

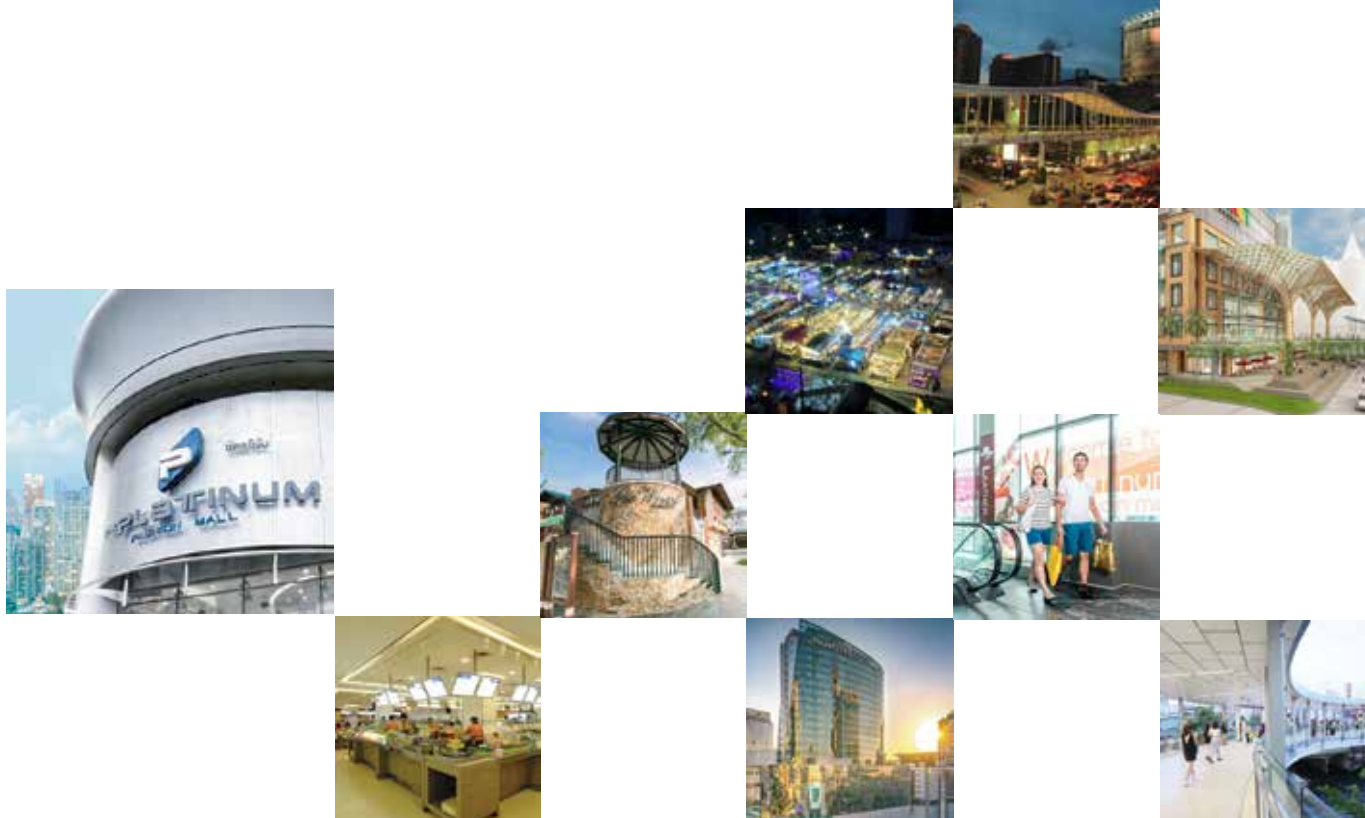
**SUCCESS AND
SUSTAINABILITY
TOGETHER**

Annual Report 2017



Contents

1	Vision & Mission	4	Consolidated Financial Highlight	6	Message from the Chairman
8	Message from the Chairman of the Executive Committee	10	Report of the Audit Committee	12	Report of the Nomination and Remuneration Committee
14	Board of Directors	22	Key Milestone in 2017	23	Awards 2017
24	Marketing and Competition	33	Nature of Business	36	Current Projects
38	Future Projects	40	Management Discussion and Analysis	46	Corporate Governance



76	Corporate Social Responsibility	89	Risk Factors	92	The Shareholder Structure
94	Organization Structure	95	Management Structure	105	Connected Transactions
110	Shareholder and Dividend Payment Policy	112	Responsibility of the Board of Directors to Financial Statement	113	Independent Auditor's Report
120	Statements of Financial Position	165	Audit Fee	166	Projects Location
167	Corporate Information				



SUCCESS AND SUSTAINABILITY TOGETHER

The Company keeps moving forward to allow the business growth with adherence to sustainable development, focusing on conducting business with morality, ethic and responsibility in relation to all shareholders, society and environment. The Company's long term goal is to achieve the comprehensive development of real estate projects.

The undergoing development projects plan which are The Market Bangkok, hotels in Samui Island, office for rent and hotels on The Market Bangkok are a pivotal drivers attributing to assure the leaping growth of our business in the years to come.



VISION

“To be the leader in commercial property development sector with mixed use development to cover residential, office and hotel together with full support for entrepreneur, social and environment by making the optimum return to shareholders, encouraging work life balance to employees, and looking for corporate partners to achieve the sustainable growth.”

MISSION



To support “Pratunum Trading District” development as a central strategic location for the country



To continue strengthen wholesale shopping center management in all market segments



To promote the holistic view of mixed use property development to meet business requirement for local and South East Asia



To encourage the entrepreneurship, strategic partner engagement, and responsible for social, community, environment, employees and shareholders for sustainable growth

OBJECTIVES

- To develop The Platinum Fashion Mall as “The Best Wholesale Fashion Hub of ASEAN” within 10 years
- To grow both wholesale and retail business at least 3 centers within 5 years
- To expand the hotel business at least 3 hotels within 5 years
- To expand the office business at least 1 building within 5 years



Since the Past Strong Fundamental with Proof of Success

Platinum Food Center

PLATINUM
FOOD CENTER



The Platinum Fashion Mall Phase 1

THE PLATINUM
FASHION MALL



Novotel Bangkok Platinum Pratunam Hotel

NOVOTEL
HOTELS & RESORTS
BANGKOK
PLATINUM PRATUNAM



The Platinum Fashion Mall Phase 2

THE PLATINUM
FASHION MALL



The Wharf Samui Project

The Wharf
SAMUI



2005

2011

2010

2015

Till the Future The Promise Sustainability Growth

2016

Ratchaprasong Walk (R-Walk) Phase 1



2018

The Market Bangkok Project



2022

Hotel on The Market Bangkok Project

Rent Office on The Market Bangkok Project

2017

The Neon Night Bazaar



Ratchaprasong Walk (R-Walk) Phase 2



2020

Holiday Inn Resort Samui



Holiday Inn Express Samui



Towards the Present The Business Synergy Collaboration

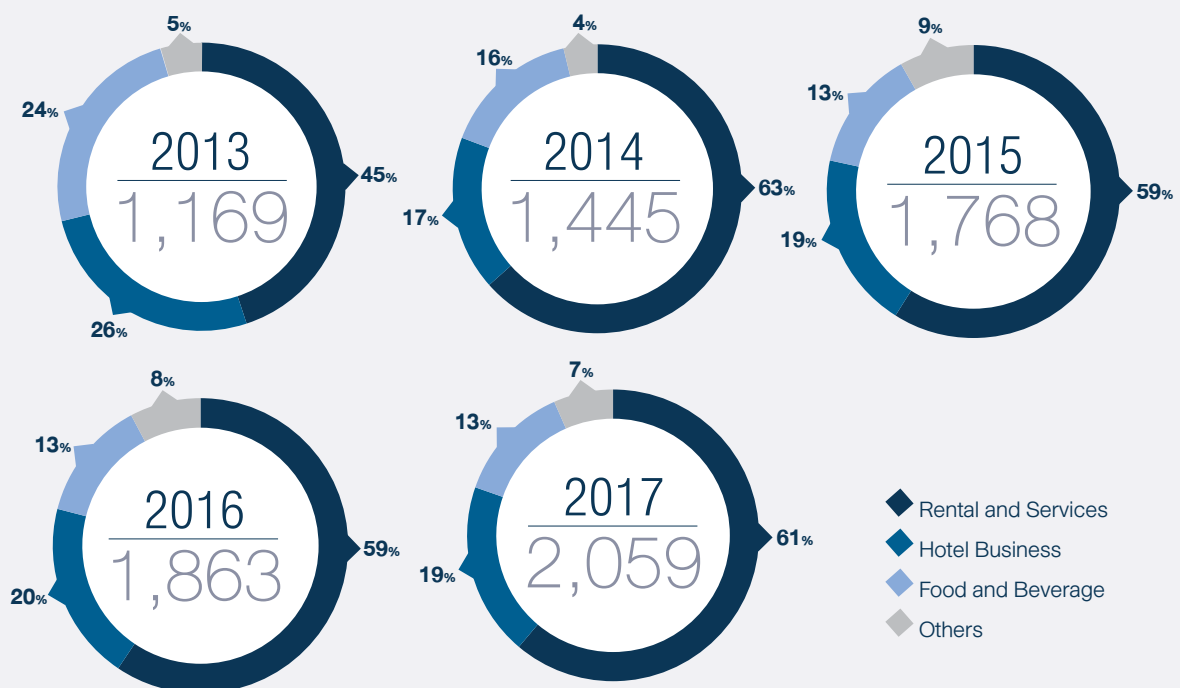


CONSOLIDATED FINANCIAL HIGHLIGHT

(Unit : MB)

Consolidated Financial Highlight	2013	2014	2015	2016	2017
Statement of comprehensive income					
Revenue from Operation	1,115	1,391	1,623	1,718	1,923
Total Revenues	1,169	1,445	1,768	1,863	2,059
Cost of Operation	533	555	631	650	710
Total Gross Profit	582	836	992	1,068	1,213
Profit for the Period (Equity holder of the Company)	250	438	630	704	772
Consolidated Financial Status					
Total Assets	4,374	4,107	9,547	9,822	10,491
Total Liabilities	2,155	1,471	1,344	1,356	1,757
Total Shareholders' Equity	2,219	2,636	8,203	8,466	8,734
Issued and Paid-up Share Capital	1,947	2,100	2,800	2,800	2,800
Consolidated Financial Ratio					
Gross Profit Margin	52.2%	60.1%	61.1%	62.2%	63.1%
Net Profit Margin	21.4%	30.4%	35.6%	37.8%	37.5%
ROA	5.9%	10.3%	9.2%	7.2%	7.6%
ROE	14.7%	18.0%	11.6%	8.4%	9.0%
Debt to Equity (time)	0.97	0.56	0.16	0.16	0.20

Revenue Breakdown (MB)

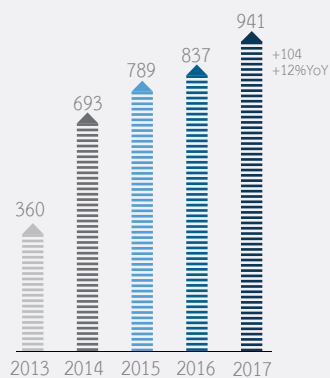


Note: Revenue from hotel business includes both room revenue and Novotel F&B revenue

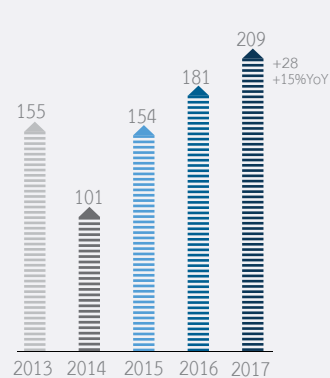
Gross Profit

Gross Profit from
Rental Business

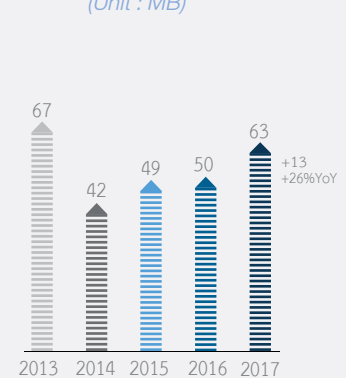
(Unit : MB)

Gross Profit from
Hotel Business

(Unit : MB)

Gross Profit from
Food & Beverage Business
Gross Profit

(Unit : MB)





MESSAGE FROM THE CHAIRMAN

To Shareholders

In 2017, the global economic and trading situations increasingly expanded. The economy of major countries, such as United States, European Union, and Japan, has recovered simultaneously for the first time in several years, resulting to the constant expansion of goods export value of Thailand, which corresponds to such economic expansion. In addition, the expansion of the tourism business in Thailand is increased by 9%, compared to the previous year. The number of foreign tourists is approximately 35 million persons. Moreover, the consumption of the private sector has also expanded, but the factors supporting the purchasing power are not strong enough. However, expenditures of the public sector are mainly spent for driving the economy through the consumption expense and the investment of the public sector.

For the year 2017, it is considered to be the year of success of The Platinum Group Public Company Limited (“the Company”) which is able to establish the growth of performance continuously. The Company gains the highest total revenues and net profits since its initial startup. The Company’s total revenue is 2,059 million Baht, increased by 196 million Baht or 11%. Furthermore, the net profit of the Company is 772 million Baht, increased by 68 million Baht or 10% comparing with the previous year, respectively. These derive from the better operating results of rental area business, hotel business and food center, including the effective expenditure

control and management. Moreover, it resulted from the commitment and devotion to work with full capacity of the Board of Directors, Executives and all employees of the Company.

However, the Company adheres to the principle of good corporate governance for its business operation and also keeps moving forward to allow the business growth with adherence to sustainable development, focusing on conducting business with morality, ethic and responsibility to all stakeholders including communities, societies and environment. In 2017, the Company has been certified to be a member of Thailand’s Private Sector Collective Action Coalition against Corruption by the Committee on Thailand’s Private Sector Collective Action Coalition against Corruption.

For the projects in the next 5 years, the Company has 4 projects undergoing the development and included in the developing plan, which are The Market Bangkok project, 1 office for rent building and 2 hotel buildings located on The Market Bangkok project, and 2 hotel buildings on Samui Island. The above previously mentioned projects are the key factor attributing for the increase of revenues of the Company in the future.

Finally, on behalf of The Platinum Group Public Company Limited, I would like to thank to our shareholders, customers, financial institutions, business partners and all business alliances for your constant support.



Mr. Palakorn Suwanrath
Chairman of the Board of Directors



MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE COMMITTEE

To Shareholders

The year of 2017 was another year challenging the capability of The Platinum Group Public Company Limited (the Company) for creating its growth continuously. After the Company has been listed on the Stock Exchange of Thailand since March, 2015, the Company has gained the total revenue over 2,000 million Baht for the first year and generated the net profit increased from previous years in the year 2017. It was a satisfactory year that the Company's operating results achieved its goal although the economic situation in Thailand is in the recovery stage.

Regarding the goals of business operation in the previous year, the Company and its subsidiaries had the total revenue of 2,059 million Baht, increased by 196 million Baht or 11%. The growth of all main businesses increased, including;

- Revenues from rental and service business are in an amount of 1,259 million Baht, increased by 152 million Baht or 14%, due to the increase of annual rental rate, the increase of revenue from common area management, and the launch of full-year of The Neon Night Barzaar.
- Revenues from hotel business are in an amount of 395 million Baht, increased by 30 million Baht or 8%, due to the increase of daily room rental rate from 3,078 Baht/Night in the year 2016 to 3,284 Baht/Night in the year 2017, increased by 7%, and the occupancy rate of customers in the year 2017 equal to 88% (87% in 2016). In 2017, the number of foreign tourists in Thailand increased continuously according to the recovering global economic situations, and the effective government policy on illegal tour was effective and turned to normal situation.
- Revenues from food and beverage business are in an amount of 269 million Baht, increased by 23 million Baht or 9%, due to the increasing number

of customers utilizing the services in the shopping mall and the adjustment of shops for improving quality and variety.

Regarding the progress of The Market Bangkok Project construction development, the Company estimates that M1 and M2 buildings, which are adjacent to Ratchadamri Road, are expected to be launched at the end of Q4 of 2018. While M3 building located behind M1 and M2 buildings is under the process of design for submitting an application for Environmental Impact Assessment (EIA), including the hotel located on this department store, which will be completed in the Q3 of 2018. In addition, the Company is under the process of design for submitting an application for Environmental Impact Assessment (EIA) in order to construct the hotel building on the department store in M1 area and the office for rent building on the department store in M2 area after being granted to launch M1 and M2 department store buildings at the end of this 2018. Regarding the 2 hotel projects located on Samui Island, they are under the process of consideration for granting the permission for Environmental Impact Assessment (EIA), which are estimated to be granted the permission at the end of 2018.

The Company is still devoting its energy and resources to drive the business toward the specified goals, and expand the business in order to develop and generate the steady income coupled with development of current and future projects. All of these are fully contributed to the Company's strength, sustainable growth and responsibility to all stakeholders.

Finally, I would like to express my grateful thanks to all shareholders, customers, financial institutions, business partners and alliances for your ongoing support. My sincere appreciation is hereby sent to the Board of Directors, executives and all employees for your commitment, utmost effort and devotion to your duties at full capacity, to achieve the Company's goals.



Mr. Surachai Chotjurangkool
Chairman of the Executive Committee



REPORT OF THE AUDIT COMMITTEE

Dear Shareholders,

The Audit Committee of The Platinum Group Public Company Limited comprises of three independent directors who are expert and eminent persons in law, financial and managerial fields, and are fully qualified in accordance with the Company's Audit Committee Charter as well as the requirements of the Securities and Exchange Commission Office (SEC) and the Stock Exchange of Thailand (SET). Below is the list of the member of the Audit Committee.

1. Prof. Chaiyos Hemarajata
Chairman of the Audit Committee
2. Pol.Gen. Boonpen Bumpenboon
Member of the Audit Committee
3. Mr. Somchai Boonnamsiri
Member of the Audit Committee

The Audit Committee performed its duties independently as assigned by the Board of Directors in overseeing and controlling the Company's operation to ensure no conflict of interest, sufficient internal control system and that all management performing their duties with responsibilities and honesty for the best benefit of all shareholders and all stakeholders. Following are the summary of the Audit Committee report for the year of 2017.

1. Review of Financial Reports. The Audit Committee reviewed the material information of the Company's audited quarterly and annual financial statements of the year 2017 with the management team to ensure that the preparation of the financial statements is accurate and adequate and comply with the laws and Generally Accepted Accounting Principles as well as International Financial Reporting Standards (IFRS). In addition, the Audit

Committee has formally met with the Company's auditor for 2 times to independently discuss about the material information in financial statement, scope, guideline and annual audit plan. The Audit Committee opines that the preparation progress of accounting and financial statements of the Company are effective and sufficient. The Audit Committee is confident that the Company financial statement has reflected its financial status and its operating result accurately and properly according to the legally required accounting standard, and has disclosed sufficient information to benefit the investors or any other users.

- 2. Review the effectiveness of the internal control system.** The Audit Committee has reviewed the effectiveness and adequacy of the Company's internal control system by considering the Internal Annual Control Report 2017 which the internal audit reported every quarter, the results of internal control system assessment performed under the frameworks of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and Evaluation Form for the adequacy of internal control system of Office of SEC. According to the review above, there were no significant weaknesses or deficiency which would materially affect the financial statement of the company and is in line with the independent Auditor's opinion.
- 3. Review of Good Corporate Governance.** The Audit Committee reviewed the efficiency and effectiveness of good corporate governance policy of the Company. It was found that directors, management, and staffs have been strictly complied with the policies. In addition, the Board

of Directors and management have set the good exemplary roles, as well as the Anti-corruption policies have been seriously adopted and implemented. As a result, on 6th March 2017, the Company has been certified as a member of the Thailand's Private Sector Collective Action Coalition against Corruption. Moreover, the Company also takes into consideration of the Company's stakeholders and ensures that the Company's operations comply with the Securities and Exchange Act and other laws relating to the business of the Company and that the business conditions are reasonably met.

The Audit Committee also conducted self-assessment to review their own performance. The Board of Directors assessed the Audit Committee's performance and the results were recorded on the good level.

4. **Review of Risk Management.** The Audit Committee has reviewed the Risk Management Policy, plan and guidelines in risk management of both internal and external factors and has provided recommendations to enhance the efficiency of all risk management practices in the Company.
5. **Monitoring Internal Audit Work.** The Audit Committee has overseen the internal audit to ensure that the internal auditing is effective and efficient. The Committee has reviewed the audit reports, provided recommendations and monitored the remedial actions of the material audit issues. The Committee has also reviewed and approved the Internal Audit Plan for the year 2018 which is focused on the Company's material risks as well as reviewed charter of the Audit Committee and the Internal Audit Department on an annual basis.

The Audit Committee opined that the Company had proper, effective and independent internal audit system and the performance of the internal audit team was satisfactory by achieving all the set targets.

6. **Consideration of Selection, Nomination of the Company's Auditor and Auditor's Remuneration.**

By evaluating its performance in 2017, its expertise and experience in auditing and the independency of its auditors, the Audit Committee has agreed to propose to the Board of Directors, then to approve in Annual General Meeting of Shareholders to appoint EY office to be the Company's auditor for the year 2018.

The Audit Committee has performed its duties and responsibilities, as governed by the Audit Committee Charter which was approved by the Board of Directors, using their expertise, knowledge and skills cautiously and independently.

In summary, the Audit Committee viewed that the Company's financial report was accurate and reliable, prepared in accordance with the generally accepted accounting standards. Furthermore, the Board of Directors, Executives and Executive Committee are ethical and highly committed to perform their duties to achieve the Company's goals and objectives, while recognizing the importance of good corporate governance with proper and sufficient risk management and internal controls.



Prof. Chaiyos Hemarajata
Chairman of the Audit Committee



REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

The Nomination and Remuneration Committee has been appointed by the Board of Directors, consisted of three directors; Mr. Somchai Boonnamsiri as Chairman of the Nomination and Remuneration Committee, Mr. Chatchawal Pongsuthimanus and Mrs. Punjaporn Chotjurangkool as Member of the Nomination and Remuneration Committee.

In 2017, the Nomination and Remuneration Committee held two meetings in total, and in 2018 held the meeting No.1/2018 on February 13, 2018. Followings are summaries of the meetings' resolutions.

1. Considered and proposed the appointment of directors who are retired by rotation to get approval from the Annual General Meeting of Shareholders in 2018. The Company opened stage for shareholders to propose the nomination until December 31, 2017, which there were no any shareholders to propose the qualified persons for the consideration. Therefore, the committees considered and nominated the directors who are retired by term to be re-elected as the Board of Directors for another term. The directors, who are retired by term, are knowledgeable with significant experiences and appropriate to be re-appointed as the Director.
2. Considered and proposed the remuneration for the Company's directors for the year 2018 to propose to the Board of Directors and the Annual General Meeting of Shareholders in 2018 for approval. The proposed remuneration and meeting fees of the Board of Directors, Audit Committee, and Nomination and Remuneration Committee are the same rate, which approved by the Annual General Meeting of Shareholders in 2017. The Nomination and Remuneration Committee considered that they are still proper compensations for the scope of duties and responsibilities of each committee and comparable to other listed companies in the same industry and to other companies with the same business size.
3. Considered and approved amount of bonus and criteria for the payment of the Company's directors bonus for the year 2017. This was the first time that the Company granted bonus to the directors in return for their effort and dedication in their performance.
4. Considered and approved the bonus payment for employees for the year 2017 and salary adjustment for the year 2018 as an award for their effort and dedication in their performance in order to increase the morale and encourage employees, based on the operating results of the company and performance of individual employees.

5. Evaluated performance of the President according to the assessment criteria of the Stock Exchange of Thailand by allowing the President to take the self-evaluation process.
6. Acknowledged results of self-evaluation process of the Nomination and Remuneration Committee for the year 2016, as the information for the development of duties of the Committee under the good corporate governance principles.
7. Reviewed the charter of the Nomination and Remuneration Committee. In 2017, there was no amendment as the current charter is deemed as complete and appropriate.

Nomination and Remuneration Committee has performed its duties with prudence and honesty according to the duties and responsibilities set out in the charter of the Nomination and Remuneration Committee and adhered to good corporate governance principle for the balanced and sustainable benefits of stakeholders in all sectors.



Mr. Somchai Boonnamsiri
Chairman of the Nomination and
Remuneration Committee





BOARD OF DIRECTOR



1

Mr. Palakorn Suwanrath
Chairman of the Board of
Directors and Independent
Director



2

Mr. Surachai Chotjurangkool
Vice Chairman, Chairman of
the Executive Committee and
Authorized Director



3

Prof. Chaiyos Hemarajata
Independent Director and
Chairman of the Audit
Committee



4

Mrs. Punjaporn Chotjurangkool
Director, Executive Director,
Member of the Nomination
and Remuneration Committee
and Authorized Director



5

Mr. Piroon Limpiviatkul
Director, Executive Director
and Authorized Director



6

Dr. Chadarat Anantakoon
Director



7

Mr. Somchai Boonnamsiri
Independent Director,
Chairman of the Nomination
and Remuneration
Committee and Member of
the Audit Committee



8

Pol.Gen. Boonpen Bumpenboon
Independent Director and
Member of the Audit
Committee



9

Mr. Chatchawal Pongsuthimanus
Director, Executive Director,
Member of the Nomination
and Remuneration Committee
and Authorized Director



10

Mr. Chanchai Phansopha
Director, Executive
Director and President



11

Mr. Somchai Warunpantulak
Member of Executive
Committee, Executive
Vice President, CFO and
Corporate Secretary



Mr. Palakorn Suwanrath
Chairman of the Board of Directors and
Independent Director
Age 69

Date of Appointment

23 June 2014

Date of Re-Appointment

The resolution of the 2016 AGM on 26 April 2016

Education

- Master of Arts in International Affairs (M.A.I.A.) Southeast Asia Studies, Ohio University, USA
- Bachelor of Political Science, Chulalongkorn University
- Diploma, National Defence College, The National Defence Course Class 37

Training

- Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), The Role of Chairman (RCM) from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount-share

Held by Spouse / Minor Children amount-share

Family Relationship among Directors and Executives
(None)

Board Member/ Management in Listed Company (2 Companies)

Since June 2014 Chairman of the Board of Directors and Independent Director, The Platinum Group Public Company Limited

Since 2007 Chairman of the Board of Directors and Independent Director, Bangkok Aviation Fuel Services Public Company Limited

Position in Other Company/Organization/Institution (5 Companies)

Since 2001 Privy Councilor

Since 1990 Director, Laystours Company Limited

Since 1980 Director, Lucky Clover Company Limited

Since 1979 Director, Tongthip Company Limited

Since 1979 Director, Supatasna Company Limited

Other Position in PLAT's Group

(None)

5-year Past Experiences and/or Remarkable Position

2013-2014 Chairman of the Board of Directors and Independent Director, The Platinum Group Company Limited

Illegal Record in Last 5 years

(None)



Mr. Surachai Chotjurangkool
Vice Chairman, Chairman of the Executive Committee
and Authorized Director
Age 67

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2015 AGM on 28 April 2015

Education

- Grade 9, Darunanukrao School

Training

- Certificate of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount 791,422,500 shares (28.27%)

Held by Spouse / Minor Children amount 491,426,800 shares (17.55%)

Total amount 1,282,849,300 shares (45.82%)

Family Relationship among Directors and Executives

Spouse of Mrs. Punjaporn Chotjurangkool

Board Member/ Management in Listed Company (2 Companies)

Since June 2014 Vice Chairman and Chairman of Executive Committee, The Platinum Group Public Company Limited (Main Occupation)

Since January 1994 Director, Rockworth Public Company Limited

Position in Other Company/Organization/Institution (9 Companies)

Since November 2017 Director, S.P.C. Wealth Real Estate Company Limited

Since November 2017 Director, S.P.C. Wealth Development Company Limited

Since November 2017 Director, S.P.C. Wealth Property Company Limited

Since April 2008 Director, Platinum Square Company Limited

Since April 2008 Director, Platinum Hotel Company Limited

Since February 2002 Director, S.C.P. Management Company Limited

Since December 1991 Director, Seree Golf Club 1991 Company Limited

Since August 1990 Director, Nakorn Chai-Sri River Side Company Limited

Since April 1990 Director, Rum Tarn Land Company Limited

Other Position in PLAT's Group

Being director of 3 PLAT's subsidiaries with non-listed companies

5-year Past Experiences and/or Remarkable Position

2013-2014 Vice Chairman and Chairman of Executive Committee, The Platinum Group Public Company Limited

2007 – 2013 Director The Platinum Fashion Mall Company Limited*

2006 – 2013 Director C.R.C. Development Company Limited*

2006 – 2013 Director P.P.J. Management Company Limited*

2005 – 2013 Director Platinum Asset Management Company Limited*

2005 – 2013 Director Platinum Food Center Company Limited*

2004 – 2013 Director Sappattana Associates Company Limited*

2002 – 2013 Director S.P.T. Management Company Limited*

Illegal Record in Last 5 years

(None)

*Subsequently amalgamation of 7 associated companies to group of The Platinum Group Company Limited in 2013



Prof. Chaiyos Hemarajata

Independent Director and Chairman of the Audit Committee

Age 72

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2017 AGM on 25 April 2017

Education

- Master of Law, Chulalongkorn University and Columbia University, USA
- Bachelor of Law, Chulalongkorn University

Training

- Certificate of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount - share

Held by Spouse / Minor Children amount - share

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (2 Companies)

Since April 2017 Chairman of the Audit Committee, SENA Development Public Company Limited

Since June 2014 Independent Director and Chairman of the Audit Committee, The Platinum Group Public Company Limited

Since December 2005 Independent Director, SENA Development Public Company Limited

Position in Other Company/Organization/Institution

(None)

Other Position in PLAT's Group

(None)

5-year Past Experiences and/or Remarkable Position

2013-2014 Independent Director and Chairman of the Audit Committee, The Platinum Group Company Limited

Illegal Record in Last 5 years

(None)



Mr. Somchai Boonnamsiri

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

Age 63

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2017 AGM on 25 April 2017

Education

- Master of Economics, The Victoria University of Manchester, UK
- Bachelor of Economics, The University of Salford, UK
- Certificate of Ordinary National Diploma in Business Studies, The City of Bath Technical College, UK
- Top Management Program 8/2009, Capital Market Academy, The Stock Exchange of Thailand
- Class 9 National Defence Course for the Joint State-Private Sectors, The National Defence College

Training

- Certificate of Director Certificate Program (DCP) from Thai Institute of Directors (IOD)
 1. Director Certificate Program (DCP)
 2. Audit Committee Program (ACP)
 3. Driving Company Success with IT Governance Program (ITG)
 4. Ethical Leadership Program (ELP)
 5. Role of the Compensation Committee Program (RCC)
 6. Successful Formulation & Execution of Strategy Program (SFE)
 7. Board that make a Difference (BMD)
- Executive Education Program, capital market Academy from The Stock Exchange of Thailand

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount - share

Held by Spouse / Minor Children amount - share

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (3 Companies)

Since December 2015 Independent Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee and Member of the Risk Management Committee, Krung Thai Bank Public Company Limited

Since June 2014 Independent Director, Chairman of the Nomination and Remuneration Committee and Member of the Audit Committee, The Platinum Group Public Company Limited

Since May 2010 Independent Director, BEC World Public Company Limited

Position in Other Company/Organization/Institution (1 Company)

Since September 2014 Director, Magnolias Finest Corporation Company Limited

Other Position in PLAT's Group

(None)

5-year Past Experiences and/or Remarkable Position

2015 Director, Siam City Leasing and Factoring Public Company Limited
 2013-2015 Chairman, Thai foods Group Public Company Limited
 1995-2015 Director, Siam Allied Holding and Construction Company Limited
 1995-2015 Chairman, Wall Street Tullet Prebon Company Limited
 2013-2014 Independent Director and Member of the Audit Committee, The Platinum Group Company Limited
 2007-2014 President, Krung Thai Asset Management Public Company Limited

Illegal Record in Last 5 years

(None)



Pol.Gen. Boonpen Bumpenboon

Independent Director and Member of the Audit Committee

Age 72

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2017 AGM on 25 April 2017

Education

- Master of Public Administration Program, The National Institute of Development Administration
- School of Law, Sukhothai Thammathirat Open University
- B.P.A. (Police) Royal Police Cadet Academy
- Diploma, National Defense College Class 37

Training

- Certificate of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount - share

Held by Spouse / Minor Children amount - share

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (4 Companies)

Since June 2014 Independent Director and Member of the Audit Committee, The Platinum Group Public Company Limited

Since February 2008 Director, Asia Green Energy Public Company Limited

Since March 2004 Director, Khon Kaen Sugar Industry Public Company Limited

Since June 1995 Director, The Construction Sahaphandh Public Company Limited

Position in Other Company/Organization/Institution (2 Companies)

Since January 2014 Director, AGE Power Holding Company Limited

Since March 2010 Director, AGE Terminal Company Limited

Other Position in PLAT's Group

(None)

5-year Past Experiences and/or Remarkable Position

2013-2014 Independent Director and Member of the Audit Committee, The Platinum Group Company Limited

Illegal Record in Last 5 years

(None)



Mr. Chatchawal Pongsuthimanus

Director, Executive Director, Member of the Nomination and Remuneration Committee and Authorized Director

Age 75

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2015 AGM on 28 April 2015

Education

- Bachelor of Political Science, Ramkhamhaeng University

Training

- Certificate of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount 92,000,000 shares (3.29%)

Held by Spouse / Minor Children amount - share (-)

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (2 Companies)

Since June 2014 Director, Executive Director and Member of the Nomination and Remuneration Committee, The Platinum Group Public Company Limited

Since January 1994 Chairman, Rockworth Public Company Limited (Main Occupation)

Position in Other Company/Organization/Institution (3 Companies)

Since April 2008 Director, Platinum Square Company Limited

Since April 2008 Director, Platinum Hotel Company Limited

Since February 2002 Director, S.C.P. Management Company Limited

Other Position in PLAT's Group.

