



ANNUAL REPORT 2017

VISION

CHEWATHAI aspires to be the preferred choice in real estate by relentlessly enhancing its products and services to transcend customers' satisfaction.

MISSION

1. Nurture Life-partnerships with customers
2. Invest continuously in its human capital
3. Foster resilient bonds with business associates
4. Embrace utmost responsibility towards its community & environment



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BUILD A LIFE

Build a life with top convenience living. Located in a desirable location with an international standard of constructions completed with professional teams that are ready to welcome every Chewathai residents.



Condominium



House



Ready to Move in



Industrial

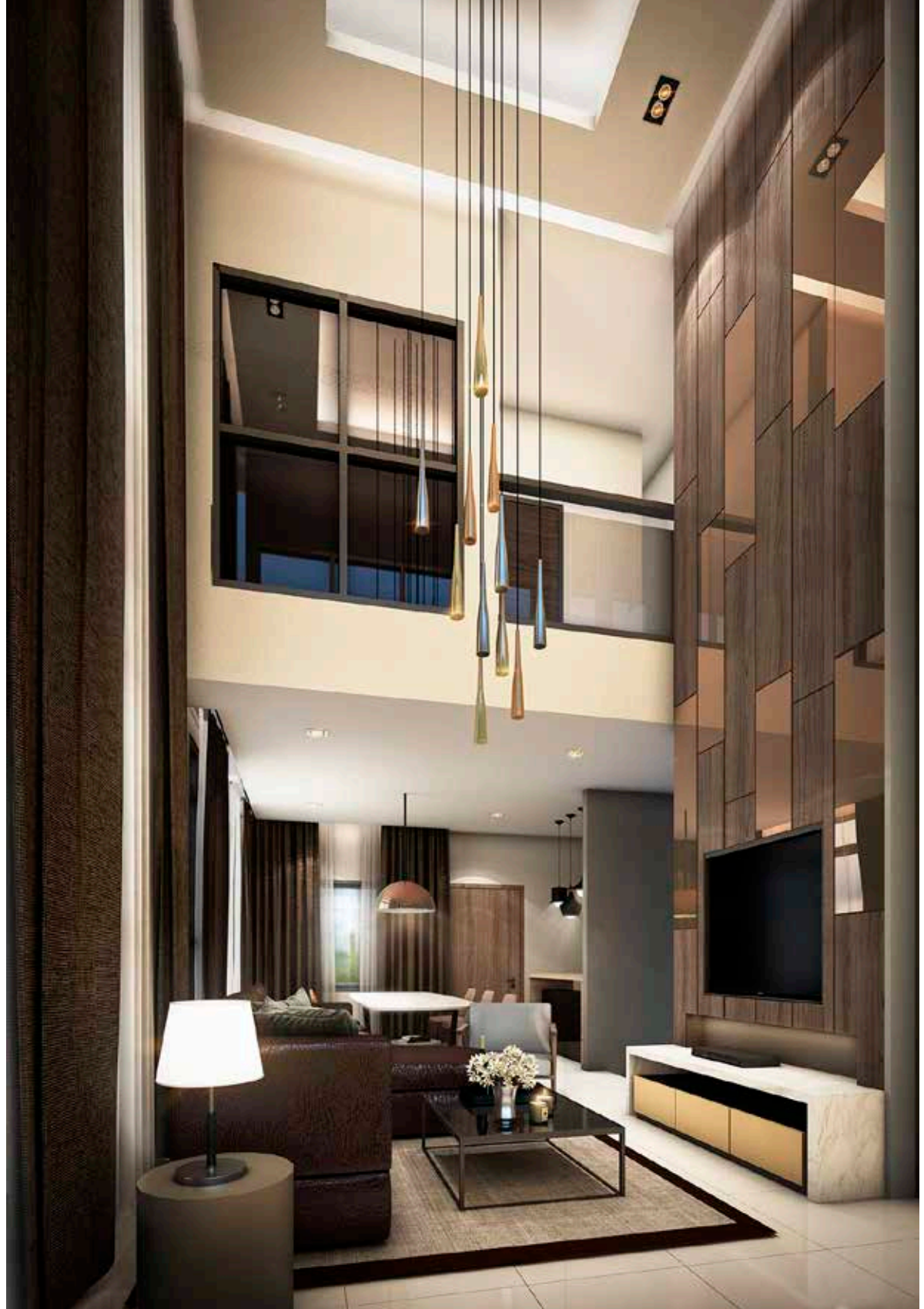




HOUSE

Creating a sustainable life with a top quality house that is aesthetically and functionally outstanding. Located in a perfect and spacey area so everyday can be a relaxing day for everyone.





Chewarom Rangsit
- Don Mueang







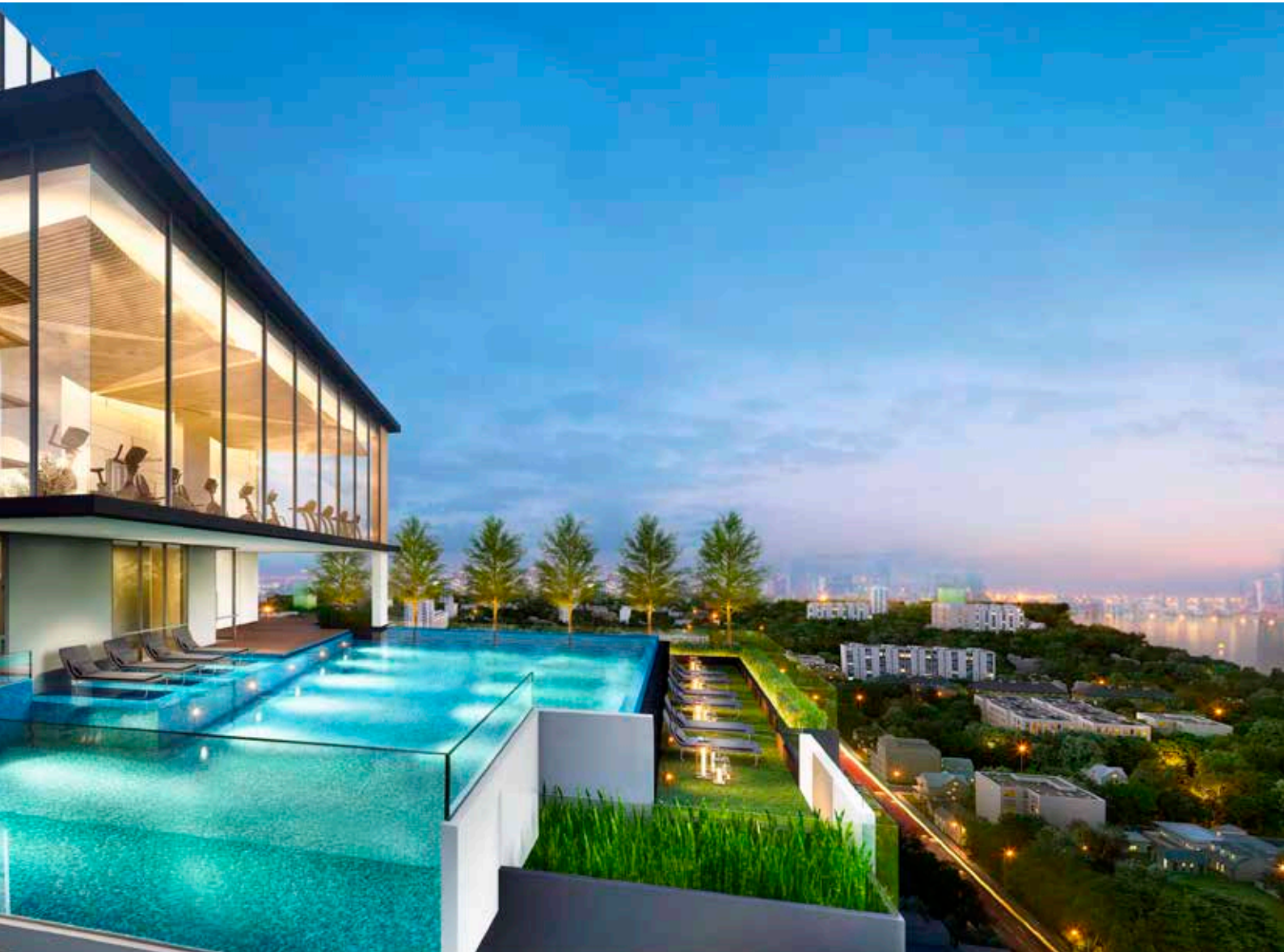
condominium

Build a life with top convenience living. Located in a desirable location with an international standard of constructions completed with professional teams that are ready to welcome every Chewathai residents.

CHEWATHAI
RESIDENCE
BANG PHO

CHEWATHAI
RESIDENCE
ASOKE

CHEWATHAI
PHETKASEM **27**





READY TO MOVE IN

Build a life with top convenience living. Located in a desirable location with an international standard of constructions completed with professional teams that are ready to welcome every Chewathai residents.





ชีวาทัย รามคำแหง

ชีวาทัย ราชปรารภ
1455 ถนนแจ้งวัฒนะ



The Surawong
By Chevathai Hup Soon

HALLMARK
CHAENGWATTANA

HALLMARK
NGAMWONGWAN

INDUSTRIAL

CHEWATHAI has Ready Built Factories for Rent which cater to various needs and requirements. Our factories are designed to give tenants great flexibility and convenience to shorten start-up period and save start-up costs. CHEWATHAI also provides built-to-suit factories for tenants with specific technical or location requirements.





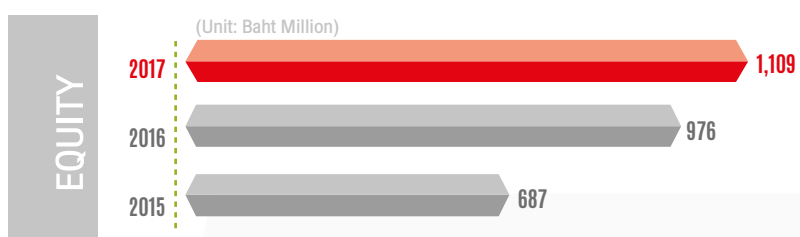
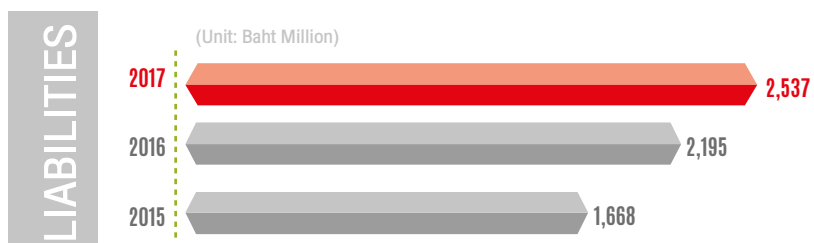
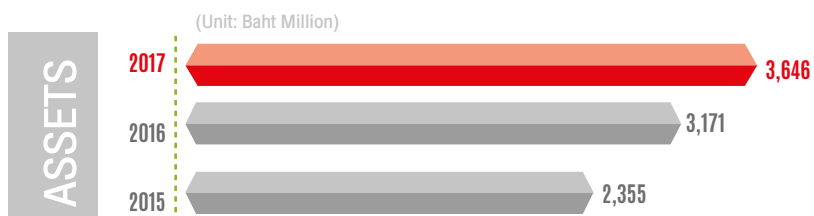
CHEWATHAI
Ready Built Factories

FINANCIAL HIGHLIGHTS

(Unit: Baht Million)

For the year ended 31 December	2017	2016	2015
Financial position			
Total Assets	3,646.39	3,171.30	2,354.98
Total Liabilities	2,537.12	2,195.03	1,667.85
Total Shareholders' Equity	1,109.27	976.27	687.13
Operating Results			
Total Revenues	2,042.42	1,200.72	1,429.94
Revenue from sales of real estate	2,013.69	1,158.13	1,401.58
Rental and services income from factory	19.59	16.53	13.54
Gross Profit from sales of real estate	573.09	327.76	390.92
Selling & Administrative expenses	360.88	239.94	247.71
Profit for the Years	155.50	63.08	83.22
Financial Ratio			
Current Ratio (Times)	1.63	1.59	1.66
Return on Assets (%)	6.77	4.42	7.29
Return on Equity (%)	14.91	7.58	15.96
Gross Profit Margin from sales of real estate (%)	28.46	28.30	27.89
Gross Profit Margin from rental factory (%)	44.98	34.82	20.38
Net Profit Margin (%)	7.61	5.25	5.82
Debt to Equity Ratio (Times)	2.29	2.25	2.43
Interest-Bearing Debt to Equity Ratio (Times)	1.71	1.87	2.03
Stock detail			
Basic Earnings per Share (Baht)	0.21	0.09	0.25
Book Value per Share (Baht)	1.48	1.30	1.41
Market price per Share (Baht)	1.34	1.62	-

Financial Position





Mr. Chatchai Panitchewa
Chairman

MESSAGE FROM CHAIRMAN

To shareholders

Chewathai Public Company Limited emphasizes on developing real estate that will transcend consumers' satisfaction. During the recent nine years, the company has developed both condominium and housing projects in order to meet the requirements of all levels of customers. In 2017, the Company jointed investments with business allies in order to develop various projects including the joint venture with "Condo Man" in the name of "Chewa Heart" in order to develop townhomes and the establishment of Kamala Senior Living Company Limited, a joint venture for developing the Independent Senior Living at the premium level. Both projects are the advantages of the Company that enable to cover all segments of real estate developments and to distribute the Company's investments not only in condominium projects.

The Company has gained trusts from customers regarding the developments of the real estates in Thailand both in the residential real estates and Ready Built Factories for rents in order to result in continuous revenue recognitions. In 2017, the Company's revenues met its goals because of the trusts from customers who have supported the Company for the whole time.

Moreover, the company also supported committees, management and all employees to emphasize on and dedicate to comply with the good corporate governance policies in 2017 in order to improve the company's trustworthy and to maximize the benefits for all stakeholders of the company. According to the evaluation results from Corporate Governance Report of Thai Listed Companies 2017, the Company received four stars that were at the very good level. This showed that the Company had good governance, and the Company also focuses on growing businesses, keep up with social and economic changes, and continuously developing corporate transparency.

Finally, I, as the chairman, would like to take this opportunity to show my gratitude to the customers, shareholders, individual and institutional investors, employees, and partners who have supported the company well in the recent years. The Company will maintain benefits of the shareholders as good as possible in order to sustain growth.

“ the joint venture with “Condo Man” in the name of “Chewa Heart” in order to develop townhomes and the establishment of Kamala Senior Living Company Limited, a joint venture for developing the Independent Senior Living at the premium level. ”

REPORT OF THE AUDIT COMMITTEE

Dear Shareholders

In 2017, the Board of Directors appointed the Audit Committee of the Company consisting of three independent directors - all of whom are equipped with related qualifications, experiences and knowledge. The Audit Committee is qualified in accordance with the regulations and good practice of the Securities and Exchange Commission of Thailand, currently the Audit Committee consisted are as follows;

- | | |
|------------------------------------|-------------------------------------|
| 1. Mrs. Supaporn Burapakusolsri | The Chairman of The Audit Committee |
| 2. Mr. Chaikut Techatassanasintorn | Member of The Audit Committee |
| 3. Mr. Chung Tang Fong | Member of The Audit Committee |

In 2017, the Audit Committee held five meetings. In 2018, up to the reported date, one of the total of six meetings was held. All the committee members attended all of the meetings during the year. During those meetings, the Committee discussed on various matters of which the issues of importance can be summarized as follows:

1. Review of the Company's 2017 financial statements: The Committee reviewed the quarterly and annual financial statements of Chewathai Public Company Limited, as well as its consolidated quarterly and annual financial statements. The statements are reviewed and audited by independent external auditors, who are certified public accountants, and are provided with audit opinions stating that the statements are presented in conformity with generally accepted accounting principles, with full and fair disclosure of information. In addition, the Committee also invited the Company's external auditors to regularly attend each of its meetings for discussions on matters arising during the audit, auditor independence, the adequacy of useful information disclosed in the financial statements for the benefit of users of such, as well as the external auditors' recommendations on the preparations of such financial reports, prior the Committee's review of the audited financial statements and before their submission to the Board for further approval.

2. Supervise of internal controls and Internal Audit:

- The Committee reviewed the annual internal audit plan which was prepared to assess internal controls and risk management processes of each corporate function, and set the targeted audit work scope that covers all material aspects.
- The Audit Committee reviewed actions of the Internal Audit, Dharmniti Internal Audit Company Limited, which has been performing the audit for the Company and providing suggestions on the internal controls system, aiming to assure the effectiveness of the internal controls process and the due compliance with all applicable laws and relevant regulations affecting the Company's operations.

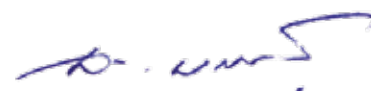
3. Selection and proposal for appointment of the Company's external auditors : The Audit Committee evaluated the Company's external auditors' performances in the previous year, recommended the appointment of the independent auditors from EY Office Limited to be the Company's external auditors for 2018 and proposed the 2018 annual audit fee to the Company's Board of Directors to further recommend to the Annual General Meeting of the Shareholders for appointment and approval.

4. Compliance with Thai laws on securities and exchange, regulations of the Stock Exchange of Thailand and/or any other applicable laws : The Audit Committee has monitored and reviewed the Company's business practices and is satisfied with the law, regulation and result compliance with respect to both the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand, as well as any other relevant government entities.

5. Review and providing opinions on related party transactions : The Audit Committee has examined and reviewed the disclosure of intercompany transactions as well as transactions that might have occurred between the Company and its subsidiaries, its associated companies, its directors, its executives, and its shareholders who have been controlling the Company's interest which may represent conflicts of interest according to regulatory requirements as prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.

6. Self - Assessment : The Audit Committee annually arranges performance evaluation on a self-assessment basis. The evaluation covers its roles & responsibilities on financial reports, risk management, internal controls, related parties transactions, compliance of laws, regulations, code of ethics, and relations with internal and external auditors. The evaluation outcome revealed that the Committee has fully complied with its assigned duties and responsibilities, and has applied its skills, knowledge, and proficiency with prudent and sufficient independence in judgment.

Throughout 2017, the Audit Committee has properly performed its duties cautiously and independently within the framework of its assigned authority and responsibilities as prescribed in the Audit Committee Charter. The performed duties were delegated by the Company's Board of Directors, and carried out in accordance with the principles of good corporate governance. The Audit Committee believes that the Company's financial statements are prepared according to the generally accepted accounting principles, and the Company has an internal controls system, and appropriate and adequate risk management system. It also duly complies with laws and regulations, and abides by the listed company's best practices as well as improves the operation system to suit the business environment continuously.



Mrs. Supaporn Burapakusolsri
Chairman of The Audit Committee

NOMINATION AND REMUNERATION COMMITTEE REPORT

Dear Shareholders

As of 31 December 2017, the Nomination and Remuneration Committee of Chewathai Public Company Limited comprises three following directors;

- | | |
|-------------------------------------|---|
| 1. Mr. Chung Tang Fong | Chairman of the Nomination and Remuneration Committee |
| 2. Mrs. Supaporn Burapakusolsri | The member of Nomination and Remuneration Committee |
| 3. Mr. Chaikut Techatassanasoontorn | The member of Nomination and Remuneration Committee |

In 2017, the Nomination and Remuneration Committee carefully and appropriately performed its duties assigned by the Company's Board of Directors holding the total of two meetings, with two times attended by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee considered various issues according to the roles and responsibilities to propose to the Board of Directors as follows:

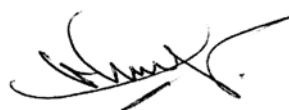
Nomination

- The Nomination and Remuneration Committee has carefully considered the qualifications of the directors as required by law. There is no prohibition under the terms of the Company as well as the company strategy. In order to proceed how the Nomination Committee and Remuneration was elected, transparent manners according to guidelines for best practices and the principle of good corporate governance, which are disclosed in the Company's annual reports and websites, are considered. Therefore, the Nomination and Remuneration Committee will screen and consider proposing to the Board of Directors and to the Annual general meeting of shareholders by the individual election.
- Considering the development of high-ranking executives as part of the succession plan.

Remuneration

- To motivate and retain the talented employees with potential performance, the Nomination and Remuneration Committee has considered the guidelines for determining the salary increase for the year 2018 with the cooperation of human resource department and the executive committee. In conclusion, the salary has appropriately increased at reasonable rates according to the operation results of the Company.

In 2017, the Nomination and Remuneration Committee has performed the tasks assigned by the Board completely, carefully, and independently to the overall interests of the Company and its shareholders as appropriate.



Mr. Chung Tang Fong
Chairman of Nomination and Remuneration Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

Dear Shareholders

The Company emphasized on supporting the good corporate government and the good ethic to develop the good corporate government to be more efficacy. In 2017, The Board of Directors appointed the Corporate Governance Committee and declared its duty of supporting the corporate governance policies following the rules and regulations from the Thai Stock Exchange. The Committee Chairman is an independent director and the committee comprises of three following directors;

- | | |
|-------------------------------------|---|
| 1. Mr. Chaikut Techatassanasoontorn | Independent director /Chairman of the Corporate Governance Committee. |
| 2. Mrs. Supaporn Burapakusolsri | Independent Director/Member of the Audit Committee |
| 3. Mr. Boon Choon Kiat | Managing Director/Member of the Audit Committee |

In 2017, the committee had a meeting and the details are explained as follows ;

- Compliance the subcommittee to follow the good corporate governance policies. The subcommittee has to report its performance to the Board of Directors regularly and report to the shareholders as well.
- Summarized the performance of corporate government in 2017 and consider the result of company's evaluation for year 2017. The committee planned to develop the operation which related to the good corporate government to be excellent.
- Support the shareholders to summit the agendas of Annual General Meeting and the enquiries before the Annual General Meeting according to Securities and Exchange Act and the good corporate governance principle.
- Ensure that there is an annual evaluation of operational results of the Company's Board of Directors and sub-committees as well as annually conduct self-assessment for the Board of Directors.
- Review the report of the Corporate Governance Committee which is disclosure in the annual report to comply with requirements of the SEC and the SET.

The Corporate Governance Committee continues to strive improving the corporate governance for transparency and a good role model because the Committee strongly believes that the management adhering the rule of law with transparency, honesty, accountability while developing good corporate governance continuously and focusing on the responsibility toward stakeholders with its utmost effort would enable the organization to achieve sustainable growth.



(Mr. Chaikut Techatassanasoontorn)
Chairman of the Corporate Governance Committee.
Chewathai Public Company Limited

REPORT FROM THE RISK MANAGEMENT COMMITTEES

Dear Shareholders

On 31st December 2017, the risk management committees including three members who are the independent director with all qualified are as follows:

- | | |
|-----------------------------------|--|
| 1. Mrs. Supaporn Burapakusolsri | Independent Director/Chairman of the Risk Management Committee |
| 2. Mr. Chaikut Techatsanasoontorn | Independent Director/ Member of Risk Management Committee. |
| 3. Mr. Boon Choon Kiat | Managing Director/Member of Risk Management Committee |

The Board of Directors is aware of the importance of risk management in order to continuously conduct businesses. Therefore, the risk management committees were appointed in order to set policies about risk management, risk assessment, defensive measure, and risk management guidelines and to regularly follow management results.

The risk management committees performed the duties assigned by The Board of Directors. In 2017, there were three risk management committee meetings in order to consider the following summarized issues.

1. The appointments of the three risk management committees and thirteen risk management team members.
2. The considerations of charters of the risk management committees in order to set duties, scopes and responsibilities.
3. The considerations of risk management plans for the managements of all officers to estimate risks, to prioritize the risks and to set risk management methods for ensuring the acceptable levels of risks or reducing risks.
4. The follow ups and revisions of the operations according to the risk management plans under the risk management policies and frameworks in order to ensure that the company has continuous, systematic and efficient risk management.

Since The Board of Directors, management and employees emphasize on the compliances with the good governance and risk management principles; the risk management committees have the certainty that the company's risk management is continuous and efficient as well as it complies with the good governance principles for strengthening and preparing the company, enabling the company to meet the goals, and maximizing the shareholders' and stakeholders' benefits appropriately.

Mrs. Supaporn Burapakusolsri
Chairman of the Risk Management Committee

THE DIRECTORS



Mr. Chartchai Panichewa

Chairman of the Board of Directors



Mr. Boon Choon Kiat

Director/Managing Director/
Executive Director/Member
of Corporate Governance
Committee/Member of Risk
Management Committee



Mrs. Somhatai Panichewa

Director



Mr. Phua Cher Chew

Director



Mrs. Supaporn Burapakusolsri

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



Mr. Chaiyut Techatassanasoontorn

Independent Director/Member
of Audit Committee/Member of
Nomination and Remuneration
Committee/Chairman of Corporate
Governance Committee/Member
of Risk Management Committee



Mr. Chung Tang Fong

Independent Director/Member
of Audit Committee/Chairman of
Nomination and Remuneration
Committee



Mr. Phua Chian Kin

Chairman of Executive Director



Mr. Chartchai Panichewa

Chairman of the Board of Directors

55 years

Total of CHEWA shares as of 1,000,000 shares
31 December 2017

Date of Appointment 13 March 2008

Education/Training

- Master of International Trading and Marketing University of San Francisco
- Bachelor of Banking University of San Francisco
- Director Accreditation Program (DAP) class 9/2004

Work Experiences

2008 - 2015	Chairman of the BOD/Executive Director	Chewathai Co., Ltd.
2007 - 2015	Director	ATP 30 corporation Co., Ltd.

Current Position

Position in listed company

2015 - Present	Chairman of the BOD	Chewathai Public Company Limited
2015 - Present	Director/Chairman of the BOD	ATP 30 PLC
2006 - Present	Director /Managing Director	TTL INDUSTRIES PLC
2005 - Present	Director /Chairman of the BOD	Thaisri Insurance Public Company Limited.
1994 - Present	Director	Cathay Leaseplan Public Company Limited

Positions in other company

2017 - Present	Director	Chewa Heart Company Limited
2015 - Present	Director	Paibul Business Company Limited
2014 - Present	Director	Paibul Capital Company Limited
2013 - Present	Director	DT and G Company Limited
2013 - Present	Director	Chewathai Interchange Company Limited
2011 - Present	Director	Global Environmental Technology Company Limited
2008 - Present	Director	Chewathai Hup Soon Company Limited
2007 - Present	Director	Paragon Car Rental Company Limited
2006 - Present	Director	Pailuck Company Limited
2006 - Present	Director	Paibul Business Company Limited
2005 - Present	Director	Bangkok Crystal Company Limited
2005 - Present	Director	Kromadit Park Company Limited
2004 - Present	Director	Amata Petroleum Company Limited
2002 - Present	Director	Chang Island Resort Company Limited
1997 - Present	Director	Chartchewa Company Limited
1993 - Present	Director	Sima Thani Company Limited



Mrs. Somhatai Panichewa

Director

52 years

Total of CHEWA shares as of 625,000 shares
31 December 2017

Date of Appointment 13 March 2008

Education/Training

- Bachelor of Education Chulalongkorn University
- Master of Management Sasin Graduate Institute of Business Administration Chulalongkorn University
- Director Certification Program (DCP) class 104/2008
- Capital Market Academy Leader Program No.9
- Metropolitan Development (Mahanakorn 1.)
- Advance Security Management Program : ASMP 8

Work Experiences

2008 - 2015	Director/Executive Director	Chewathai Co., Ltd.
2014 - 2015	Director	ATP 30 corporation Co., Ltd.
2011 - 2015	Director	B. Grimm Power Co., Ltd.

Current Position

Position in listed company

2015 - Present	Director	Chewathai Public Company Limited
2015 - Present	Director	ATP 30 PLC
2015 - Present	Director/Chief Executive Officer	Amata vn Public Company Limited
2012 - Present	Chairman of the Investment Committee	Amata Corporation Public Company Limited

Positions in other company

2017 - Present	Director	Kamala Senior Living Company Limited
2013 - Present	Director	Chewathai Interchange Company Limited
2011 - Present	Director	Global Environmental Technology Company Limited
2004 - Present	Director	President Amata City Bien Hoa Joint Stock Company
1997 - Present	Director	Chartchewa Company Limited
1995 - Present	Director	Amata Holding Company Limited



Mr. Phua Cher Chew

Director

44 years

Total of CHEWA shares as of None

31 December 2017

Date of Appointment 8 August 2013

Education/Training

- Bachelor of Faculty of Business, Central Queensland University
- Director Accreditation Program (DAP) Class 125/2559

Work Experiences

2013 - 2015	Director/Executive Director	Chewathai Company Limited
2010 - 2012	Director	Rong Cheng (Sin Ming Road) Bak Kut Teh Pte Ltd., Singapore
2007 - 2013	General Manager	TEE International Ltd., Singapore
2004 - 2013	Director	TEE Management Pte Ltd., Singapore
2004 - 2013	Director	Trans Equatorial Engineering Pte Ltd., Singapore
2001 - 2014	Director	Oscar Estate Management Company Limited

Current Position

Position in listed company

2015 - Present	Director	Chewathai Public Company Limited
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Positions in other company

2017 - Present	Director	TEE Forward Pte Ltd., Singapore
2016 - Present	Director	TEE Vista Pte Ltd., Singapore
2016 - Present	Director	Development 35 Pte Ltd., Singapore
2015 - Present	Director	Potts Point Hospitality Pty Ltd., Australia
2014 - Present	Director	JPJ Properties Pty Ltd, Australia
2014 - Present	Director	Menara Jutamas Sdn Bhd, Malaysia
2013 - Present	Director	Chewathai Interchange Company Limited
2013 - Present	Chairman & Director	Viet-TEE Co., Ltd. Vietnam
2013 - Present	Director	Klang City Development Pte Ltd., Singapore
2013 - Present	Director	Workotel Ltd, New Zealand
2013 - Present	Director	TEE Ventures Pte. Ltd., Singapore
2013 - Present	Director	TEE Oceania Pte. Ltd., New Zealand
2013 - Present	Director	Wealth Development Pte. Ltd., Singapore
2013 - Present	Director	Development 16 Pte. Ltd., Singapore
2013 - Present	Director	TEE Industrial Pte. Ltd., Singapore
2012 - Present	Director & Chief Executive Director	TEE Land Ltd., Singapore

Positions in other company (Cont)

2012 - Present	Director	Unique Commercial Pte. Ltd., Singapore
2012 - Present	Director	Unique Wellness Pte. Ltd., Singapore
2012 - Present	Director	Development 32 Pte. Ltd., Singapore
2012 - Present	Director	Development 72 Pte. Ltd., Singapore
2012 - Present	Director	TEE Hospitality Pte. Ltd., Singapore
2012 - Present	Director	Unique Capital Pte. Ltd., Singapore
2012 - Present	Director	Unique Consortium Pte Ltd., Singapore
2012 - Present	Director	Unique Realty Pte Ltd., Singapore
2012 - Present	Director	Residenza Pte. Ltd.,Singapore
2012 - Present	Director	Development 26 Pte. Ltd., Singapore
2012 - Present	Director	Unique Development Pte. Ltd., Singapore
2011 - Present	Director	TEE Resources Sdn Bhd, Malaysia
2011 - Present	Director	TEE Homes Pte. Ltd., Singapore
2011 - Present	Director	Development 83 Pte. Ltd., Singapore
2011 - Present	Director	TEE Property Pte. Ltd., Singapore
2011 - Present	Director	TEE Realty Pte. Ltd., Singapore



Mr. Boon Choon Kiat

Director/Executive Director/Managing Director/Member of the Corporate Governance Committee/Member of Risk Management Committee

43 years

Total of CHEWA shares as of None

31 December 2017

Date of Appointment 13 March 2008

Education/Training

- Bachelor of Accountancy, Nanyang Technological University, Singapore
- CFA Charter holder
- Chartered Accountant (Singapore)
- Director Certification Program (DCP) class 155/2012

Work Experiences

2008 - 2015 Director /Executive Director/Managing Director Chewathai Company Limited

Current Position

Position in listed company

2015 - Present	Director /Executive Director/Managing Director/ Member of the Corporate Governance Committee/ Member of Risk Management Committee	Chewathai Public Company Limited
2002 - 2014	Director	Oscar Property Management Company Limited

Positions in other company

2017 - Present	Director/Managing Director	Chewa Heart Company Limited
2013 - Present	Director/ Managing Director	Chewathai Interchange Company Limited
2014 -May 2017	Non-Executive Director & Finance Director	TEE Land Ltd., Singapore
2013 - May 2017	Director	Viet-TEE Co., Ltd. Vietnam
2011 - May 2017	Director	Global Environmental Technology Company Limited
2008 - May 2017	Director	Oscar Design and Decoration Company Limited
2001 - May 2017	Director	Oscar Estate Management Company Limited
2000 - May 2017	Director	Trans Equatorial Indochina Company Limited



Mrs. Supaporn Burapakusolsri

Director/Independent Director/Chairman of the Audit Committee/Member of
Nomination and Remuneration Committee/Member of Corporate Governance
Committee/Chairman of Risk Management Committee
63 years

Total of CHEWA shares as of
31 December 2017

None

Date of Appointment

18 February 2015

Education/Training

- Master of Accounting Thammasat University
- Bachelor of Accounting Thammasat University
- Director Accreditation Program (DAP) class 87/2011
- Role of the Compensation Committee Program (RCC) class 13/2011
- Director Certification Program (DCP) class 172/2013
- Advance Audit Committee Program (AAP) 23/2016
- New Financial Reporting Standards and taxation effect (EY)
- The Audit Committee's Role in Compliance and Ethical Culture Oversight (IOD)
- The Business in the abnormalities era (EY)
- Research Alliance Dialogue on Corporate Governance 2017 (IOD)

Work Experiences

2008 - 2012	Director	Suvarnabhumi Airport Hotel Company Limited
2008 - 2013	Senior Executive Vice President (Planning and Finance)	Airport of Thailand PLC.
2015 - 2015	Director/Independent Director/Chairman of the Audit Committee	Chewathai Co., Ltd

Current Position

Position in listed company

2015 - Present	Director/Independent Director/Chairman of the Audit Committee/ Member of Nomination and Remuneration Committee/ Member of Corporate Governance Committee	Chewathai Public Company Limited
2017 - Present	Independent Director	Thaivivat Insurance PLC

Positions in other company

2017 - Present	Independent Director/Member of the Audit Committee	SM Solution Company Limited
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Mr. Chaiyut Techatassanasoontorn

Director/Independent Director/Member of the Audit Committee/Member of
Nomination and Remuneration Committee/Chairman of Corporate Governance
Committee

47 years

Total of CHEWA shares as of 800,000 share
31 December 2017

Date of Appointment 18 February 2015

Education/Training

- Master of Management Johnson & Wales, Rhode Island, USA
- Bachelor of Law Thammasat University
- Director Accreditation Program (DAP) class 119/2015

Work Experiences

2015 - 2015 Director/Independent Director/Audit Committee Chewathai Company Limited

Current Position

Position in listed company

2015 - Present Director/Independent Director/Member of the Audit Committee/
Member of Nomination and Remuneration Committee/
Chairman of Corporate Governance Committee/
Member of Risk Management Committee

2012 - Present Director/Independent Director TTL INDUSTRIES PLC

Positions in other company

2014 - Present	Director	Paibul Capital Company Limited
2014 - Present	Director	Kiartiland Company Limited
2013 - Present	Director/Audit Committee	Kiarti Thane Country Club Company Limited
2010 - Present	Director	General Insurance Broker Company Limited
2010 - Present	Director	The Litigator Company Limited



Mr. Chung Tang Fong

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

65 year

Total of CHEWA shares as of 31 December 2017 None

Date of Appointment

31 March 2015

Education/Training

- Master of Public Administration & Management, Lee Kuan Yew School of Public Policy & NUS Business School, National University of Singapore.
- Master of Business in International Marketing, Graduate Business School, Curtin University of Technology, Perth, Western Australia, .
- Research Scholar, Peking University, School of Economics, Beijing, China
- Post-Doctoral Professional Studies (International Business Mgt), Harper Adams University Collage, Newport, Shropshire, UK
- Doctor of Business Administration, School of Management, Victoria University, Neuchatel, Switzerland.
- Master of Business in International Marketing, Curtin University, Graduate Business School, Perth, Australia
- Bachelor of Arts in Business Administration, Ottawa University, Ottawa, Kansas, U.S.A.
- Graduate Diploma in Sales and Marketing Management, Temasek Polytechnic, Singapore
- Post Graduate Diploma in Business Administration, The Society of Business Practitioners, Manchester, U.K.
- Diploma in Business Efficiency & Productivity, NPB Institute for Productivity Training (Now - PSB Academy)
- Diploma in Business Management, Singapore Institute of Management (Now - SIM University)
- Certificate in Modern Management (Executive Education), NUS Business School, National University of Singapore
- Diploma in Business Studies, Singapore Institute of Management (Now - SIM University)
- Certificate in Industrial Management & Business Studies, Singapore Institute of Management (Now - SIM University)

Work Experiences

2015 - 2015	Director/Independent Director/Audit Committee	Chewathai Company Limited
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Current Position

Position in listed company

2015 - Present	Director/Independent Director/Member of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	Chewathai Company Limited
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Positions in other company

2014 - Present	Independent Director	Southern Packaging Group Ltd., Singapore
2014 - Present	Independent Director	Ace Achieve Infocom Ltd., Singapore
2004 - Present	Managing Director	Xi-Hong Enterprise Pte Ltd., Singapore



Mr. Phua Chian Kin

Chairman of Executive Director

58 year

Total of CHEWA shares as of 31 None

December 2017

Date of Appointment 13 March 2008

Education/Training • Diploma of Electrical Engineering, Singapore Polytechnic

Work Experiences

2015 - 2015	Chairman of Executive Director	Chewathai Company Limited
2008 - 2013	Director/Executive Director	Chewathai Company Limited
2012 - 2013	Managing Director Development	72 Pte Ltd., Singapore
2012 - 2012	Director Development	32 Pte Ltd., Singapore
2011 - 2012	Director	TEE Homes Pte Ltd., Singapore
2011 - 2012	Director	Residenza Pte Ltd., Singapore
2011 - 2012	Director	KSH (China) Venture Pte Ltd., Singapore
2009 - 2012	Managing Director	Development 83 Pte Ltd., Singapore
2009 - 2012	Director	Development 26 Pte Ltd., Singapore
2007 - 2013	Director	TEE Development Pte Ltd., Singapore

Current Position

Position in listed company

2015 - Present	Executive Director	Chewathai Public Company Limited
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Positions in other company

2015 - Present	Vice Chairman Power Source Philippines Distributed	Power Holdings Inc., Philippines
2014 - Present	Director	TEE Hydro Pte Ltd., Singapore
2013 - Present	Director and Managing Director	TEE Infrastructure Pte Ltd., Singapore
2012 - Present	Director and Managing Director	TEE Resources Pte Ltd., Singapore
2012 - Present	Director	TEE Hong Kong Ltd., Hong Kong
2012 - Present	Director and Managing Director	PBT Holding Pte Ltd., Singapore
2011 - Present	Director and Company Secretary	ARY Venture INC Pte Ltd., Singapore
2011 - Present	Chairman	TEE Vietnam Co., Ltd. Vietnam
2011 - Present	Director	CMC Communications (Philippines) Inc. (Philippines)
2011 - Present	Director	CMC Communications (Thailand) Co., Ltd.
2011 - Present	Director	Global Environmental Technology Company Limited

Positions in other company (Cont)

2011 - Present	Director	CMC Communications (Singapore) Pte Ltd., Singapore
2011 - Present	Director	CMC Communications Sdn Bhd, Malaysia
2009 - Present	Director	PBT Engineering Sdn Bhd, Brunei
2009 - Present	Director	New Zealand Bloodstock Asia Pte Ltd., Singapore
2007 - Present	Director	PBT Engineering Sdn Bhd, Malaysia
2005 - Present	Director	TEE Chem Pte Ltd., Cambodia
2003 - Present	Director	NexFrontier Solutions Pte Ltd., Singapore
2003 - Present	Director	Oscar Design and Decoration Co., Ltd.
2002 - Present	Director	TEE M&E Engineering Sdn Bhd, Malaysia
2001 - Present	Director	Security Pro-Telco Pte Ltd, Singapore
2001 - Present	Director	Oscar Estate Management Co., Ltd.
2000 - Present	Director & Managing Director	TEE International Ltd., Singapore
2000 - Present	Managing Director	PBT Engineering Pte Ltd., Singapore
2000 - Present	Managing Director	TEE Management Pte Ltd., Singapore
2000 - Present	Director	Trans Equatorial Indochina Co., Ltd.
1999 - Present	Director	4 P Investments Pte Ltd., Singapore
1999 - Present	Director	PBT International Holdings Pte Ltd., Singapore
1996 - Present	Director	PBT Automobile & Credit Pte Ltd., Singapore
1996 - Present	Managing Director	Trans Equatorial Engineering Pte Ltd., Singapore

EXECUTIVES



**Mr. Yuthana
Boonsitivaraporn**

Senior Vice President
Construction



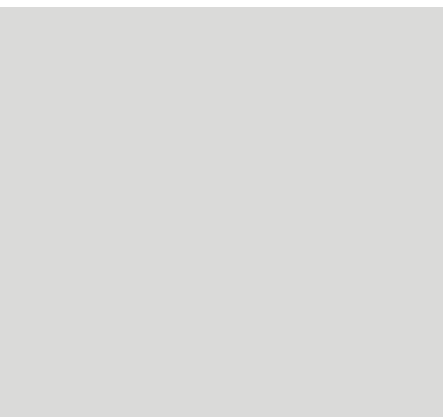
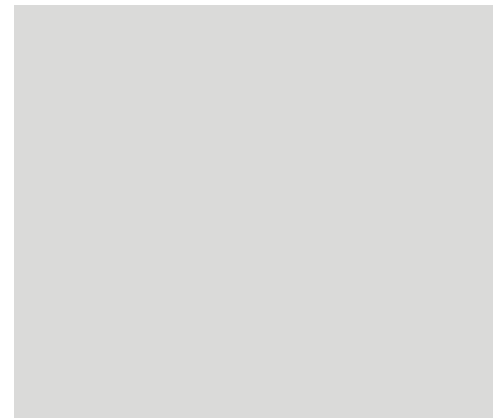
**Ms. Jiraphat
Chatphet**

Senior Vice President Sales and
Marketing



**Mr. Sataporn
Semsawang**

Senior Vice President
Aftersales Service



**Mrs. Jariya
Dansompong**

Senior Vice President Sales and
Marketing



**Ms. Sunantra
Mahaprasitchai**

Senior Vice President Finance
and Accounting



**Ms. Jeerasuda
Sasanus**

Company Secretary/
Vice President Legal

THE MAJOR ACTIVITIES IN 2017



Chewathai (Public) Company Limited conducted the Give for Good Society Activity (in Thai: ทำดีเพื่อพ่อ สานต่อความดีสู่สังคม). Khun Boon Choon Kiat, managing director, joined the activity as well as provided foods and facilities to the Half Way Home for Men in Pathum Thani Province.



