of the nomination committee, which should be diversity. A person who will be the director will be considered the skills necessary and the present directors don't have, as well as being professional, specialist, gender, etc.

The Nomination of the Directors

Reference to the Board of Directors' Meeting No. 4/2013 held on August 14, 2013, the resolution was to appointing the Nomination and Remuneration Committee to nominate and consider the structure of remuneration for the Company's directors, in particularly, by consideration of basic qualifications of the directors under the criteria defined by the related laws, as well as, other factors composed such as knowledge, competence, experiences related to the business, and others beneficial to the Company's operation, etc. to present to the Board of Directors or shareholders' meeting for approval on appointment (as the case maybe). The nomination of the directors has guidelines and procedures as follows:

1. The Company's directors must perform in compliance with the laws, objectives, and regulations of the Company as well as the resolution of the shareholders' meeting.
2. The Board of Directors is comprised of at least 5 directors, and not less than one-half of the directors must be resident in the Kingdom of Thailand. In addition, the directors must have qualifications according to the related laws defined.
3. On every the Annual General Shareholders' Meeting, the Director shall be retired by rotation at one third. In case that the number of the directors cannot be divided into three parts, then the number of the directors retired should be closely to one third. The directors, who retire on the first year and the second year after the conversion, shall ballot to be the director. For the subsequent years, the directors, who serve as the director longest, shall be retired. The retired direction shall be re-elected by voting at the Annual General Shareholders' Meeting.
4. The Nomination and Remuneration Committee shall screen and nominate a nominee who has knowledge, competence appropriate to the Company's business and consider the structure of remuneration for the Company's directors to propose to shareholders' meeting for approval.
5. The shareholders' meeting shall resolve to appoint the directors by decided by a majority of votes according to the guidelines and methods as following:
 - 5.1. A shareholder has one share equal to one vote
 - 5.2. Each shareholder carries votes as described on the item 5.1 to elect one or more to be the Director.
 - 5.3. Director election was executed through cumulating voting from highest votes respectively till the total number of directors is completely elected on such election. In case the cumulating votes is equal and the remaining number of directors is limited, the Chairman of the Meeting has the casting vote.
6. In case that the position of director is vacant with other reasons other than the retire by rotation, the Nomination and Remuneration Committee shall screen and propose nominee having qualifications and not prohibited by the Public Law to be the director instead of the vacancy on the next meeting of the Board of Directors. If the term of directors is less than 2 months, such nominee elected be the director shall take action as the director only on the remaining term of the director he replace. Such resolution is consisted of the voting not less than three forth of the total number of remaining directors.
7. The shareholders' meeting may resolve to have either director retired before the expiration of his term with the votes of not less than three fourth of the number of shareholders attending the meeting and the number of shares not less than one-half of shares held by shareholders attending the meeting and have voting right.



The Nomination of the Audit Committee

The Audit Committee is consisted of 3 independent directors, and the term is according to the term of the director. The Company has policy on nomination of the Audit Committee/Independent Director, which have qualifications as follows:

1. Holds shares not exceeding one percent of the total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the Company, provided that shares held by related parties of an independent director shall be included.
2. Being or has never been an executive director, employee, staff, advisor receives salary, nor controlling party of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholder, or controlling parties of the Company, except retiring from such manner for at least two years prior the appointment.
3. Not being the person who has relationship by descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of the management, major shareholders, controlling party or the person who is in the process of nomination as the management or controlling party of the Company or its subsidiaries.
4. Has no or never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company which may harm an independent decision-making, including not being or never been a significant shareholder, or controlling party of any persons having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company, except disbanding from such manner for at least two years prior the appointment. Such business relationship is included the items notified by the Capital Market Supervisory Board, the notification no. TorJor 28/2551 on the topic of the Application and Approval on Offering New Issued Securities.
5. Being not or has never been an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of Company, and is not a significant shareholder, controlling party, or partner of the auditing firm which employs an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company, except disbanding from such manner for at least two years prior the appointment.
6. Being not or has never been the professional service provider, including but not limited to legal consultant or financial advisor who received the service fee more than two million baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not a significant shareholder, controlling party, or partner of the aforementioned service firms, except disbanding from such manner for at least two years prior the appointment.
7. Being not a director who is nominated as the representative of directors of the Company, major shareholders, or any other shareholders related to major shareholders.
8. Do not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares exceeding one percent of total voting shares of any other companies which operate the same and competitive business with the business of the Company, or its subsidiaries.
9. Being not any otherwise which is unable to have an independent opinion regarding the business operation of the Company
10. Being not the director assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of Company.
11. Being not the directors of its parent company, subsidiaries, or same-level subsidiaries, especially being the listed companies
12. Not being the independent director for 9 consecutive years.

Moreover, the Independent Director appointed to be the member of the Audit Committee, at least one person, must be knowledgeable and experiences on the account or finance adequately to review the reliability of the financial statements. Additionally, the Company shall consider qualification on other fields such as business experiences, specialization associated with the business, ethics, etc.

The guidelines and procedures on appointment of the Audit Committee are in accordance with the guidelines and procedures of appointing the Company's director. The member of the Audit Committee retired by rotation shall be re-elected. In case that the position of the Audit Committee is vacant with other reasons other than the retire by rotation, the Board of Directors shall appoint nominee having fully qualifications to be the Audit Committee to make the number of members of the Audit Committee completely as specified by the Board of Directors. Such nominee elected to be the Audit Committee shall take actions for the remaining term of the member of the Audit Committee replaced and the Company has to notify such matter to the Stock Exchange of Thailand immediately when the Audit Committee retires or be retired before his term.

The Nomination of the Executives Committee

The Board of Directors shall appoint the Executive Committee by selecting the directors or the senior managements who enable to conduct on the matters related to normal business operations and the management, and determine the policies, business plans, budget, the management structure, including reviewing and monitoring the operating results of the Company according to the policies defined by the Board of Directors.

The Nomination of the Risk Management Committee

The Board of Directors shall appoint the Risk Management Committee which is consisted of not less than 3 persons by electing the directors or the senior managements from various functions. The term of the Risk Management Committee is according to the term of the director and the Risk Management Committee must hold the meeting at least once a year. The quorum of the Risk Management Committee shall consist of not less than one-half of the members of the Audit Committee.

The Nomination of the Nomination and Remuneration Committee

The Board of Directors shall appoint the Nomination and Remuneration Committee which is consisted of not less than 3 persons. The term of the Nomination and Remuneration Committee is according to the term of the director and the Nomination and Remuneration must hold the meeting at least once a year. The quorum of the Nomination and Remuneration Committee shall consist of not less than one-half of the members of the Audit Committee.

The Nomination of the Management

The Board of Directors and/or persons assigned by the Board of Directors shall consider and appoint the management from the employees having experience and competence on management in the related field.

The Corporate Governance of its Subsidiaries and Associates

As of December 31, 2015, the Company did not establish its subsidiaries and associates; therefore, there was no supervision on such sections.



The Supervising the Use of Internal Information

The Company has policies and guidelines for the directors and the executives to use internal information of the Company not disclosed to the public for individual benefits, including selling and buying the securities as following:

- To educate the directors, as well as the managements on the responsibilities to report on the securities holdings of the directors, his/her spouse, and any minor child to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand by virtue of Section 59 and the punishment by the virtue of Section 275 of the Securities and Exchange Act B.E. 2535 (A.D. 1992)
- The Company had defined the directors and the managements to report on the changes of the securities holdings to the Office of the Securities and Exchange Commission by virtue of Section 59 of the Securities and Exchange Act B.E. 2535 (A.D. 1992) within 3 day of the date of such transaction and send the copy of this report to the Company at the same day delivery to the Office of the Securities and Exchange Commission.
- The Company has policy for the directors and senior executives to notify the Company Secretary regarding on trading the Company's shares at least one day prior the trading. Then, the Company secretary will report such changing on securities holding of the directors and senior executives to the Board of Directors' meeting quarterly.
- The Company had defined that the directors, the managements, and related employees who can access the internal information which is significant and affected to the changes of the stock price must suspend the trading the Company's securities prior the disclosure of the financial statements or such internal information to the public for a period of one month and should wait at least 24 hours after disclosing to the public, including not revealing the significant information to other persons.

The Audit Fee

The Company paid a total audit fee for 2015 of Baht 720,000 to Karin Audit Co., Ltd., the auditor of the Company, including person or related parties with the auditors and audit firm at which the auditors working for the previous year.

Additionally, the other compensation such as transportation, administration expenses was charged totally Baht 24,812.

The audit firm and auditor have no relationship or conflicts of interest with the Company/the Executives/major shareholders or persons related to such auditor. Besides, the auditor has independent and qualifications accepted to be the auditor of the Company and certified by the Securities and Exchange Commission.

CORPORATE SOCIAL RESPONSIBILITY

The Company has carried out its business not for profit only but to be part of society to promote and support morality, transparency, and ethics as a whole. The Company fosters the principles of Corporate Social Responsibility or CSR as follows:

1. Business Operation with Integrity and Responsibility to Social and Stakeholders

The Company aims to develop business growth along with promote social responsibilities. The Company believes in fair and justified competition in accordance to the laws and ethics. The Company has counter measures to any unfair competition to customers with a policy to set the sale prices of (houses or condominium units) according to the market to fairly benefit both the seller and buyer. Such price should be competed with competitors and valuable to customers. To promote the corporate social responsibilities on its business chain, the Company is always aware of the image and credibility on its business. Therefore, the Company has executed with its trade partners fairly. In the operation of real estate development, the Company essentially needs to deal business with contractors and construction management consultants. Hence, the Company believes that trade partners trust on the Company, it is the key factor on developing and sustainable growth of business. Through the entire business operation with trade partners, the Company never breaks the agreement that leads to lawsuit, or delays in installment as set in the contract. Moreover, the Company has organized campaign to promote and encourage the consciousness on social responsibilities through various activities such as promoting the executives and employees to purchase only copyright products and services, etc.


2. Respect to Laws and Human rights

The Company has intentionally operated its business with transparency and anti-corruptions on all forms of corruption and not supporting employee to be dishonesty successful. The Company has improved and arranged the audit on its internal management and business operation process to prevent any frauds, including transforming and cultivating employees' attitude, ethics and conscious belief on good action practices by conducting complied with the laws and not violating all legally rights.

3. Anti-Corruption

The Company has a policy not to encourage employees to accomplish its duties by corruption by defining the guidelines for monitoring the implementation in accordance with the direction on preventing of the involvement in corruption as follows:

- 3.1 Providing the internal control audit to monitor the internal control system, risk management, and corporate governance, including the continually suggestions. The audit plans on quarterly were approved by the Audit Committee and reported such audit result significantly and recommendations to the Audit Committee.
- 3.2 The executives are assigned to respond on the test and risk assessment of fraud and corruption continuously in order to implement the fraud prevention and anti-corruption effectively. The fraud prevention and anti-corruption measures are monitored, reviewed, and improved constantly. The result of assessment is presented to the Audit Committee and/or the Risk Management Committee, and reported to the Board of Directors, respectively, in timely and constantly.
- 3.3 Providing the channels of complaint both inside and outside the Company. For the inside channel, the Company has provided a complaint box for receiving any complaints within the organization. While, for the outside channel, a person can file a complaint through www.rp.co.th on the channel of complaint or sending e-mail to the chairman of the Audit Committee via audit.committee.richy@rp.co.th. To inspect the fact, the Company shall not disclose a person complaining and keep information confidentially. The information shall be disclosed as necessary by consideration of the safety and damages to the complainant. In case that a complainant feels unsafely and harmful, you can request the Company to establish protection measures.

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- 3.4 If the Company inspects and finds that there is reliable evidence from the inspection information and complaint, which believe that such transaction or action may significant impact to the financial status and operation performance of the Company, including breach, illegal actions or business ethics, or prevention practices involving on the corruption or financial suspicion, or internal control system; the Audit Committee will report to the Board of Directors to undertake and solve such problems within the period the Audit Committee deems appropriately.

The Company has organized the training to its employees within the organization on the topic of anti-corruption in order to review, study, and develop the information disclosure regarding to the fraud and anti-corruption of the Company.

4. Contribution on Community and Society

The Company recognizes the importance of developing the society and sustainable community to make it livable. Therefore, the Company has organized activities continually in conjunction with the business operation under the responsibilities to the community and society as a whole. Such practices are as follows:

1. The Company has the Corporate Social Responsibilities (CSR) policy distinctively and practiced throughout the organization by organizing social development activity on any area at least once a year.
2. The Company has encouraged the consciousness and responsibilities to both the environment and society to employees.
3. The Company is respect on the custom, tradition, and culture of each region where the Company operates its business.
4. The Company has organized activities independently or with the coordination with either government or private sectors for the community, society and the environment regularly in order to improve the quality of life for the community settled on the Company's premises.
5. The Company has participated on various activities with the communities around the Company's business locations properly.

In 2015, the Company held CSR activities by mangrove planting, giving scholarships to underprivileged students and gifts to children on Children's Day by the participation of the executives and employees.

5. Encouraging All Level of Employees to Have Good Life, Be Volunteer and Consciousness on Social Responsibilities continually

The Company has encouraged its employees to have positive consciousness and attitude, not supporting any frauds, rewarding and compensation appropriately. When an employee works intentionally with effort; the success evaluation shall be reflected its performance. The Company believes that appropriate compensation is key factor to prevent and reduce corruption. In addition, the Company sets up working group under the responsibility of Human Resources Department as a channel for employees to complain, inquiry, inform any suspicious transactions which violating the code of conduct as well as fraud. Such working group shall fairly and impartially listen to all parties along with keep the information of informer confidentially in order to smooth investigation with no threats tolerated.

6. Contribution on Environment Preservation

The Company is aware of the importance of management system with operation policy under the environmental standard, which consideration on the significant environment awareness and conducting in compliance with the laws and related prescribed environmental regulations strictly. For example, the Company has prepared legitimate report with Environmental Impact Assessment (EIA) to submit the applications for building constructions permission to the Office of Natural Resources and Environmental Policy and Planning for any condominium projects with over 80 units, or housing projects with more than 100 Rai of land or 500 units up. Besides, the Company has complies with the pollution protection measurements to control pollution which might have negative impact during and after construction. A central sewage waste water system is installed in each project in order to treat sewage water before draining to public, including green areas so as to reduce global warming from the usage of air-conditioning, etc.

