PRUKSA HOLDING PUBLIC COMPANY LIMITED

CREATING OPPORTUNITIES FOR BECOMING BUSINESS LEADER

ANNUAL REPORT

2016

CREATING OPPORTUNITIES FOR BUSINESS LEADERSHIP

Create businesses for sustainability

PRUKSA has continued to strengthen our leadership with utmost dedication for sustainable growth, using our vast vision to operate business. We are now ready to rise as a top-notch business leader.

Break all boundaries to escalate the competitiveness

We have never ceased to achieve the best real estate development that promises international standards. With our strategic vision, we secure readiness in all dimensions of business operation to step toward a brighter future.

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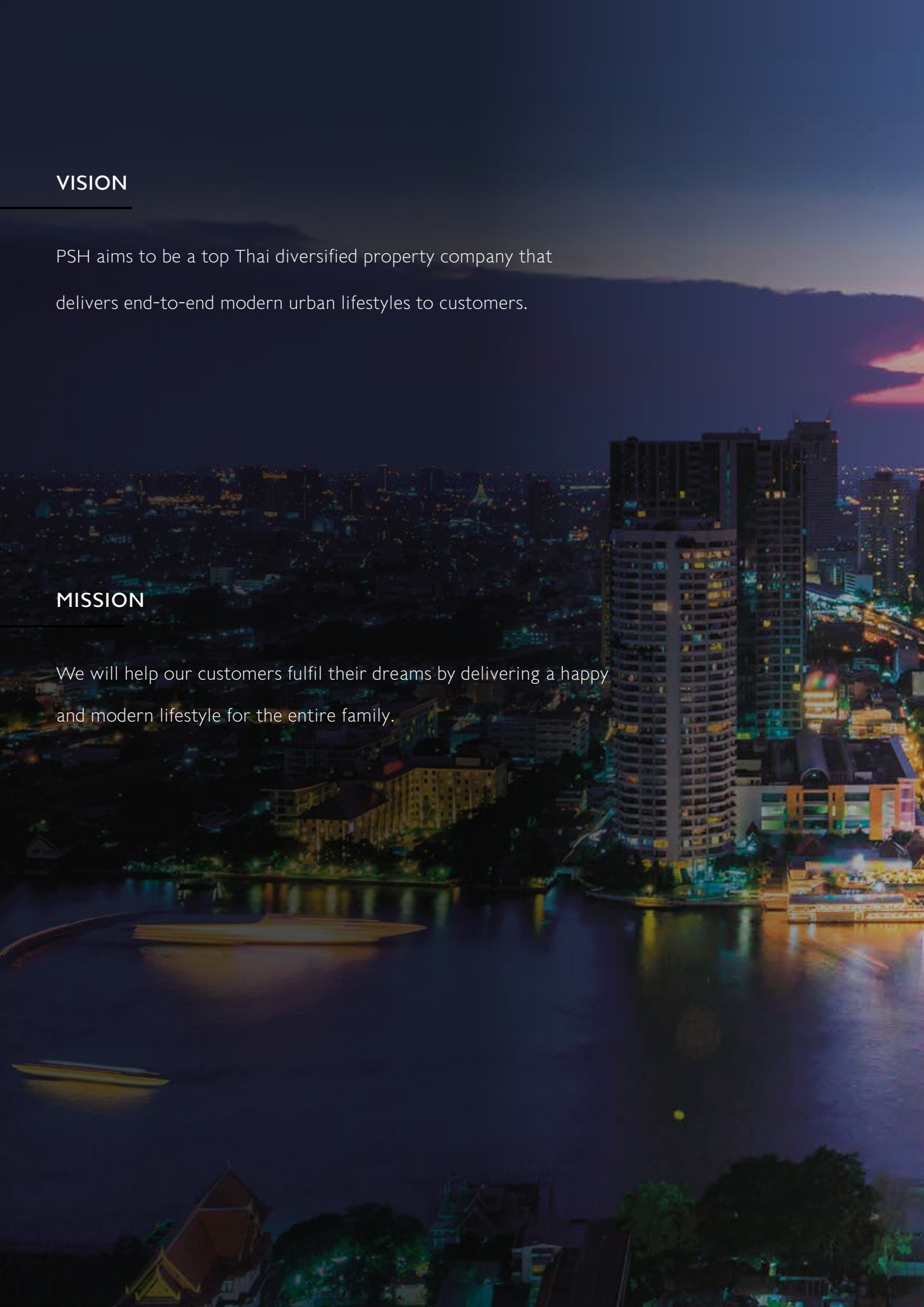
VISION

PSH aims to be a top Thai diversified property company that delivers end-to-end modern urban lifestyles to customers.

MISSION

We will help our customers fulfil their dreams by delivering a happy and modern lifestyle for the entire family.



FINANCIAL HIGHLIGHTS 2016

Financial Highlights (Bt m)

Assets	66,344
Liabilities	30,180
Equities	35,413
Non-Controlling interests	751
Revenue from sales of real estate	46,926
Total Revenue	47,173
Gross Profit from sales of real estate	15,742
Selling and Administration	8,153
Net profit	6,069
Profit attributable to Owner of the Company	5,940

Information Per Share

Paid up capital (Million Baht)	2,186
Paid up shares (Million Shares)	2,186
Book Value Per Share (Baht)	16.2
Earning Per Share (Baht)	2.72
Market Price at Year-End (Baht)	22.5
P/ E (times)	8.3
P / BV (times)	1.4
Market Cap (Million Baht)	49,182

Key Financial Ratios

Average Asset Turnover (times)	0.72
Average ROA (1) (%)	11.9
Average ROE (%)	17.1
Gross Profit Margin (2) (%)	33.5
Net Profit Margin (%)	12.7
Cash and Short term investments (Million Baht)	832
Net Debt to Equity (times)	0.83
Interest Bearing Debt (Million Baht)	19,898
Interest Bearing Debt to Equity (times)	0.56
Net Interest Bearing Debts to Equity (times)	0.54

Remark:

(1) Average ROA = EBIT/ Average assets

(2) Gross Profit Margin = (Revenue from sales of real estate-Cost of real estate sales)/ Revenue from sales of real estate

MESSAGE FROM CHAIRMAN AND EXECUTIVE VICE CHAIRMAN

The year 2016 marks the beginning era of Pruksa Holding Public Company Limited, a new business recently developed from real estate development operation run by Pruksa Real Estate Public Company Limited which has continuously remained in the top position in the industry since 2010 due to its outstanding performance by generating the highest sales and revenue.

To ensure further growth, Pruksa Holding was therefore established to enable higher efficiency and flexibility in terms of business expansion of Pruksa Group both in real estate development business under Pruksa Real Estate Public Company Limited and new business which is to be run by Pruksa Holding. The new business is to be operated independently with different but appropriate organizational or management structure so that it is not too dependent on the resources of current business in terms of human resource, capital and other forms of assistance.

The five core business goals and strategies of Pruksa Holding are as follow: 1) Enlarging core residential real estate business by expanding to new income segments; 2) Building new businesses to provide stable recurring income; 3) Building synergized business related to real estate to strengthen brand and customer satisfaction; 4) Establish a 'second home' for residential real estate business internationally and 5) Developing a sustainable and professional organization.

The business goal and operational plan of Pruksa Holding still remain focus on real estate business while its expansion to new businesses for stable recurring income is currently made up 15%.

Lastly, I would like to thank all customers, shareholders, trade partners, employees and executives for their continuous cooperation in driving the Company forward with sustainable growth and success and hope that we can further grow together by overcoming future challenges and ensuring the sustainability of Pruksa Holding.

Dr. Pisit Leeahtam

Chairman of the Board and
Independent Director

Mr. Thongma Vijitpongpun

Executive Vice Chairman of
the Board of Directors and
Group Chief Executive Officer

BOARD OF DIRECTORS

Dr. Pisit Leeahtam
- Chairman of the Board of Directors
- Member of the Nomination and Remuneration Committee
- Independent Director

Mr. Thongma Vijitpongpun
- Executive Vice Chairman of the Board of Directors
- Chairman of the Executive and Strategy Committee
- Member of the Nomination and Remuneration Committee
- Group Chief Executive Officer

Mr. Lersuk Chuladesa
- Member of the Executive and Strategy Committee
- Member of the Enterprise Risk Management Committee

Mrs. Rattana Promsawad
- Member of the Corporate Governance Committee

Mr. Piya Prayong
- Member of the Executive and Strategy Committee
- Member of the Enterprise Risk Management Committee

Mr. Adul Chandanachulaka
- Independent Director
- Member of the Audit Committee
- Member of the Corporate Governance Committee

Mr. Weerachai Ngamdeevilaisak
- Independent Director
- Member of the Audit Committee
- Member of the Enterprise Risk Management Committee
- Chairman of the Nomination and Remuneration Committee

Mr. Somprasong Boonyachai
- Independent Director
- Vice Chairman of the Executive and Strategy Committee

Dr. Piyasvasti Amranand
- Independent Director
- Chairman of the Audit Committee

Mr. Wichian Mektrakarn
- Member of the Executive and Strategy Committee
- Member of the Nomination and Remuneration Committee

Dr. Anusorn Sangnimnuan
- Independent Director
- Chairman of the Corporate Governance Committee
- Member of the Nomination and Remuneration Committee

Dr. Prasarn Trairatvorakul
- Independent Director
- Member of the Audit Committee
- Chairman of the Enterprise Risk Management Committee

AWARDS AND PRIDE OF PRUKSA HOLDING PLC. GROUP

AFEO Honorary Member Award

Mr. Thongma Vijitpongpun was awarded with AFEO Honorary Member Award by ASEAN Federation of Engineering Organization (AFEO) in the Philippines for his outstanding role as organizational leader with keen knowledge and engineering expertise to help develop and improve the overall society and country.

EIT-CSR Awards 2016

Pruksa Real Estate Public Company Limited received EIT-CSR Awards 2016 in outstanding performance category from The Engineering Institute of Thailand under H.M. The King's Patronage (EIT) for excellent corporate social responsibility and environmental performance which include building construction design and management to ensure the convenience and safety of users, organizational management and corporate governance for the benefits of general public and lastly public utility and the environment.

Thailand Kaizen Award 2016

Pruksa Real Estate Public Company Limited received Golden Award for its I-Inspection Software and Silver Award for its Clamp for Precast Wall from Technology Promotion Association (Thailand - Japan) at the Thailand Kaizen Award 2016.

Sustainability Report Award 2016

Pruksa Real Estate Public Company Limited has been awarded with Sustainability Report Award 2016 fourth year in a row by CSR Club and Thai Listed Companies Association, with supports from the Securities and Exchange Commission Thailand and Thaipat Institute, for disclosing ESG information through sustainability report which makes it highly beneficial to investors.

Investors' Choice Awards 2016

Pruksa Real Estate Public Company Limited has won Investors' Choice Awards 2016 for hitting 100% score mark in quality assessment under the arrangement of General Shareholders' Meeting category for the fourth consecutive year, reflecting the Company's efforts in promoting information disclosure and equitable treatment among shareholders as part of listed company requirements and at the same time uplifting governance standard of Thailand's capital market to become globally accepted.

BEST HERO FACTOR

Pruksa Real Estate Public Company Limited has been rated as "BEST HERO FACTOR" according to Thailand's Most Admired Company 2016 by Monograph Magazine for outstanding CSR performance by representing the highest score in real estate category.

Thailand Sustainability Investment 2016

Pruksa Real Estate Public Company Limited was nominated as one of "Thailand Sustainability Investment 2016" list to offer alternative choice for investors who are seeking listed companies with outstanding environmental, social and corporate governance (ESG) performance in order to make investments and at the same time promoting sustainability among listed companies by taking into account the shareholders both in terms of social and environmental aspects.

Certificate of ESG100 Company

Pruksa Real Estate Public Company Limited was presented with Certificate of ESG100 Company by Thaipat Institute after having been selected as one of ESG 100 Company 2016 among 621 listed companies due to its continuous outstanding environmental, social and governance (ESG) performance two years in a row.

International Quality Crown Award 2016

Pruksa Real Estate Public Company Limited is the only real estate company in Thailand that won "International Quality Crown Awards 2016 - Gold Category" from Business Initiative Directions (B.I.D.), a British organization well-recognized for its promotion of quality and innovation among businesses located in London, England.

2016 Outstanding Real Estate Project Award

Pruksa Real Estate Public Company Limited received "2016 Outstanding Real Estate Project Award" from Agency for Real Estate Affairs (AREA). The award is to recognize the excellence of four projects developed by Pruksa Real Estate including Plum Condo Phaholyothin 89, Condolette Midst Rama 9, Fuse Chan - Sathorn and Baan Pruksa 74/3 (Srinakarin - Theparak).

BCI Asia Top 10 Developers Awards 2016

Pruksa Real Estate Public Company Limited has won "BCI Asia Top 10 Developers Awards 2016" from BCI ASIA and FuturArc Magazine for the sixth consecutive year in recognition for outstanding and high quality real estate designs which included The Tree Rio Bang-Aor Station, The Tree Elegance Tiwanon and Plum Condo Extra Rama 2.

Thailand Top Company Awards 2016

Pruksa Real Estate Public Company Limited was presented with Thailand Top Company Awards 2016 in "Employee of The Year Award" category by the University of Thai Chamber of Commerce and Business+ Magazine in recognition for excellent group performance and outstanding performance in terms of staff welfare, staff trainings, recognizing staff importance and career progression.

Occupational Safety and Health Award (Provincial Level)

Pruksa Precast Navanakorn was awarded with "Occupational Safety and Health Award (Provincial Level)" from Occupational Safety and Health Division, Department of Labor Protection and Welfare.

Collective Action Against Corruption (CAC)

Pruksa Real Estate Public Company Limited is 1 of 39 members of Private Sector Collective Action Against Corruption (CAC), marking clear stance and concrete actions against corruptions by running its business operations based on transparency and good governance principle.

Excellent Business Certificate

Pruksa Precast Nava Nakhon Plant and Pruksa Precast Lam Luk Ka Plant both received "Excellent Business" Certificate from the Governor of Pathum Thani Province in recognition for its compliance with drugs prevention and treatment at workplace standard.

Editor's Choice Awards 2016

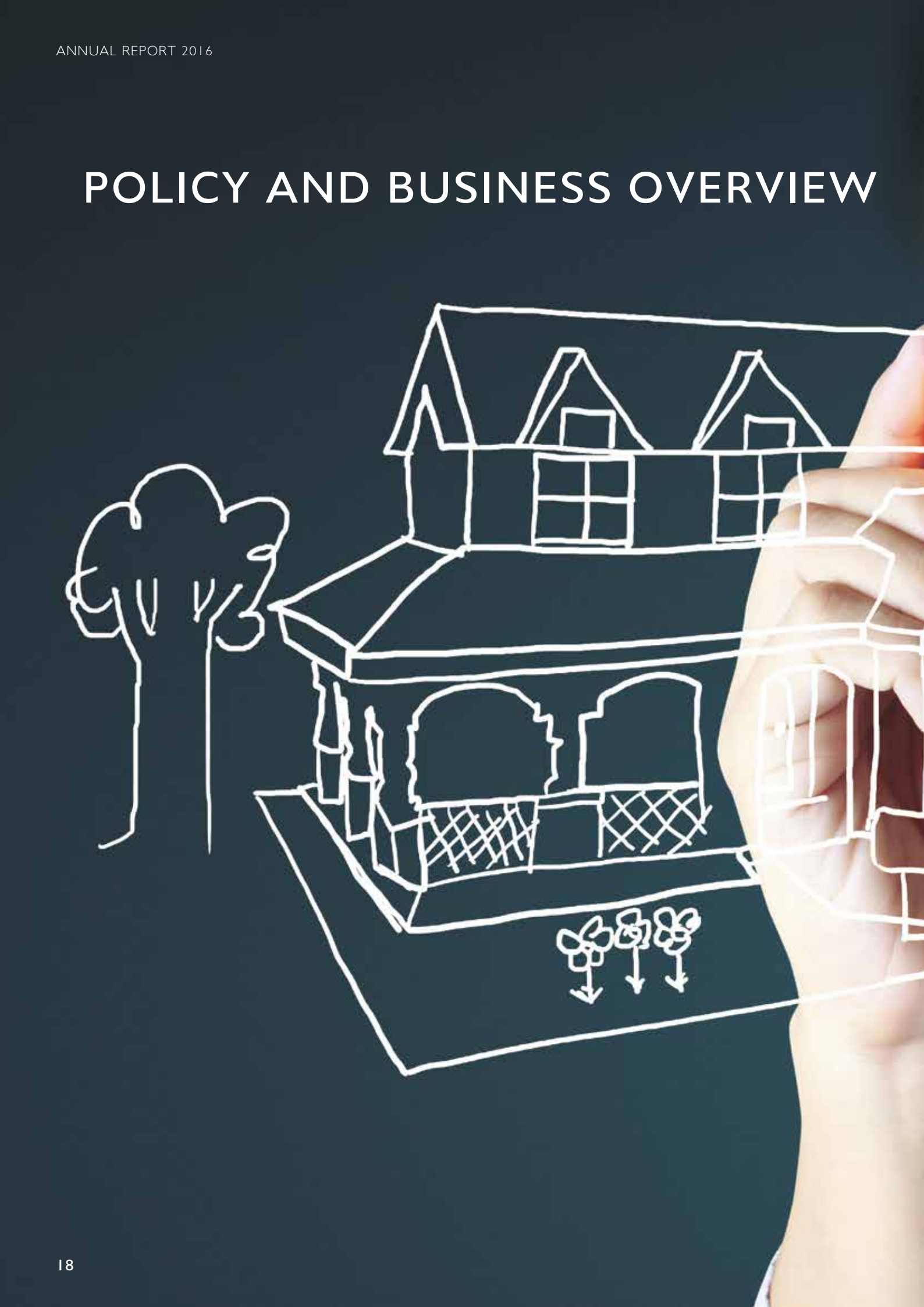
Plum Condo Chaengwattana Station by Pruksa Real Estate Public Company Limited won Editor's Choice Awards 2016 in "Best Condominium of the Year" Category according to real estate online media Think of Living in recognition for outstanding location, project design, facilities planning and cost-effectiveness.