Chewathai Public Company Limited and its affiliates conducted “the Give for Sustainable Happiness” by providing snacks, diapers, rice and other necessities to Rachawadee Half Way Home for Women in Nonthaburi Province.



CHEWA and Khun Khajit Luanpitpong (Condo Man) established a joint venture, “Chewa Heart” in order to develop town homes for covering all segments of company’s business. With the real estate experiences of both parties; consumer trusts would be obtained, demands would be met, best offers would be provided for the consumers, and future business potentials would be strengthened.



CHEWA with Nye Estate Company Limited, L.P.N.D. Development Public Company Limited, and CH Karnchang Public Company Limited established Kamala Senior Living Company Limited, a joint venture, in order to develop the Lifestyle Senior Living Village at the premium level in Phuket Province with the value of 3,500 million baht, five star facilities and services in order to completely develop the real estate in various lifestyles under the well known to international management of foreign professional teams.



Chewathai Public Company Limited was co-hosted religious ceremonies of monks delivering special prayers dedicated to the late King Bhumibol Adulyadej to express gratitude towards the beloved monarch and perform good deeds in his honor. Mr. Chatchai Panitchewa, the Chairman, Mr. Boon Choon Kiat, the managing director, the company's managers and employees participated in the ceremony at Dusit Maha Prasat Throne Hall in the Grand Palace.



Society Card Release

Mr. Chatchai Panitchewa, the Chairman, Mr. Boon Choon Kiat, the managing director, and Thai Smart Card Company Limited, which was represented by Chalermchai Chatchaithanant, the president of the business and operation department, joined the press for the release of "Chewathai Society Card" and "Chewathai Society VISA Card". These cards are made in order to facilitate the residents. The "VISA All Smart Pay" card was also released by Thai Smart Card.



Chewathai Public Company Limited got three awards in the 12th "Property Guru Thailand Property Awards 2017" at Plaza Athenee Hotel Bangkok. Chewathai also got awards for all projects which it was nominated. For example,

- Best High-Rise High End Condo Development (Bangkok)
- HIGHLY COMMENDED: Chewathai Residence Bang Pho by CHEWATHAI PLC.
- Best High-Rise Affordable Condo Development (Bangkok)
- HIGHLY COMMENDED: Chewathai Phetkasem 27 by CHEWATHAI PLC.
- Best Housing Development (Bangkok)
- HIGHLY COMMENDED: ChewaromRangsit-Don Mueang by CHEWATHAI PLC.
- This is another step of Chewathai to develop real estate projects that can meet modern consumers' demands with designs, convenience and the maximized benefits of residents.



"The Memories of the Age of Cassettes", the concert for the residents of Chewathai

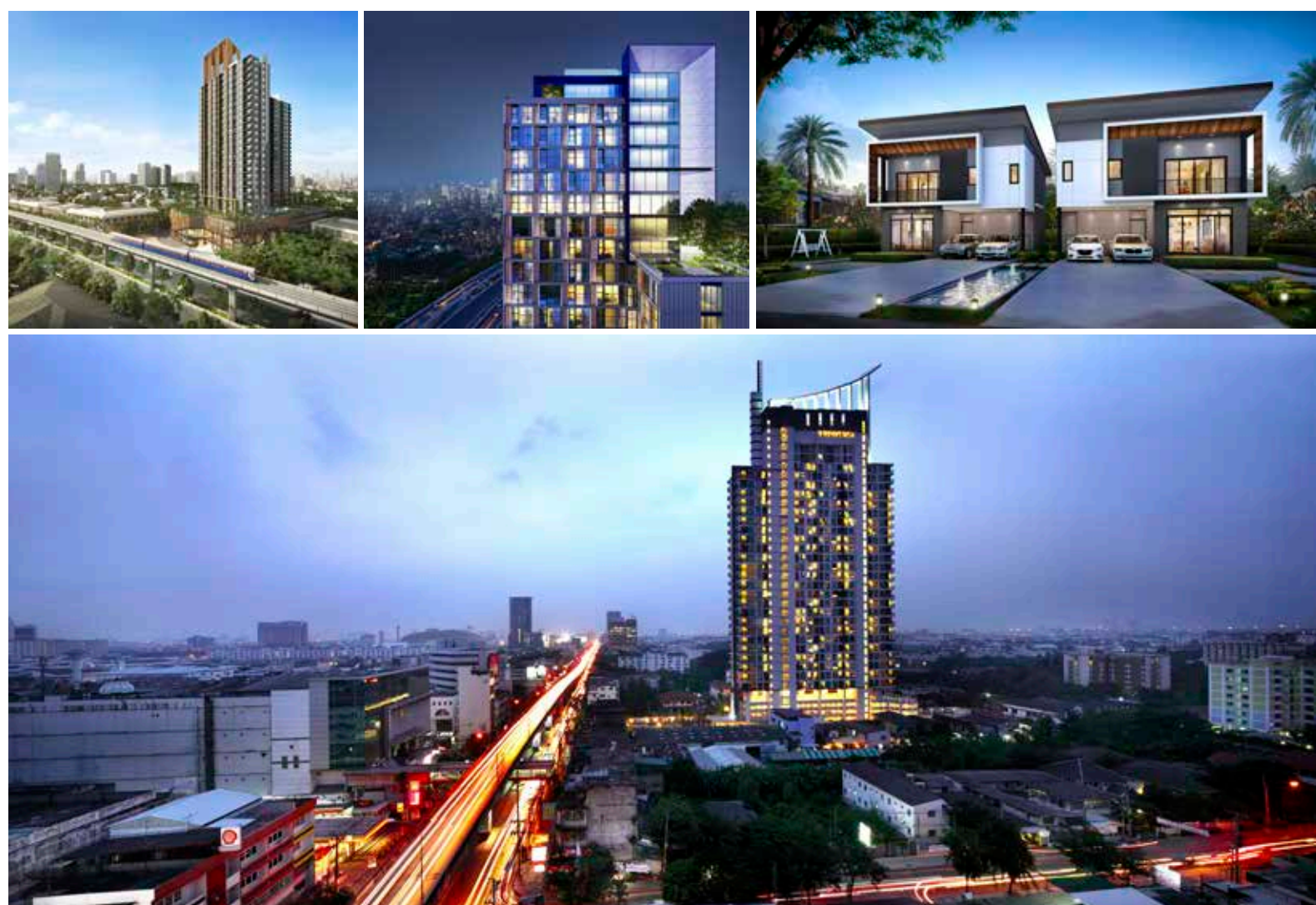
Chewathai Public Company Limited provided concert tickets and held the concert for the residents as a good customer relationship on 17th December 2017.

GENERAL COMPANY INFORMATION

Company Name	: Chewathai Public Company Limited
Main Symbol	: CHEWA
Business Type	: Property
Registration No.	: 0107558000181
Registered and Paid-up Capital	: THB 750,000,000 with a par value of THB 1.00
Head Office	: 1168/80 Lumpini Tower 27 th Floor., Unit D, Rama IV Road, Tungmahamek Sub-District, Sathorn, Bangkok 10120, Thailand
Telephone	: (02) 679 8870 - 4
Facimile	: (02) 679 8875
Website	: www.chewathai.com
Company's Secretary	: Ms. Jeerasuda Sasanus Telephone (02) 679 8870 - 4 ext. 135 e-mail: ir@chewathai.com ; jeerasuda@chewathai.com
Reference	
Share Registrar	: The Thailand Securities Depository Co., Ltd.
Address	: The Stock Exchange of Thailand Building, 93 Ratchadapisek Road, Dindaeng, Dindaeng, Bangkok 10400
Telephone	: (02) 009 9000
Facimile	: (02) 009 9991
Auditor	: Ms. Rosaporn Dechakom
Auditor No.	: 5659
Company Name	: EY Office Limited
Address	: 33 rd Floor, Lake Rajada Office Complex 193/136-137, Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand
Telephone	: (02) 264 9090
Facimile	: (02) 264 0789-90

Legal Counselor	: Kudun & Partners
Address	: 973 President Tower, 14 th Floor, Unit 14 C Ploenchit Road Lumpini, Pathumwan, Bangkok 10330, Thailand
Telephone	: (02) 656 0818
Facimile	: (02) 656 0819
Internal Auditor	: Dharmniti Internal Audit Company Limited
Address	: 178 Dharmniti Building 5 th Floor, Soi Permsap (Pracha Chuen 20), Pracha Chuen Road, Bangsue, Bangkok 10800, Thailand
Telephone	: (02) 596 0500
Facimile	: (02) 587 2018

Investors can find further information on the Company from the Company's Annual Registration Statement (56-1) which can be downloaded at www.sec.or.th or www.chewathai.com.



POLICY AND BUSINESS OVERVIEW

Chewathai Public Company Limited (CHEWA) was registered as a limited company on the 13th of March 2008 and is a joint venture between Chartchewa Co., Ltd. and TEE DEVELOPMENT PTE., LTD., The Company founded with the objective to develop quality, elegant and functional properties to cater to consumer demand and also to aspire to be the preferred choice in real estate by relentlessly enhancing its products and services to transcend customers' satisfaction. It is the Company's policy to recognize the importance of high-standard business conducts that are in compliance with the principles of good corporate governance.

As of the 31st of December 2017, the Company has one subsidiary, Chewathai Interchange Co., Ltd, and three affiliated company, are as follow

1. Chewathai Hup Soon Co., Ltd. is developed residential real estate as the Company.
2. Chewa Heart Co., Ltd. is developed Town Home Projects.
3. Kamala Senior Living Co., Ltd. is developed the Premium Independent Senior Living Project.

Business Strategy

1) Develop the project on potential locations

The Company plans to develop residential projects which are High-Rise, Low-Rise condominium and House project in several locations that must be easily accessible and near communal facilities and amenities. All of the company's current projects are in Bangkok and Greater Bangkok, with special focus on locations which are easily accessible by Bangkok's expressways and mass transit routes (current or future) and those located on Bangkok's main thoroughfares.

The Company foresees the need of ready-built factory of small to middle manufacturing business owners who do not wish to own manufacturing facilities to rent instead of investing to build. The Company's factories are located in prime industrial estates that are easily accessible from major transportation hubs including air and sea ports such as Amata City Industrial Estate, Rayong.

2) Intend to grow and continue its sustainable development

The Company targets to continue launch the residential project whether it is a High-Rise or Low- Rise condominium or house. Apart from development project in Bangkok and Greater Bangkok area, there are opportunities to develop the company's product and business. Nevertheless, the company plans to expand the ready-built factory for sustainable growth and maintain recognized the revenue to the company for offsetting with the under construction project. The company considers the demand and growth of manufacturing business at most.

3) Variety of business opportunities in Real Estate

Chewathai has a vision to be one of the leading residential property development leaders in the country. The goal is to continue its growth by generating income and wealth for the Company's shareholders in a stable and sustainable manner. Therefore, the Company has no business policy restricting only on residential condominium development, but considering opportunities for other types of residential development such as single-detached houses, townhouses, as well as other real estate projects such as commercial real estate. As for projects initiation in each area, the decisions are based on several significant factors, such as the possibility of the project, the demand for real estate market, the suitability of the development in that area, and the return of the project for the maximum benefit to the shareholders as well as for the company.

4) Investment in real estate development projects from other operators

In addition to the continuous growth of the Company's projects, the Company is also considering investment opportunities in real estate development projects, developed or under-developed by other operators, by evaluating all opportunities and seeing growth potential in return on these projects. They also increase the opportunities for the expansion of projects on land which the Company plans to acquire, reduce development time, and create revenue recognition both continuously and quickly.

Business Ethics

Corresponding to the Company's business vision, it has prescribed its business codes of conduct and disseminated them into its related parties, directors, executives and all employees to aware and to abide by. This code covers practice guidelines towards shareholders, customers, employees, creditors, trade counterparts, business competitors, community, society, and the environment. Additional professional requirements also comprise non violation of intellectual property rights, safeguarding of information and data system, staff training on environmental issues, fighting against internal and external corruption or bribery, encouragement of management and staff morals against fraud and any involvement in human rights violation, as well as communication of the Company's information via various media channels.

NATURE OF BUSINESS

Chewathai Public Company Limited and its subsidiaries have two core businesses - the residential project development and the factory rental business.

The Residential Development

Condominium Projects are as follows;

Project Name	Chewathai Ratchprarop
Developer	Chewathai Public Company Limited
Location	Ratchaparop Rd, Makkasan Sub-District, Ratchathewi District, Bangkok.
Project Land Area	2-0-90 Rai
Sellable Area	17,093 sq.m.
Project Type	A high-rise (26-storey) condominium building
Project Value	1,350 million THB
Total Units	325 units

ชีวาทัย ราชปรารภ
ที ซี บี ดี เอ็ม จี อาร์ ซี บี



Project Name	The Surawong
Developer	Chewathai Hup Soon Co.,Ltd.
Location	Surawong Rd, Si Phraya Sub-District, Bang Rak District, Bangkok.
Project Land Area	0-2-40 Rai
Sellable Area	2,774 sq.m.
Project Type	A low-rise (8-storey) condominium building
Project Value	350 million THB
Total Units	52 units

The Surawong
By Chewathai Hup Soon



Project Name	Chewathai Ramkhamhaeng
Developer	Chewathai Public Company Limited
Location	Ramkhamhaeng Rd, Hua Mak Sub-District, Bang Kapi District, Bangkok.
Project Land Area	3-3-32 Rai
Sellable Area	17,054 sq.m.
Project Type	A high-rise (33-storey) condominium building
Project Value	1,100 million THB
Total Units	535 units

**ชีวาทัย
รามคำแหง**

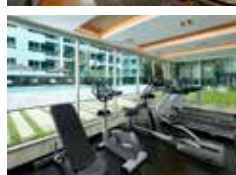


Project Name	Chewathai Interchange
Developer	Chewathai Interchange Co.,Ltd.
Location	Pracharaj sai 2 Rd, Bangsue Sub-District/ District, Bangkok.
Project Land Area	1-3-12.5 Rai
Sellable Area	10,353 sq.m.
Project Type	A high-rise (26-storey) condominium building
Project Value	1,050 million THB
Total Units	279 units



Project Name	Hallmark Chaengwattana
Developer	Chewathai Public Company Limited
Location	Chaeng Wattana-Pak Kret Soi 17 Rd, Bang Pud Sub - District, Pak Kret District, Nonthaburi.
Project Land Area	3-1-75 Rai
Sellable Area	13,193 sq.m.
Project Type	Two low-rise (8-storey) condominium buildings
Project Value	780 million THB
Total Units	427 units

**HALLMARK
CHAENGWATTANA**



Project Name	Hallmark Ngamwongwan
Developer	Chewathai Interchange Co., Ltd.
Location	Soi Duangmanee, Bang Khen Sub-District, Mueang Nonthaburi District, Nonthaburi.
Project Land Area	7-0-70.5 Rai
Sellable Area	23,265 sq.m.
Project Type	Four low-rise (8-storey) condominium buildings
Project Value	1,200 million THB
Total Units	416 units

**HALLMARK
NGAMWONGWAN**



Project Name	Chewathai Residence Bang Pho
Developer	Chewathai Public Company Limited
Location	Pracharaj sai 2 Rd, Bangsue Sub-District/ District, Bangkok.
Project Land Area	1-1-94.3 Rai
Sellable Area	2,364 sq.m.
Project Type	A high-rise (24-storey) condominium building
Project Value	1,040 million THB
Total Units	172 units



Project Name	Chewathai Phetkasem 27
Developer	Chewathai Public Company Limited
Location	Phetkasem Rd, Bang Wah Sub-District, Phasicharoen District, Bangkok, Thailand
Project Land Area	4-0-36 Rai
Sellable Area	17,989 sq.m.
Project Type	A high-rise (24-storey) condominium building
Project Value	1,564 million THB
Total Units	652 units



Project Name	Chewathai Residence Asoke
Developer	Chewathai Public Company Limited
Location	Asoke - Dindaeng Rd, Makkasan Sub-district, Rajchathewi District, Bangkok,
Project Land Area	1-2-66 Rai
Sellable Area	9,477.65 sq.m.
Project Type	A high-rise (30 storey) condominium building
Project Value	1,694 THB million
Total Units	315 units



Project Name	Chewarom Rangsit - Don Mueang
Developer	Chewathai Public Company Limited
Location	Rangsit-Nakhon Nayok Rd., Prachathipat Sub-District, Thanyaburi District, Pathumthani.
Project Land Area	15-1-76 Rai
Sellable Area	3,648.15 sq.m.
Project Type	Detached House and Semi-Detached House
Project Value	475 million THB
Total Units	Detached House - 15 units Semi-Detached House - 66 units



Project Name	Heart Sukhumvit 62/1
Developer	Chewa Heart Company Limited
Location	Soi Sukhumvit 62/1, Bang Jak Sub-District, Prakanong District, Bangkok
Project Land Area	0-2-9.38 Rai
Sellable Area	1,750 sq.m.
Project Type	Town Home
Project Value	180 million THB
Total Units	9 unit



Project Name	Kamala Senior Living
Developer	Kamala Senior Living Company Limited
Location	Kamala Sub-District, Kratu District, Phuket.
Project Land Area	50-2-75 Rai
Sellable Area	26,256 sq.m.
Project Type	Senior Living Village
Project Value	3,500 million THB
Total Units	Under developing



Market and Competition

Target Customers

Customer satisfaction is the key for project development. The Company has no policy to define any specific groups for the groups of target customers due to real estate market uncertainty, Bangkok mass transit construction plan tendency and vicinity which may cause difference in customers demand under some certain periods of time. Therefore, the Company will initiate the project feasibility and will tend to specify its target customers differently under different certain periods of time to define the project's concept and price range that will definitely satisfy certain customers' demand at a time.

MARKETING STRATEGY

Location Strategy

Location is one of the most important factors for real estate business influencing buying decision or investment; therefore, companies prioritize our projects' locations. Our locations must be within Greater Bangkok and can easily be accessed by means of transportation, exist within the vicinity of the main roads and expressways or mass transit routes (current and future) including MRT train routes (Metro Train) and Airport Rail Link. Besides, surrounding environments and surrounding community quality are another contributing factors that the Company considers in each project's early developing process. We provide safety and good living quality for those investing in our projects.

Product Strategy

The Company does not settle on one single format for our development projects. We propose different ideas for each of our venture and consider many main factors especially identity and necessity of potential investors. We also value and attempt to make use of all living space, amenities, and security system to provide the residence safety. Moreover, we aim to optimize all unit space through special design by our interior designers and scrupulously furnish each unit with quality and well-known furniture brands.

Punctuality of Transfer

We encourage building credibility for our brand; therefore we strive to transfer every unit to all the customers within its original due date with the quality materials and interior design presented since the project starts. We hire highly-experienced contractors who have been working with us on various projects to ensure that our construction will be in accordance with the agreed standard. We update current situation of the project constantly through the company's website, www.chewathai.com, and via Facebook at <http://www.facebook.com/CHEWATHAI>. We also work with Construction Management Company for quality control and we closely supervise our contractors. As a result, we have been able to deliver every unit to all the customers within the original time frame.

Pre and Post Sale Services to Generate Good Customer Relationship

To encourage an outstanding relationship with our customers, keep our customer base as well as generate new customers from good word-of-mouth from previously investing customers, we provide services apart from general information to assist the decision making process; for instance, we facilitate in contacting financial institutions for residentially financial plans which in turn benefits the company in future planning of unit ownership transfer, post transfer unit quality warranty is provided in case of deformed property, to include consultation on interior design or referring to reputable contractors, and be the medium in tenant service.

We value our current-buying customers, so we provide those with priority our future project sale reservation before official sale of units to encourage distinguishing relationship in the long run.

Ready-Built Factories

Type of Products or Services

Apart from residential development, the Company is also engaged in ready-built factories for rental business together with condominium development since the Company foresees an opportunity from the demand of both Thai and foreign, small-to-medium manufacturers to start up or expand their production base without the desire or be readiness for long-term investment in factory construction. The Company has developed ready-built factories for rent in one of the major industrial estates in the key economic region of Thailand. In addition, the Company views the potentiality of RBF business to create continuous return generation to compensate the decline in revenue during construction process of condominiums which will take quite long period until CHEWA can recognize the revenue.

Ready-Built Factories	
Developer	Chewathai Public Company Limited
Location	Amata City Industrial Estate, Highway 311 Rd, Map Yang Phon Sub-District, Pluak Daeng District, Rayong
Project Area	26-0-72 Rai
Rental Area	17,120 sq.m.
Rental Unit	10 units
Project Value	300 million THB
Approximately Rental Price per Sq.m.	200 THB
Tryp of Project	Ready Built Factories <ul style="list-style-type: none"> • Factory area 1,512 sq.m. total 5 units. • Factory area 1,812 sq.m. total 1 unit. • Factory area 1,937 sq.m. total 4 units.

CHEWATHAI

Ready Built Factories



Market and Competition

Target Customers

The company has developed Ready-Built Factories (“RBF”) for rent which cater to various needs and requirements. Our factories are designed to give tenants great flexibility and convenience to shorten start-up period and save start-up costs. The company also provides build-to-suit factories for tenants with specific technical or location requirements.

The Company also targets foreign entrepreneurs who invest or joint-venture the business in Thailand for both short-term and long-term investment. This group of entrepreneurs will prefer RBF because RBF can provide them lower investment costs, avoid the limitation of foreign land ownership in Thailand, and mitigate risk to procure contractor or even political instability which will impact to the supporting policies from government agencies. Renting RBF can subsequently satisfy their needs of flexibility on investment and clearly respond to the risks exposures and limitations.

Marketing Strategy

Location

Our company consider location of project to be the most important factor in building and renting factories, and should be regarded to first; it has to be convenient for business, transportation, and distribution of products and materials to crucial location of shipment port, airport, and train station out of Bangkok. However, our company has few experiences in ready-built factory rental business, so we focus on developing our facilities mainly in industrial community. We also consider the trade zoning from BOI that will later on benefit our tenants.

Pricing Policy

Pricing Policy consists of two main parts – property rental and service fees such as water treatment, waste disposal and sewage treatment, etc. These service fees are paid to the developer of industrial community management and they can be paid directly to office of an industrial community. In case of property rental, it can be paid directly to our company’s office. We regulate standard of rental fee based on property size, amount of rental unit and/or other services provided. Most of our rental period agreements are short-term rental ones with three-year duration. The negotiation of rental adjustment will be made at the future agreement renewal.

Consultation Service for Tenants

We provide consultants to assist our customers closely to give necessary advice and facilitate coordination on issues in contact with government units such as Industrial Community of Thailand Association, The Board of Investment of Thailand. We provide consultation on extension or adaptation on interior and exterior of facility, public utilities such as municipal water, electricity, water treatment, telephone, and internet, etc.

MAJOR CHANGES AND DEVELOPMENT

Chewathai's History

Chewathai Public Company Limited (CHEWA) was registered as a limited company on the 13th of March 2008 with the initial registered and paid-up capitals of one million baht. Also, it is a joint venture between Chartchewa Co., Ltd. and TEE DEVELOPMENT PTE., LTD., Due to co-recognition of growth opportunity and capacity for the development of real estate business development with the objective to develop quality, elegant and functional properties to cater to consumer demand.

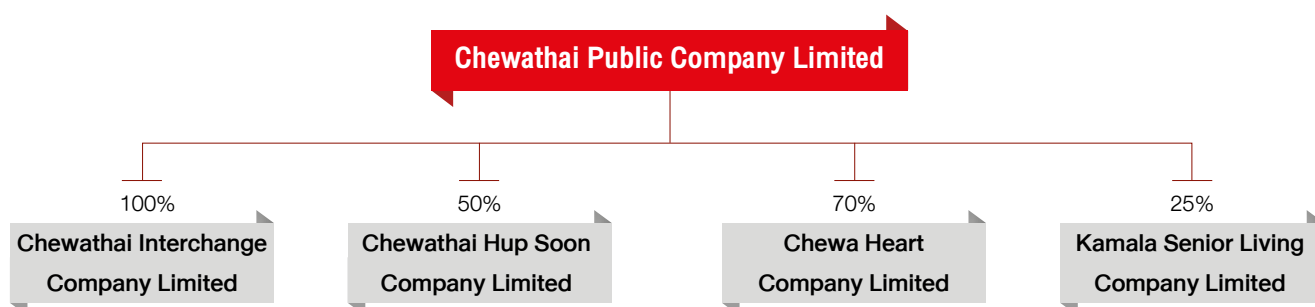
Significant Milestones

Month/Year	Major Changes and Developments
Year 2008	
March	<ul style="list-style-type: none"> Chartchewa Co., Ltd. and TEE Development Pte., Ltd. jointly founded Chewathai Co., Ltd. with the registered and paid up capitals of 10 million THB with a shareholding percentage ratio of 51:49, respectively.
May	<ul style="list-style-type: none"> The Company increased its registered and paid-up capitals from 10 million THB to 100 million THB.
July	<ul style="list-style-type: none"> The Company launched "Chewathai Ratchaprarop," which is the first high-rise condominium with 26 storeys and 325 units located on Ratchaprarop Road.
November	<ul style="list-style-type: none"> The Company increased its registered and paid-up capitals from 100 million THB to 200 million THB. The Company and United Motor Works (Siam) Public Company Limited jointly founded Chewathai Hup Soon Co., Ltd. for the purpose of developing the condominium project named "The Surawong". The Company launched "The Surawong", the 8-storey condominium.
Year 2010	
November	<ul style="list-style-type: none"> Chewathai launched "Chewathai Ramkhamhaeng," close to Ramkhamhaeng — Rama IV Elevated, the 33-storey condominium building.
Year 2011	
June	<ul style="list-style-type: none"> The Company acquired 100% share from Global Environmental Technology Co.,Ltd. ("GETCO"). The company held 100% shares, which is a wastewater treatment management business.
Year 2012	
August	<ul style="list-style-type: none"> Chewathai initiated and developed its first project of ready-built factories for rent, and subsequently launched its first 5 units for rent.

Month/Year	Major Changes and Developments
Year 2013	
January	<ul style="list-style-type: none"> The Company divested Global Environmental Technology Co.,Ltd. ("GETCO"), acquired on June 2011, subsidized to the Company held 100% shares to Chartchewa Co.,Ltd. and TEE Resources Pte. Ltd. which is related company at 240.00 million THB for company restructure focusing on the real estate development only. GETCO became the subsidiary to the related company.
June	<ul style="list-style-type: none"> The Company jointed Thai Condominium Association for receiving the news and other important issues concern with real estate business through the seminar, the training class and e-news.
October	<ul style="list-style-type: none"> The Company acquired 100% shares in Rotaj Development Co., Ltd. which was the land owner of Cross Point condominium. The company name was changed to Chewathai Interchange Co., Ltd. and the project name was changed to Chewathai Interchange. This project is a 26-storey condominium building.
December	<ul style="list-style-type: none"> The Company increased the registered and paid-up capitals from 200 million THB to 240 million THB.
Year 2014	
June	<ul style="list-style-type: none"> The Company launched five more ready-built factories for rent in Phase 2, in Amata City Industrial Estate.
October	<ul style="list-style-type: none"> The Company launched "Hallmark Chaengwattana" — two 8- storey condominium buildings. Chewathai Interchange Co., Ltd., the Company's subsidiary, took over the Dzio condominium project from Orada Co., Ltd. and changed the project name to "Hallmark Ngamwongwan", which comprise of four 8-storey condominium buildings. Chewathai purchased additional 13 rai of land in Amata City Industrial Estate, Rayong Province, for developing ready-built factories for rent in Phase 2.
Year 2015	
January	<ul style="list-style-type: none"> The Company was granted ISO 9001 - 2008 accreditation (Provision of Sale & Real Estate Services) for quality control system.
February	<ul style="list-style-type: none"> The Company attended its membership of British Chamber of Commerce Thailand for the purpose of public relation the ready built factories to other memberships in the Chamber.
April	<ul style="list-style-type: none"> The Company attended its membership of German - Thai Chamber of Commerce for the purpose of public relation the ready built factories to other memberships in the Chamber. The Company converted the Company into a public limited company and was renamed to Chewathai Public Company Ltd. on the 24th April 2015, and changed par from 100 THB to 1 THB. Increased its registered paid-up capitals from 240 million THB to 580 million THB by issuing common shares in the amount of 340 million shares at par value of 1 THB to the existing shareholders which are Chartchewa Co., Ltd. and TEE Development Pte Ltd in total 108 million shares. The registered paid-up capital of the company was equal to 348 THB Million. The Company allocated 232 Million shares at 1 THB per share for Initial Public Offering (IPO).

Month/Year	Major Changes and Developments
August	<ul style="list-style-type: none"> The Company was granted the investment promotion from Thailand Board of Investment to support the ready built factories project which is located on Amata City Industrial Estate, Highway 311 Rd, Map Yang Phon Sub-District, Pluak Daeng District, Rayong.
September	<ul style="list-style-type: none"> The Company launched the Chewathai Residence Bang Pho which is a 24-storey condominium building.
October	<ul style="list-style-type: none"> The Company decreased its registered paid-up capital to 232 million THB from 580 million THB by cutting 232 million shares at 1 THB per share that have been registered but not yet issued. The balance value was 348 million THB. Increased its registered paid-up capital from 348 million THB to 905 million THB by issuing common shares in amount of 557 million shares at par value of 1 THB to the existing shareholders which are Chartchewa Co. Ltd. and TEE Development Pte. Ltd for 1 THB per share in total 240 million shares. The company allocated 317 million shares at par value of 1 THB for Initial Public Offering (IPO).
Year 2016	
February	<ul style="list-style-type: none"> The Company decreased its registered paid-up capitals to 417 million THB from 905 million THB by cutting 417 million shares at 1 THB per share that have been registered but not yet issued. The balance value was 488 million THB. Increased its registered paid-up capitals from 488 million THB to 750 million THB by issuing common shares with the amount of 262 million shares at par value of 1 THB to allocate 262 million shares at par value of 1 THB for Initial Public Offering (IPO).
March	<ul style="list-style-type: none"> The Company offered ordinary shares for Initial Public Offering (IPO) with the amount of 262 million shares, offer to the public at 1.60 THB/share.
April	<ul style="list-style-type: none"> The Company was listed on the Market for Alternative Investment (mai).
June	<ul style="list-style-type: none"> Chewathai bought the AQ Aria Asoke and changed its name to "Chewathai Residence Asoke" - a 315-unit, 29-storey luxury condominium.
August	<ul style="list-style-type: none"> The Company started to develop and launch the Chewathai Phetkasem 27 - a 638-unit, 26-storey condominium project.
September	<ul style="list-style-type: none"> The Company was granted ISO 9001-2015 (Sales of Condominiums, Houses, Factories on Rent & Real Estate Services) for quality control system.
November	<ul style="list-style-type: none"> The Company launched the Detached House and Semi-Detached House, Chewarom Ransit Don Mueang with 81 units.
Year 2017	
May	<ul style="list-style-type: none"> The Company established "Chewa Heart Company Limited" which is a joint venture with Khun Kajit Launpitpong who is not a related party to the Company. The Company held 70% of total shares with the purpose to develop the Townhome project.
July	<ul style="list-style-type: none"> The Company has joined with Nye Estate Company Limited, L.P.N.D. Development Public Company Limited, and CH Karnchang Public Company Limited to establish Kamala Senior Living Company Limited, a joint venture, in order to develop the Lifestyle Senior Living Village at the premium level in Phuket Province. The jointed venture doesn't related to the Company, the Company held 25% of the total shares

GROUP OF THE COMPANY STRUCTURE



The details of subsidiaries are as follows;

Chewathai Interchange Company Limited

Chewathai Interchange Co., Ltd. ("Chewathai Interchange" or "CTIC") was established on 25 July 2011 with current registered capital of 100 million Baht. CTIC office is located on 1168/80 Lumpini Tower, 27th Floor, Unit D, Rama IV Rd., Tungmahamek, Sathorn, Bangkok. Chewathai Interchange engages in real estate development for condominium. Currently, CTIC is developing the condominium projects.

the Company holds 999,998 shares, with a par value of 100 Baht per share accounting for 100% of CTIC's registered capital.

Chewathai Hup Soon Company Limited

Chewathai Hup Soon Co., Ltd. ("Chewathai Hup Soon") was established on 12 November 2008 with current registered capital of 14 million Baht, located on 1168/80 Lumpini Tower, 27th Floor, Unit D, Rama IV Rd., Tungmahamek, Sathorn, Bangkok. Chewathai Hup Soon engages in Low Rise Condominium development business.

The Company holds 70,000 share, with a par value of 100 Baht per share, or 50% of Chewathai Hup Soon's registered capital.

Chewa Heart Company Limited

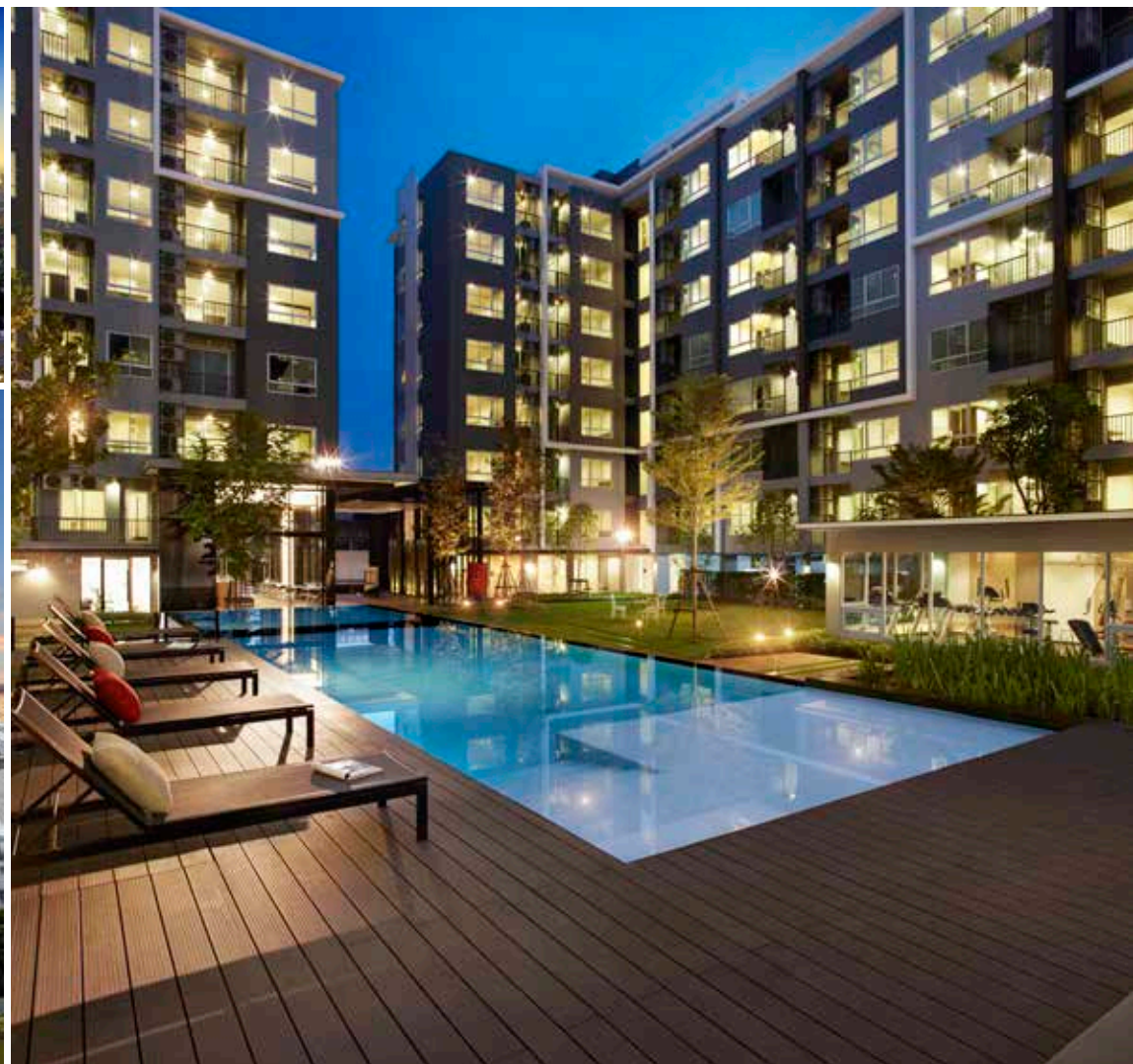
Chewa Heart Co., Ltd. (“Chewa Heart”) was established on 26 May 2017 with current registered capital of 50 million Baht, located on 1168/80 Lumpini Tower, 27th Floor, Unit D, Rama IV Rd, Tungmahamek, Sathorn, Bangkok. Chewa Heart engages in Town Home development business. Currently, Chewa Heart is developing the Heart Sukhumvit 62/1 project.

The Company holds 349,800 share, with a par value of 100 Baht per share, or 70% of Chewa Heart's registered capital.

Kamala Senior Living Company Limited

Kamala Senior Living Co., Ltd. (“Kamala Senior Living”) was established on 12 July 2017 with current registered capital of 1 million Baht, located on 21/14 and 21/16 Thaiwa Tower, South Satorn Rd, Tungmahamek, Sathorn, Bangkok. Kamala Senior Living engages in premium Independent Senior Living development in Phuket Province.

The Company holds 25,000 share, with a par value of 10 Baht per share, or 25% of Kamala Senior Living's registered capital.



SECURITIES AND SHAREHOLDING INFORMATION

Registered Capital and Paid - Up Capital

The company has registered capital and fully paid-up of 750,000,000 THB, which is ordinary share of 750,000,000 shares, par value of 1 THB (One baht only).

Shareholders

As of the record date on 29 December 2017 of the list in accordance with the book closing method, the top ten shareholders of the Company are as follows:

Shareholders	No. of Share	%
1. Chartchewa Co., Ltd.	248,880,000	33.18%
2. TEE DEVELOPMENT PTE. LTD ¹	239,119,300	31.88%
3. Mrs. Jaroonlak Panichewa	34,210,000	4.56%
4. Mr. Pete Dheva - Aksorn	7,512,400	1.00%
5. Mr. Sukkamol Sapdeemongkol	6,891,000	0.92%
6. Mr. Monchai Charoonphankaserm	5,995,000	0.80%
7. Mr. Prin Laohanan	5,200,000	0.69%
8. Mr. Panlert Suntarath	4,500,000	0.60%
9. Mr. Apiwat Kopphaiboon	4,182,800	0.56%
10. Mr. Patinya Dheva - Aksorn	3,311,000	0.44%
Total	569,382,300	75.92%
Free Float	180,617,700	24.08%
Total	750,000,000	100.00%

1. TEE Development Pte. Ltd. ("TEED") is a holding company registered in Singapore has its registered capital in amount of 3 SGD Million. TEED is held by TEE Land Ltd. for 100% of paid-up capital.