The Company has also organized the trainings complied with its environmental conservation policy to employees annually with its objectives to create and enhance consciousness about the environment. The management has been assigned to contribute employees to take actions in accordance with the Company's policy.

7. Valuable Usage on Resources

Moreover, the Company has also promoted on valuable using resources by recycling such as using double-sided paper, turning off air conditioning or electricity during breaking time or whenever the executives or employees not being in the office for a long time, walking up and down stairs, carpool. Even such activities may not clearly accumulate the number of energy usage or expenditures decreased, it encourage and cultivate on personal tendency to bring back on behaving on their daily life with family for being good citizens of society.



The Internal Control and Risk Management

The Internal Control

The Board of Directors has established the internal control system as appropriately and adequately, and provided the risk management systematically. The analyst and risk assessment on both internal and external factors, which affected to the business operation, are well implemented. The good governance is determined in compliance with the goals, objectives, laws, requirements concerned effectively. The anti-corruption policy is defined and communicated to all level of employees to conduct strictly. Such activities are reviewed and reported the audit results to the Board of Directors constantly.

The Board of Directors has mutually evaluated the internal system from the assessment report of the Audit Committee. The Company has used the assessment form of the adequacy of the internal control systems determined by the Securities and Exchange Commission, which complied with the direction of the internal control of the 5 elements as following:

1. The Organization and Environment

The Company has provided the internal control activities which composed of the review of the financial activities and operation according to the rules, regulations, related laws, as well as the supervision of the Board of Directors.

The Board of Directors, who has independent from the Executives, has regulated and reviewed the internal control system to achieve the organization's business plans effectively and efficiently. The Company has focused on the value of corporate good governance, the employee ethics, and defined those as one of the values of the organization that the employees strictly conducting.

2. The Risk Management

The Company has defined its vision, mission, and objectives for business plans in each year clearly, as well as the risk assessment related in order to drive the organization to achieve its goals as planned.

3. The Operation Control of the Management

The Company has defined the operation manuals for all functions as the reference on operation. The Executives Committee shall monitor and oversee in compliance with the Company's policy. Moreover, the Company has provided the prevention procedures against the corruptions on every operation activities, asset maintenance, and the usage of resources as efficiently.

4. The Information Technology System and Information Communication

The information technology and communication is developed to cover all the working procedures continually. Moreover, the information technology system is secure to ensure the employees at all level realize the significance of the risks and the internal control consistently.

5. The Follow-up System

The meeting is held to monitor and evaluate the internal control system to be executed completely and appropriately.

Risk management

The Company's Board of Directors have appointed the Risk Management Committee consisting of directors responsible for specifying policy and direction in comprehensively managing risks in every procedure of the business plan. Steps in establishing the business plan have been analyzed and indicated every possible risks in order to use as the Company's direction in establishing risk management strategies.

Consequently, the Board's meeting of 1/2015 held on February 16, 2015 had reached the consensus with regard to the internal control system; that is, the internal control system shall consist of 5 major components: the organization's internal control, risk management, monitoring of business operation, information system, information communication and follow-up system. The Board of Directors agreed that the Company have an appropriate and sufficient internal control system, in which every unit efficiently perform their duty in compliance with acceptable accounting standards such as the notice of the Office of the Securities and Exchange Commission (SEC), the regulations of the Stock Exchange of Thailand (SET) in preparing quarterly financial report, annual financial report on a regular basis. Moreover, the Company had arranged and disclosed complete and sufficient information regarding financial budget in a timely manner, organized appropriate internal control system as well as adjust and modify to respond to changing situation in order that the Company can achieve its established objectives and can comply with relevant laws and regulations. However, there was no significant issues or problems found that can affect the Company's business operation or the internal control system in doing business transactions with major shareholders, directors, executives or other related persons. The internal control system helps protect the Company's property from illegal and arbitrary use by executives without prior approval. The independent directors and the Audit Committed agreed with the Board's decision while the Audit Committee will strictly monitor the issue of good corporate governance for the Company.

The Company has organized sufficient and appropriate operation management and internal control system. The executives will encourage every employee to realize the significance of such system by emphasizing on good corporate governance, specification of roles and responsibilities as well as identifying rules, regulations, policies, level of authority and approval in a written document. Furthermore, the Company has established an independent unit responsible for internal control, including follow up and evaluate such control, then the independent unit shall report the findings directly to the Audit Committee to verify every operation to achieve the Company's overall goals and objectives. Results from past audit revealed no significant errors that can directly affect the internal control system. As for other issues regarding the internal control, the Board of Directors agreed on its sufficiency and appropriateness.

In 2015, the Company has set the whistle-blower policy to protect every complainer, information provider with regard to any illegal acts.

As for other issues of the internal control system, the Company's Board of Directors agreed on its sufficiency as well. Nevertheless, the Audit Committee had noticed other issues with regard to evaluation procedure by an external expert. The Company's Audit agency is Garint Audit Company Limited, responsible for verifying financial budgets on a quarterly basis and in 2015, the agency had not found any errors regarding the Company's internal control system.

Related Transactions

Types of Relationship

The Company has related transactions with persons who may have conflicts of interest, which such related transactions are business activities among the shareholders and/or the Executives of the Company. In addition, it is included the transactions with the related companies, which persons having conflicts of interest are the shareholders and/or the Executives. The types of the relationship are concluded as following:

Persons having conflicts of interest	Type of Relationship
1. Dr. Apa Ataboonwongse	<ul style="list-style-type: none"> Director The Company's shareholder as of December 31, 2015, holding 35.71% of shares.
2. Ms. Sunee Sathatinan	<ul style="list-style-type: none"> Director The Company's shareholder as of December 31, 2015, holding 6.33% of the paid-up capital
3. ASSOC.Prof. Suthus Ratanakuakangwan	<ul style="list-style-type: none"> Independent Director
4. Mr. Verapol Ataboonwongse	<ul style="list-style-type: none"> The Company's shareholder as of December 31, 2015, holding 0.05% of the paid-up capital
5. Ms. Nonglak Wanthammapong	<ul style="list-style-type: none"> Director The Company's shareholder as of December 31, 2015, holding 0.15% of the paid-up capital
6. Ms. Sathinee Ataboonwongse	<ul style="list-style-type: none"> Director's relatives
7. Dr. Thanyanon Ratanakuakangwan	<ul style="list-style-type: none"> Director's relatives
8. Ms. Darana Sathatinan	<ul style="list-style-type: none"> Director's relatives
9. Mrs. Saranthorn Srisunthorn	<ul style="list-style-type: none"> The Executives
10. Attaboon Asset Company Limited, operating business of space leasing	<ul style="list-style-type: none"> Dr. Apa Ataboonwongse is the Director of Attaboon Asset Company Limited, and holds 19.08% of the paid-up capital as of December 31, 2015 Ms. Nonglak Wanthammapong is the Director of Attaboon Asset Company Limited, and holding 20.85% of the paid-up capital as of December 31, 2015. Mr. Pitipat Pornphromphat is the Director of Attaboon Asset Company Limited, and holds 18.35% of the paid-up capital as of December 31, 2015. Mr. Somsak Ataboonwongse is the shareholder of Attaboon Asset Company Limited, and hold 4.86% of the paid-up capital as of December 31, 2015. Mr. Pichai Ataboonwongse is the shareholder of Attaboon Asset Company Limited, and holding 19.98% of the paid-up capital as of December 31, 2015 Miss Sathinee Ataboonwongse, is the shareholder of Attaboon Asset Company Limited, and holding 5.85% of the paid-up capital as of December 31, 2015. Ms. Pitcha Tansod is the shareholder of Attaboon Asset Company Limited, and holding 9.87% of the paid-up capital as of December 31, 2015.
11. Attaboon Company Limited	<ul style="list-style-type: none"> Dr. Apa Ataboonwongse is the Director of Attaboon Company Limited, and holds 15.65% of the paid-up capital as of December 31, 2015. Ms. Nonglak Wanthammapong is the Director of Attaboon Company Limited, and holding 19.33% of the paid-up capital as of December 31, 2015. Mr. Pitipat Pornphromphat is the Director of Attaboon Company Limited, and holds 18.29% of the paid-up capital as of December 31, 2015.

Persons having conflicts of interest	Type of Relationship
12. K.C.S. & Associates Company Limited	<ul style="list-style-type: none"> Mr. Somsak Ataboonwongse is the shareholder of Attaboon Company Limited, and hold 6.49% of the paid-up capital as of December 31, 2015. Mr. Pichai Ataboonwongse is the shareholder of Attaboon Company Limited, and holding 21.16% of the paid-up capital as of December 31, 2015 Ms. Pitcha Tansod is the shareholder of Attaboon Company Limited, and holding 13.00% of the paid-up capital as of December 31, 2015. Dr. Karoon Chantharangsu is the Director who has authority to sign on behalf of the company

Types of Related Transactions

The Company has the related transactions from its business operations with persons having conflicts of interest, which summarized the types and value of the related transactions

No.	Persons having conflicts of interest	Type of Related Transactions	The Amount of Related Transactions (MB)		The Necessity and Reasonability, and the Comments of the Audit Committee
			2015	2014	
1.	Dr. Apa Ataboonwongse	<u>Loans</u> Balance, Beginning of period Additional Loans during the period Repayment during the period Balance, carry forward Accrued Interest payable Interest payable	- 11.00 11.00 - - 0.03	- - - - - -	The Company borrowed from Dr. Apa Ataboonwongse, the loan contract no. L58/002 dated June 22, 2015 at the amount of Baht 7,000,000 with the interest rate of 5.525% annually, and the loan contract no. LR58/003 dated June 26, 2015 at the amount of Baht 4,000,000 with the interest rate of 5.525% annually. The Audit Committee has reviewed such transactions and found that it was reasonable and for the benefits to the business operation of the Company due to the fair conditions. Additionally, there were no conflicts of interest and complied with the criteria or procedures of the related transactions. The interest rate and payment conditions are defined as normal practices.
2.	Ms. Sunee Sathatninan	<u>Revenues from sales</u> The Value	-	1.99	Miss Sunee Sathatninan paid for buying the condominium at the Rich Park @Taopoon Interchange Project, the purchase contract no. RK2 55/128, the room no. 11/23, at the amount of Baht 2,092,200. The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.
3.	ASSOC.Prof. Suthus Ratanakuakangwan	<u>Revenues from sales</u> The Value	-	2.63	Asst.Prof. Sutat Rattanakuakangwan paid for buying the condominium at the Rich Park @Taopoon Interchange Project, the purchase contract no. RK2 56/029, the room no. 16/19, at the amount of Baht 2,806,050. The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.

No.	Persons having conflicts of interest	Type of Related Transactions	The Amount of Related Transactions (MB)		The Necessity and Reasonability, and the Comments of the Audit Committee
			2015	2014	
4.	Mr. Weerapon Ataboonwongse	<u>Revenues from sales</u> The Value	2.29	-	Mr. Weerapon Ataboonwongse signed the purchase contract on February 2, 2014 for buying the condominium at the Rich Park@Chaophraya Project, the purchase contract no. RK3 57/004, room no. 16/02, at the amount of Baht 2,258,020. The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.
5.	Miss Nongluk Wanathampong	<u>Cash Advance received from customers</u> The Value <u>Revenues from sales</u> The Value	- 2.42	0.19 2.16	Miss Nongluk Wanathampong signed the purchase contract on February 2, 2014 for buying the condominium at Rich Park @Chaophraya Project, the purchase contract no. RK3 57/007, the room no. 18/05, at the amount of Baht 2,432,422 (changing the room from 17/01 to 18/05). Miss Nongluk Wanathampong paid for buying the condominium at the Rich Park @Taopoon Interchange Project, the purchase contract no. RK2 55/130, the room no. 15/17, at the amount of Baht 2,245,000. The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.
6.	Miss Sathinee Ataboonwongse	<u>Revenues from sales</u> The Value	2.39	-	Miss Sathinee Ataboonwongse paid for buying the condominium at the Rich Park @Taopoon Interchange Project, the purchase contract no. RK2 55/208, room no. 16/22, at the amount of Baht 2,127,000. The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.