The Energy Saving Housing Awards

Received 3 awards in the 2016 Energy Saving Housing Contest from Department of Alternative Energy Development and Efficiency (DEDE):

1. Outstanding energy saving housing: The Best Energy Saving Home : Environment Aspect from "CV56 - Forest Type" from Delight @Scene (Watcharapol - Chatuchot) Project
2. Outstanding energy saving housing: The Best Energy Saving Home from "DV56 The Arise Type" from Delight @Scene (Watcharapol - Chatuchot) Project
3. Outstanding energy saving housing: The Best Energy Saving Home from "Plus House Type"

POLICY AND BUSINESS OVERVIEW



HISTORY

On March 16, 2016, Pruksa Holding Public Company Limited was established with initial registered capital equaling to Bt 10,000. Later, the Extraordinary Shareholders' Meeting 1/2016 passed a resulotion to allow an increase in the Company's registered capital from Bt 10,000 to Bt 2,273,217,600 by issuing new common stocks totaling 2,273,207,600 stocks at par value of Bt 1 per stock to support the submitted tender offer and the issuance of warrant for Pruska Holding and at the same time ensuring alignment with the increase in registered capital of Pruksa Holding.

BUSINESS GOAL AND STRATEGY

1. Enlarging core residential real estate business by expanding to new income segments.
2. Expanding real estate business internationally.
3. Building synergized business related to real estate to strengthen brand and customer satisfaction.
4. Building new businesses to provide stable recurring income.
5. Developing a sustainable and professional organization.

IMPORTANT CHANGES AND DEVELOPMENT

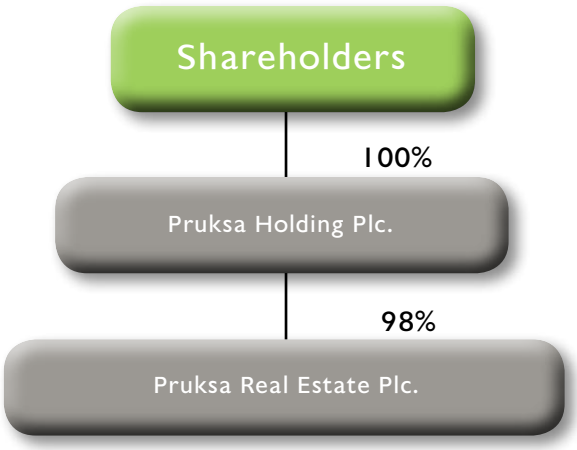
Year 2016 Major Developments

- A holding company under the name of "Pruksa Holding Public Company Limited" was established to conduct investment business and of which had acquired 98 percent of shares in Pruksa Real Estate Public Company Limited through tender process.

- Registered capital of Pruksa Holding Public Company Limited was increased to Bt 2,273,217,600 through issuance of new common stocks totaling 2,273,207,600 stocks at par value of Bt 1 per stock.

SHAREHOLDING STRUCTURE

In response to the restructuring plan by Pruksa Real Estate Public Company Limited, Pruksa Holding had prepared a tender offer to acquire the shares of Pruksa Real Estate Public Company Limited. Through tender process, Pruka Holding shall exchange common stocks of identical category with Pruksa Real Estate Public Company Limited at the rate of 1 : 1. In other words, one common stock of Pruksa Real Estate Public Company Limited per one common stock of Pruksa Holding Public Company Limited. After the tender process, Pruksa Holding was able to acquire 98 percent of shareholding in Pruksa Real Estate Public Company Limited, allowing it to have paid-up capital equaling to Bt 2,185,857,580 and common stocks totaling 2,273,217,600 stocks at par value of Bt 1 per stock after restructuring. Meanwhile, shareholders having exchanged shares under this restructuring plan shall be given warrants based on their shareholdings in Pruksa Holding Public Company Limited.



Operational Policy

Pruksa Holding shall perform the following businesses

1. To invest in subsidiaries and/or group companies
2. To seek funds for supporting the businesses of the Company and group companies
3. To invest in non-related businesses to promote liquidity and excess return
4. To provide supports to group companies

Following its restructuring process, Pruksa Holding shall entirely depend on the four main business groups and partially on the support business group of Pruksa Real Estate Public Company Limited during the initial stage to ensure optimal efficiency in respect to human resource management. Since Pruksa Holding has yet entered into new businesses, its main business operations covering four main business groups including financial and risk management, human capital, strategy development and support business which consists of legal service and marketing and corporate communication shall therefore remain within Pruksa Real Estate Public Company Limited, all of which are part of Pruksa Holding's core business. Hence, Pruksa Real Estate shall support Pruksa Holding in but not limited to the following aspects:

- Finance and Accounting
- Risk Management
- Human Resource
- Legal Service
- Information and Communication Technology System (ICT)
- Marketing Development, Brand Management and Corporate Communication
- Administration and Procurement

Nevertheless, the support business group of Pruksa Holding shall oversee the overall business operations of Pruksa Holding, including its subsidiaries and/or future joint ventures of Pruksa Holding.

Furthermore, Pruksa Holding shall assign its strategy development group and financial and risk management group to oversee the Company's new investment policy as well as new businesses in the future.

In respect to the business operations of its main subsidiary, or Pruksa Real Estate Public Company Limited, including other subsidiaries and/or future joint ventures of Pruksa Holding, all must be in compliance with the overall business policy and requirements specified by Pruksa Holding Public Company Limited.

RELATIONS WITH THE BUSINESS GROUP OF MAJOR SHAREHOLDERS

-None-

NATURE OF BUSINESS

REVENUE STRUCTURE FOR PRUKSA HOLDING PLC. AND PRUKSA REAL ESTATE PLC.

As of December 31, 2016 the Company's revenue structure before and after the restructuring. The revenues are divided as follows:

Product types	Consolidated financial statements					
	Before restructuring (Pruksa Real Estate Plc.)				After restructuring (Pruksa Holding Plc. and Subsidiaries)	
	Y2014		Y2015		Y2016	
	(Bt m)	%	(Bt m)	%	(Bt m)	%
Townhouse (Thailand)	22,791	53.0	23,023	44.8	23,529	49.9
Single-detached house (Thailand)	9,776	22.7	10,135	19.7	9,413	20.0
Condominium (Thailand)	9,694	22.5	17,236	33.5	13,849	29.4
International	441	1.0	278	0.5	129	0.3
Total	**42,702**	**99.2**	**50,672**	**98.5**	**46,920**	**99.5**
Other revenue [(1)]	79	0.2	568	1.1	6	0.0
Revenue from sale of real estate	**42,781**	**99.4**	**51,240**	**99.6**	**46,926**	**99.5**
Other income	246	0.6	198	0.4	247	0.5
Total revenue	**43,027**	**100.0**	**51,438**	**100.0**	**47,173**	**100.0**

Remark : [(1)] Other revenue was comprised of land sale and construction revenue

Existing residential housing projects as of December 31, 2016 consisted of 174 projects, which details are follows;

Active project as of December 31, 2016	No. of projects	Total project Value		Revenue		Backlog		Sold		Unsold	
		Units	(Bt m)	Units	(Bt m)	Units	(Bt m)	Units	(Bt m)	Units	(Bt m)
Baan Pruksa	29	10,858	21,354	4,342	8,406	270	599	4,612	9,005	6,246	12,349
Patio	4	897	3,872	297	1,196	14	68	311	1,264	586	2,608
Pruksa Lite	2	505	1,060	324	670	22	49	346	718	159	342
Pruksa Town	14	4,300	11,911	1,911	4,483	95	366	2,006	4,849	2,294	7,063
Pruksa Village	2	325	837	123	275	14	51	137	326	188	511
Pruksa Ville	36	10,214	26,672	3,791	9,190	464	1,454	4,255	10,644	5,959	16,028
The Connect	12	3,303	10,559	1,356	3,926	43	122	1,399	4,048	1,904	6,511
The Plant	2	763	2,927	447	1,650	32	125	479	1,774	284	1,152
Villette	3	1,163	3,566	740	2,391	17	67	757	2,458	406	1,108
Passorn	1	18	87	0	0	18	87	18	87	0	0
Total TH	105	32,346	82,846	13,331	32,187	989	2,987	14,320	35,174	18,026	47,672
Passorn	11	3,015	13,364	1,262	5,015	153	808	1,415	5,822	1,600	7,541
Pruksa Puri	1	189	813	149	616	1	4	150	620	39	193
Pruksa Village	10	2,470	9,585	1,310	4,974	133	555	1,443	5,528	1,027	4,057
The Palm	2	299	3,588	162	1,994	7	113	169	2,107	130	1,481
The Plant	15	3,344	15,831	1,324	6,684	230	1,192	1,554	7,875	1,790	7,955
Pruksa Town	4	696	3,204	293	1,253	31	158	324	1,410	372	1,793
Pruksa Nara	1	300	1,023	146	525	0	0	146	525	154	498
Total SDH	44	10,313	47,407	4,646	21,059	555	2,829	5,201	23,889	5,112	23,519
Chapter One	2	2,428	7,362	0	0	742	2,495	742	2,495	1,686	4,867
Fuse	3	2,323	6,387	1,702	4,455	22	70	1,724	4,525	599	1,862
Plum Condo	12	19,664	26,987	7,926	8,504	5,440	9,926	13,366	18,430	6,298	8,557
Privacy	2	576	1,130	461	876	41	78	502	954	74	177
The Tree	4	3,469	9,546	1,581	3,996	1,356	3,806	2,937	7,802	532	1,744
Urbano	2	578	3,389	186	1,393	178	923	364	2,316	214	1,073
Total CD	25	29,038	54,801	11,856	19,223	7,779	17,299	19,635	36,522	9,403	18,279
Almost Closed						81	317				
Total	174	71,697	185,055	29,833	72,470	9,404	23,432	39,156	95,584	32,541	89,470

PRODUCT ATTRIBUTE

Pruksa Holding Public Company Limited ("Company") runs the business and earns income from holding shares in other companies (Holding company) with main business of real estate development for sale. The Company has approaches to maintain investment proportion in the company with real estate development for sale business not less than 75%. After restructuring the business, the Company has a subsidiary that operates main business which is Pruksa Real Estate Public Company Limited running the enterprise of real estate development for sale with following characteristics of business

Currently, Pruksa Real Estate Public Company Limited runs the main business in 2 parts including

1. Domestic real estate development business
2. International real estate development business

When it is domestic or international real estate development business, Pruksa Real Estate Plc. will operate in the way Pruksa Real Estate Plc. is proficient which is housing development business and it operates based on competitiveness of Pruksa Real Estate Plc. that has been cumulated for many years with competitive advantages only.

1. Domestic real estate development business

Pruksa Real Estate Plc. operates the real estate business for residence in 3 types including detached house, townhouse and condominium by focusing on developing in every area of Bangkok and vicinity along with the downtown of Bangkok in areas with high potentials and growth. In 2010, Pruksa Real Estate Plc. started selling projects in upcountry such as Nakhonpathom, Chonburi and Phuket. In 2011, it launched the first project in Khonkaen and additional projects in Phuket. Furthermore, during 2014-2015, Pruksa Real Estate Plc. expanded horizontal projects in market with higher price and improved the brand appearance to clarify administration of each business group so that it grows continuously and sustainably with stable financial status. In addition, in 2016 Pruksa Real Estate Plc. developed product brand by adjusting the strategies to create strong and potential brand for long-term development. However, Pruksa Real Estate Plc. increases market share of premium housing market to cover every customer group.

2. International Real Estate Development Business

Pruksa Real Estate Plc. has a policy to expand investment to international market by starting to develop the first project in Republic of Maldives since 2010 followed by Republic of India and Vietnam. After studying and evaluating situations of investment continually in term of economy and investment promotion policy as well as business opportunity in each country, Pruksa Real Estate Plc. sets a target to emphasize on mainly developing projects in Republic of India.

Republic of India, State of Bangalore

It is the projects of townhouse and detached house under the brand "Pruksa Silvana" (Subsidiary holds 100% share). It is the project of horizontal housing with 401 units with project value of 1.504 Billion Baht. It contained 321 detached houses and 80 townhouses. The first house has been transferred since December 2011. In 2016, Pruksa Real Estate Plc. could have turnover of 71 million Baht with income of 129 million Baht. However, cumulative sales of the project were 1.493 Billion baht and cumulative income was 1.479 Billion Baht. Project in India was expected to acknowledge all incomes within the end of 2017.

Republic of Maldives, Hulumale: Coral Ville Condominium

It is the joint venture with Housing Development Corporation (HDC). Pruksa Real Estate Plc. held 80% shares and it developed small condominium project in Hulumale. The first phase consisted of nine 5-storey condominiums with total 180 units and value of 376 million Baht. Pruksa Real Estate Plc. has operated construction completely and transferred all ownership to customers. However, due to unfavorable environment in business operation such as mall market, fragile economic situation of Maldives and lack of foreign currency in banking system. This made Pruksa Real Estate Plc. decided not to invest in next phase.

Vietnam, Haiphong

Pruksa Real Estate Plc. registered the joint venture (Pruksa Vietnam Company Limited) with local investor (Hoang Huy Investment Services Joint Stock Company) to develop housing projects for low-income people and it has received the investment license since January 2013 and it held 85% shares of authorized capital (Shareholding in Pruksa Vietnam Company Limited at 85:15 was consistent with the agreement when stock values have been completely paid as of December 31, 2016. Pruksa Real Estate Plc. indirectly holds shares in Pruksa Vietnam Company Limited in proportion of 100% because the co-investor has not paid its stock values). However, as the co-investor had problems in providing land for project development causing conflicts, currently Pruksa Real Estate Plc. ceased operations in Vietnam. Nevertheless, Pruksa Real Estate Plc. recorded allowance for impairment loss in such co-investor in 2014.

Currently, Pruksa Real Estate Plc. operates the business in 3 types including townhouse/ twin house, detached house and condominium

1. Townhouse/ Twin house

Conclusively, Pruksa Real Estate Plc. has projects on sale under its brand as follows

Pruksa House	Pruksa Silvana (Republic of India)	Villete City*	Privet Fidelio*
Pruksa Ville	Villete Light*	Pruksa Town Paradis*	Pruksa Town Privet*
Patio	Pruksa Town Next*	Pruksa Town*	Pruksa Light*
The Connect	The Plant City*	Pruksa Town Next*	Urbano*

Note: *Brands that are cancelled

Pruksa Real Estate Plc. has operated construction of townhouse projects in various brands and different house style with pricing for townhouse from 1-5 million Baht. The target group of townhouse is customers with low-middle income as well as customers with quite high income who need to have their own residence and it is not for speculation. Markets of townhouse, commercial building and twin house was approximately 15% of housing market from registered units and Pruksa Real Estate Plc. had income ratio from townhouse for about 50% of income from real estate of Pruksa Real Estate Plc. In 2016, Pruksa Real Estate Plc. released 50 townhouse projects

Ownership transfer in townhouse project	2014	2015	2016
Number (House)	10,880	10,696	10,139
Revenue recognition of Pruksa Real Estate Plc. (million Baht)	22,791	23,023	23,529
Number of townhouse, commercial building and twin house additionally registered in Bangkok and Vicinity [1]	20,082	21,990	19,012

Source: [1] Real estate information center calculated only from parts constructed by entrepreneurs (Updated as of February 14, 2017)

2. Single Detached House

Conclusively, Pruksa Real Estate Plc. has projects on sale under following brands

Passorn	The gallery *	Pruksa Village*	Pruksatown Serenity*
The Plant	Natura*	Pruksa Puri*	Pruksa Silvana (Republic of India)
The Palm	Scenery*	Pruksa Nara*	The Season*
Delight*	V2*		

Note: *Brands that are cancelled

The price level for target group of single detached house brands of Pruksa Real Estate Plc. is ranged from 3-7 million Baht. Therefore, Pruksa Real Estate Plc. has a policy to focus on designing single detached house in architectural and engineering terms by adding innovations and construction techniques to obtain quality house under more effective capital management enabling Pruksa Real Estate Plc. to construct houses faster and to save capitals and that the customers could buy the house in more reasonable price.