Being director of PLAT's subsidiaries and joint venture with non-listed companies, totaling 4 companies

5-year Past Experiences and/or Remarkable Position

2013 – 2014 Director and Executive Director, The Platinum Group Company Limited

2007 – 2013 Director The Platinum Fashion Mall Company Limited*

2006 – 2013 Director C.R.C. Development Company Limited*

2006 – 2013 Director P.P.J. Management Company Limited*

2005 – 2013 Director Platinum Asset Management Company Limited*

2005 – 2013 Director Platinum Food Center Company Limited*

2004 – 2013 Director Sappattana Associates Company Limited*

2002 – 2013 Director S.P.T. Management Company Limited*

Illegal Record in Last 5 years

(None)

*Subsequently amalgamation of 7 associated companies to group of The Platinum Group Company Limited in 2013



Mr. Piroon Limpiviatkul

Director, Executive Director and Authorized Director
Age 60

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2016 AGM on 28 April 2015

Education

- Bachelor of Mechanical Engineering, Wentworth Institute of Technology, USA

Training

- Certificate of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally	amount	- share (-)
Held by Spouse / Minor Children	amount	108,459,300 shares (3.87%)

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (1 Company)

Since June 2014 Director and Executive Director, The Platinum Group Public Company Limited

Position in Other Company/Organization/Institution (4 Companies)

Since April 2008	Director,	Platinum Square Company Limited
Since April 2008	Director,	Platinum Hotel Company Limited
Since February 2002	Director,	S.C.P. Management Company Limited
Since February 1991	Director,	Bangkok International Stone Company Limited (Main Occupation)

Other Position in PLAT's Group

Being director of PLAT's subsidiaries and joint venture with non-listed companies, totaling 4 companies

5-year Past Experiences and/or Remarkable Position

2013 - 2014	Director and Executive Director	The Platinum Group Company Limited
2007 - 2013	Director	The Platinum Fashion Mall Company Limited*
2006 - 2013	Director	C.R.C. Development Company Limited*
2006 - 2013	Director	P.P.J. Management Company Limited*
2005 - 2013	Director	Platinum Asset Management Company Limited*
2005 - 2013	Director	Platinum Food Center Company Limited*
2004 - 2013	Director	Sappattana Associates Company Limited*
2002 - 2013	Director	S.P.T. Management Company Limited*

Illegal Record in Last 5 years

(None)



Mrs. Punjaporn Chotjurangkool

Director, Executive Director, Member of the Nomination and Remuneration Committee and Authorized Director
Age 63

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2016 AGM on 26 April 2016

Education

- Vocational education, Han Chiang High School, Malaysia

Training

- Certificate of Director Accreditation Program (DAP) from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally	amount	491,426,800 shares (17.55%)
Held by Spouse / Minor Children	amount	791,422,500 shares (28.27%)
Total	amount	1,282,849,300 shares (45.82%)

Family Relationship among Directors and Executives

Spouse of Mr. Surachai Chotjurangkool

Board Member/ Management in Listed Company (1 Company)

Since June 2014 Director, Executive Director and Member of the Nomination and Remuneration Committee, The Platinum Group Public Company Limited (Main Occupation)

Position in Other Company/Organization/Institution (2 Companies)

Since April 2008	Director,	Platinum Square Company Limited
Since April 2008	Director,	Platinum Hotel Company Limited

Other Position in PLAT's Group

Being director of PLAT's subsidiaries with non-listed companies, totaling 3 companies

5-year Past Experiences and/or Remarkable Position

2013 - 2014	Director and Executive Director,	The Platinum Group Company Limited
2007 - 2013	Director	The Platinum Fashion Mall Company Limited*
2006 - 2013	Director	C.R.C. Development Company Limited*
2006 - 2013	Director	P.P.J. Management Company Limited*
2006 - 2013	Director	Platinum Asset Management Company Limited*
2005 - 2013	Director	Platinum Food Center Company Limited*
2004 - 2013	Director	Sappattana Associates Company Limited*
2002 - 2013	Director	S.P.T. Management Company Limited*

Illegal Record in Last 5 years

(None)

*Subsequently amalgamation of 7 associated companies to group of The Platinum Group Company Limited in 2013



Dr. Chadarat Anantakoon

Director

Age 59

Date of Appointment

23 June 2014

Re-Appointment of Directors

The resolution of the 2016 AGM on 26 April 2016

Education

- Doctor of Organization Development and Transformation, Cebu Doctor College ,Philippines
- Master of Public Administration, University of Southern California, USA

Training

- Certificate of Program DAP from Thai Institute of Directors (IOD)

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount 11,608,600 shares(0.41%)

Held by Spouse/Minor Children amount - share (-)

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (1 Company)

Since June 2014 Director, The Platinum Group Public Company Limited

Position in Other Company/Organization/Institution (5 Companies)

Since April 1998 Director, Technology Research and Development Company Limited

Since January 1998 Vice President for Special Affairs, Mahanakorn University of Technology (Main Occupation)

Since December 1996 Director, Thai Space Industries Company Limited

Since August 1989 Director, Science and International Technology Company Limited

Since April 1987 Director, Chadarat Company Limited

Other Position in PLAT's Group

(None)

5-year Past Experiences and/or Remarkable Position

2013-2014 Director, The Platinum Group Company Limited

Illegal Record in Last 5 years

(None)



Mr. Chanchai Phansopha

Director, Executive Director and President

Age 48

Date of Appointment

31 August 2015

Education

- Master of Business Administration, University of Southern Colorado, USA.
- Bachelor of Business Administration, Marketing and Finance, Assumption University

Training

- Certificate of Director Accreditation Program(DAP), Director Certification Program (DCP) – Fellow Member from Thai Institute of Directors (IOD)
- Certificate of Doing Business on the Internet, Year 1996, University of Los Angeles,
- Certificate of Branding & Value Proposition Marketing, Strategic Marketing , Customer Value Marketing Year 2003, Leadership Program, Year 2004,Kellogg, Northwestern University, Chicago

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally amount 1,500,000 shares(0.054%)

Held by Spouse/Minor Children amount - share (-)

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (1 Company)

Since August 2015 Director, Executive Director and President, The Platinum Group Public Company Limited (Main Occupation)

Position in Other Company/Organization/Institution

(None)

Other Position in PLAT's Group

Being director of PLAT's joint venture with 1 non-listed company

5-year Past Experiences and/or Remarkable Position

- 2011 - 2015 Executive Vice President, Siam Future Development Public Company Limited
- 2014 - 2015 Chief Commercial Officer, SF Development Company Limited
- 2012 - 2013 Executive Vice President, SF Development Company Limited
- 2011 Executive Director/Executive Vice President Chief Marketing Officer (CMO), GMM Grammy Public Company Limited
- 2011 Director/ Authorized Director, STGMM Company Limited
- 2011 Director/ Authorized Director, JSL Channel Company Limited

Illegal Record in Last 5 years

(None)



Mr. Somchai Warunpantulak

Member of Executive Committee, Executive Vice
President, Corporate Secretary and CFO
Age 50

Date of Appointment

21 August 2015

Education

- Master of Business Administration, Chulalongkorn University
- Bachelor of Accounting program, Thammasat University

Training

- Director Accreditation Program (DAP) Class 140/2017 (IOD), Company Secretary Program (CSP) Class 76/2017 (IOD), Certificate of Anti-Corruption: The Practical Guide: ACPG, Class 12/2014 (IOD) and Certificate of Financial Statements for Directors (FSD), Class 25/2014 (IOD)
- CFO (Certification Program) # 6 (Federation of Accounting Professions under the Royal Patronage of His Majesty the King)

Shareholding structure (As of 12 December 2017)

Director	amount	- share
By Spouse / Minor Children	amount	- share

Shareholdings (Ordinary shares) (As of 12 December 2017)

Held Personally	amount	- share
Held by Spouse / Minor Children	amount	- share

Family Relationship among Directors and Executives

(None)

Board Member/ Management in Listed Company (1 Company)

Since August 2015 Executive Director, Executive Vice President, Chief Financial Officer and Corporate Secretary The Platinum Group Public Company Limited (Main Occupation)

Position in Other Company/Organization/Institution

(None)

Other Position in PLAT's Group

(None)

5-year Past Experiences and/or Remarkable Position

In 2015	Director of Risk Management Committee, Quality Houses Public Company Limited
2012 - 2015	Director, Centre Point Hospitality Company Limited
2012 - 2015	Director of property fund, Quality Houses Hotel and Residence Freehold and Leasehold Property Fund
2010 - 2015	Member of Corporate Governance Committee and Secretary of the Corporate Governance Committee, Quality Houses Public Company Limited
2010 - 2015	Senior Vice President, Financial and Accounting Department, Quality Houses Public Company Limited

Illegal Record in Last 5 years

(None)



Key

Milestone In 2017



Ratchaprasong Walk or R-Walk (Formerly named “Bangkok Skyline”)

The sky walk has completely opened for service on 1 April 2017. It begins from the ascent of the connected walkway between zone 2 and zone 3 of The Platinum Fashion Mall, linking to Novotel Bangkok Platinum Pratunam, across Saen Saep Canal, passing across Rajdamri Road in front of Central World Department Store and to the front area of The Market Bangkok, Big C Rajdamri and then, through Gaysorn Village and direct to Amarin Plaza and Chit Lom BTS Station.



The Neon Night Bazaar (Formerly named “Neon Downtown Night Market”)

The Company has renovated and rearranged the project area in November 2017 to accommodate both Thai and foreign tourists. The project has been redesigned to accommodate wider range of products in order to offer more variety of services and food for the convenience of customers. The area is divided into different zones including Container zone which is identified by bright and attractive colors, Tent zone which has been renovated to be more spacious to be more suitable for night atmosphere, street-side stall zone signifies by sellers who displayed their products on mattress laying on the ground, Freeform zone which allows the sellers to freely decorate their stores to create their own identity according to their imagination. There are many interesting shops, with green area with large trees which can be used as dining area amid natural environment in the middle of city. This will enable customers to have unique experience and enjoy shopping. In addition, the project has extended its opening hours time 4 days to 7 days from 16.00 hrs. to 00.00 hrs.



Awards 2017



2017 Excellent Labour Relation and Welfare Workplace Award, for 5 consecutive years.



Zero Accident Campaign 2017)



2017 Safety, Occupational Health and Environment Workplace Prototype Award. (National Level)



Top 10 Favorite shopping mall by Chinese tourists for 3 consecutive years.



Certificate of BS8477:2016 and ISO10002:2016 Customer Service and Complaints Management of British Standard Institution – BSI Group (2015 - 2017)



Loved by Guests 2017 Award - Excellent



Award Workplace Excellence in Training Development Workshop for Improving the Efficiency of Energy in Air Conditioning Systems



MR. & MS. Tree 2017 Creative of recycle materials and display. The Best form 23 hotels in Bangkok



MARKETING AND COMPETITION

A. Competitive Strategies

When developing our property projects, the Company always considers the sustainability and growth of surrounding communities and small entrepreneurs. Therefore, to achieve our objectives, the Company has formed project development strategies, of which details are provided below:

1 Project Development Strategy

- **Project and facilities design based on consumer behavior research**

One of the key success factors for a property project for rent to gain popularity among shoppers and visitors is the ability to respond to consumer's needs as well as to the changing behaviors of the target customers. As such, before determining the project's design and concept, the Company has conducted market studies and researches to understand consumer behaviors, their unfulfilled expectations and their spending patterns. Then the collected data and result of the research, combining of basic information collected from the focus group will be analyzed in order to draw a conclusion and determine the project's concept and its goal which will satisfy the needs of the target customers.

To determine the target group of the project or the shopping center has enabled the Company to decide the proper design of such project in order to respond to their needs by means of project concept, zoning, project image and other facilities to be provided for customers.

Besides, the result of the market research is to be also utilized when considering the proper merchandising mix that will attract customers and visitors to come back regularly, which will optimize

the use of the limited leased spaces. And the shop owners or entrepreneurs in the mall will be able to run their businesses on a sustainable basis.

- **Ensuring high quality standard in every stage of property development**

The Company has a systematic project development plan, starting from the feasibility study to ensure adequate returns on investment, seeking for a block of land at the right location with convenient access and then making decision to buy or lease the land. In the stage of selecting designers and contractors, the Company will select only the qualified contractors who meet the standard criteria and who have the ability to manage and control the project according to the project timeline. During the development and construction stage, the Company will start contacting and selecting shops and entrepreneurs to lease the spaces by considering their qualifications which match the project concept, merchandising mix and number of shops based on the Company's research findings.

2 Rental Area and Property Management Strategy

- **Recognize and understand the needs of target tenants**

To manage the space and facility in the shopping center, the Company needs to do a survey in order to recognize and understand the characteristics of its target tenants, nature of their businesses and the basic needs and requirements of their businesses so that we can serve them properly. For The Platinum Fashion Mall, a majority of the tenants are clothing and fashion wholesalers with a large amount of stock for selling in each day; their storage might become a problem. Therefore,

the Company has provided spaces to be leased as storage areas. In addition, being aware that a majority of the tenants are wholesalers with target customers as retailers rather than end-users, the Company has developed marketing plans which focus on attracting retailers rather than end-users.

- **Shop zoning based on visitors' and shoppers' preferences**

Shop zoning that matches the needs of visitors and shoppers will facilitate and enhance their favorable experience when visiting the center. At the Platinum Fashion Mall, most shoppers and visitors are retailers; so shop zoning is arranged by product types. Shops that sell similar products are located in the same zone, such as the zones of women's clothes, men's clothes, kids wear, leather items, bags, shoes, accessories, etc., in order to be more convenience and time saving for retailers. Meanwhile, restaurants, food and beverage outlets are scattered around the mall to serve customers and shop-owners.

- **Selection process for suitable tenants**

In line with the shop zoning policy, the Company as the project manager has a selection procedure of tenants. In case of the tenant does not renew the contract, the replacement has to sell product or service that matches the mall zoning and such product must be in the visitors' and shoppers' demand.

For the new project opening, the selected tenants' product must have significant features, being in the market demand and in line with the preferences of the project's target customers. The number of selected shops must not exceed the pre-determined number of each shop type.

- **Building reputation and experiences in leasing space management**

Reputation and experience of the shopping center owner is one of key influencers for both new and existing tenants' decision on leasing spaces in such center. It is proved that satisfaction level of the existing tenants with the leasing space management directly correlates with their decision to renew their leasing contracts. Additionally, if the reputation of the property management is widely accepted, it can attract more clients. In order to build reputation in leasing space management, the property manager must be effective in managing orderly tenant zoning, proper merchandising mix, controlling and monitoring the tenants to follow the center's rules and regulations, while providing proper channels for the tenants to make complaint and recommendation in order to improve the mall's operation. Rent and service charges should vary depending on the location of the space.

- **Regular improvement and maintenance of the center**

Regular improvement and maintenance of the area and facilities in the mall play important roles in the successful property management. As the shopping mall is a highly-trafficked area, all infrastructure, related systems and equipment must be checked and maintained on a regular basis to ensure safety and readiness for use. The Company has a policy to fix and repair the infrastructures, systems and equipment as fast as possible in order to minimize impacts on the mall's operations.

- **Providing full facilities**

A successful shopping mall must provide full facilities in order to facilitate its tenants and shoppers within the mall. At the Platinum Fashion

Mall, most of customers usually buy products in large numbers. Therefore, the Company has large-size elevators with sufficient loading capacity, ample parking spaces together with, cargo and delivery service operators for product delivery all over Thailand and abroad to serve provincial and foreign retailers. To serve these groups of retailer, complete financial services, including bank branches and exchange booths were provided in our mall.

3 Marketing and Sale Promotion Strategy

The Company's marketing strategy comprises two parts: one involving tenants and the other involving shoppers and visitors. The marketing strategy for the tenants is aimed to strengthen the sustainable relationship with them. In order to maintain relationship with the tenants, consistent communication is a must. The tenants should have opportunities and channels to express their opinions about space management, which always has room for improvement. At least once a year, the Company has arranged the annual meeting with the tenants to exchange ideas about the mall operation. For a newly launched project, the Company also focuses on regular communications with the tenants. After they have signed the leasing contract of spaces in a project under construction, the Company will keep in touch with them via various channels such as newsletters in order to keep them the updated information about the progress of the project construction at least every two months.

Regarding the marketing strategy for shoppers and visitors, the Company has advertisement plans for the mall, which include clear advertisement message, selected media or communication channels, suitable for the project's target group. The plans are aimed to maximize efficiencies of communication and increase the number of shoppers and visitors to the mall.

In addition, the Company has arranged seasonal activities within the mall in order to stimulate demands for products and encourage customers to come back.

Competitions

The competitions among medium and large developers and operators of property projects for wholesale and retail businesses in Pratunam, Ratchaprasong and surrounding areas can be found in 2 main areas.

1. Competition to acquire a piece of land in a good location with the adequate and proper size for project development.

This competition is extremely intense because there are only a few pieces of land which can accommodate large or medium commercial property project for wholesale and retail businesses in the Pratunam, Ratchaprasong and surrounding areas, comparing to the number of experienced developers who have high potential to acquire the land or win the bidding for long-term lease. Some of these developers have also come up with the proposal to buy or lease the land or even to continue the development of the landlord's existing project. Apart from their experience and expertise in large-scale project development and operation, most of these developers are large companies with solid financial status and ability to access various funding resources as well as ability to persuade and acquire tenants and business operators in several industries to lease their property.

2. Competition for acquired tenants and entrepreneurs to lease spaces.

This area of competition is also highly intense. It involves the offering of rental terms and conditions, services, rent payments, service fee rates to be more attractive than the competitors in the nearby area. It also involves the marketing and promotional campaigns necessary for promoting the project

image and building awareness among target customers, which will also result in attracting small and large entrepreneurs to lease spaces in the project. Moreover, most of project operators and developers have designed and planned their marketing and promotional campaigns on continual basis in order to raise awareness and recognition of their projects' name among Thai and foreign customers, attracting them to visit the project to shop and buy services, offered by tenants and vendors in the properties continually. This kind of practice turns to be another good support for the business of tenants and vendors who lease or use spaces in the project as well. Despite the intense competition in the development and operation of commercial property projects for wholesale and retail among many players and competitors in Pratunam, Ratchaprasong and surrounding areas, the Platinum Fashion Mall is proved highly successful. It has been able to strongly compete against its opponents including shopping malls, department stores, modern trade malls, wholesale and retail center for commercial purposes, clothing and fashion wholesale and retail center, etc., and the distinctive points that contribute the success to the Platinum Fashion Mall are listed as below:

- **The project is located in one of Bangkok's key business areas, which has high potential for growth.**

The Platinum Fashion Mall is situated at the Pratunam Intersection area, where Ratchadamri Road and Petchaburi road meet. The location is a key shopping and tourism center in the heart of Bangkok. Each year, the overwhelming number of Thai and foreign shoppers visit and shop at the Mall, as well as nearby shopping malls and department stores. Just like other commercial property projects in these areas, the Platinum Fashion Mall will benefit from the public measures to promote Bangkok to become the ASEAN's major fashion and tourism center.

- **The Platinum Fashion Mall's architecture is modern and of fine design.**

The building and structure of the Platinum Fashion Mall have been renovated with the beautiful and modern architecture and interior design in order to attract vendors to continuously lease or use the spaces in the project. Novotel Bangkok Platinum Pratunam Hotel, which located on an extended area of the project, is also a key support that promotes more foreign customers and visitors to come and shop at the mall with the advantages of convenient connection and no wasted commuting time.

- **Convenient public transportation.**

The Platinum Fashion Mall can be conveniently reached by public transportation, including buses, boats and BTS Skytrain. Once the construction of R-Walk (formerly named Bangkok Skyline) had been completed since 1 April 2017, the customers can access to The Platinum Fashion Mall and Novotel Bangkok Platinum Pratunam Hotel conveniently and rapidly.

- **A team of knowledgeable and experience executives.**

The Company's executive team comprises knowledgeable, skilled individuals, who have more than 11 year experience in the commercial real estate industry and related businesses. Together, their development and operation of the project have proved successful, and they are still highly committed and determined to continue the successful management for the sustainable growth of the project.

3. Competition in clothing and fashion wholesale business in Pratunam, Ratchaprasong and nearby areas.

The Platinum Fashion Mall is a fashion wholesale facility situated in the Pratunam area. Although there are numerous clothing and fashion vendors all over Bangkok, most of them are concentrated only in the Pratunam, Sampeng and Jatujak areas,

where the clothing wholesale centers located. Therefore, supplies of renting spaces for the clothing and fashion wholesale are also concentrated in these areas, where most of retailers are familiar with. In the future it is forecasted that the demands of clothing and fashion business are likely to remain high due to economic expansions, consumers' spending, increasing numbers of foreign tourists and the government's economic stimulus measures. Subsequently, these factors will bring about more supplies of new leased space in line with the increasing demands

4. Business condition and competition among hotels in Pratunam, Ratchaprasong and nearby areas.

The Novotel Bangkok Platinum Pratunam Hotel is located in a part of The Platinum Fashion Mall project which is situated at the intersection where Ratchadamri Road and Petchaburi road meet. It is under the management by Accor Group, which is a globally renowned hotel operator. Competition is intensified among hotels in Pratunam, Ratchaprasong and the surrounding areas, where a number of 3-5 star hotels and other types of accommodation are located, and that could affect entrepreneurs' profitability. In order to maintain their profitability levels, operators must monitor and cut down unnecessary costs and spending while keeping the service quality unscathed.

In order that Novotel Bangkok Platinum Pratunam Hotel can compete equally against other hotels in the same vicinity, the Company and hotel operator Accor Group are not eager to compete in the price. Instead, they are determined to compete in regards to service quality. Besides, they plan to monitor the costs and operating expenses in order that the Company is able to generate healthy profits while growing sustainably. Another key feature that helps Novotel Bangkok Platinum Pratunam Hotel

to compete against its rivals in the same area is its location within The Platinum Fashion Mall project. This attracts more foreign tourists to visit and stay at the hotel, as they can conveniently shop at the shopping mall. In addition, the Company can draw suitable joint marketing and promotional plans for the hotel and the mall.

Industrial and Competition Situation

The Thai economy is projected to grow by 3.9% in the year 2017. Exports of goods will expand by 8.6%, while private consumption and overall investment will expand by 3.2% and 2.0%, respectively. Additionally, Thailand has a general inflation rate of 0.7%.

The outlook for the Thai economy in 2018 is likely to continue its expansion and accelerate slowly, with expected growth rate by 3.6 - 4.6% under the main supporting factors from 2017 including:

1. Recovery of world economy would continue to stimulate export growth including manufacturing sector which can tangibly support economic growth
2. Government investment which accelerated by the progress of major investment projects and increase in investment budget
3. Improvement in private investment
4. Continuous stable growth prospects in the key economic sectors such as tourism, export, transportation and communications and household spending, etc.
5. Improvement in employment and the income base of the people in the economic system with supportive factors for production and employment in the agricultural sector which are likely to improve due to significant water availability, recovery of manufacturing sector and expectation of continuous growth in key service sectors

Source: Macroeconomic Strategy and Planning Office, Press conference on November 20, 2017.

The Overview of Hotel Industry

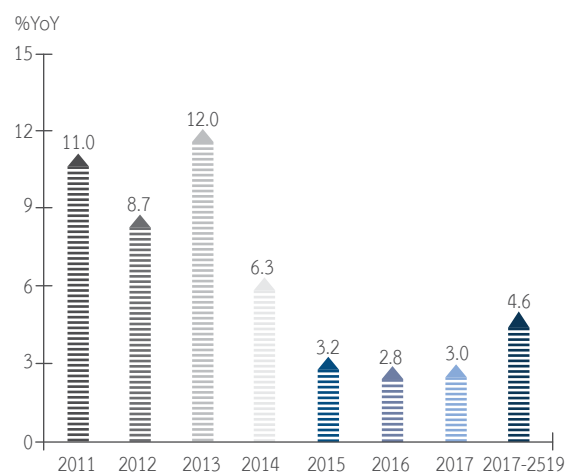
In 2017, the hotel business has increased in terms of number of rooms, occupancy rate and average room rates due to increasing number of international tourists travelling to Thailand continuously. There were 35.4 millions of international tourists increased by 8.8 when compared with the previous year. This is due to the government's tourism promotion measures, such as the renewal of the visa exemption and the reduction of visa on arrival fees to 21 countries by the end of August 2017, hosting of international conferences, such as, World Travel and Tourism Council Global Summit 2017, Scientific, Technology and Medical Conference etc. In addition, the problem of Zero-Dollar Tour which affected the number of Chinese tourists has eased in 2016. As a result, in 2017, Thailand generated income of 2,754 million baht or increased by 9.5%, consisting of 1,824 million baht revenue from foreigners and 930 million baht revenue from Thai tourists, increased by 11.7% and 5.4%, respectively. In 2017, the investment in number of rooms still increased but with more cautious approach. The overall number of rooms across the country in the first eight months of 2017, equivalent to 695,914 rooms (680,757 rooms for 2016,), an increase of 15,157 rooms or 2.2% when compared with year 2016. The central region has the highest growth of 19.2% while there is no expansion in Bangkok as the area has experienced significant growth in number of hotels and accommodations for several years.

Source: Economy, Tourism and Sport Division
Economics, Business and Based Business Research Center,
Government Savings Bank

The overview of wholesale and retail industries

Modern retail business trend and prediction

Modern retail business is expected to improve in the next 1-3 years (2017-2019), following the recovery of Thai economy (Economic growth rate is projected to be in the range of 3-4% from an average of 2.4% over the period 2013 - 2016) driven by investment, consumption, tourism and government investment in infrastructure such as transportation, airport expansion, investment in special economic zones next to frontier areas. Moreover, other stimulus policies and expansion of urban communities will boost purchasing power of the people in the country as well. This is a good sign for retail growth when combined with the private sector's efforts to push Thailand as Asia's shopping hub and the advantages of the business from the number of outlets covering all nationwide areas. Furthermore, consumers tend to buy more goods through modern retail stores. This will support the modern retail business to grow up higher than the past. It is expected that the growth of the modern retail business will be at an average level of 4-6% over the next 3 years.



Source : Thai retailers Association, forecast by Krungsri Research

However, overall business competition is likely to be more intense due to 1) Retail business in the same category, 2) Cross-category retail business with the same target group and 3) New competitors which aim to compete for market share, especially, foreign brands who are interested in opening / expanding outlets in Thailand to accommodate the purchasing power of foreign tourists in Bangkok and other tourist destinations including potential for long-term growth of the Thai economy. In addition, we have to keep an eye on the rapid growth of e-commerce segment which is gaining more market share. The Thai e-Commerce market is expected to grow at an average rate of 22% per year by 2020, as the consumers are becoming more familiar with purchasing products online. With the large foreign operators investing in e-Commerce in Thailand, it is expected that modern retailers will have to focus on price strategy in order to maintain market share and reduce operational costs to increase competitive advantage. At the same time, it also has to expand its e-Commerce business along with sales through its stores. This may result in the decrease of business margin and stimulate business to expand more outlets to cover the purchasing power, especially in major cities in order to increase revenue and maintain the long-term growth.

Over the next 1-3 years, the retail business is likely to grow at the rate of 4-6% per annual in line with the economic growth and the increase of household purchasing power. The trends of each type of retailer are as follows:

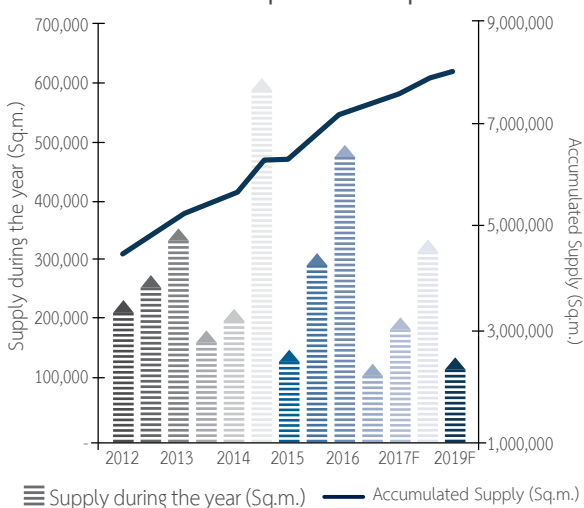
Retail Space Types	2013	2014	2015	2016 (Approximate)	2017-2019 (Forecast)
Department Stores	5.5	3.4	3.0	2.8	3.0-5.0
Discounted Stores/Super Stores/ Hyper Markets	3.5	2.6	1.8	2.0	2.0-4.0
Supermarkets	8.0	6.5	8.5	9.0	8.0-10.0
Convenience Stores /Mini Marts	10.0	4.0	2.8	3.0	3.5-4.5
Specialty store	8.5	2.7	2.7	2.7	3.0-4.0
Growth of modern retail sales	6.3	3.2	2.8	3.0	4.0-6.0

Source: Thai Retailers Association, forecasted by Krungsri Research

The overview picture of retail space in 2017

In the last three quarters of 2017, there were about 148,610 square meters of available retail space for services. About 57,250 square meters of additional space is scheduled to be ready for service in the last quarter of 2017. The total retail space in Bangkok and surrounding areas is approximately 7.7 million square meters. About 60% of the retail spaces in service during the first to third quarter of 2017 are shopping malls followed by the community mall and retail space at approximately proportion of 21% and 15%, respectively.

Accumulated retail space at 3rd quarter of 2017



Source: Research Department, Colliers International Thailand

Note: F = Forecast of retail Space to be finished during 2017 - 2019

Retail businesses in many countries throughout the world are affected by online shopping and changing in consumer behaviour. Therefore, hypermarkets or large shopping malls in many countries have to close down or unable to maintain their business in the same level. However, retail business in Thailand was not affected by the phenomenon in the same level compared with other countries. Operators and retail business developers are still expanding their outlets or retail projects in the potential locations throughout the nation. Although the new retail space will not increase significantly due to negative factors including the higher land prices, which has a direct impact on the development of retail space projects. Moreover, online shopping also has adverse impact on incomes from traditional retail.

Most of the new retail spaces opened in 2017 are shopping mall followed by community mall which experienced slowdown expansion compared to the previous year. Community mall segment is expected to slowdown in 2017 and in the future.

Retailers are concerned about online shopping and mobile shopping, which are becoming increasingly popular in Thailand. However, major retailers are developing applications or platforms to support this trend in the future.

Retail space in Bangkok and surrounding areas by type in the 3rd quarter of 2017

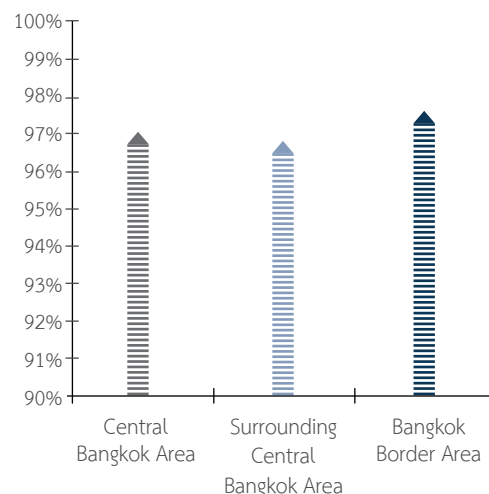


Source: Research Department, Colliers International Thailand

In retail business sector, community mall has the fastest growth rate in Bangkok and the surrounding area, and ranked in the 2nd place over hypermarket, which ranked in the 3rd spot. The community malls have total area of only 0.3 million square meters in 2007, the 3rd largest proportion. There are new projects of community malls launching in each quarter over the past several years. As a result, community malls have the highest growth in the market for retail space in Bangkok and surrounding areas.

Shopping malls account for approximately 58% of total retail space in Bangkok and surrounding areas. More than 0.49 million square meters of retail space is still under development and is scheduled to be completed between 2018 and 2020. The large retail space retailers are paying close attention to the small retail space project which can develop quickly and can be expanded in all areas throughout Thailand.

Average demand for rental space in each location in the 3rd quarter of 2017



Source: Research Department, Colliers International Thailand

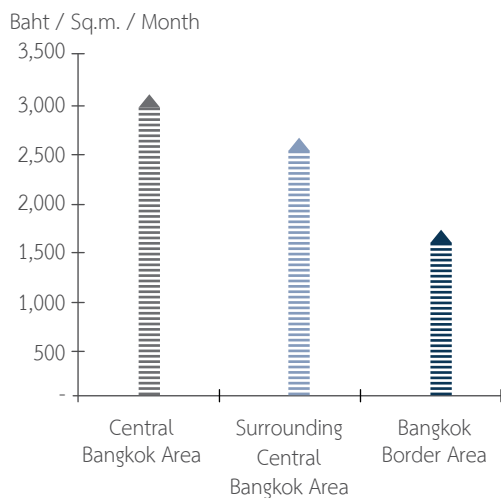
Note: Average rental fee of the 1st floor project space

Average demand for rental space in the 3rd quarter of 2017 remained close to the previous quarter, above 96% in all locations and slightly up from 2016. The average occupancy rate in all locations did not decrease. Although the purchasing power of Thai people in during 2016-2017 has been declining continuously, reflecting the economic situation in

Thailand. Nonetheless, the overall economy of Thailand has improving sign even most of Thai consumers are still worried about the long-term economic situation; the majority of Thais are spending less.

The outer Bangkok area has the highest occupancy rate due to the high rental rate of hypermarkets and shopping malls. Although some community malls are vacant and cannot attract reputable stores or brands to the project.

Average rental fees by type in the 3rd quarter of 2017



Source: Research Department, Colliers International Thailand

Note: Average rental fee of 1st floor of the project

Average rental fees in all locations in Bangkok and surrounding areas in the 3rd quarter of 2017 were not significantly different from the previous quarter. Nonetheless, operators or foreign brands continue to focus on increasing the number of outlets because they anticipated that Thailand still has potential to grow in the future. Thus space rental fees have been increasing continuously over the years. Rental fees in city, such as shopping malls in the center of city or connected directly to BTS stations, have the highest rates over 3,000 baht per square meter/per month. Meanwhile, the rental rates in the outer areas of Bangkok, such as community mall, are around 500 baht per square meter/per month. Retail space rental in 2018 is not very different from the year 2017, depending on the overall economic situation.



NATURE OF BUSINESS

Income Structure

Income Structure Classified by Business Type

Descriptions	2015		2016		2017	
	MB	%	MB	%	MB	%
1 Rental and Services Income ⁽¹⁾	1,042	59	1,107	59	1,259	61
2 Revenues from Hotel Operations ⁽²⁾	344	19	365	20	395	19
3 Revenues from food and beverages sales ⁽³⁾	237	13	246	13	269	13
4 Other income ⁽⁴⁾	145	9	145	8	136	7
Total Income	1,768	100	1,863	100	2,059	100

⁽¹⁾ Rental and services income comprised of rental income, gross profit sharing, additional income from the activities on utilizing common space, utility, shared facility fees, insurance premium, property tax and parking income.

⁽²⁾ Revenues from hotel operations comprised of room revenues, food and beverages sold in the hotels and other service charges relating to the hotel business.

⁽³⁾ Revenues from food and beverage sales are derived from operation of food centers and the Company's restaurants where is excluded income from sales of food and beverages under the hotel business. The income is categorized by the profit shares from each restaurant. All revenues from food and beverages from the food center are recorded in financial statement while the redemption amount paid to vendors are recorded as the cost of the food center business.