No.	Persons having conflicts of interest	Type of Related Transactions	The Amount of Related Transactions (MB)		The Necessity and Reasonability, and the Comments of the Audit Committee
			2015	2014	
7.	Dr. Thanyanon Rattanakulkangwan	<u>Revenues from sales</u> The Value	2.39	-	<p>Dr. Thanyanon Rattanakulkangwan signed the purchase contract on February 2, 2014 for buying the condominium at the Rich Park@Chaophraya Project, the purchase contract no. RK 3 57/005, at the amount of Baht 2,398,021.</p> <p>The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.</p>
8.	Ms. Darana Sathatinan	<u>Revenues from sales</u> The Value	2.42	-	<p>Ms. Darana Sathatinan signed the purchase contract for buying the condominium at the Rich Park@Chaophraya Project, the purchase contract no. RK 3 57/014, at the amount of Baht 2,466,863.</p> <p>The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.</p>
9.	Mrs. Saranthorn Srisoonthorn	<u>Revenues from sales</u> The Value	-	1.92	<p>Mrs. Saranthorn Srisoonthorn paid for buying the condominium at the Rich Park@ Taopoon Interchange Project, the purchase contract no. RK2 55/168, room no. 14/23, at the amount of Baht 2,008,300.</p> <p>The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.</p> <p>The Audit Committee has reviewed such transactions and found that it was reasonable and for the benefits to the business operation of the Company due to the fair conditions. Additionally, there were no conflicts of interest and complied with the criteria or procedures of the related transactions. The interest rate and payment conditions are defined as normal practices. Presently, the Company has determined the preventive policy on the conflict of interest, as well as appointing the Audit Committee to review the related transactions in compliance with the regulation of the SEC and/or the Stock Exchange of Thailand.</p>

No.	Persons having conflicts of interest	Type of Related Transactions	The Amount of Related Transactions (MB)		The Necessity and Reasonability, and the Comments of the Audit Committee
			2015	2014	
10.	Attaboon Asset Company Limited	<u>Office Rental Charges</u>	1.04	1.73	<p>The Company has rented the office space of Attaboon Building by signing the rental contract room No. 701, with the area of 541.67 sq.m., which details of the rental and service as below:</p> <p>1) The rental contract No. SorChor.001/57 LorWor. March 1, 2014 for 3 years effective on March 1, 2014 – February 28, 2017 with the monthly rental fee of Baht 75,833.80 (Baht 140/sq.m.q/month), by advance payment on the 5th of the month. Such rental rate was comparable to other tenants, whose rental price of Baht 160 per sq.m./ month.</p> <p>2) The rental contract No. SorBor.001/57 LorWor. March 1, 2014 for 3 years effective on March 1, 2014 – February 28, 2017 with the monthly rental fee of Baht 60,856.62, by advance payment on the 5th of the month. Such rental rate was comparable to other tenants, whose rental price of Baht 112.35 per sq.m./ month.</p> <p>The Audit Committee has reviewed such transactions and found that it was reasonable and for the benefits to the business operation of the Company due to the fair conditions and reasonable prices.</p>
		<u>Cash Advance received from customers</u> The Value	0.97	0.44	<p>Attaboon Asset Company Limited signed the purchase contract on November 22, 2014 for buying the condominium at the Rich@Sathorn-Taksin as follows:</p> <p>1) The purchase contract no. R1 57/006, room no.08/23 at the amount of Baht 3,863,500.</p> <p>2) The purchase contract no. R1 57/007, room no.08/24 at the amount of Baht 3,863,500.</p> <p>3) The purchase contract no. R1 57/008, room no. 08/25 at the amount of Baht 3,863,500</p>

No.	Persons having conflicts of interest	Type of Related Transactions	The Amount of Related Transactions (MB)		The Necessity and Reasonability, and the Comments of the Audit Committee
			2015	2014	
		Revenues from sales The Value	7.21	11.38	<p>Attaboon Asset Company Limited signed the purchase contract for buying the condominium at the Rich Park @Chaophraya Project as follows:</p> <ol style="list-style-type: none"> 1) The purchase contract no. RK3 58/030, room no. 09/02 at the amount of Baht 2,398,045 2) The purchase contract no. RK3 58/032, room no. 09/03 at the amount of Baht 2,398,045. 3) The purchase contract no. RK3 58/031, room no. 09/07 at the amount of Baht 2,384,375 <p>Attaboon Asset Company Limited paid for buying the condominium at the Rich Park@ Taopoon Interchange Project as follows:</p> <ol style="list-style-type: none"> 1) The purchase contract no. RK2 57/084, room no. 5/15 at the amount of Baht 2,325,000 2) The purchase contract no. RK2 57/085, room no. 6/23 at the amount of Baht 2,212,700. 3) The purchase contract no. RK2 57/086, room no. 8/21 at the amount of Baht 2,230,100 4) The purchase contract no. RK2 57/087, room no. 10/24 at the amount of Baht 2,247,500 5) The purchase contract no. RK2 57/088, room no. 10/32 at the amount of Baht 2,355,000 <p>The Audit Committee has reviewed such transactions and found that sales of condominium were the normal business, which the selling price and conditions are general practices as same as other regular customers.</p>

No.	Persons having conflicts of interest	Type of Related Transactions	The Amount of Related Transactions (MB)		The Necessity and Reasonability, and the Comments of the Audit Committee
			2015	2014	
11	Attaboon Company Limited	Loans Balance, Beginning of period Additional Loans during the period Repayment during the period Balance, carry forward Accrued Interest payable Interest payable	- 24.00 24.00 - - 0.05	- 9.41 9.41 - - 0.007	<p>The Company borrowed from Attaboon company Limited on June 22, 2015 at the amount of Baht 24,000,000 with the interest rate of 5.255% annually. Such loan was the loan for the working capital. As of June 22, 2015, the Company undertook to repay such loan at the amount of Baht 7,500,000.</p> <p>The Company borrowed from Attaboon company Limited on July 31, 2014 and on November 3, 2014 at the interest rate of 7.625% annually. Such loan was the loan for the working capital. As of August 4, 2014 and November 3, 2014, The Company undertook to repay such loan at the whole amount completely.</p> <p>The Audit Committee has reviewed such transactions and found that it was reasonable and for the benefits to the business operation of the Company due to the fair conditions. Additionally, there were no conflicts of interest and complied with the criteria or procedures of the related transactions. The interest rate and payment conditions are defined as normal practices.</p>
12.	K.C.S. & Associates Company Limited	Project management charges	0.26	5.86	<p>The Company engaged K.C.S. & Associates Company Limited to execute and manage the projects as follows:</p> <p>3) The management employment and construction control at the Rich Park@Taopon Interchange Project effectively on March 1, 2013 at the value of Baht 10.03 million. The contract was expired on November, 2014.</p> <p>The Audit Committee has reviewed such transactions and found that it was reasonable, at the market rate, and for the benefits to the business operation of the Company.</p>



The Necessity and Reasonability of the Related Transactions

The related transactions are engaged to the extent that such transactions are necessity and reasonability to serve the most interest of the Company. The Audit Committee has jointly considered the related transactions on the necessity of the transactions and reasonability of the rate charged mutually, including disclosure the types and value of the transactions executed with other person having conflicts of interest under the Notice and regulations of the Securities and Exchange Commission, and the Stock Exchange of Thailand.

Criteria or Procedures on the Approval of the Related Transactions

The Board of Directors' Meeting No. 4/2013 held on August 14, 2013 resolved that the procedures on the related transaction was approved to be conducted according to the Notice of the Securities and Exchange Commission on the title of the Disclosure of Information and Other Acts of the Listed Company Concerning the Connected Transactions B.E.2546 and the Notice of the Board of SEC and the Capital Market Supervisory Board on the matters related to the case of connected transactions between the company and person having conflicts of interest. The Audit Committee shall provide comments on the necessity of transactions, and the appropriate pricing of such transactions by considering the various conditions in compliance with the general business practices in the industry. The price comparison with the third parties or market price will be considered. In case that the Audit Commission is not expert on considering the matters of the related transactions, the Company shall provide the specialists, who are independent, to give an opinion on such connected transactions for decision making of the Board of Director, the Audit Committee, or the shareholders, as the case may be. The Directors, who are the stakeholders, shall be not entitled to vote on such items. Those related transaction must be also disclosed in the notes to the financial statements of the Company.

Policy and the Tendency of the Related Transactions in the Future

For the tendency of the related transactions in the future, the Company's policy to engage in related transactions shall be classified as following categories:

1. The guarantor loans from financial institutes

The Company had assumed that after entering to the Listed Company on the SET; the Company negotiated with the financial institutes to release the guarantor obligations of the Company and its shareholders. However, such activities were approved or not depending on the considerations of such financial institutes.

2. The unit sales to the related persons

The tendency of the transactions of the unit sales to the related persons shall be possible occurred in the future. The Company shall conduct in accordance with the policy specified as clearly, fairly, and no conflicts of interest if such transactions are done.

3. The Company's office rental transactions to the related companies

The tendency of the transactions of the office rental transactions to the related companies shall be possible, in case of such transactions are occurred in the future the Company shall conduct in accordance with the policy specified.

In case that the related transactions mentioned above are occurred in the future, the Company shall comply clearly, fairly, and no conflicts of interest in compliance with the Securities and Exchange Act, and the rules, notices, announcement, or regulations of the Capital Market Commission Board and the Stock Exchange of Thailand, including the disclosure of the connected transactions, and acquisition or disposition of assets. The persons who are stakeholders or having conflicts of interest are not entitled to approve those related transactions. The Audit Committee shall give comments on such transactions and present to the Board of Directors and/or the Annual General Shareholders' Meeting, as the case may be, as the information for their consideration for transaction approval.

Besides, the Company has complied with the accounting standard. The information disclosure to the related persons or activities has been defined by the Federation of Accounting Professions. The Company shall disclose the relationship and details of the related transaction to the notes to the financial statements of the Company, including the annual information form (Form 56-1) and the annual report (Form 56-2) of the Company.

Management discussion and analysis

Performance overview

Richy Place 2002 Public Company Limited has operated the real estate development in the types of residences by focusing on developing potential areas and locations near communities, especially condominium along the electric train and community areas. The Company's main revenues derive from sales of house and land, condominium, both horizontal and vertical. Recently, the Company had completely developed 7 projects, consisting of 1) Rich Ville Bangbuathong project 2) Richy Tower Petchkasem-Sathorn project 3) Le Rich Rama 3 project 4) Le Rich Rachada-Sutthisarn project 5) Le Rich @ Aree Station project 6) Rich Park @ Bangson Station project and 7) Rich Park @ Taopoon Interchange project. Currently, the Company has 4 ongoing projects under construction which are 1) The Rich Biz Home Sukhumvit 105 project 2) Rich Park @ Chaophraya project 3) Rich Ville Rachapruek project and 4) The Rich Sathorn-Taksin project.

Since 2011 onwards, the Company has recognized revenues from sales of real estate when the ownership has been transferred to the buyer after completing the payment. The costs of construction, including other related expenses of the projects under construction will be recorded in asset costs of real estate development for sales until such projects are completed and already transferred to the buyer, then the Company shall recognize revenues of such items as mentioned earlier.

Analysis of the Company's performance-revenues

The Company's revenues consist of revenues from sales of real estates, interests and other incomes. Major revenues derive from sales of real estates. Ratio of revenue categories will be described as follows:

Table : Revenue structure

	Audited financial statements as of December 31					
	2013		2014		2015	
	(audited)		(audited)		(audited)	
	MB	%	MB	%	MB	%
Revenues from sales of real estate	1,200.52	99.55	1,228.66	99.14	507.48	98.75
Other incomes	5.41	0.45	10.72	0.86	6.43	1.25
Total revenues	1,205.92	100.00	1,239.38	100.00	513.91	100.00

Revenue from sales of real estates

During 2013-2015, revenues from sales of real estates were recorded at THB 1,200.52 million, THB 1,228.66 million and THB 507.48 million or representing 99.55 percent, 99.14 percent and 98.75 percent of total revenues respectively.

In 2013, the Company earned revenues from sales of real estates at THB 1,200.52 million, an increase of THB 792.28 million from 2012, which was equivalent to a growth rate of 194.08 percent from the previous year. This resulted from revenue recognition from sales of existing projects: 6 units of Le Rich Rama 3 project value at THB 15.59 million or equivalent to 1.42 percent of the project's total units, 20 units of Le Rich Rachada-Sutthisarn project value at THB 47.65 million or equivalent to 25.97 percent of the project's total units, 16 units of Le Rich @ Aree Station project value at THB 54.03 million or equivalent to 21.92 percent of the project's total units, 598 units of Rich Park @ Bangson Station project value at THB 1,058.25 million or equivalent to 74.47 percent of the project's total units. The project with the highest revenue recognition was Rich Park @ Bangson Station with revenues representing 87.75 percent of total revenues. In addition, the Company has launched new projects this year; that is, the Rich Biz Home Sukhumvit 105 project, a townhome project located on Sukhumvit Road of which 5 units were already sold at the value of THB 25.00 million or equivalent to 3.57 percent of the total units of the project. Moreover, the

Company had launched new projects in 2013, which were Rich Park @ Taopoon Interchange project, condominium projects along the electric train near Pracharat Sai2 Road, the Rich Biz Home Sukhumvit 105 project and Rich Park @ Chaophraya project, the condominium project along the electric train on Rattanaibet Road.

In 2014, the Company gained revenues from sales of real estate equal to THB 1,228.66 million, a rise of THB 28.14 million from 2013 or equivalent to 2.34 percent. This was owing to revenue recognition of existing projects which comprise of Le Rich Rama 3 project with the amount of THB 25.30 million for 9 units or representing 2.13 percent of the total units of the project, Le Rich Rachada-Sutthisarn project with the amount of THB 27.49 million for 9 units or representing 11.69 percent of the total units of the project, Le Rich @ Aree Station project with the amount of THB 16.14 million for 5 units or representing 6.85 percent of the total units of the project, the Rich Biz Home Sukhumvit 105 with the amount of THB 112.72 million for 23 units or representing 16.43 percent of the total units of the project, Rich Park @ Bangson Station project with the amount of THB 88.39 million for 46 units or representing 5.73 percent of the total units of the project, Rich Park @ Taopoon Interchange project with the amount of THB 958.62 million for 408 units or representing 55.51 percent of the total units of the project. Rich Park @ Taopoon Interchange Project was recorded as the highest revenue recognition with the value up to 77.35 percent of the Company's total revenues. Furthermore, the Company had launched new projects in 2014 which were the Rich Sathorn-Taksin project, the condominium project along the electric train on Sathorn-Taksin Road and Rich Ville project, townhouse and townhome project located on Rachapruet Road.

In 2015, the Company recorded the revenues from sales of real estate equivalent to THB 507.48 million, a decline of THB 721.18 million from the previous year or 58.70 percent owing to the ongoing construction of Rich Park @ Chaophraya project which was estimated at 95.24 percent of project completion; therefore, the amount of ownership transfer in order to recognize its revenues from such project was below the Company's expectation

Table: Revenues from the sales of real estate of each project

	Financial statements (audited)					
	2013		2014		2015	
	Value (MB)	Ratio (%)	Value (MB)	Ratio (%)	Value (MB)	Ratio (%)
Revenues from sales of real estate						
• Condominium						
- Le Rich Rama 3	15.59	1.29	25.30	2.04	11.86	2.31
- Le Rich Rachada-Sutthisarn	47.65	3.95	27.49	2.22	-	-
- Le Rich @ Aree Station	54.03	4.48	16.14	1.30	-	-
- Rich Park @ Bangson Station	1,058.25	87.75	88.39	7.13	49.27	9.59
- Rich Park @ Taopoon Interchange	-	-	958.62	77.35	305.58	59.46
- Rich Park @ Chaophraya	-	-	-	-	75.14	14.62
• Townhome						
- The Rich Ville Rachapruet	-	-	-	-	7.29	1.42
- The Rich Biz Home Sukhumvit 105	25.00	2.07	112.72	9.09	58.34	11.35
Total of revenues from sales of real estate	1,200.52	99.55	1,228.66	99.14	507.48	98.75
Other incomes ^{1/}	5.46	0.45	10.72	0.85	6.43	1.25
Total revenues	1,205.92	100.00	1,239.38	100.00	513.92	100.00

Remark : ^{1/} Other incomes include revenues from a breach of contract, change of right transfer contract and rental fees etc.