Furthermore, Pruksa Real Estate Plc. also expanded single detached house market with price starting from 10 million Baht additional from the same project (The Palm) which is The Plant Elite. It has been responded so well. Pruksa Real Estate Plc. has a plan to expand business with premium projects including house and land with value at least 10 million Baht additionally from 2016. Furthermore, it also expands projects in Bangkok and upcountry by increasing the number to respond needs if the market and to increase growth of Pruksa Real Estate Plc.

Market of single detached house is approximately 26% of total housing markets of registered unit and Pruksa Real Estate Plc. has income ration from single detached house about 20% of real estate income of Pruksa Real Estate Plc. In 2016, Pruksa Real Estate Plc. released 10 detached house projects.

Ownership transfer in single detached house project	2014	2015	2016
Number (house)	2,286	2,319	1,969
Revenue recognition of Pruksa Real Estate Plc. (Million Baht)	9,776	10,135	9,413
Number of single detached house additionally registered in Bangkok and vicinity [1]	13,443	11,837	12,761

Source: [1] Real estate information center calculated from only parts provided by the entrepreneurs (Updated as of February 14, 2017)

3. Condominium

Conclusively, Pruksa Real Estate Plc. has a project on sale under following brands

The Reserve	The Tree	Stylish Residence*
IVY	Chapter One Condo	Condolette*
Urbano	Plum Condo	Fuse*
The Privacy	The Editor*	

Note: *Brands that are cancelled

Pruksa Real Estate Plc. has adjusted strategy and income structure from recognizing the changes of residence need in Bangkok and vicinity together with changes of public transportation system such as sky train projects. This brings about increasing needs of condominium since 2007 with target group of customers who have low-middle income. Pruksa Real Estate Plc. develops project model under above brands with price range from 0.7-15 million Baht. After 2012, the economy started to rebound from great flood and people increasingly needed to live along the routes of sky train, needed the second house to reside occasionally and to travel to work in Bangkok and vicinity. Pruksa Real Estate Plc. emphasized on the target group in center of the city or areas near the sky train, subway or educational institutions such as Sathorn, Saphankwai, Kasetsart University etc. apart from continuous development of condominium projects with price range lower than 1 million Baht and 1-2 million baht. The tendency of condominium projects with such price range is that market that is highly and unceasingly growing.

Market of condominium in Bangkok and vicinity is accounted for 56% of total housing market for registered units and Pruksa Real Estate Plc. has income ratio from condominium projects about 30% of real estate income of Pruksa Real Estate Plc. In 2016, Pruksa Real Estate Plc. released 9 condominium projects.

Ownership transfer in Condominium projects	2014	2015	2016
Number (unit)	3,800	7,624	8,261
Revenue recognition of Pruksa Real Estate Plc. (million Baht)	9,694	17,236	13,849
Number of condominium additionally registered in Bangkok and vicinity [1]	75,058	67,628	69,696

Source: [1] Real estate information center calculated from only parts provided by the entrepreneurs (Updated as of February 14, 2017)

MARKETING AND COMPETITION

MARKETING POLICY OF PRUKSA REAL ESTATE PUBLIC COMPANY LIMITED

Pruksa Real Estate Plc. as the core company of Pruksa Holding Plc. has determined policies and strategies for sale promotion as follows

Product strategy: Pruksa Real Estate Plc. is unceasingly determined to develop residence to meet changing behaviors of consumers especially preparation for that Thailand is moving forward to be "aging society" in 2025 by creating new effective patterns of construction technology so as to have higher-quality residences to be delivered to customers. Pruksa Real Estate Plc. cooperates with experts related to residence innovations from Germany to develop a model house named "Pruksa Plus House" in The Plant Estique Pattanakarn 38 with 4 main components including 1) safety home with innovation of Pruksa Precast that can make a house safe, strong and durable 2) Healthy Home with emphasis on selecting construction materials and decorations free from carcinogen with design of functions to facilitate aged people 3) Green Home with technology and construction process that

can reduce natural resource usage with installation of ICE/ Hot Storage solar cell, usage of water-saving sanitary wares, and ventilation system to control temperature that can save expenses of the resident in long term and 4) Smart Home with applications in controlling switch on/off, air conditioner and surveillance camera inside the house to be consistent with behaviors of consumers in digital age.

Price Strategy: Pruksa Real Estate Plc. is aware of purchasing power of consumers with low-middle income that are main base of Thailand and main customer group of Pruksa Real Estate Plc. who are unsure and concerned about their financial stability in purchasing residence. So, Pruksa Real Estate Plc. gives precedence to managing construction cost and as a leader in using precast technology and construction management, it can define lower price than general entrepreneurs for about 10 - 15% for townhouse and detached house.

Advertisement and PR Strategy: Pruksa Real Estate Plc. still communicates brands continually through the concept of "Create value" (Think....create value for customers) to be in customers' mind. As a real estate developer with commitment to create value in residency, presenting new campaigns through advertisement and public relation channels including outdoor media and digital media can create perception and

understanding in Pruksa's brands and product brands clearly. Furthermore, it also emphasizes marketing activities to build up good relationship with residents, society and environment repeatedly under the concept of "Pruksa caring". It includes 1) Pruksa scholarship program that has been operated for more than 14 years to give good opportunity to children of the residents of Pruksa Real Estate Plc. in primary and secondary level and in higher education 2) Free mobile health checkup program for residents and general people 3) Blood donation program for King Rama IX 4) volunteer activities such as distributing drinking water and chairs to people who came to express condolences to King Bhumibol Adulyadej around Sanam Luang to recall his endless royal grace.

Distribution Strategy: To support measures of stimulating economy in real estate sector of the government to give a chance to people to have privileges with purchasing residences within 2016, Pruksa Real Estate Plc. launched a campaign of "Best Buy Moment" (Golden chance of house lover) for the third time continuing from the second campaign in 4th quarter of 2015 so that the consumers have a chance to select the best house in best moment and they had a chance to win the grand prize. Customers could visit the project and purchased via distribution channels at the sale office of Pruksa Real Estate Plc. more than 160 projects throughout the campaign period during March 1 - April 18, 2016. Furthermore, Pruksa Real Estate Plc. also arranged sale promotion activities after the end of such measures in campaign of "Pruksa Non-Stop" (Extend time for bigger chance) in 3rd quarter of 2016 to expand an opportunity to consumers that needed to purchase residences after the measure ended to have same benefits. After assessing both campaigns, the company found that it could promote sale and transfer higher than the target and it could manage budget effectively.

For other distribution channels, Pruksa Real Estate Plc. also selected houses on sale in special price of "Hot deal" on website of Pruksa. Besides, Pruksa Real Estate Plc. participated in the events of real estate association such as house and condo expo at Queen Sirikit Convention Center along with campaigns of sale promotion by giving privileges for employees of private companies, financial institutions and government sectors that signed as an ally with Pruksa Real Estate Plc. to extend customer base and increase competitiveness.

However, before developing townhouse, detached house and condominium projects, Pruksa Real Estate Plc. had strategies of distribution of each product as follows

MARKETING POLICY FOR OTHER BUSINESS APART FROM PRUKSA REAL ESTATE PUBLIC COMPANY LIMITED

Pruksa Holding Public Company Limited studied and did researches about market to seek for most suitable business opportunity for investment with recurring income that can lead to sustainable growth of the Company.

However, in 2016, the Company hired a world-class consulting company like McKinsey & Company to mutually study market opportunity by considering economic chance in general, tendency of business growth, competition in each industry along with competitiveness of Pruksa Holding Public Company Limited in operating business and creating differences over opponents.

MARKET OVERVIEW AND COMPETITIVE SITUATION

1. Summary of Thai residence market overview in 2016

In 2016, the world economy had a big changed such as Brexit, presidential election of USA which resulted in fluctuation of world economy in Europe, America, China and Japan. Such problem affected Asian economies including Thailand. Thailand has been affected by decreased export especially automobile industry and crude oil production. However, agricultural sector and services significant grew. This included

the policy to stimulate domestic consumption of the government leading to the expansion of consumption. For real estate, it was supported by the measure to stimulate real estate sector in first 4 months of the year leading to numerous residence ownership transfer. However, due to national situations in October, most entrepreneurs delayed releasing new projects. So, in general of 2016, the market of residence did not grow much.

Value of ownership transfer for Thai residence in 2016 accounted for 634,444 million Baht. Bangkok and vicinity had most portion of 69% followed by eastern region for 12%, southern region for 6%, northern region for 5% and central and northeastern regions for 4%

Table 1: Value of ownership transfer for Thai residence in 2016 categorized by regions

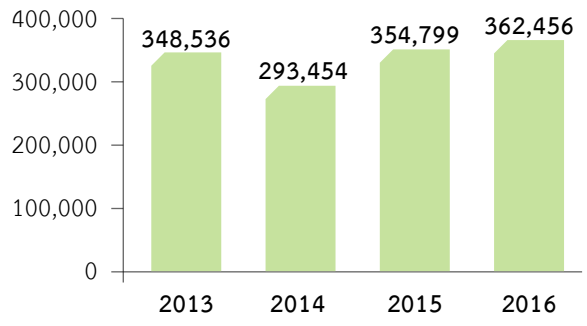
Year	North	Northeast	Central	East	South	Bangkok and vicinity	Nationwide
2016	34,731	27,725	25,474	73,510	38,331	434,672	634,444
Percentage	5	4	4	12	6	69	100

Source: Analysis by strategy and new business development division, Pruksa Real Estate Public Company Limited

2. Residence market overview in Bangkok and Vicinity

In 2016, residence market in Bangkok and vicinity, with real estate stimulation measures of the government and high household debts, made entrepreneurs to focus on sale promotion for customers who had good financial potential. So, it emphasized on increasing single detached house and twin house more than other types of residence. Besides, with continuous residence need of domestic and international investors, this increased purchase of residences in general resulting in that the residence market grew for 2% compared to year 2015.

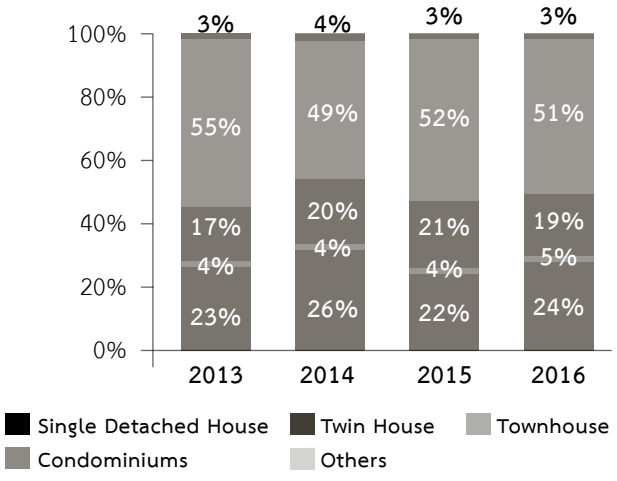
Diagram 1: value of residence market in Bangkok and Vicinity during 2013 - 2016



Source: Strategy and new business development division, Pruksa Real Estate Public Company Limited

Market of single detached house and twins increased for 24% and 5% (respectively) but the condominium and townhouse decreased to 51% and 19% (respectively).

Diagram 2: Proportion of residence type in Bangkok and Vicinity during 2013 - 2016

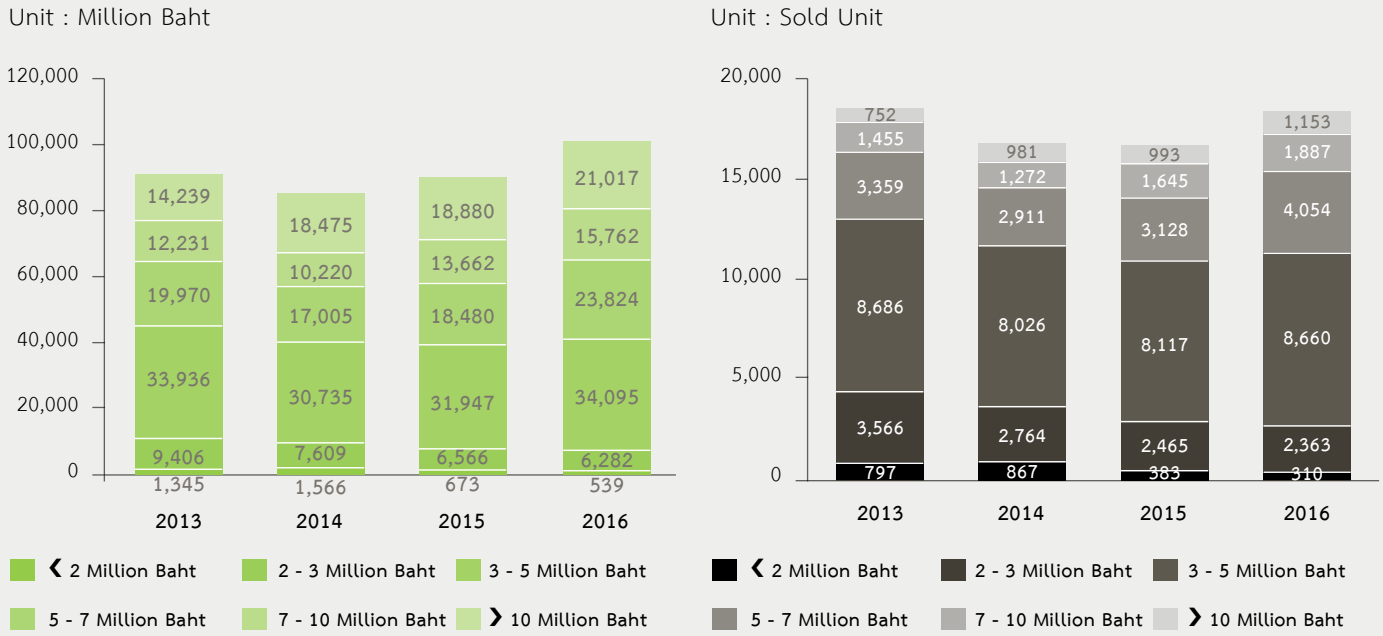


Source: Strategy and new business development division, Pruksa Real Estate Public Company Limited

3. Single detached house market (including twin house) in Bangkok and Vicinity

Market of single detached house (and twin house) in Bangkok and vicinity in 2016 had values of 101,518 million Baht growing for 13% from 2015. For price range of at least 3 million Baht, it entirely grew while houses with price range of 5 - 7 million baht grew up to 29%. Besides, the group with price range of 3 - 5 million baht also had highest market proportion at 34% of all values of single detached house (and twin house).

Diagram 3 - 4: Market value and sales (unit distribution) of single detached house (including twin house) in Bangkok and vicinity during 2013 - 2016



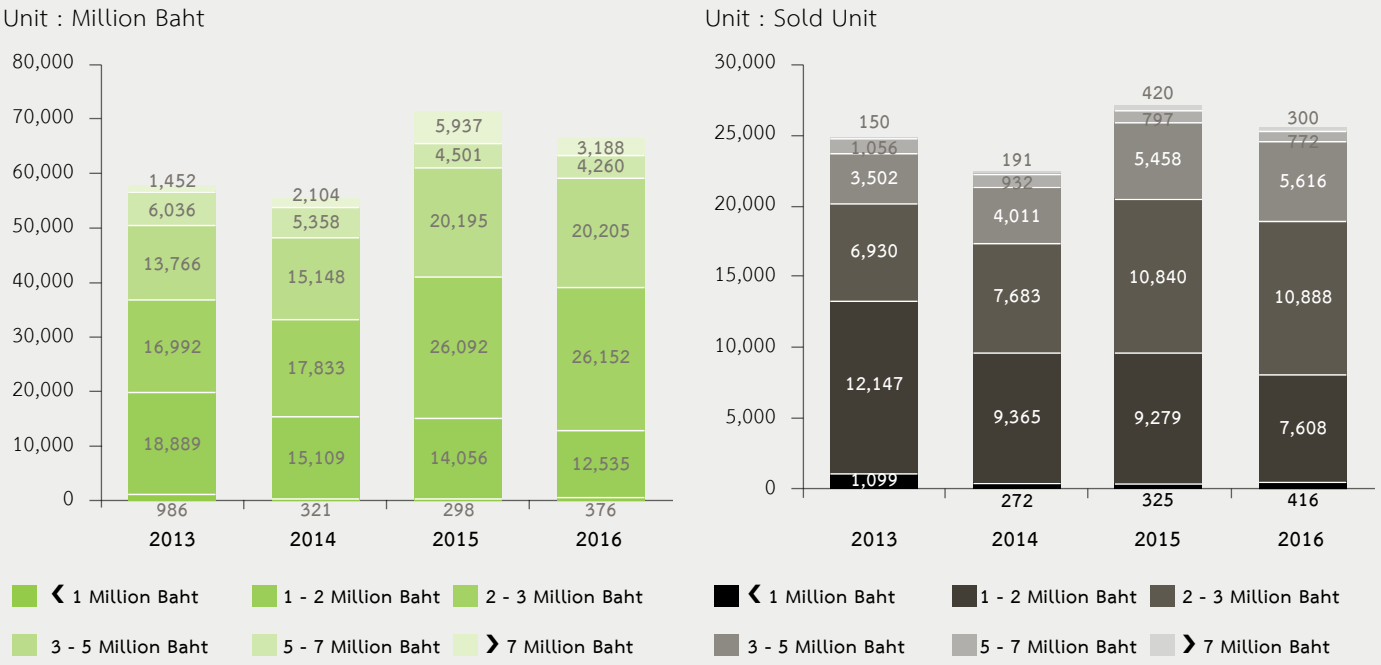
Source: Strategy and new business development division, Pruksa Real Estate Public Company Limited

When comparing sales and average sale price in 2016, the average sale price increased 2% at 5.5 million Baht (in 2015, average sale price was 5.4 million Baht) because the price of single detached house (including twin house) of new projects increased.