Foreign Shareholding Limit

The foreign shareholding limit of the Company is 49% of all the shares of the Company. This is in accordance with No. 11 of the Article of Association of the Company. As of 29 December 2017, the foreign shareholding of the Company is 31.88% of all shares of the Company.

Cross Shareholding

The Company does not have cross shareholding or pyramid shareholding structure in the company group and does not have cross shareholding with major shareholders or other shareholders. Therefore, there is no conflict of interest or business takeover process.

Minor Shareholders (Free Float)

As of 29 December 2017 which is the book closing date, the total number of shareholders of the Company is 1,827 shareholder. The shareholder in amount of 1,825 are minor shareholders (free float), accounting for 34.94% of all the shareholders.

Treasury Stock

During the past year, the Company does not have a policy related to treasury stock.

Issuance of other securities

None

REPORT OF CHANGES IN SECURITIES HOLDINGS OF DIRECTORS AND TOP EXECUTIVES UNDER THE DEFINITION OF SEC.

The shareholding of the directors including their spouse and the first four managers as of 31 December 2017 accounts for 0.33% of all the distributed shares. The details in 2017 are as follows:

		Shares				Increase / (decrease) during financial year
Name – Surname	Position	As of December 31, 2016		As of December 31, 2017		
		No. of Shares	% of Share holding	No. of Shares	% of Share holding	
1. Mr. Chartchai Panichewa	Chairman of the Board of Director	1,000,000	0.13	1,000,000	0.13	None
2. Mrs. Somhatai Panichewa	Director	625,000	0.09	625,000	0.09	None
3. Mr. Phua Cher Chew	Director	-	-	-	-	-
4. Mr. Boon Choon Kiat	Director/Managing Director	-	-	-	-	-
5. Mrs. Supaporn Burapakusolsri	Director/Independent Director/Chairman of the Audit Committee	-	-	-	-	-
6. Mr. Chaiyut Techatassanasoontorn	Director /Independent Director/Chairman of the Corporate Government Committee	-	-	800,000	0.11	800,000
7. Mr. Chung Tang Fong	Director/Independent Director/the Audit Committee	-	-	-	-	-
8. Mr. Phua Chian Kin	Chairman of Executive Committee	-	-	-	-	-
9. Mr. Yuthana Boonsitivaraporn	Senior Vice President Construction	-	-	-	-	-
10. Mr. Sathaporn Semsawang	Senior Vice President After Sales	-	-	-	-	-
11. Ms. Jiraphat Chatphet	Senior Vice President Sales and Marketing	-	-	-	-	-
12. Mrs. Jariya Dansonpong	Senior Vice President Sales and Marketing	-	-	-	-	-
13. Ms. Sunantra Mahaprasitchai	Senior Vice President Accounting	-	-	-	-	-
14. Ms. Jeerasuda Sasanus	Company Secretary/Vice President Legal	-	-	-	-	-

DIVIDEND POLICY

Dividend Policy of the Company

The Board of Directors of the Company may consider paying annual dividend of the Company by obtaining approval from the meeting of shareholders, except the payment of interim dividend which the Board of Directors empowers to consider the occasional payment when the Board of Directors deems that the Company has appropriate retained earnings for the dividend payment. The approval of the Board of Directors on interim dividend payment shall be proposed to the next the meeting of shareholders for further acknowledgement.

The dividend policy of the Company is to pay a total dividend from its Separate Financial Statement of up to 40% of the net profit after tax and after the appropriation of required legal reserve and other reserves (if any). However, the Board of Directors of the Company will consider the dividend payment, and may amend the dividend policy, by taking into account reserves for debt payment, capital investment for production expansion, changing market conditions or as required to manage the company's future cash flows

Dividend Policy of subsidiaries

The Board of Directors of the Company's subsidiaries may consider paying annual dividend of the Company's subsidiaries by obtaining approval from the meeting of shareholders, except the payment of interim dividend which the Board of Directors of the Company's subsidiaries empowers to consider the occasional payment when the Board of Directors of the Company's subsidiaries deems that the Company's subsidiaries has appropriate retained earnings for the dividend payment. The approval of the Board of Directors of the Company's subsidiaries on interim dividend payment shall be proposed to the next the meeting of shareholders for further acknowledgement.

The dividend policy of the Company's subsidiaries is to pay a total dividend from its Separate Financial Statement of up to 40% of the net profit after tax and after the appropriation of required legal reserve and other reserves (if any). However, the Board of Directors of the subsidiaries will consider the dividend payment, and may amend the dividend policy, by taking into account reserves for debt payment, capital investment for production expansion, changing market conditions or as required to manage the company's future cash flows.

The Dividend Payment Record

Year	2016	2015	2014
Earnings per share ratio	0.09	0.25	0.18
Dividend yield per share	0.03	-	-
Dividend Payout (%)	33.33	-	-

RISK FACTORS

Risk factors in the company's business which may affect significantly to the operation and performance of the company and risk prevention approach can be summarized as follows:

The risk of highly competitive business.

In the 2017, Property Sector was also presented in several conditions temporarily from the year 2014 economic conditions, although the temporarily overflowed in the bank deposit. Consumers were buying, but not having confidence to the future earnings that may cause to economic conditions such a delay in spending. Even if the Government would attempt to stimulate the economy through the mega project such as transport system, system utilities, etc., but no such projects could be implemented quickly. It was gradually growing including promotion and marketing activities, reduction of all sectors since the beginning of the past year and combination with the major and minor operator also had a supply for sale were so slow to launch new projects. Resulting in a housing project in Bangkok and perimeter, who launched new projects for sales in the year 2017, with the number of new units launched equal to 8 percent compared to the year 2016.

Changing supply for accommodation						
List	January–November			January–December		
	2016	2017	changing	2016	2017	changing
The number of projects	426	364	-15%	459	397	-13%
The number of units	104,132	107,353	3%	108,562	117,112	8%
Values (Million baht)	359,894	408,970	14%	365,293	446,149	22%
Price/unit	3.456	3.810		3.365	3.810	
Amount of units/project	245	295		237	295	

Notice : The whole of the year 2017 is derived from the 2017 average monthly multiply by 12 (the first 11 months * 12/11)

source: Agency for Real Estate Affairs (AREA) www.area.co.th

From the limitation of economic factors, result to competition in the real estate business had severe specialized. Many entrepreneurs adjusted strategy in pulling demanded in the market and to maintain income and the survival of its business under hemorrhagic economy recovering slowly such as pricing strategies for RA existed, but may lead to a decrease in gross profit rate. To extend the project to the perimeter, introducing the use of the new product innovation to reduce costs but did not increase the price of the product or the supply in the market, seeking the new group, as well as other supply group segment which supply chain this will be affected by the current economy's less temporarily and limited demand, including start adjust products and markets coverage in every race gave a segment the more intensified version.

Company is doing its business since 1997 and listed in the Stock Exchange of Thailand on 2016 the company develops housing and condominium until now with the total of 13 projects and total project value is more than 10,984 Million Baht. The company had a professional teams to do a feasibility study, behavioral needed of consumers and the possibility of the project in all aspects before deciding to purchase land for development. The company had developed a

new function to meet market demands and could make a difference with outstanding selling points. It also gave priority to the delivery the product from after sales service unit of the company and taking care of the customer relationship which made all the projects of the company receives good feedback from our customers. Currently, the company had expertise in the development of the condominiums at all price levels, and the company had also expanded the projects to a new market segments with both single house, townhouse from 2 — 10 Million Baht to increase the customer base. In addition, the company also would invest with others investors to results in business real estate to create a new segment of the product into the market. The company had continually to good operating results and sustainable growth.

The risk of rely on the revenue from the success of under developing projects.

As of 31 December 2017, the company has projects under construction, and waits for transferring in total of 3,034 Million Baht. In 2017, the company has 3 projects during construction and will start to recognize the revenue are Chewarom Rangsit - Donmeuang, Chewathai Residence Bangpho and Chewathai Residence Asoke, those three projects is completed and able to transfer to the customers on time. The company will recognize revenue as its plan.

The company realized that the aforesaid risk thus we have long term plan for 2-3 years to acquire land, construction, and transferring the product with revenue recognition in accordance with the Company's goals. The Company is flexy to adjust our strategy that will accommodate and to prevent the other risks that may come into.

Risks from Changes of Policies.

From the year 2017, the two important law concerns to the real estate businesses that would be implemented, which are still not confirmed, are land taxes and building taxes laws. The law are expected to be implemented in 2019. Such ambiguity may prevent the investors from the investment because it is not confirmed how much more burden the policies would cost. Moreover, the taxation in selling a real estate that would be calculated from selling price, instead of the original land evaluation price as before, would generate more costs and less returns, which may as well slowdown the investment market. While the investment returns are decreased from 6-8 percent to approximately 5 percent due to prices of condominiums that increased rapidly, the profitability of leasing would be lessened. The investment in this year would not be very friendly to the individual investors.

The company realized that the legal consequences may occur in both terms of increasing investments and a slowdown of sales. From an unclear law, the company has to prepare very well to accommodate such a problem which may happens both funds and stimulate sales.

Risk of changes in loaning policies of commercial bank.

Thailand Military Bank Analytics Center Specified whether the housing loan in the year 2017 growths around 6.9% and in 2017 expected the growth rate would be reduced to 6.9%, the reflection of cautious financial institutions as well.

Hosing loan is most require to the financial institution due to minor credits with less risk because it has collateral when compared to other retails, such as personal loan or credit card with more risk and has no collateral. Housing loan might set aside with higher rate than the other loan, and when consider a debt which is Non-Performing Loan (NPL) would find that the Housing loan is higher NPL than other retail loan. As of the end of 2017, the NPL from the housing loans was 3%, while personal loans was at 2.9% and car loans was at 1.7%. As can be seen, the developer started to give the signal to financial institutions for flexible in approving the housing loan because the main reason that effect to the sales is from the rejection from the financial institutions. It is according to the rejection rate which increased from 40% to more than 50%.

The company acknowledged that the situation of the real estate business which average price level 2-3 Million Baht still be concerned due to the high rejection rate. The company has planned to keep down payment around 10 - 15 percent to screen the customer's financial status. Furthermore, the company had a process to facilitate by doing pre-

approve, advise on the preparation and monitor by the sale staffs of the company to be as financial advisors, guiding how to prepare documents and facilitated contact with the Bank.

The Company's customer, mostly is real demands, it's not the investors. Thus, the rejection rate is lower than the industry average. In addition to sale Housing Projects, the Company considered the initial qualification of our customer and set up the conditions to submit the Bank loan. For condominium projects, the Company will send the documents to the Bank for considering the loan before the transfer period approximately 2-3 months, every the company's projects had been supported loans from various financial institutions, which could help customers to get the better loan terms, and doesn't take a long time to consider the loan. If it does not approve, the new sales could also be executed immediately and all of transferring around 30% of clients settled by cash. The company had a good operating results and continued growth, along with strong financial status. There is financial management discipline by determining the ratio of debt to equity no more than 2:1. The Company always get financial support from various financial institutions of all time.

Risk from Land arrangement.

In real estate businesses, one of the most vital main strategies is the location of the project. In order to develop a successful real estate project, the company is fully aware of this main strategy; thus, a policy to choose only locations to develop a project where are high potential, close to the main transportation, and located in business district. Such lands are highly preferable by the real estate market, with high value and the prices tend to be increased continuously each year, as can be seen from the acquisition of lands around CBD area. There are also other factors that affect to the price of land and the procurement of new land for development include the legal restrictions associated with the use of land, location and facilities area. The treasury department announced the land appraisal price for the year 2016 - 2020 which increased average to 27.72% divided into Bangkok area is equal to 15.78% and the provincial is 27.88%, land prices is increased, mainly the area with the construction of transportation, business area, the special economic province, as a result, the Company could face the risk of could not find the land in such a manner to develop the project.

The company manages such risks with planning the procurement the potential land both short-and long-term and the action plan which the company defined to gradually develop new projects. The result that, the Company is able to expand the new project continuously and to support the growth of the housing projects and condominium projects through a period of 4-5 years ahead. During that period, there is sufficient for a period of time for new potential for land to develop a project in the future.

In the real estate development, the company realized that the land is a critical component to 75% in the overall success of the project and the other 25% is the developing, the Company specified to set the size and the shape of the land clearly so the Company will able to acquire the proper land for developing the projects.

The Company considers to acquire target lands under the appropriate land cost and carry out the study of the plot of land to consider the risks. Under the development, the Company regards the ability to develop, construction pattern and ability to sell, etc., The Company considers to invest if the land is appropriate, as mentioned above.

Growth - Risks prevention

In 2017, the Company is under restructuring and set the proportion to expand projects. The Company focuses on increasing the proportion of Housing Projects which is only 10 percent of all port of the Company and extend the project to the big cities in provincial area.

To diversify the business operations, the company is also searching for new investment opportunities such as joint ventures with Thailand and foreign investors who have the expertise to develop the project in provincial area, in Thailand. All of our business operations, the company still has the RBF project to recognize the revenue of the Company along with the real estate business.

REAL ESTATE SITUATION IN 2018

In 2018, the economic is expected to continue recovery which is a good sign for the housing markets. It results in the real estate development entrepreneurs will have the confidence to launch new residential projects, but the direction of competition in the residential market remains severe because the developers are still launch new residential projects to the market continuously.

While the housing demand in 2018 is still limited by the real demand group even though they are gradually recovering but still faced to the limitation on the price of new projects which is high level, including the investors might slow down on invest in residential projects because of competition in the rental market is severe especially in condominium for rent.

In addition, the expansion of the number of backlog at the end of the year 2016 is pressured to the developers to be aware of new launch projects in 2017 and may adjust the sales for the new residential projects during the year in accordance with the changes in situation in the residential market.

By the number of sales of new residential projects in Bangkok and Perimeter in 2018 seems to remain not less than 100,000 units, which is at 100,000-108,000 unit, the expansion is around 0-2% from 2017. The number of residential sales in 2018 seems to be closer to two previous years by expanding the number of residential for sales as a result of the expansion of the number of residential condominium groups. The limitation of the land developing for investment for the housing projects with the progress of the MTR extension would likely attract to the developer still launch the new projects in 2018.

(source : Kasikorn Research Center)

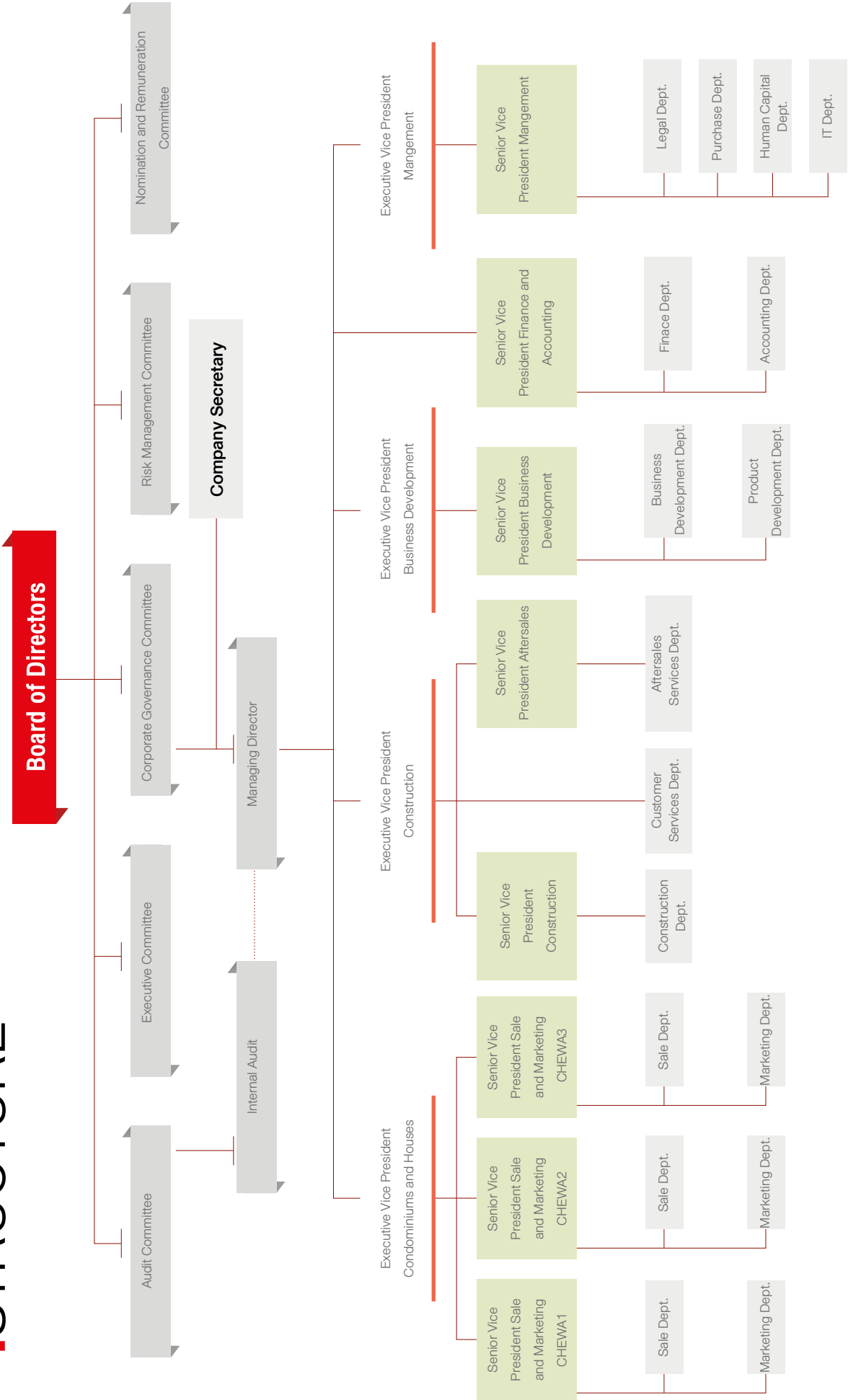


Source: Agency for real estate affairs (AREA)

Predicating by: kasikorn Research Center

The company continues to develop products for both condominiums and houses by aiming to expand its investment projects both condominium and housing to balancing the proportion of the port of the Company, in accordance with the expansion to launch new project in several area to accommodate the needs of the market in all levels of cost effective, and also considering an expansion to the major cities of Thailand.

MANAGEMENT STRUCTURE



Board of Directors

As of 31 December 2017, the Board of Directors comprises seven members according to the Company Registration Certificate of the Ministry of Commerce. All of whom are equipped with knowledge and experiences beneficial for the operation of the Company as follows:

Name – Surname	Position
1. Mr. Chartchai Panichewa	Chairman of the Board of Directors
2. Mrs. Somhatai Panichewa	Director
3. Mr. Phua Cher Chew	Director
4. Mr. Boon Choon Kiat	Director
5. Mrs. Supaporn Burapakusolsri	Independent Director / Chairman of the Audit Committee
6. Mr. Chaikut Techatassanasoontorn	Independent Director / Member of the Audit Committee
7. Mr. Chung Tang Fong	Independent Director / Member of the Audit Committee

With Ms. Jeerasuda Sasanus as the Company Secretary was appointed by the Board's resolution No. 6/2017 instead of same Company Secretary who was not able to work.

MEMBERSHIP OF THE BOARD OF DIRECTORS

In compliance with good corporate governance and the balance of power among independent directors, non-executive directors and executive directors, the components of the Board of Directors of the Company as of the 31st of December 2017 are as follows:

1. Three Independent Directors (42%), are
 1. Mrs. Supaporn Burapakusolsri
 2. Chaikut Techatassanasoontorn
 3. Mr. Chung Tang Fong

As for independent directors, the Board of Directors' Meeting No. 1/2015 on the 30th of January 2015 had identified the qualifications of independent directors stricter than the qualifications required by the Capital Market Supervisory Board.

2. Six Non-Executive Directors (85%), are
 1. Mr. Chartchai Panichewa
 2. Mrs. Somhatai Panichewa
 3. Mr. Phua Cher Chew
 4. Mrs. Supaporn Burapakusolsri
 5. Mr. Chaikut Techatassanasoontorn
 6. Mr. Chung Tang Fong
3. One Executive Director (15%), is
 1. Mr. Boon Choon Kiat

Authorized Directors

Mr. Chartchai Panichewa or Mrs. Somhatai Panichewa co - sign with Mr. Phua Cher Chew or Mr. Boon Choon Kiat and the Company's seal is affixed.

ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

1. To conduct their duties in compliance with the laws, objectives, articles of association and resolutions of shareholders meetings with duty of care and duty of loyalty.
2. To formulate and approve the vision, strategies, business directions, policies, targets, guidelines, plans of work and budget of the Company and its subsidiaries as prepared by the management and oversee the administration and the performance of the management or any persons assigned to do such work to ensure compliance with the policies set out by the Board of Directors.
3. To follow-up the outcome of work to ensure its compliance with the plan and the budget on an ongoing basis.
4. To ensure that the Company and its subsidiaries adopt and set in place an appropriate, strong and effective accounting system including an internal control and internal audit system.
5. To review the risk management procedures and policies and also follow up on the results.
6. To set in place the corporate governance policy and its effective implementation.
7. To appoint the sub-committees such as Audit Committee, Nomination and Remuneration committee and Corporate Governance Committee, or any other sub-committees in order to assist the Board of Directors performing duties.
8. To appoint the senior executive positions of the Company such as Managing Director, Executive Vice President Corporate Affair, Executive Vice President Account & Corporate Finance and any other senior officers as deemed necessary.
9. To appoint the Company Secretary to assist the Board of Directors in its various activities to run the business in line with the related laws and regulations.
10. To seek professional opinions from external agencies, if required, in order to take appropriate decisions.
11. To encourage directors and executives to attend the seminar program of Thai Institute Directors Association (Thai-IOD) in the course that related to their duties and responsibilities.

AUTHORIZING POWER OF THE BOARD OF DIRECTORS

The Board of Directors has the authority to approve various issues of the Company and subsidiary companies as established by law, Article of Association and resolution of the Annual General Meeting of Shareholders as follows:

- Strategic map, mission and vision of the Company
- Risk management policy
- Organization structure, goals of the Company
- Business plan and annual budget plan
- Annual and quarterly performance assessment
- Budget for land purchase
- Budget for investment in projects e.g. cost, income, gross profit, etc.

As the subject which has conflict of the interest to the Company with any directors, the interested person will not have the right for vote those transaction.

Furthermore, the Board of Director has duties to comply the Company with Securities and Exchange Act, the notification from The Stock Exchange of Thailand such as the connected transaction and the disposal and acquisition of the asset in accordance with the regulation of The Stock Exchange of Thailand or the notifications of Securities and Exchange Commission of Thailand or other relevant laws.

BOARD OF DIRECTORS' MEETING

The Board of Directors determines at least one meeting per quarter, the date and the time of the Board of Directors' Meeting are scheduled in advance, and if necessary, they are to be provided for additional meetings.

1. Meeting Agenda

The Managing Director and The Chairman of the Board of Directors will identify the meeting agenda and the issues to be discussed. The Company Secretary will send out the meeting invitation letters and the documents to the directors at least seven days in advance for the directors to clearly study the information without time constraint. However, the meeting invitations will be done in several ways to arrange and send the information less than seven days, if necessary.

2. Meeting Frequency

- (a) The Board of Directors has to arrange meetings at least four times a year.
- (b) The Chairman of the Board of Directors may call for a particular meeting himself or requested from one of the directors.

3. Meeting, Quorum and Voting

In order to have most of the Board of Director members participate the meeting, the company will arrange the meeting schedule and send it to all the directors in January. The Board of Directors may arrange the particular meeting in case of urgent matter. There must be at least half of all the directors of the Company constituting a quorum in the Board of Directors' Meeting. If some directors have conflict of interest concerning to meeting agenda, there will be no right for voting in that agenda. In all the meetings, the Board of Directors must give importance to conflict of interest by accurately, fully and transparently disclose all the information. The directors having a conflict of interest in the agenda will have to leave the meeting room or give up the voting right on that matter. The period of each meeting is around 3-4 hours.

After the meeting, the company secretary will be responsible for the preparation of the meeting duration for revision of the directors and related persons. When the meeting duration is revised and amended, the company secretary will present it to the next Board of Directors' meeting for approval. The Chairman of the Board of Directors presiding over the meeting will sign the duration approval. The hard copy of the adopted and signed meeting duration will be systematically filed to the Director's Office. The electronic version will be filed with other meeting documents as reference.

- 3.1 The Annual General Meeting of Shareholders is scheduled once a year. In case that there is an urgent issue that needs approval from the shareholders, the Board of Directors will schedule an Extraordinary Meeting of Shareholders. The Board of Directors of the Company will comply with Public Limited Company Act B.E. 2535 and Securities and Exchange Act B.E. 2535 and other related regulations in order to be in consistence with the law and good corporate governance principles.

In 2017, eight Board of Directors' Meeting is organized. The details are as follows: (information as of 31 December 2017)

The Board of Directors' Meeting

The Board of Directors' Meeting in 2017, the details are as follows:

Meeting No.	Date/Month/Year	Agenda
1.	7 January 2017	Consider the Related Party Transaction with the loan from the director.
2.	22 February 2017	Consider the financial statements 2016, the dividend payment and the date of the Annual General Meeting of Shareholders 2017
3.	11 May 2017	Approve the financial statements in Q1/2017
4.	11 May 2017	Site visit at Chewarom Rangsit - Donmuang
5.	20 June 2017	Consider the Related Party Transaction with the loan from the director.
6.	11 August 2017	Approve the financial statements in Q2/2017
7.	17 August 2017	Consider the Internal Control matters.
8.	8 November 201	Approve the financial statements in Q3/2017

The details of the attendance of the directors are as follows:

Director's Name	Position	No. of Meeting Attended	%
1. Mr. Chartchai Panichewa	The Chairman of the Board of Director	8/8	100%
2. Mrs. Somhatai Panichewa	Director	7/8	87.5%
3. Mr. Phua Cher Chew	Director	4/8	50%
4. Mr. Boon Choon Kiat	Director	8/8	100%
5. Mrs. Supaporn Burapakusolsri	Independence Director / The Chairman of the Audit Committee	8/8	100%
6. Mr. Chaiyut Techatassanasoontorn	Independence Director / the member of Audit Committee	8/8	100%
7. Mr. Chung Tang Fong	Independence Director / the member of Audit Committee	6/8	75%

Remark excluding the Annual General Meeting 2017

NOMINATION, APPOINTMENT OR ELECTION OF THE BOARD OF DIRECTORS

The Nomination and Remuneration Committee is responsible for nominating qualified candidates to take up the position of the directors who are suitable in terms of competencies, experiences and expertise in the profession and are equipped with leadership skills, vision, moral and ethics, transparent professional background and are able to express their opinions freely. The Nomination and Remuneration Committee will nominate suitable candidates to the Board of Director's Meeting for approval before presenting to the Shareholders' Meeting for appointment or election. In case that a director position of the Company becomes vacant not by rotation, the Nomination and Remuneration Committee may consider to nominate a suitable person to the Board of Directors' Meeting to be appointed as a director to fill the vacant position in accordance with the Articles of Association of the Company.

MANAGERS

The first four managers following the Managing Director name lists are the seven managers in the accounting and finance department, as follows:

Name – Surname	Position
1. Mr. Boon Choon Kiat	Managing Director / Senior Vice President Industrial (acting as) / Senior Vice President Business Development (acting as) / Senior Vice President Corporate Affair (acting as)
2. Mr. Yuthana Boonsitivaraporn	Senior Vice President Construction
3. Ms. Jiraphat Chatphet	Senior Vice President Sales and Marketing
4. Mr. Sataporn Semsawang	Senior Vice President Aftersales Service
5. Mrs. Jariya Dansompong	Senior Vice President Sales and Marketing
6. Ms. Palida Amornsirisin	Senior Vice President Sales and Marketing
7. Ms. Sunantra Mahaprasitchai	Vice President Finance and Accounting

The roles and responsibilities of high-ranking executives of the Company are to ensure that the operation is in accordance with the policy, vision, mission, strategy and target established annually by the Board of Directors as well as to operate the business in accordance with the business plan and manage the budget approved by the Board of Directors. The qualifications of the high-ranking executives of the Company are in compliance with the Notification of the Capital Market Supervisory Board No. TorChor. 23/2551 Re: Definition of "Executives" under Chapter 3/1 of the Securities and Exchange Act B.E. 2535 (1992) as amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008). All the seven high-ranking executives of the Company do not have prohibited characteristics as follows:

1. No criminal record in relation to offences against property
2. No history of transaction that causes conflict of interest with the Company

The directors and executives of the Company do not have distrustful characteristics stated in the Notification No. KorJor 8/2553 of the Securities and Exchange Commission Re: Concerning Stipulation on Distrustful Characters of Company's Director and Executive.

COMPANY SECRETARY

The Board of Directors recognizes the importance of the roles and responsibilities of the Company Secretary which is to support the operation of the Company to be in accordance with the Principles of Good Corporate Governance and comply with rules and regulations of the Stock Exchange of Thailand and Securities Exchange Commission. The Board of Directors has appointed Ms Jeerasuda Sasanus Vice President Legal, to take up the position of the Company Secretary since 11 August 2017 and has passed the Company Secretary Program (CSP) class 69/2016 from IOD to be

responsible for coordinating between the Board of Directors and the Management, being in charge of and coordinating the work relating to laws and regulations on the Principles of Good Corporate Governance, ensuring compliance with the regulations and announcements of the Stock Exchange of Thailand and Securities and Exchange Commission, following up the result of the implementation of resolutions of the Board of Directors' meeting and the shareholders' meeting and filing the documents as required by law. The qualifications and experiences of the secretary are disclosed in Form 56-1 and Annual Report.

REMUNERATION OF DIRECTORS AND EXECUTIVES

REMUNERATION FOR THE BOARDS AND SUBCOMMITTEE MEMBERS

The Nomination and Remuneration Committee is responsible for proposing the criteria and the guidelines for deciding remuneration for directors, subcommittee members and executives. The remuneration proposed will be considered from the comparison with remuneration of the same industry with more or less the same size, business expansion rate as well as the growth of the Company. The reward for directors is calculated from the growth of dividend paid to shareholders which coincides with the profit growth of the Company. The Nomination and Remuneration Committee will present the remuneration rate for the directors, the sub-committee members and present the rewards for directors to the Board of Directors for endorsements and, later, to the Annual General Meeting of Shareholders for approval. The Board of Directors will decide the appropriate reward numbers for directors to be paid. The directors will allocate the rewards as deemed appropriately. This will be effective from the date of approval from the Annual General Meeting of Shareholders until further notice.

Remuneration for the directors in 2017 for the performance of duty includes transportation fee, reception fee, per diem, meeting allowance and necessary expenses (Articles of Association, Section 5 on Directors, Article 22). The Annual General Meeting of Shareholders in 2017 on the 27th April 2017 resolved to approve the remuneration are as follows;

Remuneration for Directors

1. Financial Remuneration

The Annual General Meeting of Shareholders in 2017 on the 27th April 2017 resolved to approve the remuneration and the rewards for the Board of Directors, the Audit Committee, the Executive Committee and the Nomination and Remuneration committee with the details are shown as follows;

Position	Remuneration (THB)	
	Meeting Allowance	Monthly Remuneration
Chairman of the Board of Director	60,000	60,000
Director	40,000	10,000
Independence Director	20,000	10,000
Chairman of the Audit Committee	40,000	-
The Audit Committee	20,000	-
Chairman of the Executive Committee	70,000	-
The Executive Committee	60,000	-
Chairman of the nomination and remuneration committee	40,000	-

Position	Remuneration (THB)	
	Meeting Allowance	Monthly Remuneration
The nomination and remuneration committee	20,000	-
Chairman of the corporate government committee	10,000	-
The corporate government committee	5,000	-
Chairman of the risk management committee	10,000	-
The risk management committee	5,000	-

Remark the executive director is not entitled to monthly remuneration and reward.

The financial remuneration are as follows;

Director	2016 (THB)	2017 (THB)
1. Mr. Chartchai Panichewa	1,300,000	1,260,000
2. Mrs. Somhatai Panichewa	320,000	480,000
3. Mr. Phua Cher Chew	320,000	320,000
4. Mr. Boon Choon Kiat	560,000	500,000
5. Mrs. Supaporn Burapakusolsri	420,000	575,000
6. Mr. Chaiyut Techatassanasoontorn	340,000	465,000
7. Mr. Chung Tang Fong	380,000	400,000
8. Mr. Phua Chian Kin	320,000	40,000
Total	3,960,000	4,040,000

2. Non - Financial Remuneration

The Company does not have any policy related to ESOP and EJIP.

Remuneration for Executive Directors

The Nomination and Remuneration Committee will consider the remuneration for executive directors and the bonus for the executive directors and propose to the Board of Directors for approval. The remuneration is based on the business performance of the Company, the operation in accordance with the policy of the Board of Directors as well as the overall economic and social situation. The information of the current year and the past and the ability to develop the business and improve the operation of the Company in each year will be taken into considerations.

1. Financial Remuneration

In 2016, the remuneration for the three executive directors are shown as follows:

No.	Name	Total Remuneration in 2016	Total Remuneration in 2017 ¹
1.	Mr. Phua Chian Kin	280,000 THB	40,000 THB
2.	Mr. Chartchai Panichewa	240,000 THB	-
3.	Mr. Boon Choon Kiat	240,000 THB	-
Total		760,000 THB	40,000 THB

Remark ¹ the remuneration for the executive directors in 2017 was meeting allowance only.

2. Non – Financial Remuneration

The Company does not have any policy related to ESOP and EJIP.

Remuneration for Executives

1. Financial Remuneration

In 2017, the remunerations paid for executives are as follows:

1. In 2017, there are three executives has resigned as follows;
 - Mr. Somchok Leungsupornpong was Senior Vice President Construction has resigned on the 1st July 2017.
 - Mr. Pachathip Mettaprasopkit was Senior Vice President Legal has resigned on the 26th July 2017.
 - Mr. Yuthana Boonsittivaraporn was Senior Vice President Construction has resigned on the 30th December 2017
 - The new entry and promoted executives during the year is total six persons.

Thus, as of the 31st of December 2017, there are 10 executives.

2. Remuneration for executives in 2017 included all executives whom has resigned during 2017 and the existing executives.

3. Other remunerations such as provident fund and social security fund are as follow;

Remuneration for Executives	2016		2017	
	Amount (Person)	Remuneration (THB)	Amount (Person)	Remuneration (THB)
Salary and Bonus	6 ¹	9,475,484.00	10 ¹	15,776,084.00
Others		439,683.00		1,691,124.00
Total	6	9,915,167.00	10	17,467,208.00

Remark ¹: The remuneration is excluded one high-ranking executive.

2. Non – Financial Remuneration

Non-financial remunerations include medical insurance, annual medical check-up and providence fund.

High-Ranking Executives

Remuneration for High-Ranking Executives Policy (CEO, MD)

The Executive Committee will consider the remuneration and bonus for high-ranking executives of the Company. The consideration is based on business performance of the Company, task implementation assigned by the Board of Directors, the Executive Committee and the Chairman of the Board of Directors. There are short-term and long-term remunerations. The consideration for the short-term remuneration is based on the annual profit of the Company. It is the ability to generate profits of high-ranking executives who are responsible for cascading the policy established by the directors to staff of all levels. As for the long-term remuneration, it will be considered based on the Key Performance Indicators (KPIs) of the line of work under their responsibilities as well as the Individual KPIs in the performance evaluation. The remuneration will be established in consistence with the performance of the Company.

High-ranking executives of the Company is referred to Mr. Boon Choon Kiat, Managing Director of Chewathai Public Company Limited and is an employee of the Company so he is not entitled to monthly remuneration and reward for director as a director and executive director of the Company.

REMUNERATION FOR HIGH-RANKING EXECUTIVES

1) Financial Remuneration

Remuneration for High-Ranking Executives in 2017 includes financial remuneration and bonus depended on business profits and financial statements, reserve and provident funds and social security funds, and other income in amount of 7,598,000 THB.

2) Non – Financial Remuneration

Non-financial remuneration includes medical insurance, annual medical check-up and provident fund. As a director, there are no provident funds provided.

PERSONNEL

The structure of human resources management of the Company and affiliated companies is centralized in order to create unity and development in the same direction under the supervision of the Managing Director the Chairman of the Executive Committee. Staff of the Company and subsidiary companies are always able to request for a transfer to advance their career.

Policy on Remuneration Paid to Staff of the Company.

The consideration for the remuneration of staff is based on the inflation rate as well as reference information from the remuneration survey in the property development and construction business group and the performance of the Company. In accordance with the policy of the Company, the staff remuneration is paid in the form of salary and is based on the performance of the Company each year to reciprocate the commitment and the collaboration of all staff who play a vital role in achieving the goal of the Company. The Executive Committee and Managing Directors of the Company will consider the remuneration for staff to encourage them to efficiently perform their duties in line with the annual business plan. It is stated in the policy that the overall remuneration must be consistent with the performance of the Company both in the long-term and in the calculated from the performance evaluation of staff. Based on PMS Performance Management System, corporate KPIs and Competency Model are established as performance indicators but the emphasis will be weighed on the different in usage or Mixed Model. KPIs is a numerical indicator showing clear results but Competency is evaluated by staff's behavior. The company set up corporate KPIs to indicate on work performance and divided to each KPIs department. Quarterly meetings are organized in each department to review the work plan. There are also individual KPIs to evaluate the performance of individual staff according to their responsibilities. The supervisor and staff will conduct evaluation together once a year. The consideration for the staff remuneration and the staff promotion will be based on the result of the performance evaluation. The monitoring and the evaluation of staff performance are conducted to ensure that an individual staff performance is in accordance with the organizational goal. The information compiled from the evaluation will be used for other human resources purposes such as consideration for bonus and promotion, salary raise and development of staff especially the talented ones and successors. It is to encourage staff to perform and build new generation of executives who will drive the organization forward.

EMPLOYEE

In 2017, there is the total of 99 employees in the Company (excluding high-ranking executives) which can be divided into different lines of work as follows:

Lines of Work	Employee (person)		
	Male	Female	Total
1. Condo and Housing	12	24	36
2. Construction and Support	4	3	7
3. Business Development	11	14	25
4. Finance and Accounting	4	7	11
5. Corporate Affair	8	11	19
6. Company Secretary	-	1	1
Total	39	60	99

Remuneration and Welfare

1) Financial Remuneration

Remuneration for employees in 2017 includes financial remuneration, bonuses, reserves, provident fund and social security funds as follows;

Details	Amount (THB)
Salary	41,324,733.00
Bonus	2,709,363.00
Reserve and provident fund	3,218,210.00
Reserve and social security fund	1,654,696.00
Others Remunerations	471,248.00
Total	49,378,250.00

During 2017, there has been no significant change in the number and staff and labor dispute.

2) Non – Financial Remuneration

Non-financial remuneration includes medical insurance, annual medical check-up, provident fund, best employees rewards, uniform and New Year Party.

Provident Fund

The Company and its employees have jointly established a provident fund since 2011 in accordance with the Provident Fund Act B.E. 2530. The fund which is purposed for saving and guaranteeing employees including tax benefits.

Labor Disputes

-None-

Employees Development Policy

The Company is conscious of the importance of training and developing all employees to support employee's performance which is able to work upon changing of the company strategies. The criteria are as follows;

1. Year plan for training which is according to business plan.
2. There will be co-responsibilities in training and employees developing.
 - The Company targets to train and develop employees under human capital department operations and decides the number of hours that employees will carry the training hours annually.
 - Supervisor will be responsible for training and developing program by considering from the training plan.
 - The Employees must be earnest to improve themselves according to developing plan and changing in our mission.
3. Training and Developing employees consist of two parts; on the job training and others management and organization training defining to the circumstance and necessary.
4. The company provides the training to support employee's capabilities and increasing efficiency in work by self-operation and external institutions.

The Company assumes that human capital is more valuable than management capital, "Invest continuously in its human capital". Therefore, all employees should have been continuously developing its potential, either in knowledge, skills and internal systems in every work level. The company has settled the appropriate Competency Based Development Systems.

In 2017, the Company has focused on the development of capacity and professionalism of employees of the Company. There are training courses in every work level, for example, the company supports the employees related to Corporate Governance to directors, audit committee, executives and company secretary etc. to improve potential of work both internal and external training course as follows;

Program	Objective
National Research Alliance Dialogue on Corporate Governance 2017	To publish the academic works and researches related to Corporate Governance matters.

Internal Training Courses is on the job training and/or coaching, the supervisor is important to develop to subordinate such as;

Program	Objective
The best Post + After Sales Services team.	To acknowledge to the staffs who works directly with the qualified products and services of the Company and to focus on the system that related with work process and to ensure that products and services of the Company is qualified.
Personality Development for Success Class No. 1	Training Program for staff's Personality Development to utilize to the work.
Anti - Corruption	To acknowledge guideline for practicing with Anti - Corruption and to prepare the staff for complying with Thailand's Private Sector Collective Action Coalition Against Corruption.