Other incomes

Other incomes consist of incomes from water-electricity meter installation, incomes from breach of contract, changes of the right transfer contract, rental incomes etc. Incomes from breach of contract were deposits, earnest money, down payments which customers have already paid and recognized as revenues due to contract termination, or the customers have not completed with the contract terms and conditions which in turn caused the cancellation of contract. In addition, incomes from breach of contract can occur when customers do not complete the property transfer procedure within the specified period and there are no further arguments from the customers. During 2013-2015, the Company recognized other incomes at the amount of THB 5.46 million, THB 10.72 million and THB 6.43 million or equivalent to 0.45 percent, 0.85 percent and 1.25 percent of the total revenue in that respective order.

In 2015, the Company recorded other incomes at the amount of THB 6.43 million, a decline of THB 4.29 million or 40.02 percent, resulting from lower revenues from the breach of contract since the customers could complete the ownership transfer procedure within the specified period.

Table 8: Other incomes

No.	Detail	2013		2014		2015	
		MB	%	MB	%	MB	%
1	Incomes from water-electric meter installation	0.81	14.97	0.65	6.07	0.24	3.73
2	Incomes from changes of right transfer contract	1.13	20.89	0.77	7.19	0.06	0.93
3	Incomes from breach of contract	2.72	50.28	4.74	44.26	2.71	42.08
4	Yield difference from the unit (rental room)	(0.31)	(5.73)	(0.21)	(1.96)	(0.03)	(0.46)
5	Interests	0.03	0.55	0.12	1.12	0.10	1.55
6	Miscellaneous	1.01	18.67	4.65	43.32	3.365	52.17
Total		5.41	100.00	10.72	100.00	6.43	100.00

Total revenues

The Company had total revenues of THB 1,205.92 million, THB 1,239.38 million and THB 513.91 million in 2013, 2014 and 2015 respectively.

In 2013, the Company had higher amount of total revenues of THB 795.66 million or an increase rate of 193.94 percent, resulting from revenue recognition of the Company's projects which were ready to transfer, especially Rich Park @ Bangson Station project with the estimated value of THB 1,375 million. In addition, the Company recorded revenue recognition as high as 87.75 percent of its total revenues, which in turn enabling the Company to gain relatively higher revenues than the previous year.

In 2014, the Company had total revenues of THB 33.46 million or representing an increase rate of 2.77 percent compared to 2013, resulting from revenue recognition of Rich Park @ Taopoon Interchange project with value up to 77.35 percent of total revenues. Thus, total revenues of such year were higher than the preceding year and the Company also recorded profits from asset investment.

In 2015, the total revenues of the Company were recorded at THB 725.46 million, a drop of 58.53 percent from the previous year due to the decline of revenues from sales of real estate with the amount of THB 721.18 million or 58.70 percent compared to the previous year.

Costs of sales of real estate

Costs of sales of real estate are the costs of real estate development while the project is developed, which is recognized as the costs in the profit and loss statements and recorded to be the revenue recognition from sales of real estate, consisting of

costs of sales, salary and welfares expenses of the construction department, utilities expenditures etc.

In 2013-2015, the Company had costs of real estate sales with value at THB 764.71 million, THB 761.98 million and THB 337.40 million respectively, representing the ratio of costs of real estate sales per revenues from real estate sales equal to 63.70 percent, 62.01 percent and 66.50 percent in that order. The ratio of the cost from sales of real estate was rising owing to the adjustment of labor cost which varies according to the economic status. In 2014, the Company had completed the ownership transfer of the Rich Biz Home project that had high cost of sales, but lower cost of sales per unit than that of townhomes, resulting in lower total cost.

In 2015, the Company's costs of real estate sales increased equal to THB 516.22 million or representing 207.74 percent compared to 2012 which resulted from the rise of invariable costs from the construction such as labor costs etc.

In 2014, the Company's costs of real estate sales declined, equal to THB 2.73 million or 0.35 percent compared to 2013 which resulted from effective cost management and effective control of construction budget as planned.

In 2015, the Company's costs of real estate sales dropped from year 2014 to the amount of THB 427.04 million or 56.41 percent owing to lower revenues from sales of real estate which in turn results in lower cost.

Table 14.4: Costs of real estate sales

Costs of sales of real estate	2013		2014		2015	
	MB	%	MB	%	MB	%
Costs of sales	760.07	99.39	757.08	99.36	330.03	97.80
Salary and welfares of the construction department	3.69	0.48	3.00	0.39	5.54	1.64
Utilities expenditures	0.14	0.02	0.35	0.05	0.45	0.13
Miscellaneous	0.81	0.11	1.55	0.20	1.45	0.43
Total costs of sales of real estate	764.71	100.00	761.98	100.00	337.47	100.00
Ratio of costs of real estate sales revenues	63.70		62.01		66.50	

Sales expenditures

Sales expenditures consist of salary of salespeople, commission fees, project management expenses, sales promotion expenses, specific business taxes, ownership transfer fees, common fees and sales operating expenses. Commission fees are money the Company pays to salespeople and other employees based on the Company's total sales which will be paid on a quarterly basis. Project management expenses are fees from selling the Company's project paid to the project's sales agent. In addition, sales promotion expenses comprise of advertising fees and booth activity expenses. Common fees are expenditures the Company pays for the common fees of unsold units to the juristic of such condominium. Other sales operating expenses are signboard taxes and office expenditures as well as other consumables etc.

Between 2013-2015, the Company recorded sales expenditures equivalent to THB 102.84 million, THB 102.71 million and THB 72.70 million respectively or representing the ratio of sales expenditures per revenues from sales of real estate at 8.57 percent, 8.36 percent and 14.33 percent in that respective order.

In 2013, the Company's sales expenditures were reported at THB 102.84 million, an increase of THB 45.39 million from 2012. This was caused by higher specific business taxes and business fees compared to the previous year. Moreover, advertisement and booth activities expensed increased as well. However, sales expenditures increased every year whereas the ratio of sales revenues from sales expenditures were still higher than the increase in expenses.

In 2015, the Company had sales expenditures equal to THB 30.01 million, a decline from the previous year or representing the decrease ratio of 29.22 percent, resulting from fewer advertisement and booth activities fees compared to the previous year.

Table : Sales expenditures

Sales expenditures	2013		2014		2015	
	MB	%	MB	%	MB	%
Salary and welfare for shareholders	5.67	5.51	6.96	6.78	6.97	9.59
Utilities expenses from sales	1.03	1.00	1.03	1.00	1.08	1.49
Tax and business fees (sales)	11.35	11.04	9.62	9.36	0.31	0.43
Specific business tax	38.40	37.34	39.11	38.08	16.26	22.37
Commission fees	6.47	6.29	3.47	3.38	3.97	5.46
Sales activities and sales promotion expenses	6.42	6.24	2.27	2.21	2.66	3.66
Sales management expenses	1.30	1.26	3.40	3.31	3.82	5.25
Advertising and booth activities expenses	21.98	21.38	22.20	21.61	19.45	26.75
Common fees and office expenditures	5.73	5.58	5.70	5.55	5.47	7.52
Other expenditures	4.49	4.36	8.95	8.71	12.71	17.48
Total sales expenditures	102.84	100.00	102.71	100.00	72.70	100.00
Ration of sales expenditures per sales revenues		8.57		8.36		14.33

Management expenditures


Management expenditures consist of salary, welfare and benefits of employees, utilities expenses and other management fees.

Table : Management expenditures

Management expenditures	2013		2014		2015	
	MB	%	MB	%	MB	%
Salary, welfare and employees' benefits	38.07	81.29	43.33	67.37	33.80	65.84
Utilities expenses	0.43	0.92	0.87	1.36	0.85	1.65
Service fees such as audit fees	2.19	4.68	7.47	11.62	4.39	8.55
Meeting allowances	0.58	1.24	0.87	1.35	1.18	2.30
Other management expenditures	5.56	11.88	11.77	18.30	11.12	21.66
Total management expenditures	46.84	100.00	64.32	100.00	51.34	100.00
Ratio of management expenditures per sales revenues		3.90		5.23		10.12

During 2013-2015, the Company recorded management expenditures equivalent to THB 46.84 million, THB 64.32 million and THB 51.34 million respectively or representing the ratio of management expenditures per revenues from sales of real estate at 3.90 percent, 5.23 percent and 10.12 percent in that respective order.

In 2015, the Company's management expenditures were reported at THB 20.27 million from 2012 or equal to the increase ratio of 76.32 percent, since the Company hired more executives and employees as well as higher payment of bonus and compensation. In 2013, the revenue proportion increased whereas management expenditures did not on the same proportion. However, the ratio of management expenditures per sales revenues in 2013 declined due to the fact that condominium sales were major revenues of the Company and such revenues were recognized when the ownership was transferred each year. In addition, management expenditures included employees' expenses that increased annually and varied according to salary adjustment of employees. Consequently, employees' expenditures did not rise or fluctuate at the same proportion with the Company's revenues.



In 2014, the Company's management expenditures increased from 2013 with the amount of THB 17.49 million, representing the increase ratio of 37.35 percent as the Company had expenditures of registration with the listed companies in the Stock Market of Thailand as well as management expenditures, higher employees' expenditures owing to the adjustment of employees' salary and the employment of more executives and employees to support the Company's business expansion.

Gross profit and ratio of gross profit

The Company's gross profits between 2013-2015 were recorded at THB 435.81 million, THB 466.68 million and THB 170.01 million respectively, representing gross profit ratio of 36.30 percent, 37.65 percent and 33.08 percent. The decline of gross profit ratio was due to increasing cost of project development, such cost was fluctuated resulting from construction; for example, labor cost, material cost as well as high competition in the real estate business which in turn, caused sales costs to be more competitive in order to attract and respond to consumers' needs.

Net profit and ratio of net profit

During 2013-2015, the Company had the net profit equivalent to THB 211.33 million, THB 245.06 million and THB 39.60 million respectively or representing net profit ratio of 17.52 percent, 19.77 percent and 7.80 percent in that order.

In 2013, the Company had net profit equal to THB 145.17 million, an increase from 2012 which represented the ratio of increase of 219.09 percent. Besides, the Company recognized relatively high revenues from Rich Park @ Bangson Station project equivalent to 87.75 percent of the total real estate sales. The Company's management of sales expenditures was more efficient as a result of a reduction in advertisement and sales promotion expenditures.

In 2014, the Company's net profit increased to THB 33.73 million, equal to the increase ratio of 219.09 percent as a result of revenue recognition from Rich Park @ Taopoon project which was the project with relatively high proportion of revenue recognition in 2014 or equivalent to 78.02 percent of total real estate sales and higher efficiency in cost management, resulting from reduction of financial costs.

In 2015, the net profit was recorded at THB 39.60 million or equivalent to 7.80 percent of the total revenue. Nevertheless, the net profit decreased from 2014 due to a decline in revenues.

Shareholder' return on equity

Between 2013-2015, the Company had the ratio of return on equity equal to 42.87, 22.77 percent and 2.56 percent respectively. As for 2013, such ratio was significantly increased because the increase of operating performance. In 2014, shareholders' return on equity dropped owing to increase in capital whereas in 2015, the ratio declined due to lower profits of the Company.

Analysis of the Company's financial status

Assets

Major assets of the Company consist of current assets, especially costs of real estate project development at an average of 90 percent of the total assets. Costs of real estate project development include 1. Land 2. Project development. Both items are considered high value assets or equivalent to 90 percent of costs of real estate project development.

As of December 31, 2013-2015, the Company had total assets equivalent to THB 1,546.56 million, THB 2,204.04 million and THB 4,391.53 million, representing the increase ratio of 7.40 percent, 42.51 percent and 99.25 percent respectively. The Company's total assets were continuously increasing, especially in 2013 when the Company expanded its construction business and launched 2 new projects: Le Rich @ Aree Station project and Rich Park @ Bangson Station project.

As of December 31, 2013, the Company's total assets increased from those recorded in 2012, resulting from new project investments of Rich Park @ Taopoon Station project, Rich Biz Home Sukhumvit 105 project, Rich Park @ Chaophraya project and the Rich Ville Rachapruek project.

As of December 31, 2014, the Company recorded an increase of total assets compared to 2013, resulting from new project investments of Rich Park @ Chaophraya project, Rich Ville Rachapruek project, Rich Biz Home Sukhumvit 105 project and the Rich Sathorn-Taksin project.

As of December 31, 2015, the Company recorded the total assets equal to THB 4,391.53 million, an increase of THB 2,187.50 million or 99.25 percent from 2014. This resulted from an increase of cost of real estate development in order to respond to the Company's business expansion.

The Company had no assets of the creditor since the revenues can be recognized when completing the ownership transfer of the condominium.

Costs of real estate development

Costs of real estate before ownership transfer shall be recorded with costs of real estate development in the Company's financial statements, and shall be recognized as costs of real estate sales in the profit and loss statements when the ownership transfer was completely done. Costs of real estate development consist of land cost, construction cost, costs directly related to project development, including interest loans that will be amortized to costs of sales at the revenue proportion of each project.

As of December 31, 2013-2015, the Company recorded costs of real estate development equal to THB 1,450.40 million, THB 1,870.28 million and THB 4,083.46 million, representing 96.96 percent, 84.86 percent and 92.98 percent of the Company's total assets respectively.

As of December 31, 2013, the Company had costs of real estate development equivalent to THB 172.04 million or an increase of 13.46 percent from 2012 as a result of work in progress of new projects; that is, Rich Park @ Taopoon Interchange project, Rich Biz Home Sukhumvit 105 project, Rich Park @ Chaophraya Project and Rich Ville Rachapruek project.