Townhouse market in Bangkok and Vicinity

Townhouse market in Bangkok and vicinity in 2015 had value of 66,716 million Baht decreased for 6% from 2015. Pruksa Real Estate Public Company Limited still maintained market share at 30% and was a leader in townhouse market with price rage not over 5 million Baht with proportion at 89% of all townhouse market.

Diagram 5 - 6: Market value and sales (number of unit) of townhouse in Bangkok and vicinity during 2013 - 2016



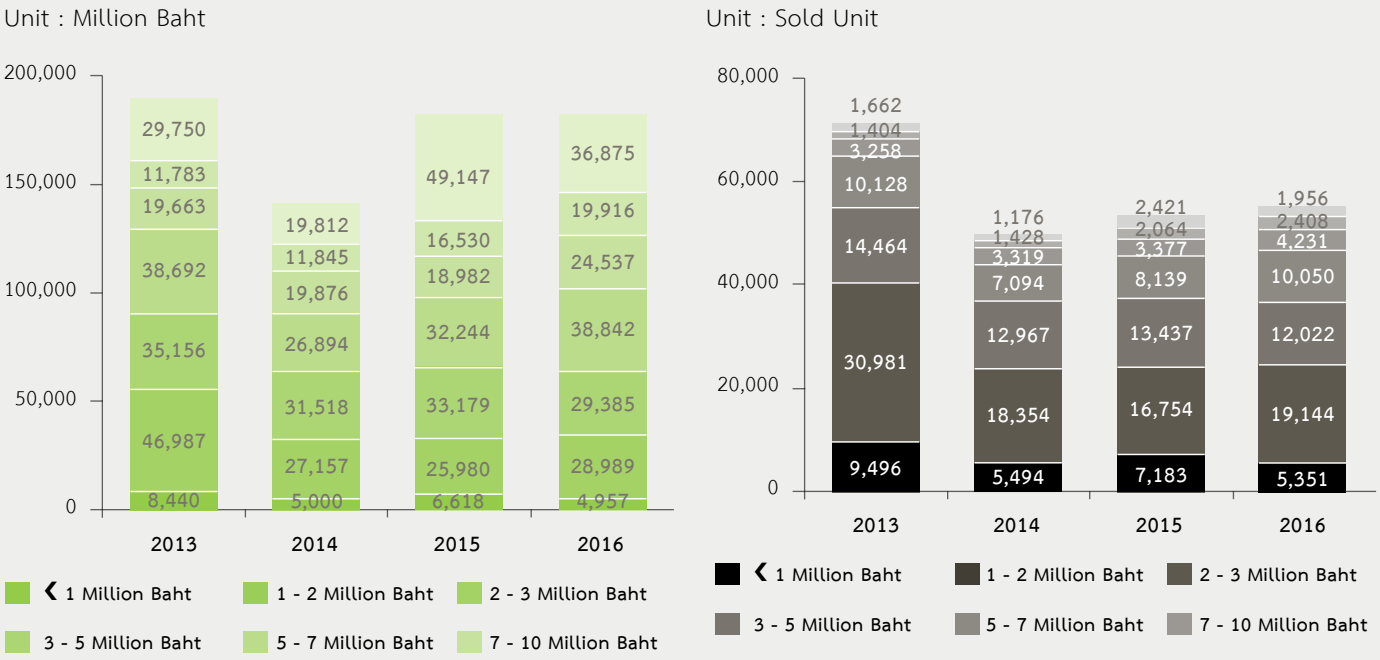
Source: Strategy and new business development division, Pruksa Real Estate Public Company Limited

When comparing the sales and average sale price in 2016, the average sale price was stable at 2.6 million Baht (in 2015, average sale price was 2.6 million Baht) because the price of townhouse of new projects did not increase much.

4. Condominium market in Bangkok and Vicinity

In 2016, with high household debts, the amount of customers that purchased condominium with price lower than 1 million Baht and did not pass loan increased. So, the entrepreneur adjusted its strategy by delaying the launch of new project with price lower than 1 million baht to distribute products that were completely constructed. To launch new projects, the entrepreneur adapted itself by developing condominium projects to support needs of middle-upper-class customers. This included customers that were Thai and foreign investors that still had purchase amount increased from 2015. So, the overall market of condominium was stable as similar as year 2015.

Diagram 7 - 8: Market value and sales (number of unit) of condominium in Bangkok and vicinity during 2016 - 2015



Source: strategy and new business development division, Pruksa Real Estate Public Company Limited

When comparing sales and average sale price in 2016, it was found that sales were decreased for 3% and average sale price decreased for 3% at 3.3 million Baht (in 2015, average sale price was 3.4 million Baht) because in 2016, most condominiums were launched with price lower than 10 million Baht while in 2015, there were substantial amount of condominium projects with price above 10 million Baht more than in 2016.

5. Residence Market overview in Upcountry

Due to the expansion of agricultural sector and tourism sector in 2016, purchasing power for residence in main provinces especially horizontal residential projects increased resulting in that market in 4 main provinces including Chiang Mai, Chonburi, Phuket and Rayong grew more than 2015. For Khonkaen and Songkhla (Hatyai), although it did not increase, overall market started getting back to normal and total value of residential market in 6 provinces in 2016 was 105,495 million Baht.

TENDENCY OF REAL ESTATE DEVELOPMENT BUSINESS IN 2017

This table shows summary of main indexes of Thai economy in 2013 - 2017

Essential data of Thai economy	2013	2014	2015	2016F	2017F
Expansion rate of grow domestic product (YoY%)	2.8	0.8	2.8	3.2	3.0 - 4.0
Gross domestic product in current year (trillion baht)	12.91	13.13	13.53	14.03	14.81
Average inflation rate (percent)	2.2	1.9	-0.9	0.2	1.0 - 2.0
Repurchase rate (percent)	2.25	2.00	1.50	1.50	1.45
Average 1-year saving interest rate of 4 main banks (Percent)	2.23	1.73	1.40	1.40	N.A.
Average minimum loan rate (MLR) of 4 main banks (percent)	6.84	6.75	6.52	6.27	N.A.
Average Baht value (baht: US Dollar)	30.70	32.48	34.29	35.30	35.3 - 36.3
Foreign exchange reserve (Billion US Dollar)	167.52	157.11	156.51	180.03	169.43

Source: IMF, World Bank, Bloomberg, national Economic and Social Development Board Office, Bank of Thailand

In general, Thai economy in 2016 was anticipated by National Economic and Social Development Board Office to expand for 3.2% with continuous growing as a result of expansion of 0.8% and 2.8% in 2014 and 2015 respectively while the year-long inflation was anticipated to be 0.2% accounted for -0.9% in 2015. The current account surplus increased for 11.3% of GDP accounted for 8.2% of GDP in 2015.

Thai economy supporting factor in 2017

1. Trend of economy in 2017 is anticipated to have good drive from continuous recovery from 2016 with supports from investment of government sector and tourism service sector that will get better as a result of a great deal of measures of public and private sectors.
2. Consumption and spending of private sector will recover continually from better revenue of farmers as a result of agricultural product price expansion together with measures stimulating economy of the government expected to be clearly resulted. This includes burden of installment for first vehicle that is almost done affecting that consumers are able to spend more than the past.
3. Private investment can grow by investment of the government especial infrastructure of transportation that the investment will be put in the system in 2017
4. Exporting is likely to increase in accordance with economic recovery of the trade partners
5. Thai Baht is likely to weaken and it anticipated being beneficial to quantity of purchase order for export together with service export that is likely to grow unceasingly.

Risk factor that may affect Thai Economy in 2017

1. Risk from uncertainty of economic policy of USA that may impact world economy including Thai economy after presidential election of USA.
2. The increase of oil price together with fluctuation of monetary market and capital market from moving flow of fund as a result of interest increase of Federal Reserve System can make Thai baht fluctuate and affect Thai economy.

This table displays main index of economy of a country (Republic of India) in which Pruksa Real Estate Plc. invests during 2015 - 2017

	2015	2016F	2017F
Expansion rate of gross domestic product (YoY) (percent)	7.6	7.6	7.6
Gross domestic product (Billion US Dollar)	2,073	2,251	2,458
Average inflation rate (percent)	4.9	5.5	5.2
Policy rate (percent)	6.75	6.25	5.85
Average Rupee value (Rupee: US Dollar)	66.33	67.92	68.80
Foreign Exchange Reserves (Billion US Dollar)	352	359	354

Source: IMF, World Bank, Bloomberg, Reserve Bank of India

For India's economy in 2017, IMF anticipated that it is likely to grow for 7.6% as a result of policy reform of the government such as issuing the law about Goods & Service Tax to facilitate business transactions, decentralization to locality for more flexible administration. In addition, there are policies supporting Foreign Direct Investment (FDI) especially in construction business resulting in the expansion of investment. Inflation rate in 2017 is likely to be about 5.2% and policy rate in 2017 tends to decrease to 5.85% to stimulate economy. For Rupee value in 2017, it is likely to weaken to 68.80 Rupee: US Dollar.

Real estate sector of India in 2017 tends to decelerate continually from previous year; although overall economy of India expands, real estate sale and purchase was stagnant and needs of house purchase of the consumers did not significantly grow resulting in oversupply. The market still belongs to buyers.

Tendency of housing market in 2017

From considering factors supporting residence market, the company anticipated tendency of Thai economy in 2017 as follows 1) 43 Transportation investment projects with approximate value of 1.77 Trillion Baht will lead to the expansion of public investment in term of infrastructure of transportation and it is anticipated to start operation in the second half of year 2017 such as double-track train and sky train in urban area 2) Fiscal Policy Office anticipates the growth rate of GDP of 3.4% 3) Inflation rate increases about 0.8% 4) Investment of private sector expands 5) Revenue of farmers increases according to consumers goods price in world market 6) Tourism sector is continually expanding due to tourists from European countries, America and middle east that rebound to grow again in 2017 while tourists from China, Japan and Asia continuously increase. This reflects good sign of Thai Economy expansion. Nevertheless, the government is determined to invest in infrastructure of transportation especially railway system and roads that are instruments to stimulate economy and domestic investment with sustainability in long-term national development. It also brings more confidence to consumers and thus, it is anticipated that the tendency of residence market in Bangkok and vicinity in 2017 will expand for 5% with market value of 379,000 Million Baht. Average sale price of low residence depends on land and construction cost that is gradually increasing while condominium market has highest market share for 50 - 55% and residence market in upcountry is anticipated to expand from 2016 significantly.

PRODUCT OR SERVICE PROVISION (ALL PRODUCTS)

1. Land purchase

If Pruksa Real Estate Plc. is interested in operating construction and land development in which are, it will do feasibility study of the project by surveying market condition and competition along with needs of customers in target area. After that, Pruksa Real Estate Plc. will negotiate land purchase by buying land from the owner or land agency for further development. Pruksa Real Estate Plc. will compare land price with estimated price or market price to be sure that lands to be purchased are not too expensive.

2. Construction material

As Pruksa Real Estate Plc. manages construction in projects by itself, it will operate purchasing construction materials after purchase division receives details of construction material needed in projects. Mostly, purchase division will contact material manufacturers directly to check price of materials. Pruksa Real Estate Plc. will get much discount because it purchases construction materials in large amount and when agreeing to quantity and price of construction material with the manufacturers, Pruksa Real Estate Plc. will order them through manufacturer agents to deliver construction materials to projects directly. Pruksa Real Estate Plc. will define credit time in range of 30 - 60 days. Furthermore, after 2006, Pruksa Real Estate Plc. reduced risks of construction material by changing the way of purchasing main materials in construction such as cement, steel, tiles and cables etc. by arranging the bidding and agreeing to price in long-term period such as 1 year or 3 - 6 months. This made Pruksa Real Estate Plc. to reduce risks in price fluctuation and the fact that Pruksa Real Estate Plc. had good relationship with construction material distributors enabled it to order materials in required quantity without problem of material shortage. However, Pruksa Real Estate Plc. did not rely on any material distributor in particular and it also created the system of planning about requirement in every kind of main materials that was consistent with business expansion plan to ensure that Pruksa Real Estate Plc. has sufficient materials for continual usage and plans recruitment of major and minor trade partners effectively.

In addition, Pruksa Real Estate Plc. developed the process of recruiting and assessing trade partners for transparent transaction and to obtain trade partner with high potentials in supporting works. It also implemented e-Auction system for fair quotation and bidding to trade partners and for gaining reasonable price.

3. Contractor

Pruksa Real Estate Plc. is one of real estate developers that can manage construction by itself. In operating project, Pruksa Real Estate Plc. will define the project pattern and details of designing in part of project construction and Pruksa Real Estate Plc. will manage construction by itself without dividing works such as foundation work, cement work, part installation, flooring work, tiling work and roof works. Pruksa Real Estate Plc. will hire a contractor with certain expertise to be in charge of such works and will control construction itself by sending employees of Pruksa Real Estate Plc. including engineer and foremen to operate inspection according to specification and standard. However, Pruksa Real Estate Plc. will provide construction materials by itself so it could manage construction cost effectively.

4. Production Technology

Pruksa Real Estate Plc. implemented construction technology to support constructing townhouse, single detached house and condominium such as cast-in-situ load bearing wall with tunnel technology for constructing two-story townhouse.

For single detached house, it used RC Load Bearing Wall Prefabrication technology which is application of cast-in-situ load bearing wall or precast. Precast slab can be used as wall and decorations of the condominium.

For small condominium projects, Pruksa Real Estate Plc. improved construction process by using precast system as strengths of Pruksa Real Estate Plc. for construction of the entire project (Fully Precast). The works are produced from modern factory that they do not only have high quality, appealing image and durability but they also support construction process to be precise and fast reducing mistakes from operation during construction due to skilled labor. Furthermore, it is a way to solve problem of labor shortage in market effectively.

To be development of Real Estate Manufacturing (REM) operated in 2011 and conventional method, all processes that are supply chain started from recruitment, land, designing, budgeting, procurement, transporting, and manpower management, quality control that shall be interrelated and consistent for production efficiency. This would make the company to control capital, time and quality effectively.

In 2014, Pruksa Real Estate Plc. used innovation of instant bathroom in construction process especially low-rise condominium and the first project was “Plum Condo”. Using instant bathroom can reduce times and complicated procedures in constructing bathrooms in condominium with higher quality, exquisite appearance and worthiness for customers that they could be highly satisfied with our product.

In 2015, Pruksa Real Estate Plc. did research and development of instant bathroom innovation for townhouse and single detached house projects by hiring an expert consultant from foreign country to join the testing and designing instant bathroom factory with automatic production process. Producing instant bathroom from factory and installing it in work site can be controlled in terms of quality, capital and beautiful model of bathroom in every house so that the company can deliver a house with highest quality to customers.

In 2016, Pruksa Real Estate Plc. implemented Fully Precast system and instant bathroom with hire-rise condominium construction starting with 38-storey Plum Condo Central Station. This could reduce construction time considerably and the products were strong and durable with beautiful pattern and good quality that can bring ultimate satisfaction to customers.

With above production technology and construction process development, Pruksa Real Estate Plc. can adjust round of business operation (from reserve date to transfer date) to be faster. In 2013 - 2016, Pruksa Real Estate Plc. had business operation round from reserve date to transfer date as follows :

Unit: Day	2013	2014	2015	2016
Townhouse and single detached house	146	87	79	77
Condominium	780	817	739	631

5. Environmental Impact

Constructing residences and public utilities of the project are under control of notice of Ministry of Natural Resources and Environment on specification of principles, methods, regulations and guidelines of making environmental impact assessment report issued by virtue of National Promotional and Reserved Environment Act B.E. 2535. Under such notice, the company allocated land for residence or commercial business in at least 500 plots or space more than 100 Rai that needed to have environmental impact assessment to propose in procedures of asking for permission in allocating land according to the applicable laws. Before starting construction, such report shall be submitted to Office of Natural Resources and Environment Planning and for this, Pruksa Real Estate Plc. prepared EIA Report in accordance with the law and such report is made by external experts.

Moreover, in constructing residence especially single detached house that may have impact on environment such as wastewater treatment system, Pruksa Real Estate Plc. provided wastewater treatment system for each house and central treatment system so as to prevent impacts on public water sources. For the Precast Concrete Factory, it will be under control of Factory Act B.E. 2532 and Pruksa Real Estate Plc. sets standards and methods of controlling the release of waste, pollution or anything affecting environment as a result of business operations of such factory. Pruksa Real Estate Plc. has defined the measure to control potential environmental impacts to ensure that Pruksa Real Estate Plc. operates works with environmental responsibility.