⁽⁴⁾ Other income includes interest income, advertisement space, gain (loss) from sales of securities, unrealized gain (loss) from sales of securities and profit (loss) from sales of assets.

Nature of Products and Services

Currently, the Company operates totally four projects, including two shopping malls, one hotel and one rental space for shopping under named The Neon Night Bazaar (formerly named Neon Downtown Night Market Project) The Neon Night Bazaar. In addition, the Company plans to expand a shopping mall, namely The Market Bangkok and a 3-4 stars hotel with 2 two buildings within 2-3 years. Details are as follows.

1 Rental and Services Business

As of 31 December 2016, the Company operated 3 projects which were The Platinum Fashion Mall, The Wharf Samui and The Neon Night Bazaar (formerly named Neon Downtown Night Market Project).. The revenues from shopping center comprised of rental and service income, utilities income, common area management charges, additional income from the activities on utilizing common space, parking income and other related income. The Company has developed the shopping centers by starting with the feasibility study on the land to be acquired, investment on the land, project design, study of project impact, selection of construction sub-contractor, control

and management of the project construction until its completion, setting out of products and services and finding tenants or customers to rent all the space during the project development period prior to the official launch of the shopping centers.

The Platinum Fashion Mall is a modern large wholesale and retail shopping center located in the heart of Pratunam and is aimed to become a complete wholesale fashion products center. The project consists of 3,000 wholesale stores and is categorized into zones, such as men's clothes, women's clothes, bags, leather wears, shoes, accessories with fully equipped facilities and utilities. As a result, the project attracts tenants and customers to visit the mall.

The Wharf Samui is the first community mall of the island located along the beach and decorated with Colonial style combining with the East and the West culture. The mall provides various restaurants, stores of different products and services that meet all lifestyles of those who visit the island for their vacation, tourism and local residents on the island.

The Neon Nigh Bazaar (formerly named Neon Downtown Night Market) is the large-sized market located in the center of Bangkok and designed in a concept of "NEON NIGHT ALIVE", the best experience of unlimited shopping, eating, and checking in Central Downtown in new lifestyle among colorful decoration of neon lamps to impress new generation falling in love with photographing and sharing happiness with friends. In the projects comprised of containers, tents, and

self-styled decoration restaurants approximately 637 shops, including restaurants, beverages, lifestyle and fashion items. Furthermore, the project has many places for photographing where satisfy digital generations, and targets are officers, nearby household and foreigner tourist.

2. Hotel Business

Currently, the Company operates a hotel, namely Novotel Bangkok Platinum Pratunam Hotel, a 4-star hotel located in the heart of Bangkok. The hotel beside accommodation allows to customers a restaurant, meeting room and banquet facilities including other related services such as swimming pool, spa, fitness etc.

It is Company's business policy to employ renowned executive officer to manage the hotel to meet universal standard and create confidence to our hospitality services among customers. The Company entered into the Hotel Management Agreement with Accor Group - the well known hospitality management affiliate, to manage Novotel Bangkok Platinum Pratunam for a period of 10 years which is from the hotel's first operation day in November 2011.

3. Food and Beverages Business

At present, the Company has a food and baverage center located on the 6th floor inside The Platinum Fashion Mall serving both Thai and international food. The Food center consists of 23 food shops, 4 drink shops and 19 dessert shops, including stands equipped with more than 1,000 seats for customers.

Business Details of The Platinum Group Public Company Limited as of 31 December 2017

Rental and Service Business	Year of Operation	Ownership	Book Value (Million Baht)	Appraised Value (Million Baht)	Total Area (sq. m.)	Rental Space (sq. m.)	Occupancy Rate (%)
The Platinum Fashion Mall	December 2005	Own by PLAT and The Platinum Juristic Person	1,338	8,478	137,537	23,069	98
The Wharf Samui	January 2015	Lease contract for land and buildings	-	-	18,904	5,403	56
The Neon Night Bazaar	December 2016	Lease contract for a land plot	19	-	17,082	4,428	70

Hotel Business	Year of Operation	Ownership	Book Value (Million Baht)	Appraised Value (Million Baht)	No. of Room	Occupancy Rate (%)
Novotel Bangkok Platinum Pratunam	November 2011	Own by PLAT	657	1,832	288	88



CURRENT PROJECTS

The Platinum Fashion Mall

Project details :

It is the largest clothing wholesale center of the country. The project is designed under the concept of being national wholesale center which full of usefulness, convenience and mobility for business entrepreneurs or shop owners. The goods include men's and women's clothing, bags, leather products, shoes and ornaments. In addition, the Platinum Fashion Mall has filled with complete facilities and utilities such as warehouse, packaging and delivery services.



Novotel Bangkok Platinum Pratunam Hotel

Project details :

Novotel Bangkok Platinum Pratunam Hotel is the 4-star hotel located in The Platinum Fashion Mall where is the center of fashion. There are 288 rooms at the Novotel. Moreover, the guests can enjoy with excellent restaurant's dining together as well as spa, swimming pool and fitness center.



Platinum Food Center

Project details :

It is the food and beverage service center located on the 6th floor of The Platinum Fashion Mall. There are more than 100 kinds of food for selection in the area of over 2,000 square meters, and can provide service more than 1,000 seats in order to serve more than 6 million customers a year.



The Wharf Samui

Project details :

It is the community mall located on the beach of Samui Island with the vintage architecture in the combination of the western and eastern styles. There are a lot of goods and various services appropriated for all lifestyles of both Thai and foreign tourists inside the project.



The Neon Night Bazaar (formerly named Neon Downtown Night Market)

Project details :

It is the new shopping destination in the center of Bangkok in the total area of more than 10 rai on Phetchaburi Road (opposite the entrance of Chidlom Road), gathered with various delicious food and more than 585 shops, 24 containers and 28 mini-shops in the comfortable atmosphere.



Ratchaprasong Walk (R-Walk) (formerly named Bangkok Skyline)

Project details :

It is the skywalk connecting between the BTS Chidlom station and the major shopping plazas and commercial centers in the Ratchaprasong area towards The Market Bangkok and The Platinum Fashion Mall. It contributes and facilitates people or customers coming to shop or use the services in The Platinum Fashion Mall, Novotel Bangkok Platinum Pratunam Hotel, The Market Bangkok together with the Ratchaprasong business area.





FUTURE PROJECTS



The Market Bangkok

Project Details:

The Market Bangkok is the new shopping center at the central of Bangkok, located in Ratchaprasong area, which is convenience with variety of accessibilities. The Market Bangkok provides various types of markets and shopping experience through the outstanding architecture presenting uniqueness of products and services of more than 1,000 shops in order to completely enhance the Ratchaprasong area to be the world class shopping center. Additionally, the project is divided to 3 buildings including M1 building and M2 building with the total selling area of 28,000 sq.m., and M3 with the total selling area of 6,700 sq.m. Therefore, the total selling area is equal to 34,700 sq.m.

Project progress: Under construction of building M1 and M2

Scheduled opening: Expected to be completed by the end of year 2018 for M1 and M2 building

Value of investment: Approximately Baht 4,400 million (total project)

Office for Rent on The Market Bangkok

Project Details:

The office for rent project is located on The Market Bangkok project which offers rental space to the companies or customers. The project is aimed to generate recurring income to the Company as well as to promote the business or shops within "The Market Bangkok" during weekdays. The building has the approximate total rental space of 38,000 sq.m.

Project progress: Under the design process

Construction schedule: After the opening of retail shopping center, M1 and M2, and approval from the Environmental Impact Assessment (EIA) during the 4th quarter of 2019

Scheduled opening:: Expected to be completed by the 1st quarter of 2022

Value of investment Approximately Baht 1,900 million

Hotels on The Market Bangkok

Project Details:

The hotel projects on The Market Bangkok is a 3 stars hotels comprising with 2 buildings, which are 1) the hotel on shopping center M1 building with approximate 532 rooms and 2) the hotel on shopping center M2 building with approximate 430 rooms. The project's aim is to generate recurring income to the Company and to promote the business or shops within The Market Bangkok.

Project progress: Under the design process

Construction schedule:

The hotel located on the shopping center M3 building will start the construction process approximate in 4th quarter of 2018 while the hotel located on the shopping center M1 building will start the construction process after the opening of shopping center M1 and M2 building, and after the approval from the Environmental Impact Assessment (EIA). The construction is expected to start in 4th quarter of 2019.

Scheduled opening: The hotel located in the shopping center M3 building is expected to be completed by the 3rd quarter of 2020 while the hotel located in the shopping center M1 building is expected to be completed by the 1st quarter of 2022.

Value of investment: The hotel located on the shopping center M3 building is approximately 1,300 million baht investment while the hotel located on the shopping center M1 building is approximate 1,400 million baht. Therefore, the total value of investment is 2,700 million baht.



Two Hotels on Samui Island

Project Details:

The hotels are located on Bo phut seaside, Samui Island and close to The Wharf Samui, consisting with 2 buildings which are 1) Holiday Inn Resort Hotel with 127 rooms and 2) Holiday Inn Express Hotel with 202 rooms.

Project progress: Under the progress for approval of Environmental Impact Assessment (EIA)

Construction schedule: Construction is expected to start in 4th quarter of 2018

Scheduled opening: Expected to be completed by in 3rd quarter of 2020

Value of investment: Approximately Baht 900 million



MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

The Platinum Group Public Company Limited and its subsidiaries (the “Company”) reported the performance for the year 2017 ended 31 December 2017. The Company’s profits increased by Baht 68 million or 10% compared with the year 2016. The details are as follows:

Descriptions	2017		2016		Differences	
	MB	%	MB	%	MB	%
Rental and services income	1,259	61	1,107	59	152	14
Revenues from hotel operations	395	19	365	20	30	8
Revenues from food and beverage	269	13	246	13	23	9
Other income	136	7	145	8	(9)	(6)
Total revenues	2,059	100	1,863	100	196	11

1. Operating Revenues

The Company’s total revenues for the year 2017 and 2016 were Baht 2,059 million and Baht 1,863 million, respectively, increasing by Baht 196 million or 11% compared with last year as the details below.

1.1 Rental and services income

The Company’s rental and services income for the year 2017 increased by Baht 152 million or 14% compared with the year 2016. This was due to the increase of rental rate during the year of The Platinum Fashion Mall resulting in the increase of rental and services income in an amount of Baht 50 million or 6%. Furthermore, the Company has signed a lease agreement of the public and advertising areas with The Platinum Juristic Person on 1st June 2016 for rent and advertisement. Consequently, in the year 2016 the Company could manage those areas efficiently by rental for event and marketing sponsorship. The Company’s rental for event income increased by Baht 43 million or 70%

compared with the year 2016, and accompanied by the full year operating of the Neon Night Bazaar (formerly named Neon Downtown Night Market) project in the year 2017, which has been operated since the beginning of December 2016 as a result of the increase of rental and services income.

1.2 Revenues from hotel operations

The Company’s revenues from hotel operations for the year 2017 increased by Baht 30 million or 8% compared with the year 2016 owing to the increase of 7% of the average room rate from an increase of MICE groups (the Meetings, Incentives, Conferencing, and Exhibitions) staying more with a higher average room rate; the Company also upgraded the rooms for the customers. Additionally, in the third quarter of 2017 the Company built up 5 new rooms leading to the increase of the revenues from hotel operations. Also, in the fourth quarter of 2017 the Company’s average occupancy rate was 90%, contributing the average occupancy rate for the year 2017 reached 88% (the year 2016’s was equal to 87%).

This arose from various factors such as the increase number of international tourists travelling to Thailand about 35.4 million persons increasing by 9%, especially in the year 2017, as well as the disentangled policy of Zero-Dollar Tour suppression and turn to a normal situation.

1.3 Revenues from food and beverage

The revenues from food and beverage of The Platinum Fashion Mall for the year 2017 increased by Baht 23 million or 9% compared with the year 2016 on account of the increase number of both Thai and international tourists visiting the food center. In addition, the Company changed some restaurants within the food center to be more various and serve more demand of the customers.

1.4 Other revenues

The majority of Company's other revenues comprised of the interest income from bank, gains from the differences between book value and net asset value (NAV) of investment in trading securities, and gains from sales of investments in

trading securities. However, the other revenues for the year 2017 decreased by Baht 9 million or 6% compared with the year 2016. This was affected from the first half of the year 2016 that the Company signed a lease agreement with a Juristic Person in order to manage The Platinum Fashion Mall. Subsequently, the aforesaid agreement was terminated because the Platinum Fashion Mall managed independently in the year 2017. Furthermore, in the year 2016 the Company received the damage fee from a contractor for the delay of the construction and the assignment of leasehold fee from the customers (this item has not included in the year 2017).

As the year 2017 the Company received the return on investment increasing by Baht 13 million or 12% compare with the year 2016 due to the adjustment of the investment plan by investing more on fixed income fund with higher return than fixed deposit interest.

2. Total Cost

The Company's total cost for the year 2017 was Baht 710 million, increasing by Baht 60 million or 9% compared with the year 2016 as the details demonstrated below.

Descriptions	2017		2016		Differences	
	MB	%	MB	%	MB	%
Cost of rental and services	318	25	270	24	48	18
Cost of hotel operations	186	47	184	50	2	1
Cost of food and beverage	206	77	196	80	10	5
Total expenses	710	37	650	38	60	9

2.1 Cost of rental and services

The Company's cost of rental and services for the year 2017 increased by Baht 48 million or 18% compared with the same period of last year. This resulted from the increase in cost of rental and services from leasing whole public areas from The Platinum Juristic Person as mentioned above. The Company paid this rental fee, which was variable with the rental and services income from the customers. Also, the rental cost of the Wharf Samui project has increased since the Company has not gotten the discount of project rental fee in the year 2017.

2.2 Cost of hotel operations

The Company's cost of hotel operations for the 2017 increased by Baht 2 million or 1% compared with the previous year due to the increase of Baht 4 million from travel agency expenses in an

amount of Baht 4 million, which is variable with the increase of room income and the increase of employee expenses in an amount of Baht 2 million. However, the assets that depreciated the full useful life of the Company increased, resulting in the decrease of the depreciation in an amount of Baht 4 million.

2.3 Cost of food and beverage

The Company's cost of food and beverage for the 2017 increased by Baht 10 million or 5% compared with the year 2016. The majority of the cost was the direct costs which vary from the increase of revenues from food and beverage. Nevertheless, the Company's employee expenses decreased by Baht 2 million in the year 2017 as the Company could manage the Food Center in The Platinum Fashion Mall efficiently.

3. Gross Profit Margin

The Company's gross profit for the 2017 increased by Baht 145 million or 14% compared the year 2016 due to the growth of each business of the Company as the details below.

Descriptions	2017		2016		Differences	
	MB	%	MB	%	MB	%
Rental and services business	941	75	837	76	104	12
Hotel business	209	53	181	50	28	15
Food and beverage business	63	23	50	20	13	26
Total gross profit	1,213	63	1,068	62	145	14

For the year 2017, the gross profit margin of the Company's core business was equal to 63%, which is higher than the previous year's gross profit margin was equal to 62%, the conclusion are described below:

- **The rental and service business** had the gross profit margin for the year 2017 and 2016 at 75% and 76%, respectively. The total gross profit margin

for the year 2017 and 2016 increased by Baht 104 million or 12%, derived from many factors such as the raising of yearly rental rates of The Platinum Fashion Mall, increasing new rental areas from leasing whole space from The Platinum Juristic Person, increasing of income from public areas management where utilized as organizing events and marketing sponsorship, and operating The Neon Night Bazaar (formerly named Neon

Downtown Night Market project) a full year as stated above.

- **Hotel business**

The gross profit margin of hotel business for the year 2017 and 2016 were equal to 53% and 50%, respectively. The Company's gross profit margin of the year 2017 is higher than 2016, since the average room rate hike up from the MICE group (the Meetings, Incentives, Conferencing, and Exhibitions), and the Company also increased 5 new rooms.

- **Food and beverage business**

The gross profit margin of food and beverage business for the year 2017 and 2016 were equal to 23% and 20%, respectively. The Company's gross profit margin for the year 2017 is higher than 2016 due to the increase of food and beverage revenue rate was higher than the increase of the cost of food and beverage rate. Furthermore, the Company not only managed the employee cost efficiently, but also the food and beverage cost.

4. Expenses

Descriptions	2017		2016		Differences	
	MB	%	MB	%	MB	%
Selling expenses	69	3	57	3	12	21
Administrative expenses	286	14	275	15	11	4
Share of loss of investment in a joint venture	1	-	-	-	1	-
Income tax expenses	221	11	177	10	44	25

4.1 Selling expenses

The Company's selling expenses for the year 2017 increased by Baht 12 million or 21% compared with the previous year because of the increase of employee expenses for launching the Market Bangkok project.

4.2 Administrative expenses

The Company's administrative expenses for the year 2017 increased by Baht 11 million or 4% compared with the previous year, since the employee expenses increased by Baht 8 million. Furthermore, the amortization of intangible assets increased by Baht 12 million from R-Walk project (formerly named Bangkok Skyline project), whereas other administrative expenses decreased by Baht 9 million.

4.3 Share of loss of investment in a joint venture

The share of loss of investment in a joint venture for the year 2017 increased by Baht 1 million compared with the year 2016, since the company

has a joint venture with a shopping mall in order to continuously construct and maintain the R-Walk project (formerly named "Bangkok Skyline project"). Actually, the aforesaid joint venture got the loss from operation in the year 2017, so the Company shared of loss from investment in joint venture, whereas the Company shared of the profit from this investment in the year 2016.

4.4 Income tax expenses

The Company's income tax expenses for the year 2017 increased by Baht 44 million or 25% compared with the year 2016. This income tax expenses was varied in accordance with better operating performance of the Company. In addition, The Platinum Market Company Limited has written-off net losses carried forward from the last five accounting periods which are not used as deductible expenses in calculating CIT in accordance with the condition prescribed by the Revenue Department's regulation.

5. Profit for the Period

Descriptions	2017		2016		Differences	
	MB	%	MB	%	MB	%
Profit for the period	772	37	704	38	68	10

For the year 2017, the Company's profit for the period was in an amount of Baht 772 million, increasing by Baht 68 million or 10% compared with the year 2016 due to the increase of gross profit from rental and services business, hotel business, and food and beverage business in an amount of Baht 104 million, Baht 28 million, and Baht 13 million, respectively.

Nevertheless, selling and administrative expenses, share of loss of investment in a joint venture, and income tax expenses increased by Baht 23 million, Baht 1 million, and Baht 44 million, respectively. Also, the Company's other income decreased by Baht 9 million as the reasons stated above.

6. Financial Position

Descriptions	31 December 2017		31 December 2016		Differences	
	MB	%	MB	%	MB	%
Total assets	10,491	100	9,822	100	669	7
Total liabilities	1,757	17	1,356	14	401	30
Shareholders' equity	8,734	83	8,466	86	268	3

6.1 Total assets

As of 31 December 2017, the Company's total assets increased by Baht 669 million or 7% compared with the end of 2016 with these following reasons:

- Current assets decreased by Baht 178 million or 3%, resulted from the decrease of cash, cash equivalents, and current investments in an amount of Baht 186 million, as the Company has paid the investment for construction of the Market Bangkok project. Additionally, the trade and other receivables decreased by Baht 25 million from the decrease of the accrued interest incomes in an amount of Baht 20

million; and other receivables decreased by Baht 5 million. Meanwhile, other current assets increased by Baht 33 million.

- Non-current assets increased by Baht 847 million or 21% due to the increase of the investment properties and the advanced payment for the construction of the Market Bangkok project in an amount of Baht 794 million. The property, plant, and equipments increased by Baht 62 million, whereas other non-current assets decreased by Baht 9 million.

6.2 Total liabilities

As of 31 December 2017, the Company's total liabilities increased by Baht 401 million or 30% compared with the end of 2016 because trade and other payables increased by Baht 288 million from the construction of The Market Bangkok project. Moreover, the accrued leasehold increased by Baht 215 million from leasehold recognition of The Market Bangkok project regarding accounting standard, even though this land lease agreement has not been due for payment. In the meantime, the Company's short-term and long-term rental deposit increased by Baht 12 million as well as the retention payable which increased by Baht 26 million and other liabilities increased by Baht 21 million. While the Company's short-term and long-term unearned rental income decreased by Baht 161 million from the revenue recognition as rental income for the year 2017.

6.3 Shareholders' equity

As of 31 December 2017, the Company's shareholders' equity increased by Baht 268 million or 3% compared with the ended of 2016 since the Company gained the profits in an amount of Baht 772 million and paid for the dividend in May 2017 in an amount of Baht 504 million.





Principles and Policy of Corporate Governance

The Company's Board of Directors recognizes the importance of conforming to the Corporate Governance Principles and is aware of the important role of directors, management and employees towards the business operations of the Company. Therefore, not only committing to build sustainable returns for the shareholders, the Board shall also focus on the fair treatment of all stakeholders. This policy emphasizes rights of shareholders, equal treatment to all shareholders, consideration of stakeholders' role, disclosure and transparency, responsibilities of the Board of Directors and dissemination of information to all related parties.

To provide assurance to shareholders, investors and all related parties, the Company has set a policy which covers 8 sections of key principles on good corporate governance.

Section 1: Rights of Shareholders

The Company respects the rights of all shareholders to equally obtain the Company's information accurately, completely, adequately and timely to support their decision in every matter. Therefore, the Board of Directors have adopted the following policies.

1. Disclosure of the Company's material information and necessary for shareholders shall be done through the Company's website and through the Stock Exchange of Thailand in a clear and timely manner.
2. Regarding the shareholders' meetings, all shareholders shall receive clear information relating to the meeting adequately and equally in order to review and consider prior to the meeting will take place. The Company shall

release information about date, time, venue and agenda of shareholders meeting in precisely, both in Thai and English, via the Stock Exchange of Thailand system "SET Portal" and the Company's website 30 days before the meeting date.

3. For the invitation notice of the shareholders' meeting, the Company shall provide detailed information of each agenda with explanation and director's recommendation. The Company shall disseminate the meeting notice together with related documents e.g. registration form, list of documents and identifications to be presented before entering the meeting room, registration and proxy process, proxy form, etc. The invitation notice, both in Thai and in English, shall be published in the Company's website 30 days before the meeting date while the printed copy shall be delivered to all shareholders at least 21 days before the meeting date.
4. In case that shareholder cannot attend the meeting, he/she has a right to appoint an independent director or any person to represent him/her in the meeting by signing the proxy form which is attached to the invitation notice of the meeting, or can be downloaded from the Company's website.
5. At the meeting, shareholder shall consider and vote for a resolution of each agenda in respectively. There shall not be urgently any changes in material information or any additional agenda in the shareholders' meeting. All shareholders have a right to review the Company's operation results by inquiring or making recommendations and suggestions to the Board and related management who are obliged to attend the meeting and answer all shareholders' inquiries.
6. The Company requires all directors to attend and vote in the shareholders' meeting when there are any changes in core policies of the Company

and any changes in shareholder's rights, which needs decision making and approval from the shareholders' meeting.

7. The Company shall disclose to the public the voting results of each agenda in the shareholders' meeting via the Stock Exchange of Thailand system "SET Portal" and the Company's website on the next business day after the meeting date.
8. Minutes of the shareholders' meeting shall be prepared in a complete, accurate, timely and transparent manner, recording all important issues and recommendations in details for shareholders reviewing. The Company shall also record video footage of the meeting for future references. Additionally, the minutes of shareholders' meeting shall be published in the Company's website for the shareholders' consider and submitted to the Stock Exchange of Thailand within 14 days from the date of the meeting take place.
9. Right to obtain the share certificate and right to transfer ownership of the shares.
10. Right to attend and vote in the shareholders' meeting to make decision in any changes of the Company's policies and any changes of the shareholder's rights, which require approval from the shareholders' meeting.
11. Right to appoint and dismiss the Company's directors and to approve the hiring of independent auditors.
12. Right to approve directors' remuneration package and dividend payment.
13. Right to propose the agenda for the annual general shareholders' meeting according to the Company's guidelines.
14. Right to propose candidates for the director position according to the Company's guidelines.
15. All other rights permitted by law.

Section 2: Equitable Treatment of Shareholders

The Company has treated all shareholders, individual and institutional, local and foreign, equally and fairly. For the Annual General Meeting of Shareholder of 2016, there were the Directors attending totalled 10 persons out of 10 persons, comprised of Independent Directors of 4 persons, Executive Directors of 5 persons and Non-Executive Director of 1 person. Furthermore, the Company had invited the independent auditor and shareholders who are willing to attend the meeting to be a middleman for counting the vote and all shareholders were equally.

The Board of Directors has set a policy to promote the practices to treat all shareholders equally with the following details.

1. It is crucial to disclose the information and news about the Company in an accurate, complete and timely manner to all shareholders through the websites of the Company and the Stock Exchange of Thailand.
2. The Company provides options for shareholder who cannot attend the general shareholders' meeting to appoint a person or an independent director nominated by the Company to be his/her proxy to attend and vote in the meeting. Three types of proxy form, approved by Department of Business Development, Ministry of Commerce, shall be attached to the notice of the shareholders' meeting.
3. To ensure that all shareholders receive clear, accurate and adequate information on an equal basis and have sufficient time to read through all related information before the meeting, the Company shall disseminate the invitation notice of the shareholders' meeting together with the Board of Directors' comments and declaration.

Moreover, the Company shall disseminate together with the related documents e.g. registration form, list of documents and identifications to be presented before entering the meeting room, registration and proxy process, proxy form, etc. The notice, both in Thai and in English, shall be published in the Company's website 30 days before the meeting date while the printed copy shall be delivered to all shareholders at least 21 days before the meeting date.

4. In the shareholders' meeting, the allocation of time for each agenda shall be done appropriately.
5. It is the Company's policy to encourage director who has or may have an interest in any agenda to refrain himself from discussion and decision making for resolution of such agenda.
6. To prevent insider information trading, the Company has set the following policy:-
 - Do not use or disclose the Company's information, except normal business information or public information, for personal interest or other person's interest or to bring about any damages to the Company.
 - All directors and executives are required to report holdings of the Company's securities when first appointed to the position by filings the 59-1 form (Report of securities holding) to the Securities and Exchange Commission (SEC) within 30 business days from the date of appointment; and to report any purchase, sale or transfer of the Company's securities by filing to the SEC the 59-2 form (Report of changes in securities holding) within three business days from the date of the change. The Company also has a policy to encourage all directors and executives to voluntarily inform the Board about the securities trading at least one day prior to trading date.
 - Conflict of interests. The Company has a connected transaction policy which stipulates that all connected transactions incurred by

directors and executives must be treated in the same way as external parties and must be disclosed to comply with the regulatory requirements to avoid any conflict of interests.

- The Company encourage its directors and executives to voluntarily do not trade the Company securities during the one month period prior to the announcement of quarterly and annual financial statements; and do not use inside information for trading of the Company securities.

Section 3: Roles of Stakeholders

The Company is aware and recognizes the rights of all groups of stakeholders, internal and external. Mainly Internal stakeholders are shareholders and employees while external stakeholders include customers, suppliers, creditors, competitors, public sectors, public offices and communities. The company has received supports from various stakeholders to strengthen its competitive advantages and profitability, generating long-term value of the Company. The Company has treated stakeholders as follows:

Shareholders

The Company realizes that shareholders are the Company's owners while the Company has a duty to build long-term economic value added for the shareholders. So its directors, management and employees are obliged to follow the below guidelines.

1. Perform his/her duties with integrity and make every decision in according to the professional principles with careful, realize and fair consideration of all groups of shareholders, major and minor and for the best interests of the Shareholders as a whole.
2. Present reports of the Company's operating results, financial status, financial and accounting statements and others consistently, completely and accurately.

3. Notify all shareholders equally the information about future trends of the Company, both negative and positive, based on possibilities, sufficient data and adequate rationale.
4. It is prohibited for all employees to use or disclose any non-public information for benefits of their own or other related persons, or for any course of actions which may pose a conflict of interest with the Company.
5. The Company shall not take any actions which violate or deprive the shareholder rights, i.e. failure to submit material information or documents to the shareholders prior to the shareholders' meeting, adding important agenda or changing material information without advanced notifications to shareholders before the shareholders' meeting.
6. The Company shall encourage shareholders to use their rights in matters such as the right to nominate candidate for director position, the right to express their opinions and ask crucial questions relating to the meeting agenda.

Employees

The Company believes that, to achieve our business goals, employees is one of the most valuable resource and they deserve favourable treatments. Therefore, the Company shall treat its employees fairly and equally in all aspects, career opportunities, compensation, promotion, transfer as well as versatile training and development plan. To be able to grow and expand its business in the future, the Company has set a policy to promote and support the development of all employees. All employees shall be treated equally with respect for human rights, good and safe working environment, proper and fair compensation and benefits in accordance with their responsibilities, duties and position as follows:

1. The Company has policy to provide compensation to employees in all levels with reasonable amount in accordance with the Company's operating result combined with other factors such

as consumer index, inflation and compared with peer. Employees' work performance are being evaluated clearly by KPIs systems and competency. The Company also provides provident fund for its employees as well.

2. The Company concerns the employees' living, so various welfares are provided to the employees as follows:

- Uniform for minimizing the employees' expense on clothes
- Health insurance which covers the medical cost both inpatients and outpatients
- Life insurance and group accident insurance
- Infirmary with a licensed nurse on board to advice and first aid
- Present from the Company for supporting any employee who was admitted to the hospital or encouraging any employee who delivered a child
- Provident Fund for supporting and creating the security for employees, the Company allows employees to join the Provident Fund, which they can save 4-6% of their monthly income depending on their years of service and the Company will contribute the matching percentage (4-6%) to individual fund.
- Other welfares for employees' family including financial support in case of death of family member, education fund for employees' children etc.

3. The Company has determined Key Success (KS) in 5 aspects, starting with 5 capital letters namely 'PATCM', as a core competency of the Company and used as a guideline to determine employees' behaviors in the organization as well as to support future business growth. PATCM consists of:

- 3.1 Passion – (extremely wish to be success) to determine the devotion of both physical and mental strength to accomplish responsible task without discourage or abandonment when faced with difficulties and obstacles.

- 3.2 Accountability – (completely response and concern the overall image rather your own) to have a sense of ownership in the organization and a stake in the results of their actions and organization.
- 3.3 Trust – (believe and be faithful) to confidence and trust in the supervisors, colleagues, subordinates as well as the organizations. This will create reliability in the organization for the joint success.
- 3.4 Confrontation – (openly talk and be courageous in discussion) to talk frankly and be confident to raise an objection based on facts and information to support ones' opinions.
- 3.5 Make it Happen – (do it and complete it) to show that one has done every possible way to accomplish the objectives with the “we can do” attitude and strive to achieve the organization's goals.

In 2017, the Company introduced PATCM concept through the activities of employees at all levels to create understanding, recognition of values and importance as well as to apply the concept in their works. The related activities are as follows.

- **Leadership Development Program**

The Company would organize management development program once a quarter with the objectives to build the relationships and collaboration among executives of various departments through learning and taking field-trip and to apply the knowledge in their operations, be innovative and share experiences through activities under the framework of PATCM.

- **Walk the Talk : PATCM**

It is public relations activities and activities to educate employees through the representatives of each department to disseminate PATCM concept to employees at all levels. The participants will receive a card that would be used as a code to participate in activities which will take place every week.

- **Orientation**

New Employee Orientation is held on monthly basis to provide knowledge and create understanding on necessary topics for new employees in order to create the impression and proud to be a part of PLAT's family. In every orientation, Mr. Chanchai Phansopha, the President, would honorary attend the event to welcome new employees. In addition, the event would introduce PATCM concept to new employees.

- **Business Plan 2018**

The event is held every year (during November to December) with the objectives to acknowledge vision and plans and strategies of each department in the next year and to mutually support one another and prepare staffs for development and adapt to the business. The participants are staffs in managerial level and above.

4. The Company has organized various employee committees to support the development, improvement and enhancement of safe, clean and hygienic workplace, encouraging all employees to have better and happier living conditions and more safety at work, which will lead to their improved performance. The employee committees, including Safety Committee, 5S Committee, Welfare Committee, Anti-drug Committee, are responsible for checking, monitoring, evaluating, recommending and educating employees in the related matters. As a result, the Company has been awarded in various areas such as National Occupational Safety and Health Award, ZERO Accident Award, Organizations with Outstanding Labour Practices and Welfare Award, Drug-free Workplace Award, etc.

In 2017, the Company had no accident and no leave of absence or sick leave caused by accident in workplace so it has been awarded the above-mentioned ZERO Accident Award for 3 consecutive years. In addition, the Company focuses on work safety programs such as conduct fire drills and

firefighters training and work safety course for management and supervisors. The Company also pays attention to the development of mentality and character of employees by dispatching employees to participate in the Buddhist monk ordination ceremony to offer merit to the belated His Majesty King Bhumibol Adulyadej.

5. The Company has encouraged its staff development on continual basis to enhance their abilities to compete with other leading companies in the same industry. Each year the Company has selected the latest training programs, both internal and external, to provide to staff at all levels. Training roadmap and training programs are designed to enhance the staff competencies and abilities in 3 main areas; Core Competency, Managerial Competency and Functional Competency.

- Core Competency Course is the program which focuses on developing the employee's attitudes and desired behaviors to reflect the Company's core value, S-M-A-R-T. This program is aimed to build and support the company's culture which is the key fundamental for the Company's achievements.
- Managerial Course is the program which aims to enhance knowledge and skill in management for employees in manager level in order that they will be able to manage their work, their team and their organization effectively.
- Functional Course is the program which aims to enhance knowledge, skill and ability of employees in each function. The program includes in-class training program as well as on-the-job training (OJT).

Summary of training hours in 2016

Training Program	No of Attendees (person)	No of avg hours per year
Core Competency Course	565	16
Managerial Course	85	13
Functional Course	149	16

In 2017, the Company has encouraged its employee at all levels to enhance their knowledge, understanding and attitudes regarding the Company's anti-fraud and anti-corruption policy. Training program about the basic knowledge of anti-fraud and anti-corruption has been provided. The program is continued to be a part of new staff orientation program.

Customers

The Company is well-aware of the importance of its customers and has set the following policy regarding customer treatments.

1. Customer shall be treated with courtesy and enthusiasm. Employee should be ready to welcome customers and to provide sincere, attentive service with care. Like serving the close relatives, customer service must be prompt, accurate and trustworthy.
2. Maintain customer confidentiality and never misuse it for personal or other related person's interests.
3. Provide accurate, adequate and timely information relating to the Company's services to all customers, without exaggerated advertisement which may mislead customers about the quality or any service conditions.

4. Give advice about the Company's services and related processes efficiently with the intention to maximize customer benefit.