As of December 2014, the Company recorded costs of real estate development at the amount of THB 419.88 million, representing 28.94 percent increase from 2013 resulting from work in progress of newly launched projects which were the Rich Biz Home Sukhumvit 105 project, Rich Park @ Chaophraya project, the Rich Ville Rachapruek project, the Rich Sathorn-Taksin project, including completed construction of Rich Park @ Taopoon Interchange project.

As of December 31, 2015, the Company had costs of real estate development with the total value of THB 4,083.46 million, an increase of THB 2,213.18 million or 118.33 percent from 2014. This resulted from ownership transfer from vendors to develop new projects; that is, Rich Park @ Triple Station project and the Rich Nana project.

Table : Costs of real estate development by project classification

Project	As of Dec.31, 2013		As of Dec.31, 2014		As of Dec.31,2015	
	MB	%	MB	%	MB	%
Richy Ville Bangbuathong	-	-	-	-	-	-
Le Rich Rama 3	147.77	10.19	131.83	7.05	126.72	3.10
Le Rich Rachada-Sutthisarn	13.03	0.90	-	-	-	-
Le Rich @ Aree Station	11.89	0.82	-	-	-	-
Rich Park @ Bangson Station	145.38	10.02	94.12	5.03	65.88	1.61
Rich Park @ Taopoon Interchange	527.65	36.38	477.53	25.53	308.19	7.55
Rich Park @ Choaphraya	116.21	8.01	279.74	14.96	768.84	18.83
Rich Park @ Triple Station	-	-	-	-	843.72	20.66
The Rich Sathorn-Taksin	-	-	404.12	21.61	468.75	11.48
The Rich Nana	-	-	-	-	1,022.91	25.05
Rich Ville Rachapruet	139.76	9.64	176.72	9.45	206.28	5.05
The Rich Biz Home Sukhumvit 105	348.72	24.04	306.22	16.37	272.17	6.67
Total costs of real estate development	1,450.41	100.00	1,870.27	100.00	4,083.46	100.00

Cash advance for construction

The Company paid cash advance to building contractors to employ in any construction activities, by paying such amount prior to the beginning of construction. As of December 31, 2013-2015, the Company paid cash advance for construction equivalent to THB 50.70 million, THB 98.37 million and THB 94.28 million, representing 3.28 percent, 4.46 percent and 2.15 percent of the Company's total assets respectively.

As of December 31, 2013, the Company paid cash advance for construction at the amount of THB 50.70 million, an increase of THB 38.06 million or representing an increase ratio of 301.01 percent compared to 2012. The key factor of such increase was cash advance paid for the construction of Rich Park @ Taopoon Interchange project.

As of December 31, 2014, the Company's cash advance for construction was equal to THB 47.67 million or 94.02 percent compared to 2013. The key factor of such increase was cash advance paid for the construction of Rich Park @ Chaophraya project and the Rich Sathorn-Taksin project.

As of December 31, 2015, the Company paid cash advance for construction at the amount of THB 94.28 million, a decline of THB 4.09 million or 4.16 percent from 2014, resulting from the deduction of cash advance for construction of Rich Park @ Chaophraya project and the Rich Sathorn-Taksin project.

Land deposit

The Company recorded land deposits to the land owner to purchase land for its business operation. As of December 31, 2014, the Company paid land deposit at the amount of THB 42.00 million or representing 1.91 percent of total assets.

As of December 31, 2013, the Company did not have any land deposits because it had already transferred land ownership during such year.

As of December 31, 2014, the Company paid land deposits of THB 42 million for new project under study.

As of December 31, 2015, the Company recorded no land deposit.

Cost of equipment

Equipment include office appliances, office furniture, computer, vehicles etc. These costs were calculated by costs deducted by accumulated depreciation value. As of December 31, 2013-2015, the Company had total equipment value of THB 11.11 million, THB 12.92 million and THB 9.47 million respectively.

As of December 2013, the Company's total equipment value increased to THB 8.47 million or 320.76 percent compared to 2012 due to purchase of more office appliances, sales office appliances and computers.

As of December 31, 2014, the Company recorded the total equipment value at THB 1.81 million or equivalent to 16.25 percent, resulting from purchase of office furniture for the Company's current office.

As of December 31, 2015, the Company had the total equipment value at THB 9.47 million, a decline of THB 3.45 million or 26.70 percent from 2014, owing to normal depreciation value.

Liabilities

Total liabilities of the Company are mostly 1) loans from financial institutions (including current and non-current type) 2) loans from other individuals. In any particular year, the ratio of current liabilities to total liabilities of the Company significantly changed but this did not affect its management of liabilities. However, the Company shall manage its liabilities in compliance with terms and conditions as stated in the loan agreement to manage its cash flow more effectively.

As of December 31, 2013-2015, the Company recorded total liabilities equal to THB 937.08 million, THB 661.50 million and THB 2,837.50 million respectively, an increase of 1.65 percent from 2013 and 329.02 percent from 2014.

As of December 31, 2013, the Company gradually paid loans back to the financial institutions and completely repaid loans from other individuals since the beginning of 2013; therefore, the Company's liabilities had declined.

As of December 31, 2014, the Company had the total liabilities equal to THB 661.50 million, a decline from THB 275.58 million or 29.40 percent compared to 2013 because the Company repaid loans to financial institutions which in turn caused the decline of liabilities.

As of December 31, 2015, the Company recorded total liabilities of THB 2,837.95 million, an increase of THB 2,176.46 million or 329.02 percent from 2014 since the Company issued bonds with value equivalent to THB 1,130 million, debentures value of THB 940 million in order to acquire new land and invest in new project development. In addition, the Company had more construction creditors equal to THB 14.35 million which was creditor of Rich Park @ Chaophraya project as well as loans from financial institutions with the amount of THB 38.63 million.

Creditors

Major creditors of the Company were construction creditors and as of December 31, 2013-2015, trade account payables of the Company were recorded at THB 119.52 million, THB 21.52 million and THB 10.71 million or equal to 7.73 percent, 0.98 percent and 2.32 percent of total liabilities and ratio of shareholders respectively.

As of December 31, 2013, the Company's trade account payables were recorded at THB 32.80 million or 21.53 percent, a decline from 2012 as a result of the completion of Rich Park @ Bangson Station project in late 2012.

As of December 31, 2014, the Company's trade account payables were equal to THB 98.00 million or representing a decline of 81.99 percent from 2013 owing to the construction completion of Rich Park @ Taopoon Interchange project in 2014.

As of December 31, 2015, the Company's trade account payables increased to the amount of THB 101.71 million, an increase of THB 80.19 million or 372.63 percent from 2014. Increased trade account payables were the result of Rich Park @ Chaophraya project construction.

Long-term loans

The Company's long-term loans were borrowed from financial institutions for project development of the Company.

Table : Long-term loans

	As of Dec.31, 2013		As of Dec.31, 2014		As of Dec.31,2015	
	MB	%	MB	%	MB	%
Long-term loans due within 1 year	463.70	78.85	410.77	86.88	-	-
Long-term loans from financial institutions (net)	124.35	21.15	62.01	13.12	511.41	100.00
Total	588.05	100.00	472.78	100.00	511.41	100.00

As of December 31, 2013, the Company had long-term loans equal to THB 588.05 million, a decline of THB 63.64 million or 9.77 percent from 2012. This decline was resulting from increased number of ownership transfer of Rich Park @ Bangson Station in 2013; therefore, the Company had more money to repay its loans.

As of December 31, 2014, the Company recorded long-term loans equal to THB 472.78 million, a decline of THB 115.27 million or 19.60 percent from 2013, resulting from increased number of ownership transfer of Rich Park @ Taopoon which enabled the Company to repay more loans.

As of December 31, 2015, the Company's long-term loans were equivalent to THB 511.41 million, an increase of THB 38.63 million or 8.17 percent from 2014. The increase of long-term loans from financial institutions were employed for new project development of the Company.

Loans from other individuals or related business

Loans borrowed from other individuals or related business in which the Company was the debtor and paid interests at a different rate.

As of December 31, 2013, the Company did not record any loans from other individuals or related business.

As of December 31, 2014, the Company's loans from other individuals or related business were amounted to THB 14.41 million with an interest rate of 7.625 percent and total interests paid of THB 9,707.44 million.

As of December 2015, the Company did not record any loans from other individuals or related business.

Advanced payment from customers or general public

Money that the Company receives from buyers prior to the date of ownership transfer are deposits and earnest money which shall be recorded as advanced payments from customers and considered as revenues when ownership is transferred. Nevertheless, deposits and earnest money must be approximately 5-10 percent of the selling price depending on the policy of each project.

As of December 31, 2013, the Company recorded advanced money from customers or general public with the amount of THB 41.09 million or equal to 33.50 percent decline from 2012. The main factor was due to the fact that, in 2013, there were ownership transfer of Rich Park @ Bangson project, causing advanced payment in terms of down payment, earnest money, contract payment had been converted to revenues from sales of real estate in profit and loss statements.

As of December 31, 2014, the Company had advanced payment from customers and general public equal to THB 53.91 million or representing 2.45 percent of liabilities and shareholders' equity. Advanced payment was dropped to THB 27.67 million from 2013 or equivalent of 33.92 percent. Major factors were increased amount of ownership transfer from Rich Park @ Taopoon Interchange project, causing advanced payment in terms of down payment, earnest money, contract payment had been converted to revenues from sales of real estate in profit and loss statements.

As of December 31, 2015, the Company recorded advanced payments from customers and general public equal to THB 8.38 million or representing 15.55 percent of liabilities and shareholders' equity. Major factors were increased amount of earnest money, contract payment and down payment from projects that were not transferred ownership; that is, Rich Park @ Chaophraya project and the Rich Sathorn-Taksin project.

Advanced payment from customers and related persons

As of December 31, 2013, the Company had advanced payments from customers and related persons equal to THB 3.59 million or representing 0.23 percent of liabilities and shareholders' equity. Advanced payments still increased, resulting from gradual launch of new projects (details of payments from related persons can be seen from Section 2, No. 12 in "related matters")

As of December 31, 2014, advanced payment from customers and related persons was amounted to THB 2.99 million or representing 0.13 percent of liabilities and shareholders' equity. There were still advanced payments from Rich Park @ Chaophraya project and the Rich Sathorn-Taksin (details of payments from related persons can be seen from Section 2, No. 12. in "related matters")

As of December 31, 2015, advanced payments from customers and related persons was amounted to THB 0.97 million, a decline of THB 2.02 million or representing 67.56 percent from 2014, owing to ownership transfer of Rich Park project in 2015.

Table : Details of payment of projects under construction as of December 31, 2015

Project	Value of sales (1)		Number of transferred units		Value of transferred ownership (2)		Balance of value remaining sales (3)=(1)-(2)		Accumulated due payment (4)=(5)+(6)		Accumulated payment (5)		Accumulated due payment (6)		Balance of accumulated due payment (6) = (3)-(4)	
	MB	Unit	MB	% of sales value	MB	% of sales value	MB	% of sales value	MB	% of sales value	MB	% of sales value	MB	% of sales value	MB	% of sales value
Le Rich Sathupradit	823.88	368.00	820.33	99.57	3.55	0.43	0.05	-	0.05	0.05	0.05	1.41	-	-	3.50	98.59
Le Rich Rachada-Sutthisarn	175.00	77.00	175.00	100.00	-	-	-	-	-	-	-	-	-	-	-	-
Le Rich Aree	235.00	73.00	235.00	100.00	-	-	-	-	-	-	-	-	-	-	-	-
Rich Park Bangson	1,292.65	744.00	1,288.83	99.70	3.82	0.30	0.25	6.54	0.25	0.25	0.25	6.54	-	-	3.57	93.46
Rich Park Taopoon	1,321.30	530.00	1,281.74	97.01	39.56	2.99	0.68	1.72	0.68	0.68	0.68	1.72	-	-	38.88	98.28
Rich Park Chaophraya	464.39	34.00	76.41	16.45	387.98	83.55	34.47	8.88	33.05	33.05	8.52	1.42	1.42	0.37	353.51	91.12
The Rich Sathorn-Taksin	357.77	-	-	-	357.77	100.00	31.26	8.74	27.00	7.55	4.26	1.19	4.26	1.19	326.51	91.26
The Rich Biz Home Rachapruak	45.51	2.00	7.29	2.00	38.22	83.98	0.83	2.17	0.64	1.67	0.19	0.50	0.19	0.50	37.39	97.83
The Rich Biz Home Sukhumvit 105	201.95	41.00	196.85	97.47	5.10	2.53	-	-	-	-	-	-	5.10	100.00	-	-
Total	4,917.45	1,869.00	4,081.45		836.00		67.54		61.67		5.87				768.46	

Remark : 1. No ownership transfer for the Rich Sathorn-Taksin project

Shareholders' equity and return of equity

As of December 31, 2013, 2014 and 2015, shareholders' equity was recorded at the amount of THB 609.48 million, THB 1,542.53 million and THB 1,553.58 million or representing the proportion of 39.41 percent, 69.99 percent and 35.38 percent of liabilities and shareholders' equity respectively. The increase in shareholders' equity resulted from the increase in the Company's net profits of such year and its capital.

As of December 31, 2013, 2014 and 2015, the Company's return on shareholders' equity was amounted to 42.87 percent, 22.77 percent and 2.56 percent respectively, resulting from an increase in registered capital.

As of December 31, 2015, shareholders' equity was equal to THB 11.04 million or representing 0.72 percent increase from 2014. This was due to the fact that the Company paid dividend to shareholders in form of cash and shares on May 29, 2015, with the ratio of 0.14 baht per share.

Liquidity analysis

(unit : million baht)

	2013	2014	2015
Cash flow from operating activities	79.55	(415.71)	(1,014.89)
Cash flow from investment activities	(12.15)	(150.16)	135.36
Cash flow from financing activities	(69.33)	567.72	888.71
Net increase of cash flow (decreasing)	(1.64)	1.85	9.18

Cash flow from operating activities

During 2013-2015, the Company recorded cash flow from operating activities equal to THB 79.55 million, THB 415.71 million and THB 1,014.89 million respectively.

In 2013, the Company recorded cash flow from operating activities equal to THB 79.55 million, resulting from higher amount of revenue from sales of real estate as well as an increase in new projects which would start at the beginning of the year.