External Training Courses.

Program	Objective
Tax planning for real estate development business.	To acknowledge tax planning to maximize company benefits.
Taxation for selling houses in the real estate business.	To understand and to acknowledge taxation related to houses selling.
Finance for Non-financial Executive	To understand the core concepts, terms, and techniques of finance and accounting. Become a well-informed strategic user of fundamental accounting and financial principles, and engage effectively with financial stakeholders.
Work System Design	To understand concept, core values and criteria for evaluation of operational organization. To lead organization to be the good management and to be an equipment for applying with real management in the Company.
Problem Solving and Decision Making Techniques	To acknowledge the concept and the important of 3Q with normal practice. To acknowledge the development technique and 3Q concept for applying with the real work.
Assignment & Controlling Tricks and Tips	To acknowledge about technique of assignment and following up the work and be able to apply with efficient work.
Seminar: Executives with real estate in Q1/2017	To acknowledge the real estate situation in Q1/2017
The Essence of the Criminal Liability of. Representatives of Juristic Person.	To acknowledge the responsibility of the director concerned with proving intention of doing and which case have to be response for.
SD Talk "Growing Towards Corporate Sustainability	To emphasized the important of Sustainability Growth By integrating environmental issues, society and corporate governance to go hand in hand with solid financial position.
Tax System related to real estate business.	To understand the new tax laws better and able to solve problems occurring while working.
BRAVIS BRANDING SEMINAR 2017	To acknowledge the strategy and working process with global brands and will be an opportunity of knowledge and experience sharing in branding.
Thailand's Big Strategic Move conference	an exclusive platform for global institutional investors to gain knowledge and update information on the government's vision, key strategies and key macro issues by Economic Ministers team and prominent keynote speakers

In 2017, the Company has focused on the development of capacity and professionalism of staff of the Company for sustainability. The Company had a training course at the average of 10 hours/person/year, the duration is more than the standard, settled by Department of Skill Development of around 6 hours/person/year.

Orientation for New Employees

The Company determined the orientation after recruiting for new employees that able to adapt through various activities such as introduction to the organization (whether it be supervisor, colleague, work safety manual, company policy, objective, company's rules and regulation, company's welfare etc.) in order to get the first impression, relationship and the trust in organization. Ninety-Eight percent of all the orientations is shown as follows:

No.	Subject	Summary
1	Human Capital Department	Work safety manual, company policy, objective, company's rules and regulation, company's welfare.
2	Business Development Department	The process of selection lands and locations, basic law and regulations which related to properties.
3	Product Development Department	The process of product development, basic law and regulations which related to properties such as EIA permission.
4	Legal Department	The role of legal team and all properties law and regulations.
5	Marketing Department	Work process of Marketing team, how to do Brand Positioning, Brand Personality, Brand Character.
6	Online Department	The knowledge of Marketing online.
7	Construction Department	Work process of construction team, material standard and basic information of qualification of material for sales work.
8	Sales Department	Work process and service standard of sales team
9	Customer Service Department	Customer Service Department standard, credit knowledge and basic credit calculation.
10	After Sales Service Department	Work process of After Sales Service and standard.
11	Customer Relationship Department	Work process of Customer relationship and Corporate Branding process.
12	Purchase Department	Work process of Purchase team, basic price list and the standard of contractor procurement.
13	Accounting Department	Work process of accounting team, related document to support the expense.
14	Budget Control Department	Work process of budget control and related policy.
15	IT Department	Knowledge concern with operation program; ERP, SAP and Policy concern with IT.

Anti-Corruption Policy

The Company establishes the policies related to anti — corruption for adherence of the directors, the executives and the employees of the company. The Company also establishes a policy on gift delivery and acceptance. The employee are not permitted to receive gifts, to request for or take a bribe or loan or special treatment which may affect

a business decision of the employee on behalf of the Company. It is stated in the Code of Business Conduct which is included in the employee manual and orientation of new employee. In 2017, the Company has acknowledged and trained the employee according to Anti — Corruption subject by external trainer. Together with training and reviewing the code of conduct for every employee lead to good business ethics so the executives and the employee could follow up what is said in the employee's manual to explain to employee ethics in a role and responsibilities to the company, customer, shareholder, supervisor, co-worker including to themselves to get rid of conflict of interest, internal information usage including to the rules and regulation concern with work, welfares, employee's benefits, collaborative practices including discipline and punishments to demonstrate commitment to good practice as a guiding principle that everyone must strictly follow.

Health, 5S Structure and Safety Policy

The Company emphasizes on clear and concrete policies on health safety, safety in workplace and work environment. The Company acknowledged the employee regarding to conscious mind, safety and work environment by 5S training to each department, appointed 5S Committee to monitor the compliance in workplace as follows;

Safety

- 1) The Company provides finger scan system in — out for eligible people accessibility.
- 2) The Company focuses on the safety and accident prevention by participating to training such as annual fire training.
- 3) To assign the hygiene inspection and safety report to the employees and all contractors and manage the training course to site engineer and related party before start working (twice a month).
- 4) To assign to all the employees to take care and clean in self-area.
- 5) To assign to all the supervisor to be good role models and good leaders for the subordinates, and motivate the subordinates with safe work.

Health

- 1) For the employees' good hygiene, the Company provides medical checkup once a year.
- 2) The Company provides health insurance; therefore the employees are able to be admitted to hospitals with a limit for reimbursement of medical expenses from employee's level.
- 3) The company provides Sports Day activities to the employee in order to exercise and to relax from work by targeted for healthy employees.
- 4) To do the pest control in the office for sanitary and clearness place for work.

Summary of accident, leave rate or sickness rate from work and absence rate in year 2017.

Details	Year 2017
Injuries from accident (person)	-
Day off rate from illness from work (day)	-
Illness from work rate (person)	-
Absence rate (day)	-
Absence rate amount (person)	-

CORPORATE GOVERNANCE

Corporate Governance Policy

The Company's Board of Director places high importance on stringent conforming to the Corporate Governance principle. Recognizing the importance of the roles and responsibilities of the directors, executives and employees in building a good Corporate Governance environment that will strengthen the Company's competitiveness, fortify effective and transparent management, and increase the level of trust from shareholders, investors, and other stakeholders, the Company established its Corporate Governance policy, covering 5 main principles as the followings:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Roles to Stakeholders
4. Disclosure of Information and Transparency
5. Responsibilities of Board of Directors

SECTION 1: RIGHTS OF SHAREHOLDERS

The Company respects basic rights of shareholders both as investors and owners of the Company by treating all shareholders equally. Shareholders are able to find out the result of the performance of the Company, management policies or complete any transactions through the Company's website i.e. www.chewathai.com both in Thai and in English or the website of the Stock Exchange of Thailand i.e. www.set.or.th. Shareholders can be confident that such rights are protected and treated with respects.

1. The Company appointed Thailand Securities Depository Co., Ltd. as a registrar of the Company in order to provide convenience for shareholders in any business related to securities registration of the Company.
2. As for the date of the Annual General Meeting of Shareholders, the meeting will not be organized on a public holiday or bank holiday. The time will be between 8.30-17.00 hrs. and the venue will be in Bangkok. In 2017, the Annual General Meeting of Shareholders was held on 27 April 2017 at 09.00 — 10.30 hr.
3. Shareholders have the right to attend the Annual General Meeting of Shareholders which is organized once a year on appropriate date and time which will not be longer than four months after the end of the accounting period of the Company.
4. The Company assigned Thailand Securities Depository Co., Ltd. which is the registrar of the Company to deliver the meeting invitation letter to shareholders not less than 14 days prior to the meeting. The Company gives the right to shareholders who attend the meeting after it has already been started to cast a vote on the agenda being considered and not yet voted. Shareholders will be counted as a quorum for the meeting starting from the agenda being considered when they enter the meeting. The company provide the proxy for shareholder to authorize the independent director or any other person to attend the annual general meeting by giving proxy form B (specification form). The company provide form A, form B and form C following the ministry of commerce attach in the notice of annual general meeting of shareholders.

5. The Company will facilitate shareholders in the shareholder's meeting by selecting a highly accessible venue and a convenient meeting date and attaching the map to the venue with the invitation letters. The meeting time is also designed to be sufficient and of proper length.
6. Before the commencement of the shareholders' meeting, the Company will declare to the shareholders proper approaches to vote, express opinions, and make inquiries in the Meeting for each agenda. Every shareholder maintains equal rights to express opinions and make inquiries during the meeting. The Meeting's chairman is responsible for proper time allotment so that there is sufficient time for all shareholders wishing to make comments. Relevant directors and executives will also attend the meeting to respond to comments or inquiries brought up in the Meeting.
7. The Company will increase its communication channel to its shareholders using the Company's website, on which news and details are constantly posted and updated. Meeting invitations will be posted on the website prior to the shareholder's meeting date so that the attendants can download and study the meeting agenda and supporting documents before being given the hard copies from the Company.
8. The Company must maintain meeting minutes that are complete, precise, timely, and transparent and record all major opinions and inquiries in the minutes so that shareholders can review them later. In addition, the Company must upload minutes of its shareholders' meeting on the Company's website to allow shareholders to review and also send the hard copy of such minutes to SET within 14 days since the meeting date.
9. The Company will facilitate its shareholders by distributing dividend payment through bank transfer (in case of dividend payment) to help shareholders get the payment on time and to prevent against lost, damaged, or delayed checks.
10. The Company has taken care of shareholders by providing information and news and informing the result of the performance and management policy on a regular basis and in a timely manner. Apart from the disclosure of information through the news system of the Stock Exchange of Thailand, the Company has also published important information and up-to-date news on the website of the Company i.e. www.chewathai.com
11. The Company published an announcement via the information system of the Stock Exchange of Thailand and the website of the Company i.e. www.chewathai.com to invite minor shareholders to propose an agenda which should be considered in the Annual General Meeting of Shareholders in advance from 15 November 2017 - 15 January 2018 via the information system of the Stock Exchange of Thailand and the website of the Company and www.chewathai.com in IR webpage for the Annual General Meeting of Shareholders 2018.

SECTION 2: EQUITABLE TREATMENT OF SHAREHOLDERS

The Company requires that all shareholders be treated fairly and equally. The Board of Directors performs its duties in consideration of the highest interests for all shareholders equally and gives importance to and respects the rights of shareholders as owners of the Company without favouring any particular group of shareholders. Therefore, shareholders can be confident that their rights will be protected and treated fairly. The Board of Directors maintains such rights of shareholders as follows:

1. The Company discloses sufficient information on the result of the performance and management policy to all shareholders on a timely basis. The information of connected transactions is also provided accurately and completely. The information necessary for decision making of shareholders will be published on the website of the Stock Exchange of Thailand i.e. www.set.or.th and that of the Company i.e. www.chewathai.com both in Thai and in English.

2. Determine a clear rule in advance as to whether and how to add additional agenda suggested by minority shareholders into the exiting agenda, and as to how minority shareholders can nominate candidates for the Company's directors.
3. Include only the agenda determined in advance without changing major information or adding new untold agenda unnecessarily, especially in the meeting with agenda that require extensive time to study and thorough understandings from shareholders.
4. In case that shareholders are unable to attend the meeting, the Company will send proxy form which is consistent with the form of the Ministry of Commerce together with the meeting invitation letter so that any shareholders who intend to appoint a proxy to attend the meeting can authorize a person or an independent director of the Company to attend the meeting in order to reserve the right of the shareholders. Treat every shareholder fairly and equally, regardless of being majority or minority shareholders, Thai or foreign shareholders.
5. Encourage the use of voting cards in every agenda to prove transparency and measurability in the voting process, in case of a later dispute. In the director nomination agenda, the Company grants each shareholder the right to nominate directors person by person.
6. Establish a written guideline to maintain internal information and prevent misuse of such information and communicate the guideline to all entities in the organization. The Company also requires that all directors and executives report their securities holding and submit the report to the Company's BOD.
7. The voting right of shareholders is according to the amount of shares held i.e. one share is equivalent of one vote.
8. The Company controls the use of internal information and prohibits directors and executives to use essential internal information of the Company and subsidiary companies which are not yet disclosed to the public for the their own benefits or for benefits of others, including the purchase and sell of securities of the Company. Directors, executives and employees who have access to internal information must refrain from purchasing or selling securities of the Company during the period of one month prior to the disclosure of the financial statements to the public.
9. Every time directors or executives purchase, sell, transfer or accept transfer of the securities of the Company, they must inform the Securities and Exchange Commission and the Stock Exchange of Thailand within three days from the date of the change as well as inform the Company Secretary.
10. The Company establishes direction to monitor and solve conflict of interest problems. According to the Audit Committee Charter, the Audit Committee will be responsible for reviewing compliance with rules, regulations and law as required by the Stock Exchange of Thailand and the Securities and Exchange Commission. If the meeting passes a resolution that may cause a conflict of interest or connected transactions, the Company will publish the value of the transaction, names of contracting parties, persons connected, necessary reasons for the transaction and any other details related to the transaction completely and accurately on the website of the Stock Exchange of Thailand i.e. www.set.or.th and that of the Company i.e. www.chewathai.com both in Thai and in English.

SECTION 3: ROLES OF STAKEHOLDERS

The Company truly recognizes and respects the rights of internal stakeholders, such as shareholders and employees, and external stakeholders, such as customers, trading partners, competitors, governmental entities, and other entities including surrounding communities, as they are important contributors to the Company's competitiveness and profitability, the main drivers of the Company's long-term value creation. The Company, therefore, set up the following policies:

1. Proper Conducts and Responsibilities towards Shareholders

The Company realizes that shareholders are the true owners of the Company and wholeheartedly accepts fiduciary duty to create long-term value to its shareholders. It therefore requires that its employees adhere to the following guidelines:

- Behave in an honest, upright manner and always base one's decision on thorough considerations and fairness to every shareholder in order to maximize overall shareholders' value.
- Monitor and control the operation to ensure that the Company's financial status and performance are well maintained, and regularly report the Company's business status, performance, financial status, accounting information and other information in a true, unbiased manner.
- Report the Company's positive and negative trends, based on probabilities, solid evidence and backup reasoning, to every shareholder in an equal, unprejudiced fashion.
- Refrain from exploiting the Company's undisclosed information to one's or other's personal benefits and abstain from any other actions that may result in conflicts of interest with the organization.
- The Company must treat all shareholders equally in the shareholders' meeting

2. Proper Conducts and Responsibilities towards Governmental Entities

The Company highly values compliance with laws, rules, and regulations set forth by the regulating bodies, especially when transacting with governmental entities. In such exposures, it will avoid maneuver that may lead to misuses of authorities and misconducts. The Company, instead, tries to build relationships with the governmental bodies in a lawful way, such as normal greetings in public venues and paying visits in normal traditions. Guidelines for dealing with governmental bodies are as follows:

- Properly and carefully conduct oneself when contacting with governmental bodies or persons.
- Always realize that the laws, rules, and regulations set by different governmental entities may require different procedures, which the Company must know by heart and follow accordingly.

3. Proper Conducts and Responsibilities towards Employees

The Company realizes that all employees are the most valuable assets and the key drivers for the organization's achievement. It thus determined the policy to ensure fair treatment in employment opportunity, compensation, nomination, job rotation, and skill development as the followings:

- Treat all employees with respects in their honors, dignities, and individual rights.
- Always maintain a working environment that is safe for the lives and properties of employees.
- Nomination, rotation, awards giving, and penalty giving must be done with genuine intention, taking into account such employee's knowledge and appropriateness.
- Support the development of knowledge and skills of employees by constantly engaging them in learning opportunities, such as seminars, trainings, and workshops, which are equally accessible to all employees.

- Set fair remuneration rates consistent with the industry condition, business competition, job type, performance, and the Company's ability to pay.
- Avoid any unfair treatment that may negatively affect employees' job security.
- Create opportunities for employees to give comments or file complaints in the subjects related to their professions and to suggest possible recommendations that will benefit all parties involved and create relationships and good working environment.

4. Proper Conducts and Responsibilities towards Customers

The Company is determined to stay in real estate development business with the main purposes to create, present, and administer its products and services in the quality-focused, ethical principles as shown below:

- Be determined to procure and develop products and services to best serve the need of the clients.
- Deliver quality products and services with fair terms and conditions.
- Provide precise and sufficient information related to products and services that customers can utilize in their decision making process without exaggerating the qualifications, quality, quantity, or any conditions of the products and services in the Company's advertisement or in other communicating channels.
- Arrange to have communicating mechanism for customer complaints in place should there be any problems related to the Company's products or services so that the Company can immediately resolve such problem and utilize the information to improve the quality of its products and services.
- Maintain customers' confidential information and abstain from revealing or misuse of such information.

5. Proper Conducts and Responsibilities towards Trading Partners and Counterparties

The Company has a strong policy to treat its trading partners and counterparties fairly and equally, placing mutual benefits before its own benefits. Guidelines for treatment of trading partners and counterparties are as follows:

- The company will arrange to procure products and services efficiently by applying the following principles:
 - Competition on equivalent information.
 - Clear rules on trading partners and counterparty selection and assessment.
 - Have proper agreements that are fair to both sides.
 - Put in place management and tracking system to ensure that the conditions in the agreement are followed through completely and accurately to prevent fraud and corruption in every step of the procurement process
 - Make payment to trading partners and counterparties in a timely manner according to the agreed payment terms
- The Company is strongly resolute to develop and preserve sustainable relationship with its trading partners and counterparties that are reliable and determined to provide quality products and services worth of the Company's cost.
- All executives and employees must abstain from taking personal benefits from trading partners and counterparties directly or indirectly in any circumstance.
- All executives and employees must abstain from abusing information on procurement or purchasing for personal gains of oneself or of others.

6. Proper Conducts and Responsibilities towards Lenders

The Company is determined to conduct its business based on solid principles and strict disciplines to create trust for lenders. In so doing it follows these rules:

- Rigorously follows the terms and conditions defined in the contracts or agreements.
- If any circumstances, cannot satisfy the said terms and conditions, it will promptly inform relevant lenders in advance to seek for mutually agreed resolutions.

7. Proper Conducts and Responsibilities towards Competitors

The Company is determined to be sustainably successful and to stand to be a leading real estate developer that competes fairly and ethically by following these principles:

- Conduct oneself according to a fair competition framework.
- Abstain from acquiring competitors' confidential information wrongfully or inappropriately and abusing such information for the Company's sake.
- Refrain from making false allegations or false statements that may destroy the reputation of the competitors
- Abstain from engaging in activities that violate intellectual property rights of the Company's competitors or other entities

8. Proper Conducts and Responsibilities towards Society

The Company has been active in arranging several altruistic activities in its surrounding communities applying the following principles on responsibilities towards communities and environment:

- Put in place a policy to responsibly conduct business, taking into account environmental concerns, and strictly adhere to the laws and regulations on environment conservation currently in use.
- Have a clear set of CSR policies and enforce such policies in the organization.
- Encourage the Company's employees to be aware of and responsible for environment and society.
- Give respects to local traditions, customs, and cultures in which the Company operates.
- Constantly engaging in activities that improve the living conditions of the surrounding communities, society, and environment held both by the Company itself and through collaboration with other governmental, local, or private entities.
- Suitably participate in the activities held by communities surrounding the project sites.
- Respond promptly and efficiently to the incidences that may affect the environment, communities, lives, and properties of others due to the business conducts of the Company, and unduly cooperate with governmental agents or other relevant parties to resolve such incidences.

COMMUNICATION CHANNELS FOR STAKEHOLDERS

The Board of Director gives importance to the participation of stakeholders in supporting the operation of the Company in order to build stability and sustainability of the Company by disclosing important business information to stakeholders sufficiently and transparently. The stakeholders, shareholders and investors can submit their comments, file a complaint or provide useful recommendations to add value to the Company by mailing to:

1. Chairman of the Board of Directors or
2. Chairman of Audit Committee or
3. Managing Director

The mailing address is as follows:

Chewathai Public Company Limited
1168/80, 27 Floor, Lumpini Tower,
Rama 4, Tungmahamek,
Sathorn, Bangkok 10120

The Company will protect those who submit their comments or recommendations by keeping their information confidential by independent directors or the audit committee. The audit committee will investigate and consider to solve the problem (if any) and report to the Board of Director.

As for employees, they can submit their opinions or complaints or report any wrongdoings or misconduct to the Company via whistleblower venue of the company.

The Company emphasizes the importance of environmental and social responsibility as well as the responsibility towards stakeholders. The business operation of the Company is conducted by taking impacts on society, environment, customers, trade partners, competitors, staff and creditors into consideration. In 2017, there are no cases of violation of labor law, employment law, trade competition act or punishment from the government or other regulators as a result of a failure to disclose significant information within the given timeframe.

SECTION 4: DISCLOSURE AND TRANSPARENCY

The policy of the Company is to disclose information to related parties in a transparent manner, whether they be shareholders, customers or staff. The details are as follows:

1. Shareholders

The Company provides information e.g. financial information, general information related to the business operation and performance of the Company that is accurate and complete on a regular basis. The information is distributed to the shareholders, investors, analysts and other stakeholders through various channels. The Investor Relations Department is responsible for providing information on various activities of the Company to shareholders, investors, analysts and stakeholders through various channels e.g.

- The Electronic Listed Company Information Disclosure system of the Stock Exchange of Thailand.
- Disclosure of Annual Information Form (Form 56-1)
- The Company's website i.e. www.chewathai.com The Investor Relations Department also collaborates with the outsource IR to distribute the information through other channels such as:
- Media including newspapers, journals and TV channels.

Minor shareholders, general investors and analysts who would like to receive the information about the Company can contact the staff at the Investor Relations of the Company directly. The Company believes that minor shareholders and general investors nowadays give very much importance to investment information. The staff of the Company will disclose all information equally. The Company emphasizes and is responsible for ensuring the reliability of financial information. The Board of Directors will prepare accurate and complete financial report according to the generally accepted accounting standards and principles. Important information which affects or may affect the changes in the price of the securities of the Company and the decision to invest will be disclosed

strictly in compliance with law and rules and regulations of the Stock Exchange of Thailand, the Securities Exchange Commission and other governmental agencies. The Company will constantly monitor any changes to ensure that the laws and regulations are up to date for the shareholders to be confident in the business operation of the Company.

In 2017, the company has organized various activities to provide information and news to shareholders, investor, analyst, stakeholders and public as follows:

- 1) The executives of the Company has provided the overview of the operation and answered questions of the analysts and investors such as Company Visit, Conference Call, Analyst Meeting, Opportunity Day and Site Visit.
- 2) Press releases are sent to newspapers, magazines and journals to promote the business of the Company and the performance of the Company. The executives of the Company i.e. Executive Directors and Managing Directors of the Company are interviewed by the media.
- 3) Attending to the MAI Forum 2017 on 1 July 2017 at Centara Grand Central World to public the company's information to investor, analyst, media and general public.
- 4) Information provided to the Stock Exchange of Thailand and Securities and Exchange Commission such as Form 56-1, Financial Statements of the Company, quarterly and annual financial analysis reports and others.

Shareholders, investors and the general public can make enquiries by contacting:

Investor Relations: Ms. Jeerasuda Sasanus

E-mail Address: ir@chewathai.com Telephone: (02) 679 8870 — 4 or Call Center 1260



2. Customers

The policy of the Company is to disclose the information related to the condominiums of the Companies and subsidiary companies via the website of the Company i.e. www.chewathai.com , www.facebook.com/CHEWATHAI/ and Call Center: 1260

3. Employees

The employees of the Company, whether they be employees at the head office or at the offices in Bangkok, will receive the information through notice boards in the Company and projects, whatsapp and line group which includes high-ranking executives as well. The objective is for the staff to be aware of the news related to the Company such as:

- news of activities of the Company
- news or information related to benefits of employees
- news related to employees e.g. Promotion of employees, new employees, employees leaving, etc.
- news for knowledge of employees e.g. Tax, social security, etc.

SECTION 5: RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Board of Directors owes its fiduciary duty to the Company's shareholders to ensure that the Company complies with the governing laws, company's objectives, company's articles of association, and resolutions of shareholders' meetings.

1. Structure of the Board of Directors

Board of Directors consists of experienced and knowledgeable directors in various fields e.g. engineering, architecture, economics, business management, law, accounting and finance all of whom have attended the Direct Accreditation Program of the Thai Institute of Directors Association (IOD). The Board of Directors play a significant role in designing the policy of the Company in cooperation with high-ranking executives, preparing both long-term and short-term work plan, making financial policy, managing risk and overall image of the Company as well as supervising, overseeing and independently evaluating the performance of the Company and high-ranking executives to achieve the planned outcomes.

The structure of the management of the Company in 2017 consists of six committees as follows:

1. Board of Directors
2. Audit Committee
3. Executive Committee
- 4.. Nomination and Remuneration Committee
5. Corporate Governance Committee
6. Risk Management Committee

The Company has clearly established and separated the authority of each committee. The consideration of any important issues must be approved by each committee which has specific responsibilities before being proposed to the Board of Directors for consideration or acknowledgement so as to balance the power and ensure transparency and fairness to all related parties.

2. Nomination and Term of Directors

2.1 Nomination and Appointment of Directors

Directors of the Company must have the qualifications and experiences that meet the needs of the Company and do not have any prohibited qualifications stated in the Public Company Act B.E. 2535 and other related laws. The directors must contribute their time and knowledge in their performance in the Company. The selection criteria for the position of the director of the Company in line with the Article of Association of the Company is as follows:

- 1) All directors of the Company must have the qualifications that meet the needs of relevant rule and regulations and the Article of Association of the Company.

- 2.) At least graduate bachelor's degree in any discipline.
- 3.) Be knowledgeable about the company and dedicate enough time to the company, also use the knowledge for company benefit.
- 4.) Be honest and high moral.
- 5.) Directors is not served as a director in other listed company more than five companies, in case that any director is served as a director in listed company more than five companies, the Board of directors will consider to the duties and efficiency of that director and report the reason of appointment follow to the CG code which appear in Annual Registration Statement (Form 56 — 1) and Annual Report Form 56-2.
- 6.) Directors will be appointed, elected and relieved by shareholders' meeting and hold office at the term stated in the Articles of Association. Directors may be re-elected after the expiration of the term of office except when the director position becomes vacant not by rotation, the Nomination and Remuneration Committee will be nominating a suitable candidate and propose to the Board of Directors' Meeting in order to appoint a substitute director to fill the vacant position as required by the Articles of Association.
- 7.) In every Annual General Meeting of Shareholders, one-third of directors are to retire. If the number of the directors is not divisible, the number of retiring directors is to be closest to the one-third ratio. The retire director is able to re-elected again.

In addition to the end of the term of the directors, the director vacates is upon

- 1) Die
- 2) Resign (effective since the company accept the notice)
- 3) Not qualified or prohibited by law and regulations or by the Articles of Association
- 4) The resolution of Annual General Meeting of Shareholders
- 5) Order by the court
- 8.) The Nomination and Remuneration Committee will nominate candidates for consideration of the Board of Directors before being proposed to the Annual General Meeting of Shareholders for election to replace the directors who retire by rotation.
- 9.) In the election of the director, the voting will be done on an individual basis. The shareholders have the right to vote for the candidates who are nominated for the position of directors. The vote is not dividable.
- 10.) Individuals receiving the highest number of votes and so forth will be elected as directors of the Company. The number of individuals elected will be the same as the number of positions of directors elected at the time. The directors who are to retire by rotation can be re-appointed again.
- 11.) One share equals one vote.

In 2017, in the 2017 Annual General Meeting of Shareholders on 27 April 2017, there were two directors who retired by rotation, namely,

- | | |
|------------------------------------|----------------------|
| 1. Mr. Chaiyut Techatassanasuntorn | Independent Director |
| 2. Mr. Chung Tang Fong | Independent Director |

In the 2017 Annual General Meeting of Shareholders, the resolution is passed by the majority of votes of all the votes of the shareholders attending the meeting and having the right to vote to reappoint all the two directors for another term.

2.2 Term of Directors

The Company specify the age of a director terms is 3 years. However, the company belief that age or the duration of service is not as important as valuable knowledge and experiences each director bring for the benefit of the Company.

3. Number of Companies in which Directors Serve as Directors

The Company establishes a policy that directors of the Company must not serve as directors in more than five other listed companies but does not limit the number of subsidiary companies of other listed companies in which directors serve as directors. The details are as follows:

No.	Name – Surname	Other Listed Companies
1.	Mr. Chartchai Panichewa	1. Director/Chairman of the BOD ATP30 PCL 2. Director/Managing Director TTL Industries Public Company Limited 3. Director/Chairman of the BOD Thaisri Insurance Public Company Limited. 4. Director Cathay Leaseplan Public Company Limited
2.	Mrs. Somhatai Panichewa	1. Director ATP30 PCL 2. Director/Chief Executive Officer Amata VN Public Company Limited 3. Chairman of the Board of Investment Amata Corporation PCL
3.	Mr. Phua Cher Chew	Non director in Thailand listed company
4.	Mr. Boon Choon Kiat	None
5.	Mrs. Supaporn Burapakusolsri	Independent Director Thaivivat Insurance public company limited.
6.	Mr. Chaiyut Techatassanasoontorn	Director / Independent Director TTL Industries Public Company Limited
7.	Mr. Chung Tang Fong	Non director in Thailand listed company

The Company has disclosed the information about the number of companies in which each director serves as a director in Form 56-1 and in the Annual Report (56-2). The Company is confident that this will not cause any conflict of interests or affect the performance of the directors in any way. Over the years, the Board of Directors has shown that they are able to dedicate their time for the performance of their duty. The Company has continuously and regularly received useful guidance, advice and recommendations on the business operation of the Company.

Subcommittee

As of 31 December 2017, The Board of Directors has appointed five subcommittees are as follow;

1. Audit Committee
2. Executive Committee
3. Nomination and Remuneration Committee
4. Corporate Governance Committee
5. Risk Management Committee

AUDIT COMMITTEE

The Audit Committee comprises directors with the qualifications of independent directors according to the Stock Exchange of Thailand, all of whom are independent and qualified as required by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee has the duties, roles and responsibilities to be independent in supporting the Board of Directors to ensure that the corporate governance is in accordance with good corporate governance principles, solve conflict of interest problems, review financial information disclosed to the public and shareholders, review internal control systems and internal audit system and communicate with auditors of the Company.

As of 31 December 2017, the Audit Committee comprise of three directors are as follows:

1. Mrs. Supaporn Burapakusolsri Chairman of the Audit Committee (has accounting and finance knowledge)
2. Mr. Chaikut Techatassanasoonorn Member of the Audit Committee (has legal knowledge)
3. Mr. Chung Tang Fong (has management knowledge)

The Audit Committee held a series of meeting regularly and reported to the Board of Directors of the Company. In 2017, the total of five meetings of the Audit Committee is held. The details of the meetings are as follows:

Meeting No.	Date	Agenda
1/2017	7 February 2017	Considered the Related Party Transaction.
2/2017	22 February 2017	Approved the financial statements of 2016
3/2017	11 May 2017	Approved the financial statements of Q1/2017
4/2017	11 August 2017	Approved the financial statements of Q2/2017
5/2017	8 November 2017	Approved the financial statements of Q3/2017

Duties and Responsibilities of Audit Committee

The Audit Committee has the duties as delegated by the company's BOD as follows:

1. To review the company's financial reporting process to ensure that it is accurate and adequate;
2. To review the company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independent, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the company's compliance with the law on securities and exchange, the regulations of SET, and the laws relating to the company's business;
4. To consider, select and nominate an independent person to be the company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the regulations of SET, and are reasonable and for the highest benefit of the Company;
6. To prepare, and to disclose in the company's annual report, an Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information:
 - an opinion on the accuracy, completeness and credibility of the company's financial report;
 - an opinion on the adequacy of the company's internal control system;
 - an opinion on the compliance with the law on securities and exchange, the regulations of SET, or the laws relating to the company's business;
 - an opinion on the suitability of an auditor;
 - an opinion on the transactions that may lead to conflicts of interests;
 - the number of the Audit Committee meetings, and the attendance at such meetings by each committee member;
 - an opinion or overview of comments received by the Audit Committee from its performance of duties in accordance with the charter; and
 - other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors

7. To perform any other act as assigned by the company's BOD, with the approval of the Audit Committee. The Audit Committee is responsible to the BOD according to the duties assigned by the BOD, while the responsibilities for all activities of the company towards third persons are still vested in the entire BOD.

EXECUTIVE COMMITTEE

The Executive Committee is appointed by the approval of the Board of Directors and comprises three executive directors and one high-ranking executive of the Company. The selection of the members of the Committee bases on the competencies of the persons and the understandings in roles and responsibilities and in nature of work and business operation of the Company. The Executive Committee will be responsible for ensuring that the management of the Company is in accordance with the policy of the Board of Directors while always upholding the highest benefit of the Company. As of 31 December 2017, the Executive Committee comprise of three directors are as follows:

- | | |
|----------------------------|---------------------------------|
| 1. Mr. Phua Chian Kin | Chairman of Executive Committee |
| 2. Mr. Chartchai Panichewa | Executive Committee |
| 3. Mr. Boon Choon Kiat | Executive Committee |

In 2017, the Executive Committee Meeting is held the meetings only via conference call and another online channel. The purposes of the meeting held are as follows:

- To approve various transactions as assigned by the Board of Directors of the Company.
- To identify the direction of operation on various matters stated in the annual business plan approved by the Board of Directors.
- To follow up the performance of the Management and provide management guidance.

Duties and Responsibilities of Executive Committee

1. Provide recommendations on the Company's strategic direction, management structure, and annual business plan and budget.
2. Manage the Company's business operations in order to achieve the planned objectives and targets.
3. Monitor the financial and operating results of the Company and the companies in the Group, and keep the BOD members informed by monthly report.
4. Identify and evaluate new business opportunities.
5. Review and make recommendations to the BOD regarding the Company's dividend policy.
6. Review and approve all transactions concerning investments and disposal of assets, human resource management, finance and treasury, general administration and any other transaction related to the Company's business within the limits of delegated approval authority granted by the BOD.
7. Consider and review the Company's risk management and control system.
8. The Committee may delegate its authority to any member of the management or staff as it deems appropriate. However, such authority does not permit the Committee or appointed persons to approve any transaction between them or related persons having mutual benefits or conflicts of interest (as prescribed in the Company's articles of association and Notifications of the Securities Exchange Commission). The approval for transactions shall be in accordance with the policies and principles already determined by the BOD and regulatory bodies.

9. Engage consultants or independent persons to provide opinions or advice if necessary.
10. Call members of the management or staff to attend the Committee meetings or provide pertinent information on the matters under discussion.
11. Report regularly to the BOD on matters within the scope of the Committee, as well as any special issues that merit the BOD's attention.
12. Annually review its performance
13. Annually review and reassess the adequacy of this charter and recommend any proposed changes to the BOD for approval.
14. Perform other tasks as assigned by the BOD

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is appointed by the Board of Directors and comprises three members consisting three independent directors, as of 31 December 2017 to create a balance of power to help with the business of the Board of Directors and shareholders. The members of the Nomination and Remuneration Committee are as follows:

- | | | |
|----|----------------------------------|--|
| 1. | Mr. Chung Tang Fong | Chairman of Nomination and Remuneration Committee and Independent Director |
| 2. | Mrs. Supaporn Burapakusolsri | Independent Director |
| 3. | Mr. Chaikut Techatassanasoontorn | Independent Director |

In 2017, the total of two Nomination and Remuneration Committee's meetings is held as follows:

Meeting No.	Date	Agenda
1/2017	22 February 2017	- Appointed the Risk Management Committee and considered the evaluation of the BOD.
2/2017	7 November 2017	- Considered the remuneration for director and high-ranking executives - Considered the Competency and Performance Year 2017 - Considered the extra remuneration (Bonus)

Duties and Responsibilities of Nomination and Remuneration Committee

1. To consider the policies and criteria for recruiting qualified candidates for the position of directors, the Managing Director and Executives of the Company, as well as to select and nominate qualified candidates for proposal to the Managing Director and/or the BOD's Meeting and/or the Shareholders' Meeting for consideration and appointment as Company directors;
2. To consider and revise the policies and criteria relating to the determination of the remuneration and benefits of the directors, Managing Director and executives of the Company;
3. To give suggestions to the BOD with respect to the remuneration of the directors, the Managing Director, and the executives of the Company for further proposal to the BOD's Meeting and/or the Shareholders' Meeting for consideration and approval. The BOD shall be authorized to approve the remuneration and benefits of the Managing Director and the executives, and shall propose the remuneration and benefits of the directors of the Company to the Shareholders' Meeting for consideration and approval.

CORPORATE GOVERNANCE COMMITTEE

As of 31 December 2017, the Corporate Governance Committee is comprised three members consisting two independent directors and an executive director are as follows:

- | | |
|-------------------------------------|--|
| 1. Mr. Chaikut Techatassanasoontorn | Chairman of Corporate Governance Committee
and Independent Director |
| 2. Mrs. Supaporn Burapakusolsri | Independent Director |
| 3. Mr. Boon Choon Kiat | Executive Director |

In 2017, A Corporate Governance Committee's meetings is held as follows:

Meeting No.	Date	Agenda
1/2017	7 November 2017	Report of corporate governance progress during the year 2017.

Duties and Responsibilities

1. The Corporate Governance Committee is responsible directly to the Board of Directors in accordance with the duties and responsibilities assigned to them. Additionally, the Board of Directors is also responsible to third parties for the operation of the Company.
2. Determine directions and suggest policies or practices concerning business code of conduct and ethics in accordance with the good corporate governance system to the Board of the Directors and the management for use as standardized proper practices of the organization.
3. Govern, advise, evaluate and review policies and practices in accordance with the good corporate governance principles and business code of conduct in order to improve and enhance the corporate governance system of the Company to international standards.
4. Engage in any other duty as assigned by the Board of Directors.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee was appointed by the Board of Director which comprised three members, as of 31 December 2017, consisting two independent directors and an executive director are as follows:

- | | |
|------------------------------------|---|
| 1. Mrs. Supaporn Burapakusolsri | Chairman of Risk Management Committee
and Independent Director |
| 2. Mr Chaikut Techatassanasoontorn | Independent Director |
| 3. Mr. Boon Choon Kiat | Executive Director |

In 2017, there were three Risk Management Committee's meetings held as follows:

Meeting No.	Date	Agenda
1/2017	22 February 2017	Considered and Appointed the Risk Committee team and settle the duties and responsibilities.
2/2017	8 August 2017	Reported on Risk assessment and considered the risk management plan.
3/2017	7 November 2017	Acknowledged and considered the work progress on risk management plan.

Duties and Responsibilities

1. Review and discuss the Corporation's risk governance structure and adequacy of policies and processes for risk identification, assessment and mitigation.
2. Review the Corporation's risk profile on an ongoing basis and re-evaluate the likelihood of occurrence, severity of impact of risk exposures, and any mitigating measures affecting those risks.
3. Monitor the implementation of the Corporation's risk mitigation plans and other risk management activities with the assistance of the risk management function.
4. Review and recommend of risk appetite and risk tolerance to the Board of Directors and to ensure that the risk management is related to the Company's policy.

Report on Meeting Attendance of Committees' Members

In 2017, the details of meeting of various committees are as follows:

1. Audit Committee

In 2017, the total of five meetings of the Audit Committee which is planned in advance is held with the attendance of the following members:

No.	Name	Position	No. of Meeting Attended
1.	Mrs. Supaporn Burapakusolsri	Chairman	5/5
2.	Mr. Chaiyut Techatassanasoontorn	Committee Member	5/5
3.	Mr. Chung Tang Fong	Committee Member	4/5

2. Executive Committee

In 2017, the meetings of the Executive Directors Committee was held only via the conference call and online channel.