Business Partners

The Company commits to treat its business partners and suppliers with fairness, integrity and without taking advantages. The Company and its subsidiaries shall conduct the business with its vendors honestly, transparent and equal, which will lead to the best interest of both parties. The Business partners must not discredit the Company reputation, violate the law and morality, culture and good customs. All procurements must be carried out under the transparent and auditable process. Any conflict of interest should be avoided and trade negotiation should be based on business relationship. Following are the related guidelines.

1. Do not request or receive or pay for any dishonest benefits in business dealing with all business partner
2. In case that there is a report about requesting or receiving or paying for any dishonest benefits, all related details must be disclosed to business partner in order to seek for fair and quick solution.
3. All agreed terms and conditions must be strictly followed, in case that any party cannot meet any terms or conditions, it must notify the other party promptly in order to mutually decide the solution. Business partners selection process: the Company has a policy that the business partners offer a price appropriately and at least 3 vendors will be asked to join the bid. The Company will choose the vendor who offers the most appropriate price with the product or service that meets the Company's requirements.

Banks, Financial Institutions, and Creditors

The Company is committed to treating the banks, financial institutions, its creditors and guarantors with honesty; and to repayment of loans and interest on time. The Company set strategies of working capital management to ensure that the Company shall not

be in any difficulties in repayment to the bank, financial institution, its creditors and guarantor. The Company shall also strictly comply with all terms & conditions specified in the loan agreements and the other agreements.

The Company shall report its financial status and its financial reports to the related banks, financial institutes, creditors and guarantors with accuracy and honestly on regular basis. In case that the Company cannot meet the terms and conditions stated in the loan contract, the Company shall prepare and submit the written notification to the related banks, financial institutes, creditors and guarantors in advance; and will co-operate in the discussion to find proper solution. As such, in the past 4 years, the Company has no history of default on its debt payment.

Policy and Guidelines on How to Treat Competitors

The Company has a policy to treat all competitors with integrity, not breaching confidentiality or revealing trade secrets of competitors obtained in an illegal or deceptive way. Following are guidelines of the policy.

1. Abide by the rules of ethical competition
2. Do not seek for confidential information or trade secrets of competitors by using illegal or inappropriate methods
3. Do not discredit competitors by any negative accusation
4. Support and promote free and fair competition

Communities and Societies

The Company's policy is to conduct business that benefits the economy and society by adhering to practices of a good citizen who fully complies with laws and regulations. The Company commits to developing, promoting and leveraging the quality of life in the society and the communities in which the company is located, along with the growth of the company. The details of activities are in part of Social Responsibilities topic "7) Community and social development".

Environmental Policy

The Company's policy is to support activities that enhance the quality of health conditions, overall environment and work environment to ensure safety and well-being of its employees and their properties. The details are in part of Social Responsibilities topic "6) Environment conservation".

Policies and Practices on Intellectual Property

The Company has a policy to refrain from violation of any intellectual property rights or copyrights and to support its employees to perform their duties with compliance to the law or regulations relevant to intellectual property rights. The Company supports and complies to the copyright and intellectual property law by using a licensed computer and software with authentic copyrights. Every software program must be examined by Information Technology Department.

Contact channel for stakeholders

To oversee and be responsible for all stakeholders, the Company has proved that all stakeholders can submit their complaint, opinion or suggestion to the Company through Investor Relations Department where all these complaints, opinions or suggestions will be submitted to the highest executives and the Audit Committee. The contact channel to Investor Relations Department is below.

Investor Relations Department

222/1398 11th Floor, The Platinum Fashion Mall Building Petchaburi Road, Petchaburi Road sub-district, Ratchathewi District, Bangkok 10400
Telephone: 0-2121-9999 ext. 55
e-mail: ir@theplatinumgroup.co.th

The Company emphasizes the importance of promoting good corporate governance and operates its business with transparency, integrity and ethics by strictly abiding to the related laws and regulations. The Board of Directors has established the Whistleblower Policy to provide protection and fairness to employees who report incidents, or provide information and leads, of any misconduct, fraud or corruption in the Company as follows:

1. Filing complaints or whistleblowing can be done verbally or in written;
2. Submitting to the Company via e-mail address: internalaudit@theplatinumgroup.co.th or;
3. Mailbox for complaints or whistleblowing provided by the Company or;
4. Sending a letter to Chairperson of the Audit Committee (who is an independent director) at the following address

Internal Audit Department

The Platinum Group Public Company Limited
222/1398, 11th Floor, The Platinum Fashion Mall Building Petchaburi Road, Petchaburi Sub-district, Ratchathewi District, Bangkok 10400

5. In case that the complainant chose not to disclose his/her name, he/she is required to provide sufficient detailed facts or valid evidence to prove reasonable grounds to believe that there are breaches of laws, regulations, the Company's articles of association and business codes of conduct; or fraud or corruption.

Complaints filing or incidents reporting shall be treated as highly confidential. The complainants or the whistleblower can report to the Company through more than one channel without reveal their identity. However, if their identities are disclosed to the Company, it will be helpful for the Company to report the investigation outcomes or inform any additional information relating to the complaint.

Section 4: Disclosure and Transparency

The Company has a policy to disclose financial information and other business relating information as well as the Company's operation results which is truthful, complete, adequate, consistent and timely. The information should reflect the actual financial status and operating performance, and the future of the Company's business. The channel of disclosing information as follows:

- Reporting via the news system of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission such as Annual Information (Form 56-1), Annual Report (Form 56-2), the Company's Financial Statements, Quarter and Annual Financial Analysis Reports, Resolutions of the Board of Directors, Resolutions of the Shareholders' Meeting, etc.
- Annual Information Form (Form 56-1)
- Annual Report (Form 56-2)
- Company's website: www.theplatinumgroup.co.th

It shall include the dissemination via the channel of mass media so that the shareholders and other related parties shall be informed about the Company's information thoroughly and equally. The disclosure of the Company's information shall be updated and adjusted to comply with the guidelines set by the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, covering the contents as follow.

1. Financial information, the Company's policies and Important news such as financial statements of the Company and its subsidiaries, information of the major shareholders and their voting right, information about the Company's directors and members of committees, Committee Charters, dividend payment policy, code of business conduct, corporate governance policy, anti-fraud and anti-corruption policy and quarterly and annually Management Discussion and Analysis (MD&A) which described details of operating results with analysis and explanation about the reasons of the changes.

2. Information about the Company's movements and major activities to be publicized via the press conference.

Responsible Persons for Information Disclosure

The Company has appointed responsible persons for material information disclosure including its President, Executive Vice President, Investor Relations Department and Marketing Communications and Public Relations Department. The nature of information disclosed shall be related to the roles and responsibilities of their job.

Investor Relations Department

The Company has emphasized the importance of disclosing its information in a transparent and thorough manner, especially the information about the Company's operating results and other material information which may affect the price of the Company's securities. The Company has disseminated its news and information via the channel of Set Community Portal (SCP) provided by the Stock Exchange of Thailand and other mass media so that investors, analysts and related parties will be completely informed. The Company has also published its material information on the Company's website: www.theplatinumgroup.co.th under the tab "Investor Relations" to facilitate general investors and persons who are interested in the Company. The information which is available in both Thai and English on the Company's website includes the Company's profile, financial information, information for investors and shareholders, general meeting of shareholders, corporate governance, webcasts & presentation, stock information, analyst report, news room and IR contact.

Meeting with shareholders and investors

In 2017 the Company has activities to meet with shareholders and investors continually so that its senior executives and investor relations team has the opportunities to meet with investors to explain about the Company's operating results, future strategies,

business growth direction and to summarize key events within the past year.

1. The Company has joined the activities arranged by the Stock Exchange of Thailand, Opportunity Day with SET, SET Thai Corporate Day and Thailand Focus for 4 times.
2. Quarterly meeting with analysts and institutional investors: In 2017 the Company has arranged 3 meetings to discuss the operating results of 2016 and the 2nd and 3rd Quarter of 2017.
3. Institutional investors have visited the President and the Executive Vice President to discuss the Company's policies, business direction and the progress of future projects in total 14 meetings.
4. Securities companies have invited the President and the Executive Vice President to present the Company's policies, operating results and the progress of future projects to its analysts, marketing officers, and minor investors for 2 times.
5. Each month there were contacts for information from investors via telephone call and e-mail about 3-4 times on average.

For further information, investors may contact the Company at the following address:

Investor Relations Department

222/1398 11th Floor, The Platinum Fashion Mall Building Petchaburi Road, Petchaburi Road sub-district, Ratchathewi District, Bangkok 10400
Telephone: 0-2121-9999 ext. 55
e-mail: ir@theplatinumgroup.co.th

Section 5: Responsibilities of the Board of Directors

The Board is responsible to shareholders regarding the Company's business operation and corporate governance to achieve its goals in the direction which brings maximum benefits to shareholders, taking into account the interests of all stakeholders. The Board has a duty to comply with the law, the Company's Objectives, its Articles of Association and the resolutions of the shareholders' meeting. The Board shall perform

its duties with integrity and honest and shall vigilantly protect the interest of shareholders and other stakeholders in both short term and long term. In order to ensure that the Company's operation will be aligned with the given direction and brings maximum benefits to shareholders and all stakeholders, the Board shall oversee the creation and development of the Company's vision, mission, goal, policy, business direction, strategic operating plan and annualized budgeting. The Board shall share its opinions to clarify and create mutual understanding of business overview in prior to approval and shall monitor the administration to achieve to the set goals by adhering to the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission.

Following are the Company's practices relating to the responsibilities of the Board of Directors.

Structure of the Board of Directors

The Company's Board of Directors is composed of directors who are competent, knowledgeable with various fields of experience. With the main responsibility to consider and make decision in key issues relating to the management of the Company, all directors are free to express their idea in the meeting and to vote for resolution of each agenda with the purpose to ensure that the management and operation of the Company are rightful, efficient and transparent. The structures of the Board of Directors are as follows:

- The Board of Directors shall be consisted of at least 5 persons of which not less than one-half (1/2) of the directors shall reside in Thailand. Provided that at least 3 persons or not less than one-third (1/3) of total directors shall be the Independent Directors.
- The Board of Directors shall be elected by shareholders.
- The Board of Directors shall elect one of the directors to be the Chairman of the Board.
- Appointment of Directors shall be in accordance with the Company's Articles of Association and the requirements of related law and regulations. The

appointment process must be transparent and clear, taking into consideration the educational and professional background of the candidates provided with sufficient details to facilitate the decision of the Board of Directors and shareholders.

When any person has been appointed to be a Director, the Company shall provide proper preparation for becoming a director. Each new director shall receive information about the Company and the Director's manual which provide information of the role and responsibilities of the Board Director. The orientation program will be arranged and provided for the new director in order to understand the Company's business overview.

Director Qualifications

- A person possessed of qualifications of director as prescribed in the Public Limited Company Act and the Company's Articles of Association and also do not possessed of disqualifications in accordance with the SEC notifications relating to the a person possessed of qualifications for the executives manager of the listed company
- Having leadership view with the wide visions and well understanding of the Company's business operations
- All directors shall perform their duties and provide their independent opinions including contributing time schedule to work for the Company as sufficiency.

Authorities, Duties and Responsibilities of the Board of Directors

The Board of Directors has the authorities, duties and responsibilities to manage the Company and its subsidiaries in accordance with the relevant laws, the objectives, and the Articles of Association of the Company and its subsidiaries as well as all legitimate resolutions of the shareholder meetings, with the duty of loyalty and duty of care in order to protect the interest of the Company and its subsidiaries. In

conclusion of the Board of Directors' power, duties and responsibilities are as follows:

1. Perform their duties in accordance with the laws, the Articles of Association and the objectives of the Company as well as all legitimate resolutions of the Board of Directors meetings and the shareholder meetings, with responsibilities, duty of care and duty of loyalty
2. Consider in details and approve the visions, business strategies, business directions, policies, aim, guidelines, business plans and budgets of the Company and its subsidiaries which are proposed by the management
3. Supervise and monitor the performance of the Company's president, senior management or any person assigned to be in such position to ensure that all policies are in accordance with the direction of the Board of Directors
4. Continually monitor the Company's performance to be in accordance with the business plans and budget
5. Ensure that the Company and its subsidiaries conduct a proper and efficient accounting system and implement effective internal control and the internal audit practices
6. Ensure that the annual financial statement at the end of fiscal year of the Company is well-prepared and certified in order to propose the annual general shareholders meeting for approval
7. Consider and approve the selection and the fee of the Company's auditors as proposed by the Audit Committee prior to proposing to the annual general shareholders meeting for approval
8. Arrangement the corporate good governance policy in form of the code and adopt it in an efficiency in order to ensure that the Company takes responsibility to all stakeholders with fairness basis
9. Encourage all employees to have a strong sense of ethics and to comply with good governance principles, the Company's codes of conduct and

policies on anti-fraud or anti-corruption; supervise the implementation of proper internal control and internal audit infrastructure to mitigate risk of fraud and corruption, abuse of power and misconduct activities

10. Consider and approve the appointment a person possessed of qualifications and do not possessed of disqualifications as prescribed in the Public Limited Companies Act B.E.2535 (1992) (as amended), Securities and Exchange Act B.E. 2535 (1992) (as amended) including and other related notifications, rules and/or regulations as a Director, in the event that a director position becomes vacant due to reasons other than expiration of term of office and consider to endorse the appointment of replacement directors of retiring directors and; consider the compensation of directors to propose to the shareholders meeting for approval
11. Appoint the Audit committee and other committees; determined powers, duties and responsibilities of each committee so that they can proper function and support the Board of Directors
12. Consider and alter the Authorized Directors who sign on behalf of the Company
13. Consider and appoint Executives and Corporate Secretary with qualifications as defined by the Securities and Exchange Commission or the Capital Market Supervisory Board, as well as decide the compensation of those Executives
14. Seek for professional advice from external organizations, when necessary, to support proper decision
15. Encourage the Company's directors and executives to attend Thai Institute of Directors' training programs and seminars which relate to their duties and responsibilities
The Board of Directors may authorize and/or delegate other persons to perform specific tasks by granting a power of attorney and/or sub-attorney, given that the authorization must be

limited to the scope stated in such power of attorney and/or complied with the rules, regulations or orders specified by the Board of Directors and/or the Company. The Board of Directors' delegation of authorities shall not be in the manner which empowers a person to approve the transaction made by such person himself/herself or made by other persons who may have a conflicts of interest (as defined in the notifications of the Securities and Exchange Commission or the Capital Market Supervisory Board), or may have an interest or may benefit in any manners, or may have other conflict of interest with the Company or its subsidiaries, unless the approval of such transaction is made in accordance with the policy and guidelines which have been already approved by the Company's shareholders meeting or by the Board of Directors meeting.

Role and Responsibilities of the Chairman of the Board of Directors

1. To be Leader of the Board of Directors and to be a chairman over the Board of Directors meeting
 - Conduct the Board meeting in compliance with the law, the Company's Articles of Association and the meeting agenda
 - Promote and allocate sufficient time for each Board member to discuss and share their idea deliberately and to exercise their proper discretion for the best interest of all stakeholders
 - Conclude the meeting resolution and actions plan to be taken after the meeting in a clear and decisive manner
 - Summon the specific Board meeting which not including executive directors
2. Preside over the Shareholders meeting and conduct the meeting in compliance with the law, the Company's Articles of Association and follow the sequence of the agenda with proper allocation of time while providing an opportunity for shareholders to equally share their opinions

and for directors and executives to respond to shareholder's questions properly and transparently

3. Promote the Board of Directors to be a role model in practicing good corporate governance, Anti-fraud and Anti-corruption policy and the Company's Code of Conducts
4. Strengthen good relationship between Board members and management team and support the president and his management team to carry out their duties in accordance with the Company's policies
5. Supervise the disclosure of information and transparent management especially when there is a conflict of interest
6. Ensuring membership of the Board has proper structure and composition
7. Ensuring efficient and effective performance of the Board of Directors, each committee and individual directors
8. Supervise the annual performance evaluation of the Board of Directors, individual directors, the Chairman himself, and all committees in order to improve effectiveness of the Board and committees and enhance knowledge and competencies of individual Board and committee members

Approval Authority of the Board of Directors

The Board of Directors has authority to approve the Company's activities to the extent of the duties prescribed by law, the Company's Articles of Association, Board of Directors Charter and the resolution of the shareholders' meeting. This includes the formulation and review of vision; operational strategies; operation master plan; risk management policy; annual budget and business plans; medium-term business plan; performance based operational goals; monitoring and evaluation of operation plans and capital expenditure; merger and acquisition of business; division of business and; participation in joint venture.

Separation of Duties of the Board of Directors

The Company has clearly defined the separation of duties of the Board of Directors and management in each level. The consideration and decision making of important business affairs must be approved by the Board and the relevant committee for checking and balancing in order to create transparency and fairness to all related parties.

Combination or Separation of Duties

The Company has a policy to separate the duties and responsibilities among the Chairman of the Board, the Chairman of the Executive Committee and the President. The persons who presume the position must have proper qualifications with proper knowledge, abilities and experience. Importantly, they must not be the same person in order to balance the power by separating the role of governing and managing, as follows.

- Chairman of the Board of Directors shall be an independent director and non-executive, and shall not be the same person as the Chairman of the Executive Committee or being a member of any other committees. Chairman of the Board shall be independent from the Company's management, having separated duties to oversee and govern the Company's operation. Like other independent directors, Chairman of the Board shall be free to propose the board meeting agenda, to express his opinions regarding the operation of the Company deliberately, to cautiously consider the matters which may lead to the conflict of interest and to ensure that the Company's business operation is accurate, transparent and auditable.
- Chairman of the Executive Committee shall be the head of the executive team, responsible for oversee the Company's administration and management to be in line with its vision, mission and the Board of Directors' policies. His duties include managing and monitoring the business operation and administration carried out by the

executives and management through the monthly meeting when both executives and management are to report the progress of operating results and the Company's performance. The Chairman of the Executive Committee may delegate his authorities to the executive and management in accordance with their duties, responsibilities and approval authority.

- President shall not be the same person as the Chairman of the Executive Committee and shall be considered as the highest rank in the management team. The President shall be responsible for carrying out the Company's business and/or managing day-to-day operation as per the direction set forth by the Board of Directors and the Executive Committee as well as to consider and approve the transactions in ordinary course of business.

Term of the Directors

One-third or the proportion closest to one-third of all directors shall vacate office at each of the Annual General Meeting of Shareholders. In the first and second year after the Company was listed, a lot drawing shall be adopted. In the later years, directors holding the longest terms shall vacate office first. Any director vacating office on due term can be re-elected.

Apart from retirement upon the expiration of the term of office, the Directors shall vacate upon:

1. death;
2. resignation;
3. dispossession of qualification or possession of disqualification under the laws;
4. the meeting of shareholders resolving to remove any director prior to the expiration of his term of office with votes not less than three-fourths of number of shareholder attending the meeting and having the right to vote and the total number of shares being of not less than one half of

number of shares held by shareholders attending the meeting and having the right to vote;

5. the court issuing an order to remove.
In the case where the whole Board of Directors vacate office, such Board of Directors shall remain in office as long as necessary to operate business of the Company until the new board of directors assume office.

In the case of a vacancy of directorship for reason other than expiration of term of office, the Board of Directors shall elect a person possessed of qualifications as the replacement director in the next meeting of Board of Directors, unless the remaining term of office of the director is less than two months. The replacement director may hold only for the remainder of term of office of the director whom be replaced.

The Meeting of the Board of Directors

1. Regular Meeting of the Board of Directors will be held no less than 4 times per year and special meetings will be called as necessary. A schedule of the regular meetings will be fixed in advance for the whole year
2. Chairman of the Board of Directors and Chairman of the Executive Committee shall supervises and endorse the meeting agenda
3. Corporate Secretary is responsible for deliver meeting invitations together with meeting agenda and supporting document to each Board member for review at least 7 days before the meeting will take place
4. During the Board meeting, a director who has a conflict of interest in the agenda shall leave the meeting room during the discussion of, and the vote on, the transaction

The details of the Meeting of the Board of Directors was shown in Section 8 Management Structure, topic, No.8.9 "the Meeting of the Board of Directors"

Supervision of Subsidiaries and Associate Companies' Operations

The Board of Directors determines and endorses the Company's vision, strategy, policy, business plan and budgeting in order to provide frameworks or targets for management to operate to achieve the goals set by the Board. The same endorsement of the Board applies to the Company's subsidiaries and associate companies as deemed appropriate with the following details.

1. The Company shall send its representatives, who are considered and approved in the Board meeting, to be directors in its subsidiaries and associate companies with the number according to the proportion of shares held by the Company.
2. The Board of Directors of each subsidiary and associate company has a scope of duties, authorities and responsibilities as follows.
 - (1) Perform their duties in accordance with the law, the company's objectives and articles of association as well as the resolutions of the board meetings and the shareholder meetings, with duty of loyalty, duty of care, accountability and ethic.
 - (2) Monitor and provide necessary advice to ensure that the subsidiaries and associate companies' operations comply with the related contracts and regulatory requirements.
 - (3) Continually monitor the operating results of the subsidiaries and associate companies and provide necessary advice to ensure that their business performance are on track and that any obstacles or predicaments are handled and resolved appropriately and timely.
 - (4) Review, monitor and provide necessary advice to ensure that the subsidiaries and associate companies have effective and efficient work processes and internal control system.
- (5) Review, monitor and take necessary actions to revise and improve key policies and business operation plans of the subsidiaries and associate companies regularly to ensure that they are up-to-date and fit the changing business environment.
- (6) The Board of Directors of the subsidiaries and associate companies may delegate its authorities to a director, or directors, or other persons to perform specific tasks. However, such delegation of authorities shall not include the granting a power of attorney and/or sub-attorney which empowers the person to approve the transaction made by such person himself/herself or made by other persons with a conflicts of interest, or may have benefit in any manners which poses a conflict of interest with the Company and/or the subsidiaries and/or the associate companies.
3. The Company shall determine work plans and key implementations to ensure that its subsidiaries and associate companies co-operate in the information disclosure of the business performance and financial status and other regulatory required information to the public, investors, related controlling bodies and government offices, in a complete, accurate and trustworthy manner.
4. In the event that the subsidiaries or associate companies need to enter into any connected transactions or transactions which might lead to a conflict of interest, the Company shall ensure and monitor that such transactions are fair and transparent by strictly complying with the connected and acquisition transactions regulations stipulated by the controlling bodies.
5. The Company shall monitor and take necessary actions and ensure that its subsidiaries and associate companies have internal control system as well as system and procedure to disclose material information appropriately and sufficiently.

Corporate Secretary

Corporate secretary has duties and responsibilities as follows.

1. Preparing and maintaining the following documents:
 - a) A register of directors
 - b) Notice and minutes of the Board meeting and annual report
 - c) Notice and minutes of shareholders' meeting
2. Maintaining Directors and Management's report on conflict of interest
3. Undertaking other duties as stipulated by the notifications of the Capital Market Supervisory Board

Independent Directors

It is stipulated in the composition of the Board of Director that at least one-third of its total members must be independent directors; and that there should be no less than 3 independent directors in the Board. The Board of Director or the shareholders' meeting (as deemed appropriate) shall appoint independent director to be member of the Board.

Criteria for selection of independent director are aligned with those of the Company's director, having requisite qualifications of director and not having any untrustworthy characteristics as prescribed in the Public Limited Company Act, laws on the securities and exchange, as well as the related notifications, regulations and/or guidelines. Independent director shall have educational background, expertise, work experience and appropriate balance of skills. Generally, the shareholders' meeting shall appoint the nominated candidate to be the independent director. However, in the event that any independent director vacates his/her office before the term ends, the Board of Director may appoint a qualified person to replace the vacated independent director. The replacement director shall be in the office only for the remaining term of office of the director whom be replaced.

Following are qualifications of independent director stipulated by the Board.

1. Holding not exceeding one (1) per cent of the total number of voting rights of the Company, its subsidiaries, associate companies, major shareholders or controlling shareholders, including the shares held by related persons of such independent director.
2. Neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its subsidiaries, associate companies, major shareholders or controlling shareholders, unless the foregoing status has ended at least 2 years prior to the date of submitting the request to SEC office. This prohibited qualification does not include independent director who is former government official or advisor to the government office which is the Company's major shareholder or controlling shareholder.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and son/daughter, including spouse of the son/daughter, to other directors, management members, major shareholders, controlling persons, or persons to be nominated as director, management or controlling person of the Company or its subsidiaries.
4. Not having any business relationship with the Company, its subsidiaries, associate companies, major shareholders or controlling shareholders, that could be barrier to independent judgement. And not being or having been significant shareholder or controlling person of juristic person who has business relationship with the Company, its subsidiaries, associate companies, major shareholders or controlling shareholders, unless the foregoing status has ended at least 2 years prior to the date of submitting the request to SEC office.

5. Neither being nor having been an auditor of the Company, its subsidiaries, associate companies, major shareholders or controlling shareholders, and not being a significant shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its subsidiaries, associate companies, major shareholders or controlling shareholders, unless the foregoing status has ended at least 2 years prior to the date of submitting the request to SEC office.
 6. Neither being nor having been any profession advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million baht from the Company, its subsidiaries, associate companies, major shareholders or controlling shareholders, and neither being nor having been a significant shareholder, controlling person or partner of the professional advisor unless the foregoing status has ended at least 2 years prior to the date of submitting the request to SEC office.
 7. Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder.
 8. Not undertaking the business with the same nature or which is a significant competitor of the Company or its subsidiaries; or not being a significant partner in the partnership nor an executive director, staff, employee, advisor who receives salary or holding more than one (1) percent of the total shares with voting rights of the company which undertakes business with the same nature or which is a significant competitor of the Company or its subsidiaries.
 9. Not having any characteristics which make him/her incapable of expressing independent opinion with regard to business operations of the Company and its subsidiaries.
 10. Not being the director who is authorized by the Board to make decision in the operation of the Company, its subsidiaries, associate companies, same-level subsidiaries, major shareholders or controlling shareholders and;
 11. Not being the director of any listed company, subsidiary company or same-level subsidiary company.
- Additionally, at least one independent director who is a member of the Audit Committee must have knowledge, understanding or experience in accounting or finance sufficiently to perform the main duty of the Audit Committee in reviewing and ensuring the trustworthiness of the Company's financial reports. The Company shall also consider other qualifications of the independent director i.e. business experience, expertise in specific line of business, and ethical qualities.

Subcommittees

The Board of Directors has established the subcommittees i.e. Audit Committee, Nomination and Remuneration Committee to perform their duties of specific affairs and to propose related issues for the Board to consider or endorse. The Board has approved the charter of each subcommittee which sets forth the duties and responsibilities of the subcommittees and shall be published in the Company's website. Following are brief details of each subcommittee.

1. The Audit Committee

The Audit Committee has been established with the objectives to provide assistance to the Board of Directors in fulfilling its oversight responsibility relating to the accuracy of the Company's financial statements, the effectiveness of the Company's internal control, the Company's compliance with laws, regulations and the code of conduct in order to promote its good governance. Additionally, according to resolution of the Board of Directors meeting No.1/2014 on 18 March 2014, the Audit Committee has been assigned to take an additional duty to oversee and monitor the Company's overall risk management. Therefore, the Audit Committee has assigned the Executive Committee to gather,

analyze and assess the risk factors which related to the Company's business operation, as well as to propose the guidelines for the Company's risk management program to the Audit Committee and the Board of Directors. The Audit Committee shall perform its duties in reviewing the risk management program and its implementation as well as in preparing the audit committee report which is to be included in the Company's annual report.

The Audit Committee comprises of solely independent directors with the number of member not less than one-third of total members of the Board of directors and at least one member of the Audit Committee shall be financially literate or shall have background in accounting or finance sufficiently enough to perform the duty of reviewing the accuracy of the Company's financial statements. Chairperson of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members of the Audit Committee. In order to support the Audit Committee to perform its duties effectively and properly, the Board of Directors has established and approved the Charter of the Audit Committee which prescribed about its objectives, composition and qualifications, term of office, scope of authorities and duties, committee meeting, etc. Detailed information has been disclosed on the Company's website.

Authorities, Duties and Responsibilities

Following are authorities, duties and responsibilities of the Audit Committee:

- To ensure that the Company's financial reporting are accurate and adequate;
- To ensure that the Company has suitable and efficient internal control system and internal audit; ensure the independence of internal audit team; and to approve decisions regarding the appointment, transfer, or dismissal of the chief audit executive and/or the employment of an internal auditing company or other department responsible for internal auditing;
- To ensure the Company's compliance with the securities and exchange law, regulations of the Stock Exchange of Thailand or laws relating to business of the Company;
- To consider, select and nominate independent personnel to be an external auditor of the Company, including recommendation of remuneration of the external auditor to the Shareholder Meeting for approval; and to meet separately with the external auditor without the presence of management at least once a year;
- To consider all connected transactions or transactions that may cause conflicts of interest; to ensure that they are in compliance with the laws and SET regulations, rationale and for the highest benefit of the Company;
- To prepare the audit committee's report and to disclose in the Company's annual report, which the report shall be signed by the Audit Committee's chairperson and shall be consisted of at least the following information:
 - (1) an opinion on the accuracy, completeness and trustworthiness of the Company's financial report
 - (2) an opinion on the adequacy of the Company's internal control system
 - (3) an opinion on the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or the laws relating to the Company's business
 - (4) an opinion on the suitability of an auditor
 - (5) an opinion on the transactions that may cause conflicts of interest
 - (6) the number of the audit committee meetings and the attendance of such meetings by each committee member
 - (7) opinions or overall observations that the Audit Committee received while performing its duties according to the charter

- (8) other transactions which should be known to the shareholders and general investors according to the scope of the Audit Committee's duties and responsibilities assigned by the Board of Directors
- While performing its duties, if the Audit Committee discovers or suspects any following transactions or activities which may have material impact on the financial status or operating result of the Company, the Committee shall report the findings to the Board of Directors to take remedial actions within the time frame that the Committee considers appropriate:-
 - (1) transaction which cause conflicts of interests
 - (2) fraud or irregularity or material deficiency in the internal control system
 - (3) infringement of the law on securities and exchange, the regulations of the Stock Exchange of Thailand or the laws relating to the Company's business

In the event that the Board of Directors or the management do not take any remedial actions within the set time frame, any Audit Committee member may report such transactions or activities to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand
- To perform any activities assigned by the Company's Board of Directors with the approval of the Audit Committee
- At least once per year, review the Committee Charter and annual performance assessment of the Committee

2. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee is a part of good corporate governance system. The committee has a duty to consider and determine remuneration package of members of the Board and each committee to propose for the Board of Directors for concurrence before

submitting to the shareholders' meeting for approval.

The Nomination and Remuneration Committee comprises at least three (3) directors from the Company's Board of Directors and one third of total members of the Committee members must be independent directors; Chairperson of the Committee must also be an independent director. Members of the Nomination and Remuneration Committee shall be appointed by the Board of Directors.

In addition, the Board of Directors has established and approved the Charter of the Nomination and Remuneration Committee which prescribed about its objectives, composition and qualifications, term of office, scope of authorities and duties, committee meeting, etc. Detailed information has been disclosed on the Company's website.

Authorities, Duties and Responsibilities

- Ensure that the structure, size and composition of the Board of Director are appropriate for the Company and the changing business environment
- Develop criteria for the Company's director; Screen and identify, in a transparent way, a qualified candidate to propose for the Board endorsement before proposing to the shareholder meeting for approval of appointment
- Screen and identify, in a transparent way, a qualified candidate for the position of President to propose to the Board for approval and appointment
- Develop succession plan for the President position and regularly revisit the plan and its progress
- Design a fair and sensible remuneration plan and related criteria for the Company's directors, members of each committee and the Company's President by considering referenced information of compensation in other companies in the same or similar industries; propose such remuneration plan for directors and committee members to the Board

for endorsement before proposing to the Shareholder meeting for approval

- Evaluate the performance of the Company's President in order to assess the adequacy of his/her remuneration package; make recommendations regarding the overall compensation plan and other fringe benefits of the Company's employees proposed by the President's preliminary advice
- Review, change and amend this Nomination and Remuneration Committee Charter to keep up with the changing situation and submit any proposed revisions to the Board of Directors for consideration and approval
- Perform other duties assigned by the Board of Directors

perform its duties, the Nomination and Remuneration Committee may seek any information it considers necessary from the management, department heads or related employees by asking them to attend the meeting, make statement or submit written related documents as necessary. In addition, under the duties and responsibilities, authorities of this charter, the Nomination and Remuneration Committee may seek external independent professional advisor or specialist in other professions as deem necessary at the Company's cost.

3. The Executive Committee

The executive committee has been established with the objective to assist the Board of Directors in the management of normal business operation in order to achieve effective and efficient business results. The executive committee shall assist the Board in establishing policies, business plans, budgeting, management structure as well as in monitoring and reviewing the operation results of the Company based on the Board's direction and policy. The Board of Directors shall select and appoint members of the executive committee who must be competent, having a good understanding of their duties and responsibilities and of the Company's businesses, with the aim for the highest

benefit of the Company. In each meeting of the executive committee, the agenda shall include reviewing of business operating results, supervising and directing of business matters according to the annual business plan approved by the Board of Directors, approving legal agreements and contracts as assigned by the Board, tracking of management team's operational progress and providing recommendations and guidelines for business administration and management.

Authorities, duties and responsibilities

In 2017, the Board of Directors meeting no 3/2017 on August 15, 2017, the Board approved charter of executive committee which provide the scope of authorities, duties and responsibilities of the executive committee as follows:

- Executive Committee shall be responsible for operating the business of the Company in accordance with the operational objectives of the Company. In this regard, the aforementioned operation of the Company shall be carried on in accordance with the policies, regulations or orders as stipulated by Board of Directors. Furthermore, Executive Committee shall be also responsible for scrutinizing and screening such agenda that to be proposed to Board of Directors for consideration and approval.
- Executive Committee shall prepare the vision, mission including strategy, direction and policy in carrying out the business and target, guideline, operational plan and budget of the Company and its subsidiaries so as to propose it to Board of Directors for consideration and approval.
- Executive Committee shall supervise and control the operations of the Company and its subsidiaries in accordance with the policy, target, strategy, operational plan as determined. Executive Committee is authorized to approve such specific matter or any action that it is deemed as normal business of the Company (1) within the amount or annual budget that has been approved by Board of Directors and is authorized to take an action

efficiently as stipulated in the regulation relating to expenditure approval and conforming to the Company's operation; or (2) within the amount not exceeding 15 percent of total asset value of the Company. In taking such action as mentioned above, Executive Committee shall not cause any debt or liability with it value exceeding 15 percent of total asset value of the Company. In this regard, the aforementioned debt and liability includes any Project Finance of the Company. Furthermore, Executive Committee shall provide an advice to high level management in relation to the administration and operation.