In 2014, the Company had cash flow from operating activities with the amount equal to THB 415.71 million since the Company had invested money in new project development; that is, Rich Park @ Chaophraya project, Rich Ville Rachapruet project and Satorn-Taksin project, including land deposit at the amount of THB 42 million and other expenditures used in normal business operations.

In 2015, the Company recorded cash flow from operating activities with the amount equal to THB 1,014.89 million since the Company has spent THB 221.99 million for land deposit, including other expenditures used in normal business operations.

Cash flow from investment activities


In 2013, the Company had cash flow from investment activities equal to THB 12.15 million used to buy computer programs and other equipment.

In 2014, the Company's cash flow from investment activities was recorded at THB 150.16 million used to buy equipment and revenues gained from selling IPO shares were spent in buying temporary capital.

In 2015, the Company had cash flow from investment activities equivalent to THB 135.37 million since the Company had sold its temporary capital to invest in new project development.

Cash flow from financing activities

In 2013, the Company recorded cash flow from financing activities at the amount of THB 69.03 million, consisting of dividend payment of THB 186.29 million, net loan payment of THB 43.93 million while at the same time, the Company gained more cash flows from increase in capital at the amount of THB 107.82 million.



In 2014, the Company had cash flows from financing activities at the amount of THB 567.72 million, resulting from capital increase of THB 687.99 million. Moreover, the Company recorded more cash flows from loans from financial institutions at the amount of THB 685.00 million, including some loan payments during such year.

In 2015, the Company reported cash flows from financing activities at the amount of THB 888.71 million because the Company had issued bonds worth THB 130 million as well as issued debentures with the value of THB 940.00 million.

Ratio of liabilities per shareholders' equity

In 2013, the Company has ratio of liabilities per shareholders' equity equal to 1.54 times and the ratio of interest liabilities per shareholders' equity at 0.96 times in which such ratio was relatively low compared to other companies of the same size and similar industry. Nonetheless, the ratio of liabilities per shareholders' equity declined from 2012 since the Company gradually repaid loans to financial institutions from revenues derived from sales of condominium.

In 2014, the Company recorded the ratio of liabilities per shareholders' equity at 0.43 times and the ratio of interest liabilities per shareholders' equity at 0.31 times since the Company was able to repay loans to financial institutions from money received from ownership transfer of condominium as well as the Company's capital increase during 2014.

In 2015, the Company recorded the ratio of liabilities per shareholders' equity at 1.83 times and the ratio of interest liabilities per shareholders' equity at 0.93 times, an increase of 0.62 times from the previous year because the Company had issued bonds with the total amount of THB1, 130 million and debentures value at THB 940 million, resulting in an increase in liabilities and interest liabilities of the Company.

Audit fees

During the fiscal year of 2013, the Company paid the audit fee to the Company's auditor; that is, Grand Thornton Company, at the amount of THB 760,000. Besides such audit fee, the Company did not have to pay other service fees to the auditor. In addition, the Board of Directors' meeting held on February 28, 2014 agreed to pay the audit fee for the accounting year of 2014 with the total amount of THB 858,560 and in 2015, the Company had made the contract with Karintr Audit Company Limited in which the Company was entitled to pay the audit fee of THB 720,000.

Major factors influencing the Company's financial status and business operation in the future

Risk factors continuously affect the performance and financial status of the Company whether they will be economic situation, interest rate, can have a direct impact on demands on residence. These factors can be either positive factor which supports the business growth or positive factor that slows down the business. These factors; however, are the outcome of financial policy of the Bank of Thailand. Nevertheless, under current economic and political situation, such factors may result in lower interest rate, enabling the real estate business to continue its sustainable growth.

Land procurement for potential project is another important factor causing the project development more difficult to implement. Such factors include electric train line, government's projects or transportation convenient for urban citizen, which in turn, resulting in higher cost of real estate development, slower decision making in part of the consumers, especially in Bangkok area.

Other factors include higher costs of business operation such as labor cost, cost of construction materials, fuel price, transportation expenditures which in turn, can affect the project delivery of contractor and the development of real estate business. Although various risk factors have a direct impact on the Company's business operation, in 2014, however, there were some supporting factors such as the decline of interest rate, the strict measure in issuing credit which enabled the Company to select its customers more properly. Moreover, real estate companies established the management strategy emphasizing on efficiency and planning, resulting in lower capital investment, higher competitiveness compared with other companies in the same industry as well as ability to meet market demands.

In addition, the shareholders' meeting 1/2015 held on April 29, 2015 approved the Company's sales of debentures with the value not exceeding THB 1,600 million. Such amount will be employed in expanding the Company's business and reducing the amount of loans. The meeting of shareholders 3/2015 on July 28, 2015 also approved the Company's sales of debentures at a specific period not exceeding THB 600 million.



Financial Statements and Report of Independent Auditor

For The Year Ended 31 December 2015

Richy Place 2002 Public Company Limited



Report of Independent Auditor

To the Shareholders of Richy Place 2002 Public Company Limited

I have audited the accompanying financial statements of Richy Place 2002 Public Company Limited which comprise the statement of financial position as at 31 December 2015, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements, including planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidences about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained are sufficient and appropriate to provide a basis for my audit opinion.



Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2015 and the results of operations and cash flows for the year then ended of Richy Place 2002 Public Company Limited., in accordance with Thai Financial Reporting Standards.

Other

The statement of financial position of Richy Place 2002 Public Company Limited as at December 31, 2014 The statements of comprehensive income for the year ended December 31, 2014, changes in equity and cash flows for year ended December 31, 2014, which have been presented herewith for comparative purposes, were reviewed by another auditor, whose report dated February 16, 2015 expressed an unqualified opinion.

(Jirote Sirirorote)

Certified Public Accountant

Registration No. 5113

Karin Audit Company Limited

Bangkok

February 29, 2016

Statements of Financial Position

Richy Place 2002 Public Company Limited

		Baht	
	Notes	31 December 2015	31 December 2014
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	22,498,386	13,315,046
Temporary investments - net	6	921,993	138,511,044
Account receivable - deposit for purchase agreement	7	149,000,000	-
Costs of property development for sale - net	8	4,083,460,353	1,870,284,924
Prepaid construction costs		94,275,131	98,370,629
Advances for material purchases		898,901	3,127,260
Deposits for land purchases and condominium	9	-	42,000,000
Other current assets		9,178,887	7,106,908
Total Current Assets		4,360,233,651	2,172,715,811
NON CURRENT ASSETS			
Restricted deposits with banks	10	5,086,625	5,000,000
Investment property	11	4,412,494	4,295,650
Equipment - net	12	9,472,236	12,918,809
Intangible asset - net	13	2,103,489	531,830
Deferred income tax assets	24	9,859,218	8,304,304
Other non current assets		363,890	264,390
Total Non Current Assets		31,297,952	31,314,983
TOTAL ASSETS		4,391,531,603	2,204,030,794

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position (Cont.)

Richy Place 2002 Public Company Limited

		Baht	
	Notes	31 December 2015	31 December 2014
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Bank overdraft	14	9,958,865	-
Bills payable	15	1,129,756,500	-
Accounts payable for construction		31,044,918	16,689,944
Other payables		70,667,088	4,829,457
Loan from financial institutions	16	511,407,618	472,778,315
Shot term - loans from related persons	18	-	-
Advances received from customers - general customers		62,291,556	53,909,680
Advances received from customers - related parties	18	970,800	2,991,700
Accrued expenses		26,672,963	38,784,625
Accrued income tax		4,117,584	16,181,140
Retentions payable		43,357,317	51,772,906
Other current liabilities		3,780,234	330,533
Total Current Liabilities		1,894,025,443	658,268,300
NON CURRENT LIABILITIES			
Debentures	17	940,000,000	-
Employee benefits obligation	19	3,928,707	3,229,877
Total Non Current Liabilities		943,928,707	3,229,877
TOTAL LIABILITIES		2,837,954,150	661,498,177

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position (Cont.)

Richy Place 2002 Public Company Limited

		Baht	
	Notes	31 December 2015	31 December 2014
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)			
SHAREHOLDERS' EQUITY			
Share capital - common shares at Baht 1 par value			
Registered - 985,400,000 shares	20	985,400,000	714,000,000
(2014 : 714,000,000 shares)			
Issued and fully paid - up - 785,399,982 shares			
(2014 : 714,000,000 shares)	20	785,399,982	714,000,000
Premium on share capital		476,302,298	476,302,298
Retained earnings			
Appropriated - legal reserve	22	39,081,000	37,000,000
Unappropriated		252,794,173	315,230,319
Total Shareholders' equity		1,553,577,453	1,542,532,617
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,391,531,603	2,204,030,794

The accompanying notes form an integral part of these financial statements.

Statements of Comprehensive Income

Richy Place 2002 Public Company Limited
for the years ended 31 December

	Notes	Baht	
		2015	2014
Revenues from sales of property	27	507,481,056	1,228,659,081
Costs of property sold	27	(337,474,557)	(761,977,966)
Gross income		170,006,499	466,681,115
Interest income		96,068	117,098
Other income		6,336,664	10,596,855
Selling expenses		(72,698,475)	(102,713,777)
Administrative expenses		(51,343,073)	(64,315,986)
Financial costs		(4,384,434)	(8,255,571)
Income before income tax		48,013,249	302,109,734
Income tax	23	(8,408,395)	(57,054,827)
Income for the years		39,604,854	245,054,907
OTHER COMPREHENSIVE INCOME FOR THE YEARS		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEARS		39,604,854	245,054,907
Basic earnings per share			
Income (Baht per share)		0.05	0.42
Weighted average number of common share (unit : shares)		756,448,756	585,600,000

The accompanying notes form an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

Richy Place 2002 Public Company Limited
for the years ended 31 December

	Notes	Baht				
		Issued and Paid-up Share Capital	Premium on Share Capital	Retained Earnings		Total
				legal reserve	Unappropriated	
Balance as at 1 January 2014		500,000,000	2,304,363	24,800,000	82,375,412	609,479,775
Increase in ordinary shares	20	214,000,000	473,997,935	-	-	687,997,935
Appropriation for legal reserve	22	-	-	12,200,000	(12,200,000)	-
Comprehensive income for the year		-	-	-	245,054,907	245,054,907
Balance as at 31 December 2014		714,000,000	476,302,298	37,000,000	315,230,319	1,542,532,617
Balance as at 1 January 2015		714,000,000	476,302,298	37,000,000	315,230,319	1,542,532,617
Increase in ordinary shares	20	71,399,982	-	-	-	71,399,982
Dividend	21	-	-	-	(99,960,000)	(99,960,000)
Appropriated for legal reserve	22	-	-	2,081,000	(2,081,000)	-
Comprehensive income for the year		-	-	-	39,604,854	39,604,854
Balance as at 31 December 2015		785,399,982	476,302,298	39,081,000	252,794,173	1,553,577,453

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows

Richy Place 2002 Public Company Limited
for the years ended 31 December

	Notes	Baht	
		2015	2014
Cash flows from operating activities			
Income before income tax		48,013,249	302,109,734
Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities:			
Depreciation and amortisation		5,551,472	7,429,335
Asset written off		-	1,008,039
Unrealized gain on change in value of temporary investment		(2,648)	(100,913)
Realized gain on change in value of temporary investment		(1,562,171)	(2,340,051)
Provision for employee benefits obligation		698,830	556,199
Interest income		(96,068)	(117,098)
Interest expense		4,384,434	8,255,570
Income from operations before changes in operating assets and liabilities		56,987,098	316,800,815
Decrease (increase) in operating assets:			
Cost of property development for sales		(1,016,484,016)	(360,246,026)
Account receivable - deposit for purchase agreement		(149,000,000)	-
Prepaid construction costs		4,095,498	(47,674,160)
Advances for purchases of construction materials		2,228,360	400,348
Deposits for land purchases and condominium		42,000,000	(42,000,000)
Other current assets		(2,071,980)	(1,097,326)
Other non - current assets		(99,500)	136,667
Increase (decrease) in operating liabilities:			
Accounts payable		80,192,605	(98,000,163)
Payable for land purchase and condominium		-	(64,000,000)
Advances received from customers		6,360,976	(28,273,787)
Accrued expenses		(12,111,663)	4,542,938
Retentions payable		(8,415,589)	37,311,079
Other current liabilities		3,449,701	(2,061,697)
Net cash provided from (used in) operating		(992,868,510)	(284,161,312)
Income tax payment		(22,026,864)	(63,954,963)
Net cash provided from (used in) operating activities		(1,014,895,374)	(348,116,275)

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows (Cont.)

Richy Place 2002 Public Company Limited
for the years ended 31 December

for the years ended 31 December

		Baht	
	Notes	2015	2014
Cash flows from investing activities:			
Increase in restricted deposits with banks		(86,625)	(5,000,000)
Purchase of equipment		(1,207,191)	(9,798,331)
Purchase of Intangible asset		(2,469,367)	-
Cash paid for current investment		(1,029,000,000)	(478,985,000)
Cash receipt from current investment		1,168,153,869	342,914,920
Cash receipt from interest income		96,068	34,803
Purchase of investment property		(116,844)	(4,295,650)
Net cash provided from (used in) investing activities		135,369,910	(155,129,258)
Cash flows from financing activities			
Interest paid		(101,319,347)	(67,629,152)
Increase in bank overdraft		9,958,865	-
Proceed from bills of exchange		30,000,000	-
Increase in debentures		940,000,000	-
Proceed from loan from financial institutions		410,866,734	685,002,400
Repayment for loan from financial institutions		(372,237,430)	(800,276,729)
Proceed from increase share capital		-	687,997,935
Dividend paid		(28,560,018)	-
Net cash provided from (used in) financing activities		888,708,804	505,094,454
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		9,183,340	1,848,921
CASH AND CASH EQUIVALENTS AT BEGINING OF THE YEARS	5	13,315,046	11,466,125
CASH AND CASH EQUIVALENTS AT END OF THE YEARS	5	22,498,386	13,315,046

Supplemental Disclosure of Cash Flow Information

- In 2015, the company cancelled a land sale and purchase contract which has paid a deposit of Baht 19 million. The company received refund of Baht 15 million. The remaining balance of Baht 4 million is recorded as other receivables.
- In 2015, the company purchased land totalling of Baht 1,099.76 million and paid by issuing of promissory notes.
- In 2015, the company cancelled a condominium sale and purchase contract which has paid a deposit of Baht 145 million. The company is preparing request to refund the deposit payment. This amount is recorded as account receivables - deposit for purchase agreement.