Pruksa Real Estate Plc. has 3 types of pollution control measures including waste water from concrete production process will be controlled to flow to sump before sorting stone and sand for reuse. Such water will be used for production without draining wastewater to the community or public (B) Air pollution control is done by spraying water around concrete mixing factory while adding stone and sand to the stock pile. This includes sparing water while rinsing stone and sand used in concrete mixing process to prevent dust disturbing nearby community and in the factory. In addition, the production process is also equipped with dust collector and floor cleaning machine to reduce dust left in building. For road surfaces in factory area, they will be sprinkled water before swept to prevent dust diffusion (C) noise pollution control: noise is mostly originated from concrete compaction machine. In 2008, Pruksa Real Estate Plc. installed Noise Barrier to absorb noise from production and later ordered new concrete compaction machine with shaking system instead of Vibrating system that could reduce noise substantially. Besides, Pruksa Real Estate Plc. also measured noise level inside the factory and nearby community every year.

In 2014, it constructed Pruksa Precast Factory in Navanakorn which is the first Green Factory (Precast concrete Factory) of Thailand. It implemented environmentally-friendly production system consisting of (A) Wastewater management system of batching point and rinsed water in reinforced concrete production process along with concrete scraps that had high alkalinity which was toxic to environment. Pruksa Real Estate Plc. thus construct sump and used Recycling concrete to recycle treated water in concrete production process again. Stone and sand that is separated can be reused as ingredients of concrete and there are no material scraps left from production (B) Dust protection system with Dust Collector, Shuttering cleaner with dust collect, Cleaning pallet with dust collector and close-system Batching plant (Tower Plant) with Conveyor to convey stone, sand and cement in close system to prevent diffusion of dust from them that may occur from production process (C) Noise protection and mitigation with Shaking System instead of Compacting System (concrete shaker) to prevent noise pollution in the factory.

In 2015, Pruksa Precast Factories were certified Green Industrial (GI) level 2 from Ministry of Industry including factories in Lamlukka and Navanakorn and it started implementing Solar cell system with lighting system and water pump system to reuse water for plants in garden of the factory to reduce electricity resource and use water with utmost values.

In 2016, Pruksa Precast Factory in Lamlukka used wastewater management system of Batching Plant and rinsed water in reinforced concrete production process along with fresh steel scraps. Pruksa Real Estate Plc. built sump and used Recycling concrete to recycle treated water in concrete production process. For sand and stone that is separated, it will be reused as ingredient of concrete with any material scraps left from production. It invested in construction for 20 million Baht and it was completed in December 2016.

PRODUCTION MANAGEMENT

- Most materials are cement, stone, and steel that can be bought from nationwide manufacturers and distributors. Since 2006, Pruksa Real Estate Plc. used the strategy to select construction material seller of bidding in a year or less as seen proper so that Pruksa Real Estate Plc. will have constant construction cost all year long.
- There are 2,500 contractors in the system of Pruksa Real Estate Plc.
- Pruksa Real Estate Plc. develops relationship with the contractor in major works that are needed in market such as Filing works, piling works, or building contract to be trade ally to support expansion of Pruksa Real Estate Plc. according to future plan.

1. Construction Management - Townhouse

For construction management, Pruksa Real Estate Plc. divides it into 2 management divisions namely

- Construction management with duties to supervise and operate constructing every project to be in accordance with specified plan and patterns. It also monitors expenditures to be within budget and coordinates with budget division of Pruksa Real Estate Plc.
- Quality Assurance with duties to check quality of each constructed house to meet the specified standard.

In addition, Pruksa Real Estate Plc. also has central support division in managing construction works with duties to support townhouse and single detached house section. Such division includes

- Contractor recruitment division will have duties to recruit a contractor with certain expertise and labors to support construction works in required amount of each project.
- Purchase division will have duties to purchase materials used in construction to support construction management with more liquidity and effectiveness. In 2013, Pruksa Real Estate Plc. restructured internal management transferring following support division to be supervised by management of each business unit.
- Research and development division that will implement suitable technology with designing and construction
- Engineering division that will design and solve technical problems
- Project Development division that will coordinate and mutually develop residence designing in projects

House Designing: In designing houses of each project, the marketing and sale department will coordinate with project development division to define approaches, attributes and conceptual design of the houses to be constructed in each project as well as budget and technique of construction. After that, project development division will assign an n architect to design houses according to the approaches, attributes and conceptual design. When the project development division sees that the house drawing designed by the architect is suitable, the architect will do detailed design for more complete house layout before Pruksa Real Estate Plc. will start construction.

In constructing townhouse, Pruksa Real Estate Plc. will divide construction works into production line. Each production line will be able to construct 40 townhouses a month and in each project, there will be more than a production line depending on size of the project. Pruksa Real Estate Plc. will send about 10 employees/ production line to supervise construction works consisting of project manager supervising the project, project engineers, fieldwork engineer and construction overseers supervising construction works in each stage of works. It includes supervising the contractor with certain skills hired by Pruksa Real Estate Plc. to work in details such as foundation work, concrete work, building part installation, tiling works and roof work etc. However, Pruksa Real Estate Plc. will hire a contractor with certain expertise with daily employees in the amount Pruksa Real Estate Plc. sees proper in each production line. During construction, quality control division will check quality of houses periodically along with inspecting quality when houses are completed before offer for sale or delivery to customers.

Pruksa Real Estate Plc. could build this type of house in lower price than other entrepreneurs with equivalent quality and more utility spaces than houses with similar model, size and location built by other entrepreneurs. Apart from the fact that Pruksa Real Estate Plc. has ability to manage construction works itself, there is another vital reason that Pruksa Real Estate Plc. uses production technology that can reduce construction time leading to saving cost and labor with good-quality pieces. It uses technology of cast-in-situ Load Bearing wall structure for houses in Pruksa House Project and technology of instant bearing wall structure that Pruksa Real Estate Plc. uses in constructing single detached houses in Pruksaville and The Connect Project.

For Technology of cast-in-situ Load Bearing Wall Structure, Pruksa Real Estate Plc. bought it from France with principles that the wall will bear weight for post and beam; so, the procedures of building post and beam could be cut off and the steal mold would be assembled and installed to cast walls at the construction site. After that, steel was put in the mold followed by concrete and then the mold was removed and finally we would get the bearing wall resulting in faster works. Pruksa Real Estate Plc. was one of first entrepreneurs that use this bearing wall structure technology in construction. This system was implemented with constructing one-story townhouse that could reduce the construction time to about 30 days from the first day. This was much more effective and faster than conventional method that took about 180 days. Pruksa Real Estate Plc. used this kind of technology with initial townhouse projects including Pruksa House 1 and Pruksa House 2.

Later, with unceasing development, Pruksa Real Estate Plc. did research about new technology that could support housing construction with more effectiveness. Pruksa Real Estate Plc. thus used cast-in-situ Load Bearing Wall Structure tunnel technology for constructing two-story townhouse. The procedures of construction started from assembling the steel formwork for wall and upper floor at the same time and then binding steel structure followed by filling concrete for the lower wall and upper floor. Next step was building wall of the next floor and installing roof structure to complete outer works in shorter time than conventional method. Besides, the work had higher quality than in terms of durability or smooth surface. However, tunnel technology would take about 60 - 80 days from the start to completion which was extremely fast compared to conventional method that took about 180 days. Pruksa Real Estate Plc. used this technology with Pruksa House 3 and next projects until present. This kind of technology was not only used for building townhouse but also for 8-storey condominium.

However, strengths of wall bearing structure system are as follows:

1) The structure is strong and solid because reinforced concrete wall is more durable than general bricked wall in ordinary system.
2) Quality can be controlled better because construction with this system comprises certain procedures.
3) Duration of construction can be controlled better because unnecessary steps will be cut off leading to less time than general construction.
4) It is suitable for large construction project in which model of each house is the same.
5) It reduce reliances with skilled labor in working which is a part of construction cost.
6) It reduces the step of laying bricks and plastering walls along with laying posts and beams.
7) It diminishes wastes from working which are major prob lem in construction resulting in the decrease of expenses in losing materials unnecessarily and orderly construction site.

For RC Load Bearing Wall Prefabrication, please see the topic of construction management-single detached house.

In addition to using such technology to construct main structure of townhouse, Pruksa Real Estate Plc. also has a factory producing instant fence and post with construction technology of Battery Mold system in producing fence and post for single detached house and townhouse (Pruksaville and The Connect).

Therefore, Pruksa Real Estate Plc. could construct a lot of townhouses (mass production) to respond needs of the market leading to that Pruksa Real Estate Plc. could manage construction cost effectively with economy on scale.

2. Construction Management - Single detached house

Construction management of single detached house would be in accordance with construction management of townhouse project but in construction of each project, Pruksa Real Estate Plc. would allocate officers to be responsible for each project instead of production line because single detached house project would contain fewer house units than townhouse project. However, Pruksa Real Estate Plc. would send 30 - 40 employees of the Company to supervise construction in each project and hire a contractor with certain expertise and daily employees as Pruksa Real Estate Plc. sees proper for each project.

Initially, for Technology of RC Load Bearing Wall Prefabrication, Pruksa Real Estate Plc. cooperated with Asian Institute of Technology to use methods of construction with RC Load Bearing Wall Prefabrication referred to as “Precast” by casting instant load bearing wall in area of each project. Later in 2004, Pruksa Real Estate Plc. constructed Precast Concrete Factory by purchasing such technology from Germany which was used in Semi-Automated Pallet Circulating System, the most modern production system in Thailand at that moment. Furthermore, it used this construction technology for two-story single detached house because it consisted of various wall pattern that in a house, there would be 30 - 60 pieces. This kind of construction technology was casting each piece in the factory before transported to assembly as a house in construction project.

However, strength of this technology, apart from similar advantage of house construction technology with structure of casted wall, also included other prominent points such as not losing space between beam and post resulting in more utility space, highly-fire-resistant wall, and more dullness than construction with redbrick or autoclaved aerated brick as well as high resistance to water absorption. Besides, such technology requires low maintenance because it is instant structure leading to the fact that residents pay low insurance premium as the house had reinforced concrete structure with

quality of high resistance to fire, strength and durability. For construction with this system, Pruksa Real Estate Plc. studied and developed together with AIT institution until it could resist force from 7-richter earthquake.

Houses that were constructed with this technology could be finished within 75 - 90 days but if it were general construction, it would take about 180 days. However, bringing this technology in use for first time would be casting pieces in construction site and because the initially-produced pieces could not be entirely made; building house in initial projects was involved in using pieces produced from this technology and general construction together (except single detached house project of Passorn 1 that Pruksa Real Estate Plc. used general construction in the entire project). Pruksa Real Estate Plc. constructed the factory producing instant reinforced concrete parts with this technology. This factory was constructed in 2004 and finished in January 2005 with production capacity for single detached house up to 3,600 houses/ year. Pruksa Real Estate Plc. also improved production capacity from 60% of maximum capacity to 80% of maximum capacity in June 2006.

Pruksa Real Estate Plc. also had a factory producing instant fence and posts with production technology of Battery Mold to produce fence and posts. In production process, steel formwork would be placed and controlled by hydraulic system in pushing and removing steel formwork to tail and separate with each other. After the steel formwork tailed with proper distance, concrete would be filled in the mold. After that, the formwork was removed and fence and post would be used for further construction of houses. Such factory had production capacity for fences of 12 house/ day and it increased production of fence and post, fence of single detached house and townhouse project along with model post and Parapet of townhouse.

In 2007, Pruksa Real Estate Plc. started doing condominium market and it had a policy to construct PCF3 to produce external parts of condominium but the internal wall and main structure was still old construction system. Later in 2010, the Company had a policy to construct Fully Precast system leading to inadequate capacity of PCF3. Therefore, it constructed PCF4 to support condominium works while PCF 3 was modified to produce Pre-stress concrete slab to support the plan to respond increasing need in single detached house.

In 2010, Pruksa Real Estate Plc. had more market share of single detached house that the factory capacity was not adequate. So, it constructed PCF4 and PCF5 with investment of 1.05 billion Baht and started the test run in the middle of December 2010. PCF5 could produce 400 houses/ month and when counted together with current production capacity, PCF1 would have capacity of 640 houses/ month. The newly-constructed PCF5 was a precast concrete factory with highest capacity in Thailand at that moment.

In 2011, PCF4 and PCF5 that started test run in the end of 2010 could expand its full production capacity in the middle of 2014. Later in October 2014, the great flood occurred in Bangkok and vicinity but the factory was safe from such disaster. However, it must stop production because it could not transport materials to the projects and it returned production again in January 2012.

In 2013, Pruksa Real Estate Plc. modified the system of constructing townhouse from Cast in Situ Load Bearing Wall Structure to RC Load Bearing Wall Prefabrication. It also had more market share of single detached house. So, in the second half of the year, PCF1 - PCF5 used production capacity over 100% to support growth of the company according to business plan that it had a plan to construct PCF6 and PCF7. Pruksa Real Estate Plc. purchased 130-Rai Land in Navanakorn, Pathumthani Province.

In 2014, Pruksa Real Estate Plc. constructed two new Pruksa Precast factories in Navanakorn consisting PCF6 and PCF7 with investment of 2.3 billion Baht. PCF6 produced instant reinforced concrete wall with capacity of 480 houses/ month and started production in September. PCF7 produced pre-stressed concrete Slab by implementing Long Bed System by installing the machine in September and starting production in the beginning of 2015.

New Pruksa Precast factory uses most modern technology and machine from Germany and it used automatic system controlled by computer in every step of production leading to pieces with higher standard than general standard. Furthermore, it also used Robot to reduce labor and increase productivity and also used concrete recycling system to recycle wastewater and concrete scraps in production process again. This system also sorted stone and sand that could be reused without any material scraps from production. It was environmentally-friendly and the first Green factory of Thailand that used this system in precast concrete manufacture industry.

Pruksa Real Estate Plc. expanded condominium market; so, it had a policy to use instant bathroom to reduce time and to modify PCF2 Factory from producing fences to producing instant bathroom instead. It started production in May 2014 with instant bathroom production capacity of 4,000 units/ year.

In 2015, PCF7 Factory started production in February leading to total production capacity of 1,120 houses/ month accounted for 5.2 million square meter/year. It is a factory with highest production capacity in Thailand.

In 2016, Pruksa Real Estate Plc. expanded the construction of low-rise and hire-rise condominium projects resulting in the increasing need of instant bathroom. So, PCF2 Factory improved production process which increased capacity to 7,200 units/ year.

Brief summary of Precast Factory

Location	Factory	Production System	Product	Monthly capacity
Lamlukka	PCF1 (Carrousel I)	Semi-Automated Carrousel System	Bearing Wall (House/condo wall)	700,000 Sq.m.
	PCF2		Bathroom Pods (Instant Bathroom)	Instant bathroom 7,200 Pods
	PCF3	Pre-stressed Long Line System	Slab & Beam House (Floor and beam)	600,000 Sq.m.
	PCF4	Battery Mould system	-Special Element -Back Fence of townhouse	400,000 Sq.m.
	PCF5 (Carrousel II)	Fully Automated Carrousel System	Bearing Wall (House/condo wall)	1,300,000 Sq.m.
Nava Nakhon	PCF6	Fully Automated Carrousel System	Bearing Wall (House/condo wall)	1,500,000 Sq.m.
	PCF7	Pre-stressed Long Bed System	Pre stressed concrete Slab	700,000 Sq.m.

Investment promotion from Board of Investment (BOI) - Townhouse and Condominium

Principle of promotion for old investment	Principle of promotion for New investment for 1-million Baht BOI (condominium)	Principle of promotion for New Investment for 1.2-million Baht BOI (Row house or single detached house)
• There are not less than 150 residence units for district 1 and not less than 75 units for district 2 and 3	• There are not less than 50 residence units for every district	• There are not less than 50 residence units for every district
• Unit space is not less than 31 square meter	• Unit space is not less than 2800 square meter for district 1 and not less than 31 square meter for district 2 and 3	• Unit space is not less than 70 square meter for district 1
• It must be distributed in unit price of not over 600,000 Baht (including land price)	• It must be distributed in unit price of not over 1,000,000 Baht (including land price) for district 1 and not over 600,000 Baht for district 2 and 3	• It must be distributed in unit price of not over 1,200,000 Baht (including land price) for district 1 and not over 600,000 Baht for district 2 and 3
• It must be permitted for construction according to Building Control Act or other relevant laws	• It must be permitted for construction according to Building Control Act or other relevant laws	• It must be permitted for construction according to Building Control Act or other relevant laws

Note:
1) Project in district 1 contains 6 provinces including Bangkok, Samutprakarn, Samutsakorn, Pathumthani, Nonthaburi and Nakhonpathom
2) Project in district 2 contains 10 provinces including Chonburi, Chachoengsao, Samutsongkhram, Nakhonnayok, Saraburi, Ayutthaya, Ratchaburi, Angthong, Suphanburi and Kanchanaburi
3) Project in district 3 includes other provinces and Laemchabang Industrial Estate

Environment impact mitigation measure of Condominium

Environmental impact mitigation measure is divided in 2 phases including:

1. During construction
2. During operation

However, measures in 2 phases are mostly similar and measures during construction are not much different in each project while measures during operation are a result of building design that can be different in each project.