3. Nomination and Remuneration Committee

In 2017, the total of two meetings of the Nomination and Remuneration Committee which is planned in advance is held with the attendance of the following members:

No.	Name	Position	No. of Meeting Attended
1.	Mr. Chung Tang Fong	Chairman and Independent Director	2/2
2.	Mrs. Supaporn Burapakusolsri	Independent Director	2/2
3.	Mr. Chaiyut Techatassanasoontorn	Independent Director	2/2

4. Corporate Governance Committee

In 2017, the total of a meetings of the Corporate Governance Committee with the attendance of the following members:

No.	Name	Position	No. of Meeting Attended
1.	Mr. Chaiyut Techatassanasoontorn	Chairman and Independent Director	1/1
2.	Mrs. Supaporn Burapakusolsri	Independent Director	1/1
3.	Mr. Boon Choon Kiat	Executive Director	1/1

5. Risk Management Committee

In 2017, the total of three meetings of the Risk Management Committee after the committee was appointed on 22 February 2017, with the attendance of the following members:

No.	Name	Position	No. of Meeting Attended
1.	Mrs. Supaporn Burapakusolsri	Chairman and Independent Director	3/3
2.	Mr. Chaiyut Techatassanasoontorn	Independent Director	3/3
3.	Mr. Boon Choon Kiat	Executive Director	3/3

Director and Executive Nomination Process

Independent Director

As of 31 December 2017, there is the total of three independent directors, accounting for 42% of all the 7 directors of the Company, namely,

1. Mrs. Supaporn Burapakusolsri
2. Mr. Chaiyut Techatassanasoontorn
3. Mr. Chung Tang Fong

The definition of the independent directors of the Company is established in line with the regulations of The SEC Act, Notification from the SEC and the Capital Market Supervisory Board including relevant rule and regulations. Independent directors must have not less than one third of the total number of the Board of Directors' and not less than three independent director. The qualification of the independent director are as follow;

1. Not holding more than 1 percent of total shares which are entitled to vote of the company, subsidiary company, affiliated company or juristic persons with conflict of interests, which shall be inclusive of the shares held by his/her related persons.
2. Not being a director or having been a director with participation in the management, not being a staff member, employee or advisor receiving regular salary from the Company, not having the controlling powers of the Company, subsidiary company, associated company or juristic persons with conflict of interests at present or during the period of 2 (two) years before being appointed.
3. Not having blood ties or by way of legal registration in the manner of father, mother, spouse, sibling, or offspring including spouse of offspring of an executive, major shareholder, those who have controlling powers or those who are to be nominated as executives or those who have controlling power of the company, subsidiary company and associated company.
4. Not having or used to have a business relationship with the Company, subsidiary company, associated company, major shareholders of the Company or authorized person of the Company in the manner that may obstruct the independent exercise of discretion and not being or has been a significant shareholder or authorized person of the person with business relation with the Company, subsidiary company, associated company, major shareholders of the Company or authorized person of the Company, except relieved from aforesaid characteristics at not less than two years.

5. The business relation in paragraph one includes trade transactions in normal business, rent or lease on items related to asset or service or in giving or receiving financial assistance through acceptance or lending, guarantee, granting asset as debt security including similar behavior resulting in the Company or contract party with debt burden to be settled with another party from three per cent of net tangible asset of the Company or from twenty million THB up, as which amount is lower. However, the debt burden calculation shall be in value calculation on related items as announced by the Securities Exchange Commission on Rules of Related Items, by mutatis mutandis. But the consideration of such debt burden shall include debt burdens incurred at one pervious year before the date of business relation with the same person.
6. Not being or used to be auditor of the Company, subsidiary company, associated company, major shareholders or authorized person of the Company and shall not be significant shareholder, authorized person or partner of auditing office with the auditor of the Company, subsidiary company, associated company, major shareholders or authorized person of the Company in attachment, except relieved from such characteristics at not less than two years.
7. Not being or used to be any professional provider which includes legal consulting or financial consulting with service fee over two million THB from the Company, subsidiary company, associated company, major shareholders or authorized person of the Company and not being a significant shareholder, authorized person or partner of the professional provider, except relieved from such characteristics at not less than two years.
8. Not being a director appointed to be representative of the director of the Company, major shareholder or shareholders with relation with the major shareholder.
9. Not operating similar or significant competitive business to the business of the Company, subsidiary company or not being significant partner in the partnership or directorship with management participation on employees, staff, consultant with regular salary or holding shares over one per cent of the total shares with voting right in other company operating business similar or competing with business of the Company or subsidiary company.
10. Not having any other characteristics that limit his/her ability to express independent opinions regarding the Company's operations.

Audit Committee

The Nomination and Remuneration Committee considered the qualification of the audit committee and present to the Board of Director to approve. The nomination and appointment of the audit committee are as follow;

1. The audit committee comprises of at least three independent director.
2. At least one member of the audit committee have knowledge and an experience to audit the financial statement.

Qualifications of Audit Committee Members are as below;

1. Be the independent director that qualified to the definition from the Capital Market Supervisory Board.
2. Not being a director with participation in the management including subsidiary company, associated company, major shareholder or controller of the company
3. Not being a director of the company, subsidiary company, associated company especially in the listed company.
4. Having enough knowledge and experience to do the audit work.

The term of the audit committee will be three years from the appointed date. In the end of term of office, the audit member may reappointment from the Board of directors' opinion. Nevertheless, the independence director may not continue to hold the position as independence director for not more than 9 years from the first appointed date as independence director.

Director and High-Ranking Executives Nomination Process

1. Director Nomination Process

The Nomination and Remuneration Committee is responsible for nominating qualified candidates to take up the position of directors to the Board of director and/or the shareholder meeting to approve. The guideline for the nomination of the directors of the Company is based upon the following:

1. The Board of director comprise of at least seven person and not haft of the amount have to have residential in the kingdom.
2. The Board of Director consist of at least three independent director and not less than on third of the director is the independent director.

Qualifications of director are as below;

1. The Board of Directors must have the vacant position as required by the Articles of Association.
2. Graduate at least in any bachelor degree.
3. Have knowledge and expertise that is relevant to the business of the Company. Have enough time to operate the business of the company.
4. Be honest and have a high moral.
5. Directors is not served as a director in other listed company more than five companies, in case that any director is served as a director in listed company more than five companies, the Board of directors will consider to the duties and efficiency of that director and report the reason of appointment follow to the CG code which appear in Annual Registration Statement (Form 56 — 1) and Annual Report Form 56-2.

In every Annual General Meeting of Shareholders, one-third of directors are to retire. If the number of the directors is not divisible, the number of retiring directors is to be closest to the one-third ratio. The retire director is able to re-elected again. In addition to the end of the term of the directors, the director vacates is upon

- Die
- Resign (effective since the company accept the notice)
- Not qualified or prohibited by law and regulations or by the Articles of Association
- The resolution of Annual General Meeting of Shareholders
- Order by the court

2. Executive Director Nomination Process

The Nomination and Remuneration Committee is the responsible to nominate executive director and present to The Board of Directors of the Company for the appointment of the executive directors. The candidates are knowledgeable, have the expertise that is relevant to the business operation of the Company, is able to establish a policy and strategy as well as ensure the efficiency and effectiveness of the implementation of such strategy.

3. High-Ranking Executives Nomination Process

With regard to the nomination of high-ranking executives i.e. Managing Director and high-ranking executives of the Company, the Nomination and Remuneration consider the candidates based on the qualifications, experiences, expertise in the profession and transparent professional background to propose to the Board of Directors' Meeting for approval.

4. Subcommittee Nomination Process

The Board of Directors has appointed committees and subcommittees i.e. Executive Committee, Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee to be responsible for specific matters and propose to the Board of Directors for consideration and acknowledgement. The responsibilities and duties of each committee are as established.

5. Leadership and Vision

The Board of Directors is to establish the vision, mission and policy as well as to ensure that the operation of the Company is in line with the planned objectives and goals for the highest interests in order to add economic value to the Company and shareholders. The Board of Directors also upholds the interests of all stakeholders, expresses their comments and makes a decision independently, does not seek benefits for themselves or others and do not operate in a way that will cause a conflict of interest or a competition with the Company or subsidiary companies. The Board of Directors of the Company had established clear and written role, responsibilities and duties between the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee and Executive Committee. Moreover, the mechanism to supervise and follow up the operation and control the Management in a necessary and appropriate time is in place. The Board of Directors gives importance to financial reports which must reflect actual performance, evaluates and specifies management standard and effectively prevents and manages risks as appropriate under the principle of the balance of power and is reviewable. The Board of Directors determines to develop and enhance the business of the Company in the secure and sustainable manner in order to generate appropriate returns for the shareholders.

6. Specific Roles and Duties of the Board of Directors

The Company clearly specifies and separates the power of the Board of Directors from the Management in each level. The consideration of any important issues must be approved by the Board of Directors and subcommittee so as to balance the power and ensure transparency and fairness to all related parties.

7. Combination or Separation of Positions

The policy of the Company is to separate the responsibilities of the Chairman of the Board of Director from the Managing Director, both of whom have to be knowledgeable and capable, be equipped with suitable experiences and qualifications and must not be the same person. The governance and management responsibilities have been separated in order to create a balance of power.

Chairman of the Board of Directors: The Chairman of the Board of Directors is to be Non-Executive Director and not be the same person as the Managing Director. The Chairman of the Board of Directors is independent from the Management and the corporate governance policy making duty is clearly separated from the management of day-to-day business. The Chairman of the Board of Directors is to chair the Board of Directors' Meeting which is responsible for determining the vision, mission and important policy for the Management to implement. All directors are to independently propose an agenda of the meeting, give comments on the performance of the Company and carefully consider any issues which may cause conflict of interests in order to ensure integrity and transparency of the matter.

Managing Director: The Managing Director is not the same person with the chairman of the board of director and is the head of the Management and is responsible for supervising the operation and performance of the Company in order to be in line with the vision, mission and policy of the Board of Directors.

8. Succession Plan

The Board of Directors gives importance to the succession of all high-ranking executives especially the Managing Director position in order to maintain the confidence of investors, organization as well as staff in the immediate continuation of the operation of the Company and assigns the Executive Committee to be responsible for the establishment of the succession criteria and plan.

Therefore, the Board of Director has prepared the succession criteria and plan by identifying the policy, preparing the readiness of staff and coming up with the direction of development. Personal development plan is also in place so as to prepare staff to be ready for the position of high-ranking executive.

9. Self-Evaluation of the Directors and Subcommittees

The Chairman of the Board of Directors gives importance to the evaluation of the performance of the Board of Directors and subcommittees with an aim to improve the performance of the Board of Directors on various aspects. The Board of Directors has assigned the Nomination and Remuneration Committee to implement the evaluation process. The level of score is as follows:

1. 60% and Lower-Below Standard
2. 61-70%-Fair
3. 71-80%-Good
4. Over 80%-Very Good

In 2017, the result of the evaluation of the Board of Directors and subcommittees is as follows:

9.1 Evaluation of Committee can be categorized into three categories as follows:

- Board structure and qualifications
- The Meeting is conducted under conditions
- The duties and responsibilities

The summary of the self-evaluate of the board of director as a whole, the overall result is Very Good the average is equal to 85.24%

Category 2: Evaluation of Subcommittee as a whole to evaluate the subcommittee in the overall.

- The structure and qualifications
- The Meeting is conducted under conditions
- The duties and responsibilities

The summary of the self-evaluate of the subcommittee as a whole, the overall result is Very Good the average are as follow;

1. The Audit Committee, result is 92.75%
2. The Nomination and Remuneration Committee, result is 83.20%
3. The Executive Committee, result is 86.25%
4. The Corporate Governance Committee, result is 88.50%

Category 3: Evaluation of individual of the Board of Directors and individual subcommittee;

- The structure and qualifications
- The Meeting is conducted under conditions
- The duties and responsibilities

The summary of the self-evaluate of the board of director and subcommittee as an individual, the overall result is Very Good the average is equal to 95.59%

The evaluation is to start in December. The Secretary of the company will be responsible for sending the evaluation forms to each director to complete independently and will then collate the completed forms, summarize and analyze the results and present to the Board of Directors' Meeting.

The result of the performance evaluation of the Board of Directors in the year 2017 has been presented to the Board of Directors' Meeting Ref. 1/2018 in year 2018.

9.2 The Evaluation of the Managing Director

The Nomination and Remuneration Committee has asked the Board of Directors to evaluate the Managing Director in the area which are leadership, strategy, implementation of strategy, financial planning and performance, relationship with the Board of Directors, relationship with external parties, management and relationship with staff, succession plan, knowledge about products and services and personal qualifications. The evaluation form has been adapted from that of the Stock Exchange of Thailand.

The result of evaluation of the Managing Director is a part of yearly remuneration of the managing director.

10. Directors and Executives Development

The Board of Directors and executives give importance to capacity development of directors and encourage the directors to attend training courses or seminars that are beneficial for their performance. The trainings/seminars will provide them with the knowledge that is necessary for business operation in the competitive environment. There is also a policy to develop the capacity of the executives. Both internal and external trainings are organized in order for the Company to become a learning organization.

The directors of the Company has participated in the training courses of the Thai Institute of Directors Association (IOD) according to the requirement of the Securities and Exchange Commission that directors of listed company must attend at least one course, namely the Director Accreditation Program (DAP) and the Director Certification Program (DCP). Apart from this, the Board of Directors is also aware of the importance of the participation in other courses of the IOD such as the Company Secretary course of the Thai Listed Company Association in order to enhance professional leadership skills and true understanding of roles and responsibilities of directors and set an example for others in pushing the organization forward towards good corporate governance. The details are as follows:

No.	Name	Course Attended
1.	Mr. Chartchai Panichewa	Director Accreditation Program (DAP) 9/2004
2.	Mrs. Somhatai Panichewa	Director Accreditation Program (DAP) 104/2008
3.	Mr. Boon Choon Kiat	Director Certification Program (DCP) 155/2012
4.	Mrs. Supaporn Burapakusolsri	Director Certification Program (DCP) 127/2013 Director Accreditation Program (DAP) 87/2011 Role of the Compensation Committee Program (RCC) 13/2011
5.	Mr. Chaiyut Techatassanasoontorn	Director Accreditation Program (DAP) 119/2015
6.	Ms. Jeerasuda Sasanus	Company Secretary Program (CSP) 69/2016

In 2017, directors attended the training and seminar courses as follows

No.	Name	Course Attended
1.	Mr. Boon Choon Kiat	<ul style="list-style-type: none"> - SD Talk "Growing Towards Corporate Sustainability" - Thailand's Big Strategic Move conference - Anti - Corruption
2.	Mrs. Supaporn Burapakusolsri	<ul style="list-style-type: none"> - The Audit Committee's Role in Compliance and Ethical from Thai IOD - National Research Alliance Dialogue on Corporate Governance 2017
3.	Mr. Chaiyut Techatassanasoontorn	<ul style="list-style-type: none"> - National Research Alliance Dialogue on Corporate Governance 2017
4.	Ms. Sunantra Mahaprasitchai	<ul style="list-style-type: none"> - IR Preparation for Roadshow - SD Talk "Growing Towards Corporate Sustainability" - Financial Analyst for Executive Decision Making. - Anti - Corruption
5.	Ms. Jeerasuda Sasanus	<ul style="list-style-type: none"> - Finance for Non-financial Executive - SD Talk "Growing Towards Corporate Sustainability" - Sustainability Strategy : Key Blueprint for Business Growth - Personality Development class 2. - Anti - Corruption

As for the capacity building of executives who are staff of the Company, the details will be included in "Employees Development Policy."

11. Orientation of New Directors

In case of new directors, the Company has identified the guideline to prepare the newcomers to be able to perform the duty as a director immediately. The Company Secretary will be responsible for:

1. Providing the legal information of the Company as well as other information such as the Articles of Association, the objectives of the Company, the organization structure and the Code of Business Conduct.
2. Arranging a meeting with the Chairman of the Board of Directors, Board of Directors, subcommittees and the Company's executives to be informed of the operations of the Company.

In 2017, there is no appointment of new directors so the orientation for new directors has not been organized.

12. Criminal Record of Directors and Executives

During the past years and 2017, there has been no case of violation against rules, regulations and laws e.g. regulations of the Securities and Exchange Act, Public Limited Companies Act or any other laws such as the submission of financial statements within a given timeframe. The Company does not have a negative reputation as a result of the failure of the Board of Directors or subcommittees. None of the non-executive directors resign from their position as a result of an issue related to corporate governance of the Company. There are no cases of violation of labor law, employment law, trade competition act or punishment from the government or other regulators as a result of a failure to disclose significant information within the given timeframe.

In addition, the directors and executives of the Company do not violate against rules, regulations and laws e.g. regulations of the Securities and Exchange Act, Public Limited Companies Act or any other civil or criminal laws and do not have any conflicts of interest with the Company. The directors and executives of the Company and subsidiary companies do not:

1. Commit insider trading;
2. Commit an act of corruption or misconduct.

13. Acquisition Report of Directors and Executives

The directors and executives have the responsibility to provide an acquisition report and acquisition changes report in accordance with Section 59 of Securities and Exchange Act B.E. 2535 to the Securities and Exchange Commission within three days of the buying, selling, transferring and accepting transfer. They are also to refrain from trading securities of the Company during the period of one month before the disclosure of the financial statements to the public. Furthermore, the acquisition of directors and their spouse and the first four managers after the Managing Directors as well as the Accounting Manager and Finance Manager must be reported in the Board of Directors' Meeting.

14. Report on Interest of Directors and Executives

In compliance with Section 89/14 of the Securities and Exchange Act B.E. 2535 as amended by the Securities and Exchange Act (No.4) B.E. 2551 and the Notification of the Capital Market Supervisory Board No. TorChor. 2/2552 Re: Report on Interest of Directors, Executives and Related Persons which stipulates that a director and an executive shall file with the company a report on his interest or a related person's interest in relation to management of the company. The company is following the report such as;

1. Reporting

The directors and executives, meaning Managing Director, Assistant Managing Director, the first four managers after the Managing Director, those in the positions equivalent to the holders of the management position no. 4 and the executives in the highest position in the accounting or finance line of work must report his/her interest or a related person's interest to the Company.

2. Reporting Method

A report must be prepared and submitted to the Company Secretary. Should there be any changes in the information, a report must also be prepared and submitted to the Company Secretary within seven days from the date of the information changes.

3. Reporting to the Board of Directors

The Company Secretary must report the interest of directors and executives and related persons to the Board of Directors' Meeting in every quarter for acknowledgement.

15. Other Adherences with Good Corporate Governance

The Company has emphasized the significance of good corporate governance as it is beneficial for the organizational development. The good corporate governance principles for listed companies of the Stock Exchange of Thailand have continuously been implemented.

Intellectual Property Policy

The Company has a policy not to violate intellectual property rights, whether they be copyright, patent or trademarks. Operational guidelines have been established clearly, for example, in terms of copyright, the Company has a policy on the usage of the information system of the Company and subsidiary companies and regularly monitors the usage of various software programs to prevent the use of pirated software or the software that is not related to work.

Human Right Policy

The Company fully respects the human rights and equality of employees. All employee of the Company, subsidiary companies and trade partners are treated fairly and equally and are not discriminated based on race, nationality, age, educational background or physical and mental disabilities. The personal rights and freedom shall not be violated directly or indirectly. The staff of the Company and subsidiary companies must treat each other with respect and behave themselves properly in accordance with the regulations of the Company and good traditions without causing a negative impact on the image of the Company.

The Use of Internal Information

The Company has its policy and control system in place so that directors and executives cannot use the internal information for personal benefit, including the trading of securities as mentioned below:

1. The Company has informed its directors, executives and persons holding managerial positions, including their equivalents or higher in the accounting and finance departments of their obligation to prepare and submit reports disclosing the possession of securities in respect of themselves, their spouse and minor children, to the Office of the SEC pursuant to Section 59 of the Securities Act. They have also been informed of the corresponding penalties set out in Section 275 of the Securities Act (as amended).
2. The Company requires its directors, executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments to prepare and submit reports disclosing the possession of securities in respect of themselves, their spouse and child to the Company's Secretary prior to their submission of the same to the SEC. The report shall be prepared and submitted within 30 days of the date of appointment of the director or executive. Any change in possession of securities is to be reported within 3 working days from the date of the purchase, sale, transfer or receipt of transfer of securities. Including the report of changing and summary of the securities of director as individual to report to the Board of Director for acknowledge. In case director and the high-ranking of the company wish to sell buy transfer the company's securities, the company set that the director declare to the Company Secretary at least one day before enter into those transaction.
3. The Company requires its directors, executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments and relevant operators who have access to internal information which may materially affect the share price of the Company, to avoid trading of the Company's securities for a specified period before the disclosure of financial statements or the status or financial condition of the Company, or until the Company has disclosed such information to the public. The Company will provide notification in writing to its directors, executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments, at least 30 days prior to the disclosure of such information to the public, not to trade in the Company's securities until at least 24 hours after such disclosure. The Company also requires such material information not to be disclosed to any third party.

4. Should it be determined that the above rules were breached for personal benefit, the disciplinary sanctions imposed by the Company may vary from a written reprimand, wage reduction, suspension of work without pay or termination of employment. The severity of the sanction imposed shall be determined based on whether the breach was intended and the severity of the misconduct.

In 2017, there is no director and high-ranking executive enter into sell and buy the securities using internal Information.

Audit Fee

The remuneration for auditor for year end 2017 to EY office Co., Ltd. detail is as follow;

Audit Fee	2017	2016
The remuneration (THB)	1,500,000	1,360,000

The company has no non-audit fee to the auditor at the year end 2017.

In addition, EY office Co., Ltd and the auditor is not a director, staff, employee or any position in the company as follow to the article no. 121 of Public Limited Companies Act, B.E.2535 and have on relationship and being the conflict of interest with the subsidiaries, executives, major shareholder or relevant with those person. The auditor is independent and certified by the SEC. Furthermore, the company have not used another service from EY office Co., Ltd.

In the same way, directors and executives of the company has never been the staff or partner or the relevant of EY office Co., Ltd in the past two year.

Non – Audit Fee

- None -

CORPORATE SOCIAL RESPONSIBILITIES

Corporate Social Responsibility Policies

Chewathai Public Company Limited appointed the corporate social responsibility sub-committees in order to set the concrete policies and guidelines for corporate social and environmental responsibilities that is able to force the company to grow sustainability. Therefore, the company has settle the following policies.

- 1) **Human Rights:** the company is aware of the importance of basic human rights in order to promote the respects of the rights and freedoms with fairness by promoting equality. The company is also dedicated to support the human rights in order to fight against the uses of child labors.
- 2) **Labor Practices:** the company regularly improves its employees' knowledge and skills, provides opportunities for individuals with appropriate qualities and experiences to join the company, emphasizes on developing an efficient human resource management system, and ensuring appropriate salary and wage systems. The improvements, structural changes and organizational arrangements are under the frameworks of Thai laws.
- 3) **Environments:** the company focuses on efficiently using resources and energies according to international standards, analyzing risks, estimating effects on the environments and the safety of all business processes, promoting and improving business processes in order to improve the qualities of lives, economy and living conditions in communities.
- 4) **Fair Businesses:** the company emphasizes on fair and ethical businesses, the respect of laws, the avoidance of the conflicts of interests, and the violations of intellectual properties.
- 5) **Consumer Protection:** the company focuses on protecting consumers, creating and delivering products and services beyond customer satisfactions, and solving possible defects from the productions and services.
- 6) **Anti-Corruption:** the company declared its intentions and accepted the practices for Thailand's Private Sector Collective Action Coalition Against Corruption on 16th March 2017. It is dedicated to conduct transparent and honest businesses according to laws and good corporate governance. The company is aware that honesty is an important factor. The company also provided advanced trainings in order to present anti-corruption guidelines to employees with the presences of executive officers and enable them to apply the guidelines to their jobs in their departments appropriately. The company set the anti-corruption policies for all levels of stakeholders to follow with the following main points.

Scope and Guidelines

The company focuses on preventing committees, managers and employees to exploit the benefits from their duties with the following terms.

Bribery and Incentives

Do not give or accept any form of bribery or incentives, and do not assign any other individual to give or accept it.

Gifts and Benefits

Do not give or accept any gifts and benefit in order to motivate any individual to act, abandon any duty, or result in any acceptance of any inappropriate business agreement according to the criteria in the ethics for the employees.

Donations and Financial Supports

Donations and financial supports must be transparent, legal and ethical.

Ethical Activities and Participations

Do not use any fund or resource of the company for politically supporting any political nominate or political party for any political campaign or activity unless that support is legally approved, democratic and allowed by the company first.

The company revises its internal control systems in order to ensure that the systems can efficiently fight against any bribery or corruption. The company uses follow-up systems in order to ensure that policies and practices are efficient. The company also presents the anti-bribery and anti-corruption to product distributors, service providers and contractors at the beginning of business relationships and after that as appropriately.

Risk Management

The company has the risk management regarding the exploitations from duties in order to ensure that the mentioned risks can be prevented or controlled. The risks are identified, evaluated, controlled, followed up and reported according to the risk management policies and procedures set by the company. The company also provides channels for reporting clues in order to motivate the employees to monitor and report any suspicion about bribery or corruption, and sets punishment procedures for any individual involving in the bribery and corruption and protections for any honest reporter.

Internal Control

The company has cooperate governance by evaluating significant risks, conducting efficient control activities, appropriately separating duties, providing enough and reliable information systems, and regularly following up the results from the internal control systems.



7) Good Governance: the company focuses on conducting businesses with responsibilities and carefulness. It also provides appropriate benefits for all stakeholders according to laws and relevant criteria. The company conducts the businesses transparently and reliably according to the principle of good governance. Furthermore, it transparently considers the benefits of shareholders, employees, partners, communities, societies, media, customers, other people and stakeholders. The company also equally treats all shareholders and investors by disclosing correct and enough information through convenient channels. Additionally, the company's committees emphasizes on the good governance. Hence, the good governance policies were set. The company has kept updating the policies since then. As a result, the company was ranked as "excellent" (four stars) in terms of cooperate governance for registered companies in 2017 according to the survey of the cooperate governances of all evaluated registered companies by the Thai Institute of Directors Association, Securities and Exchange Commission, and Stock Exchange of Thailand.

8) Participations and Community Developments: the company has been aware of social and community responsibilities for the whole time. The company considers the requirements of communities by participating in improving the qualities of the lives in the communities while conducting businesses. Hence, projects and activities have been conducted for the communities continuously.



The Selections of Corporate Social Responsibility Issues

The company selects corporate social responsibility activities or issues by considering basic factors for living according to its real estate businesses since habitat is a basic factor. Nevertheless, the company still considers other important factors that are not only real estate businesses in order to comply with its vision and missions as follows.

Vision:

“CHEWATHAI aspires to be the preferred choice in real estate by relentlessly enhancing its products and services to transcend customers’ satisfaction.”

Missions:

1. Nurture Life-partnerships with customers
2. Invest continuously in its human capital
3. Foster resilient bonds with business associates
4. Embrace utmost responsibility towards its community & environment

Moreover, the company promotes the participations and social responsibilities of its personnel. It considers social responsibility guidelines that are appropriate for its businesses, financial status and revenues in order to set budgets and activities in each year.

Thus, the company separate big projects as follows.

1. Corporate Social Responsibility Projects for Human Resource and Stakeholder Development (CSR in Process)
2. Community and Environmental Development Projects (CSR after Process)

The company has settled policies, and conducts the social and environmental activities affecting the stakeholders as follows.

1. Human Resource Management

The human resource management focuses on the following aspects.

- **Selection and Recruitment**

Active recruitment is emphasized by the company and it has been conducted continuously in order to gain quality personnel. Hence, the company has internships and creates networks with educational institutes in order to create the good image of the company for institutes and leading universities since the company conducts real estate businesses developing residences and rental factories. The company usually employs individuals with relevant experiences only. Consequently, the recruitments are quite slow. However, this is considered as a good opportunity for the company to consider individuals from cooperative education projects who may be employed as permanent employees if the mentioned students have high potentials.

- **Performance Management**

The company has policies to fairly evaluate the employees' performances according to the policies and strategies of all business fields by using the Key Performance Indices (KPI) and setting the guidelines for the competency based development according to business plans.

- **Human Resource Management and Developments with Information Technologies**

The company applies technologies to the human resource management and development in order to quicken the management, reduce costs, ensure accuracy and maximize efficiency. The technologies are also used for managing the employees; analyzing forces, operations, and trainings; and improving welfare management and services through electronic systems. The company also uses the technologies for recruiting and improving the human resources such as online job applications, knowledge information management, potential evaluations, and individual planning. These information are used for supporting decision making, setting managerial policies and improving the human resources sustainably.

- **Welfares and Compensations**

The company sets compensations, benefits and welfares according to the positions, responsibilities and abilities of the employees at all levels in the organization. The company estimates and analyzes the compensations according to the current situations, duties, responsibilities, and company's businesses while analyzing and comparing these factors to those of other businesses in the same industry in order to ensure that all employees have appropriate compensations, benefits and welfares that are competitive with other leading companies. The welfares for the employees are such as provident funds, life insurances, and health insurances.

Provident Funds

The company provides the provident funds for all employees after they pass the probations and have six months of experiences or longer. On 31st December 2017, the value of the provident fund is 9,421,424.62 baht. After an employee resign, the employee will receive the allowance and some benefits from the company if the employee's membership is three years or longer or all benefits if the membership is ten years or longer.

Accident Insurances

The company provides the accident insurances for all employees and managers with six months of experiences or longer.

Health Insurances

In the cases of injured and/or sick employees, all employees can use the health cards provided by the company at health care centers for 24 hours.

Physical Checkup

The company provides annual physical checkups for all employees in order to obtain their health information and promote good health.

Corporate Social Responsibility Activities in 2017

Title: Outing Trip 2017 Activity

Since the managers have ideas to develop the internal and interpersonal harmonies and to promote teamwork, the annual travel in 2017 and sport activities among departments. Hence, the annual outing and friendly sport activities in 2017 are the activities that provide opportunities for the employees to meet each other and share opinions in order to build the interpersonal relationships and good co-ordinations between organizations in the future.

Sustainable Values

1. The employees have the opportunities to meet each other and share their opinions.
2. The internal and external relationships are built.
3. The good co-ordinations will be developed in the future.

Results

1. The employees are harmonized.
2. They become supportive and focus on the company's goals.
3. According to the activity evaluation forms, the employees were entertained and wanted this kind of activities to be held every year.



Future Activities

In 2018, committees must be appointed in order to conduct and coordinate the annual outing and sport activities.

Title: Go For Goal – Chewathai's 2,000 Kilometer Challenge

The company conducts this activity in order to encourage the employees to be active and see its goals with the following items.

The company invites the committees and employees at all levels to join the activity in 23 August 2017 during 06.00 - 12.00 at Benchathat Park (Suan Rot Fai). The number of participants was 100. The challenge of the 2,000 kilometers was beaten easily according to the goal with their joyfulness. It took about six laps per person.

Sustainable Values

The personal is an important component for driving the organization to realize its vision, successes and sustainability. Hence, goals and duties must be clear as the organization requires. The employees must also need teamwork, service mind, innovation, integrity, safety and security.

Results

1. The employees have confidences, and they can improve themselves for the organization.
2. They can build internal relationships.
3. They are motivated to work for the organization.
4. They are aware that they are the parts of the developments of the organization to success.



The Responsibilities for the Residents (Customers)

Not only has the compliance with laws, but the Company also had the policies that all employees have to perform their duties according to the following ethical business principles.

1. Focusing on developing customer satisfaction and trust towards good products and services in order to ensure that the company's products have qualities and appropriate prices
2. Improving standards and maintaining good relationships
3. Being dedicated to providing complete, correct, and on-time information as well as continuously promoting customer relationship developments
4. Emphasizing on conducting activities that provide new rights for the customers, special activities and community participation promotions

Good Practices: :

- Focusing on improving product and service qualities in order to continuously meet customer requirements
- Disclosing complete, correct and up-to-date information about the products and services
- Providing warranties for the products and services as well as instantly responding to the customers
- Preventing excessively profit making as compared to the qualities of the same types of products and services and unfair conditions with the customers
- Strictly complying with the conditions with the customers or informing them in advance in order to mutually find solutions
- Seriously and continuously keeping customers' secrets and preventing the exploitations of the customers' information

Recent Activities with the Residents (Customers)

1. After the foam sheets were found in the walls of Chewathai Interchange Condominium, the company was not at ease and it instantly solved the problem. Since building was thoroughly checked by the inspection team again, that problem has never been found again. Chewathai also confirmed that the problem did not affect the structure of the building. Moreover, the company is responsible for the structure during the useful life of the building in order to ensure that the residents' lives are under our responsibilities with sincerity.
2. The water leakage was found from the cracks of the roof floor's wall at Chewathai Ratchaprarop Condominium. Even though the project was over nine years, Chewathai did not abandon the safety of the customers. After the juristic persons and residents asked for supports and advises, the company instantly solved this problem by hiring a team and taking the repair costs of this project. This was considered as the considerations of the benefits and safety of the residents that resulted in the acknowledgements from many customers.
3. The noises from the air pump in the water treatment pond under Hallmark Ngamwongwan Condominium caused noise pollutions in some parts of the project. The air pump was not designed and installed by the company because the project was purchased from other company and then developed by the company. The previous developer applied for and received the EIA as well as the approval from Nonthaburi public organizations with the complete rate of 70%. Hence, Chewathai had to complete the project according to the approved plans. After the project was complete, the units were given to owners for a period of time. Then, the effects from the noises were acknowledged by the company. However, the company was not at ease and tried to reduce the noises by building sound block sheets according to the suggestions of the suppliers. The juristic persons were also informs and agreed with this solution. The noises were partially reduced, but there were some remaining noises. Thus, Chewathai had to keep solving the problem by emphasizing on the customers' happiness.

Project Title: Chewathai society

Objectives and the purpose is to develop good customer attitudes towards the company and to make the customers memorize the good images of the company as well as its products and services in long terms because the company has many lines of products (e.g. houses, condominiums, rental factories and commercial buildings) and the company present other lines of products (i.e. cross selling) or promoting resale if the customers are satisfied with any line of the products. Furthermore, the Company could have channel to promote Chewathai's projects to others in the forms of positive words-of-mouth about the products that are more reliable than advertisements and to acknowledge of Chewathai to the shops and products that are the allies in order to provide new channels for acknowledging Chewathai's privileges and projects .

The special activities for customer.

1. Conducting activities that promote the residents' (customers') participation as much as possible in order to create good feelings; for example, the Movie Day in December 2017 at Major Cineplex Esplanade Ratchada and the Once Concert 103.5 FM One at Scala Cinema in December 2017, which the residents participated in the mentioned activities and provided good feedbacks
2. Holding other activities on the Facebook Timeline including clicking Like & Share and answering questions to get rewards promoting the residents' involvements, good feelings towards Chewathai, and the new acknowledgements of information on the Facebook Chewathai Society Page.
3. Making plans according to festivals such as the New Year Festival, residents' birthdays and big festivals for conducting activities at the project for the convenience of the residents as well as coordinating with the juristic persons of the project in order to promote the activities for three to seven working days in advance
4. Having the company's CSR activities in order to promote the residents' participations and voluntary minds by the registrations through the Chewathai Society's website.

Sustainable Values

The "sustainable" values of the Chewathai's projects are not only the developments of real estates and public utilities according to sustainable development principles (i.e. human and environmentally friendly developments) that add values to the projects, but there are also privileges for the Chewathai's families including "Chewathai Society" and "Chewathai Society VISA Card" which are designed for meeting the special lifestyles and experiences of the residents under the concept of "More living More lively". There are also other privileges and many discounts that are new in the Thai real estate industry.

Evaluations

The evaluations were conducted three days after the activities with the residents joining the activities of the Chewathai Society. There are two types of the evaluations for convenient data collections.

- Type 1: Document Evaluations - This type is given to the residents after the activities are over because the residents can still remember their feelings from joining the activities. The percentage of the satisfaction towards the activities is 74.2 percent
- Type 2: Online Evaluations - This type is for the convenience of the residents because they can respond at any time and it also enable the CRM department to conveniently collect data. The company sent the evaluations through SMS to the telephone numbers of the residents who did the registrations. The percentage of the satisfaction towards the activities is 74 percent.

New Activities in the Future

The Customer Relationship Management or CRM Department tends to conduct activities for the residents (customers) every month during festivals or important days. To conduct the activities, they coordinate with the juristic persons of future projects. Applications for the CRM Department may be developed for the convenience of the residents, the collection of current data, and the instant updates of information by them. There are goals to provide new privileges including discounts for shops, road shows or activities for the residents' participations in order to improve the customer relationships with the company.

Results

If the activities with the residents (customers) are regularly conducted, then they will be impressed because the services are the cores of the CRM.

Community and Environmental Development Projects (CSR after Process)

The company focuses on developing the communities and schools in remote areas as well as providing foods and other requisites for the associations and foundations of disadvantaged persons as stated below.

Project Title: the Community Development Project at the schools in Ban Pa Lao, Mae Tha District, Lam-phun Province

Objectives

To improve the qualities of the lives of the young people in the schools in Ban Pa Lao and community as well as develop the sustainable awareness of the reservations of the local resources, tribal arts and cultures.

Methods

For this activity, the company is aware of the importance of the young people growing and having food futures. In this year, the company has new vision while adhering to the importance of the actual problems from field surveys before taking actions as can be seen that building the good futures requires many components to sustainably drive the communities and societies.

The schools and community are in remote areas. There are four schools as follows:

1. Ban Pa Lao School (Main School)
2. Ban Pa Lao School, Pha Dan Branch
3. Ban Pa Lao School, Mae Sa-Ngae Branch
4. Ban Pa Lao School, Pong Phang Branch

Since there were communication difficulties, the company provided radios. To communicate the people had to walk to meet each other because the areas had not have telephone signals. The company also provided new water filtering systems for the schools and community in order to improve the qualities of their lives because the company found that the good communications and public utility systems could lead to the improvements. The schools were the centers of their daily lives in all aspects. Educational materials, funds for lunches, as well as cooking and sport equipment were provided by the company in order to promote sports and recreations for the four schools as well as to support the volleyball teams of the schools having competitions with the all other hill tribes' schools in the country.

Sustainable Values

Since the company is still new in the real estate industry and it is searching for its business identities, this project is considered as the development of its fame and good image as an organization that is aware of social and environmental problems in order to make the customers acknowledge the good sides of the company. Hence, this project is considered as an investment that may not provide direct and short-time effects. However, it is a long-term and sustainable foundation for the purpose of sustainability.

Results

In this activity, the company considers the sustainability that can be beneficial for the schools and community in many aspects such as life quality, health and profession. The company does not expect instant results, but it expects gradual and long-term results without negatively affecting the community in order to develop the good coordination of the people in the community.

Future Activities

The company's long-term goal is to continuously improve the schools and Ban Pa Lao community. In this activity, the company found necessary improvements for the young people and community such as library, canteen, building, health center and learning center. The company also develops professions for the people in the weaving industry. However, the main point is that the young people must have good thoughts and attitudes in order to create the awareness of their birthplace, to encourage everyone to participate in future community developments, and to support the improvements of the young people's skills such as sport and educational skills. The young people with good school records will also be supported in order to enable them to use the knowledge they get from the company's supports for improving the schools, community and society. The company hopes that this small activity and future activities will be as beneficial as possible for the community, school and society. In general, the next plans will be implemented in 2018 as follows.

Phase 1: January - June 2018

- Improving the classrooms and building a library for Mae Sa-Ngae Branch
- Conducting a community profession development project
- Conducting a student potential improvement project
- Following up the results in the recent year

Phase 2: July-December 2018

- Improving the classrooms and building libraries for Main and Pha Dan Branches
- Conducting a sustainability development project
- Following up the results in Phase 1

Other Community and Environmental Development Projects

There are not only the aforementioned projects for the benefits of the communities and society, but the company is also aware of the supports for disadvantaged people by conducting the activities in 2017 as follows.

Project Title: “For the People and For the Good Society (Thai: ทำเพื่อน้อง สานต่อความดีสู่สังคม)” at “Respite Foster Mental Patient’s Half-Way House”

On 20th January 2017, the company had a visit at Respite Foster Mental Patient’s Half-Way House in Khlong Hok in Thanyaburi in order to conduct recreation activities as well as give rewards, souvenirs and foods for all patients. The company also buy the products made by the patients at the half-way house.

Project Title: “Giving for Sustainable Happiness (Thai: เริ่มต้นจากการให้ สร้างความสุขที่ยั่งยืน)” at “Women’s Ratchawadee House”

The company provided social supports for the people at Rachawadee Home for Persons with Disabilities Protection and Development (Women) in Nonthaburi by giving them the 200 sets of snacks and appliances such as washing powder, dish washer and soap.

The company did not expect any greatness, but it was proud to be a part of the Thai society for supporting the foundation to do future works. The company also learned the patients at both foundations still need opportunities for the society to live with others.

Operations and Reports

The sub-committees annually prepare the corporate social and environmental responsibility reports presented to the company’s committees according to the policies for the corporate social and environmental responsibilities.

Annual information are disclosed, or sustainability reports are prepared and published every year after the registration with the stock exchange.

In the recent years, the company has conducted businesses with the corporate social responsibilities for the sustainability. In 2017, the company still emphasized on improving all relevant procedures in order to promote responsibilities with new improvements and developments in order to motivate and add new values and to meet and go beyond customer satisfactions. For example, all customer requirements were met by providing complete services with responsibility standards, accuracy and timeliness. Moreover, the company focused on making the employees to understand the organizational goals and perform their duties with the awareness of the social responsibilities.

The company also encouraged them to regularly join skill improvement trainings and activities for social and environmental benefits.

Businesses Affecting the Social Responsibilities

In 2017, the company did not have any dispute regarding its businesses related to the environmental and social laws. It had never been inspected and accused by any organization for any business negatively affecting the society or environments or incompliance with the corporate social responsibilities set by the company.

INTERNAL CONTROLS AND RISK MANAGEMENT

Chewathai Public Company Limited emphasizes on the efficiency and effectiveness of the internal controls at the managerial and operational levels by employing Dharmniti Internal Audit Company Limited, a system audit expert.