The accompanying notes form an integral part of these financial statements.

Notes to Financial Statements

Richy Place 2002 Public Company Limited

31 December 2015

1. GENERAL INFORMATION

The Company was incorporated as a limited company under The Civil and Commercial Code of Thailand on 18 November 2002 in the name of Richy Place 2002 Company Limited. The Company changed its status to a public company and registered the change of its name to "Richy Place 2002 Public Company Limited" on 27 September 2013. The Company is engaged in the development and sale of property and condominiums. The Company's registered office is located at 7th Floor ,667/15 Ataboon Building., Charansanitwong Rd., Bangkoknoi, Bangkok. The Company is 53.62% owned by members of Ataboonwongs family.

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

The accompanying financial statements have been officially prepared in Thai in accordance with the Accounting Act B.E. 2543 and Thai Financial Reporting Standards issued under the Accounting Professions Act B.E. 2547 and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. The financial statements in other language have been translated from the Thai language financial statements.

The financial statements has been prepared on a historical cost basis, except as otherwise disclosed specifically.

2.1 New financial reporting standards

(a) Financial reporting standard that became effective in the current period

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. 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's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company already recognise actuarial gains and losses immediately in other comprehensive income.



TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's financial statements.

(b) Financial reporting standard issued during the period and not yet effective

During the period, the Federation of Accounting Professions issued a number of the revised financial reporting standards (revised 2015) which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised financial reporting standards will not have any significant impact on the financial statements when it is initially applied.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and Expense recognition

Revenues from sales of land and houses and condominium units are recognized when the construction is completed and the ownership is respectively transferred to the buyers.

Other income and expenses are recognized on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

3.3 Costs of property development

Costs of property development are presented at costs or net realizable value whichever is lower. Costs of property development included land cost, construction costs and expenses directly related to the development projects, including interest expense incurred from financing loan interest. These will be amortized to costs of sales based on the percentage of space sold of each project. For the new development project started in the year 2014, the Company has changed the cost allocation for condominium project by the percentage of sale from the total sale value of the project to the total development cost of each project.

3.4 Borrowing costs

Interest expense incurred from loans to finance the acquisition and the development of the project is capitalized as cost of each project. The Company will cease the capitalization of interest when the project is completed or suspended until the further development is resumed.

3.5 Land held for development

Land held for development consists of the cost of land and other related expenses for the acquisition of land based on the actual cost incurred. The value is presented at cost less allowance for impairment (if any).

3.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

3.7 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.

3.8 Equipment

Equipment is stated at costs less accumulated depreciation and allowance for impairment of assets (if any). Cost is measured by the cash or cash equivalent price of obtaining the asset to bring it to the location and condition necessary for its intended use.

The Company depreciates equipment by the straight - line method over their estimated useful lives of the assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimate useful lives of the assets are as follows :

Building improvement	5 years
Office equipment	5 years
Computer equipment	3 years
Sale Office	15 months
Vehicle	5 years

Expenditures for addition, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incur.

3.9 Intangible assets

Intangible assets (Software) are stated at cost less accumulated amortization. Amortization of intangible assets is calculated by reference to their costs on a straight-line basis over the estimated useful lives of 3 years.

3.10 Impairment

The Company reviewed the estimated value of assets at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Impairment loss is determined, if the book value of an asset exceeds its recoverable amount, and recognized in the statement of income.

3.11 Operating Lease

Lease of asset which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payment under an operating lease is recognized as an expense on a systematic basis over the lease period.

3.12 Employee benefits

Short-term employment benefits

Salaries, wages, bonuses, contribution to the social security and provident fund, are recognised as expenses when incurred on the accrual basis.

Post-employment benefits (Defined benefit plan)

The Company has obligations in respect of the severance payment it must make to employee upon retirement under the labour law. The obligations under the defined benefits plan are determined by actuary, using the projected unit credit method.

Actuarial gains or losses for the computation of post-employee benefits are presented in other comprehensive income.

3.13 Income tax

The income tax expense for the year comprises current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of earlier years.

Deferred income tax

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts corresponding items used for income tax computation purpose. Deferred income tax is measured at the tax rate that are expected to be applied to the temporary differences when they reverse, using tax rate enacted or substantively enacted at the end of the reporting period.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that the related tax benefit will be realized.

3.14 Segment reporting

Segment results that are reported to the executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.15 Dividend payment

Dividend payment is recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors.

3.16 Basic earnings per share

Basic earnings per share are determined by dividing the income for the year by the weighted average number of ordinary shares outstanding during the year.

3.17 Use of accounting estimates

The preparation of the financial statements requires management to make estimates and assumption that affect the reporting amounts of revenues, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The actual result may differ from those estimates.

3.18 Provisions for liabilities and expenses and contingent assets

Provisions are recognized in the financial statements when the Company have a present legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent assets will be recognized as separate assets only when the realization is virtually certain.



4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION, JUDGEMENT AND CAPITAL RISK MANAGEMENT

4.1 Critical accounting estimates, assumption and judgments

4.1.1 Allowance for declining values of houses and condominium units and land held for development

The Company treats cost of property development projects and land held for development as diminution when the management judges that there have been significant or prolonged declines in the fair value below cost. The management determines the devaluation of such cost of property development projects and land held for development based on net realizable value. The determination of what is “significant” and such devaluation requires the management to exercise judgment.

4.1.2 Equipment and intangible assets

In determining depreciation and amortisation of equipment and intangible assets, the management is required to make estimates of the useful lives and salvage values of its equipment and intangible assets and to review estimated useful lives and salvage values when there is an indication of change.

4.1.3 Impairment of assets

The Company considers allowances for impairment of assets when there is an indication that an asset may be impaired. When there has been a significant decline in the fair values of assets, the management will determine the estimated recoverable amount.

4.1.4 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, management is required to use judgment as to whether significant risk and reward of ownership of the leased asset have been transferred, taking into consideration the term and condition of the arrangement.

4.1.5 Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality table for the country. Actual post-retirement costs may ultimately differ from these estimates.

4.1.6 Contribution to Housing Estate Juristic Persons Fund

The Company estimates the contribution to Housing Estate Juristic Persons Fund using the rate specified by the regulator and the budgeted public utilities costs as a basis for the calculation.

4.1.7 Litigation

The Company has contingent liabilities as a result of litigation. The management has exercised judgment to assess the results of the litigation and recorded certain provision as at the end of reporting period. However, actual results could differ from the estimates.

4.1.8 Deferred tax assets

Deferred tax assets are recognized based on an assessment of the probability of future taxable income against which the deductible temporary differences can be utilized. In addition, management's judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

4.2 Capital risk management

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debts.

5. CASH AND CASH EQUIVALENTS

	Baht	
	31 December 2015	31 December 2014
Cash	1,210,202	367,395
Cash at banks		
- Saving account	-	5,034,865
- Current account	17,504,193	7,912,786
Post dated check	3,783,991	-
Total	22,498,386	13,315,046

6. TEMPORARY INVESTMENTS - NET

	Baht	
	31 December 2015	31 December 2014
Temporary investments		
Krungsri Star Plus Fund	919,345	138,100,000
Unrealized gain from change in value of investment	2,648	411,044
Net	921,993	138,511,044

Changes in temporary investments during the year ended 31 December 2015 as follows :

	Baht
Net book value as at 1 January 2015	138,511,044
Purchases during the year	1,029,000,000
Disposals during the year	1,166,506,713
Fair value adjustment	(82,338)
Net book value as at 31 December 2015	921,993

The Company entered into agreement with Phatra Securities Public Company Limited as the representative to purchase Krungsri Star Plus Fund.

7. ACCOUNT RECEIVABLE – DEPOSIT FOR PURCHASE

As at 31 December 2015, the company has account receivable – deposit for purchase agreement of Baht 149 million. It is represented deposit for project under development of Baht 145 million and land purchase of Baht 5 million.

As the Board of Directors meeting held on July 28, 2015 the Board of Directors approved the purchase "WORA" condominium at Road 49 from Worluk Property Public Company Limited worth 945 million baht, the price is reasonable. According to an appraisal by Agency for Real Estate Affairs Co., Ltd. independent appraiser approved by the SEC, which has assessed the property is worth. 1,131 million baht or 83.55 percent of the appraised value. And the acquisition of such projects are beneficial to the company. Can enhance the operations of the Company in the future. The company paid at the amount of 145 million baht on July 29, 2015 and amount of 650 million baht on the date of transfer (within September 28, 2015) and 150 million baht on the date of transfer of ownership by the Aval dated January 29, 2016. The Company did not transfer ownership and common property from the seller which due on September 28, 2015, due to under negotiation. The Company management has opinion that it is negotiable and there is no legal exposure. The company is preparing request to refund the deposit payment. Management believes that the company will be refunded full amount therefore the company did not recorded and provision for deposit loss.

8. COSTS OF PROPERTY DEVELOPMENT - NET

	Baht	
	31 December 2015	31 December 2014
Work in process	2,653,001,449	1,126,040,331
Capitalized borrowing costs	96,934,913	38,052,568
Finished goods	1,333,523,991	706,192,025
Costs of property development - net	4,083,460,353	1,870,284,924

As at 31 December 2015 and 2014, the above land and constructions have been mortgaged as collaterals for credit facilities granted by banks as discussed in Notes 16.

During the years 2015 and 2014, the Company capitalized interest amounting to Baht 96.93 million and Baht 59.63 million, respectively, to the costs of property development.

Changes in property development costs during the year ended 31 December 2015 as follows :

	Baht
Balance as at 1 January 2015	1,870,284,924
<u>Add</u> Costs of construction	2,550,649,986
<u>Less</u> Costs of sales	(337,474,557)
Balance as at 31 December 2015	4,083,460,353

9. DEPOSITS FOR LAND PURCHASES AND CONDOMINIUM

	Baht	
	31 December 2015	31 December 2014
Deposits for land purchases	-	42,000,000
Total	-	42,000,000

10. RESTRICTED DEPOSITS WITH BANK

As at 31 December 2015 and 2014, the Company has fixed deposits with a local bank totaling Baht 5 million are restricted for usage as they have been pledged as collaterals for bank overdraft.

11. INVESTMENT IN PROPERTY

As at 31 December 2015, Investment in property amounting to Baht 4.41 million is for the land for construction of club house which is under construction. This will be for rent to generate rental income in the future.

12. EQUIPMENT - NET

	Baht				
	December 31, 2014	Increase	Decrease	Transfer in (out)	December 31, 2015
Cost :					
Building improvement	3,215,058	46,803	(8,403)	(154,288)	3,099,170
Office equipment	9,104,778	423,309	(602,125)	(79,145)	8,846,817
Computer equipment	1,858,903	56,276	(169,872)	(48,144)	1,697,163
Sales office	8,163,723	979,555	(3,888,731)	-	5,254,547
Vehicle	5,000	-	-	-	5,000
Total	22,347,462	1,505,943	(4,669,131)	(281,577)	18,902,697
Accumulated depreciation :					
Building improvement	562,443	634,934	(51)	(38,888)	1,158,438
Office equipment	3,648,732	1,582,085	(591,878)	(13,068)	4,625,871
Computer equipment	1,005,105	281,262	(169,856)	(48,139)	1,068,372
Sales office	4,210,324	2,170,168	(3,772,389)	(33,372)	2,574,731
Vehicle	2,049	1,000	-	-	3,049
Total	9,428,653	4,669,449	(4,534,174)	(133,467)	9,430,461
Net book value	12,918,809				9,472,236
Depreciation for the year	6,947,491				4,653,763

As of 31 December 2015 and 2014, the Company had some fully depreciated assets but still in active use with total costs of Baht 1.87 million and Baht 5.42 million, respectively.

13. INTANGIBLE ASSET - NET

	Baht		
	December 31, 2014	Increase	December 31, 2015
Computer Software	1,445,677	2,469,367	-
Less Accumulated amortization	913,847	897,708	-
Net	531,830	3,367,075	-
Amortization for the year	481,844		897,708

14. BANK OVERDRAFT

As at 31 December 2015 and 2014, the Company has bank overdraft facility with a bank for Baht 5 million and Baht 7 million. These bear interest at the rate MOR and MRR, respectively, and is collateralized by land and constructions and by fixed deposit.

15. BILL PAYABLE

	Baht	
	31 December 2015	31 December 2014
Bill of Exchange	30,000,000	-
Aval Promissory Note	1,099,756,500	-
Total	1,129,756,500	-

On 31 December 2015, the Company has issued bill of exchange of Baht 30 million, interest rate 4.5% p.a. due in January 2016 for the purpose of business expansion and working capital. As the Board of Directors meeting held on July 28, 2015 approved the offering of short - term bill of exchange to the age of 270 days, with the amount outstanding at any time, including up to 600 million baht interest rates based on market rates at the time of the offering.

As at 31 December 2015, the company has outstanding of 47 Aval promissory notes for the purpose of land purchase totaling of Baht 1,099.76 million which will be due in June and July 2016. These Aval promissory notes are guaranteed by a financial institution which the company uses land and project under construction as collateral, as discussed in Note 8

In the Annual General Meeting of Shareholders No. 1/2015 held on 29 April 2015 the shareholders have approved to consider the issuance and offer of debentures with an aggregate principal amount, at any time, not exceeding Baht 1,600 million (one billion and six hundred thousand million Baht).