- Executive Committee shall follow up the implementations of the policy and the operational administration of the Company ensuring that those certain matters have been efficiently carried on according to the assignments of Board of Directors.
 - Executive Committee shall report a result of the following operational matters, within the stipulated timeframe, to Board of Directors for acknowledgment-
 - (1) Report the result of the Company's quarter and annual operational performances within the timeframe as stipulated by Stock Exchange of Thailand.
 - (2) Report the result of account auditing or verifying that is conducted by the auditor in relation to financial statement of the Company including the annual and quarter financial statement, within the timeframe as stipulated by Stock Exchange of Thailand.
 - (3) Any other report as Executive Committee deems appropriate
- Executive Committee shall appoint a working committee and/or other person to scrutinize and screen the matter that to be proposed to Executive Committee or to take any action that is useful to the performance of Executive Committee or to take any action as delegated by Executive Committee within the scopes of authorization of Executive Committee.
- Executive Committee shall be able to sub-authorize and/or delegate other person to carry out such specific matter. The aforementioned sub-authorization and the delegation shall be made under the scopes of authorization according to the Power of Attorney being given and/or conform to the rule, regulation or order that is stipulated by Board of Directors. In this regard, the authorizations of duty and responsibility of Executive Committee herein shall not be in which Executive Committee or the authorized person of Executive Committee is able to approve such matter conflicting to (as defined in the notification of Capital Market Supervisory Board or the notification of Securities and Exchange Commission), having an interest with them or those person may gain benefit in whatsoever form or may conflict to benefit of the Company or its subsidiaries.
- Executive Committee shall consider and approve the capital expenditures and the financial transaction with financial institution to open loan account, pledge, mortgage, guarantee, and other matters, including the trading, registration of land ownership for conducting normal transaction of the Company and its subsidiaries under the stipulated financial amount.
- Executive Committee shall set out the organizational structure and efficient administration, covering selection, training, employment and termination of employment of the Company and its affiliates' personnel who are group of management or high level management. The President or Executive Vice President or other suitable position may be authorized to execute the employment contract on behalf of the Company.
- Executive Committee shall revise the Charter of Executive Committee Charter and Board of Directors of the Company in order to propose it to Board of Directors for approval.
- Executive Committee shall perform any other duty as assigned by Board of Directors.

Succession Plan

To comply with the principle of good corporate governance, the Company has prepared succession plan by specifying the qualifications of candidate for the key positions which are Directors or management of the Company with the rank of vice president and above. The Nomination and Remuneration Committee has a duty to, properly and transparently, select and nominate the qualified candidate with the right talent to manage the Company and achieve its objectives and the set goals, and without possessing any prohibited characteristics as defined by law. Selected candidate shall be proposed to the Board of Direction for approval. The Company also encourage its shareholders to propose the qualified candidate for director position. The Nomination and Remuneration Committee shall check and verify the candidate's qualifications before proposing him/her for the position in the shareholders' meeting to get resolution regarding the appointment to the position.

Selection and Composition of the Company's President

The candidate for the President shall be nominated by the executive committee, selecting from its members during the period of the nomination, and proposed to the Board of Directors to approve the appointment of such candidate to the position of the Company's President.

Performance Evaluation of the Board of Directors and Subcommittees

The Company has a policy that the Board of Directors and each committee shall perform their self-evaluation at least once a year so that the Board and each committee shall be able to review their achievements, issues and obstacles during the past year. The evaluation results will be useful for the further improvement of the Board and each

committee to be more effective and efficient. The Company has designed the "Board of Directors Self-Evaluation Form" and "Individual Director Self-Evaluation Form" based on the principles of good corporate governance guided by the Stock Exchange of Thailand.

In 2017, the Board, each committee and individual director have performed their self-evaluations and have reported the results to the Board of Directors meeting no.1/2018 on 13 February 2018.

As for the process of the self-evaluation of the Board and each subcommittee in 2016, the Company Secretary has delivered the evaluation form to each director and member of each subcommittee to perform their self-evaluation as the Board or as the subcommittee and individual director, then to return the completed form to the Company Secretary for summarising and reporting the results to the Board of Directors meeting.

Performance Evaluation of the Board of Directors

The Company has used the "Board of Directors self-evaluation form" which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including the 6 main topics and rating scale as follows:

- 1) The Board Structure and the Directors' Qualifications
- 2) Role, Duties and Responsibilities of the Board
- 3) The Board Meeting
- 4) Director's Performance
- 5) Relationship with the Company's Management
- 6) Director's Self-Development and Management's Development

The rating scale includes:-

Over 85%	= Excellent
Over 75%	= Good
Over 65%	= Fair
Equal or less than 50%	= Need Improvement

The results of the self-evaluation of the Board of Directors' performance in 2016 and 2017 are summarized as follows.

No	Topics	2016		2017	
		Score (%)	Rating	Score (%)	Rating
1	The Board Structure and the Directors' Qualifications	88	Excellent	93	Excellent
2	Role, Duties and Responsibilities of the Board	87	Excellent	87	Excellent
3	The Board Meeting	94	Excellent	84	Good
4	Director's Performance	95	Excellent	91	Excellent
5	Relationship with the Company's Management	94	Excellent	87	Excellent
6	Director's Self-Development and Management's Development	90	Excellent	88	Excellent
Average		91	Excellent	89	Excellent

The Company has used the "Individual director self-evaluation form" which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including the 4 main topics and rating scale as follows:

- 1) The Board Structure and Qualifications of Individual Member
- 2) Effectiveness of Individual Member during Board of Directors' Meeting
- 3) Roles, duties and responsibilities of Individual

Member of the Board of Directors

- 4) Responsibility of the Board of Directors in the implementation of anti-corruption policy adopted by the company.

The rating scale includes:-

Over 85% = Excellent

Over 75% = Good

Over 65% = Fair

Equal or less than 50% = Need Improvement

The results of the self-evaluation for performance of individual director in 2017 are summarized as follows.

No	Topics	2017	
		Score (%)	Rating
1	The Board Structure and Qualifications of Individual Member	95	Excellent
2	Effectiveness of Individual Member during Board of Directors' Meeting	97	Excellent
3	Roles, duties and responsibilities of Individual Member of the Board of Directors	95	Excellent
4	Responsibility of the Board of Directors in the implementation of anti-corruption policy adopted by the company.	100	Excellent
Average		96	Excellent

Performance Evaluation of the Subcommittees

The Board of Directors has arranged the performance evaluations for each subcommittee of the Company including the Audit Committee and the Nomination and Remuneration Committee so that they can review the achievements in the past year and use the evaluation results to further improve their performance to be more effective in their function.

As for the process of the self-evaluation of the subcommittee in 2017, the Company Secretary has delivered the evaluation form to each member of each subcommittee to evaluate the performance of his/her subcommittee. The Company Secretary then summarizes and reports the results to the Board of Directors.

The Audit Committee

The Company has used the “Audit Committee self-evaluation form” which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including the 3 main topics and rating scale as follows:

- 1) The Committee Structure and its Members’ Qualifications
- 2) Effectiveness of the Committee Meeting
- 3) Role, Duties and Responsibilities of the Audit Committee

The rating scale includes:-

Over 85%	= Excellent
Over 75%	= Good
Over 65%	= Fair
Equal or less than 50%	= Need Improvement

The results of the self-evaluation of the Audit Committee’s performance in 2016 and 2017 are summarized as follows.

No	Topics	2016		2017	
		Score (%)	Rating	Score (%)	Rating
1	The Committee Structure and its Members’ Qualifications	90	Excellent	98	Excellent
2	Effectiveness of the Committee Meeting	97	Excellent	100	Excellent
3	Role, Duties and Responsibilities of the Audit Committee	87	Excellent	92	Excellent
Average		96	Excellent	96	Excellent

The Company has used the “Individual Audit Committee self-evaluation form” which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including the 1 main topics and rating scale as follows:

- 1) The Committee Structure and Qualifications of Individual Member
- 2) Effectiveness of Individual Member during the Committee Meeting
- 3) Role, Duties and Responsibilities of Individual

Member of the Audit Committee

- 4) Responsibility of the Audit Committee in the implementation of anti-corruption policy adopted by the company.

The rating scale includes:-

Over 85%	= Excellent
Over 75%	= Good
Over 65%	= Fair
Equal or less than 50%	= Need Improvement

The results of the self-evaluation of performance of individual Audit Committee in 2017 are summarized as follows.

No	Topics	2017	
		Score (%)	Rating
1	The Committee Structure and Qualifications of Individual Member	96	Excellent
2	Effectiveness of Individual Member during the Committee Meeting	100	Excellent
3	Role, Duties and Responsibilities of Individual Member of the Audit Committee	99	Excellent
4	Responsibility of the Audit Committee in the implementation of anti-corruption policy adopted by the company.	91	Excellent
Average		98	Excellent

The Nomination and Remuneration Committee

The Company has used the “Nomination and Remuneration Committee self-evaluation form” which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including 3 main topics and rating scale as follows:

- 1) The Committee Structure and its Members’ Qualifications
- 2) Effectiveness of the Committee Meeting
- 3) Role, Duties and Responsibilities of the Nomination and Remuneration Committee

The rating scale includes:-

Over 85%	= Excellent
Over 75%	= Good
Over 65%	= Fair
Equal or less than 50%	= Need Improvement

The results of the self-evaluation of the Nomination and Remuneration Committee’s performance in 2016 and 2017 are summarized as follows.

No	Topics	2016		2017	
		Score (%)	Rating	Score (%)	Rating
1	The Committee Structure and its Members’ Qualifications	82	Good	83	Good
2	Effectiveness of the Committee Meeting	88	Excellent	90	Excellent
3	Role, Duties and Responsibilities of the Nomination and Remuneration Committee	83	Good	86	Excellent
Average		84	Good	86	Excellent

The Company has used the “Individual Nomination and Remuneration Committee self-evaluation form” which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including 3 main topics and rating scale as follows:

- 1) The Committee Structure and Qualifications of Individual Member
- 2) Effectiveness of Individual Member during the Committee Meeting

- 3) Role, Duties and Responsibilities of Individual Member of the Nomination and Remuneration Committee

The rating scale includes:-

Over 85%	= Excellent
Over 75%	= Good
Over 65%	= Fair
Equal or less than 50%	= Need Improvement

The results of the self-evaluation of performance of individual Nomination and Remuneration Committee in 2017 are summarized as follows.

No	Topics	2017	
		Score (%)	Rating
1	The Committee Structure and Qualifications of Individual Member	83	Good
2	Effectiveness of Individual Member during the Committee Meeting	89	Excellent
3	Role, Duties and Responsibilities of Individual Member of the Nomination and Remuneration Committee	92	Excellent
Average		90	Excellent

Board of Directors

The Company has used the “Board self-evaluation form” which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including the 6 main topics and rating scale as follows:

- The Board Structure and the Directors’ Qualifications
- Role, Duties and Responsibilities of the Board
- The Board Meeting

- Director’s Performance
- Relationship with the Company’s Management
- Director’s Self-Development and Management’s Development

The rating scale includes:-

Over 85%	= Excellent
Over 75%	= Good
Over 65%	= Fair
Equal or less than 50%	= Need Improvement

The results of the self-evaluation of the Board of Directors' performance in 2017 are summarized as follows.

No	Topics	2017	
		Score (%)	Rating
1	The Board Structure and the Directors' Qualifications	86	Excellent
2	Role, Duties and Responsibilities of the Board	87	Excellent
3	The Board Meeting	86	Excellent
4	Director's Performance	83	Good
5	Relationship with the Company's Management	84	Good
6	Director's Self-Development and Management's Development	86	Excellent
Average		85	Excellent

The Company has used the "Individual director self-evaluation form" which was designed based on the principles of good corporate governance guided by the Stock Exchange of Thailand, including the 4 main topics and rating scale as follows:

- 1) The Board Structure and Qualifications of Individual Member
- 2) Effectiveness of Individual Member during Board of Directors' Meeting
- 3) Roles, duties and responsibilities of Individual

- Member of the Board of Directors
- 4) Responsibility of the Board of Directors in the implementation of anti-corruption policy adopted by the Company.

The rating scale includes:-

Over 85%	= Excellent
Over 75%	= Good
Over 65%	= Fair
Equal or less than 50%	= Need Improvement

The results of the self-evaluation for performance of individual director in 2017 are summarized as follows.

No	Topics	2017	
		Score (%)	Rating
1	The Board Structure and Qualifications of Individual Member	90	Excellent
2	Effectiveness of Individual Member during Board of Directors' Meeting	87	Excellent
3	Roles, duties and responsibilities of Individual Member of the Board of Directors	86	Excellent
4	Responsibility of the Board of Directors in the implementation of anti-corruption policy adopted by the company.	99	Excellent
Average		88	Excellent

Performance Evaluation of the President

The appraisal topics used for performance evaluation of the President are separated into 3 sections according to the guideline by the Stock Exchange of Thailand, including:-

Section 1: Progress of business plan

Section 2: Performance evaluation of the following dimensions

- 1) Leadership
- 2) Strategy Formulation
- 3) Strategy Execution
- 4) Financial Planning and Performance
- 5) Relationships with the Board
- 6) External Relations
- 7) Human Resources Management and Relations
- 8) Succession
- 9) Knowledge of Products and Services
- 10) Personal Qualities

Section 3: Development

- 1) What are strengths that the President should maintain?
- 2) What should be the area for personal improvement of the President in the coming year?

Remunerations of the Board of Directors and Subcommittee

The Company shall decide proper remunerations of the Board of Director and subcommittee based on the comparison with director's remuneration by the leading listed companies and other companies in the same industry with the consideration of the Company performance as well. All directors' remunerations in the Board and of each subcommittee must be approved by the shareholders' meeting.

New Directors' Orientation

Newly appointed director shall attend the induction program which includes the overview of the Company's business, rules and regulations and other important information for the director's duties, as well as the review of minutes of the Board meetings

and the Audit Committee meetings in the past. The other members of the Board and the Company's executives shall also be introduced in the session. In addition, the Company has a policy to support all directors to attend training programs and seminars to enhance their knowledge in performing their duty as director.

Training or seminar programs for director's development

The Board of Directors recognizes the importance of director's development. Each year the Company's directors have attended the training programs arranged by the Thai Institute of Directors (IOD) and other institutes on a continual basis in order to enhance their personal development and to broaden their perspective and knowledge and apply them with the Company's business.

In 2017, there was a director who attended the training program. Prof. Chaayos Hemarajata, Independent Director and Chairman of the Audit Committee, has attended the training course on the Audit Committee's Role in Compliance and Ethical Culture Oversight on October 5, 2017.

Section 6: Connected Transactions

The Company has recognized the importance of undertaking business transactions transparently and only for the benefit of the Company. Therefore, the Company sets a policy to focus on preventing transactions which may lead to a conflict of interest, connected transactions and intercompany transactions, with following details.

1. Management and all employees must strictly follow the Company's Code of Conduct to build the reliable and trustworthy reputation of the Company among all stakeholders. Dissemination of the Code of Conduct must be done regularly to ensure same understanding and same practice among all employees.

2. Directors and management must notify the Company of any relationship or connected transaction which may lead to a conflict of interest.
3. Connected transactions must be reported to the Audit Committee to consider and give their opinion before proposing for approval to the Board or to the shareholders' meeting. The process must be complied with the principle of corporate governance and the regulatory requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission.
4. To review and consider the connected transactions, the Company may appoint independent appraiser or independent financial advisor (as the case may be) to give the opinion in the material connected transactions.
5. To enter into any connected transaction, the Company will set the price and conditions based on the arm's length method to ensure fair, reasonable and highest benefit to the Company.
6. Directors or management who have an interest in the connected transaction shall not approve or vote for resolution of such transaction and its related matters.

Section 7: Internal Controls

The Board of Directors shall ensure that the Company's internal control system covering all aspects, financial and operational, in order to comply with the laws, rules and regulations. Control mechanism as well as checks and balances must be in place and efficiently enough to protect the Company's assets. There must be the documentation of the delegation of authority, responsibilities of management and staff relating to check and balance duty, and operational procedures of each work unit. Internal Audit team shall work independently and shall be responsible for auditing the operation of each work unit as per the regulations, and for evaluating the efficiency and sufficiency of internal control measures of such work unit.

Monitoring and Concerning the Inside Information

The Company established the policy and guideline its directors and executives to exploit the undisclosed inside information of the Company for personal benefit as follows.

1. The Company shall educate to its directors and executives regarding their duty to prepare and disclose reports to the Securities and Exchange Commission Office on his/her securities holding and the holding of the securities of the Company by his/her spouse and minor children to comply with Section 59 and Section 275 of the Penal Provisions under the Securities Exchange Act of 2535 (as amended); and to report the acquisition or disposition the Company securities by himself/ herself, his/her spouse and minor children in order to comply with Section 246 and Section 298 of the Penal Provisions under the Securities Exchange Act of 2535 (as amended).
2. The Company directs to its directors, executives, his/her spouse and minor children shall prepare and disclose reports to the Securities and Exchange Commission Office on his/her securities holding and the holding of the securities of the Company by his/her spouse and minor children and changes in such holdings to comply with Section 59 and Section 275 of the Penal Provisions under the Securities Exchange Act of 2535 (as amended); and to submit the copy of such reports to the Company on the same day the report is submitted to the Securities and Exchange Commission Office.
3. It is prohibited for the Company's directors, executives and employees who have access to inside information of the Company to use such information for trading of the Company's securities; and also such person shall not disclose the inside information to another person who may use such information to gain the identical benefit basis. . If the situation occurred, both of the insider and the

receiver who exploit the information may be accused by law. Besides, the Company considers this violation as a disciplinary offense according to the Company's work regulations that the Company will consider the penalties as appropriate on the case basis i.e. verbal warning, written warning, suspension, or employment termination in term of dismiss, discharge or disemploy or resign from the director as the case basis.

In addition, directors and executives and employees of the Company must be cautious when trading the Company's securities during one month before the financial statements or inside information to be announced publicly; and during the period of 24 hours after the inside information disclosed to the public. The person involving inside information must not disclose such information to anyone until the information already filed to the Stock Exchange of Thailand.

4. It is prohibited for the Company's directors, executives and employees or former directors, executives and employees who already resigned from the Company to disclose any inside information of the Company, its trading secret or confidential information of the Company's business partners, which come to their knowledge while they are or were on duty, regardless of whether the disclosure of such information shall cause damage to the Company and its business partners or not.

5. The Company's directors, executives and employees or former directors, executives and employees are responsible for maintaining the confidentiality and/or inside information of the Company; and are responsible for the use of inside information for the sake of the Company business operation as permitted by the Securities and Exchange Act. It is prohibited for directors, executives and employees of the Company to exploit the confidential information and/or any inside information of the Company for the benefit of other companies that they are shareholders, directors, executives, employees and staff.

Section 8: Anti-Fraud and Anti-Corruption Policy

The company has joined the Thailand's Private Sector Collective Action against Corruption (CAC) and the Board of Directors has established the Anti-Fraud and Anti-Corruption Policy. All directors, committee members, management and employees of the Company are prohibited from performing or accepting fraudulent or corruption attempts in any forms, directly or indirectly, in all aspects of the Company's businesses. Monitoring on compliance with the anti-corruption policy shall be made on regular basis. Guidelines, procedures and practices defined in this policy shall be consistently reviewed to ensure compliance with changes in business, regulatory, article of association and any legal requirements. The details in part of Social Responsibilities topic "2) Anti-corruption".





Corporate Social Responsibility (CSR) Policy



The Board of Directors recognizes the importance of good corporate governance and social responsibility practices which would be the key success factors for the Company and will crucially elevate its performance for sustainable growth. The Board has established the written Corporate Governance Policy and Code of Conduct covering major work processes in the Company, with regards to all stakeholders, communities, society and environment, to be strictly complying with all laws and regulations relating to its business operation.

Therefore, the Company and its subsidiaries have implemented a policy of conducting business with commitment, whilst balancing the economy, society and environment to sustain the Company in the future. Additionally, the Company has continuously developed the organization by encouraging management and staffs at all levels to contribute and involve in the process, drive and closely monitor the sustainability of their operations.

In 2017, the Company has appointed the Sustainable Development Working Committee as an important step in driving the Company's Board of Directors' policy to achieve tangible results and to be in the process of preparing a sustainable development report (SD Report) for disseminating to all stakeholders.

Following are the policies of the Company and its subsidiaries to operate the businesses with commitment to create economic, social and environmental balances for the sustainable future.

1. Fair business practices.

Focusing on business operation which promoting free trade business competitions, fair and honest practices under legal and business ethical framework, the Company shall avoid any practices which may lead to a conflict of interest. The Company has also established the Inside Information Policy to govern the use of inside information by the employees or management for the benefits of themselves or their associates. Additionally, with the purpose to treat all stakeholders i.e. shareholder, customer, employee, business partner, competitor, debtor, community, society and environment, with fairness, the Company has established the Code of Conduct to provide guidelines and codes to all stakeholders. Details were published in the Company website.

2. Anti-corruption.

The Company has determined the responsibility, the practical way and any other regulations in order to prevent any fraud or corruption in every single activity of the Company. These policy will be implemented and directed to consider or make decision regarding business risks in part of fraud and corruption provisions, as a result, the Company has established this “Anti-Fraud and Anti-Corruption Policy” in form of the code so as to be the guidelines of business operation.

This year, on 28th June 2017, the Company has been certified as a member of Thailand’s Private Sector Collective Action against Corruption (CAC) according to the Board of Directors’ approval on “Anti-Corruption Policies and Measures” which shall be concretely implemented.

Definition

Fraud or Corruption means bribery in every forms; any offers, promises to grant the request, requests, demands, the act of taking or receiving monetary or material benefits or intangible benefits inappropriately; as well as any dishonest collusive actions with third parties i.e. government officials, direct or indirect

responsible persons or officers in other private organizations by abusing an entrusted power to perform or omit to perform their duties for personal or business interest. The only exception is when such act is allowed by laws, regulations, announcements or cultural traditions and norms

Anti-fraud and Anti-corruption Policy

All directors, committee members, management and employees of the Company are prohibited from performing or accepting fraudulent or corruption attempts in any forms, directly or indirectly, in all aspects of the Company’s businesses. Monitoring on compliance with the anti-corruption policy shall be made on regular basis. Guidelines, procedures and practices defined in this policy shall be consistently reviewed to ensure compliance with changes in business, regulatory, article of association and any legal requirements.

Duties and Responsibilities

1. Board of Directors is responsible for setting policy and monitoring the system which support the prevention and protection against fraud or corruption effectively, ensuring that management is well recognize and focus on the anti-fraud or anti-corruption including develop its to be the culture of the Company.
2. The Audit Committee has duties and responsibilities to review and ensure that the Company’s accounting and financial reporting system and internal control system incorporating measurements to prevent and detect fraud and corruption activities.
3. The Executive Committee and the President are responsible for determining the system and support the anti-fraud and anti-corruption policy and communicate to all employees and all related parties and also be responsible for consistently reviewing this policy to ensure that it is align with changes in business, regulatory, article of association and any legal requirements.

4. Head of Internal Audit Division has duties and responsibilities to check and monitor work processes and operational practices to ensure compliance with policies, procedures, regulations, article of association and legal requirements; and to ensure that control functions and internal audit of the Company are complied with anti-fraud and anti-corruption policy or corrupt; and to report any incidents or findings directly to the Audit Committee.
7. This anti-fraud and anti-corruption policy covers the Company's personnel management processes regarding the recruitment and selection of personnel, promotion, training, performance evaluation and compensation. Supervisors at all levels shall communicate to their staff to comply with the policy and its rules and regulations;
8. For clarity purpose, when performing their duties in the risk area that is sensitive or related to fraud or corruption, the Company has set out the guidelines and the consideration process for the directors, members of committees, executives and employees at all levels to carry out business operation with carefully manners as contained below:

Guidelines and Procedures

1. The Board of Directors, members of Committees, executives and employees at all levels must comply with the anti-fraud and anti-corruption policy in strictly. Notwithstanding, they shall not involve to any fraud or corruption both of direct or indirect;
2. The Board of Directors, members of Committees, executives and employees at all levels shall not neglect or ignore when exposed to any practice that is, or is reasonably suspected of fraud and/ or corruption; they must promptly report to responsible work units and be co-operative in the investigation process;
3. The Company will ensure fairness and protect employees who refuse to participate in the fraudulent and/or corruption scheme, and who report fraud and/or corruption incidents by using whistleblower protection measures;
4. The Company shall take disciplinary actions in accordance with the Company's rules and regulations to those who commit fraud or corruption and that person may be penalized by the existing laws if it's the legal offences;
5. The Company shall disseminate, communicate and educate to all related parties the knowledge, regulations and restrictions regarding the anti-fraud and anti-corruption policy in order to comply that policy;
6. The Company shall continue to build a corporate culture of integrity and zero tolerance to fraud and/or corruption in its relationship with external parties both the public and private sectors.
- 8.1 Gift, memento, entertainment and expenses of the same nature
Giving or receiving gifts, mementoes, entertainment and expenses of the same nature shall comply with the Company's Code of Conduct.

Practice Guidelines

1. Must be complied with traditional practices.
2. The Board of Directors, committee members, management and employee must not demand or promise to take any personal benefits from customers, business partners or any persons when performing their duties for the Company.
3. The Board of Directors, committee members, management and employee may accept any traditional and lawful gifts of nominal value given during festive seasons. However, if the estimated value of such gift exceeds 5,000 baht (five thousand baht), the gift will be treated as the Company's asset and the receiver must report and submit the gift to the Company's Procurement and Administration Department.
4. The acceptance of any gifts must be lawful and complied to regulatory requirements and good corporate governance policy and other related policies of the Company.

5. In the event that the authorized officer or direct supervisor decides that the acceptance of the gifts, mementoes or any kinds of special offering is not appropriate, the receiver must immediately return such gift back to the giver. If the returning of such gift is not possible, the gift must be treated as the Company's asset and submitted to the Company's Procurement and Administration Department.
 6. The gifts or mementoes for special occasions, i.e. joint-venture contract signing ceremonies, awarding ceremonies, CSR activities, etc are allowed all level of employee to accept the gifts representative the Company. The employee shall report the acceptance of such gifts and keep them as the Company's assets.
- 8.2 Donation for charity or supporting fund
- Giving or receiving cash donation or supporting fund must be transparent and lawful and without the intention of convincing other parties to undertake inappropriate actions.
- 8.3 Business relationship with public sector
- Do not give or receive bribes for any businesses and transactions in all countries and all agencies involved with the Company. Any contacts with governmental offices must be transparent and in accordance with the laws.
- 8.4 Political association
- The Company is neutral in matters of politics without advocating any parties. The Company respects the rights, under the constitution, of its directors, members of committees, executives and employees at all levels to participate in political activities. However those actions of such persons shall not affect the roles and responsibilities with the Company and the need to comply with the relevant law.

Whistleblowing channel

How to file complaints and report incidents

Following are channels and methods for filing complaints and report incidents to the Company.

1. Filing complaints or whistleblowing can be done verbally or in written;
2. Submitting to the Company via e-mail address: internalaudit@theplatinumgroup.co.th or;
3. Mailbox for complaints or whistleblowing provided by the Company or;
4. Sending a letter to Chairperson of the Audit Committee (who is an independent director) at the following address

Internal Audit Department

The Platinum Group Public Company Limited
222/1398, 11th Floor, The Platinum Fashion Mall Building
Petchaburi Road, Petchaburi Sub-district,
Ratchathewi District, Bangkok 10400

5. In case that the complainant chose not to disclose his/her name, he/she is required to provide sufficient detailed facts or valid evidence to prove reasonable grounds to believe that there are breaches of laws, regulations, the Company's articles of association and business codes of conduct; or fraud or corruption.

Complaints filing or incidents reporting shall be treated as highly confidential. The complainants or the whistleblower can report to the Company through more than one channel without reveal their identity. However, if their identities are disclosed to the Company, it will be helpful for the Company to report the investigation outcomes or inform any additional information relating to the complaint.

3. Respect of human rights

Human Rights means the fundamental rights inherent to all human beings to be granted and protected from discrimination due to differences in physical appearance, mentality, race, nationality, religion, sex, language age, colour, education, social status or any other status. The rights must also comply with national constitutions of each country and with all of the obligations of treaties or international agreements governed in such country.

Practice Guidelines

1. We will treat each other with respect and equality and will not discriminate on the basis of physical appearance, mentality, national or ethnic origin, religion, sex, language, age, colour, education, social status or any other status.
2. We will be cautious when performing our duties, as well as when working with our business partners, to mitigate the risk of human rights violation in our business operation. We will observe and monitor the respect of human rights and will immediately report to the management if witness any violation.
3. Fair treatment will be applied, without any discrimination, in every employment process, i.e. recruitment, remuneration, working hours and day-off, delegation of duties, performance evaluation, training and development, career planning, or any other employment-related decision.

We will not use any forced labour, labour trafficking or illegal child labour. No employees should be punished by either physical or mental torture in the form of threatening behaviours, retaining, threats, harassing or any acts of violence.

4. Fair treatment of employee

The Company has guidelines to treat its employee with fairness as follows:

1. Respect employee in accordance with the rule

of respecting human rights as details prescribed under item no 3) Respect of Human Rights.

2. Adhere to laws and regulations relating to labour law and employee welfare.
3. Manage employee fairly and with integrity, avoiding any wrongful treatments which may affect their career advancement or job security.
4. Provide employee compensation which is properly reflecting their duties and responsibilities and external market values with the objective to motivate the employee to perform their works and to put forth their best effort. And establish a fair and transparent performance evaluates process by direct supervisor.
5. Provide proper employee welfare, maintaining a healthy and safe work environment.
6. Promote employee development continually, providing training programs to enhance skills and knowledge for staff at all levels.
7. Any rewards or punishments to be applied to employees must be based on fairness, honestly and without any prejudice.

5. Consumer responsibilities

Following are the Company's guidelines about consumer responsibilities.

Rental and Services Business

1. For tenants of the Platinum Fashion Mall, the Company has assisted them from the start, facilitating the shop decoration or renovation, transportation of goods and co-ordination with related offices.
2. Provide in-mall security services to ensure that both tenants and their customers feel confident and secured when visiting our Platinum Fashion Mall i.e CCTV, security guards, firemen, and all necessary standard equipment which are ready for emergency use at all time.
3. In-mall medical room is located on the 3rd floor, zone 1 to serve anyone who is injured or taken

ill on the premise for first aid care. In case that the person needs to be transferred to the hospital, the staff will co-ordinate with the external ambulance.

4. Specific team is assigned to be responsible for monitoring, checking and assisting in case of any crimes happened with the tenants and their customers e.g. pickpocketing, mobile phone snatching, or any other forms of theft.
5. Customer service counter is set up to assist customers by providing information both in Thai and in English regarding shop information, routing within the mall or when someone gets lost in the mall.
6. The Company has supported the development, promotion and education of entrepreneurs in the Platinum Fashion Mall both small and medium business-size, and invited experts from bank to provide the knowledge on cash flow management, credit approval criteria and utilization of information technology to facilitate payment. In addition, the Company also offered business opportunities by conducting business matching between overseas entrepreneurs with retail tenants in the shopping mall in order to determine business cooperation approach. Additional details can be found under Section 7.1 Capacity enhancement programs for retail tenants in mall.

Hotel business

1. The Company has a policy to use only environmental-friendly water-based cleaning solution, dish washing solution and insecticide spray, with consideration of the health of hotel customers especially those who might be allergic to chemicals.
2. The Company has provided facilities for disabled person i.e. elevator button for blind or visually impaired person, public toilet for disabled and hotel room with extra-width doors for customer using wheel-chair.

3. The Company invites external lecturer to train programs regarding fire fighting procedures, fire emergency plan, evacuation and escape routes, basic first aid practice and bomb threat awareness program.
4. The Company is against the sexual exploitation of children under the age of 18 and child pornography. We have arranged training program based on the film, We Act Together for Children (WATCH) to raise awareness of child protection, how to combat against child abuse and trafficking, and how to handle hotel guest who might aim to have sexual relationship with children, boy or girl. The Company does not support any prostitution or sex trade on our premise.
5. The Company has adopted the Accor's management approach, which adopts charter of ethics and social responsibility as practical guidelines for good governance and corporate social responsibility.

6. Environment conservation

The Company's policy is to support activities that enhance the quality of health conditions, overall environment and work environment to ensure safety and well-being of its employees and their properties. Details are as follows.

Reducing the use of electricity

In 2017, the Company has implemented continuously to the policy of energy conservation in order to reduce the cost of energy consumption of the Company by replacing old light bulbs which consumes more energy with LED light bulbs which use less energy and has longer useful life. In this regard, after replacing with LED light bulbs, the electricity cost in the year 2017 was lower by 10.57% than in 2016.

Waste water treatment

The Company has waste water treatment facilities which are in accordance with the effluent wastewater standards set forth by the Bangkok Metropolitan Administration and has passed the test conducted by the Pollution Control Department. Additional microorganism process is used to improve the efficiency of the system.

Reduce paper usage

The Company has initiated the campaign to reduce paper usage. This campaign has helped to reduce the consumption of natural resources and save expenses of the organization by reuse the used papers.

7. Community and social development

In 2016, the Company has carried out activities for the benefit of customers, communities, society and environment with the aim to create better living standards for Thai people and reinforce a strong and sustainable foundation for the society, through the following programs and events.

7.1 Capacity enhancement programs for retail tenants in mall

- The Platinum Empowering SMEs Program

The Company supports and promotes the tenants who own unique and different products of Thai brand by selecting 100 pilot shops out of 3,000 shops. The qualified tenants will participate in the next program for comprehensive potential development ranging from expanding sales channels and organizing the Business Matching activities with major targeted overseas markets such as Singapore, Hong Kong, Malaysia, Indonesia, etc. The Company will conduct marketing and public relation, and provide knowledge on production and shop decoration. Moreover, the Company has invited the financial institutes to organize training on financial and credit management and knowledge on e-Business, so that participants may apply the knowledge in their businesses.

The objectives are to enable the shops in the Mall to expand their business in international level and promote the Platinum Fashion Mall as the global destination of Thai designers wholesale fashion shopping mall.

Tenant development activities to enhance their knowledge and skills, develop their potentials and expand their business, the details are as follows;



- Training program on repositioning of apparel retail and wholesale business to take opportunity for profit making in 2017, under cooperation with Kasikorn Bank.



- Jointly co-organized training program on new age shop with Kasikorn Bank.



- Jointly co-organized training program on the topic “Go Online Go Global” and photographic taking technique with Thaitrade.com, Department of Trade Negotiations, Canon Co., Ltd. and Bangkok Bank.