Measure	During Construction	During operation
1. Air quality	/	/
2. Noise	/	/
3. Vibration	/	-
4. Landslide	/	-
5. Water	/	/
6. Swimming pool	-	/
7. Wastewater	/	/
8. Water drainage	/	/
9. Solid waste management	/	/
10. Electricity system	/	/
11. Energy conservation	-	/
12. Fire protection system	/	/
13. Traffic	/	/
14. Occupational health and safety	/	/
15. Landscape	-	/
16. Sunlight and wind block	-	/
17. Radio and television wave block	-	/

Example of Compliance with Measure

1. Air Quality Measure

- The project installs thick canvass from lower to upper floors around the building to prevent dust diffusion.
- The project sprinkles water in roads inside the project to reduce dust as a result of roaming in construction site.
- The project provides officers from the project to meet nearby residents and ask them about impacts from building construction.

2. Noise Measure

- The project sets the time of working with noises at day to avoid disturbing neighborhood.
- The project constructs foundation with piling method of Jack in pile to reduce impact of vibration on nearby community.
- The project repeats the contractor not to do activities that cause noises at the same time to prevent too much noise.

3. Landslide measure

- The project constructs retaining wall along the public canal to prevent bank collapse.
- The project constructs retaining wall around the project to prevent landslide that can damage near by houses.
- It pounds Sheet Pile and Bracing to prevent landslide. During removing the pile, the project needs to fill the hole immediately and crush the filling solidly to prevent soil movement.

4. Wastewater Measure

- The project has air-filling instant sewage treatment tank to treat wastewater before drained to the sanitary sewer aside the road of the project.

5. Drainage measure

- The project is designed to have drainage system in accordance with specified regulation so that drainage from the project will not trouble neighborhood during construction and operation.

6. Sewage management measure

- The project prepares the sewage tank in construction site and at many points so that the garbage truck could collect sewage for disposal.

7. Traffic measure

- The project set the information board according to the measure so that nearby residents can contact us in case of troubles and the project sign can be obviously seen.
- The project provided security guards to facilitate cars accessing the project in order not to obstruct the traffic.

8. Occupational health and safety

- The project installed strong and noticeable fences around it to prevent commuters around the project to enter the construction site.
- The project installed information sign in front of the construction site so that nearby residents can be notified in case of problems from construction area.
- The project arranges Safety Talk I everyday morning to educate workmen about personal sanitation maintenance.

RISK FACTORS

As a holding company, the potential risks faced by Pruksa Holding Public Company Limited ("Pruksa Holding Plc.") mainly derive from the business operations carried out by its subsidiaries and/or future joint ventures. These risks can be analyzed, prevented and minimized as follow:

RISKS DERIVING FROM CORE BUSINESS OF PRUKSA HOLDING

Risks as a Holding Company

Since Pruksa Holding Plc. was established as a holding company, its operating results are mainly based on the operating results of companies in which it makes invesment. Hence, deciding which company to invest in therefore becomes highly crucial in determining the operating results of Pruksa Holding Plc. Through successful completion of the proposed restructuring plan, Pruksa Holding Plc. is expected to be investing in a single subsidiary which is Pruksa Real Estate Public Company Limited.

Pruksa Holding Plc. recognizes its profits generated from subsidiaries and profit shares from joint ventures according to the percentage of its shareholding stated in consolidated financial statements which also included profits earned from Pruksa Real Estate Public Company Limited. Hence, good operating results of subsidiaries and joint ventures therefore means good profitability for Pruksa Holding Plc. as well. On the contrary, declining operating results of its subsidiaries and joint ventures will cause direct impact on the business of Pruksa Holding Plc.

Risks from building new businesses that can ensure stable recurring revenue but Pruksa Holding Plc. may be lacked of or have limited professional experience in the field

Currently, Pruksa Holding Plc. is planning to expand its business by investing in new businesses capable of generating stable and sustainable recurring revenue. These new businesses, however, are either related to the Company's field of expertise such as property development or are non-related businesses. For this reason, Pruksa Holding Plc. may be at risk if it decided to invest in a non-related business or other businesses beyond its core business which is property development for sale. In the event that the Company's new business is a non-related business or is beyond its field of expertise, the Company can seek partnerships or specialized assistance from experts. Whichever the case may be, Pruksa Holding Plc. shall make its decision on the basis of the best interests of its shareholders.

Pruksa Holding's dividend payment capability is dependent on the dividend it earned from its subsidiaries and joint ventures

As a holding company, the operational result of Pruksa Holding Plc. does not only depend on the operating results of the companies it invested but its ability to make dividend payment also depends on the dividend payment policy of its subsidiaries and/or joint ventures as well. Since Pruksa Holding Plc. invests in only one subsidiary which is Pruksa Real Estate Public Company Limited, its ability to make dividend payment therefore must be according to the dividend payment policy of Pruksa Real Estate Plc.

Nevertheless, Pruksa Holding Plc. can still generate stable revenue and profits thanks to its numerous strengths such as continually remaining at the top position in Thailand's real estate market, having extensive experience in property development for sale industry and current positive industrial trend, allowing Pruksa Real Estate Plc. to experience continuous growth. It is therefore anticipated by Pruksa Holding Plc. that Pruksa Real Estate Plc. can make dividend payment to all of its shareholders and that of Pruksa Holding Plc. on continuous basis according to dividend payment policy of Pruksa Real Estate Plc. which specified that dividend payment shall be made by no less than 50 percent of net profit stated in consolidated financial statements of Pruksa Real Estate Plc. after deducting provident fund and other related funds required by law. This allows Pruksa Holding to gain revenue, net profit and retained earnings as presented in separate financial statements of Pruksa Holding, all of which are within the scope to make dividend payment to all shareholders of Pruksa Holding Plc.

RISK FROM CORE BUSINESS OF PRUKSA HOLDING'S SUBSIDIARY

DOMESTIC RISK FACTORS

1. Risk due to changes in commercial bank loan policy

Pruksa Real Estate Plc. is engaged in the business of property development. In 2016, it generated revenue from property sale by as high as Bt 46,926 million, or around 99 of its total revenue., and its customers by over 90 percent tend to buy house and property through loans. If commercial banks including state-owned banks namely Government Housing Bank and Government Savings Bank have no policy on expanding or decided to reduce loan offers, it will directly impact these house and property buyers as there are no alternative sources of financial aid. In other words, their purchasing power will become limited which will in turn directly affect the revenue of Pruksa Real Estate. To prevent this, Pruksa Real Estate Plc. therefore requires its employees to fill out customer basic information form upon receiving house purchasing and loan application requests from its customers. This form is to be submitted to the bank to acquire pre-approval within the period of seven work days to see whether or not the requested loan will be granted in order to prevent risks for both the customers and Pruksa Real Estate. In addition, Pruksa Real Estate Plc. offers a wide range of low-cost real estate options for its customers.

Furthermore, Pruksa Real Estate Plc. also assigned a working team to monitor current economic situation, including constantly updating bank-related policies that might be affecting its business operations, redefining its strategy to ensure they are in line with current situation, negotiating with commercial and state-owned banks namely Government Housing Bank and Government Savings Bank to facilitate its customers in acquiring loans and even defining measures to ensure the customers can acquire loans as quickly as possible.

As part of its long-term plan, Pruksa Real Estate Plc. aims to assist its customers in gaining wider access to financial sources according to their capability to make repayment. Hence, Pruksa Real Estate Plc. joined forces with numerous commercial banks to form an alliance to collaboratively improve related working process to ensure higher efficiency. This includes loan application process, related support team and information technology system.

2. Risk concerning construction cost and insufficient construction materials

Most of Pruksa Real Estate property sales are pre-sale and of which its pricings are all determined on cost plus basis. Hence, any fluctuations in the prices of construction materials or changes in labor wages after property pricings had already been determined by Pruksa Real Estate Plc. and the customer had already agreed to purchase such property will likely result in higher sale cost for Pruksa Real Estate Plc. and causing its gross profit to reduce.

Construction materials are one of the most essential construction costs. Currently, the prices of main construction materials and gas have slightly declined due to changing demand and supply and global economic condition, allowing production and transportation costs to drop. Nevertheless, the rising land costs had led to higher land and house cost and Pruksa Real Estate Plc. was unable to adjust its selling prices instantly. Even in the case which Pruksa Real Estate Plc. managed to adjust its selling pricess to be in line with the increasing overall costs, its sale quantity would still be affected and inevitably impact the financial position and operating results of Pruksa Real Estate.

Meanwhile, the increasing number of construction projects may lead to insufficient construction materials. If such problem occurs, Pruksa Real Estate Plc. might have to face higher construction material cost or even delays in the construction process while waiting for missing construction materials, both of which can adversely affect the financial position and operating results of Pruksa Real Estate.

Fortunately, Pruksa Real Estate Plc. is well-recognized for its quick construction process and is capable of delivering complete townhouse and single-detached housing projects within the period of 45 days and 70 days, respectively. This helps to minimize risk by certain level. Also, Pruksa Real Estate Plc. is able to estimate the cost of construction

materials needed in the next 2 - 3 months, allowing it to adjust its selling prices accordingly. Furthermore, Pruksa Real Estate Plc. has a policy on expanding its real estate sales during construction period in order to mitigate risks due to changes in the cost of build-to-order. Regarding condominium projects, Pruksa Real Estate Plc. is still facing risks due to extended construction period. However, such risks can be prevented. Since 2006, Pruksa Real Estate Plc. has been selecting its main vendors from all major categories of construction materials through bidding, allowing it to maintain fixed construction cost throughout the entire year. To prevent the problem of insufficient construction materials especially those that are essential to the construction, Pruksa Real Estate Plc. has a policy on building partnerships and defining clear cut procedures for the selection, caring and evaluation process as well as how to work together. Pruksa Real Estate Plc. also holds a meeting to report on changes in the costs of main construction materials on a monthly basis, including regularly assess impact on sale cost in order to consider making changes to existing selling prices or finding alternative materials.

3. Risk from insufficient labor

Insufficient labor has remained as a major issue in real estate industry during the past two years due to growing number of construction projects not to mention increasing number of large public utility construction projects, all of which has led to insufficient number of contractors and skilled labor in certain areas. Unless Pruksa Real Estate Plc. managed to find specialized contractors, many of its construction projects will likely face delay and unable to be handed over to the buyers within specified period.

Apart from on hand experience on the construction of low-rise buildings designed with on-site installation system and precast concrete panel as the main structure, Pruksa Real Estate Plc. also directly managed its core projects by assigning its engineers and foremens to oversee the overall construction works. For this reason, Pruksa Real Estate Plc. must therefore hire specialized contractors or labor contractor to carry out each construction process starting from foundation work, installation work, tiling work to roofing and painting works. In other words, all of Pruksa Real Estate Plc. contruction operations are performed under close supervision of Pruksa Real Estate Plc. personnel. In respect to condominium projects, Pruksa Real Estate Plc. began to hire contractors to carry out the construction of high-rise buildings or condominium projects at a fixed rate for the first time in 2009 and constantly forms an alliance with outstanding, high quality contractors in hope to reduce risks resulting from expanding production or construction capacity in order to support rapid growth of Pruksa Real Estate Plc. in the future.

To reduce its reliance on labor force as well as the number of working hours and ensure the use of limited labor force in the most efficient manner, Pruksa Real Estate Plc. therefore adopted a new construction technology called “Real Estate Manufacturing (REM)” to control the entire low-rise housing construction operation step-by-step to ensure highest quality. REM helps to promote efficient use of construction labor by allowing the contractor to focus on only the works within his field of expertise such as tiling work or painting work. This manufacturing process is similar to that of automobile industry. In 2016, Pruksa Real Estate Plc. managed to maintain its business cycle time at an average of 77 days for low-rise housing projects.

Furthermore, Pruksa Real Estate Plc. tried to adopt innovative solutions such as new construction management systems or prefabricated materials or compositions such as prefabricated bathroom in order to reduce its dependence on labor and working hours while enhancing quality.

4. Risk from reliance on specialized personnel

Most of the real estate projects operated by Pruksa Real Estate Plc. are constructed with cast-in-place slabs using tunnel technology and prefabricated wall bearing system, both of which are recent construction technologies. For this reason, Pruksa Real Estate Plc. must therefore depend on highly experienced personnel with specialized knowledge and skills and expertise in this field of operation, particularly construction engineers and foremen. Hence, any transfer of this particular group of personnel will adversely affect business continuity of Pruksa Real Estate Plc. and will eventually cause significant impact on the financial position and operating results of Pruksa Real Estate Plc.

Pruksa Real Estate Plc. is committed to continuously carry out personnel competency development to ensure that all personnel can perform their duties whether in current or future position efficiently and capable of meeting the determined goals.

To achieve this, Pruksa Real Estate Plc. therefore categorized essential personnel training programs into six categories including:

1. On Boarding Program
   This training program was specifically developed for new comers to help them get to know the organization better and allow them to adapt to new organizational culture. Since most new comers are either former employees of their last company or new graduates, being able to adapt oneself to the current organization is highly crucial as it is the first step toward becoming part of the team. The Company also assigned coaches to assist new comers during their first four months at work to promote easy adaptation to organization culture. These coaches are representatives from the branches where new comers had been positioned to perform duties.
2. Career Group
   This personnel training program was specifically developed for each line or function. It comprises of several programs such as Installation Work Standard Program and Real Estate Manufacturing Program.
3. Quality & Safety
   This category mainly focuses on quality and safety regulations stated by law.
4. Leadership & Expertise
   This category was specifically developed for training all manager and executive levels by focusing on promoting carreer progress and at the same time ensuring that these managers and executives completely meet the specified Leadership Competency requirements.
5. Personal Development
   This training program was developed for those personnel who wish to acquire additional knowledge beyond their professional knowledge for self-development. For instance, “Gen Y Add Value for Self Development”.
6. Information Technology

This category mainly involves training programs relating to the use of essential system or application software such as Advance Excel.

Personnel Training and Development shall be responsible for ensuring that the determined annual personnel training plan is in line with each job position and needs, including providing reimbursement program in regards to transportation and accommodation expenses for those personnel working in rural areas but are required to be trained according to the Company’s personnel development plan. In addition, e-learning system had been developed to further promote self-learning in the future. Meanwhile, specialized personnel are encouraged to become internal trainers in order to promote internal knowledge within the organization and help to train colleagues. Each trainer must undergo a training program called “Train the Trainer”.

In addition, Pruksa Real Estate Plc. has a policy for managing talented employees to support the sustainability growth by building leadership, young-executives in the future through a process of considering potential personal attributes, both in terms of management capabilities and potential capabilities and performance results, including succession planning policies, to prepare for succession and replacement of important positions in the organization systematically. Pruksa Real Estate Plc. will commit to the training and development of talented employees and potential successors by providing training courses specifically for these employees such as "Future Leader Program".

In addition, the Company joined forces with Thammasat University in organizing Mini MRE (Mini Master of Real Estate) Program for mid-level executives to ensure they have the required knowledge and understanding pertaining to real estate business and are able to be promoted to higher levels. This 90-hr course had been organized for six consecutive years.

5. Risk from property search for development

- *Risk due to inability to procure sufficient amount of land to meet the needs of business goal or plan*
  The best ways to acquire good property for real estate development are through sale agent and direct sale offer from land owner. Bearing this in mind, Pruksa Real Estate Plc. therefore took an aggressive approach to promote or encourage both allied sale agents and new sale agents to search and offer to sell property in targeted locations as quickly and as much as possible. In the case of direct sale offer from land owner, a systematic procedure will be developed to facilitate quick selection and decision making regardless of its source. This selection and decision making process shall also be carried out in transparent and fair manner for all related parties including the land owner. Furthermore, Pruksa Real Estate Plc. also developed preventive measures to entirely eliminate any conflict of interests that may lead to higher land cost.
- *Risk due to making wrong purchasing decision such as buying landlocked property, property that cannot be developed or property that may cause impact on nearby community during construction*
  To prevent such risk, Pruksa Real Estate Plc. therefore appointed a specialized working team with extensive experience to survey the physical conditions of every targeted plot of land before purchase, including hiring an independent firm to conduct land valuation and even hiring outsources to perform cadastral survey, land level measurement, etc. in the most careful manner. In case any inquiry arises concerning lane width, publicness or even legal restrictions, there will be an agency to act as a point of contact to help acquire certifications from various governmental agencies on the concerned matters such as city plan color, land expropriation, road connection and other related issues.

- *Risk from buying over expensive land or land located in areas with low buying power or limited demands*
  Through careful decision making process, the business group shall collect market data, conduct feasibility study, analyze current market and competitors, including comparing market price of targeted property, valuation price by governmental agency and valuation price by independent firm. These information shall be used to support feasibility study report of each project and shall be audited by finance department with the aim to reduce potential risks that may arise from real estate development projects that cannot be sold as expected or experience losses.