The company considers the suggestions provided by the auditor. The company's committees also have the risk management in all aspects including the overall, policy or strategic, operational, report, legal, and regulation risks and continuously follow up results. Furthermore, the company joined the "Thailand's Private Sector Collective Action Coalition Against Corruption" in order to express its intentions and dedication to resist all forms of corruptions that may occur in the company's businesses. The company has mechanisms for balancing and efficiently protecting the company's assets. Regulations are written and revised by the independent auditing organization in order to ensure that all departments comply with the regulations and to evaluate the efficiency and adequacy of the internal controls of the departments.

1) Control Environments

- 1.1 The company clearly sets the visions, missions and objectives that are the guidelines for the managers and all other employers as well as the key performance indicators (KPIs) as the other guidelines and goals.
- 1.2 The company creates the appropriate organizational structure and improves it after environments change in order to support the growths of its businesses. The company set approval authorities and clear duties at different levels for the fluidity and appropriateness according to business situations.
- 1.3 The company has written business ethics for the committees and employees to comply with, and it provides trainings for new employees. The management sets and announces written regulation to all employees to comply with.
- 1.4 The company joined the Announcement on Anti-Corruption and improved its internal control according to the regulations, guidelines and criteria of the project.
- 1.5 The company sets written human resource management policies and methods such as recruitment, training, promotion and compensation. There are policies for continuously improving the skills of the employees in order to meet business requirements and future expansion plans.
- 1.6 The company has recruitment, improvement and retention procedures for all managers and all other employees. The requirements for the improvements and trainings for different positions are observed by preparing annual training plans and comparison reports according to the plans.
- 1.7 The company has the succession plans for important positions during 2017 - 2019.

2) Risk Assessment

2.1 The current organizational structure has the risk management committees including the independent and managerial committees who provide the risk management policies, structures and guidelines according to strategic directions and business plans with governance, follow-ups, and revises for important risk management reports as well as the risk management department.

2.2 The company joined the Thailand's Private Sector Collective Action Coalition Against Corruption in 2018. The company set the anti-corruption policies and measures for preventing and solving corruptions.

3) Control Activities

3.1 The company sets the organizational structure and assigns duties to the managers according to their lines to have appropriate internal controls. It also has the committees such as risk management and procurement committees in order to balance duties.

3.2 The company has the written manuals and table of authorities according to different levels, regulations, procedures and practices in order to meet its expansions and growths, to enable peer-reviews, and to control activities according to the organizational goals.

3.3 The company set the control measures according to its risks and identities such as complex environments, job descriptions, scope of works and operating manuals for all departments as the mutual standards clearly separating responsibilities such as approval, transaction, data processing and asset protection in order to enable peer-reviews according to the concept of Check and Balance.

3.4 The company has the appropriately internal controls at the company, department and operational levels in the forms of manual and automated ones for the operational document registration, program accesses, and systems applications and products in data processing (SAP)

3.5 The committees have the peer-reviews, ensure the compliance with the criteria of the Stock Exchange of Thailand, and disclose the mentioned information. The company collects the information of the major shareholders and relevant individuals for the follow-ups and peer-reviews for the accounting department before quarterly reporting to the auditing committees.

3.6 The company sets the KPIs as the tools for planning and following up the performances of all levels of the managers in order to achieve the goals.

4) Information & Communication

4.1 The company has the communication channels through the intranet, e-mail, Facebook, Line and website in order to provide information about the organizational goals, policies and regulations and to enable the managers to follow-up the results of investment projects, compare to daily goals, prepare sales and transfer (and waiting to be transferred) to the goals for the high level managers every week and month.

4.2 The company has the SAP (Systems, Applications and Products in Data Processing) and ERP (Softpro) for managing and presenting information for the managers to make decisions.

4.3 The company collects data and documents for preparing financial, accounting and important reports with different categories.

4.4 The company has procedures for reporting suspicions or incompliance with the ethics (i.e. the whistle-blower hotline). The company communicate to all employees that if they find any suspicion about corruption in the company, then they will have to report to the chairperson of the auditing committees by e-mail or registered mail.

4.5 For committee meetings, the committees received invitation letters and meeting documents with necessary and enough information before the meetings with appropriate periods. Meeting minutes are prepared as references.

4.6 The auditing committees conduct the meetings with the auditors and managers in order to review the accounting procedures according to the generally accepted accounting principles.

4.7 The company discloses information through the Stock Exchange of Thailand's system, and it has appropriate communication channels. External stakeholders can contact through the Call Center 1260 system and follow information at www.chewathai.com, a channel publishing complete, correct, up-to-date and adequate information for shareholders and investors.

5) Monitoring Activities

5.1 The company monitors activities by the auditors approved in 2017 from EY Office Company Limited, independent and appointed in the annual general meetings. The auditors check and provide opinions towards the company's financial budgets, and audits the internal controls in accounting and financial terms in order to report to the auditing committees to confirm that there is not significant defect about the internal control.

5.2 The company accessed the internal controls in 2017 with the assessment forms prepared according to the guidelines of the securities and exchange commission and reported to the auditing and company's committees.

REVIEW OF BUSINESS ASSETS

Main Assets of the Company and its subsidiaries.

As of 31 December 2017, the assets the Company and its subsidiaries comprised of lands and development cost, real estate for investment and lands building and equipment, the detail are as follow ;

Detail	Book Value as of 31 December 2017 (Million Baht)	Type of ownership	Obligation
Lands and development cost	2,998.46	Owner	8 projects has been mortgaged as secured with loans from financial institutions.
Real estate for investment	257.18	Owner	Mortgage as secured with loans from financial institutions.
Lands building and equipment	9.53	Owner	None
Intangible assets	4.34	Owner	None
Total	3,269.51		

Lands and development cost.

Lands and development cost describes such as lands and buildings for sales, as of 31 December 2017 the book value is as 2,998.46 Million Baht, the detail are as follow;

Project's name	Asset Type	Book Value as of 31 December 2017 (Million Baht)	Appraisal Cost (Million Baht)	Appraisal Date	Increasing ¹ (Million Baht)	Decreasing ³ (Million Baht)	Adjusted Appraisal Cost as of 31 December 2017 (Million Baht)	Ownership	Obligation
Chewathai Ratchaprarop ⁵	Condominium	14.25	34.85	29 Dec 17	- ²	-	34.85	The Company	None
Hallmark Ngamwongwan ⁴	Condominium	198.28	610.34	21 Sept 14	311.31	721.08	200.57	CTIC	Mortgage as secured with 110.00 Million Baht loans from financial institutions.
Hallmark Chengwattana ⁴	Condominium	1.30	140.65	30 Dec 14	423.91	545.93	18.63	The Company	None
Chewathai Interchang ⁴	Condominium	19.11	445.40	30 Dec 14	461.50	801.76	105.14	CTIC	Mortgage as secured with 110.00 Million Baht loans from financial institutions.
Chewathai Residence Bang Pho ⁶	Condominium	409.70	584.00	6 Dec 17	250.25	327.32	506.93	The Company	Mortgage as secured with 463.00 Million Baht loans from financial institutions.
Chewarom Rangsit - Don Meaung ⁶	Housing Project	187.41	238.88	5 Dec 17	89.11	127.72	200.27	The Company	Mortgage as secured with 210.60 Million Baht loans from financial institutions.
Chewathai Petchkaserm 27 ⁷	Condominium	939.65	898.01	29 Dec 17	41.97	-	939.98	The Company	Mortgage as secured with 650.00 Million Baht loans from financial institutions.
Chewathai Residence Asoke ⁶	Condominium	719.82	754.42	6 Jan 17	514.74	515.71	753.45	The Company	Mortgage as secured with 658.00 Million Baht loans from financial institutions.

Project's name	Asset Type	Book Value as of 31 December 2017 (Million Baht)	Appraisal Cost (Million Baht)	Appraisal Date	Increasing ¹ (Million Baht)	Decreasing ³ (Million Baht)	Adjusted Appraisal Cost as of 31 December 2017 (Million Baht)	Ownership	Obligation
Chewawan Phuttamonthon 1 ⁸	Housing Project	379.84	333.15	20 Feb 17	51.12	-	384.27	The Company	Mortgage as secured with 507.00 Million Baht loans from financial institutions.
Chewa Home Klong 4 ⁹	Townhome Project	127.61	157.07	6 Dec 17	-	-	157.07	The Company	Mortgage as secured with 65 Million Baht loans from financial institutions.
Thonglor 20 Project	Condominium	1.49	-	-	-	-	-	The Company	Under the developing
Total		2,998.46	4,196.77		2,131.81	3,039.14	3,289.44		

Remark 1. Increasing is the increasing by development cost which the value is more than the cost from 31 December 2017

2. There is no increasing in 2017 because the project is already done.

3. Decreasing is the decreasing by development cost that has transferred to cost of sales as of 31 December 2017

4. Value Assets valuated by Comparison Approach which appraised by UK Valuation and Agency Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mrs. Udomsri Nateekanjanalarp

5. Value Assets valuated by Comparison Approach which appraised by Prospec Appraisal Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mr. Yuthasak Pongmanee

6. Value Assets valuated by Comparison Approach and Cost Approach which appraised by Prospec Appraisal Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mr. Boonchai Meksrisuwan

7. Value Assets valuated by Comparison Approach and Residual Method which appraised by Prospec Appraisal Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mr. Boonchai Meksrisuwan

8. Value Assets valuated by Comparison Approach which appraised by Prospec Appraisal Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mr. Boonchai Meksrisuwan

And another valuated by Comparison Approach which appraised by UK Valuation and Agency Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mrs. Udomsri Nateekanjanalarp

9. Value Assets valuated by Comparison Approach and Residual Method which appraised by UK Valuation and Agency Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mrs. Udomsri Nateekanjanalarp

The real estate for investment.

The real estate for investment of the Company describes such as lands and ready built factories, as of 31 December 2017, the book value of the real estate for investment is equal to 257.18 Million Baht, the details are as follow;

Detail	Area (sq.w.)	Book Value as of 31 December 2017 (Million Baht)	Appraisal Cost (Million Baht)	Ownership	Obligation
Ready built factories phase 1	16,820.00	218.48	360.05	The Company	Mortgage as secured with 230.00 Million Baht loans from financial institutions.
Land phase 2	21,312.00	38.70	47.95	The Company	Mortgage as secured loans to the subsidiary.
รวม		257.18			

Remark 1. Value Assets valued by Income Approach and Market Approach on 30 May 2017 which appraised by UK Valuation and Agency Co., Ltd. which is in the list of Valuer approved by the Office of the SEC and supervisor is Mrs. Udomsri Nateekanjanalap and Mr. Natee Tanktidthamm

Land Building and Equipment.

Land Building and Equipment comprised of Building and the adjustment of rental building, mechanism, decorations and office equipment and sale offices and showroom. As of 31 December 2017, land building and equipment value is equal to 9.53 Million Baht, details are as follow;

Detail	Book Value as of 31 December 2017 (Million Baht)	Ownership	Obligation
Building and the adjustment of rental	2.18	Owner	None
Mechanism, decorations and office equipment	3.25	Owner	None
Sale offices and showroom	4.10	Owner	None
Total	9.53		

Intangible Assets

Intangible assets is computer software, as of 31 December 2017 the value of intangible assets is equal to 4.34 Million Baht. The Company is the owner of computer software which is no any obligation.

Investments for new projects.

In 2017, the Company acquired 2 plots of land for new project, the area is equal to 23,651 sq.w., total value is 456 Million Baht as below;

Type	Project	Transferred Date	Total Value
Plot of Land	Chewawan Phuttamonthon 1	7 Mar 2017 / 21 Jul 2017	328,724,683.00
Plot of Land	Chewa Home Klong 4	5 Sep 2016 / 27 Oct 2017	125,837,500.00
Total in 2017			456,192,138.80

The Company has policy to reduce the risk from related law and regulation, before acquired the land the Company will study the possibilities of developing project. When the Company found that the land is appropriated to develop according to the Company's strategies, the Company will acquire the land. Nevertheless, the Company has no policy for stocking the land bank due to the long term of developing, every lands which the Company has acquired is matched with location strategic.

Assets appraisal

The assets appraisal of the Company and its subsidiaries comprised of investment assets, office assets, selling assets and assets for developing. In 2017, the Company assigned the appraisal company which is in the list of valuer approved by the Office of the SEC is UK Valuation and Agency Co., Ltd.

The investment in subsidiaries and joint ventures

As of 31 December 2017, there are a subsidiary which is Chewathai Interchange Co., Ltd., two joint venture which are Chewathai Hup Soon Co., Ltd. and Chewa Heart Co., Ltd. and an associated Company which is Kamala Senior Living Co., Ltd.

As of 31 December 2017, the Company recorded the investment in subsidiary and the joint venture as cost method in the financial statement in amount of 110.84 Million Baht, detail are as follow;

Company	Registered Capital (Million Baht)	Paid up Capital (Million Baht)	Investment portion (percentage)	Investment value (Million Baht)
The Subsidiary				
Chewathai Interchange Co., Ltd.	100.00	100.00	100.00	68.59
The Joint Venture				
Chewathai Hup Soon Co., Ltd. Chewa Heart Co., Ltd.	14.00	14.00	50.00	7.00
	50.00	50.00	70.00	35.00
The associated company				
Kamala Senior Living Co., Ltd.	1.00	1.00	25.00	0.25

Investment Policy in its Subsidiary Company and its Associate Company

- The core business means the real estate development business and businesses related to the operation of a real estate development business e.g. a real estate agent, a juristic person of real property, a restaurant related to a real estate project, and a sports club related to a real estate project]. The determination of whether or not a business is a core business shall be at the discretion of the Board of Directors.
- The Company has established a policy with respect to investment in its subsidiaries and joint venture companies, whereby investment will be made in businesses that are relevant to the operation of a real estate development business, and that show a high potential for growth and will yield appropriate returns.
- The Company will assign one of its representatives to act as a director in the afore-mentioned subsidiaries and joint venture companies. The number of representatives who will take on directorship positions shall be in accordance with the shareholding proportion. Alternatively, if such number of representatives is not in accordance with the shareholding proportion, it must be approved by the Board of Directors, based on reasonable grounds.
- Any investments, regardless of whether new or additional investments has to accord with the Notification of Capital Market Supervisory Board Re: Rules and Procedures for Acquisition and Disposal of Assets; and notification of the Board of Governors of the Stock exchange of Thailand Re : Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004.

RELATED PARTY TRANSACTIONS

The Company and subsidiaries have related party transactions with connected juristic person/persons who may have conflict of interest, all of those transaction were made in a normal course of business of the Company and supported maximum benefit to the Company. The transactions is considered necessary and reasonable thus, the Audit Committee will consider the reasonableness and appropriateness of the price and presented to the Board of Directors' meeting for approval. There are the related party transactions of the company and subsidiaries for the year end 31 December 2017 and 2016, the detail are as follow;

Juristic Person/ Person who may have Conflicts of Interest	Transaction	Transaction Value (million baht)		Audit Committee's Opinion
		Jan – Dec 2017	Jan – Dec 2016	
Chewathai Hup Soon Co., Ltd. (associated company)	Revenue from management services	-	0.13	The aforementioned transaction is working capital and liquidity to the associated company. Therefore, the transaction is reasonable.
	Debtor- advances	0.07		
	Debtor- share payment	10.00	-	
	Creditor - advances	0.05		
	Loan from related company	-	-	The aforementioned transaction occurs for being working capital and liquidity which benefits to the Company's business. However, the interest rate for the loan is referred from commercial banks' fixed deposit interest rate at that time. Therefore, this transaction is considered to be reasonable and most beneficial to the Company.
	Interest expense	-	0.02	
	Interest payables	-	-	
Chewa Heart Co., Ltd. (joint venture)	Loan from related company	16.00	-	The aforementioned transaction occurs for being working capital and liquidity which benefits to the Company's business. However, the interest rate for the loan is referred from commercial banks' fixed deposit interest rate at that time. Therefore, this transaction is considered to be reasonable and most beneficial to the Company.
	Interest income	0.21	-	
	Accured interest receivable	0.21	-	
	Debtor- advances	0.20	-	

Juristic Person/ Person who may have Conflicts of Interest	Transaction	Transaction Value (million baht)		Audit Committee's Opinion
		Jan – Dec 2017	Jan – Dec 2016	
Kamala Senior Living Co., Ltd. (joint venture)	Loan from related company	86.00	-	The aforementioned transaction occurs for being working capital and liquidity which benefits to the Company's business. However, the interest rate for the loan is referred from commercial banks' fixed deposit interest rate at that time. Therefore, this transaction is considered to be reasonable and most beneficial to the Company.
	Interest income	0.72	-	
	Accured interest receivable	0.72	-	
Global Environmental Technology Co., Ltd. (common directors with the company)	Revenue from management services	0.84	1.74	The aforementioned transaction is the management service fee to the related companies and deemed that the existing management service charged based on employees' salary who do the work. This transaction is considered to be reasonable and most beneficial to the Company.
Trans Equatorial Indochina Co., Ltd. (common directors with the company)	Office rental fee	0.12	0.8	The aforementioned transaction is beneficial to the Company. The office rental fee and other services fee are allocated from the proportion of actual space usage. Therefore, this transaction is considered to be reasonable and normal business transaction in the arm's length basis
	Office rental fee - accrued	-	0.12	
	Revenue from the office rental fee	0.09	0.21	The aforementioned transaction is office rental and services agreement. These costs are allocated from actual office rental fee, service management fee, and other expenses based on the proportionate area of the Company. Therefore, this transaction is considered to be reasonable and normal business transaction in the arm's length basis
	Revenue from management services	0.26	0.65	The aforementioned transaction is the management service fee to the related companies and deemed that the existing management service charged based on employees' salary who do the work. This transaction is considered to be reasonable and most beneficial to the Company.

Juristic Person/ Person who may have Conflicts of Interest	Transaction	Transaction Value (million baht)		Audit Committee's Opinion
		Jan – Dec 2017	Jan – Dec 2016	
Oscar Estate Management Co., Ltd. (common directors with the company until May 2017)	Apartment rental	0.06	0.14	The aforementioned transaction is a rental apartment as a place to store documents of the company. The rental is based on market price and able to compare the price with near by location. This transaction is considered to be reasonable and most beneficial to the Company.
	Deposit	-	20,000 บาท	
	Car Rental	0.25	0.60	
	Revenue from office management service	0.44	1.09	The aforementioned transaction is the management service fee to the related companies and deemed that the existing management service charged based on employees' salary who do the work. This transaction is considered to be reasonable and most beneficial to the Company.
Oscar Design and Decoration Co., Ltd. (common directors with the company until May 2017)	Revenue from management services	0.07	0.18	The aforementioned transaction is the management service providing to the related company. The service charge fee is based on employees' salary who do the work and scope of service which is fixed service monthly charge. It may not reflect to the actual cost of services for employees' salary increase and amount of work at any time.
Thaisri Insurance PCL (common directors with the company)	Insurance Premium	1.33	1.56	The aforementioned transaction is a supporting business of the company and insurance premium is closed to the rate that Thaisri Insurance gives to other clients. This transaction is considered to be reasonable and most beneficial to the Company.
	Insurance Premium -other account payable	0.13	0.08	

Juristic Person/ Person who may have Conflicts of Interest	Transaction	Transaction Value (million baht)		Audit Committee's Opinion
		Jan – Dec 2017	Jan – Dec 2016	
Amata Water Co., Ltd (the company is related to the company's directors.)	Utility expences in Amata City	0.11	0.09	The aforementioned transaction is a supporting business of the company and has the same rate of other clients of Amata Water. This transaction is considered to be reasonable and most beneficial to the Company.
	Utility expenses - other account payable	5,660 THB	4,548 THB	
Amata Facilities Services Co., Ltd (the company is related to the company's directors.)	Mainternance fee in Amata City	0.43	0.55	The aforementioned transaction is a supporting business of the company and has the same rate of other clients of Amata Facilities. This transaction is considered to be reasonable and most beneficial to the Company.
	Mainternance fee in Amata City - Other creditor	0.15	-	
Paragon Car Rental Co., Ltd (common directors with the company)	Rental fees	0.33	0.33	The aforementioned transaction is company car rental and the rental rate is closed to the rate that has given by other rental. This transaction is considered to be reasonable and most beneficial to the Company.
	Rental fees - other creditor	0.12	0.05	
TEE Land Ltd. (common directors with the company)	other account payable	-	0.52	The advance payment of the company is the transaction that occurred for the flexibility in operating the business such as travel expenses etc. however when such a transaction har occurred in the future, the company should expedite collecting of this expense immediately. This transaction is considered to be reasonable and most beneficial to the Company.
	-advance payment			
	Miscellaneous			
	Loan from related company	52.32	52.32	The aforementioned transaction occurs for being working capital and liquidity which benefits to the Company's business. However, the interest rate for the loan is closed to interest rate from commercial banks at that time. Therefore, this transaction is considered to be reasonable and benefical to the Company.
	Interest expense	2.09	3.48	
	Interest payable	1.40	1.81	

Juristic Person/ Person who may have Conflicts of Interest	Transaction	Transaction Value (million baht)		Audit Committee's Opinion
		Jan – Dec 2017	Jan – Dec 2016	
TEE Development Pte. Ltd. (common directors with the company)	other account payable -advance payment and miscellaneous	0.93	0.85	Such advanced payment was normal and made flexibility to the Company's group business. However, in the future, the Company should immediately request for the repayment once the advanced payment was made. Such transaction was then be reasonable.
	Management expense other payables - Management expense	3,956 0.74	0.45 0.74	Such advanced payment was normal and made flexibility to the Company's group business. However, the Company should immediately repay for the expense once the advanced payment was made. Such transaction will then be reasonable.
	Loan from related companies	-	-	Such transaction was to support the working capital and liquidity of business which was benefit to the Company. The interest rate charged was similar to the banks' loan interest rate. Such transaction was then reasonable and benefit to the Company.
	Interest expense Accrual interest expense	- 4.97	0.73 5.98	
TEE Resources Pte. Ltd. (common directors with the company)	Interest receivables	1.00	1.00	Such transaction of the loan to related company must not occur in the future.
Mr. Chartchai Panichewa (Chairman of the BOD)	Loan from related party	200	-	Such transaction was to support the working capital and liquidity of business which was benefit to the Company. The interest rate charged was similar to the banks' loan interest rate. Such transaction was then reasonable and benefit to the Company.
	Interest expense	8.76	-	
	Accrual interest expense	0.72	-	

Related transactions of Chewathai Interchange Co., Ltd. which is the Company's subsidiary for the year 2017 and year 2016 are as follows;

Juristic Person/ Person of related person	Transaction	Transaction Value (million baht)		Audit Committee's Opinion
		Jan – Dec 2017	Jan – Dec 2016	
Chartchewa Co., Ltd (common directors with the company)	Loan from related companies	-	-	Such transaction was to support the working capital and liquidity of business which was benefit to CTIC. The interest rate charged was similar to the banks' loan interest rate. Such transaction was then reasonable and benefit to CTIC.
	Interest expense Accrual	-	1.31	
	interest expense	-	-	
TEE Land Ltd. (common directors with the company)	Loan from related companies	18.51	18.51	Such transaction was to support the working capital and liquidity of business which was benefit to CTIC. The interest rate charged was similar to the banks' loan interest rate. Such transaction was then reasonable and benefit to CTIC.
	Interest expense Accrual			
	interest expense	0.74 0.50	1.15 3.32	
TEE Development Pte. Ltd. (common directors with the company)	other account payable -advance payment and miscellaneous	0.38	1.10	Such advanced payment was normal and made flexibility to the Company's group business. However, in the future, the Company should immediately request for the repayment once the advanced payment was made. Such transaction will then be reasonable.
Thaisri Insurance PCL (common directors with the company)	Insurance Premium	0.18	0.23	Such transaction was to support CTIC's business. The insurance fee was charged similarly to other Thaisri Insurance's clients. Such transactions were then reasonable and benefit to CTIC.
	Insurance Premium	0.05	-	
	-other account payable			

Necessary and Reasonable of Related Transactions

According to the resolution from the Board of Directors meeting No. 2/2018 on February 14, 2018 also attended by the Audit Committee and the independent directors to review the related party transaction for the period ended December 31, 2017 and December 31, 2016, the Board of Directors provided opinion concerning related transactions that such related transaction were necessary for the ordinary course of business whereas terms of such related party transactions with related persons during such period were reasonable and in the ordinary course of business.

Measure or procedure for approval the related transaction

The Board of Director's meeting no. 3/2015 on 31 March 2015 had a resolution on approving the related transaction, the Company set out policy and procedures according to normal trading terms that the transaction are transparently and benefits to the company. The company will follow securities and exchange law, rule and regulation from The Securities and Exchange Commission, Thailand. The executive or related party will not allow to attend in the meeting during consider the related transaction. In case of the law specify that the approval must be approved by the Board of Directors, who will ask the audit committee to attend the meeting for the opinion on related transaction. The general business transaction and the transaction which is not a general condition, there are the principle as follow;

The general business transaction.

The general business transaction and supporting business of the company must have conditions with normal agreement and fair price which is able to compare with other company and other individual or the transaction with conflict of interest persons or the same transaction with the same business in the market. In principle, the management can approve such transactions if the transaction has a transaction in the same way that a normal party will deal with the counterparty in the same situation with a bargaining power without any influence on its position as a director, executive or related person. The company is carried out under the principles approved by the Board of Directors and prepare a summary report of the transaction to the Audit Committee on a quarterly basis, the Company will comply with the Securities and Exchange Act and the regulations, notifications, orders or requirements of the Stock Exchange of Thailand including compliance with the disclosure requirements of connected transactions.

The transaction is not a general condition.

The transaction is not a general condition, the company assigned the audit committee to consider and opine in accordance with reasonable price of the transaction. In case the audit committee have no experience on the occur transaction, the company will provide the independence appraiser, the expertise or the external audit to opine the connected transaction to the audit committee. The audit committee will use the information for decision making and give the opinion to the Board of Directors or shareholder whichever case for approval.

The policy or trends of future transaction.

The Company has entered into related transactions from normal business operations and normal supporting business that will continue in the future such as office management services, payments for utilities and facilities, car rental, apartment rental, payment for insurance, financial transaction with the person or juristic person related to the company. The transaction will be in line with the nature of the business with normal business conditions and can be referenced to business conditions of the same type as the Company, such as

- Sales of the condominium unit price will base on selling to customer including promotion and special discount following the company policy.
- Loan from related company, the interest rate charged will be similar to the banks' loan interest rate.
- Other transaction which has fee and condition that could compare with price list in the market.

The Audit Committee of the Company reviews and comments on normal business transactions or normal supporting business on a quarterly basis. However, if the transactions are not in line with normal business that may occur in the future, the Company will arrange the audit committee to review the necessity and reasonableness of the transaction before the transaction between each other.

THE OVERVIEW AND ECONOMIC SITUATIONS IN THAILAND IN 2017

The real estate industry slightly expanded in 2017. Entrepreneurs considered that horizontal residences expanded almost in all regions, especially the middle and upper levels of the residences, according to the demands for the residences and urban expansions. This did not include the lower northern part that still had weak purchasing power. Most regions took longer periods of time for the expansions than the past. The expansion rate of the vertical residences was reduced, and excessive supplies were found in some areas such as other provinces and areas around the Metropolitan Rapid Transit Violet Line. The expansion rate of the condominiums at the center of Bangkok was good, especially for Chinese and Taiwanese customers. However, the entrepreneurs considered that the speculation signal from the mentioned group of customers was not as strong as that in the past. Plausibly, it was because the real estate industry was not fully expanded. In terms of credits, the entrepreneurs considered that financial institutions were still careful for providing credits (i.e. pre-finance) for real estate projects. This forced some local entrepreneurs to make loans from leasing companies and credits for residences (i.e. post-finance), especially for the low to middle levels of customers. Consequently, the inventory reduction rate was slower than the past. Furthermore, new investments were postponed. Most entrepreneurs estimated that the real estate business would still face risks from high competitions, weak purchasing powers, carefulness for providing the credits of financial institutions, difficulties to gain workforces, wages expected to increase, and anxiety about unclear land taxes. Therefore, many entrepreneurs had adjustments in many forms; for example, not collecting lands, developing smaller projects than those in the past, requiring higher down payment rates than the past rates, using pre-approvals for screening customers before applying for the credits from the financial institutions, increasing the values of residences with furniture in order to increase prices, and focusing on recurring incomes by allowing convenient stores to open in projects and doing other activities.

In late 2017, most entrepreneurs expected that the real estate market would improve according to economic trends and people's beliefs in order to obtain the obvious returns on the investments in the public infrastructures as well as the expansion of modern trades that can stimulate urban expansions. Additionally, the real estate entrepreneurs considered that the new land tax and building act would stimulate some land owners with speculations to gradually sell their lands that will lead to land developments. Nevertheless, some of them were still anxious about land tax drafts because some issues did not have clear practices such as the three years of tax exemption, the proofs of the land ownership purposes, and the interpretations of wastelands. The entrepreneurs also considered that the tax calculations in some areas regarding servitudes, condominium common fees, windfall gain taxes and other issues might be duplicated and excessive taxations. These issues might affect some entrepreneurs to adjust the selling prices of residences according to the increasing costs.

(Source: Bank of Thailand)

THE MANAGEMENT DESCRIPTION AND ANALYSIS

The Company operates two core businesses: Residential property development and Ready-Built-Factories business. Currently, the Company has been developing residential real estates which are condominiums in both High Rise and Low Rise, as well as Housing project in the metropolitan area, emphasizing on locations of main roads, convenient transportation near expressways or along the prospect Mass Transit Railway. In addition, the Company has recognized the potential and business opportunities of small to medium-sized investors or entrepreneurs who intend to acquire a factory, but are not ready to invest in the long-run or by other factors, the company has developed a Ready-Built-Factories project to meet such demand. Currently, this project is located at Amata City Industrial Estate in Rayong province.

Operations Overview

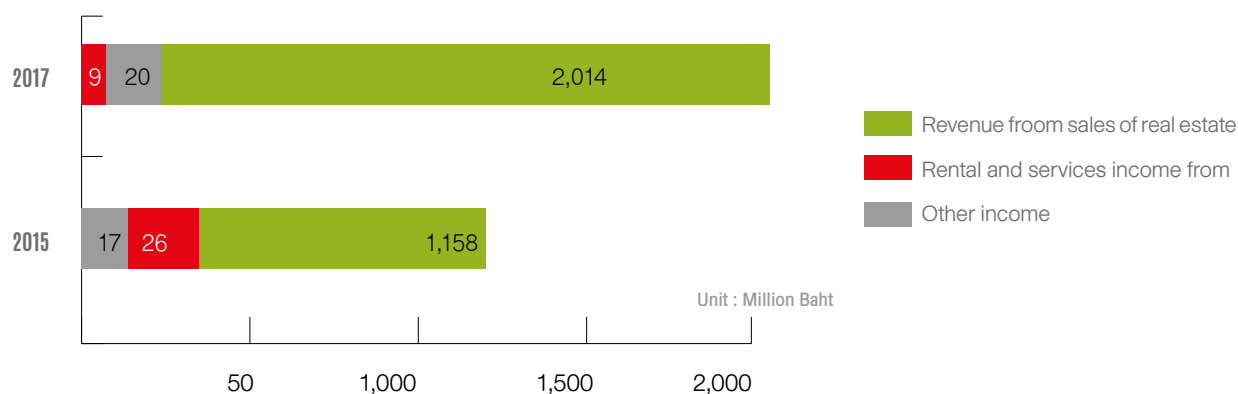
For Year 2017, the Company has completed construction and realized the revenue in 3 projects: Chewarom Rangsit Donmueang, Chewathai Residence Bang Pho and Chewathai Residence Asoke, The Company is recognized revenue from these three projects for 68% of total revenues from real estate sales. The Company has 3 projects under development which will be completed in 2018, namely Chewathai Petchkasem 27, Chewarom Rangsit Khlong 4, Chewahome Pracha Uthit 90. The total value of which is more than 3,000 Million Baht.

In addition, the company plans to launch six new projects in 2018 worth 4,190 Million Baht, four of which are self-developed projects worth 3,740 Million Baht, the project is divided into 3 low-rise projects and 1 housing project, and two joint venture projects with Chewa heart Co.,Ltd worth 450 Million Baht.

Company Performance and Financial status for year 2017 and 2016

For Year 2017, the Company had total revenue of 2,042.42 Million Baht, an increase of 841.70 Million Baht or 70.10% from the previous year. The net profit of 155.50 Million Baht an increase of 92.42 Million Baht from the previous year or 146.51%.The Company's operations and financial position in 2017 are as follows :

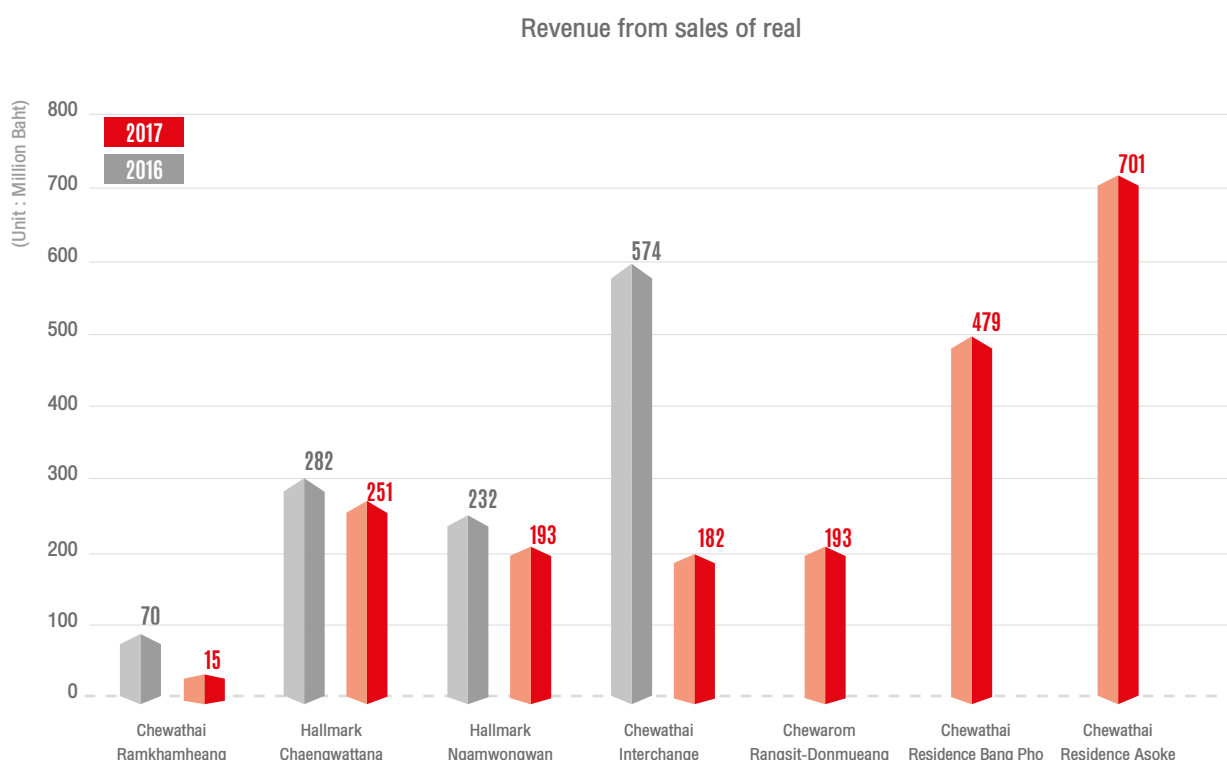
Revenue structure for the year 2017 and 2016, presented by the type of income. The details are as follows



Revenue from Real Estate Sales

For Year 2017, the Company had the revenue was from sales of real estate of 2,013.69 Million Baht compared to the previous year of 1,158.13 Million Baht an increase of 855.56 Million Baht. The increase of 73.87% is due to the fact that the Company has completed three projects which generated revenue in this year was 1,373.61 Million Baht due to the large number of inventories of the company projects as a whole were released as well as the rise of economy. The total amount of transfers for inventories was 640.08 Million Baht. As a result, the revenue from the sale of real estate increased substantially from the previous year. In Q4 / 2017, the Company was able to recognize revenue of 1,203.77 Million Baht, which is higher than the sale of real estate sales in the previous year.

The revenue recognition from the sale of real estate by projects for the year 2017 and 2016 are as follows:



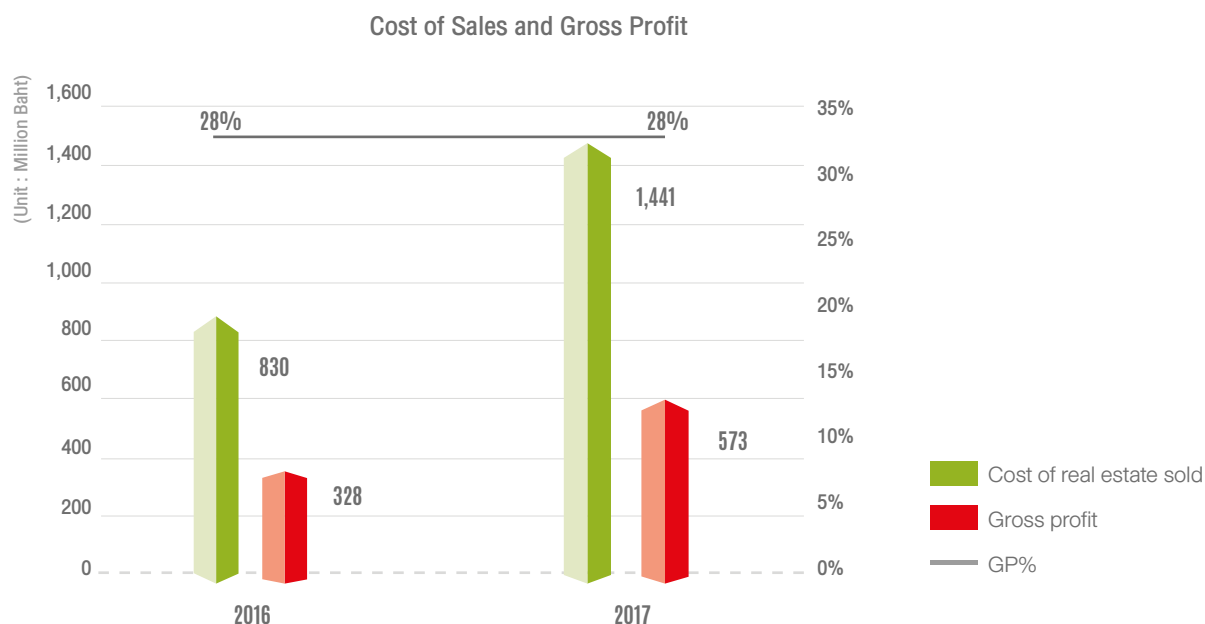
Revenues from Ready Built Factories rental and service fees

In the year 2017, the Company had rental income from factory rental and service fee of 19.59 Million Baht, 3 Million Baht increase or 18.51% increase from the previous year due to the increase of factory renters.

Other Revenues

Other income of the Company consists of the gain on foreign currency exchange, revenues from other related companies management services, confiscation of deposit Income, and revenues from electricity meter sales of condominium units. In the year 2017, the Company had other income of 9.14 Million Baht, a decrease of 16.92 Million Baht or 64.93% from the previous year. Which has been adversely affected by the inflexibility of the home loan approval from financial institutions. The company must recognize other income from the deposit of the rejected from the financial institution.

Cost of Sales and Gross Profit



For Year 2017, the cost of goods sold of real estate of 1,440.59 Million Baht, an increase of 610.23 Million Baht or 73.49% which was in line with the increase of revenue from real estate.

The gross margin from the sale of real estate in 2017 as compared to the previous year was not much difference as the Company has already recognized the income from Chewathai Residence Asoke project. This was due to assets being purchased from the original developer and the gross margin is lower than that for the Company than it was developed from the beginning.

For cost of renting factories and services perspective, the depreciation cost of the factory for rent in 2017 and 2016 were equally Baht 10.78 million. The gross profit of the factory for rent in 2017 was 44.98%, an increase of 10% from the previous year.

Selling and Administrative Expenditure

Selling and administrative expenses in the year 2017 is equal to 360.89 Million Baht or 17.67% of total revenue, increased from the previous year of 120.95 Million Baht or 50.41%. This was mainly due to the increase in selling expenses of 85.98 Million Baht or 60.35% from the previous year. The main factor was the increase in transfer expenses, commission fees and promotions. Administrative expenses increased of 34.97 million or 35.87% mainly from personnel expenses. However, the Company has managed the expenses more efficiently. The proportion of total expenses to income this year has decreased from the previous year.