- Seminar on business improvement, increase sales to E-business, cooperate with the Federation of Thai Industries and the Ministry of Digital Economic and Society.



- Workshop on “Using Facebook to promote sale and establish the channels to entrepreneurs, organized by Federation of Thai Industries.



- Seminar on the strategic riches, Online Store to incubate E-Commerce Entrepreneurs to realize Digital Economy with stability and security organized by the Electronic Transactions Development Agency (Public Organization) and the Ministry of the Digital Economy and Society.



- Seminar on “Ni Hao Marketing” Course (Tips on How-to Successfully attract Chinese Tourists) organized by the College of Management, Mahidol University.



- Seminar on conquest sales volume with online store, operated by the Federation of Thai Industries and Ministry of Digital.



- Seminar on approach near market, invade remote markets (Russia, Vietnam, India, Laos) by the Office of Small and Medium Enterprises Promotion.



- Seminar on Thai fashion technique to global operated by the Luxellence Center.



- Support and promote the show of products to be known both Thailand and overseas at RetailEX 2017: ASEAN's Only Full-Featured Business Product Showcase for Entrepreneurs and Department Stores in cooperation with the Thai Shopping Centers Association.



- Business Matching with Representatives of Shaanxi Commerce Department, China. In order to exchange business ideas, create business opportunities and the possibilities of business networking as well as creating a good relationship between each other.



- Business Matching by Department of International Trade Promotion and Thai Garment Manufacturers Association with women fashion entrepreneurs and importers from Morocco to expand the business and create a common commercial opportunity for the entrepreneurs.



- Business Matching by bringing products from the shop entrepreneurs participating in the 12th TGMA OUTLET to meet with buyers and sellers.

7.2 Community and social contribution activities



- **Co-hosted Merit Making Ceremony for His Majesty King Bhumibol Adulyadej** The Company co-hosted Merit Making Ceremony for His Majesty King Bhumibol Adulyadej and to pay homage to the King's Royal Remains at Dusit Throne Hall in the Grand Palace.



- **Support Offering of 9,999 Sandalwood Flower for the Father Project**

The flowers would be presented in the royal funeral of His Majesty King Bhumibol Adulyadej and donate money at The Platinum Fashion Mall, organized by the CCF for Children and Youth under the Royal Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn. In this regard, the Company received the certificate for set aside an area in the Platinum Fashion Mall to be used as venue for the event.



- **Support for the 2017 National Mother's Day Event.** The Company sponsored the sale of jasmine flowers on Mother's Day in the year 2017, organized by the Social Welfare Council of Thailand. The revenue from the sale of a part of the offerings to Her Majesty Queen Sirikit His Majesty King Bhumibol Adulyadej is graciously pleased to receive such donations under the royal patronage of His Majesty King Bhumibol Adulyadej to help the pauper and one who is disadvantaged nationwide.



- **Support for services for people with disability and lack opportunities in the Buy Social Thailand project "good quality, good society"** Project from Workability Thailand as a guide to help. The development and participation in driven sustainable society.



- **Donation to the Northeastern Flood Victims.** The Company collected money from public donations at The Platinum Fashion Mall, Novotel Platinum Pratunam, The Wharf Samui and the Neon Night Bazaar, and donate to the northeastern flood victims through the Thai Red Cross under the scheme "The Platinum Group to help flood victims in the Northeast".



- **Provide area for the sale of Murraya exotica from the Social Welfare Council.** To support the professional development of people with disabilities nationwide. The revenue from sales will be funded for supporting the training of people with disabilities and other supports such as occupation, education, disability prevention and rehabilitation.



- Grant of scholarship for the year 2017. The Company granted 182 scholarship, which valued 1,017,000 baht for the year 2017 to the children of government officials in Ratchathewi District, Pathumwan District, Phayathai and Lumpini Police Station, and to the children of staffs of The Platinum Group Public Company Limited in order to promote the educational policy of the government which need to develop Thai children to know the virtues.

7.3 Preservation of Thai Cultural Heritage



- **Blood Donation Activity with the Thai Red Cross Society in the year 2017.** The Company jointly organized the Blood Donation Activity with the Thai Red Cross Society for 4 times by encouraging all employees and tenants in the shopping mall. This activity obtained total Blood Unit of 236,000 CC.



- The Company has offered and presented Lent candles on Asaharpa Bucha Day and Buddhist Lent Day at Rama 9 Kanchanapisek Temple for the year 2017.



RISK FACTORS

In operating business, the Company has to encounter both internal and external major risks which may significantly affect the business operation, performance, financial status and share value of the Company.

Therefore, the Board of Directors has assigned Audit Committee the responsibilities to review the risk management of the Company to be in the appropriate level and consistent with the Company's operations. In addition, the Company has set up risk management policy as a guideline for executives and employees to comply with. In 2017, the Company has identified risk factors, preventive measures and risk management guidelines as follows:

Business Risk

Risks from competition of development and rental service in wholesale-retail centers

The Company's business has risks from business competition where competitors are rental business of wholesale and retail centers, shopping centers and department stores which are located in Pratunam and Ratchaprasong area, closed to The Platinum Fashion Mall.

However, the Company has determined the strategies to mitigate risks from competition by prioritizing those tenants who engage in wholesale and retail fashion business. The Company arranges zone of products by product types, selecting various stores and vendors to facilitate customers for the most convenient shopping experience (one stop shopping). Furthermore, the Company has initiated the Platinum Empowering SMEs Project to enable small and medium-sized Thai enterprises to create their own competitive brands

and sustainably increase the circulation along with the Company. In addition, to enable tenants to enter into lease and service contract continuously, the Company also focuses on management of lease and service contract to ensure tenants have the reasonable price based on relating factors such as business operation of tenants, rental rate and service charge offered by competitors, cost of development and project implementation.

Risks from higher competition in hotel business

In 2017, the tourism industry has maintained its growth from 2016 which benefited the hotel business to sustain its growing momentum and continue to accommodate higher number of tourists. However, the hotel business still faces with the pressure of increasing in the number of hotel operators, especially the new players of hotel business who observe opportunities to invest in development of 5-star to below 3-star hotels in various potential areas. The overall image of hotel business in 2017 has continued to grow in terms of number of rooms, occupancy rate and average room rate. The supporting factors were the significant increase in the number of both overseas and domestic tourists. In addition, the competition among medium and small hotel segment has been more intense and there is a tendency of oversupply of hotel rooms. This may have a negative impact on the Company's profitability in the future.

The Company operates a hotel business which is Novotel Bangkok Platinum Pratunam located in Pratunam area- the tourism and commercial landmark of Bangkok. The hotel is located near shopping centers, department stores and various tourism spots. The favorable location is one of the outstanding features that attract both Thai and foreign customers

to select their stay in the hotel. Nonetheless, there are other hotels operating in the same location that results in the high level of competition and affects the rental rate and occupancy rate.

For this reason, the Company has determined the policy to focus on providing services that deliver the highest satisfaction to customers in terms of room, restaurant and services. The Company emphasizes on developing personnel to be serviced mind and devote their best effort to serve the hotel guests by regularly providing training courses for servicing - which is considered as the core of business operation. Also, the hotel has been renovated to be more modernized, clean and safe environment and fully equipped with facilities, including outdoor swimming pool, fitness center and indoor parking so as to facilitate guests and visitors. Moreover, the hotel rooms have been designed luxuriously with air conditioner and contemporary decoration. The hotel has 288 available rooms equipped with free Wi-Fi internet access. Another factor is that the hotel is located in The Platinum Fashion Mall where helps to promote and attract customers to select their stay for the best convenience and comfort of their shopping experiences at a reasonable price. Furthermore, the Fashion Mall is a major wholesale destination of Thailand and attractive shopping area for both Thai and foreign tourists. Significantly, the tourists can access to the Fashion Mall conveniently and safely by “R-Walk” (formerly named “Bangkok Skyline”). Besides, the Company has also determined policy to enhance management to be able to control costs and expenses effectively and efficiently and maintain competitiveness in the hotel business.

In the next 5 years, the Company has planned to continuously invest in hotel business development by establishing 4 new hotels, including 2 locations in Bangkok and other 2 locations in Samui Island in order to strengthen its competitive competency, diversify risk and generate more revenues.

Risk from Investment and Future Project Development

The Company and its subsidiaries have set investment plan for various future project such as Shopping Center or space rental for wholesale and retail vendors, hotels or resorts, office for rent etc. and the said projects require high investment. It is expected that the projects would be secure and long-term sources of incomes from rents and service charges for the Company and its subsidiaries. Nonetheless, the payback period would take a long time. In the event that the development and construction failed to be completed, whether as a result of suspension or delay of development or construction, or cost overrun, it might affect the operation result, financial status, ability to repay debt and liquidity of the Company as well as return on investment which investors or shareholders should receive from investing in the Company’s securities.

In this regard, the Company has had extensive experience of real estate development for The Platinum Fashion Mall and Novotel Bangkok Platinum Pratunam for a long period of time and the Company is able to apply such experience to the development project in the future. In addition, the Company has conducted feasibility study and assessment on investment and project development including determination, analysis and assessment of risk factors relating to investment and project development. Another fact is that the Company’s policy has stipulated that the Company must focus on only the project which has business potential and located in a good location to ensure that the future projects are likely to be successful, generate return on investment which is worth the risks that may occur and limit risks under acceptable level.

In order to develop project in accordance with high quality and construction standard and working schedule of the Company, the Company has clearly determined qualifications and procedure to select

designer, consulting engineer, quantity surveyor, contractor and construction management company to assure that the selection procedure is conducted with transparency, quality and appropriateness, thoughtful and efficient. In addition, those who involved in the project development must be qualified and have experience which is acceptable and reliable to minimize the risks of development and construction which may be delayed or suspended, to control the cost of project development to meet the targeted goal or objective of the Company.

Financial Risks

Since the Company has set an investment plan for real estate development in the futures (as mention in previous title; Risk from Investment and Future Project Development), where risks of investment and development within 5 years (2017-2021) requires the capital approximately Baht 10 billion. Therefore, the Company has to find source of fund from banks, financial institutions, issued debenture bond and others that suitable for the Company's investment beside the increase capital of IPO offering. Hence, the Company determined financial structure on interest-bearing debt to shareholders in proper level that not exceeding 1:1, in order to prevent high level of financial risk and reasonable return on investment.

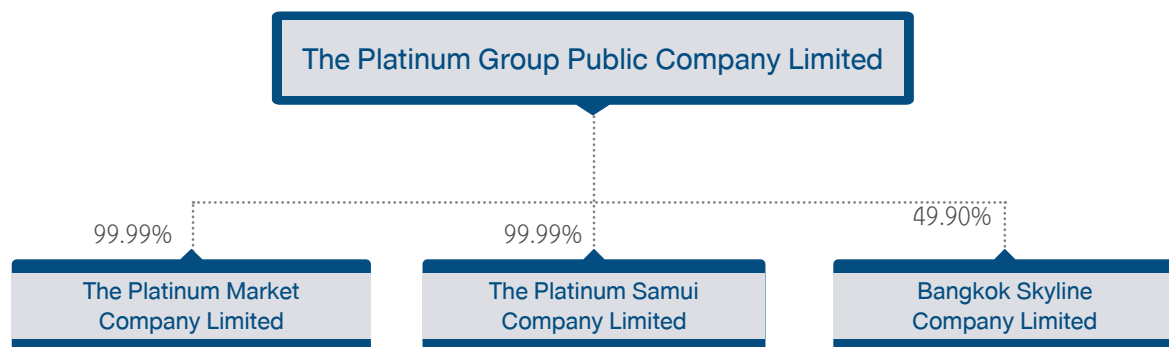




THE SHAREHOLDER STRUCTURE

The Shareholder Structure of the Company, Its Subsidiaries and Joint Venture

The Shareholder Structure of the Company, its Subsidiaries and Joint Venture as on 31 December 2017 was as follow.



Note: On 26 December 2017 the Company has sold the investment in Platinum Plaza Co., Ltd. (Company's subsidiary) according to the Board of Directors meeting 4/2017's resolution on 7 November 2017 which approved the selling of 99.99 per cent amounted at 1,980 shares of the Company's subsidiary investment to the investors. The total amount of the selling of that investment was at 1.75 million baht. That Company's subsidiary operated real estate for rental management business including The Platinum Fashion Mall and the future projects of the Company's group.

The important information of the Company, its subsidiaries and joint venture is as follows:

The Platinum Group Public Company Limited

On 3 December 2013, the Company registered from amalgamated with nine related companies that connected business operation of The Platinum Fashion Mall (wholesale and retail shopping center of fashion items and space rental for commercial purpose) and Novotel Bangkok Platinum Pratunam. The nine related companies have the same major shareholders and controlling persons. Later the Company converted its entity to a public company under the name The Platinum Group Public Company Limited, effective on 23 June 2014.

The company operates in real estate development and investment in its subsidiaries. The current businesses are:

- 1) Rental and Services Business - The Platinum Fashion Mall, The Wharf Samui, The Neon Night Bazaar
- 2) Hotel Business - Novotel Bangkok Platinum Pratunam
- 3) Food and Beverage Business - located on the 6th floor in The Platinum Fashion Mall

As of 31 December 2016, the Company has invested in three subsidiaries and one joint venture namely as below:

- **The Platinum Market Company Limited** having paid-up capital of Baht 683.0 million, the subsidiary where the Company held 99.99% of shares. The company engages property development, office rental space business and hotel business, project namely “The Market Bangkok” - the real estate development project in progress - the future project combining multi-purposed usage such as an air-condition retail shopping mall, located in Ratchaprasong area, offices space for rent and hotel.

- **The Platinum Samui Company Limited** having paid-up capital of Baht 20.0 million, the subsidiary which the Company held 99.99% of shares. This subsidiary operates hotel business on the total area of 10 rai, 1 ngarn, 21.5 sq. wah, located at Bophutt, Samui Island, Surat Thani. Initially, it is now in the progress of conceptual framework layout and design of the hotel, together with the Environmental Impact Assessment for the construction approval from the government sector.

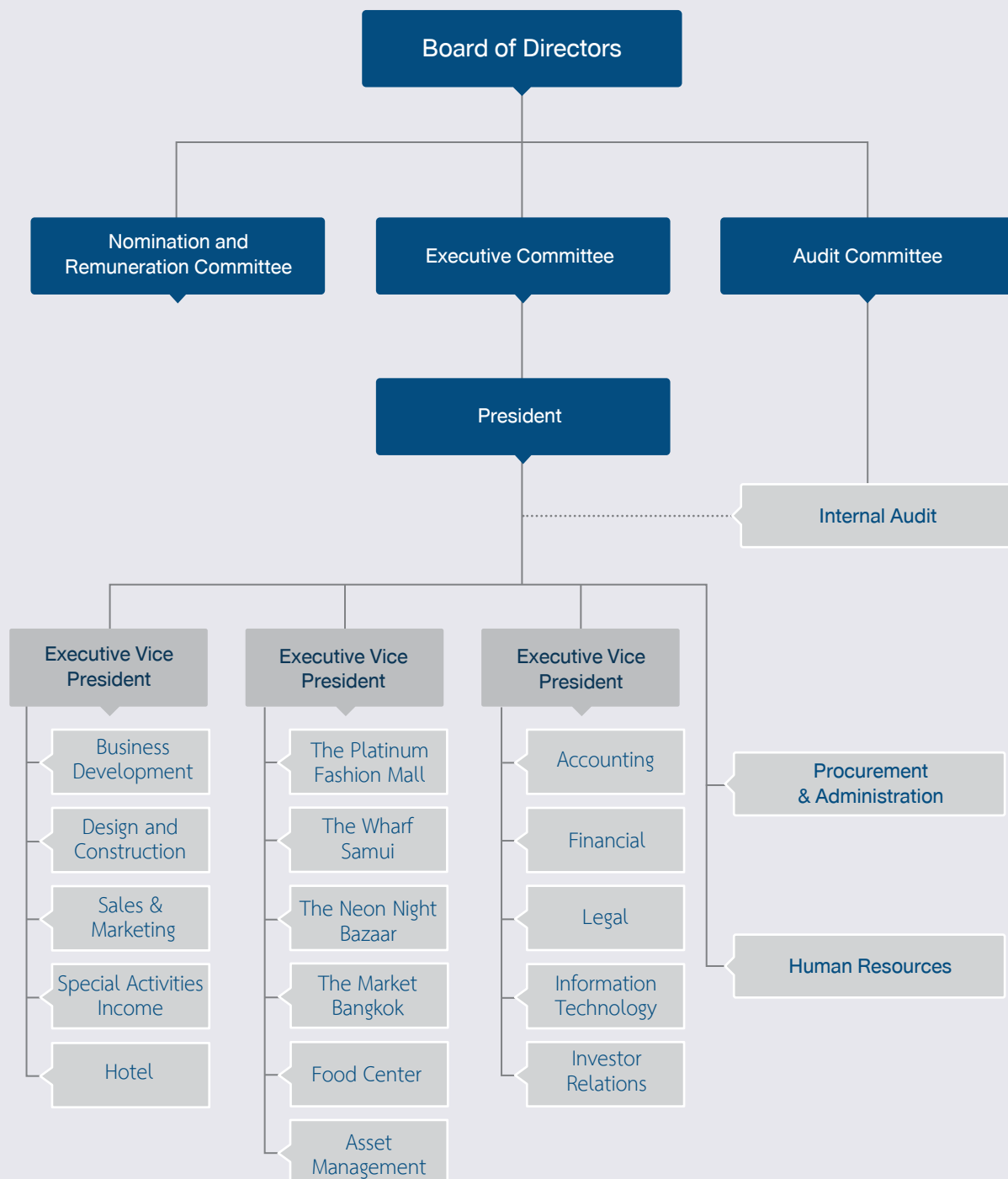
- **Bangkok Skyline Company Limited** having paid-up capital of Baht 100,000. The company is a joint venture with Gaysorn Group which each held 49.90% of shares equally. Bangkok Skyline is set up with the objectives to manage the construction project and the skywalk connected between Chidlom BTS station and major plaza building around Ratchaprasong area which are Amarin Plaza, Gaysorn Plaza and the future buildings of Gaysorn Group, Big C Super Center, The Market Bangkok (shopping center under the construction), Novotel Bangkok Platinum Pratunam and The Platinum Fashion Mall. Now it is under the name of “R-Walk” (formerly named Bangkok Skyline).





ORGANIZATION STRUCTURE

(As of 31 December 2017)





BOARD OF DIRECTORS

Listed of Board of Directors

The Board of Directors of the Company as of 31 December 2017 consisted of 10 members which includes;

5 Executive Directors

1 Non-Executive Director

4 Independent Directors accounted 4/10 of total directors

namely as follows:

Series	Name	Position
1.	Mr. Palakorn Suwanrath	Chairman of the Board of Directors and Independent Director
2.	Mr. Surachai Chotjurangkool	Vice Chairman and Chairman of Executive Committee
3.	Prof. Chaiyos Hemarajata	Independent Director and Chairman of the Audit Committee
4.	Mr. Somchai Boonnamsiri	Independent Director, Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee
5.	Pol.Gen. Boonpen Bumpenboon	Independent Director and Member of the Audit Committee
6.	Mr. Chatchawal Pongsuthimanus	Director, Executive Director, and Member of the Nomination and Remuneration Committee
7.	Mrs. Punjaporn Chotjurangkool	Director, Executive Director, and Member of the Nomination and Remuneration Committee
8.	Mr. Piroon Limpiviatkul	Director and Executive Director
9.	Dr. Chadarat Anantakoon	Director
10.	Mr. Chanchai Phansopha	Director, Executive Director and President

Mr. Somchai Warunpantulak as the Corporate Secretary

Authorized Directors to Sign on Behalf and Bind the Company

Mr. Surachai Chotjurangkool, signs his name together with Mr. Chatchawal Pongsuthimanus or Mr. Piroon Limpiviatkul or Mrs. Punjaporn Chotjurangkool consist of two directors and have the company seal affixed.

Audit Committee

List of the Audit Committee

As of 31 December 2017, the Audit Committee comprised of 3 members namely as follows.

Series	Name	Position	Number of the meeting			
			2016		2017	
			Times	%	Times	%
1.	Prof. Chaiyos Hemarajata	Chairman of the Audit Committee	5/6	83	4/4	100
2.	Mr. Somchai Boonnamsiri	Member of the Audit Committee	6/6	100	4/4	100
3.	Pol. Gen. Boonpen Bumpenboon	Member of the Audit Committee	6/6	100	4/4	100

Mr. Somchai Boonnamsiri is the person with adequate knowledge and experience to audit the accountability of financial statement and Miss Peerakarn Siriporn is the Audit Committee's secretary.

Formal meeting between the Audit Committee and company's independent auditor

The Audit Committee shall meet with the Company's independent auditor separately without the management at least once a year to ask for opinions and discuss related issues. In 2017, the 2 meetings were scheduled on 14 February 2017 and 15 August 2017 in which the auditor did not have any issues encountered during the audit.

The Nomination and Remuneration Committee

List of the Nomination and Remuneration Committee

As of 31 December 2017 the Nomination and Remuneration Committee consisted of 3 members namely as follows:

Series	Name	Position	Number of the meeting			
			2016		2017	
			Times	%	Times	%
1.	Mr. Somchai Boonnamsiri	Chairman of the Nomination and Remuneration Committee	2/2	100	3/3	100
2.	Mr. Chatchawal Pongsuthimanus	Member of the Nomination and Remuneration Committee	2/2	100	3/3	100
3.	Mrs. Punjaporn Chotjurangkool	Member of the Nomination and Remuneration Committee	2/2	100	3/3	100

Mrs. Wantanee Wudti-in is a secretary of the Nomination and Remuneration Committee.

The Executive Committee

List of the Executive Committee

As of 31 December 2017, the Executive Committee consisted of 7 members namely as follows.

Series	Name	Position
1.	Mr. Surachai Chotjurangkool	Chairman of Executive Committee
2.	Mr. Chatchawal Pongsuthimanus	Executive Director
3.	Mrs. Punjaporn Chotjurangkool	Executive Director
4.	Mr. Piroon Limpiviatkul	Executive Director
5.	Mr. Chanchai Phansopha	Executive Director
6.	Mr. Somchai Warunpantulak	Member of Executive Committee
7.	Mr. Cholsin Vatanathorn	Member of Executive Committee

Note: *Mr. Cholsin Vatanathorn was the executive and staff position. (18 April 2017 - 23 February 2018)

The Board of Directors appointed Executive Committee by selecting the member of the Board of Directors or high level executive that is competent to manage business course and management of the Company, be able to determine policy, business plan, budget, management structure and to review and monitor Company's operation as assigned by the Board of Directors.

Meeting of the Executive Committee

Table showing information of attendance of the executive meeting in 2016 and 2017.

(Number of attendance/number of the meeting)

Name	2016		2017	
	Times	%	Times	%
1. Mr. Surachai Chotjurangkool	11/11	100	12/12	100
2. Mr. Chatchawal Pongsuthimanus	10/11	90	10/12	83
3. Mrs. Punjaporn Chotjurangkool	11/11	100	12/12	100
4. Mr. Piroon Limpiviatkul	11/11	100	12/12	100
5. Mr. Chanchai Phansopha	11/11	100	12/12	100
6. Mr. Somchai Warunpantulak	11/11	100	12/12	100
7. Mr. Cholsin Vatanathorn *	-	-	8/8	100

Note: *Mr. Cholsin Vatanathorn was the executive and staff position. (18 April 2017 - 23 February 2018)

Management Team

List of Management Team (as defined by the Securities and Exchange Commission)

As of 31 December 2017, there were total of six management of the Company, as defined by the Securities and Exchange Commission namely as follows.

Series	Name	Position
1.	Mr. Chanchai Phansopha	President
2.	Mr. Somchai Warunpantulak	Executive Vice President and Chief Financial Officer
3.	Mr. Cholsin Vatanathorn*	Executive Vice President
4.	Mr. Pornthep Thientawee**	Senior Vice President – Design and Construction
5.	Mrs. Wantanee Wudti-in	Senior Vice President – Human Resources
6.	Mrs. Nataya Sansanarat	Senior Vice President – Space Leasing

Note: * 1. Mr. Cholsin Vatanathorn resigned from the executive and staff position. (18 April 2017 - 23 February 2018)

**2. Mr. Pornthep Thientawee resigned from the Senior Vice President – Project Management effective on 1 November 2017.

Authorities, Duties and Responsibilities of the President

The resolution from the Board of Directors Meeting no. 2/2014 on 22 April 2014 has stated the delegation of authorities, duties and responsibilities of the Company's President as follows.

- 1) To oversee the overall business operation of the Company in order to achieve the Company's objectives and the business goals assigned by the Board of Directors;
- 2) To develop strategy and business plan to propose to the Board of Directors for approval; and to execute the approved business strategy and business plan to achieve the set goals;
- 3) To perform and operate the assignments from the Board of Directors or in accordance with the Board's policy;
- 4) To command, issue rules, announcements, memorandums to ensure that the operation will be in accordance with the Company's policies;
- 5) To approve and/or grant a power of attorney to enter any legal transaction which binding the Company for its business as usual and any transaction which the President has been given a power of attorney from the Board of Directors to carry out with the condition that such transaction must not involve the Company's assets;
- 6) To organize the management team and staff to perform their duties according to the policies and business directions governed by the Board of Directors;
- 7) To seek for business opportunities and new investments relating to the core businesses of the Company and its subsidiaries in order to generate more revenues;
- 8) To review and screen any binding agreement of the Company's rights and assets with other person, company, partnership, store or institute before proposing to the Board of Directors for approval;
- 9) To consider and approve routine operating expenses within the limit approved by the Board of Directors;
- 10) To consider and approve the Company's investment in securities or other financial instruments within the limit approved by the Board of Directors;

- 11) To approve in principle the business expansion and joint-venture projects with other corporate, then propose to the Board of Directors for approval in the next Board of Directors meeting;
- 12) To approve major capital expenditures which have been already included in the annual expenditure budget or which the Board of Directors already approved in principle;
- 13) To oversee the Company's employees to perform their duties in compliance with the Company's policies, rules and regulations as well as the business governance principle;
- 14) To support and promote the development of employee's potential and competencies in order to enhance the Company's potential;
- 15) To consider and appoint advisors or consultants for the Company's operation as deemed necessary;
- 16) To consider and approve to enter the connected transactions which are normal trade practices under the policy approved by the Board of Directors e.g buying/selling goods at market price, charging the service fee at normal rate, allowing the same credit term as normal customers;
- 17) To approve the appointment, transfer or dismissal of employee at the executive level;
- 18) To have powers in implementing annual budget and powers to approve payment of expenses which have already been approved by the Board of Directors meeting;
- 19) To carry out any assignments from the Board of Directors on case by case basis. The President shall have no authority to approve the business matters or connected transactions which are not normal trade practices, the acquisition or disposal of Company's key assets and/or transactions which incurred by the President or a person who may have conflict of interest with the Company and its subsidiaries; except for the transactions which are normal trade practices according to the policy and criteria already approved by the Board of Director

- or the connected transactions and the acquisition or disposal of Company's key assets which have been approved from the shareholders' meeting in order to comply with the related regulations of the Stock Exchange of Thailand;
- 20) For the policy relating to the President to become a director of other companies, the Company has allowed the President to become a director of the companies which are the Group's joint-ventures for the benefits of the Company with no negative impacts on his current responsibilities.

Corporate Secretary

The resolution of the Board of Directors Meeting no 3/2015 on 14 August 2015 to appoint Mr. Somchai Warunpantulak as the Corporate Secretary pursuant to the provisions of Section 89/15 of the Securities and Exchange Act B.E.2535(1992) amended and replaced by the Securities and Exchange Act (No.4) B.E.2551(2008). The duties and responsibilities of the Corporate Secretary are prescribed in topic 9.1 the Company's Good Governance Policy, Section 5: Responsibilities of the Board of Directors, under the topic "Corporate Secretary". Additionally, detailed information about the Corporate Secretary is also disclosed in the Attachment 1: Detailed information about directors, executives, authorized directors and corporate secretary.

Remuneration to directors and executives

The Nomination and Remuneration Committee shall determine the remuneration package for directors and members of each committee by considering their duties, responsibilities and performance, as well as the Company's size and industry, the market and its competitors, to ensure that the remunerations are adequate and sufficiently attractive to retain the quality directors with the Company.

The Nomination and Remuneration Committee shall then propose the types of remuneration, payment

methods and amounts to the Board of Directors for concurrence before submitting to the Shareholders' meeting for consideration and approval. The approved directors' remuneration packages will be disclosed to the public accordingly.

The Annual General Shareholders' Meeting no 1/2017 on 25 April 2017 has considered and approved the remunerations including monthly compensation and meeting allowance for the Board of Directors, the Audit Committee and the Nomination and Remuneration Committee with following details.

Remuneration of the Board of Directors

1) Monthly remuneration

The Board of Directors receive the monthly remuneration whether there will be in a meeting or not. The Directors who are also be the executive directors and employees of the Company, exempted from receiving this monthly remuneration. The details of the monthly remuneration are as follows.

- Chairman of the Board of Directors
Baht 250,000 / month
- Director
Baht 40,000 / month

2) Attendance fee

The attendance fee for the Board of Directors, Audit committee and Nomination and Remuneration committee are as follows.

Board of Directors

- Chairman of the Board of Directors
Baht 50,000 / time
- Director
Baht 20,000 / time

Audit Committee

- Chairman of the Audit Committee
Baht 40,000 / time
- Member of the Audit Committee
Baht 30,000 / time

The Nomination and Remuneration Committee

- Chairman of the Nomination and Remuneration Committee Baht 30,000 / time
- Member of the Nomination and Compensation Committee Baht 20,000 / time

Directors' Remuneration

In year 2016 and 2017 the remuneration paid in form of monthly compensation and attendance fee was equal to Baht 8.98 million and Baht 8.88 million respectively. Details are as follows:

Unit: Million Baht

Name	2016		2017	
	Monthly remuneration	Attendance fee	Monthly remuneration	Attendance fee
1. Mr. Palakorn Suwanrath	3.00	0.30	3.00	0.35
2. Mr. Surachai Chotjurangkool	0.48	0.12	0.48	0.12
3. Prof. Chaiyos Hemarajata	0.48	0.32	0.48	0.30
4. Mr. Somchai Boonnamsiri	0.48	0.38	0.48	0.35
5. Pol. Gen. Boonpen Bumpenboon	0.48	0.32	0.48	0.26
6. Mr. Chatchawal Pongsuthimanus	0.48	0.16	0.48	0.12
7. Mrs. Punjaporn Chotjurangkool	0.48	0.16	0.48	0.18
8. Mr. Piroon Limpiviatkul	0.48	0.12	0.48	0.10
9. Dr. Chadarat Anantakoon	0.48	0.14	0.48	0.14
10. Mr. Chanchai Phansopha	-	0.12	0	0.12
Total	6.84	2.14	6.84	2.04

Remuneration of the executives

In 2016 and 2017, the Company paid remuneration in cash to 4 executive committees (comprised of Mr. Surachai Chotjurangkool, Mrs. Punjaporn Chotjurangkool, Mr. Chatchawal Pongsuthimanus and Mr. Piroon Limpiviatkul), president, the first four management position next from the president position, and the management in the forth position amount of 5 persons and 6 persons, respectively. The payment in form of salary and other compensation such as social security, provident fund, vehicle fee and telephone fee totaled Baht 66.9 million and Baht 56.0 million, respectively. The details as follows;

Unit: Million Baht

Remuneration Type	2016	2017
Salary	55.2	46.3
Bonus	9.5	3.3
Provident Fund	0.8	1.0
Others	1.4	1.4
Total	66.9	56.0

Other compensation

The Company and its subsidiaries have established the provident fund for employees where the employees contribute to the fund by voluntary basis, at 4-6 percent of their salary according to the working period. On the other hand, the Company and its subsidiaries contribute another 4-6 percent to the fund as well. The said provident fund is registered and managed by a private fund manager under regulations of the Provident Fund Act.

Meeting of the Board of Directors

Table showing information of attendance of the directors meeting of the Board in 2016 and 2017.

(Number of attendance/number of the meeting)

Name	2016		2017	
	Times	%	Times	%
1. Mr. Palakorn Suwanrath	6/6	100	6/6	100
2. Mr. Surachai Chotjurangkool	6/6	100	6/6	100
3. Prof. Chaiyos Hemarajata	5/6	83	6/6	100
4. Mr. Somchai Boonnamsiri	6/6	100	6/6	100
5. Pol. Gen. Boonpen Bumpenboon	6/6	100	6/6	100
6. Mr. Chatchawal Pongsuthimanus	5/6	83	3/6	50
7. Mrs. Punjaporn Chotjurangkool	6/6	100	6/6	100
8. Mr. Piroon Limpiviatkul	6/6	100	6/6	100
9. Dr. Chadarat Anantakoon	6/6	100	6/6	100
10. Mr. Chanchai Phansopha	6/6	100	6/6	100

In 2017 the Company has arranged a Board of Directors meeting which excluded executive directors once a year. On 21 November 2017, the meeting was arranged which directors excluded executive directors, president or any other management attend the meeting with the aim to provide an opportunity for non-executive directors to meet and discuss any issues of the Company independently without any involvements from the executives or management. The summary and recommendations from the meeting shall be submitted to the executive directors afterwards. Following are the attendance records of the non-executive directors' meetings in 2015 and 2016.

(Number of attendance/number of the meeting)

Name	2016		2017	
	Times	%	Times	%
1. Mr. Palakorn Suwanrath	0/1	0	1/1	100
2. Prof. Chaiyos Hemarajata	1/1	100	1/1	100
3. Mr. Somchai Boonnamsiri	1/1	100	1/1	100
4. Pol. Gen. Boonpen Bumpenboon	1/1	100	1/1	100
5. Dr. Chadarat Anantakoon	1/1	100	1/1	100

Subcommittee

As of 31 December 2017, there were 4 boards which included the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Executive Committee and list of the directors who is authorized to sign on behalf of the Company. The positions of directors in each board are summarized below.

Name	Director	Authorized Director	Audit Committee	Independent Director	Nomination and Remuneration Committee	Executive Committee
1. Mr. Palakorn Suwanrath	✓			✓		
2. Mr. Surachai Chotjurangkool	✓	✓				✓
3. Prof. Chaiyos Hemarajata	✓		✓	✓		
4. Mr. Somchai Boonnamsiri	✓		✓	✓	✓	
5. Pol. Gen. Boonpen Bumpenboon	✓		✓	✓		
6. Mr. Chatchawal Pongsuthimanus	✓	✓			✓	✓
7. Mrs. Punjaporn Chotjurangkool	✓	✓			✓	✓
8. Mr. Piroon Limpiviatkul	✓	✓				✓
9. Dr. Chadarat Anantakoon	✓					
10. Mr. Chanchai Phansopha	✓					✓
11. Mr. Somchai Warunpantulak						✓
12. Mr. Cholsin Vadanathorn						✓

Employees

Number of Employees

In 2016 and 2017, The Company and its subsidiaries (not included directors and management as defined by the Securities and Exchange Commission) totaled 510 employees and 489 employees, respectively. The number of employees in each main line is shown in the table below.