  Also, the Company's land sourcing and procurement processes are carried out in a form of committee which is made up of high ranking executives specialized in land and land development, business, finance, laws and regulations, risk mitigation, etc. This is to ensure that Pruksa Real Estate Plc. is able to acquire good property at appropriate time and amount in order to meet revenue target specified in the determined business plan.

6. Risk due to operating business under strict laws

Pruksa Real Estate Plc. is engaged in real estate development business. It concentrates on developing projects for townhouses, single-detached houses and condominiums for general public. Throughout its history, Pruksa Real Estate Plc. has carried out its business in compliance with the laws as well as the regulations and requirements of governmental agencies. It also maintained confidence among its customers by guaranteeing that every products of Pruksa Real Estate Plc. have been legally certified by related government agencies. Nevertheless, there may be cases where the customers are were unsatisfied with its product or service. If this occurs, there will be state agency or relevant organization to act as a point of contact to help establish understanding or even suggest a remedy or solution that can be accepted by both parties.

During the past year, Pruksa Real Estate Plc. noticed certain group of customers who felt that they had not treated fairly and therefore used different channels of communication such as the internet and public media to discredit the Company. This will not only result in misleading information among unrelated external parties who do not have factual information about the Company but also damage the Company's reputation.

What's more, Pruksa Real Estate Plc. had encountered several cases of ill intention towards the Company and wished to seek personal interests from the Company's reputation by creating false e-mail address to lure foreign investors or even using the Company's name to mislead investors into thinking that they are joining investment with Pruksa Real Estate. In such cases, Pruksa Real Estate Plc. had already notified and established clarifications among the affected parties that Pruksa Real Estate Plc. took no part in such matters.

Nevertheless, these risks will continue to prevail and will cause significant impact on the business operation, financial position and operating results of Pruksa Real Estate Plc. if occurred frequently. By realizing that these events were mainly caused by customer and investor misunderstanding, Pruksa Real Estate Plc. therefore find the opportunity to meet up with its customers and investors to establish clear understanding and build confidence in regards to its products and services as much as possible including announcing its transparency policy. This helps to minimize such risks and at the same promote greater credibility for Pruksa Real Estate.

INTERNATIONAL RISK FACTORS

Currently, Pruksa Real Estate Plc. carries out its oversea business operation only in Bangalore, India. This is because no progess have been made so far concerning its joint investment in Chennai and Mumbai.

Major risks from oversea business operation can be summarized as follow:

1. Risk from global economic and market conditions

To cope with such risk, Pruksa Real Estate Plc. continuously monitored economic indicators in each country as well as industrial situation in real estate development sector and market competition to ensure that the marketing strategy implemented will enable it to develop and deliver residential housing projects that can accurately address consumer needs and at the same time compete with local entrepreneurs. In the event that the Company decided to expand its investment in each location, it will first closely monitor current economic and market situations to ensure that its investment and available resources are used in the most efficient manner to achieve optimal benefits and at the same time in line with the current situation.

2. Risk from sourcing and acquiring land in high potential areas and at suitable price

Pruksa Real Estate Plc. is well awared that it is at a disadvantage when being the foreign company dealing in local property business that tend to lack of knowledge and understanding and even have limited experience on making negotiation in purchasing a property. Pruksa Real Estate Plc. therefore established a network of property sale agents, real estate consultant firms and financial institutions to give advice and act as a point of contact for interested buyers, including collecting property according to the size required by the Company. Currently, problems concerning land sourcing and acquisition remain quite limited.

3. Risk due to insufficient skilled labor and construction labor

Pruksa Real Estate Plc. has a policy to continue using reinforced concrete wall bearing system to allow quick and high quality construction. Today, its construction unit and construction labor in India Branch have become more familiar with this system, allowing such risks to be minimized. Nevertheless, Pruksa Real Estate Plc. must continue to closely monitor the quality of its construction work.

4. Risk from rules and regulations concerning business operation and permit from governmental agencies

Pruksa Real Estate Plc. has a policy to operate its business in strict compliance with local rules and regulations. In the event of joint venture, Pruksa Real Estate Plc. had established a procedure requiring its joint ventures to coordinate with governmental agencies and acquire permits concerning property development projects from land acquisition, investments, construction permit to ownership transfer. This is particularly important during the first stages of project development as it can help to promote efficient time management.

5. Risk from losses due to exchange rates

As at December 31, 2016, Pruksa International Company Limited and Pruksa Overseas Company Limited have paid-up capital totaling Bt 1,000 million and Bt 500 million, respectively. Both firms were established to invest in companies oversea with net investment capital amounting to Bt 895 million, or 1.3 percent of total assets stated in the financial statements of Pruksa Real Estate Plc. The consolidated financial statements also displayed revenue earned from real estate business oversea equivalent to Bt 129 million or around 0.3 percent of total revenue from real estate sales.

Pruksa Real Estate Plc. constantly monitors risk management performance concerning exchange rates as well as the performance of foreign investment committee and risk management committee every two months. It also established

FX Policy which listed all certified financial instruments that can be used to manage risks pertaining to exchange rates which include forward contract, options and Pruksa Real Estate Plc. swap.

In addition, the Company also established a policy to utilize capital sources in each country and expand the use of local currency for loans in order to promote further real estate project development and expansion. In respect to investment expansion within the same city or new country, Pruksa Real Estate shall first monitor economic and local currency trends in each country before making decision to ensure that such investment is carried out at appropriate timing to help prevent risks from losses due to currency exchange rates.

OTHER RISK FACTORS

Risk from operating under the influence of major shareholders

As at December 31, 2016, Vijitpongpun Group, the largest shareholder of Pruksa Hoding Plc., holds 1,649,373,788 shares within the Company, or around 75.46 percent of total paid-up capital of Pruksa Holding Plc. and can therefore influence the votings of the shareholders on important matters which are required to gained majority votes from shareholders presented and is entitled to cast a vote.

In addition, Mr. Thongma Vijitpongpun, one of the major shareholders of Pruksa Holding Plc. is currently holding 1,314,018,286 shares, or around 60.11 percent of total paid-up capital of Pruksa Holding Plc. and still remain as Chief Executive Officer and authorized director of Pruksa Real Estate Plc. Hence, other shareholders are unable to gather the votes to perform check and balance on major shareholders.

Risk concerning impact on earning per share and authorization from exercising the rights stated in the warrant

Pruksa Holding Plc. had issued warrants for the rights to purchase common stock of Pruksa Holding Plc. (the "Warrant") to the directors and management of Pruksa Holding Plc., Pruksa Real Estate Plc. and/or subsidiary of Pruksa Real Estate Plc., totaling three copies which included Pruksa Holding Plc. - WE, Pruksa Holding Plc. - WF and Pruksa Holding Plc. - WG in replacement of the warrants of Pruksa Real Estate Plc. which had been removed as part of the restructuring plan. In the event that these warrants have been used, the shareholders will be affected in terms of earning dilution and control dilution. If all three warrants are appropriated and fully exercised.

GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION

GENERAL INFORMATION OF THE COMPANY

The Company's Name	:	Pruksa Holding Public Company Limited
Type of Business	:	Business operation as Holding Company
Head Office's Location	:	979/88, SM Tower Building, 28th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Company Registration No.	:	0107559000052
Home Page	:	http://www.psh.co.th
Telephone	:	66 (0) 2298 0101
Facsimile	:	66 (0) 2298 0102
Registered Capital (Baht)	:	2,273,217,600 Baht
Paid-Up Registered Capital (Baht)	:	2,185,857,580 Baht
Classification	:	2,273,217,600 Ordinary Shares at par value of 1 Baht per share

INFORMATION OF JURISTIC PERSON HELD BY THE COMPANY FROM 10% AND OVER

Company's Name	:	Pruksa Real Estate Public Company Limited
Type of Business	:	Business operation in real estate development in types of townhouses, single detached houses, and condominiums in Thailand and Asia region such as Maldives and India
Head Office's Location	:	979/83, SM Tower Building, 27th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Company Registration No.	:	0107548000307
Home Page	:	http://www.pruksa.com
Telephone	:	66 (0) 2298 0101
Facsimile	:	66 (0) 2298 0102
Registered Capital (Baht)	:	2,232,682,000 Baht
Paid-Up Registered Capital (Baht)	:	2,232,682,000 Baht
Classification	:	2,232,682,000 Ordinary Shares at par value of 1 Baht per share

GENERAL INFORMATION OF AFFILIATED COMPANIES

1) Pruksa Real Estate Public Company Limited
Head Office's Location: 979/83, SM Tower Building, 27th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: Business operation in real estate development in types of townhouses, single detached houses, and condominiums
Company Registration No.: BorMorJor. 0107548000307
Telephone: 0-2298-0101,
Facsimile: 0-2298-0102
Homepage: www.pruksa.com

2) Branch Office 1
PS Precast Factory (Lamlookka)
Factory's Location: 54/1 Village No. 4, Lamlookka Road, Ladsawai Sub-district, Lamlookka District, Pathumthani Province
Type of Business: Precast Concrete, Fence and Stanchion Factory
Telephone: 0-2532-8124 -32
Facsimile: 0-2532-8123

3) Branch Office 2
PS Precast Factory (Nava Nakhon)
Factory's Location: 69/5 Village No. 11 Phaholyothin Road, Khlong Nueng Sub-district, Khlong Luang District, Pathumthani Province
Type of Business: Precast Concrete, Fence and Stanchion Factory
Telephone: 0-2532-8124-32
Facsimile: 0-2532-8123

4) Kaysorn Construction Company Limited (Subsidiary Company)
Head Office's Location: 979/95, SM Tower Building, 29th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: Contracting and decoration
Telephone: 0-2298-0101 Ext. 172

5) Putthachart Estate Company Limited (Subsidiary Company)
Head Office's Location: 979/99, SM Tower Building, 30th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: Real estate development
Telephone: 0-2298-0820

6) Phanalee Estate Company Limited (Subsidiary Company)
Head Office's Location: 979/97, SM Tower Building, 30th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: Real Estate Development
Telephone: 0-2298-0101

7) Pruksa Overseas Company Limited (Joint-Stock Company)
Head Office's Location: 979/100, SM Tower Building, 30th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: Stock investment
Telephone: 0-2298-0101
Facsimile: 0-2298-1000

8) Pruksa International Company Limited (Subsidiary Company)
Head Office's Location: 979/98 SM Tower Building, 30th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: International real estate development
Telephone: 0-2298-0101
Facsimile: 0-2298-1000

9) Pruksa Overseas Service Company Limited (Subsidiary Company)

Head Office's Location: 979/84 SM Tower Building, 27th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: Supportive services for affiliated enterprises or Its own branches both in domestic and international (ROH)
Telephone: 0-2298-0101

10) Pruksa India Housing Private Limited (Subsidiary Company)

Head Office's Location: Ferns Icon, Unit No.7, 1st Floor, Daddanekundi Village, Next to Akme Ballet, Marathahalli Outer Ring Road, Bangalore-560 037 Karnataka, Republic of India
Type of Business: Real estate development in India
Telephone: : +91 9632707654

11) Pruksa India Construction Private Limited (Subsidiary Company)

Head Office's Location: Ferns Icon, Unit No.7, 1st Floor, Doddanekundi Village, Next to Akme Ballet, Marathahalli Outer Ring Road, Bangalore-560 037 Karnataka, Republic of India
Type of Business: Contracting for construction in India
Telephone: : +91 9632707654

12) Pruksa-Mohan Mutha Real Estate Private Limited (Joint-Stock Company)

Head Office's Location: Brooklyn Business Centre, 6th Floor West Wing, 103-105, Poonamallee High Road, Chennai-600085 Tamil Nadu, Republic of India
Type of Business: Real estate development in India

13) Pruksa-Luxora Housing Private Limited (Joint-Stock Company)

Head Office's Location: Soham House, Hari Om Nagar, Off. Eastern Express Highway, Muland (East), Mumbai - 400081 Maharashtra, Republic of India
Type of Business: Real estate development in India

14) Pruksa Vietnam Company Limited (Joint-Stock Company)

Head Office's Location: Unit A, 8th Floor, No.116 Nguyen Duc Canh, Cat Dai Ward, Le Chan District, Hai Phong, Vietnam
Type of Business: Real estate development in Vietnam

15) Pruksa-HDC Housing Private Limited (Joint-Stock Company)

Head Office's Location: 2nd Floor, HDC Building, Hulhumale, Republic of Maldives
Type of Business: Real estate development in Maldives

16) Kaysorn Construction Limited, Maldives Branch (Subsidiary Company)

Head Office's Location: 2nd Floor, HDC Building, Hulhumale, Republic of Maldives
Type of Business: Contracting for construction and decoration

17) Thanathep Engineering & Construction Company Limited (Subsidiary Company)

Head Office's Location: 37/1 Lim Charoen 2 Building, 3rd Floor, Vibhavadi Rangsit Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business: Contracting for construction (under liquidation)

INFORMATION OF OTHER REFERENCES

Securities Registrar
Company's Name: Thailand Securities Depository Company Limited
Head Office's Location: 93 Office of the Stock Exchange of Thailand Building, Ratchadaphisek Road,
Din Daeng Sub-district, Din Daeng District, Bangkok 10400
Telephone: 0-2009-9000

Debenture Registrar (Debentures issued by Pruksa Real Estate Public Company Limited)
Company's Name: Bank of Ayudhya Public Company Limited
Head Office's Location: 1222 Rama III Road, Bang Phongphang Sub-district, Yannawa District, Bangkok 10120
Telephone : 1572

Auditor

Miss Wannaporn Jongpeeradechanon	Certified Public Accountant Registration No. 4098 and/or
Mr. Charoen Phusamritlerd	Certified Public Accountant Registration No. 4068 and/or
Miss Marisa Tharathornbanphakul	Certified Public Accountant Registration No. 5752

KMPG Phoomchai Audit Company Limited
Head Office's Location: 195 Empire Tower, 22nd Floor, Sathon Tai Road, Yannawa Sub-district, Sathon District, Bangkok 10120
Telephone : 0-2677-2000

Legal Consultant
Baker & McKenzie Ltd.
Head Office's Location: 990 Abdulrahim Place Building, 25th Floor, Rama IV Road, Bangkok 10500
Telephone : 0-2626-2000

INFORMATION OF SECURITIES AND SHAREHOLDERS

1. NUMBER OF REGISTERED CAPITAL AND PAID-UP CAPITAL

As on December 30, 2016, the registered capital of Pruksa Holding Public Company Limited ("Company") for 2,273,217,600 Baht has been divided into ordinary shares for 2,273,217,600 shares at par value of 1 Baht per share, consisting of paid-up capital for Bt 2,185,857,580. The Extraordinary Meeting of Shareholders of the Company No. 1/2016 on April 29, 2016 approved the allocation of not more than 2,273,217,600 ordinary shares for capital increase of Pruksa Holding Pcl. as follows.

- Not more than 2,232,682,000 ordinary shares for capital increase of Pruksa Holding Plc. for share payment to the shareholders of Pruksa Real Estate Plc. in the ratio of 1 new share of Pruksa Holding Plc. per 1 new share of Pruksa Real Estate Plc. at par value of Bt 1 per share without price payment in cash, according to business restructuring plan under the Notification of Capital Market Supervisory Board No. ThorJor. 34/2552 on Criteria of Newly Issued Securities Offering and Tender Offer for Primary Securities of Listed Companies for Shareholding and Management Restructuring

- Not more than 40,526,600 ordinary share for capital increase of Pruksa Holding Plc. at par value of Bt 1 per share to support the right exercise of warrant holders to purchase ordinary shares of Pruksa Holding Plc. whereas Pruksa Holding Plc. will issue Warrants to Purchase Ordinary Shares of Pruksa Holding Plc. to directors and executives of Pruksa Holding Plc., Pruksa Real Estate Plc., and/or subsidiaries of Pruksa Real Estate Plc. in replacement of Warrants to Purchase Ordinary Shares of Pruksa Real Estate Plc. that have been cancelled under Business Restructuring Plan in this time

2. SHAREHOLDERS

List of Major Shareholders

The Company's shareholders as of December 30, 2016 are as follows.

No.	Name of Shareholder [1]	Shareholding	
		Shares Held (Shares)	Shareholding Proportion (Percentage)
1.	Vijitpongpun Group	1,649,373,788	75.46
	Mr. Thongma Vijitpongpun	1,314,018,286	60.11
	Mrs. Tipsuda Vijitpongpun	85,000,000	3.89
	Miss Chanya Vijitpongpun	85,000,000	3.89
	Miss Malinee Vijitpongpun	85,000,000	3.89
	Mrs. Rattana Promsawad	40,220,401	1.84
	Mr. Jirathep Promsawad	13,000,000	0.59
	Miss Chantana Promsawad	13,000,000	0.59
	Mr. Chamlong Promsawad	12,800,000	0.59
	Miss Anchalee Vijitpongpun	453,001	0.02
	Mr. Thavorn Vijitpongpun	450,000	0.02
	Mr. Soros Vijitpongpun	415,100	0.02
	Mrs. Patcha Vijitpongpun	17,000	0.00
2.	Thai NVDR Company Limited	63,915,109	2.92
3.	Social Security Office	57,065,200	2.61
4.	STATE STREET BANK EUROPE LIMITED	16,846,962	0.77
5.	CHASE NOMINEES LIMITED	15,353,785	0.70
6.	Mr. Nares Ngarmapichon	13,000,000	0.59
7.	Mr. Anucha Kitthanamongkolchai	9,910,000	0.45
8.	Mrs. Supaporn Jansereevitthaya	8,970,000	0.41
9.	EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	7,775,400	0.36
10.	Mr. Vanchak Kitthanamongkolchai	7,000,000	0.32
	Total Top Ten	1,849,210,244	84.60
	From Total Shares	2,185,857,580	100.00

Remark: [1] Structure of top ten major shareholders of the Company has been grouped according to shareholder relations. It is the disclosure under Section 69 of Securities and Exchange Act B.E 2535 (1992) and irrelevant to nature of relation or behavior within the nature of teamwork with other person pursuant to the Notification of Capital Market Supervisory Board No. ThorJor. 7/2552 at all.