Share of profit (loss) from investments in joint ventures and associate

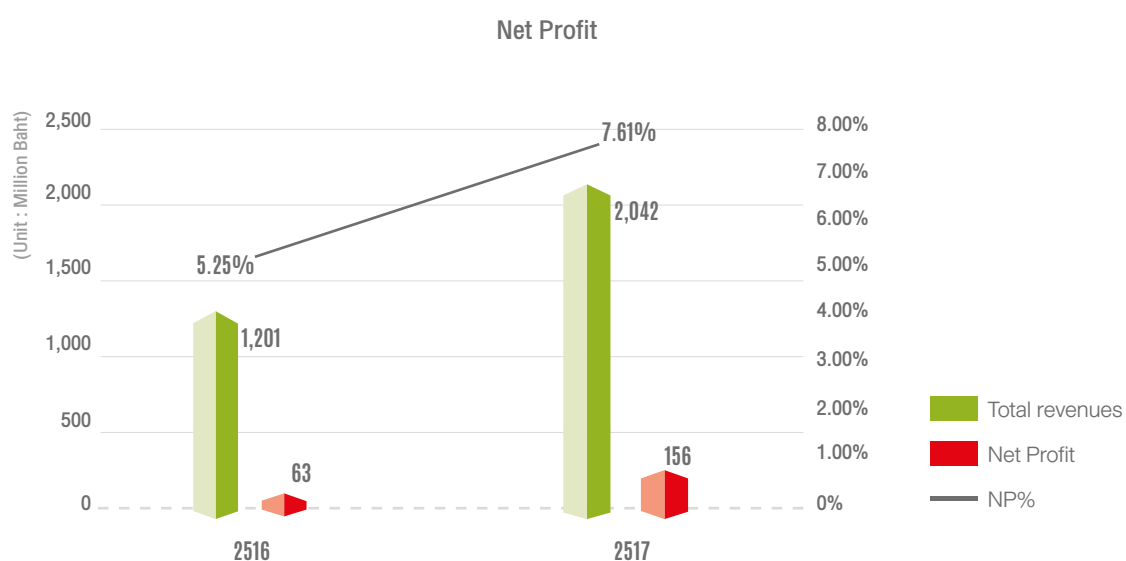
The share of profit from investments in joint ventures was recognized from the investment in Chewathai Hup Soon Ltd ("CTHS") the Company hold 50%. During May 2017, Chewathai made investment by incorporating a joint venture company, namely Chewa Heart Co.,Ltd ("CWH"), the Company hold 70%. In which, the profit from the Joint venture in 2017 was 0.95 Million Baht.

The share of profit from investments in associate was recognized from the investment in Kamala senior living Co.,Ltd . During July 2017, the Company made investment by incorporating an associated company, the Company hold 25%. In which, the loss from the associate in 2017 was 0.25 Million Baht.

For Chewa Heart Co.,Ltd and in Kamala senior living Co.,Ltd ,the Company invested in the year 2017, and both are under development.

Financial Cost

Financial costs in the year 2017 amounted to 29.80 Million Baht. A decreased from the previous year of 21.43 Million Baht or 41.83% due to short-term loans from Bills of exchange reduction as the company has made reimbursement to financial institution. Due to, the Company was able to managed the interest rate for the loans it resulted to decrease in financial cost. The company focuses on long-term debt for under development projects, as a result, most of the interest is borrowing costs.



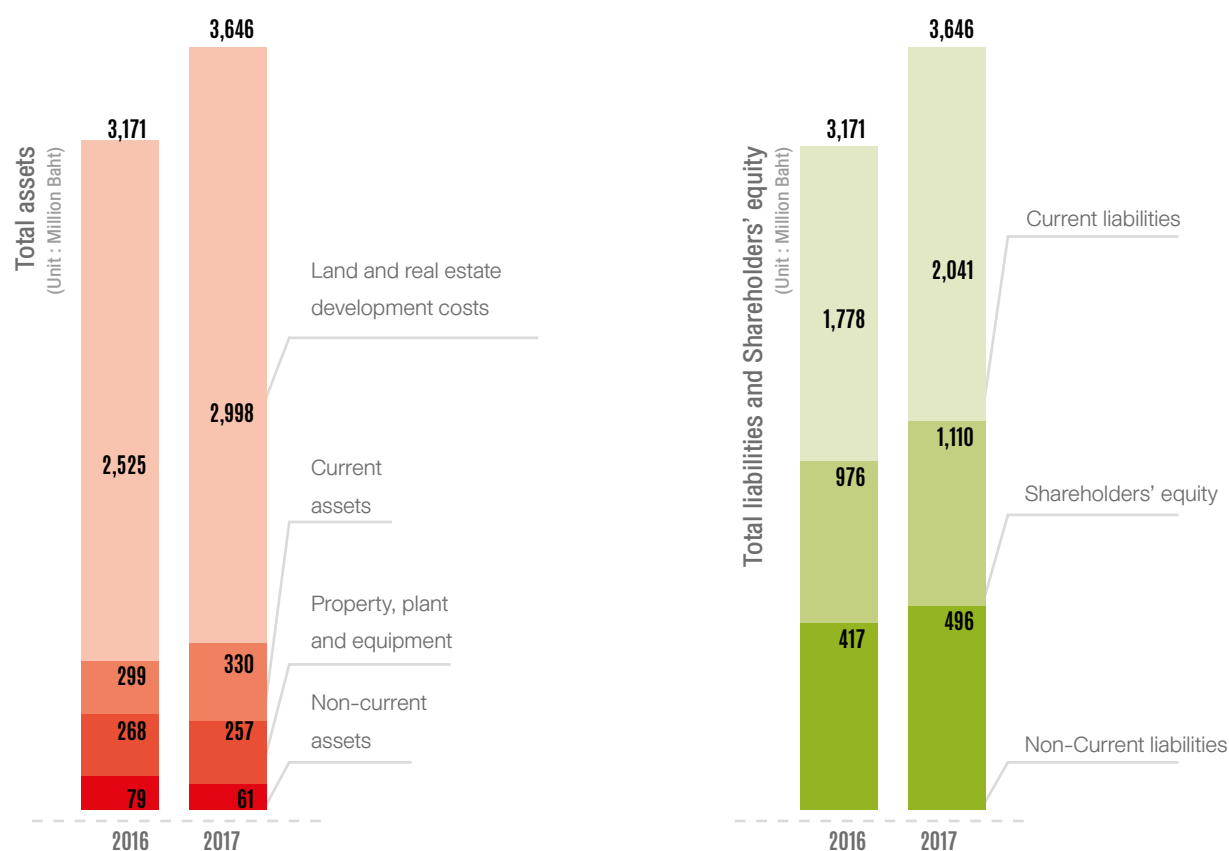
Net profit

As a result of the company performance, the net profit for the year 2017 was 155.50 Million Baht or 7.61% of total revenues, an increase from the previous year of 92.42 Million Baht or 146.51%. Which was in line with the growth of revenue from real estate by 73.87%. In addition, the Company has managed the expenses more effectively.

Total Comprehensive Income

For the year 2017, there were no transection of other comprehensive income. For the year 2016, the Company had other comprehensive income resulted from the actuarial net of tax loss of Baht 0.33 million affected by the change in key assumptions of actuarial valuation, such as discount rate, number of employees change rate, mortality rate etc.

Analysis of financial position as at 31 December 2017 and 2016



Total Assets

As at 31st December 2017, the Company generated total assets of 3,646.39 Million Baht, an increase of 475.09 Million Baht or 14.98% from the previous year. Of which, the major asset increment are as follows:

- The cost of land and real estate development as well as the inventories of 2,998.46 Million Baht or 82.23% of total assets which increased from previous year of 473.88 Million Baht or 18.77% due to the company has continuous expansion of the new projects. Divided increases of 1,908 Million Baht in project development costs, which is 3 projects completed in 2017 and 2 new project development projects. And a decrease from inventory transferred of 1,434 Million Baht.
- Short-term loans to related parties of 102 Million Baht or 2.80% of total assets which fully increased from previous year. This is Short-term loans to joint venture was 16 Million Baht and the rest amount 86 Million Baht was Short-term loans to associate.
- Advance for construction work of 13.33 Million Baht which decreased from previous year of 149.06 Million Baht or 91.79% due to the Company has amortized the advance payment for the construction work as the cost of construction.
- Property, plant and equipment of 9.53 Million Baht which decreased from previous year of 18.20 Million Baht or 65.63% due to during the year, there was an amortization of the temporary sales office of the project at the end of use.
- Deferred tax assets of 1.24 Million Baht which decreased from previous year of 15.30 million or 92.50% due to the reversal fully amount of deferred income tax on loss carry forward unused

Total liabilities

As at 31st December 2017, the Company generated total liabilities of 2,537.12 Million Baht, an increase of 342.09 Million Baht or 15.58% from the previous year. Of which, the major asset increment are as follows:

Current liabilities were 2,041.36 Million Baht or 80.46% of total liabilities. The 263.74 Million Baht increase or 14.84% from the previous year. The major increments are as follows:

- Overdrafts and short-term loans was 460.33 Million Baht or 18.14% of total liabilities which decreased from previous year of 396.39 Million Baht or 46.27% due to the Company has gradually paid off short-term loans from bills of exchange. As such, the company focuses on long-term debt drawdown to maintain liquidity in debt repayment.
- Current portion of long-term loans from financial institutions was 754.83 Million Baht or 29.75% of total liabilities which increased from previous year of 217.78 Million Baht or 40.55% due to the fact that the long-term loans of the projects transferred in the year 2018 were reclassified as current liabilities at the end of 2017. In which, the Company has acquired the long term loan amount of 1,353 Million Baht in the year 2017.
- Accounts payable and other payables was 345.62 Million Baht or 13.62% of total liabilities which increased from previous year of 127.75 Million Baht or 58.64%. The main factor of the increase was the account payable for projects under development.
- Deposits and cash received in advance from customers was 192.18 Million Baht which increased from previous year of 86.32 Million Baht or 81.54%. This is due to the recognition of the reservation, contract, and down payment for the new projects that are awaiting transfer in this year and the next three projects.

Non-current liabilities was 495.76 Million Baht or 20% of total liabilities which increased from previous year of 78.35 Million Baht or 18.77%. The major increments are as follows:

- Long-term loans from related parties net of current portion was 252.32 Million Baht which increased from previous year of 200 Million Baht. It is the loan from related party to use as working capital and to develop the Company's project.

Shareholders' Equity

The Shareholders' Equity as at 31 December 2017 amounted to 1,109.27 Million Baht, an increase of 133.00 million or 13.62% from the previous year, resulting from 155.50 Million Baht in the year 2017. During the year, the company paid the dividend from the operating results of the previous year to shareholders was 22.50 Million Baht at the rate of Baht 0.03.

Cashflow

For cash flow statements ending December 31, 2017 and 2016, the outstanding balances were 126.42 Million Baht and 58.45 Million Baht, respectively. Cash increased from the previous year of 67.97 Million Baht.

The net cash flow from operating activities was 272.02 Million Baht. It is the receiving cash flow from operating activities in developing the Company's project.

Net cash flow used in investing activities amount of 129.70 Million Baht was spent to investment and loans to joint venture and associate.

Net cash flows used in financing activities of 74.35 Million Baht was spent to repayment of loans from financial institution and interest payment.

Capital Structure

The Debt to Equity ratio (D/E) at the end of 2017 is 2.29 times, increased from the end of 2016 which is 2.25 times due to the increasing of total liability. The Company has long-term loans to be spent as working capital for developing projects. However, the total liabilities of the Company are partly derived from deposits from customers, which are not considered payable to creditors. Thus, the proportion of total liabilities is quite high.

Interest Bearing Debt to Equity (IBD/E) at end of year 2017 was 1.71 times, decreased from the end of 2016 which is 1.87 times.

Debt to Equity Ratio (D/E) for loan agreements from financial institution. The financial condition as follows: (Calculation the liabilities excluding loans from shareholders, directors and related companies. Shareholders' equity includes loans from shareholders, directors and related companies.

Debt to Equity Ratio (D / E) The loan agreements contain covenants to maintain D/E ratio no more than 2.0-2.5 times. As of December 31, 2017, D/E ratio was 1.64 times as to maintain the ratio which specified in the loan agreements.

Interest Bearing Debt to Equity (IBD/E) The loan agreements contain covenants to maintain IBD/E ratio no more than 2.5 times. As of December 31, 2017, IBD/E ratio was 1.18 times as to maintain the ratio which specified in the loan agreements.

Debt Service Coverage Ratio (DSCR) The loan agreements contain covenants to maintain DSCR ratio not less than 1.25 times. As of December 31, 2017, DSCR ratio was 2.99 times as to maintain the ratio which specified in the loan agreement.

Key factors and influences which may affect company performance and financial position in the future.

1. Government Policies

Legal changes and regulations related to the real estate business are changes in laws relating to the City Planning Act, Terms of Land Allocation under Condominium Act, And the Building Control Act. For example, the determination of land area, the width of the corridor and the road, the defining of the central area assessment and preparation of environmental impact reports. Also, the changes to the rules governing the use of land, traffic planning and the mass transit system project. As such, they may affect the cost and development costs of the Company's real estate projects.

However, the expectation of investment in the future will be positive, due to the expansion of basic structures from the government and it will result to the real estate factor.

2. Economy and Political situation of the country

Residential real estate business is the Company's core business. In which, it may be affected by political unrest. This causes a slowdown in the country's economy, the decrease in economic confidence, and the slowdown in consumer spending. As a result, real estate trading slows down. Therefore, the economic condition and volatility of domestic political situation may affect the revenue from the sales of the company's real estate projects.

Moreover, the factory rental business is another section that may be affected by economy movement and political circumstance. This has resulted in investment in the industrial sector and expansion of the business of both domestic and overseas investors. Such factors may affect the revenue recognition of the Company's Ready Built Factories.

3. Fluctuation of Project development costs

For real estate development business, another most significant cost apart from cost of land is construction materials. It is varied by periodic oil price fluctuations which are parts of the uncontrollable external factors. They have had an impact on the cost of construction as well as the construction industry, while selling price for real estate can not be immediately adjusted. In addition, competition in the real estate market is another limitation on price adjustments. As such the risk management of volatility in construction material prices has been applied in the business as such cost is the main cost of construction.

However, the Company is aware of such risks, and has set up control measures by organizing the auction for the construction works to select contractors to compare the Material quality, market price, to select the most appropriate price.

4. Loan from Financial Institutions

Financial institutions increasingly tighten credit approval for retail customers due to concern about real estate market trends, General economic conditions, and the increase of Household debt. As a result, it makes people more careful to spend money. Moreover, the opening of real estate projects at some point is oversupply, resulting in the bank of being cautious and rigorous in term of home Loan, especially in the lower to middle level. From such an event, it affects consumer demand and the business as a whole.

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

Dear Shareholders

The Board of Directors is responsible for the financial statements of Chewathai Public Company Limited and the consolidated financial statements of the Company and its subsidiaries, as well as the financial information contained in the annual report. As such, the financial statements are prepared in accordance with financial reporting standards, and the appropriate accounting policies and consistently applied. Cautious discretion and best estimates are in place, with sufficient disclosures made in the notes to the financial statements as to be transparent and beneficial to shareholders and investors.

The Board of Directors has established and maintained an appropriate and effective internal control system to reasonably ensure that the accounting information is accurate, complete, and adequate as well as to prevent any significant fraud or malfunction.

In this regard, the Board of Directors has appointed the Audit Committee, as for the accounting policies and quality of financial reports, as well as the internal control and internal audit system to be reviewed. The opinion of the Audit Committee on this matter appears in the report of the Audit Committee as shown in this annual report.

The Company financial statements and the consolidated financial statements of the Company and its subsidiaries have been audited by the auditor of the Company, EY Office Limited. In order to have the best auditing practice, The Board of Directors has supported by providing the relevant information and documents to enable the auditor to review and provide an opinion in accordance with the auditing standards. The auditor's opinion appears in the auditor's report as shown in this annual report.

In the Board of Directors' opinion, the overall internal control system of the Company is satisfactory with reasonable assurance that the financial statements of Chewathai Public Company Limited and the consolidated financial statements of the Company and its subsidiaries for the year ended 31st December 2017 are reliable by adhering to the standards of financial reporting and comply with relevant laws and regulations.



(Mr Chartchai Panichewa)

Chairman of the Board of Directors
Chewathai Public Company Limited

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Chewathai Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Chewathai Public Company Limited and its subsidiary (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 Chewathai 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 Chewathai Public Company Limited and its subsidiary and of Chewathai 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.

Recognition of revenue from sales of real estate

Revenue from sales of real estate is a significant amount in relation to total revenue of the Group. In addition, the Company and its subsidiary have entered into agreements with a large number of customers and there are a variety of conditions in these agreements, pertaining to matters such as sales promotions and discounts to boost sales. I have therefore focused on the audit of the actually occurring and timing of revenue recognition.

I have examined the recognition of revenue from sales of real estate of the Group by

- Assessing the Group's IT system and its significant internal controls with respect to the revenue cycle by making enquiry of responsible executives and gaining an understanding of the designed controls, and with special consideration of the internal controls which respond to the above risks.
- Examining sales transactions during the year with agreements and supporting documents for actual sales of real estate transactions occurring during the year and near the end of the accounting period, to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Value of land and real estate development costs

Estimating the net realisable value of land and real estate development costs, as disclosed in Notes 4.6 and 9 to the consolidated financial statements, is an area of management judgement, regarding to the estimation of provision for diminution in the value of long outstanding projects and under developing projects. This requires detailed analysis of the nature of projects, competitive environment and economic circumstances. There is a risk with respect to the amount of provision set aside for diminution in the value of land and real estate development costs.

I gained an understanding the internal controls of the Group relevant to the determination of provision for diminution in the value of land and real estate development costs by making enquiry of responsible executives and gaining an understanding of the designed controls. In addition, I also assessed the methods applied by management in determining such provision. The procedures that I performed included:

- Gaining an understanding of the basis applied in determining the provision for diminution in value of land and real estate development costs, and reviewing the consistency of the application of that basis.
- Comparing the developing periods, sales periods and projects movements to identify projects with indicators of lower than normal turnover.
- Comparing proceeds from sales transactions occurring after the date of the financial statements with the cost of land and real estate development costs for each project.
- Comparing gross profit margin of sales transactions occurring during the year to identify projects that indicate net realisable value of land and real estate development costs lower than costs.
- Gaining an understanding of and assessed the significant assumptions and approaches applied by management or an independent appraiser in preparing estimates of net realisable value of projects that there were indicators of lower turnover or net realisable value lower than land and real estate development costs.

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.

Rosaporn Decharkom

Certified Public Accountant (Thailand) No. 5659

EY Office Limited

Bangkok: 14 February 2018

Chewathai Public Company Limited and its subsidiary
Statement of financial position

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	126,422,916	58,450,666	95,685,637	41,190,169
Trade and other receivables	6, 8	15,370,358	5,923,737	48,768,559	57,241,745
Short-term loans to related parties	6	102,000,000	-	102,000,000	-
Advances to related party	6	-	-	13,810,663	312,174,312
Land and real estate development costs	9	2,998,464,903	2,524,575,780	2,776,459,643	2,029,435,273
Advance for construction work		13,333,604	162,388,509	13,333,604	162,346,509
Deposit for purchase of land		46,192,000	48,538,699	46,192,000	48,538,699
Other current assets	10	26,498,593	24,046,264	16,530,520	14,509,587
Total current assets		3,328,282,374	2,823,923,655	3,112,780,626	2,665,436,294
Non-current assets					
Investment in subsidiary	11	-	-	68,593,941	68,593,941
Investments in joint ventures	12	40,973,506	25,027,561	42,000,000	27,000,000
Investment in associate	13	-	-	250,000	-
Investment properties	14	257,177,982	267,954,867	257,177,982	267,954,867
Property, plant and equipment	15	9,525,554	27,726,609	9,210,277	27,161,038
Intangible assets	16	4,342,549	4,706,570	4,342,549	4,706,570
Deferred tax assets	25	1,239,850	16,538,448	1,239,850	17,036,880
Other non-current assets		4,848,370	5,420,270	2,990,575	2,812,125
Total non-current assets		318,107,811	347,374,325	385,805,174	415,265,421
Total assets		3,646,390,185	3,171,297,980	3,498,585,800	3,080,701,715

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

Chewathai Public Company Limited and its subsidiary
Statement of financial position (continued)

As at 31 December 2017

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	17	460,334,149	856,723,339	460,334,149	856,723,339
Trade and other payables	6, 18	345,621,391	217,874,483	337,346,133	204,467,157
Retention payables		87,020,164	33,423,467	86,885,514	29,771,874
Current portion of long-term loans from					
financial institutions	19	754,826,434	537,045,900	715,700,934	537,045,900
Current portion of debentures	20	169,904,594	-	169,904,594	-
Short-term loans from related parties	6	18,506,105	18,506,105	-	-
Income tax payable		7,453,463	5,315,212	5,417,129	-
Deposits and cash received in advance from customers		192,177,426	105,861,310	191,970,928	105,517,164
Other current liabilities		5,512,604	2,870,188	5,456,198	2,802,219
Total current liabilities		2,041,356,330	1,777,620,004	1,973,015,579	1,736,327,653
Non-current liabilities					
Long-term loans from financial institutions,					
net of current portion	19	238,675,900	192,000,000	238,675,900	192,000,000
Long-term loans from related parties, net of					
current portion	6	252,318,925	52,318,925	252,318,925	52,318,925
Debentures, net of current portion	20	-	169,568,600	-	169,568,600
Provision for long-term employee benefits	21	4,593,065	3,400,361	4,593,065	3,400,361
Deferred tax liabilities	25	176,472	65,404	142,988	65,404
Other non-current liabilities		-	59,000	-	-
Total non-current liabilities		495,764,362	417,412,290	495,730,878	417,353,290
Total liabilities		2,537,120,692	2,195,032,294	2,468,746,457	2,153,680,943

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

Chewathai Public Company Limited and its subsidiary
Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Shareholders' equity					
Share capital	22				
Registered					
750,000,000 ordinary shares of Baht 1 each		750,000,000	750,000,000	750,000,000	750,000,000
Issued and paid-up					
750,000,000 ordinary shares of Baht 1 each		750,000,000	750,000,000	750,000,000	750,000,000
Premium on ordinary shares	22	144,381,400	144,381,400	144,381,400	144,381,400
Retained earnings					
Appropriated - statutory reserve	23				
- the Company		11,918,038	5,652,114	11,918,038	5,652,114
- subsidiary		8,126,384	8,126,384	-	-
Unappropriated		194,843,671	68,105,788	123,539,905	26,987,258
Total shareholders' equity		1,109,269,493	976,265,686	1,029,839,343	927,020,772
Total liabilities and shareholders' equity		3,646,390,185	3,171,297,980	3,498,585,800	3,080,701,715

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

Chewathai Public Company Limited and its subsidiary
Statement of comprehensive income

For the year ended 31 December 2017

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Profit or loss:					
Revenues					
Revenue from sales of real estate		2,013,688,581	1,158,126,387	1,639,126,837	351,986,319
Rental and services income from factory		19,586,933	16,534,541	19,586,933	16,534,541
Other income					
Dividend income	11	-	-	-	150,000,000
Interest income		1,408,986	1,782,429	12,350,205	24,657,889
Gain on exchange rate		136	2,372,854	136	2,367,505
Others		7,736,433	21,906,859	16,838,920	23,954,729
Total revenues		2,042,421,069	1,200,723,070	1,687,903,031	569,500,983
Expenses					
Cost of real estate sold		1,440,594,257	830,365,755	1,168,311,237	242,313,329
Cost of rental and services of factory		10,776,885	10,776,885	10,776,885	10,776,885
Selling expenses		228,435,799	142,461,835	193,730,823	89,771,708
Administrative expenses		132,448,215	97,482,331	123,773,594	81,731,196
Total expenses		1,812,255,156	1,081,086,806	1,496,592,539	424,593,118
Profit before share of profit (loss) from investments in joint ventures and associate, finance costs and income tax expenses					
		230,165,913	119,636,264	191,310,492	144,907,865
Share of profit from investments in joint ventures	12.3	945,945	2,519,076	-	-
Share of loss from investment in associate	13.2	(250,000)	-	-	-
Profit before finance costs and income tax expenses		230,861,858	122,155,340	191,310,492	144,907,865
Finance costs		(29,804,416)	(51,225,710)	(27,842,209)	(47,491,550)
Profit before income tax expenses		201,057,442	70,929,630	163,468,283	97,416,315
Income tax revenues (expenses)	25	(45,553,728)	(7,847,115)	(38,149,805)	15,625,974
Profit for the year		155,503,714	63,082,515	125,318,478	113,042,289
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax	21	-	(332,678)	-	(332,678)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(332,678)	-	-332,678
Other comprehensive income for the year		-	(332,678)	-	(332,678)
Total comprehensive income for the year		155,503,714	62,749,837	125,318,478	112,709,611
Earnings per share					
Basic earnings per share	27				
Profit attributable to equity holders of the Company		0.21	0.09	0.17	0.16

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

Chewathai Public Company Limited and its subsidiary
Statement of changes in shareholders' equity

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements					
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Unappropriated retained earnings	Total
			Appropriated - statutory reserve			
			The Company	Subsidiary		
Balance as at 1 January 2016	488,000,000	-	-	-	199,134,449	687,134,449
Profit for the year	-	-	-	-	63,082,515	63,082,515
Other comprehensive income for the year	-	-	-	-	(332,678)	(332,678)
Total comprehensive income for the year	-	-	-	-	62,749,837	62,749,837
Unappropriated retain earnings transferred to statutory reserve (Note 23)	-	-	5,652,114	8,126,384	(13,778,498)	-
Increase in share capital (Note 22)	262,000,000	144,381,400	-	-	-	406,381,400
Dividend payment (Note 30)	-	-	-	-	(180,000,000)	(180,000,000)
Balance as at 31 December 2016	<u>750,000,000</u>	<u>144,381,400</u>	<u>5,652,114</u>	<u>8,126,384</u>	<u>68,105,788</u>	<u>976,265,686</u>
Balance as at 1 January 2017	750,000,000	144,381,400	5,652,114	8,126,384	68,105,788	976,265,686
Profit for the year	-	-	-	-	155,503,714	155,503,714
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	155,503,714	155,503,714
Unappropriated retain earnings transferred to statutory reserve (Note 23)	-	-	6,265,924	-	(6,265,924)	-
Dividend payment (Note 30)	-	-	-	-	(22,499,907)	(22,499,907)
Balance as at 31 December 2017	<u>750,000,000</u>	<u>144,381,400</u>	<u>11,918,038</u>	<u>8,126,384</u>	<u>194,843,671</u>	<u>1,109,269,493</u>

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

Chewathai Public Company Limited and its subsidiary
Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated retained earnings	
Balance as at 1 January 2016	488,000,000	-	-	99,929,761	587,929,761
Profit for the year	-	-	-	113,042,289	113,042,289
Other comprehensive income for the year	-	-	-	(332,678)	(332,678)
Total comprehensive income for the year	-	-	-	112,709,611	112,709,611
Unappropriated retained earnings transferred to statutory reserve (Note 23)	-	-	5,652,114	(5,652,114)	-
Increase in share capital (Note 22)	262,000,000	144,381,400	-	-	406,381,400
Dividend payment (Note 30)	-	-	-	(180,000,000)	(180,000,000)
Balance as at 31 December 2016	750,000,000	144,381,400	5,652,114	26,987,258	927,020,772
Balance as at 1 January 2017	750,000,000	144,381,400	5,652,114	26,987,258	927,020,772
Profit for the year	-	-	-	125,318,478	125,318,478
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	125,318,478	125,318,478
Unappropriated retained earnings transferred to statutory reserve (Note 23)	-	-	6,265,924	(6,265,924)	-
Dividend payment (Note 30)	-	-	-	(22,499,907)	(22,499,907)
Balance as at 31 December 2017	750,000,000	144,381,400	11,918,038	123,539,905	1,029,839,343

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

Chewathai Public Company Limited and its subsidiary

Cash flow statement

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	201,057,442	70,929,630	163,468,283	97,416,315
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Decrease in land and real estate development costs as a result of transfer to cost of sales	1,434,479,618	829,059,527	1,162,196,599	241,111,400
Depreciation and amortisation	30,060,893	23,363,426	29,810,599	22,930,035
Amortisation of transaction costs of issuing debentures	335,994	177,134	335,994	177,134
Loss on disposals and write-off of equipment	2,204,924	-	2,204,924	-
Share of profit from investment in joint ventures	(945,945)	(2,519,076)	-	-
Share of loss from investment in associate	250,000	-	-	-
Unrealised gain on exchange	-	(2,654,076)	-	(2,648,727)
Provision for long-term employee benefits	1,192,704	1,323,623	1,192,704	1,323,623
Interest income	(1,408,986)	(1,782,429)	(12,350,205)	(24,657,889)
Dividend income	-	-	-	(150,000,000)
Interest expenses	29,029,265	51,048,576	27,067,059	47,314,416
Profit from operating activities before change in operating assets and liabilities	1,696,255,909	968,946,335	1,373,925,957	232,966,307
Operating assets decrease (increase)				
Trade and other receivables				
- Related parties	885,310	290,975	29,752,487	(29,309,025)
- Others	600,514	3,646,882	625,159	(108,519)
Advances to related party	-	-	298,363,649	156,094,077
Land and real estate development costs	(1,820,591,111)	(1,483,602,695)	(1,821,443,339)	(1,471,294,648)
Advance for construction work	149,054,905	(127,128,589)	149,012,905	(129,102,428)
Deposit for purchase of land	2,346,699	(1,093,699)	2,346,699	(1,093,699)
Other current assets	(2,452,329)	(10,074,000)	(2,020,933)	(1,041,361)
Other non-current assets	571,900	35,534	(178,450)	(1,168,817)
Operating liabilities increase (decrease)				
Trade and other payables				
- Related parties	324,900	(484,616)	398,727	(234,662)
- Others	130,530,842	68,537,506	132,900,425	130,324,308
Retention payables	53,596,697	3,712,913	57,113,640	7,616,065
Deposits and cash received in advance from customers	86,316,116	19,543,300	86,453,764	84,214,561
Other current liabilities	2,642,416	186,264	2,653,979	908,163
Other non-current liabilities	(59,000)	59,000	-	-
Cash flows from (used in) operating activities	300,023,768	(557,424,890)	309,904,669	(1,021,229,678)
Cash paid for income tax	(28,005,811)	(26,602,507)	(16,858,062)	(3,996,884)
Net cash flows from (used in) operating activities	272,017,957	(584,027,397)	293,046,607	(1,025,226,562)

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

Chewathai Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2017

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from investing activities				
Increase in short-term loans to related parties	(102,000,000)	-	(102,000,000)	-
Cash paid for investment in associate	(250,000)	-	(250,000)	-
Cash paid for investment in joint venture	(35,000,000)	-	(35,000,000)	-
Cash received from share reduction of joint venture	10,000,000	12,000,000	10,000,000	12,000,000
Dividend received from subsidiary	-	-	-	150,000,000
Proceed from sales of equipment	204,400	-	204,400	-
Cash paid for purchase of property, plant and equipment	(2,989,154)	(25,562,256)	(2,989,154)	(25,544,976)
Cash paid for purchase of computer software	(139,100)	(1,059,682)	(139,100)	(1,059,682)
Cash received from interest income	476,541	1,782,429	445,745	1,688,161
Net cash flows from (used in) investing activities	(129,697,313)	(12,839,509)	(129,728,109)	137,083,503
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(401,179,124)	316,179,123	(401,179,124)	316,179,123
Decrease in short-term loans from related parties	-	(28,920,000)	-	(7,500,000)
Cash paid for repayment of long-term loans from related parties	-	(31,349,321)	-	(31,349,321)
Cash received from long-term loans from related parties	200,000,000	-	200,000,000	-
Cash paid for repayment of long-term loans from financial institutions	(1,088,572,059)	(464,324,759)	(1,019,127,559)	(183,868,451)
Cash received from drawdown of long-term loans				
from financial institutions	1,353,028,493	479,000,000	1,244,458,493	479,000,000
Cash received from issuance of debentures	-	170,000,000	-	170,000,000
Cash paid for transaction costs of issuing debentures	-	(608,534)	-	(608,534)
Cash received from share subscription	-	406,381,400	-	406,381,400
Dividend paid	(22,499,907)	(180,000,000)	(22,499,907)	(180,000,000)
Cash paid for interest expenses	(115,125,797)	(84,616,507)	(110,474,933)	(79,444,151)
Net cash flows from (used in) financing activities	(74,348,394)	581,741,402	(108,823,030)	888,790,066
Net increase (decrease) in cash and cash equivalents	67,972,250	(15,125,504)	54,495,468	647,007
Cash and cash equivalents at beginning of year	58,450,666	73,576,170	41,190,169	40,543,162
Cash and cash equivalents at end of year (Note 7)	126,422,916	58,450,666	95,685,637	41,190,169
	-	-	-	-
Supplemental cash flow information				
Non-cash items				
Interest expenses recorded as land and				
real estate development costs	87,777,630	29,004,242	87,777,630	29,004,242
Actuarial loss	-	415,848	-	415,848
Share reduction of joint venture that have yet to be received	10,000,000	-	10,000,000	-

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

Chewathai Public Company Limited and its subsidiary
Notes to consolidated financial statements

For the year ended 31 December 2017

1. General information

Chewathai Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders are Chartchewa Company Limited and TEE Development Pte Ltd, which were incorporated in Thailand and Singapore, respectively. The Company operates in Thailand and is principally engaged in the development of properties for sales and rent. The registered office of the Company is at 1168/80 Lumpini Tower, 27th Floor, Unit D, Rama IV Road, Tungmahamek, Sathorn, Bangkok.

The Market of Alternative Investment (MAI) approved the listing of the ordinary shares of the Company, to be traded from 5 April 2016.

In January 2018, Chartchewa Company Limited purchased certain Company’s ordinary shares from TEE Development Pte Ltd. As a result, Chartchewa Company Limited and TEE Development Pte. Ltd. hold 44.91% and 20.15% of the Company’s share capital, respectively.

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 Chewathai Public Company Limited (“the Company”) and the following subsidiary company (“the subsidiary”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017 %	2016 %
Chewathai Interchange Company Limited	Real estate development	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiary 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) Subsidiary is 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 subsidiary are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary company have been eliminated from the consolidated financial statements.

- 2.3 The separate financial statements present investments in subsidiary, joint ventures and associate 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 subsidiary 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 subsidiary's 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 subsidiary 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***Revenue from sales of real estate*

Sales of land and houses and sales of residential condominium units are recognised as revenue when the construction works are completed and the significant risks and rewards have been transferred to buyers and the ownerships have been transferred to buyers after all payments received from the buyers.

Rental and related service income

Rental income from factory is recognised on a straight-line basis over the lease term. Service revenue is recognised on an accrual basis when services have been rendered.

Interest income

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cost of real estate sold

Cost of land and houses sold and cost of residential condominium unit sold consist of cost of land, land improvement, design fees, public utilities, construction and direct related interest and other related cost.

In determining the cost of land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to units sold on the basis of the salable area.

Selling expenses directly associated with projects, such as specific business tax and transfer fee are recognised when the ownership has been transferred to buyers.

4.3 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.

The interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year.

4.4 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.

4.5 Trade and other receivables

Trade and other receivables 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.

4.6 Land and real estate development costs

Land and real estate development costs are valued at the lower of cost and net realisable value. The details of cost calculation are as follows:

- | | | |
|--------------------------|---|---|
| Land | - | Cost of land using the weighted average method, calculating it separately for each project. |
| Construction in progress | - | Construction in progress consists of the cost of construction and design, public utility costs and borrowing cost capitalised to cost of projects. The Company records cost of construction and public utilities based on the actual cost incurred. |

The Company and its subsidiary recognise loss on diminution in value of projects (if any) in profit or loss.

4.7 Investments

- a) Investments in joint ventures and associate are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiary, joint ventures and associate are accounted for in the separate financial statements using the cost method.

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.

4.8 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 20 years. Depreciation of the investment properties is included in determining income. No depreciation is provided on land.

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.

4.9 Property, plant and equipment and 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 is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and lease building improvement	20 and 5 years
Office furniture, fixture and equipment	3 and 5 years
Sales office and mock-up room	1 to 5 years

Depreciation is included in determining income. No depreciation is provided on land and assets under installation.

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.

4.10 Intangible assets

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.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 and 10 years

4.11 Related party transactions

Related parties comprise individuals or enterprises 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 or enterprises 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.

4.12 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 is depreciated over the shorter of the useful life of the asset and the lease period.

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.

4.13 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.

4.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiary perform impairment reviews in respect of the investment property, 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the

asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiary estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.15 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

Defined contribution plans

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

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan 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.

4.16 Provisions

Provisions are recognised when the Company and its subsidiary 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.

4.17 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 subsidiary 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 subsidiary 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 subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.18 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 subsidiary 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 subsidiary 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 subsidiary 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 results 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.

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.

Project development costs estimation

In calculating cost of land and houses sold and cost of residential condominium units sold, the Company and its subsidiary have to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utility costs, borrowing costs and other related costs. The management estimates these costs based on their business experience and revisit the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan 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

The relationships between the Company, subsidiary, joint ventures, associate and its related parties are summarised below.

Name of related parties	Relationship
Chartchewa Company Limited	Major shareholder
TEE Development Pte Ltd.	Major shareholder
Chewathai Interchange Company Limited	Subsidiary
Chewathai Hup Soon Limited	Joint venture
Chewa Heart Company Limited	Joint venture
Kamala Senior Living Company Limited	Associate
TEE Land Limited	Common director
TEE Resources Pte Ltd.	Common director
Global Environmental Technology Co., Ltd.	Common director
Trans Equatorial Indochina Co., Ltd.	Common director (until May 2017)
Thaisri Insurance Plc.	Common director

Name of related parties	Relationship
Oscar Estate Mangement Co., Ltd.	Common director (until May 2017)
Oscar Design and Decoration Co., Ltd.	Common director (until May 2017)
Amata Water Co., Ltd.	Common director
Amata City Co., Ltd.	Common director
Amata Facility Services Co., Ltd.	Common director
Paragon Car Rental Co., Ltd.	Common director

During the years, the Company and its subsidiary 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.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2017	2016	2017	2016	
<u>Transactions with subsidiary</u> (eliminated from the consolidated financial statements)					
Management fee income	-	-	9.81	11.21	Contract price
Interest income	-	-	10.97	22.97	5.46% p.a.
Dividend income	-	-	-	150.00	Declared rate
<u>Transactions with joint ventures</u>					
Management fee income	-	0.13	-	0.13	Contract price
Interest income	0.22	-	0.22	-	5.15 % p.a.
Interest expenses	-	0.02	-	0.02	Fixed deposit 24-month rate of commercial bank
<u>Transactions with associate</u>					
Interest income	0.72	-	0.72	-	5.00 % p.a.
<u>Transactions with related companies</u>					
Other income	1.70	3.87	1.70	3.87	Contract price
Management fee and other expenses	2.81	4.41	2.63	4.18	Contract price and market price
Interest expenses	11.59	6.67	10.85	4.21	4.00% and 6.00% p.a. (2016: 7.00% p.a.)

As at 31 December 2017 and 2016, the balances of the accounts between the Company, subsidiary and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Other receivables - related parties (Note 8)</u>				
Subsidiary	-	-	34,355	52,970
Joint ventures	10,481	-	10,481	-
Associate	725	-	725	-
Related companies (related by common director)	2,306	3,465	1,926	2,365
Total other receivables - related parties	13,512	3,465	47,487	55,335

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Advances to related party</u>				
Subsidiary	-	-	13,811	312,174
Total advances to related party	-	-	13,811	312,174

As at 31 December 2017, the Company had advances amounting to Baht 14 million (2016: Baht 312 million) to the subsidiary for use in the acquisition of condominium under construction assets of the Dzio Ngamwongwan project and for development of the subsidiary's projects. Interest charged at the rate of 5.46% on the advances.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Other payables - related parties (Note 18)</u>				
Subsidiary	-	-	119	-
Joint ventures	49	-	49	-
Related companies (related by common director)	8,056	12,055	7,514	8,733
Director	749	-	749	-
Total other payables - related parties	8,854	12,055	8,431	8,733

Loans to related parties and loans from related parties

As at 31 December 2017 and 2016, the balance of loans between the Company and those related companies and the movements are as follows.

Short-term loans to related parties

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Balance as at 31 December 2016	Increase during the year	Decrease during the year	Balance as at 31 December 2017
Company				
Chewa Heart Company Limited	-	16,000	-	16,000
Kamala Senior Living Company Limited	-	86,000	-	86,000
Total	-	102,000	-	102,000

Short-term loans to related parties are unsecured loans, carrying interest at the fixed rate. The loans are repayable at call.