Line	Number of employees (person)	
	2016	2017
Rental space in shopping center	112	93
Hotel Business	234	229
Food and Beverage	68	58
Head Office	96	103
Total	510	483

Employee Compensation

The Company and its subsidiaries paid suitable compensation according to their duty and achievement which compared to the target of each year. The compensation was paid in salary, bonus, providence fund and others. The compensation of employees (not included directors and executives) in year 2016 and 2017 are as shown in the table below.

Type	Employees' compensation (MB)	
	2016	2017
Salary	134.5	142.32
Bonus	26.9	34.97
Over Time	5.9	6.07
Provident Fund	4.3	5.08
Others*	33.4	33.66
Total	205.0	222.10

Note: *Others comprised of emolument, food cost, training cost, medical fee, health insurance, life insurance and other compensation.

Employees of the Company and its subsidiaries did not establish any employee union. It is the policy of the Company and its subsidiaries to treat all employees with fairness and in legal approach, therefore the Company and its subsidiaries have positive relation with their employees.

Labor Dispute

-None-

Personnel Development Policy

Since the personnel is considered as one of the factors contributing to the business success, the Company places the importance and guideline and policy of personnel development constantly, in order to enable them to acquire knowledge, skills and expert in different field to effectively and successfully lead the Company. In the past years, the Company encouraged directors, executives and employees in different levels to attend the training courses, both hosted internally or externally, with the aim to increase knowledge and skills for their position.



CONNECTED TRANSACTIONS

The Company and its subsidiaries have incurred transactions with connected persons which may lead to a conflict of interest during the past year with the following details. (Please also refer to the Notes to Financial Statements)

Relationship	Type of Transaction	Value (million baht)		The Audit Committee's Opinion
		31 Dec 16	31 Dec 17	
1. The Wharf Plaza Samui Company Limited				
Directors and shareholders of The Wharf Plaza Samui Company Limited are	The Company has entered into the lease contract for land and buildings of The Wharf Samui Project which are located in Bophutt, Samui Island, Surat Thani with the 10-year lease period. The total minimum future payment for rent is Baht 340 million with the term of prepaid Baht 34 million each year.			The Committee considered and viewed that the transaction was reasonable and appropriate due to
1. Mr.Chaklit Chotechurangkool				1. Located in the main tourist area on
2. Mr. Chawanon Chotechurangkool				Samui Island, Surat Thani, the project was in line with the long-term expansion plan of the Company.
3. Ms. Suthita Chotjurangkool				2. The lease contract for the project contained normal term and condition as general long term real estate lease.
4. Mr. Thammanoon Chotechurangkool				3. The price for the lease was a fair market price based on the valuation report of independent appraiser as of the time when the investment was decided.
No 1 – 4 are children of Mr. Surachai Chotjurangkool and Mrs.Punjaborn Chotjurangkool who are directors and major shareholders of the Company, holding 28.27% and 17.55% of total shares respectively. In summary, Chotjurangkool family is the Company's major shareholder holding 48.44% of total shares (as of December 12, 2017)	Remark: In year 2016, the Company received rent discount of Baht 14 million y.			
	- Rental fee	20	34	
	- Prepaid Rental Expenses	14	-	
2. Rockworth Public Company Limited				
Mr.Chatchawal Pongsuthimanus is the Director of both companies. He is holding 3.29% of total shares of the Company while the Pongsuthimanus family holding 3.88% of total shares (as of December 12, 2017). He is a major shareholder of Rockworth Public Company Limited, holding 21.50% of its total shares.	The Company has purchased goods and services from Rockworth Public Company Limited			The Committee considered and viewed that the transactions were reasonable according to normal business practice and with fair market prices.
	- Purchase of goods and services	0.45	0.02	
	- Account payable from the purchase of goods and services	0.01	-	

Relationship	Type of Transaction	Value (million baht)		The Audit Committee's Opinion
		31 Dec 16	31 Dec 17	
3. The Platinum Fashion Mall Juristic Person				
Mr. Surachai Chotjurangkool, Mrs. Punjaporn Chotjurangkool and Mr. Chatchawal Pongsuthimanus are the Company's directors and former directors of The Platinum Fashion Mall Juristic Person. However, all three directors have resigned from the position of director of the Juristic Person since May 19, 2016. In addition, Mr. Surachai Chotjurangkool and Mrs. Punjaporn Chotjurangkool are major shareholders of the Company, holding 28.27% and 17.55% of total shares, respectively. In total, Chotjurangkool family is holding 48.44% of total shares while Pongsuthimanus family is holding 3.88% of total shares of the Company (as of December 12, 2017.)	1. The Company and its subsidiaries have leased spaces in the Platinum Fashion Mall from The Platinum Fashion Mall Juristic Person for operating the business of food center, spaces for rent and office space rental as well as for preserving the in-mall common area appearance and atmosphere. Following are list of transactions.			1. Space rental fees The Committee considered and viewed that the transaction was reasonable due to <ul style="list-style-type: none">• The rental rate was market price comparable with other shopping malls in the nearby location and similar size. The rental is also helps promote the overall business of the Platinum Fashion Mall.• Key terms and conditions of the lease contract were in accordance with general real estate leasing.
	1. Rental Fee	6.30	-	2. Common Area Maintenance Fee The transaction was reasonable as
	- Rental Fee	1.01	-	the rate charged complied with the
	- Rental Deposit	29.20	-	Juristic Person's CAM regulations and same as other tenants.
	2. Common Area Maintenance Fee			3. Purchase of Assets The transaction was considered as reasonable since it was in accordance with normal trade conditions and at fair market price.
	3. Purchase of Assets	0.74	-	4. Space Management Fee The transaction was considered as reasonable due to the fact that the Company has gained benefit from the revenue of mall management fee, the increasing efficiencies of space management and the added value of other rental space which are under the freehold of the Company. To subcontract the work of space management was considered normal business practice with generic trade terms.
	4. Subcontracting from The Platinum Fashion Mall Juristic Person to manage the commercial space rental of the mall's common area	8.00	-	
	5. Public Utilities Expense	3.24	-	5 Public Utilities Expenses The transaction was considered as reasonable since the rate charged was the same as the rate applied to other tenants.

Relationship	Type of Transaction	Value (million baht)		The Audit Committee's Opinion
		31 Dec 16	31 Dec 17	
4. Mr. Surachai Chotjurangkool				
Mr. Surachai Chotjurangkool is the Company's Director and major shareholder, holding 28.27% of total shares. In total, Chotjurangkool family is the Company's major shareholder, holding 48.44% of total shares (as of December 12, 2017.)	The Company has leased a 10-2-70.05 rai land plot from Mr. Surachai Chotjurangkool to build a night market. The lease contract is for 3 years, from December 1, 2016 to November 30, 2019. Rental fee is paid in advance on annual basis for total 3 years with the lease fee of not more than Baht 49 million.			The Committee considered and viewed that the transaction was reasonable due to the fact that the Company has developed a night market project on that plot of land and has generated additional rental and service income from the project. Although the transaction was the lease of real estate less than 3 years and no evidence of any trade terms but when comparing the lease fee with other surrounding plots of land, the lease fee was considered as reasonable.
Remarks: On November 10, 2017, Mr. Surachai Chotjurangkool has established a new company, by placing the land as registered capital. As a result, the rights and obligations under the land lease agreement have been transferred to S.P.C. Wealth Real Estate Co., Ltd. since November 10, 2017 onward. In addition, Mr. Surachai Chotjurangkool is an authorized signatory director of this company.	1) Mr. Surachai Chotjurangkool ● Rental fee ● Other receivables Accrued rental fee 2) S.P.C. Wealth Real Estate Co., Ltd. ● Rental Fee ● Prepaid Rental Fee (since 10 Nov 2017 - 31 Dec 2017)	1.36 - 1.36 - - 0.29 6.34	14.06 0.70 - 2.27 6.34	
5. Mr. Piroon Limpiviatkul				
Mr. Piroon Limpiviatkul is the Company's Director and Limpiviatkul family is holding 8.44% of total shares (as of December 12, 2017.)	The Company has leased the 23.82 square metre spaces on the basement floor of the Platinum Fashion Mall from Mr. Piroon Limpiviatkul to sublease to other tenant. Following are details of the transaction. ● Rental Fee ● Rental Deposit	0.29 0.07	0.41 0.07	The transaction was considered as reasonable due to: 1. The lease fee was a fair market rate comparable to other space with the nearby size and location. The lease also helped to promote the business of the Platinum Fashion Mall. 2. Key terms and conditions of the lease contract were in accordance with general real estate leasing.

Relationship	Type of Transaction	Value (million baht)		The Audit Committee's Opinion
		31 Dec 16	31 Dec 17	
6. Mr. Chatchawal Pongsuthimanus				
Mr.Chatchawal Pongsuthimanus is the Company's Director, holding 3.29% of total shares and Pongsuthimanus family is holding 3.88% of total shares (as of December 12, 2017.)	The Company has the outstanding accounts receivable which resulted from the agreement between the Company and Gaysorn Group to open a joint bank account with the name of Mr. Chatchawal Pongsuthimanus as the Company's representative and the other director who representing Gaysorn Group. The objective of the joint bank account was to transfer designing fee to the designer of the Bangkok Skyline Project.	0.10	0.10	The transaction was considered as reasonable since the contract had term and condition in according to normal trade deal and based on the fact that Bangkok Skyline Company Limited, which was a joint-venture between the Company and Gaysorn Group, had no contractual responsibility to pay for the designing fee of the project. Therefore the joint-venture was unable to pay directly to the designer company.
7. Bangkok Skyline Co., Ltd.				
Bangkok Skyline Co., Ltd. is a joint venture which the company is holding 49.90% of total shares. Mr. Surachai Chotjurangkool is a major shareholder, holding 28.27 of total shares. In total. Moreover, Chotjurangkool family is the Company's major shareholder, holding 48.44% of total shares (as of December 12, 2017). Mr. Piroon Limpiviatkul is the Company's Shareholder= holding 8.44% of total shares (as of December 12, 2017). Mr. Chatchawal Pongsuthimanus is the Company's Shareholder, holding 3.29% of total shares and Pongsuthimanus family is holding 3.88% of total shares (as of December 12, 2017). All three of them are directors of the company and the joint venture.	<p>The Company and Gaysorn Group have jointly invested on Bangkok Skyline Co., Ltd. for construction management and maintenance of the R-Walk project, a bridge linking BTS station to shopping malls with the following details.</p> <ul style="list-style-type: none">• Project management fee	-	3.20	The transaction was considered as reasonable as the project management fees are charged in accordance with the terms of the joint venture agreement which authorized Bangkok Skyline Co., Ltd. to manage the project. The building owners agree to pay annual management fee to Bangkok Skyline Co., Ltd. at the rate agreed by the Project Management Committee. In this regard, the project management fee covers the costs necessary for operation of the skyline project, including maintenance and security costs etc.

Criteria or Procedure for Approval of Connected transactions

Before entering into a connected transactions, the Company has an approval process starting from proposing such transaction to the Audit Committee for consideration and review. The Committee shall provide opinions relating to the necessity of the transaction and the appropriateness of pricing as well as the conformity with laws, regulations, announcements, notifications, orders and provisions relating to Securities and the Securities Exchange of Thailand and the Securities and Exchange Commission Office. The Audit Committee shall then present its opinion of the proposed connected transaction for the approval from the Board of Directors or the Shareholders' meeting (as the case may be) under the condition that the director who may have an interest shall be refrained from casting his vote relating to the transaction. Additionally, all connected transactions shall be disclosed in the notes to the audited financial statements.

Policy or Future Trends of Connected Transactions

In the future, the Company and its subsidiaries may enter into connected transactions as appropriate and necessary for the business. The Company and its subsidiaries has a policy to conform with laws, regulations, announcements, notifications, orders and provisions relating to Securities and the Securities Exchange of Thailand and the Securities and Exchange Commission Office.

In case of connected transactions relating to normal business practice or continued connected transactions, the Company has set criteria and guidelines to follow normal business practices by referring to fair and appropriate price and trade condition on the reasonable and auditable basis. However to enter into a connected transaction, the Company stipulates that the Audit Committee shall consider and provide its opinions about the appropriateness of the transactions. In the event that the Audit Committee does not have expertise or knowledge to review and consider the related transactions, the Company shall hire independent expert or external auditor to provide opinion about such connected transaction to the Audit Committee. The Audit Committee shall then propose the opinion from independent expert about such connected transactions to the Board of Directors or the Shareholders' meeting (as the case may be) for consideration and approval.





SHAREHOLDER AND DIVIDEND PAYMENT POLICY

List of Top 10 Shareholders as of 12 December 2017

Name of Shareholders	Number of Shares	%
1. Chotjurangkool Family	1,356,280,900	48.44
Mr. Surachai Chotjurangkool	791,422,500	28.27
Mrs. Punjaporn Chotjurangkool	491,426,800	17.55
Mr. Somchai Chotjurangkool	25,241,400	0.90
Ms. Suthita Chotjurangkool	16,345,100	0.58
Mr. Witthaya Chotjurangkool	14,850,000	0.53
Mr. Thongchai Chotjurangkool	12,512,500	0.45
Mr. Wichai Chotjurangkool	4,482,600	0.16
2. Wijithanarak Family	349,096,300	12.46
Mr. Wuthichai Wijithanarak	226,020,300	8.07
Mrs. Duangporn Wijithanarak	60,000,000	2.14
Mrs. Ornuma Eklappaibun	32,225,300	1.15
Ms. Wiyada Piyapaneekul	18,125,400	0.65
Ms. Kullawan Wijitthanarak	12,725,300	0.45
3. Limpiviatkul Family	236,359,300	8.44
Mrs. Punpilai Limpiviatkul	108,459,300	3.87
Mr. Paron Limpiviatkul	64,000,000	2.29
Mr. Palavudh Limpiviatkul	63,900,000	2.28
4. Pongsuthimanus Family	108,552,000	3.88
Mr. Chatchawal Pongsuthimanus	92,000,000	3.29
Mr. Varintorn Pongsuthimanus	16,552,000	0.59
5. Thai NVDR Co., Ltd	90,780,526	3.24
6. Mr. Sahanan Chentakul	50,400,000	1.80
7. Bualuang Long-Term Equity Fund	40,968,800	1.46
8. Mr. Prasit Vongsakulkasem	32,153,900	1.15
9. Social Security Office	28,000,000	1.00
10. Bualuang Long-Term Equity Fund 75/25	17,327,700	0.62
Total of top 10 shareholders	2,309,919,426	82.49
Other shareholders	490,080,574	17.51
Total of the shareholders	2,800,000,000	100.00

The major shareholders who are significantly influence to establish policy, management and control the operation of the Company, representative in the Board of Directors of 3 people out of total 10 people.

Dividend Payment Policy

The Company's dividend policy is to distribute dividends at least 40% of the net profit after tax deductions and legal reserves of separate financial statement. The dividend payment consideration of each payment, the Company will concern in many factors such as reserves for future investment, repayment debt or working capital in the Company.

The Board of Directors of the Company may consider the approval annual dividend payment to Annual General Meeting of Shareholders, except interim dividend payment which the Board of Directors has authorized to approve. Owing to the Company has operating profit and suitable for paying dividend, then report to the next Annual General Meeting of Shareholders.

In 2017, there was the dividend payment of Baht 0.18 per share with the dividend payout ratio of 71.58%. While, in 2016, there was the dividend payment of Baht 0.1575 per share with the dividend payout ratio of 70.05%.

Dividend Payment Policy of Its Subsidiaries

The subsidiaries' dividend policy is to distribute dividends at least 40% of the net profit after tax deductions and legal reserves of separate financial statement. The Board of Directors of its subsidiaries and/or shareholders of its subsidiaries will consider the dividend payment according to the business situation such as investment plan of its subsidiaries expansion.





RESPONSIBILITY OF THE BOARD OF DIRECTORS TO FINANCIAL STATEMENT

The Board of Directors of The Platinum Group Public Company Limited is responsible for the separated and consolidated financial statements of the Company and its subsidiaries as well as any financial information presented in the Company's annual report. The financial statements are prepared in accordance with generally accepted accounting standards under selected accounting policies which are followed appropriately and consistently with careful discretion. The disclosure of significant information relating to the accounting policies and accounting methods in the notes to the financial statements is sufficient, transparent and aimed for the benefits of shareholders and investors.

The Board of Directors has established and maintained effective internal controls to sensibly ensure that the accounting information is accurate, complete and adequate to safeguard the Company's assets.

The Board of Directors has appointed the Audit Committee which consists solely of independent

directors to be responsible for the quality of the Company's financial statements and internal control system. The opinion of the Audit Committee on this matter is shown in report of the Audit Committee.

The separate financial statements and consolidated financial statements of the Company have been audited by the EY Office Limited, the Company independent auditor, with fully supports from the Company in providing related information and documents to ensure that the auditor was able to review and comment on the conformity with accounting standards. The comment of the independent auditor is shown in the Auditor's report, which is a part of the Company's Annual Report.

The Board of Directors opines that the internal control system of the Company, as a whole, is proper and sufficient, which reassures our reasonable confidence of the reliability of the Company's separated and consolidated financial statements as at December 31, 2017.

Mr. Palakorn Suwanrath
Chairman of the Board of Directors

Mr. Chanchai Phansopha
President



REPORT AND CONSOLIDATED FINANCIAL STATEMENTS 31 DECEMBER 2017

Independent Auditor's Report

To the Shareholders of The Platinum Group Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of The Platinum Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of The Platinum Group Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Platinum Group Public Company Limited and its subsidiaries and of The Platinum Group Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Capitalisation of assets - investment properties and property, plant and equipment

A subsidiary has started the real estate project under which a shopping center, office building for rent and hotel are to be constructed on land leased from The Crown Property Bureau. The management decided and presented the construction of the shopping center and office building for rent as investment properties and the construction of the hotel as property, plant and equipment. The subsidiary recognised Baht 2,159 million of the costs of the real estate project as investment properties under construction and Baht 188 million as property, plant and equipment under construction in the consolidated statement of financial position as at 31 December 2017, as described in Notes 13 and 14 to the financial statements. I have considered that the recognition of the capitalisation of assets related to this real estate project is material to the financial statements as a whole, and the management was required to exercise judgement when determining whether costs of transactions directly related to the project, and able to be recognised as assets, and whether their presentation was in accordance with the related financial reporting standards. Therefore, there is a risk with respect to the recognition of the assets, their presentation and the disclosures related to the construction of the real estate project.



I assessed whether the recognition of assets, their presentation and the disclosures of the construction of the real estate project complied with TAS 16 - Property, plant and equipment and TAS 40 - Investment properties by making enquiry of executives regarding the construction project, gaining an understanding of the criteria used in the recognition and presentation of the assets, and reviewing the minutes of meeting and contracts related to the construction project. In addition, on a sampling basis, I examined supporting documents for the recognition of assets occurring during the year and reviewed the disclosures made in the notes to the financial statements.

Revenue recognition

The Company is organised into 3 business segments based on its products and services, with major revenues of the Company derived from shopping center business (representing 61 percent of total revenues). The Company has entered into agreements with a large number of retail customers and there are a variety of conditions in these agreements. In addition, the Company's revenues from hotel business and food and beverage sales from food center business (representing 32 percent of total revenues) are derived from recurring daily transactions, included rooms sales, food and beverages sales and fees for related services. There is therefore a risk with respect to the amount and timing of revenue recognition.

I examined the revenue recognition of the Company by assessing and testing the Company's IT system and its internal controls relevant to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I also applied a sampling method to select sales invoices to examine the revenue recognition, a sampling method to select rental and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Company's policy. On a sampling basis, I examined supporting documents for sales transactions occurring during the year and near the end of the accounting period. In addition, I performed analytical procedures to detect possible irregularities in revenue transactions throughout the period.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

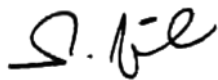
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Supanee Triyanantakul

Certified Public Accountant (Thailand) No. 4498

EY Office Limited

Bangkok: 13 February 2018



Statements of financial position

The Platinum Group Public Company Limited and its subsidiaries
As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Assets					
Current assets					
Cash and cash equivalents	7	188,456,769	55,938,718	181,659,861	50,592,365
Current investments	8	5,283,324,032	5,602,423,987	5,283,324,032	5,602,423,987
Trade and other receivables	9	43,094,266	67,890,804	94,852,872	146,511,275
Loans to related parties	6	-	-	-	1,004,191,504
Inventories	10	12,712,881	12,580,171	12,712,881	12,580,171
Advance payment for short-term lease of land to related party	6	-	14,000,000	-	14,000,000
Other current assets		61,958,404	15,134,811	7,667,278	7,975,414
Total current assets		5,589,546,352	5,767,968,491	5,580,216,924	6,838,274,716
Non-current assets					
Loans to related parties	6	-	-	1,610,491,504	-
Investments in subsidiaries	11	-	-	702,699,400	702,730,384
Investment in joint venture	12	565,099	684,285	49,900	49,900
Advances payment for construction		3,435,679	159,285,500	-	-
Investment properties	13	3,417,706,250	2,467,753,504	1,258,620,819	1,322,826,783
Property, plant and equipment	14	1,171,349,065	1,109,800,641	756,830,292	819,333,288
Intangible assets	15	252,171,623	254,896,470	96,195,103	104,858,622
Deferred tax assets	21	35,515,835	41,070,861	9,391,456	6,179,336
Other non-current assets		20,557,039	20,884,918	19,344,571	19,562,134
Total non-current assets		4,901,300,590	4,054,376,179	4,453,623,045	2,975,540,447
Total assets		10,490,846,942	9,822,344,670	10,033,839,969	9,813,815,163

The accompanying notes are an integral part of the financial statements.

Statements of financial position (continued)

The Platinum Group Public Company Limited and its subsidiaries
As at 31 December 2017

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	16	431,107,827	142,500,817	94,544,322	87,516,117
Current portion of liabilities under finance lease agreements		3,859,573	2,111,914	3,859,573	2,111,914
Income tax payable		98,551,156	94,540,015	98,551,156	94,540,015
Current portion of unearned rental income	17	164,815,900	164,715,812	164,815,900	164,715,812
Short-term deposits of rental income		204,418,127	156,626,865	204,318,127	156,526,865
Other current liabilities		27,257,619	31,122,564	22,988,930	29,314,253
Total current liabilities		930,010,202	591,617,987	589,078,008	534,724,976
Non-current liabilities					
Liabilities under finance lease agreements, net of current portion		8,511,890	4,182,518	8,511,890	4,182,518
Unearned rental income, net of current portion	17	395,552,969	556,693,385	395,552,969	556,693,385
Long-term deposits of rental income		55,789,105	91,867,505	55,789,105	91,867,505
Accrued long-term lease of land	18	269,786,615	55,163,142	-	-
Retention payable		55,943,377	29,884,777	6,391,070	7,618,182
Provision for long-term employee benefits	19	14,758,015	11,653,768	14,670,901	10,605,531
Deferred tax liabilities	21	26,572,341	15,303,713	12,166,994	4,363,704
Total non-current liabilities		826,914,312	764,748,808	493,082,929	675,330,825
Total liabilities		1,756,924,514	1,356,366,795	1,082,160,937	1,210,055,801

The accompanying notes are an integral part of the financial statements.

Statements of financial position (continued)

The Platinum Group Public Company Limited and its subsidiaries
As at 31 December 2017

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Shareholders' equity					
Share capital					
Registered					
2,800,000,000 ordinary shares of Baht 1 each		2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000
Issued and fully paid					
2,800,000,000 ordinary shares of Baht 1 each		2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000
Share premium		4,409,618,494	4,409,618,494	4,409,618,494	4,409,618,494
Deficit on business combination under common control		(5,120,772)	(4,667,150)	-	-
Retained earnings					
Appropriated - statutory reserve	20	157,709,210	115,109,210	157,709,210	115,109,210
Unappropriated		1,371,715,496	1,145,917,321	1,584,351,328	1,279,031,658
Total shareholders' equity		8,733,922,428	8,465,977,875	8,951,679,032	8,603,759,362
Total liabilities and shareholders' equity		10,490,846,942	9,822,344,670	10,033,839,969	9,813,815,163

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

The Platinum Group Public Company Limited and its subsidiaries
For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Rental and services income		1,259,029,733	1,106,641,481	1,259,029,733	1,106,641,481
Revenues from hotel operations		394,821,283	365,106,475	394,821,283	365,106,475
Revenues from food and beverage sales		269,392,591	246,404,331	269,474,862	246,688,412
Other income					
Interest income		57,015,745	61,782,522	104,888,598	95,556,707
Gain on sales of investments in subsidiary company	11	278,941	-	1,719,016	-
Others		78,233,224	83,262,411	77,946,781	78,279,320
Total revenues		2,058,771,517	1,863,197,220	2,107,880,273	1,892,272,395
Expenses					
Cost of rental and services		317,988,126	269,928,274	317,988,126	269,928,274
Cost of hotel operations		185,764,997	183,630,241	185,764,997	183,630,241
Cost of food and beverage sales		205,832,778	195,630,347	205,832,778	195,630,347
Selling expenses		69,439,779	57,264,406	69,439,779	57,264,406
Administrative expenses		286,238,396	275,493,830	267,723,705	249,779,996
Total expenses		1,065,264,076	981,947,098	1,046,749,385	956,233,264
Profit before share of profit (loss) from investment in joint venture, finance cost and income tax expenses		993,507,441	881,250,122	1,061,130,888	936,039,131
Share of profit (loss) from investment in joint venture	12.2	(119,186)	536,574	-	-
Profit before finance cost and income tax expense		993,388,255	881,786,696	1,061,130,888	936,039,131
Finance cost		(517,146)	(533,384)	(517,146)	(533,384)
Profit before income tax expenses		992,871,109	881,253,312	1,060,613,742	935,505,747
Income tax expenses	21	(220,927,870)	(177,101,274)	(208,695,386)	(184,429,492)
Profit for the year		771,943,239	704,152,038	851,918,356	751,076,255
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		771,943,239	704,152,038	851,918,356	751,076,255
Earnings per share	25				
Basic earnings per share		0.28	0.25	0.30	0.27

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

The Platinum Group Public Company Limited and its subsidiaries
For the year ended 31 December 2017

(Unit: Baht)

Consolidated financial statements						
Note	Issued and paid-up share capital	Share premium	Deficit on business combination under common control	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2016	2,800,000,000	4,409,618,494	(4,667,150)	77,549,210	920,324,370	8,202,824,924
	-	-	-	-	704,152,038	704,152,038
	-	-	-	-	-	-
	-	-	-	-	704,152,038	704,152,038
	-	-	-	-	-	-
Balance as at 31 December 2016	2,800,000,000	4,409,618,494	(4,667,150)	115,109,210	1,145,917,321	8,465,977,875
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Balance as at 1 January 2017	2,800,000,000	4,409,618,494	(4,667,150)	115,109,210	1,145,917,321	8,465,977,875
	-	-	-	-	771,943,239	771,943,239
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Balance as at 31 December 2017	2,800,000,000	4,409,618,494	(5,120,772)	157,709,210	1,371,715,496	8,733,922,428

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

The Platinum Group Public Company Limited and its subsidiaries
For the year ended 31 December 2017

Separate financial statements						(Unit: Baht)
	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity	
			Appropriated - Statutory reserve	Unappropriated		
Note	Balance as at 1 January 2016					
	Profit for the year	2,800,000,000	4,409,618,494	77,549,210	1,006,514,490	8,293,682,194
	Other comprehensive income for the year	-	-	-	751,076,255	751,076,255
	Total comprehensive income for the year	-	-	-	-	-
	Transferred unappropriated retained earnings to statutory reserve	-	-	-	751,076,255	751,076,255
	Dividend paid	-	-	37,560,000	(37,560,000)	-
	Balance as at 31 December 2016	-	-	-	(440,999,087)	(440,999,087)
		2,800,000,000	4,409,618,494	115,109,210	1,279,031,658	8,603,759,362
	Balance as at 1 January 2017					
	Profit for the year	2,800,000,000	4,409,618,494	115,109,210	1,279,031,658	8,603,759,362
	Other comprehensive income for the year	-	-	-	851,918,356	851,918,356
	Total comprehensive income for the year	-	-	-	-	-
	Transferred unappropriated retained earnings to statutory reserve	-	-	-	851,918,356	851,918,356
	Dividend paid	-	-	42,600,000	(42,600,000)	-
	Balance as at 31 December 2017	-	-	-	(503,998,686)	(503,998,686)
		2,800,000,000	4,409,618,494	157,709,210	1,584,351,328	8,951,679,032

The accompanying notes are an integral part of the financial statements.

Cash flow statement

The Platinum Group Public Company Limited and its subsidiaries
For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit before tax	992,871,109	881,253,312	1,060,613,742	935,505,747
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	176,980,515	161,346,365	162,599,164	154,189,038
Gain on sales of equipment	(158,088)	(242,563)	(158,088)	(242,563)
Loss on write-off assets	601,560	765,325	252,354	765,325
Revenue recognition of unearned rental income during the year	(161,040,328)	(162,325,151)	(161,040,328)	(162,325,151)
Unrealised gain on changes in fair value of investments	(39,016,448)	(8,648,196)	(39,016,448)	(8,648,196)
Gain on sales of investments in subsidiary company	(278,941)	-	(1,719,016)	-
Share of (profit) loss from investment in joint venture	119,186	(536,574)	-	-
Provision for long-term employee benefits expenses	3,474,409	2,848,282	4,435,532	2,953,442
Interest income	(57,015,745)	(61,782,522)	(104,888,598)	(95,556,707)
Interest expenses	517,146	533,384	517,146	533,384
Profit from operating activities before changes in operating assets and liabilities	917,054,375	813,211,662	921,595,460	827,174,319
Operating assets (increase) decrease				
Trade and other receivables	5,496,583	120,404	5,396,047	292,002
Inventories	(132,710)	283,907	(132,710)	283,907
Advance payment for short-term lease of land to related party	14,000,000	4,000,000	14,000,000	4,000,000
Other current assets	(34,171,063)	(7,963,295)	308,136	(2,128,547)
Other non-current assets	327,879	(1,338,844)	217,563	(1,223,216)
Operating liabilities increase (decrease)				
Trade and other payables	6,592,950	6,697,725	6,542,431	8,351,171
Unearned rental income	-	4,798,886	-	4,798,886
Deposits of rental income	11,712,862	14,537,414	11,712,862	14,437,414
Other current liabilities	(3,864,945)	9,520,176	(6,325,323)	8,863,131
Provision for long-term employee benefits	(370,162)	(393,120)	(370,162)	(393,120)
Other non-current liabilities	26,058,600	23,818,960	(1,227,112)	4,825,132
Cash flows from operating activities	942,704,369	867,293,875	951,717,192	869,281,079
Cash paid for interest expenses	(17,002)	(23,117)	(17,002)	(23,117)
Cash paid for corporate income tax	(200,093,822)	(179,200,334)	(200,093,075)	(179,122,124)
Net cash flows from operating activities	742,593,545	688,070,424	751,607,115	690,135,838

The accompanying notes are an integral part of the financial statements.

Cash flow statement

The Platinum Group Public Company Limited and its subsidiaries
For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from investing activities				
Decrease in restricted bank deposits	-	500,000	-	500,000
Decrease in current investments	358,848,389	54,416,598	358,848,389	54,416,598
Increase in loans to related parties	-	-	(606,300,000)	(594,050,000)
Decrease in other short-term loans	-	230,000,000	-	230,000,000
Net cash received from sales of investments in subsidiary company	410,058	-	1,750,000	-
Cash paid for acquisition of investment properties	(481,895,631)	(270,732,845)	(4,658,834)	(23,459,764)
Cash paid for acquisition of property, plant and equipments	(32,306,416)	(56,905,277)	(13,353,736)	(21,796,533)
Proceeds from sales of equipment	448,599	510,748	448,599	510,748
Cash paid for acquisition of intangible assets	(19,984,929)	(152,033,325)	(553,709)	(34,048,936)
Advances payment for construction	(4,039,982)	(191,309,969)	-	-
Cash receipts from interest income	75,583,714	90,109,866	150,418,968	90,064,494
Net cash flows used in investing activities	(102,936,198)	(295,444,204)	(113,400,323)	(297,863,393)
Cash flows from financing activities				
Payment of liabilities under finance lease agreements	(3,140,610)	(2,483,070)	(3,140,610)	(2,483,070)
Dividend paid	(503,998,686)	(440,999,087)	(503,998,686)	(440,999,087)
Net cash flows used in financing activities	(507,139,296)	(443,482,157)	(507,139,296)	(443,482,157)
Net increase (decrease) in cash and cash equivalents	132,518,051	(50,855,937)	131,067,496	(51,209,712)
Cash and cash equivalents at beginning of year	55,938,718	106,794,655	50,592,365	101,802,077
Cash and cash equivalents at end of year	188,456,769	55,938,718	181,659,861	50,592,365
	-	-	-	-
Supplemental cash flows information:				
Non-cash items				
Increase in payables from acquisition of investment properties	461,944,652	101,845,865	585,743	310,300
Increase in payables from acquisition of property and equipment	36,085,549	-	-	-
Increase in payables from acquisition of intangible assets	-	7,150,725	-	-
Increase in acquisition of motor vehicles				
under finance lease agreements	8,717,497	-	8,717,497	-
Transfer advances payment for construction to investment properties	159,889,803	117,043,468	-	-
Transfer advances payment for long-term lease of land				
to investment properties	-	169,762,257	-	-
Transfer investment properties to property, plant and equipment	71,142,899	36,873,040	-	-
Transfer property, plant and equipment to investment properties	4,685,287	-	4,685,287	-
Transfer investment properties to other current assets	12,862,900	-	-	-

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

The Platinum Group Public Company Limited and its subsidiaries
For the year ended 31 December 2017

1. General information

1.1 Corporate information

The Platinum Group Public Company Limited (“the Company”) is incorporated as a limited company from the amalgamation under Thai law on 3 December 2013, registered its transformation in to a public limited company on 23 June 2014, and domiciled in Thailand. The Company is principally engaged in the provision of property rental, hotel operations and food center operations. The registered office of the Company is at 222/1398, 11th Floor, The Platinum Fashion Mall Building, Phetchaburi Road, Petchaburi Road Sub-District, Ratchathewi District, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of The Platinum Group Public Company Limited (“the Company”) and the following subsidiaries (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017 Percent	2016 Percent
The Platinum Market Company Limited	Property development and rental (Not started the operation)	Thailand	100	100
The Platinum Samui Company Limited	Hotel operations (Not started the operation)	Thailand	100	100
Platinum Plaza Company Limited	Property development	Thailand	-	99

In December 2017, the Company disposed all of its investments in Platinum Plaza Company Limited, (a subsidiary) as described in note 11 to the financial statements.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries and joint ventures under the cost method.