16. LOANS FROM FINANCIAL INSTITUTIONS - NET

As at 31 December 2015 and 2014, the Company has loans from financial institutions as follow :

	Baht	
	31 December 2015	31 December 2014
Loans from financial institutions	511,407,618	472,778,315

Movements in the loans from institutions during the year are as follow:

	Baht
Beginning balance as at 1 January 2015	472,778,315
<u>Add</u> Additional borrowings	410,866,733
<u>Less</u> Repayments	(372,237,430)
Ending Balance as at 31 December 2015	511,407,618

As at 31 December 2015 and 2014, the Company had unused credit facilities for loans from financial institutions as follows:

Credit facilities	Interest rate	Repayment	Million Baht	
			31 Dec 2015	31 Dec 2014
* Baht 534.61 million (For Construction and Land purchase)	MLR + 0.75% PA	The principal is repayable within 72 months from the date of signing the agreement (11 April 2012)	135	135
* Baht 261.5 million (For Equipment installment)	Fee rate 2.5%PA	The principal is repayable within 31 months from the date of signing the agreement (21 May 2013)	170	170
* Baht 691.01 million	MLR + 0.75% PA	The principal is repayable within 72 months from the date of signing the agreement (15 November 2013)	557	596
* Baht 858.86 million	MLR -1.00% PA	The principal is repayable within 48 months from the date of signing the agreement (29 December 2014)	748	859

All the Company's land for each project has been mortgaged as collaterals for loans with the guarantee of the Company's director.

As the loan repayment schedule will be paid as proportionate to real estate sales. The Company therefore presented the loans from financial institutions as Current Liabilities.

Under the term of the loan agreement, the Company shall maintain Debt to equity ratio is not over than 2.5:1, and shall pay prepayment fee at 2% of the outstanding loan etc.

17. DEBENTURES

As at December 31, 2015, the Company with having registered and bond holders representative debentures as follow:

Debenture No.	Issuance Date	Maturity Date	No. of units	Total Amount	Interest rate per annum (% p.a.)	Term of interest payment	Outstanding balance as at December 31, 2015 (Baht)
1	11 Sep 15	11 Sep 17	350,000	1,000	5.10	11 March, June, September and December	350,000,000
2	28 Sep 15	28 Sep 17	190,000	1,000	5.35	28 March, June, September and December	190,000,000
3	27 Nov 15	26 Nov 17	100,000	1,000	5.50	26 February, May, August and November	100,000,000
4	21 Dec 15	21 Dec 18	300,000	1,000	5.60	21 March, June, September and December	300,000,000
Total							940,000,000

18. TRANSACTIONS WITH RELATED PARTIES

The Company has some significant accounting transactions with its related parties which basis for execution of the transactions might be different from the basis used for transactions with unrelated parties.

Type of Relationship

Related Parties	Relationship
Ms. Apa Ataboonwong	Managing director and shareholder
Lt.Gen. Mrs. Samang Thongpan	Chairman of Audit Committee
Ms. Sunee Satatinun	Director and shareholder
Mr. Somsak Ataboonwong	Director and shareholder
Mrs. Nongluk Wanathumpong	Director and Shareholder
Assoc.Prof. Suthat Ratanakuakangwan	Director
Mrs. Supamart Pinsumang	Shareholder
Mrs. Worapha Molarrak	Shareholder
Mrs. Nion Munipirakul	Shareholder
Mrs. Kultamas Nitcharoj	Shareholder
Ms. Pornrapat Aksornwanich	Shareholder
Ms. Jarinee Krongyungyuan	Shareholder
Mr. Pichai Ataboonwong	Shareholder
Mr. Werapol Ataboonwong	Shareholder
Ms. Somporn Mewerasom	Shareholder
Mrs. Pimwanree Preansathaporn	Relative audit committee
Dr. Thanyanon Ratanakuakangwan	Relative director
Ms. Sathinee Ataboonwong	Relative shareholder
Mrs. Saranthon Srisoontorn	Management
Ataboon Asset Co., Ltd.	A related company with joint director
Ataboon Co., Ltd.	A related company with joint director
KCS and Associate Co., Ltd.	A related company with joint director

Significant transactions with related parties for the years ended 31 December 2015 and 2014 are as follows :

		Thousand Baht	
		For the year ended	
		31 December	
Transactions with related parties	Pricing policy	2015	2014
Revenues from sale of property	Market price	16,726	43,881
Head office rental expense	Baht 75,834 per month (Bath 51,206 - 75,834)	910	1,183
Common charge	Baht 60,857 per month (Bath 37,566 - 60,857)	730	895
Project Management expense	Mutually agreed	257	5,858
Interest expense	5.525% per annum	77	9
<u>Management benefits</u>			
Current employment benefits		16,530	22,229
Post - employment benefits		269	269
Total		16,799	22,498

On 1 March 2014, the Company entered into office rental and service agreements with a related company for 3 years from 1 March 2014 to 28 February 2017 with monthly rental and services fee as specified in the agreement.

Significant balances with related parties as at 31 December 2015 and 2014 are as follows:

	Baht	
	31 December 2015	31 December 2014
<u>Advances received from customers</u>		
Ataboon Asset Co., Ltd.	970,800	438,400
Mrs. Supamart Pinsumang	-	395,400
Ms. Somporn Mewerasom	-	380,800
Mrs. Nion Munipirakul	-	378,100
Mrs. Kultamas Nitcharoj	-	363,000
Mrs. Worapha Molaarak	-	200,600
Ms. Jarinee Krongyungyuan	-	200,000
Dr. Thanyanon Ratanakuakangwan	-	192,000
Mr. Werapol Ataboonwong	-	192,000
Mrs. Nongluk Wanathumpong	-	186,000
Ms. Pornrapat Aksornwanich	-	65,400
Total	970,800	2,991,700

	Baht	
	31 December 2015	31 December 2014
<u>Loan from related party</u>		
Ataboon Co., Ltd.	-	-
Ms. Apa Ataboonwong	-	-
	-	-

The significant movements of loan from related party during the years are as follows:

	Baht			
	31 December 2014	Increase	Decrease	31 December 2015
<u>Loan from related party</u>				
Ataboon Co., Ltd.	-	24,000,000	(24,000,000)	-
Ms. Apa Ataboonwong	-	11,000,000	(11,000,000)	-
	-	35,000,000	(35,000,000)	-

19. EMPLOYEE BENEFITS OBLIGATION

	Baht
	31 December 2015
Balance as at 1 January 2015	3,229,877
Current service cost	556,200
Financial cost	142,630
Balance as at 31 December 2015	3,928,707

Principal actuarial assumptions at the reporting date for the years ended 31 December 2015 and 2014 are as follow:

	2015	2014
Mortality rate	Thai Mortality Table 2008	Thai Mortality Table
Discount rate	4.62%	4.62%
Average increasing salary rate	5.00%	5.00%
Retirement age	55 years	55 years

20. SHARE CAPITAL

At the Annual General Meeting of Shareholders No. 1/2015 held on 29 April 2015. The shareholders has significant resolved as follow:

1. Approved of an increase of capital from the existing registered capital of 714,000,000 Baht to the new registered capital of 785,400,000 Baht by issued 71,400,000 shares at the par value of 1 Baht per share, in order to accommodate the stock dividend payment.
2. Approved of an increase of capital from the existing registered capital of expand a business of general mandate. By an increase of capital of 200,000,000 Baht from registered Capital 785,400,000 Baht to the new registered capital of 985,400,000 Baht.
3. Approve to consider the allocation of the newly issued shares as follows:
 - 3.1 To allocate newly issued shares of not exceeding 71.40 million shares, with a par value of 1 Baht, to accommodate the stock dividend payment. The shares shall be allocated to existing shareholders at the ratio of 10 existing shares to 1 dividend stock. In case any shareholder holds merely a fraction of the current shares after such allocation, the dividend shall be paid in cash in the amount of Baht 0.1 per share. (Issued shares 71,399,982 shares.)
 - 3.2 Issuance of new shares of not exceeding 200 million shares, with a par value of 1 Baht, to raise capital and facilitate future business expansion through general mandate approach. Currently, there is no issuance.

21. DIVIDEND

At the Annual General Meeting of Shareholders No. 1/2015 held on 29 April 2015. The shareholders has approved the Profit Allocation and Dividend payment from the 2014 operation by the legal reserve of 12,200,000 Baht and approved the dividend payment of 0.14 Baht per share following:

1. To pay cash dividend at the rate of 0.04 Baht per share
2. To pay dividend by ordinary shares at the par of 1 Baht in the ratio of 10 current shares per 1 dividend share. In case of a fraction share, the company will pay dividend in cash at the value of 0.10 Baht per share. (Issued shares 71,399,982 shares at the par of 1 Baht)

22. LEGAL RESERVE

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

In the Annual General Meeting of Shareholders No. 1/2015 held on 29 April 2015 the shareholders approved allocate additional legal reserve of Baht 100,000.

23. PROVIDENT FUND

The Company and its staff have established a contributory Provident Fund. This Provident Fund has already been registered under the Provident Fund Act, B.E. 2530. Under the Fund plan, staff has to contribute to the fund at the specific rate and will be entitled to receive the fund when staff is no longer member in accordance with regulation of the fund.

The Company's contribution to the Fund for the years 2015 and 2014, amounted to Baht 0.28 million and Baht 0.33 million.

24. DEFERRED INCOME TAX

Deferred tax asset as at 31 December 2015 and 2014 are as follows:

	Baht	
	31 December 2015	31 December 2014
Deferred income tax asset	9,859,218	8,304,304

The movements in deferred tax asset are as follows:

	Baht			
	Recognised as income (expense)			31 December 2015
	1 January 2015	Statement of income	Shareholders' equity	
Deferred income tax asset:				
From costs of property development for sale and advances received from customers	7,658,329	778,215	-	8,436,544
From employee benefits obligation	645,975	776,699	-	1,422,674
Total	8,304,304	1,554,914	-	9,859,218

Income tax recognized in the statement of income for the year ended 31 December 2015 and 2014 are as follows:

	Baht	
	For the years ended	
	31 December	
	2015	2014
Current income tax	9,963,307	53,428,992
Deferred tax from temporary differences	(1,554,912)	3,625,835
Total	8,408,395	57,054,827

25. EXPENSES BY NATURE

	Baht	
	For the years ended	
	31 December	
	2015	2014
Construction costs	2,557,445,719	1,176,383,094
Changes in costs of property development projects	(857,812,010)	(432,702,933)
Salaries, wages and other employee benefits	33,317,815	27,782,275
Depreciation and amortization	5,396,564	7,429,335
Rental expense	1,640,285	1,545,140
Sale promotion expenses	25,793,757	24,463,396
Office expenses	2,911,408	1,389,455
Other taxes and duties	908,894	11,434,218
Specific business tax	16,258,687	39,110,442

26. FINANCIAL INSTRUMENT

26.1 Risk management

The Company does not have policy on financial instrument speculation for profit or for trading.

26.2 Interest rates risk

Interest rate risk is the risk that interest rates may change in the future which will affect the results of operations and cash flows. The Company has assets and liabilities with interest rate risk as follows :

	Amount (Baht)		Interest Rate (%)	
	2015	2014	2015	2014
Long - term loans from financial institution	511,407,618	472,778,315	5.53 – 8.25	7.37 - 8.25

26.3 Non-compliance risk

Non-compliance risk is the risk that customers do not comply with condition in purchase and sale agreements that may cause damages to the Company. Management believes that the Company does not have significant risk in respect of non-compliance since the Company holds policy to hedge risk by arranging down payment at the rates of 10% of purchase and sale agreement and ownership is transferred to customers when payments are completed in accordance with such agreements.

26.4 Exchange rate risk

The Company does not have risk from the fluctuation of exchange rate in the foreign currencies since it does not have trading business in foreign currencies.

26.5 Fair value

The financial assets and liabilities are mainly classified as short term. Long-term loans from commercial banks bear interest at the market rates. The management believes that book values of such financial assets and liabilities are not significantly different from fair values.

27. SEGMENTAL REPORTING

The Company has carries on business in the single geographic area in Thailand. The business segment in property development is as follow.

Million Baht								
For the years ended 31 December 2015 and 2014								
	High rise		Low rise		Other		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Sale	428.07	1,080.00	65.63	112.50	13.77	36.16	507.47	1,228.66
Cost of sale	274.04	658.97	52.07	74.09	11.35	28.92	337.46	761.98
Gross margin	154.03	421.03	13.56	38.41	2.42	7.24	170.01	466.62
Net profit							39.60	245.05

28. OBLIGATIONS AND COMMITMENT TO COMPLETE PROJECTS ON HAND

Baht		
For the years ended		
31 December		
	2015	2014
Cumulative values of contracted sales	4,930,221,625	3,576,109,238
Percentage of total sales to projects on hand	50	74
Value of sales contracts executed during the year	353,931,427	1,074,145,057
Percentage of total sales to projects on hand	50	84

29. COMMITMENTS

29.1 As at 31 December 2015, the Company has commitments agreement as follow:

Million Baht			
	Contract Amount	Payment	Outstanding
Construction agreement	736,234,296	151,116,472	585,117,824

29.2 The Company has commitments for payment of operating lease as at 31 December 2015 as follow:

	Thousand Baht
Within	
1 year	1,640
Over 1 year	273
Total	1,913

30. BANK GUARANTEE

As at 31 December 2015 and 2014, the Company has commitment in respect of bank guarantee for public utilities project to a government institute in amount of Baht 61.04 million, respectively for commitments under normal business.

31. LITIGATION

During 2007, the Company was sued to be the Co-defendant with three others to pay the damage totaling Baht 43.75 million. On 29 April 2011, the Court of First Instance ordered the Company to pay for damages amounting to Baht 1 million with interest rate at 7.5% per annum from 29 November 2008 up to the payment date. On 6 September 2012, the Appeal Court ordered the Company to place collateral for the amount that would pay according to the judgment of the Court of First Instance plus additional interest for next 2 years from order date which Deves Insurance Co., Ltd who pledged the guarantee. The Company believes that there is no any damage from such case since the Co-defendant No.1 provided the indemnity letter to the plaintiff instead on behalf of the Company on 1 April 2011.

On 8 October 2013, the Court of Appeal judged the Company and Co-defendant No.2 to pay Baht 2,000,000 to the plaintiff and the Co-defendant No.3 to jointly pay Baht 900,000. The petition of this case is in the process of filing with the Supreme Court. The Company believes that there is no any damage from such case because the Company can reimburse any damages from Co-defendant No. 2 in accordance with construction agreement.

32. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 29 February 2016.



มุ่งมั่นในการสร้างสรรค์ สังคมเปี่ยมสุข

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