Short-term loans from related parties

(Unit: Thousand Baht)

Company	Consolidated financial statements			
	Balance as at 31 December 2016	Increase during the year	Decrease during the year	Balance as at 31 December 2017
TEE Land Limited	18,506	-	-	18,506
Director	-	50,000	(50,000)	-
Total	18,506	50,000	(50,000)	18,506

(Unit: Thousand Baht)

Company	Separate financial statements			
	Balance as at 31 December 2016	Increase during the year	Decrease during the year	Balance as at 31 December 2017
Director	-	50,000	(50,000)	-
Total	-	50,000	(50,000)	-

Short-term loan from related party is unsecured loan, carrying interest at the fixed rate. The loans are repayable at call.

Short-term loan from director is unsecured loan, carrying interest at fixed rate. The loan is due at call and within 6 months.

Long-term loans from related parties

(Unit: Thousand Baht)

Company	Consolidated and separate financial statements			
	Balance as at 31 December 2016	Increase during the year	Decrease during the year	Balance as at 31 December 2017
TEE Land Limited	52,319	-	-	52,319
Director	-	200,000	-	200,000
Total	52,319	200,000	-	252,319

Long-term loans from related party are unsecured loans, carrying interest at the fixed rate. The loans are repayable when the Company has sufficient cash flow.

Long-term loan from director is unsecured loan, carrying interest at fixed rate. The loan is due within 2 years.

Directors and management's benefits

During the years ended 31 December 2017 and 2016, the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2017	2016
Short-term employee benefits	17.90	17.69
Post-employment benefits	1.05	0.94
Total	18.95	18.63

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash	175	272	125	177
Bank deposits	126,248	58,179	95,561	41,013
Total	126,423	58,451	95,686	41,190

As at 31 December 2017, bank deposits in saving accounts carried interests between 0.1 % and 0.6% per annum (2016: between 0.1% and 0.4% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	8	-	8	-
Past due				
Up to 3 months	45	38	45	38
3 - 6 months	6	-	6	-
Total	59	38	59	38
Less: Allowance for doubtful debts	-	-	-	-
Total trade accounts receivable - unrelated parties, net	59	38	59	38

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<u>Other receivables</u>				
Other receivables - related parties	11,582	2,467	11,615	31,367
Other receivables - unrelated parties	1,799	2,421	1,223	1,869
Interest receivables - related parties	1,930	998	35,872	23,968
Total other receivables	15,311	5,886	48,710	57,204
Total trade and other receivables - net	15,370	5,924	48,769	57,242

9. Land and real estate development costs

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Land	2,199,947	1,711,533	1,909,140	1,420,726
Construction and design expenses	4,957,566	3,646,537	3,580,344	2,268,462
Interest capitalised as cost	313,559	225,781	250,612	162,834
Other costs	103,912	82,764	95,122	73,974
Total	7,574,984	5,666,615	5,835,218	3,925,996
Less: Accumulated cost transferred to cost of sales	(4,576,519)	(3,142,039)	(3,058,758)	(1,896,561)
Land and real estate development costs - net	2,998,465	2,524,576	2,776,460	2,029,435

During the years, the Company included borrowing costs in cost of land and construction in progress. These were determined by applying a capitalisation rate which is the weighted average of the financial charges on total borrowings as follows.

	Consolidated and separate financial statements	
	2017	2016
Borrowing costs included in cost of land and construction in progress (Million Baht)	88	29
Capitalisation rate (%)	4.15 - 7.20	3.84 - 7.00

As at 31 December 2017 and 2016, the Company and its subsidiary have mortgaged land and construction thereon of projects to secure bank overdrafts and long-term loans from financial institutions, as described in Notes 17 and 19. The net book values are as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Net book value of mortgaged land and construction thereon to secure loans	2,896	1,822	2,759	1,822

10. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Refundable withholding tax	9,432	9,432	9,432	9,432
Prepaid expenses	12,241	11,989	2,426	2,978
Deferred revenue	715	327	715	327
Others	4,111	2,298	3,958	1,773
Total	26,499	24,046	16,531	14,510

11. Investment in subsidiary

Details of investment in subsidiary as presented in separate financial statements are as follows.

Company	(Unit: Thousand Baht)							
	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2017	2016	2017 (%)	2016 (%)	2017	2016	2017	2016
Chewathai Interchange Company Limited	100,000	100,000	100	100	68,594	68,594	-	150,000
Total					68,594	68,594	-	150,000

12. Investments in joint ventures

12.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows.

(Unit: Thousand Baht)

Joint venture	Nature of business	Shareholding percentage		Separate financial statements		Consolidated financial statements	
				Carrying amounts based on cost method		Carrying amounts based on equity method	
		2017 (%)	2016 (%)	2017	2016	2017	2016
Chewathai Hup Soon Limited	Sale and rent of properties	50	50	7,000	27,000	6,579	25,028
Chewa Heart Company Limited	Real estate development	70	-	35,000	-	34,395	-
Total				42,000	27,000	40,974	25,028

12.2 Significant changes in investments in joint ventures

Chewathai Hup Soon Limited

On 20 July 2017, the Extraordinary General Meeting of Shareholders of Chewathai Hup Soon Limited passed a resolution approving an decrease in the registered share capital from Baht 54 million (540,000 ordinary shares with par of Baht 100 each) to Baht 14 million (140,000 ordinary shares with par of Baht 100 each). The joint venture registered its decrease in share capital to the Ministry of Commerce on 11 September 2017. Consequently, carrying amount of investment in joint venture based on cost method was Baht 7 million.

Chewa Heart Company Limited

On 16 May 2017, the Company entered into an agreement with a person to incorporate a new joint venture company which would principally engage in development of residential projects for sale namely, Chewa Heart Company Limited. The new company registered the establishment on 26 May 2017. The Company determined that the conditions in agreement is joint venture nature, and the Company does not have control over the joint venture's business, therefore, the Company presents this investment as investments in joint ventures.

On 15 August 2017, the Extraordinary General Meeting of Shareholders of Chewa Heart Company Limited passed a resolution approving an increase in the registered share capital from Baht 10 million (100,000 ordinary shares with par of Baht 100 each) to Baht 50 million (500,000 ordinary shares with par of Baht 100 each). The joint venture registered its increase in share capital to the Ministry of Commerce on 24 August 2017. Consequently, carrying amount of investment in joint venture based on cost method was Baht 35 million.

12.3 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in joint ventures in the consolidated financial statements and dividend income in the separate financial statements as follows.

Joint ventures	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of profit/loss from investments in joint ventures during the year		Dividend received during the year	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Chewathai Hup Soon Limited	1,551	2,519	-	-
Chewa Heart Company Limited	(605)	-	-	-
Total	946	2,519	-	-

12.4 Summarised financial information about material joint ventures

Summarised information about financial position

	(Unit: Million Baht)			
	Chewathai Hup Soon Limited		Chewa Heart Company Limited	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	2.22	8.83	0.03	-
Other current assets	25.95	33.48	65.72	-
Non-current assets	5.26	8.47	0.13	-
Short-term loans	-	-	(16.00)	-
Other current liabilities	(20.27)	(0.72)	(0.74)	-
Net assets	13.16	50.06	49.14	-
Shareholding percentage (%)	50%	50%	70%	-
Share of net assets	6.58	25.03	34.40	-
Elimination entries	-	-	-	-
Carrying amounts of joint ventures based on equity method	6.58	25.03	34.40	-

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December			
	Chewathai Hup Soon Limited		Chewa Heart Company Limited	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenue	14.98	8.44	-	-
Cost of sales	(7.05)	(0.65)	-	-
Selling and administrative expenses	(4.12)	(1.48)	(0.86)	-
Income tax expenses	(0.71)	(1.27)	-	-
Profit (loss)	3.10	5.04	(0.86)	-
Other comprehensive income	-	-	-	-
Total comprehensive income	3.10	5.04	(0.86)	-

13. Investment in associate

13.1 Details of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Separate financial statements		Consolidated financial statements	
					Carrying amounts based on cost		Carrying amounts based on equity	
					method - net		method	
			<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
			(%)	(%)				
Kamala Senior Living Co., Ltd.	Real estate development	Thailand	25	-	250	-	-	-
Total					250	-	-	-

On 12 July 2017, the Company entered into shareholders agreement with three companies and two individuals to incorporate a company which would principally engage in development of real estate and project management for senior living. The Company will invest in 25% of investment, Baht 1,500 million, in both share capital of the aforesaid company and loans with the total limit of Baht 375 million. Currently, this project is still in the developing stage. The aforesaid company was registered the establishment on 12 July 2017.

13.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit/loss from investment in associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Associate	Consolidated financial statements				Separate financial statements	
	Share of profit/loss from investment in associate during the year		Share of other comprehensive income from investment in associate during the year		Dividend received during the year	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Kamala Senior Living Co., Ltd.	(250)	-	-	-	-	-
Total	(250)	-	-	-	-	-

13.3 Summarised financial information about material associate

Summarised information about financial position

(Unit: Million Baht)

	Kamala Senior Living Co., Ltd.	
	<u>2017</u>	<u>2016</u>
Current assets	44.00	-
Non-current assets	308.73	-
Current liabilities	(352.77)	-
Net assets	(0.04)	-
Shareholding percentage (%)	25%	-
Share of net assets		-
Elimination entries	-	-
Carrying amounts of associate based on equity method	-	-

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December	
	Kamala Senior Living Co., Ltd.	
	<u>2017</u>	<u>2016</u>
Revenue	-	-
Administrative expenses	(1.05)	-
Loss for the period	(1.05)	-
Other comprehensive income	-	-
Total comprehensive income	(1.05)	-

13.4 Investment in associate with capital deficit

The Company recognised share of losses from investment in Kamala Senior Living Company Limited, until the value of the investments approached zero. Subsequent losses incurred by that associate have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of those associate. The amount of such unrecognised share of losses is set out below.

(Unit: Million Baht)

Company's name	Unrecognised share of losses			
	Share of losses during the years		Cumulative share of losses up to 31 December	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Kamala Senior Living Company Limited	0.01	-	0.01	-
Total	0.01	-	0.01	-

14. Investment properties

The net book value of investment properties as at 31 December 2017 and 2016 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	Factory for rent	Vacant land	Total
31 December 2017:			
Cost	262,042	38,698	300,740
Less: Accumulated depreciation	(43,562)	-	(43,562)
Net book value	218,480	38,698	257,178
31 December 2016:			
Cost	262,042	38,698	300,740
Less: Accumulated depreciation	(32,785)	-	(32,785)
Net book value	229,257	38,698	267,955

A reconciliation of the net book value of investment properties for the years 2017 and 2016 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	Factory for rent	Vacant land	Total
Net book value as at 1 January 2016	240,034	38,698	278,732
Depreciation charged	(10,777)	-	(10,777)
Net book value as at 31 December 2016	229,257	38,698	267,955
Depreciation charged	(10,777)	-	(10,777)
Net book value as at 31 December 2017	218,480	38,698	257,178

The fair value of the investment properties as at 31 December 2017 and 2016 stated below:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2017	2016
Factory for rent	360,050	360,070
Vacant land	47,950	45,290

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the vacant land has been determined based on market price, while that of the factory held for rent 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.

The Company has pledged investment properties amounting to approximately Baht 257 million (2016: Baht 268 million) as collateral against credit facilities received from financial institutions, as described in Note 19.

Depreciation of investment properties for the year 2017 of Baht 11 million (2016: Baht 11 million) included in cost of rental and services.

During the years 2017 and 2016, the Company gained rental income and related service income arising from factory for rent which are recorded in profit or loss as detailed below.

	(Unit: Million Baht)	
	Consolidated and separated financial statements	
	2017	2016
Rental income from factory and service income	20	17

15. Property, plant and equipment

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Buildings and leased building improvement	Office furniture and equipment	Sales office and mock-up room	Total
Cost				
1 January 2016	2,281	7,913	15,276	25,470
Additions	1,952	2,344	21,267	25,563
31 December 2016	4,233	10,257	36,543	51,033
Additions	337	1,034	1,618	2,989
Disposals and write-off	-	(1,289)	(31,395)	(32,684)
31 December 2017	4,570	10,002	6,766	21,338

(Unit: Thousand Baht)

	Consolidated financial statements			
	Buildings and leased building improvement	Office furniture and equipment	Sales office and mock-up room	Total
Accumulated depreciation				
1 January 2016	1,864	4,465	4,678	11,007
Depreciation for the year	397	1,690	10,212	12,299
31 December 2016	2,261	6,155	14,890	23,306
Depreciation for the year	133	1,734	16,914	18,781
Depreciation for disposals and write-off	-	(1,137)	(29,138)	(30,275)
31 December 2017	2,394	6,752	2,666	11,812
Net book value				
31 December 2016	1,972	4,102	21,653	27,727
31 December 2017	2,176	3,250	4,100	9,526
Depreciation for the year				
2016 (included in selling and administrative expenses)				12,299
2017 (included in selling and administrative expenses)				18,781

(Unit: Thousand Baht)

	Separate financial statements				
	Land	Buildings and leased building improvement	Office furniture and equipment	Sales office and mock-up room	Total
Cost					
1 January 2016	3,184	2,093	6,270	14,961	26,508
Additions	-	1,952	2,326	21,267	25,545
31 December 2016	3,184	4,045	8,596	36,228	52,053
Additions	-	337	1,034	1,618	2,989
Disposals and write-off	-	-	(1,289)	(31,395)	(32,684)
31 December 2017	3,184	4,382	8,341	6,451	22,358
Accumulated depreciation					
1 January 2016	-	1,714	3,568	4,560	9,842
Depreciation for the year	-	360	1,357	10,149	11,866
31 December 2016	-	2,074	4,925	14,709	21,708
Depreciation for the year	-	131	1,549	16,851	18,531
Depreciation for disposals and write-off	-	-	(1,137)	(29,138)	(30,275)
31 December 2017	-	2,205	5,337	2,422	9,964

(Unit: Thousand Baht)

	Separate financial statements				
	Land	Buildings and leased building improvement	Office furniture and equipment	Sales office and mock-up room	Total
Allowance for impairment loss					
1 January 2016	3,184	-	-	-	3,184
Increase during the year	-	-	-	-	-
31 December 2016	3,184	-	-	-	3,184
Increase during the year	-	-	-	-	-
31 December 2017	3,184	-	-	-	3,184
Net book value					
31 December 2016	-	1,971	3,671	21,519	27,161
31 December 2017	-	2,177	3,004	4,029	9,210
Depreciation for the year					
2016 (included in selling and administrative expenses)					11,866
2017 (included in selling and administrative expenses)					18,531

As at 31 December 2017 and 2016, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets were as follows:

(Unit : Million Baht)

	Consolidated financial statements		Separated financial statements	
	2017	2016	2017	2016
Equipment were fully depreciated but are still in use	6.94	6.74	5.74	6.28

16. Intangible assets

The net book value of computer software as at 31 December 2017 and 2016 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2017	2016
Cost	5,138	4,999
Less: Accumulated amortisation	(795)	(292)
Net book value	4,343	4,707

A reconciliation of the net book value of computer software for the years 2017 and 2016 is presented below.

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	2017	2016
Net book value at beginning of year	4,707	3,934
Acquisition of computer software	139	1,060
Amortisation	(503)	(287)
Net book value at end of year	4,343	4,707

17. Bank overdrafts and short-term loans from financial institutions

	(Unit: Thousand Baht)			
	Interest rate (% per annum)		Consolidated and separate financial statements	
	2017	2016	2017	2016
<u>Bank overdrafts</u>				
Bank overdrafts	-	MOR	-	24,379
<u>Short-term loans</u>				
Promissory note	MLR - 1.50	-	65,000	-
Bills of exchange	4.60 - 5.50	3.90 - 5.00	400,000	841,800
Less: Prepaid interest			(4,666)	(9,456)
Net			460,334	832,344
Total			460,334	856,723

Bank overdrafts are secured by the mortgage of the Company's land and construction thereon of real estate projects.

18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade accounts payable - unrelated parties	275,841	185,314	275,822	183,275
Accrued expenses - related parties	8,377	11,855	7,880	8,533
Accrued expenses - unrelated parties	23,946	4,648	23,155	2,810
Other payables - related parties	477	200	551	200
Other payables - unrelated parties	36,980	15,857	29,938	9,649
Total trade and other payables	345,621	217,874	337,346	204,467

19. Long-term loans from financial institutions

(Unit: Thousand Baht)

Loan	Facility amount (Million Baht)	Interest rate (% p.a.)	Repayment schedule	Consolidated financial statements		Separate financial statements	
				2017	2016	2017	2016
1.	453	MLR -1.25	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount per square meter as stated in the agreement	26,016	129,950	26,016	129,950
2.	230	Year 1-2: MLR-1.50 and thereafter: MLR - 1.25	Repayment of principle on monthly basis and first repayment of principal in January 2011 to January 2020	97,236	122,796	97,236	122,796
3.	129	Year 1: 5.00% , year 2: MLR-1.75 and thereafter: MLR-1.50	Repayment of principle on monthly basis and first repayment of principal in October 2015 to October 2024	-	2,000	-	2,000
4.	211	MLR -1.00	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 75% of the selling price and not less than amount as stated in the agreement within 3 years	8,360	42,300	8,360	42,300
5.	658	MLR - 1.50	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement within 3 years	154,667	240,000	154,667	240,000
6.	650	MLR - 1.70	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement within 3 years	501,098	192,000	501,098	192,000

(Unit: Thousand Baht)

Loan	Facility amount (Million Baht)	Interest rate (% p.a.)	Repayment schedule	Consolidated financial statements		Separate financial statements	
				2017	2016	2017	2016
7.	507	MLR - 1.25	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement within 4 years	167,000	-	167,000	-
8.	110	MLR - 1.50	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 80% of the selling price and not less than amount as stated in the agreement within 2 years	39,125	-	-	-
Total				993,502	729,046	954,377	729,046
Less: Current portion				(754,826)	(537,046)	(715,701)	(537,046)
Long-term loans - net of current portion				238,676	192,000	238,676	192,000

The loans are secured by the mortgage of the Company and its subsidiary's land and construction thereon of real estate projects and investment properties.

The loan agreements contain several covenants which, among other things, require the Company and its subsidiary to maintain debt to equity ratio and debt service coverage ratio at the rate prescribed in the agreements and maintain the shareholding percentage of major shareholders.

As at 31 December 2017, the long-term credit facilities of the Company and its subsidiary which have not yet been drawn down amounted to Baht 786 million (2016: Baht 1,517 million).

As at 31 December 2016, the Company has been unable to maintain some financial ratios covenanted under the loan agreement (unrelated to principal and interest payment). For the purpose of reporting under generally accepted accounting standards, the Company has presented the outstanding balances of such loans as at 31 December 2016 as current liabilities in the statement of financial position.

Due to change in shareholding percentage of major shareholders in January 2018, as described in Note 1, the Company has been unable to follow some of covenant in a loan agreement. As at 31 December 2017, outstanding balance under the loan agreement was approximately Baht 97 million. Currently, the Company's requesting a waivers letter for not complying with such covenant from the bank.

20. Debentures

Details of approval to issue the debenture of the Company are as follows:

Approved by	The Annual General Meeting of Shareholders of the Company held on 27 April 2017
Amount	Revolving amount of Baht 1,500 million or the equivalent in any other currencies
Term	Specify at each time
Type	Any types of debentures such as unsecured and/or secured
Method of issuance	Public offering and/or private placement and/or institutional investors in Thailand or offshore

As at 31 December 2017, the Company has unissued debentures under the above mentioned approval totaling Baht 1,330 million. (2016: Baht 1,830 million).

The outstanding balance of debentures as at 31 December 2017 and 2016 are detailed below.

					Consolidated and separate financial statements			
					Number of debenture (Shares)		Amount (Thousand Baht)	
No.	Interest rate per annum	Age	Repayment	Maturity	2017	2016	2017	2016
<u>Unsubordinated and unsecured debentures</u>								
No. 1/2016	Fixed rate 4.60%	2 years	At maturity	4 April 2018	70,000	70,000	70,000	70,000
No. 2/2016	Fixed rate 4.08%	1.5 years	At maturity	2 May 2018	100,000	100,000	100,000	100,000
					<u>170,000</u>	<u>170,000</u>	<u>170,000</u>	<u>170,000</u>
Less: Unamortised portion of deferred transaction costs							(95)	(431)
Total debentures							169,905	169,569
Less: Current portion							(169,905)	-
Total debentures - net of current portion							<u>-</u>	<u>169,569</u>

Movements in the debentures during the year ended 31 December 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Balance as at 1 January 2017	169,569
Add : Amortisation of deferred transaction costs	336
Balance as at 31 December 2017	<u>169,905</u>

Prospectus contains certain covenants and restrictions regarding the maintenance of certain financial ratios, dividend payments and formal reporting when the significant events occurred such as a legal case, loan default.

21. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	<u>2017</u>	<u>2016</u>
Provision for long-term employee benefits		
at beginning of year	3,400	1,661
Included in profit or loss:		
Current service cost	1,076	1,238
Interest cost	117	85
Included in other comprehensive income:		
Actuarial loss arising from		
Demographic assumptions changes	-	96
Financial assumptions changes	-	33
Experience adjustments	-	287
Provision for long-term employee benefits		
at end of year	4,593	3,400

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	<u>2017</u>	<u>2016</u>
Cost of sales	-	-
Selling and administrative expenses	1,193	1,323
Total expenses recognised in profit or loss	1,193	1,323

As at 31 December 2017 and 2016, the Company does not expect to pay of long-term employee benefits during the next year.

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit is 15 years (2016: 15 years).

Significant actuarial assumptions are summarised below:

	(Unit: % per annum)	
	Consolidated and separate financial statements	
	2017	2016
Discount rate	3.44	3.44
Salary increase rate	7.50	7.50
Turnover rate	0 - 30	0 - 30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2017 and 2016 are summarised below:

	(Unit: Million Baht)			
	Consolidated and separate financial statements			
	As at 31 December 2017		As at 31 December 2016	
	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%
Discount rate	(0.65)	0.78	(0.50)	0.61
Salary increase rate	0.79	(0.67)	0.58	(0.49)

	(Unit: Million Baht)			
	Consolidated and separate financial statements			
	As at 31 December 2017		As at 31 December 2016	
	Increase	Decrease	Increase	Decrease
	20%	20%	20%	20%
Turnover rate	(0.82)	1.09	(0.60)	0.79

22. Share capital

On 31 March 2016, the Company received payment through the Initial Public Offering (IPO) for the 262,000,000 ordinary shares of Baht 1.60 each, totaling Baht 419 million. Direct costs attributable to the share offering, amounting to Baht 12.8 million, are presented as a deduction from the premium on ordinary shares. The Company registered the increase in its paid up capital with the Ministry of Commerce on 1 April 2016.

Reconciliation of number of ordinary shares

(Unit: Shares)

	For the year ended 31 December	
	2017	2016
<u>Registered share capital</u>		
Number of ordinary shares as at 1 January	750,000,000	905,000,000
Decrease in share capital during the year	-	(417,000,000)
Increase in share capital during the year	-	262,000,000
Number of ordinary shares as at 31 December	750,000,000	750,000,000
<u>Issued and paid-up share capital</u>		
Number of ordinary shares as at 1 January	750,000,000	488,000,000
Increase in share capital during the year	-	262,000,000
Number of ordinary shares as at 31 December	750,000,000	750,000,000

23. 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% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

According to the Thai Civil and Commercial Code, the subsidiary is required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the subsidiary pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment.

24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Purchase of land and payment of construction in progress during year	1,909	1,505	1,909	1,500
Changes in land, constructions in progress and land held for development	(477)	(676)	(747)	(1,259)
Salaries and wages and other employee benefits	97	61	97	61
Depreciation and amortisation	30	23	30	23
Rental expenses from operating lease agreements	6	6	6	6

25. Income tax

Income tax expenses (revenues) 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	30,144	23,612	22,275	-
Deferred tax:				
Relating to origination and reversal of temporary differences	15,410	(15,765)	15,875	(15,626)
Income tax expenses (revenues) reported in the statements of comprehensive income	45,554	7,847	38,150	(15,626)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2017 and 2016 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax relating to actuarial loss	-	83	-	83
	-	83	-	83

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Accounting profit before tax	201,057	70,930	163,468	97,416
Applicable tax rate	0% and 20%	0% and 20%	0% and 20%	0% and 20%
Accounting profit before tax multiplied by income tax rate	40,211	14,186	32,694	19,483
Effects of:				
Exempt dividend income	-	-	-	(30,000)
Change in value of investments accounted for the equity method	(139)	(504)	-	-
Non-deductible expenses	1,356	1,103	1,349	1,092
Additional expense deductions allowed	(297)	(2,749)	(297)	(2,749)
Others	4,423	(4,189)	4,404	(3,452)
Total	5,343	(6,339)	5,456	(35,109)
Income tax expense (revenues) reported in the statement of comprehensive income	45,554	7,847	38,150	(15,626)

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax assets				
Allowance for asset impairment	-	-	-	637
Cost of projects	-	138	-	-
Accumulated depreciation - sales office	-	1,615	-	1,615
Provision for long-term employee benefits	919	680	919	680
Maintenance warranties	321	-	321	-
Unused tax loss	-	14,105	-	14,105
Total	1,240	16,538	1,240	17,037
Deferred tax liabilities				
Rental and services income from factory	143	65	143	65
Cost of projects	33	-	-	-
Total	176	65	143	65

As at 31 December 2017 and 2016, the Company had no deductible temporary differences and unused tax losses on which deferred tax assets have not been recognised.

26. Promotional privileges

The Company has received promotional privileges from the Board of Investment for industrial factory, pursuant to the investment promotion certificate No. 1251(2)/2557 issued on 25 February 2014 and the investment promotion certificate No. 58-2088-0-00-1-0 issued on 25 August 2015. Subject to certain imposed conditions, the privileges include the followings.

- Exemption from corporate income tax on net profit derived from the promoted operations for a period of 8 years commencing from the date the promoted operations begin generating revenues but not exceeding 100% of investments, excluding land and working capital.
- Exemption from corporate income tax on dividends paid to shareholders from the income of the promoted operations during corporate income tax exemption period.
- A fifty percent reduction of corporate income tax on net profit from the promoted operations, for a period of 5 years after the tax-exemption period ends.
- Double deduction from taxable income of transportation, electricity and water supply costs for a period of 10 years from the date of the first revenue derived from promoted operations.

- Deduction of twenty-five percent of investment related to infrastructure installation or construction. The deduction is additional to normal depreciation.
- Permission to take out or remit abroad the money in foreign currency.

The Company's operating revenues for the year ended 31 December 2017 and 2016, divided between promoted and non-promoted operations, are summarised below.

		(Unit: Thousand Baht)				
		Promoted operations		Non-promoted operations		Total
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u> <u>2016</u>
Sales						
Domestic sales		19,587	16,535	1,639,127	351,986	1,658,714 368,521

27. 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.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Profit for the year (Thousand Baht)	155,504	63,083	125,318	113,042
Weighted average number of ordinary shares (Thousand shares)	750,000	685,574	750,000	685,574
Earnings per share (Baht per share)	0.2073	0.0920	0.1671	0.1649

28. 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 directors.

For management purposes, the Company and its subsidiary are organised into business units based on its products and services and have two reportable segments as follows:

- Real estate business segment which is land and houses and residence condominium projects for sale.
- Rental and service business segment which is factory for rent.

No operating segments have been aggregated to from the above reportable operating segments.

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 in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company's and its subsidiary's operating segments for the year ended 31 December 2017 and 2016, respectively.

(Unit: Million Baht)

	For the year ended 31 December 2017				
	Real estate business	Rental and service business	Total reportable segments	Eliminations	Consolidated
Revenue from external customers	2,014	20	2,034	-	2,034
Inter-segment revenue	-	-	-	-	-
Total revenues	2,014	20	2,034	-	2,034
Segment gross profit	573	9	582	-	582
Other income	9	-	9	-	9
Finance costs	(23)	(7)	(30)	-	(30)
Depreciation and amortisation	(19)	-	(19)	-	(19)
Interest in the profit or loss of joint ventures and associate accounted for by the equity method	1	-	1	-	1
Other expenses	(337)	(4)	(341)	-	(341)
Segment profit (loss)	204	(2)	202	-	202
Non allocate income and expenses					
Income tax expenses					(46)
Profit for the year					<u>156</u>

(Unit: Million Baht)

	For the year ended 31 December 2016				
	Real estate business	Rental and service business	Total reportable segments	Eliminations	Consolidated
Revenue from external customers	1,158	17	1,175	-	1,175
Inter-segment revenue	-	-	-	-	-
Total revenues	1,158	17	1,175	-	1,175
Segment gross profit	328	6	334	-	334
Other income	21	2	23	-	23
Finance costs	(41)	(10)	(51)	-	(51)
Depreciation and amortisation	(13)	-	(13)	-	(13)
Interest in the profit or loss of joint venture accounted for by the equity method	3	-	3	-	3
Other expenses	(222)	(5)	(227)	-	(227)
Segment profit (loss)	76	(7)	69	-	69
Non allocate income and expenses					
Gain on exchange rate					2
Income tax expenses					(8)
Profit for the year					<u>63</u>

The following tables present total assets information regarding the Company's and its subsidiary's operating segments for the years ended 31 December 2017 and 2016, respectively.

(Unit: Million Baht)

	As at 31 December 2017				
	Real estate business	Rental and service business	Total reportable segments	Unallocated assets	Consolidated
Segment total assets	3,099	257	3,356	290	3,646
Investment in joint ventures and associate accounted for by the equity method	41	-	41	-	41
Additions (decrease) to non- current assets other than financial instruments and deferred tax assets	16	(11)	5	(19)	(14)

(Unit: Million Baht)

	As at 31 December 2016				
	Real estate business	Rental and service business	Total reportable segments	Unallocated assets	Consolidated
Segment total assets	2,761	268	3,029	142	3,171
Investment in joint venture accounted for by the equity method	25	-	25	-	25
Additions (decrease) to non- current assets other than financial instruments and deferred tax assets	(9)	(11)	(20)	14	(6)

Geographic information

The Company and its subsidiary operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the years 2017 and 2016, the Company and its subsidiary have no major customer with revenue of 10% or more of an entity's revenues.

29. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5% and 7% of basic salary. The fund, which is managed by Krungsri Asset Management Company Limited (2016: SCB Asset 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 1.4 million (2016: Baht 1.7 million) were recognised as expenses.

30. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Final dividends for 2015	Annual General Meeting of the shareholders on 3 March 2016	180.00	0.37
Total for 2016		180.00	0.37
Final dividends for 2016	Annual General Meeting of the shareholders on 27 April 2017	22.50	0.03
Total for 2017		22.50	0.03

31. Commitments and contingent liabilities

31.1 Capital commitments

As at 31 December 2016, the Company and its subsidiary had capital commitments of approximately Baht 0.03 million, relating to purchase computer software (2017: None).

31.2 Commitments for purchase of land and construction work

As at 31 December 2017 and 2016, the Company had the following outstanding commitments in respect of agreements to purchase of land and construction of projects.

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2017	2016
Construction contracts	90	527
Agreements to purchase land for development of future projects	162	279

31.3 Operating lease commitments

The Company and its subsidiary has entered into several lease agreements in respect of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years.

As at 31 December 2017 and 2016, the Company and its subsidiary had commitments under these operating lease contracts as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Payable:				
In up to 1 year	4	3	4	3
In over 1 and up to 5 years	5	-	5	-

31.4 Guarantee

As at 31 December 2017 and 2016, there were outstanding bank guarantees issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2017	2016
Letter of guarantees to guarantee contractual performance	-	7
Letter of guarantees for arrangement and maintenance of public utilities	20	-

31.5 Litigation

- 1) As at 30 December 2017 and 2016, the Company and its subsidiary have various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and demanding compensatory damages. Total damages claimed by Baht 0.9 million and Baht 2.4 million, respectively. However, the Company and its subsidiary are defending the lawsuits and the management believes that there will be no material impact on the Company and its subsidiary.
- 2) In December 2016, individuals, as a plaintiff, sued the Company, as a defendant, demanding the Company to revoke their title and legal act over the land for public use purposes or to register servitude to allow the plaintiff to use the land, to demolish the structures thereon and demanding compensatory damages of Baht 0.6 million. The lawsuit is currently in the judicial process. However, the management believes that there will be no material impact to the Company.

32. Fair value hierarchy

As at 31 December 2017 and 2016, the Company and its subsidiary had the assets and liabilities that were disclosed fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated and separate financial statements				
As at 31 December 2017				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	408	408
Liabilities for which fair value are disclosed				
Debentures	-	170	-	170

(Unit: Million Baht)

Consolidated and separate financial statements				
As at 31 December 2016				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	405	405
Liabilities for which fair value are disclosed				
Debentures	-	170	-	170

33. Financial instruments

33.1 Financial risk management

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, advance, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiary are exposed to credit risk primarily with respect to trade accounts receivable, loans, and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiary's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, debentures and long-term borrowings. Most of the Company and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2017 and 2016, 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			Non-			
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	interest bearing	Total	Effective interest rate
	(% per annum)						
<u>Financial Assets</u>							
Cash and cash equivalents	-	-	-	111	15	126	Note 7
Trade and other receivables	-	-	-	-	15	15	-
Short-term loans to related parties	102	-	-	-	-	102	Note 6
Advance for construction work	-	-	-	-	13	13	-
	102	-	-	111	43	256	
<u>Financial Liabilities</u>							
Bank overdrafts and short-term							
loans from financial institutions	395	-	-	65	-	460	Note 17
Trade and other payables	-	-	-	-	346	346	-
Retention payables	-	-	-	-	87	87	-
Loans from related parties	19	252	-	-	-	271	Note 6
Long-term loans from financial							
institutions	-	-	-	993	-	993	Note 19
Debentures	170	-	-	-	-	170	Note 20
Deposits and cash received							
in advance from customers	-	-	-	-	192	192	-
	584	252	-	1,058	625	2,519	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2016									
Fixed interest rates				Non-		Total	Effective interest rate		
Within 1 year	1-5 years	Over 5 years	Floating interest rate	interest bearing					
(% per annum)									
<u>Financial Assets</u>									
Cash and cash equivalents	-	-	-	56	2	58	Note 7		
Trade and other receivables	-	-	-	-	6	6	-		
Advance for construction work	-	-	-	-	162	162	-		
	-	-	-	56	170	226			
<u>Financial Liabilities</u>									
Bank overdrafts and short-term loans from financial institutions	833	-	-	24	-	857	Note 17		
Trade and other payables	-	-	-	-	218	218	-		
Retention payables	-	-	-	-	33	33	-		
Loans from related parties	19	52	-	-	-	71	Note 6		
Long-term loans from financial institutions	-	-	-	729	-	729	Note 19		
Debentures	-	170	-	-	-	170	Note 20		
Deposits and cash received in advance from customers	-	-	-	-	106	106	-		
	852	222	-	753	357	2,184			

(Unit: Million Baht)

Separate financial statements as at 31 December 2017							
Fixed interest rates				Non-		Total	Effective interest rate (% per annum)
Within 1 year	1-5 years	Over 5 years	Floating interest rate	interest bearing			
<u>Financial Assets</u>							
Cash and cash equivalents	-	-	-	81	15	96	Note 7
Trade and other receivables	-	-	-	-	48	48	-
Short-term loans to related parties	102	-	-	-	-	102	Note 6
Advances to related party	-	-	14	-	-	14	Note 6
Advance for construction work	-	-	-	-	13	13	-
	102	-	14	81	76	273	
<u>Financial Liabilities</u>							
Bank overdrafts and short-term loans from financial institutions	395	-	-	65	-	460	Note 17
Trade and other payables	-	-	-	-	337	337	-
Retention payables	-	-	-	-	87	87	-
Loans from related parties	-	252	-	-	-	252	Note 6
Long-term loans from financial institutions	-	-	-	954	-	954	Note 19
Debentures	170	-	-	-	-	170	Note 20
Deposits and cash received in advance from customers	-	-	-	-	192	192	-
	565	252	-	954	681	2,452	

(Unit: Million Baht)

	Separate financial statements as at 31 December 2016						
	Fixed interest rates				Non-		
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	interest bearing	Total	Effective interest rate
							(% per annum)
<u>Financial Assets</u>							
Cash and cash equivalents	-	-	-	39	2	41	Note 7
Trade and other receivables	-	-	-	-	57	57	-
Advances to related party	-	-	312	-	-	312	Note 6
Advance for construction work	-	-	-	-	162	162	-
	-	-	312	39	221	572	
<u>Financial Liabilities</u>							
Bank overdrafts and short-term loans from financial institutions	833	-	-	24	-	857	Note 17
Trade and other payables	-	-	-	-	204	204	-
Retention payables	-	-	-	-	30	30	-
Loans from related parties	-	52	-	-	-	52	Note 6
Long-term loans from financial institutions	-	-	-	729	-	729	Note 19
Debentures	-	170	-	-	-	170	Note 20
Deposits and cash received in advance from customers	-	-	-	-	106	106	-
	833	222	-	753	340	2,148	

Foreign currency risk

As at 31 December 2017 and 2016, the Company and its subsidiary has no balances of financial assets and liabilities denominated in foreign currency.

33.2 Fair values of financial instruments

Since the majority of the Company and its subsidiary's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The carrying value and estimated fair value of long-term financial liabilities as at 31 December 2017 and 2016 are presented below.

(Unit: Million Baht)

	Consolidated and separate financial statements			
	As at 31 December 2017		As at 31 December 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Debentures	170	170	170	170

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, accounts receivable and short-term loans to, accounts payable and short-term loans from, their carrying amounts in the statement of financial position approximate their fair value.
- For fixed rate debentures and long-term loans, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- For debentures and long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

During the current period, there were no transfers within the fair value hierarchy.

34. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2017, the Group's debt-to-equity ratio was 2.3:1 (2016: 2.2:1) and the Company's was 2.4:1 (2016: 2.3:1).

35. Subsequent events after reporting period

35.1 On 19 January 2018, the Company issued name-registered, unsecured, unsubordinated and without holder representation debenture as follow:

No.	Interest rate per annum	Age	Repayment	Maturity	Number of debenture (Shares)	Amount (Thousand Baht)
No. 1/2018	Fixed rate 6.25%	1 year 11 months 29 days	At maturity	17 January 2020	498,500	498,500

35.2 On 7 February 2018, the Company entered into an agreement to sell and purchase of land with two individuals at a total price of Baht 400 million for development of future project. The Company expects to transfer ownership by 7 December 2018.

35.3 On 14 February 2018, the meeting of the Company's Board of Directors passed the resolutions proposed to the Annual General Meeting of the Company's shareholders of the year 2018 for approval of following matters:

1. A dividends payment to the Company's shareholders from the operations for year ended 31 December 2017. The dividend is to be paid as stock dividend in the number of 57,692,307 ordinary shares, with par value of Baht 1 each, at a ratio of 13 existing ordinary shares to receive stock dividend of 1 share, with a total amount of not exceed Baht 57.69 million, or equivalent to the dividend of Baht 0.076923 per share. In addition, the Company will pay a cash dividend at Baht 0.008547 per share, or equivalent to amount of not exceed Baht 6.41 million. Total annual dividend payment in form of cash and stock dividend equal to Baht 0.08547 per share, equivalent to Baht 64.10 million. The payment of such dividend shall be made in May 2018.
2. An increase in the registered capital by issuing an additional not exceed 750,000,000 ordinary shares with a par value of Baht 1 each, to be allocated to the existing shareholders proportionate to their respective shareholding (Rights Offering) at a ratio of 1 existing ordinary share exercise to 1 new ordinary share Baht 1.15 per share, totaling Baht 862.50 million. Shareholders are not entitled to subscribe for newly issued shares in excess of their rights. In case there are remaining ordinary shares from rights offering, it shall be allocated and offered to investors as a private placement to inventors who are not connected persons of the Company at the price of not less than 90% of the market price and not less than rights offering price.

3. An allocation not exceed 750,000,000 units of warrants at free of charge to shareholders who subscribe new ordinary shares through rights offering, in a ratio of 1 ordinary share per 1 unit of warrant. These warrants have an exercise price of Baht 1.75 per new ordinary share, with the term of warrants 1 year and 6 months as from the date of issuance.
4. An increase in the registered capital through the issuance of an additional not exceed 1,557,692,307 ordinary shares, with par value of Baht 1 each, to be allocated as follows:
 - Not exceed 57,692,307 shares to be reserved for the distribution of the stock dividend.
 - Not exceed 750,000,000 shares to be reserved for the additional capital to be issued by rights offering.
 - Not exceed 750,000,000 shares to be reserved for the exercise of the warrants.
5. An issuance and offering for sale of additional revolving debenture of not exceeding Baht 1,500 million. This amount will be added up to the approved revolving debenture in Annual General Meeting of the Company's shareholders of the year 2017 of Baht 1,500 million, totaling Baht 3,000 million.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 14 February 2018.



CHEWATHAI PLC.

1168/80 Lumpini Tower, 27th Floor, Unit D,
Rama IV Rd., Tungmahamek, Sathorn, Bangkok 10120
Tel 66 (0) 2679-8870-4 Fax 66 (0) 679-8875

www.chewathai.com

Call Center 1260