3. New financial reporting standards

(a) Financial reporting standards that became effective in the current year

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

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Rental income

Rental income of retail space is recognised based on a straight-line basis over the lease term.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Revenues from hotel operations

Revenues from hotel operations mainly comprise room sales, food and beverage sales and revenues from auxiliary activities, and represent the invoiced value (excluding value added tax) of goods delivered and services rendered after deducting discounts and service charges.

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Inventories are valued at the lower of cost (under the average method) and net realisable value and are charged to cost of sales whenever consumed.

4.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investment in joint venture is accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries and joint venture are accounted for in the separate financial statements using the cost method.

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

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.6 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).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 2 - 30 years. Depreciation of the investment properties is included in determining income.

No depreciation is provided for investment properties under construction.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment are calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 - 30 years
Building improvements	-	5 - 20 years
Equipment	-	3 - 5 years
Furniture, fixtures, and office and hotel equipment	-	3 - 20 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.9 Intangible assets

Intangible assets are comprised of computer software and construction costs resulting from the Company obtaining rights in the project to construct a Skywalk connecting to BTS Skytrain at Chidlom Station ("R-Walk Project (formerly known as "Bangkok Skyline Project)"). This Project is a joint investment between the Company and a shopping center.

The Company and its subsidiaries are initially recognise intangible assets at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The economic useful life of the cost of rights in the R-Walk Project corresponds to the term of the BTS Skytrain concession granted by The Bangkok Metropolitan Administration.

No amortisation is provided for the cost of rights in the R-Walk Project, which is under construction.

The useful life of computer software is 5 - 10 years.

4.10 Related party transactions

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 direction of the Company's operations.

4.11 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the lease asset.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.13 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised in profit or loss.

4.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

4.15 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual result could differ from these estimates. Significant judgements and estimates are as follows:

Leases

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

Investment properties

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

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

Property, plant and equipment/Depreciation

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

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

Intangible assets

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

Deferred tax assets

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

Post employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	Consolidated		Separate		(Unit: Million Baht)
	financial statements		financial statements		Pricing policy
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Revenues from food and beverage sales	-	-	0.1	0.3	Normal business price
Interest income	-	-	48	34	2 - 7 percent and MLR percent per annum
Service expenses	-	-	-	2	Contract price
<u>Transactions with related companies</u>					
Management income	-	8	-	8	Agreed between the parties
Rental expenses	34	26	34	26	Contract price
Project management expenses	3	-	1	-	Contract price
Common area expenses	0.1	29	0.1	29	Contract price
Utility expenses	-	3	-	3	Contract price
Acquisition of equipment	-	1	-	1	Agreed between the parties
<u>Transactions with management and directors</u>					
Rental expenses	17	2	17	2	Contract price

As at 31 December 2017 and 2016, the balances of the accounts between the Company and those related parties are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2017	2016	2017	2016
Other receivables - related parties (Note 9)				
Subsidiaries	-	-	9	22
Directors	797	97	797	97
Total	797	97	806	119
Interest receivables - related parties (Note 9)				
Subsidiaries	-	-	51,800	78,762
Advance payment short-term lease of land - related party				
Related company	-	14,000	-	14,000
Loans to related parties				
Subsidiaries	-	-	1,610,492	1,004,192
Trade payables - related parties (Note 16)				
Related party	6,394	-	6,394	-
Directors	-	1,361	-	1,361
Total	6,394	1,361	6,394	1,361
Other payables - related parties (Note 16)				
Subsidiaries	-	-	-	60
Related company	-	15	-	15
Total	-	15	-	75

Loans to related parties

As at 31 December 2017 and 2016, the balances of loans between the Company and those related parties and the movement are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
Loans to related parties	Related by	Balance as at 31 December 2016	Increase during the year	Decrease during the year	Balance as at 31 December 2017
The Platinum Market Company Limited	Subsidiary	804,050	598,100	-	1,402,150
The Platinum Samui Company Limited	Subsidiary	200,142	8,200	-	208,342
Total		1,004,192	606,300	-	1,610,492

Loans are in the form of promissory notes, carrying interest at fixed rates and MLR per annum, and repayable on demand. However, the management of the Company have decided that the Company will not demand the subsidiaries make repayment for at least one year from 31 December 2017. Therefore, as at 31 December 2017, the Company has reclassified the loans as non-current assets and presented them under the caption of “Loans to related parties” in the separate statement of financial position.

Directors and management’s benefits

During the years ended 31 December 2017 and 2016, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2017	2016	2017	2016
Short-term employee benefits	63,837	66,283	63,837	59,520
Post-employment benefits	1,838	1,643	1,838	1,299
Other long-term benefits	6	5	6	3
Total	65,681	67,931	65,681	60,822

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with it related parties, as described in Note 27.4.1 to the financial statements.

7. Cash and cash equivalents

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2017	2016	2017	2016
Cash	13,289	1,843	13,258	1,816
Bank deposits	175,168	54,096	168,402	48,776
Total	188,457	55,939	181,660	50,592

As at 31 December 2017, saving bank deposits carried interests at rates between 0.10 and 0.50 percent per annum (2016: between 0.100 and 0.375 percent per annum).

8. Current investments

(Unit: Thousand Baht)		
Consolidated / Separate		
financial statements		
	<u>2017</u>	<u>2016</u>
Fixed deposits with maturity date more than 3 months	1,008,639	3,050,000
Investments in trading securities		
Investments in debt instruments funds	3,194,070	1,532,210
Government and state - owned enterprise bonds	328,606	613,495
Domestic private debt securities	691,174	384,900
Total investments in trading securities, Cost	4,213,850	2,530,605
Add: Unrealised gain on changes in value of investments	60,835	21,819
Total investments in trading securities, Fair value	4,274,685	2,552,424
Total current investments	5,283,324	5,602,424

9. Trade and other receivables

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	20,315	21,387	20,315	21,387
Past due				
Up to 3 months	2,950	4,443	2,950	4,443
3 - 6 months	244	624	244	624
6 - 12 months	813	1,093	813	1,093
Over 12 months	1,311	1,542	1,311	1,542
Total trade receivables - unrelated parties	25,633	29,089	25,633	29,089
<u>Other receivables</u>				
Other receivables - related parties (Note 6)	797	97	806	119
Other receivables - unrelated parties	694	1,442	644	1,278
Rental and services receivable	1,052	3,045	1,052	3,045
Interest receivable - related parties (Note 6)	-	-	51,800	78,762
Interest receivable - unrelated parties	14,918	34,218	14,918	34,218
Total other receivables	17,461	38,802	69,220	117,422
Total trade and other receivables	43,094	67,891	94,853	146,511

10. Inventories

	(Unit: Thousand Baht)	
	Consolidated / Separate	
	financial statements	
	<u>2017</u>	<u>2016</u>
Food and beverages	3,206	2,894
Supplies	9,507	9,686
Total	<u>12,713</u>	<u>12,580</u>

11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)					
	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
The Platinum Market Company Limited	683,000	683,000	100	100	683,000	683,000
The Platinum Samui Company Limited	19,699	19,699	100	100	19,699	19,699
Platinum Plaza Company Limited	-	31	-	99	-	31
Total investments in subsidiaries					<u>702,699</u>	<u>702,730</u>

During 2017 and 2016, no dividend income was received from its investments in subsidiaries.

Sale transactions of investments in the subsidiary

On 7 November 2017, a meeting of the Company's Board of Directors passed a resolution to dispose of 1,980 shares in Platinum Plaza Company Limited (a subsidiary), which are wholly hold by the Company, to an unrelated party for a consideration of Baht 1.75 million, using the book value of such subsidiary as at 30 September 2017, an agreed margin as the basis for determining compensation. Subsequently in December 2017, the Company entered into ordinary shares sales agreement and recognised gain on sales of investments in subsidiary amounting to Baht 1.7 million in profit or loss in the separate financial statements, and Baht 0.3 million in the consolidated financial statements.

Due to the sales of investments above, the Company recorded the reversal of the surplus on business combination under common control of Baht 0.5 million to unappropriated retained earnings account under shareholders' equity in the consolidated financial statements.

12. Investment in joint venture

The Company and a shopping center have jointly incorporated Bangkok Skyline Company Limited, a jointly control entity, to implement a project to construct and maintain a skywalk connecting a skytrain station to a shopping center and shopping plaza.

12.1 Details of investment in joint venture

		(unit: Thousand Baht)						
Jointly controlled entity	Nature of business	Country of incorporation	Shareholding		Consolidated financial statements		Separate financial statements	
			percentage		Carrying amounts based on equity method		Cost	
			<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
			(percent)	(percent)				
Bangkok Skyline Company Limited	Management and maintenance of skywalk under the R-Walk Project	Thailand	49.90	49.90	565.10	684.28	49.90	49.90

12.2 Share of profit (loss)

During the years, the Company recognised its share of profit (loss) from investment in the joint venture in the consolidated financial statements as follows:

		(Unit: Thousand Baht)	
		Consolidated financial statements	
Jointly controlled entity		Share of profit (loss) from investment in joint venture during the year	
		<u>2017</u>	<u>2016</u>
Bangkok Skyline Company Limited		(119)	537

During 2017 and 2016, the Company received no dividend income from its investment in joint venture.

12.3 Summarised financial information of jointly controlled entity

The Company's proportionate shares of assets, liabilities, revenue and expenses of Bangkok Skyline Company Limited, in proportion to its interest under the joint venture agreement, is as follows:

		(Unit: Thousand Baht)	
		As at 31 December	
		<u>2017</u>	<u>2016</u>
Current assets		1,852	2,180
Current liabilities		(720)	(808)
Net assets		<u>1,132</u>	<u>1,372</u>

		(Unit: Thousand Baht)	
		For the years ended 31 December	
		<u>2017</u>	<u>2016</u>
Revenues		4,006	2,970
Expenses		(4,246)	(1,895)
Net profit (loss) for the year		<u>(240)</u>	<u>1,075</u>

13. Investment properties

The net book value of investment properties as at 31 December 2017 and 2016 is presented below.

		(Unit: Thousand Baht)							
		Consolidated financial statements							
		Land		Building and building improvement for rental		Building and building improvement for rental - under construction		Total	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost		241,336	241,336	1,666,094	1,653,735	2,161,087	1,146,808	4,068,517	3,041,879
Less: Accumulated depreciation		-	-	(650,811)	(574,126)	-	-	(650,811)	(574,126)
Net book value		<u>241,336</u>	<u>241,336</u>	<u>1,015,283</u>	<u>1,079,609</u>	<u>2,161,087</u>	<u>1,146,808</u>	<u>3,417,706</u>	<u>2,467,753</u>

(Unit: Thousand Baht)

Separate financial statements							
	Land		Building and building improvement for rental		Building and building improvement for rental - under construction		Total
	2017	2016	2017	2016	2017	2016	2017 2016
Cost	241,336	241,336	1,666,094	1,653,735	2,002	1,882	1,909,432 1,896,953
<u>Less</u> Accumulated depreciation	-	-	(650,811)	(574,126)	-	-	(650,811) (574,126)
Net book value	241,336	241,336	1,015,283	1,079,609	2,002	1,882	1,258,621 1,322,827

A reconciliation of the net book value of investment properties for the year ended 2017 and 2016 is presented below.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Balance at beginning of year	2,467,753	1,921,552	1,322,827	1,375,367
Acquisitions during the year - at cost	1,103,731	489,621	5,245	23,770
Disposals during the period - net book value at disposal date	(321)	-	-	-
Transfers from advance payments for long-term leasehold	-	169,763	-	-
Depreciation for the year	(74,136)	(67,466)	(74,136)	(67,466)
Transfers from (to) property, plant and equipment (Note 14)	(66,458)	(36,873)	4,685	-
Transfers to other current assets	(12,863)	(8,844)	-	(8,844)
Balance at end of year	3,417,706	2,467,753	1,258,621	1,322,827

As at 31 December 2017, the fair values of the above investment properties is approximately Baht 7,677 million (2016: Baht 7,677 million) and has been determined based on valuation performed by an accredited independent valuer. The fair values of building space for rental has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

As at 31 December 2017, the Company has mortgaged land and construction thereon, part of its investment properties, with a total net book value of Baht 590 million (2016: Baht 619 million), as collateral against credit facilities received from a financial institution. Since the third-quarter of 2014, the Company had repaid the loan in full, and currently the Company's management is considering redemption of the collateral.

[illegible]

As at 31 December 2017, the Company had vehicles with net book value of Baht 12 million (2016: Baht 6 million) which was acquired under finance lease agreements.

As at 31 December 2017, certain building improvement and equipment items were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 141 million (2016: Baht 142 million).

The Company has mortgaged part of its land and construction thereon amounting to approximately Baht 539 million (2016: Baht 566 million) as collateral against credit facilities received from a financial institution. Since the third-quarter of 2014, the Company had repaid the loan in full, and currently the Company's management is considering redemption of the collateral.

15. Intangible assets

The net book value of intangible assets as at 31 December 2017 and 2016 is presented below.

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost of rights under the R-Walk Project		Computer software		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost	275,812	257,501	27,477	27,272	303,289	284,773
<u>Less:</u> Accumulated amortisation	(36,443)	(17,306)	(14,674)	(12,570)	(51,117)	(29,876)
Net book value	<u>239,369</u>	<u>240,195</u>	<u>12,803</u>	<u>14,702</u>	<u>252,172</u>	<u>254,897</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost of rights under the R-Walk Project		Computer software		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost	102,695	102,472	27,446	27,272	130,141	129,744
<u>Less:</u> Accumulated amortisation	(19,272)	(12,315)	(14,674)	(12,570)	(33,946)	(24,885)
Net book value	<u>83,423</u>	<u>90,157</u>	<u>12,772</u>	<u>14,702</u>	<u>96,195</u>	<u>104,859</u>

A reconciliation of the net book value of intangible assets for the year 2017 and 2016 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Net book value at beginning of year	254,897	108,382	104,859	79,291
Acquisitions during the year - at cost	18,672	159,184	553	33,246
Amortisation for the year	(21,397)	(12,669)	(9,217)	(7,678)
Net book value at end of year	<u>252,172</u>	<u>254,897</u>	<u>96,195</u>	<u>104,859</u>

All phases of the R-Walk Project (formerly known as “Bangkok Skyline Project”) (links between buildings and a skywalk connecting the Chit Lom BTS skytrain station and commercial buildings in the Ratchaprasong area towards The Market Bangkok and The Platinum Fashion Mall) were opened on 1 April 2017. The Company and subsidiary recorded Baht 19 million (The Company only: Baht 7 million) amortisation of this skywalk in the profit or loss for the year ended 31 December 2017 (2016: Baht 10 million, The Company only: Baht 5 million).

16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Trade payables - related parties (Note 6)	6,394	1,361	6,394	1,361
Trade payables - unrelated parties	41,867	29,920	41,867	29,920
Other payables - related parties (Note 6)	-	15	-	75
Other payables - unrelated parties	7,363	27,159	7,123	26,907
Other payables - purchase of fixed assets	337,539	55,445	1,605	1,119
Accrued expenses	37,945	29,301	37,555	28,834
Total trade and other payables	<u>431,108</u>	<u>142,501</u>	<u>94,544</u>	<u>87,516</u>

17. Unearned rental income

Unearned rental income is advance rental income that the Company collected from the lessees of retail space in the shopping center, in accordance with the conditions specified in each lease agreement. The lease agreements have terms of between 1 and 10 years.

As at 31 December 2017 and 2016, the amounts of unearned rental income to be recognised as revenue in the future in accordance with the lease terms are as follows.

	(Unit: Thousand Baht)	
	Consolidated /	
	Separate financial statements	
	<u>2017</u>	<u>2016</u>
Unearned rental income:		
Recognised as income within 1 year	164,816	164,716
Recognised as income within 2 - 5 year	394,161	547,013
Recognised as income over 5 year	1,392	9,680
Total unearned rental income	<u>560,369</u>	<u>721,409</u>

18. Accrued long-term lease of land

The Platinum Market Company Limited, a subsidiary, entered into a land lease agreement with The Crown Property Bureau. The land lease agreement grants a 30-year operating lease, commencing from the end date of the first construction period specified in the agreement or within four years from 14 December 2015. The subsidiary prepaid total advance payments for the lease and expenses incurred in transfer of the leasehold rights totaling Baht 626 million since the contract date. The remainder of the payment for the lease of the land will be made on a monthly basis starting from December 2019 until the lease expires.

19. Provision for long-term employee benefits

Provision for long-term employee benefits, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Post-employment benefits plan		Other long-term employee benefits plan		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Provision for long-term employee						
benefits at beginning of year	10,305	7,687	1,349	1,512	11,654	9,199
Included in profit or loss:						
Current service cost	2,953	2,388	182	198	3,135	2,586
Interest cost	309	230	30	32	339	262
Benefits paid during the year	-	-	(370)	(393)	(370)	(393)
Provision for long-term employee						
benefits at end of year	<u>13,567</u>	<u>10,305</u>	<u>1,191</u>	<u>1,349</u>	<u>14,758</u>	<u>11,654</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Post-employment benefits plan		Other long-term employee benefits plan		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Provision for long-term employee						
benefits at beginning of year	9,380	6,738	1,226	1,308	10,606	8,046
Included in profit or loss:						
Current service cost	2,925	2,130	179	179	3,104	2,309
Interest cost	308	211	30	29	338	240
Transferred employee from its subsidiary	878	301	115	103	993	404
Benefits paid during the year	-	-	(370)	(393)	(370)	(393)
Provision for long-term employee						
benefits at end of year	<u>13,491</u>	<u>9,380</u>	<u>1,180</u>	<u>1,226</u>	<u>14,671</u>	<u>10,606</u>

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Post-employment benefits plan		Other long-term employee benefits plan		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost of rental and services	498	340	74	61	572	401
Cost of hotel operations	843	320	-	-	843	320
Selling and administrative expenses	1,921	1,958	138	169	2,059	2,127
Total expenses recognised in profit or loss	<u>3,262</u>	<u>2,618</u>	<u>212</u>	<u>230</u>	<u>3,474</u>	<u>2,848</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Post-employment benefits plan		Other long-term employee benefits plan		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost of rental and services	498	340	74	61	572	401
Cost of hotel operations	843	320	-	-	843	320
Selling and administrative expenses	2,770	1,982	250	250	3,020	2,232
Total expenses recognised in profit or loss	<u>4,111</u>	<u>2,642</u>	<u>324</u>	<u>311</u>	<u>4,435</u>	<u>2,953</u>

The Company and its subsidiaries expect to pay Baht 0.5 million of long-term employee benefits during the next year (Separate financial statements: Baht 0.5 million) (2016: Baht 0.6 million, separate Financial statement: Baht 0.6 million).

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit is 16 years (Separate financial statements: 16 years) (2016: 16 years, separate financial statements: 16 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Discount rate	3.0	3.0	3.0	3.0
Salary increase rate	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0
Turnover rate (depending on age)	0.0 - 30.0	0.0 - 30.0	0.0 - 30.0	0.0 - 30.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation from post-employment benefits plan as at 31 December 2017 and 2016 are summarised below:

(Unit: Million Baht)

As at 31 December 2017				
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.4)	1.6	(1.4)	1.6
Salary increase rate	1.8	(1.6)	1.8	(1.6)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
	(2.3)	3.0	(2.2)	3.0

(Unit: Million Baht)

As at 31 December 2016				
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.1)	1.3	(1.0)	1.2
Salary increase rate	1.3	(1.2)	1.2	(1.1)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
	(1.7)	2.3	(1.6)	2.1

20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

21. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Current income tax charge	204,002	187,215	204,002	187,215
Adjustment in respect of income tax of previous year	102	(3,564)	102	(3,564)
Deferred tax:				
(Increase) decrease in deferred tax asset relating to origination of temporary differences	5,555	(11,849)	(3,212)	(951)
Increase in deferred tax liabilities relating to origination of temporary differences	11,269	5,299	7,803	1,729
Income tax expense reported in the statement of comprehensive income	<u>220,928</u>	<u>177,101</u>	<u>208,695</u>	<u>184,429</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Accounting profit before tax	992,871	881,253	1,060,614	935,506
Applicable tax rate	0 and 20 percent	10 - 20 percent	20 percent	20 percent
Accounting profit before tax multiplied by income tax rate	198,589	176,145	212,123	187,101
Adjustment in respect of income tax of previous year	102	(3,564)	102	(3,564)
Deferred tax assets which were not recorded during the year	270	2,670	-	-
Decrease in deferred tax assets	19,789	-	-	-
Effects of elimination entries on the consolidated financial statements	312	(107)	-	-
Effects of:				
Non-deductible expenses	7,539	3,075	2,142	2,042
Additional expense deductions allowed	(5,673)	(1,775)	(5,672)	(1,772)
Others	-	657	-	622
Total	1,866	1,957	(3,530)	892
Income tax expense reported in the statement of comprehensive income	<u>220,928</u>	<u>177,101</u>	<u>208,695</u>	<u>184,429</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax assets				
Provision for long-term employee benefits	2,952	2,331	2,934	2,121
Differences of depreciation for accounting and tax purpose	6,457	4,058	6,457	4,058
Unused tax losses	14,435	27,885	-	-
Deferred tax relating to intercompany transactions	11,672	6,797	-	-
Total	<u>35,516</u>	<u>41,071</u>	<u>9,391</u>	<u>6,179</u>
Deferred tax liabilities				
Differences of tax and accounting of cost of investment properties and property, plant and equipment	14,405	10,940	-	-
Unrealised gain from revaluation of trading investments	12,167	4,364	12,167	4,364
Total	<u>26,572</u>	<u>15,304</u>	<u>12,167</u>	<u>4,364</u>

As at 31 December 2017, the subsidiaries have unused tax losses totaling Baht 103 million (2016: Baht 37 million), on which deferred tax assets have not been recognised as the subsidiaries' management believe that future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

Details of expiry date of unused tax losses are summarised as below:

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	<u>2017</u>	<u>2016</u>
31 December 2018	10	-
31 December 2019	44	11
31 December 2020	46	13
31 December 2021	1	13
31 December 2022	2	-
	<u>103</u>	<u>37</u>

22. Provident fund

The Company and its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and their employees each contribute to the fund monthly at the rate of 4 to 6 percent of basic salary. The fund, which is managed by Thanachart Fund Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2017 amounting to approximately Baht 6 million (2016: Baht 5 million) were recognised as expenses. (The Company only: Baht 6 million, 2016: Baht 5 million).

23. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividends for 2015	Annual General Meeting of the shareholders on 26 April 2016	441	0.1575
Dividends for 2016	Annual General Meeting of the shareholders on 25 April 2017	504	0.1800

24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Salaries and wages and other employee benefits	286,562	269,760	283,542	252,226
Depreciation and amortisation expenses	176,981	161,388	162,599	154,189
Utilities expenses	127,734	128,008	127,676	127,784
Interest expenses	517	533	517	533

25. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the year (Thousand Baht)	771,943	704,152	851,918	751,076
Weighted average number of ordinary shares (Thousand shares)	2,800,000	2,800,000	2,800,000	2,800,000
Earnings per share (Baht per share)	0.28	0.25	0.30	0.27

26. Segment information

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

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows:

- (1) Development and rental of retail space in shopping center and related services segment.
- (2) Hotel operations segment
- (3) Food and beverages center segment

The Company and its subsidiaries have not aggregated the above operating segments. In addition, the Company and its subsidiaries operate in Thailand only, and so all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

For the year 2017 and 2016, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2017 and 2016, respectively.

	(Unit: Million Baht)					
	Development and rental of retail space in shopping center and related services segment		Hotel operations segment		Food and beverage center segment	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenue:						
Revenue from external customers	1,259	1,107	395	365	269	246
Operating profit:						
Segment profit	849	738	150	133	36	27
Interest income					57	62
Other income					79	83
Depreciation and amortisation					(177)	(161)
Interest expenses					(1)	(1)
Profit before income tax expenses					993	881
Income tax expenses					(221)	(177)
Net profit for the year					772	704
Segment total assets:						
Investment properties	3,418	2,468	-	-	-	-
Property, plant and equipment	52	128	1,069	922	50	60
Intangible assets	251	254	1	1	-	-
Unallocated assets					5,650	5,989
Total					10,491	9,822

27. Commitments and contingent liabilities

27.1 Capital commitments

As at 31 December 2017, the Company and its subsidiaries had capital commitments of approximately Baht 1,236 million (The Company only: Baht 1 million) (2016: Baht 258 million, The Company only: Baht 16 million), relating to the construction of buildings, investment properties and hotel.

27.2 Operating lease commitments

The Company and its subsidiaries have entered into several operating lease and service agreements in respect of the lease of land, building space and other services. The terms of the agreements are generally between 1 to 30 years.

Future minimum lease payments required under these contracts were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Payable:				
In up to 1 year	71	47	71	47
In over 1 and up to 5 years	492	416	160	184
In over 5 years	6,885	6,930	80	114

Part of future minimum payments amounting to Baht 275 million (The Company only: Baht 6 million) (2016: consolidated financial statements: Baht 55 million) are recorded as liabilities under the straight line basis over the lease term in the consolidated statement of financial position as at 31 December 2017.

As at 31 December 2017, future minimum sublease payments expected to be received under subleases totaled approximately Baht 11 million (2016: Baht 8 million). During the year 2017, the Company recognised rental expenses of Baht 48 million (2016: Baht 36 million) and subleasing revenue of Baht 84 million (2016: Baht 32 million).

27.3 Management agreements

27.3.1 The Company entered into a hotel management agreement with a company, whereby it was to receive hotel management services. The Company is required to comply with the conditions and pay fees at the rate specified in the agreement. The agreement is for a period of 10 years and effective from the date that the hotel has started its operations in 2011.

27.3.2 A subsidiary company entered into hotel management agreements with a company whereby it was to receive hotel management services. The subsidiary company is required to comply with the conditions and pay fees at the rate specified in the agreements. The agreement are for a period of 15 years, and will be effective when the hotel starting operation. At present, these hotels are in the process of design and preparation for the construction.

27.4 Guarantees

27.4.1 As at 31 December 2017, the Company has guaranteed bank credit facilities of the subsidiary amounting to Baht 10 million (2016: Baht 10 million).

27.4.2 As at 31 December 2017, the Company has guaranteed bank credit facilities of its lessees of retail space in the shopping center, totaling of the Baht 63 million (2016: Baht 63 million).

27.4.3 As at 31 December 2017, the Company and its subsidiaries have outstanding bank guarantees of Baht 35 million (The Company only: Baht 25 million) (2016: Baht 35 million, The Company only: Baht 25 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee electricity use and to guarantee payments due to construction creditors, among others.

28. Fair value hierarchy

As at 31 December 2017 and 2016, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated / Separate Financial Statements			
	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Debt instruments	-	4,275	-	4,275
Assets for which fair value are disclosed				
Investment properties	-	-	7,677	7,677

(Unit: Million Baht)

	Consolidated / Separate Financial Statements			
	As at 31 December 2016			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Debt instruments	-	2,553	-	2,553
Assets for which fair value are disclosed				
Investment properties	-	-	7,677	7,677

29. Financial instruments

29.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, loans to, trade and other payables, liabilities under financial lease agreements, and deposit receipts. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables. The Company and its subsidiaries manage the risk by adopting appropriate credit control and deposits policies and procedures and therefore, do not expect to incur material financial losses. Credit risk exposure from the granting of loans, since the borrowers are subsidiaries which are controlled over by the same management team, the Company does not expect to incur material financial losses in respect of these loans.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, current investments and loans. Most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2017

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	175	13	188	0.10 - 0.50
Current investments	1,123	698	29	-	3,433	5,283	1.55 - 4.80
Trade and other receivables	-	-	-	-	43	43	-
	<u>1,123</u>	<u>698</u>	<u>29</u>	<u>175</u>	<u>3,489</u>	<u>5,514</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	431	431	-
Liabilities under finance lease agreements	4	8	-	-	-	12	5.07 - 7.23
Short-term deposits of rental income	-	-	-	-	204	204	-
Long-term deposits of rental income	-	-	-	-	56	56	-
	<u>4</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>691</u>	<u>703</u>	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2016

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	54	2	56	0.100 - 0.375
Current investments	3,060	960	24	-	1,558	5,602	1.55 - 3.07
Trade and other receivables	-	-	-	-	68	68	-
	<u>3,060</u>	<u>960</u>	<u>24</u>	<u>54</u>	<u>1,628</u>	<u>5,726</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	143	143	-
Liabilities under finance lease agreements	2	4	-	-	-	6	6.50 - 7.23
Short-term deposits of rental income	-	-	-	-	157	157	-
Long-term deposits of rental income	-	-	-	-	92	92	-
	<u>2</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>392</u>	<u>398</u>	

(Unit: Million Baht)

Separate financial statements as at 31 December 2017

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	169	13	182	0.10 - 0.50
Current investments	1,123	698	29	-	3,433	5,283	1.55 - 4.80
Trade and other receivables	-	-	-	-	95	95	-
Loans to related parties	-	1,222	208	180	-	1,610	2.00 - 7.00
	<u>1,123</u>	<u>1,920</u>	<u>237</u>	<u>349</u>	<u>3,541</u>	<u>7,170</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	95	95	-
Liabilities under finance lease agreements	4	8	-	-	-	12	5.07 - 7.23
Short-term deposits of rental income	-	-	-	-	204	204	-
Long-term deposits of rental income	-	-	-	-	56	56	-
	<u>4</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>355</u>	<u>367</u>	

(Unit: Million Baht)

Separate financial statements as at 31 December 2016

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	-	-	-	49	2	51	0.100 - 0.375
Current investments	3,060	960	24	-	1,558	5,602	1.55 - 3.07
Trade and other receivables	-	-	-	-	147	147	-
Loans to related parties	824	-	-	180	-	1,004	2.00 - 7.00
	<u>3,884</u>	<u>960</u>	<u>24</u>	<u>229</u>	<u>1,707</u>	<u>6,803</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	88	88	-
Liabilities under finance lease agreements	2	4	-	-	-	6	6.50 - 7.23
Short-term deposits of rental income	-	-	-	-	157	157	-
Long-term deposits of rental income	-	-	-	-	92	92	-
	<u>2</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>337</u>	<u>343</u>	

Foreign currency risk

The Company and its subsidiaries have no material exposure to foreign currency risk.

29.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiaries' financial instruments, except for investments in trading securities, are short-term in nature or carry interest at rates close to market rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

30. Capital management

The primary objective of the Company's and the subsidiaries' capital management is to ensure that they have appropriate capital structure in order to support their business and maximise shareholder value. As at 31 December 2017, the Group's debt-to-equity ratio was 0.20:1 (2016: 0.16:1) and the Company's was 0.12:1 (2016: 0.14:1).

31. Events after the reporting period

On 13 February 2018, the Company's Board of Directors meeting passed a resolution to propose the payment of a dividend of Baht 0.20 per share from the net profit of year 2017, totaling Baht 560 million, for approval at the 2018 Annual General meeting of the shareholders.

32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 13 February 2018.



Audit Fee

- In 2017 audit fee of the Company and its subsidiaries had been paid for audit firm (EY Office Limited) in the amount of Baht 3.3 million. While, in 2016 the Company and its subsidiaries had been paid for audit firm in the amount of Baht 3.0 million.

Non-Audit Fee

- None





Projects Location

The Platinum Fashion Mall

Address: 222/1398 The Platinum Fashion Mall
Building 11th Floor, Petchaburi Road,
Ratchathewi, Bangkok 10400
Telephone: 0-2121-9999, 0-2121-8000



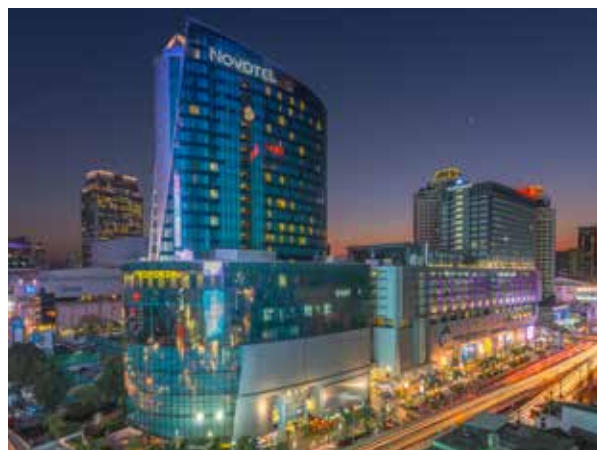
The Wharf Samui

Address: 62 Mo.1 Bophut, Samui Island,
Surat Thani 84320
Telephone: 077-425-499, 077-425-500



Novotel Bangkok Platinum Pratunam

Address: 220 Petchaburi Road,
Ratchathewi, Bangkok 10400
Telephone: 0-2209-1700





The Platinum Group Public Company Limited

Business type	Develop and lease property, hotel and food court
Head office	222/1398 The Platinum Fashion Mall Building 11 th Floor, Petcaburi Road, Ratchathewi, Bangkok 10400 Telephone: 0-2121-9999, 0-2121-8000 Fax: 0-2121-9500
Company Register Number	0107557000241
Issue and fully paid-up share capital	2,800,000,000 Baht (comprised of ordinary share of 2,800,000,000 shares par of 1 Baht)
Symbol	PLAT
Website	www.theplatinumgroup.co.th
Contact Investor Relations Investor Relations Department	222/1398 The Platinum Fashion Mall Building 11 th Floor, Petchaburi Road, Ratchathewi, Bangkok 10400 Telephone: 0-2121-9999 ext. 55 Email: ir@theplatinumgroup.co.th
Reference Firm Registrar of common shares	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building Floor 1st Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Telephone: 0-2009-9999
Authorized Auditor	EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110
Auditor: Supanee Triyanantakul	Certified Public Accountant (Thailand) No. 4498 Telephone: 0-2264-0777 Fax: 0-2264-0789
Financial Advisor	Maybank Kim Eng Securities (Thailand) Public Company Limited 999/9 The Offices at Central World 20 th -21 st Floor, Rama 1 Road, Pathumwan, Bangkok 10330 Telephone: 0-2658-6300



The Platinum Group Public Company Limited

222/1398 The Platinum Fashion Mall Building 11th Floor,
Petchaburi Road, Ratchathevee, Bangkok 10400

Tel : 0-2121-9999

www.theplatinumgroup.co.th