Restriction on Foreigner's Shareholding

The foreign shareholders are able to hold in an aggregate portion of no more than 40.0% of the Company's total issued and paid-up shares.

Major shareholders of the subsidiaries that engage in major business of the Company (under criteria of Holding Company)

Top ten major shareholders of the subsidiaries that engage in major business of the Company as of December 9, 2016 are as follows.

No.	Name of Shareholder	Shareholding	
		Shares Held (Shares)	Shareholding Proportion (Percentage)
1.	Pruksa Holding Public Company Limited	2,185,847,580	97.90
2.	HSBC (SINGAPORE) NOMINEES PTE LTD	18,842,790	0.84
3.	CHASE NOMINEES LIMITED	7,721,100	0.35
4.	Mr. Prayooth Ueaywattana	3,060,000	0.14
5.	Mr. Pisit Leeahtam	1,329,900	0.06
6.	Mrs. Supaporn Jansereevitthaya	1,000,000	0.05
7.	Mr. Bahratbusan Kwatra	1,000,000	0.05
8.	Mr. Suchote Chanviphava	875,900	0.04
9.	BNP PARIBAS SECURITIES SERVICES ZWEIGNIEDERLASSUNG FRANKFURT AM MAIN	727,800	0.03
10.	Mr. Samit Kenganunsakul	585,400	0.03
	Total Top Ten	2,220,990,470	99.48
	From Total Shares	2,232,682,000	100.00

3. DEBENTURE

As of December 31, 2016 there was Bt. 18,000 m outstanding which can be divided into six tranches as follows :

Name of Debentures of Pruksa Real Estate Public Company Limited	No 1/2012 due 2016 and 2017	No. 1/2013 due 2016 and 2018	No. 1/2014 due 2017	No. 2/2014 due 2017 and 2018	No. 1/2015 due 2018 and 2020	No. 1/2016 due 2019
Type of debentures	Name registered debenture			Name registered debenture		
Status	Unsuborinated and Unsecured			Unsuborinated and Unsecured		
Lead underwriter, Registrar and paying agent	Bangkok Bank Plc. and Kasikorn Bank Plc.	Kasikorn Bank Plc. and Siam Commercial Bank Plc.	Kasikorn Bank Plc. And Bank of Ayudhaya Plc.	Bank of Ayudhaya Plc. and United Overseas Bank (Thai) Plc.	Kasikorn Bank Plc.	Bank of Ayudhaya Plc., CIMB Thai Bank, Thanachard Bank Plc.
Par value	Bt 1,000			Bt1,000		
Issue price/unit	Bt 1,000			Bt1,000		
Issue size	Bt 5,000,000,000 (Balance amount Bt 2,000,000,000)	Bt 6,000,000,000 (Balance amount Bt 3,000,000,000)	Bt 2,000,000,000	Bt 4,000,000,000	Bt 3,000,000,000	Bt 4,000,000,000
No. of debenture	5,000,000 units (Balance 2,000,000 Units)	6,000,000 units (Balance 3,000,000 units)	2,000,000 units	4,000,000 units	3,000,000 units	4,000,000 units
Duration	3.6 years and 5 years from the issuing date	3.1 years and 5 years from the issuing date	3 years from the issuing date	2.9 years and 3.6 years from the issuing date	3.6 years and 5 years from the issuing date	3 years and 3.6 years from the issuing date
Issuing date	21 Sep 2012	15 May 2013	31 Jan 2014	17 Sep 2014	13 May 2015	17 Mar 2016
Maturity date	Series 1 : 21 Mar 2016 (Due)	Series 1 : 15 Jun 2016 (Due)	Series 1 : 31 Jan 2017	Series 1 : 17 Jun 2017	Series 1 : 13 Nov 2018	Series 1 : 21 Mar 2019
	Series 2 : 21 Sep 2017	Series 2 : 15 May 2018		Series 2 : 17 Mar 2018	Series 2 : 13 May 2020	Series 2 : 17 Sep 2019
	Series 3 : 21 Mar 2016 (Due)					
	Series 4 : 21 Sep 2017					
Coupon rate	Series 1 : 4.22% per annum of Bt 600,000,000	Series 1 : 3.58% per annum of Bt 3,000,000,000	Series 1 : 3.88% per annum of Bt 2,000,000,000 **	Series 1 : 3.71% per annum of Bt 2,000,000,000**	Series 1 : 2.68% per annum of Bt 1,000,000,000**	Series 1 : 2.05% per annum at Bt 2,300,000,000
	Series 2 : 4.6% per annum of Bt 600,000,000**	Series 2 : 4.09% per annum of Bt 3,000,000,000**		Series 2 : 3.90% per annum of Bt 2,000,000,000 **	Series 2 : 3.23% per annum of Bt 2,000,000,000**	Series 2 : 2.06% per annum at Bt 1,700,000,000
	Series 3 : 4.22% per annum of Bt 2,400,000,000					
	Series 4 : 4.6% per annum of Bt 1,400,000,000**					
Coupon payment period	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Redemption	The issuer shall redeem the debentures with the single payment o principal and the final unpaid interest (if any) at maturity			The issuer shall redeem the debentures with the single payment o principal and the final unpaid interest (if any) at maturity		
Repurchasing of debenture	The issue is entitled to repurchase the debentures from the secondary market or otherwise a any time			The issue is entitled to repurchase the debentures from the secondary market or otherwise a any time		
Credit Ratiing by TRIS	"A" as issued on 14 Aug 2012"	"A" as issued on 20 Mar 2013"	"A" as issued on 20 Dec 2013"	"A" as issued on 10 Jul 2014"	"A" as issued on 16 Apr 2015"	"A" as issued on 25 Feb 2016"

** increased interest rate 0.10% as of 1 Dec 2016

4. ISSUANCE OF OTHER SECURITIES

As of April 29, 2016, the Extraordinary Meeting of Shareholders of the Company No. 1/2016 resolved to approve the Company for issuance of warrants to purchase ordinary shares of the Company to the directors and executives of the Company, Pruksa Real Estate Plc. and/or the subsidiaries of Pruksa Real Estate Plc. in replacement of cancelled warrants to purchase ordinary shares of Pruksa Real Estate Plc. under business restructuring plan in this time. Total warrants issued by the Company for replacement have been 3 lots whereas the details of each lot of warrants can be concluded as follows.

	WE Lot	WF Lot	WG Lot	Total Number
Number of Cancelled Warrants of Pruksa Real Estate Plc.	13,591,700	11,933,900	15,000,000	**40,525,600**
Number of Warrants Approved by Pruksa Holding Plc. for Offering in Replacement	13,591,700	11,933,900	15,000,000	**40,525,600**
Number of Warrants under Expectation to Allocate by Pruka Holding Plc. to Directors and Executive for Replacement	2,914,244	3,013,124	14,698,688	**20,626,056**

1) PSH-WE Project for Issuance of 13,591,700 units of Warrants to Purchase Ordinary Shares of Pruksa Holding Public Company Limited to the Directors and Executives of Pruksa Holding Public Company Limited, Pruksa Real Estate Public Company Limited, and/or Subsidiaries ("PSH-WE Project")

Name of Security	Warrant to Purchase Ordinary Shares of Pruksa Holding Public Company Limited (PSH-WE)
Type	Warrant
Kind	Holder-Named, Non-Transferrable and Non-Negotiable Warrant to Purchase Ordinary Shares of Pruksa Holding Public Company Limited unless it is the transfer to the sub-buyer of the security.
Number of Offering Warrants	13,591,700 Units
Offering Price per Unit	Bt 0
Warrant Term	1 years, 9 months and 26 days from issuing date of warrants whereas expiry date of warrant term is 24 February 2018.
Number of Ordinary Shares Supporting Exercise of Right	13,591,700 shares at par value of 1 Baht per share or estimated number for 0.61% of total number of the Company's paid-up shares after tender offer for shares of Pruksa Real Estate Plc., using the assumption that all shareholders will accept tender offer and initial registered capital will be decreased based on restructuring plan or estimated for 2,232,682,000 shares.
Allocation Method for Warrant to Purchase Ordinary Shares	The Company shall allocate 13,591,700 units of warrants under PSH-WE to the directors (who are allocated on behalf of the executives of Pruksa Holding Plc., Pruksa Real Estate Plc. and/or subsidiaries) and the executives (who do not hold the position of the Company's director) of Pruksa Holding Plc., Pruksa Real Estate Plc., and/or subsidiaries, in the number equaling to warrants under PS-WE Project possessed by the said group of people on the date which the General Meeting of Shareholders of Pruksa Real Estate Plc. has resolved to cancel warrants under PS-WE Project based on shareholding and management restructuring plan of Pruksa Real Estate Plc. The allocation of the said warrants shall be completed within one (1) year from the date of which the Meeting of Shareholders has resolved to approve the Company for issuance of warrants to the directors and executives of Pruksa Real Estate Plc., and/or subsidiaries.

	The offering for sale to the executives (who do not hold the position of the Company's director) of Pruksa Holding Plc., Pruksa Real Estate Plc., and/or subsidiaries shall be the issuance via the sub-buyer of the security which shall be appointed by the authorized Executive Committee.
Sub-Byer of Security	Executive Committee shall be the authorized person for appointment accordingly.
Exercise Ratio	1 (one) unit of warrant has right to purchase 1 (one) ordinary share. Exercise ratio may be changed as determined in topic of Right Adjustment and Condition of Right Adjustment subject to the Company's right requirement and warrant condition.
Exercise Price per Share	Bt 28.19 which is equal to the existing exercise price of PS-WE. The said exercise price is equal to 90% of market price for the shares of Pruksa Real Estate Plc. on the approval date of PS-WE issuance. Exercise price may be changed as determined in topic of Right Adjustment and Right Adjustment Condition subject to the Company's right requirement and condition of warrant. The said exercise price is the price which is not below 90% of market price whereas this price shall be calculated based on the method prescribed in the Notification of Office of the Securities and Exchange Commission No. SorJor. 39/2551 on Calculation of Security Offering Price and Determination of Market Price for Consideration on Offering for Sale of Newly Issued Shares in Low Price dated December 24, 2008. Furthermore, "market price" means weighted average price of ordinary shares of Pruksa Real Estate Plc. in Stock Exchange of Thailand in 15 (fifteen) retroactive and consecutive working days prior to the date that the Board of Directors of Pruksa Real Estate Plc. has resolved to propose the agenda to Annual General Meeting of Shareholders for 2013 of Pruksa Real Estate Plc. for request of approval on warrant offering for sale to the directors and executives of Pruka Real Estate and/or subsidiaries during 1 February 2013 to 21 February 2013. The said price is equal to Bt 31.32.
Secondary Market of Warrant	The Company shall not register warrants in Stock Exchange of Thailand.
Exercise Period	Total of offering warrants under this PSH-WE Project is 13,591,700 units. The warrant holder is able to exercise his or her right to purchase newly issued ordinary shares of the Company in four times per year during 8.30 hrs. to 15.30 hrs. of the last working day of February, May, August and November of each year unless the last exercise of right can be performed within expiry date of warrant term. Furthermore, if the exercise date is consistent with office holiday, the warrant holder is able to exercise his or her right according to warrant in the following working day from the said day.
Price Dilution (Dilution of Share Market Price Upon Exercise of Right to Purchase the Company's Ordinary Shares)	As of the Company's issuing date of PSH-WE, the Company's ordinary shares have not been traded in the Securities Exchange of Thailand or any other markets with comparable market price. However, the issuance of warrants under PSH-WE Project is the issuance for replacement of warrants under cancelled PS-WE Project. The said issuance of warrants under PSH-WE Project therefore will not cause any Price Dilution against the existing shareholders apart from what has ever been disclosed as of the issuing date of warrants under PS-WE Project.

Control Dilution (Dilution of Profit Sharing or Voting Right of the Existing Shareholders)	In the event that total warrants of 13,591,700 units are exercised, it will affect profit sharing or voting right of the existing shareholders (Control Dilution) to be reduced in the rate of 0.59% whereas it is calculated from number of shares supporting the exercise of the Company's offering right in this time divided with (total number of paid-up shares after tender offer of the shares of Pruksa Real Estate Plc., using the assumption that all shareholders will accept tender offer and initial registered capital will be decreased based on restructuring plan + number of shares supporting the exercise of the offering right in this time) {13,591,700 / (2,232,682,000 + 13,591,700)} However, the issuance of warrants under PSH-WE Project is the issuance for replacement of warrants under cancelled PS-WE Project. The issuance of warrants under PSH-WE Project therefore will not cause any Control Dilution against the existing shareholders apart from what has ever been disclosed on the issuing date of warrants under PS-WE Project.

2) PSH-WF Project for Issuance of 11,933,900 Units of Warrants to Purchase Ordinary Shares of Pruksa Holding Public Company Limited to the Directors and Executives of Pruksa Holding Public Company Limited, Pruksa Real Estate Public Company Limited, and/or Subsidiaries ("PSH-WF Project")

Name of Security	Warrant to Purchase Ordinary Shares of Pruksa Holding Public Company Limited (PSH-WF)
Category	Warrant
Type	Holder-Named, Non-Transferrable and Non-Negotiable Warrant to Purchase Ordinary Shares of Pruksa Holding Public Company Limited unless it is the transfer to the sub-buyer of the security
Number of Offering Warrants	11,933,900 units
Offering Price per Unit	Bt 0
Warrant Term	2 years, 9 months and 14 days from the issuing date of warrant whereas expiry date of warrant term is 12 February 2019.
Number of Ordinary Shares Supporting Exercise of Right	11,933,900 shares at par value of 1 Baht per share or estimated number for 0.53% of total number of the Company's paid-up shares after tender offer for shares of Pruksa Real Estate Plc., using the assumption that all shareholders will accept tender offer and initial registered capital will be decreased based on restructuring plan; or estimated for 2,232,682,000 shares.
Allocation Method for Warrant to Purchase Ordinary Shares	The Company shall allocate 11,933,900 units of warrants under PSH-WF to the directors (who are allocated on behalf of the executives of Pruksa Holding Plc., Pruksa Real Estate Plc. and/or subsidiaries) and the executives (who do not hold the position of the Company's director) of Pruksa Holding Plc., Pruksa Real Estate Plc., and/or subsidiaries, in the number equaling to warrants under PS-WF Project possessed by the said group of people on the date of which the General Meeting of Shareholders of Pruksa Real Estate Plc. has resolved to cancel warrants under PS-WF Project based on shareholding and management restructuring plan of Pruksa Real Estate Pcl. The allocation of the said warrants shall be completed within one (1) year from the date of which the Meeting of Shareholders has resolved to approve the Company for issuance of warrants to the directors and executives of Pruksa Real Estate Plc., and/or subsidiaries. The offering for sale to the executives (who do not hold the position of the Company's director) of Pruksa Holding Plc., Pruksa Real Estate Plc., and/or subsidiaries shall be the issuance via the sub-buyer of the security which shall be appointed by the authorized Executive Committee.
Sub-Byer of Security	Executive Committee shall be the authorized person for appointment accordingly.

Exercise Ratio	1 (one) unit of warrant has right to purchase 1 (one) ordinary share. Exercise ratio may be changed as determined in topic of Right Adjustment and Condition of Right Adjustment subject to the Company's right requirement and warrant condition.
Exercise Price per Share	Bt 16.28 which is equal to the existing exercise price of PS-WF. The said exercise price is equal to 90% of market price for the shares of Pruksa Real Estate Plc. on the approval date of PS-WF issuance. Exercise price may be changed as determined in topic of Right Adjustment and Right Adjustment Condition subject to the Company's right requirement and condition of warrant. The said exercise price is the price which is not below 90% of market price whereas this price shall be calculated based on the method prescribed in the Notification of Office of the Securities and Exchange Commission No. SorJor. 39/2551 on Calculation of Security Offering Price and Determination of Market Price for Consideration on Offering for Sale of Newly Issued Shares in Low Price dated December 24, 2008. Furthermore, "market price" means weighted average price of ordinary shares of Pruksa Real Estate Plc. in Stock Exchange of Thailand in 15 (fifteen) retroactive and consecutive working days prior to the date that the Board of Directors of Pruksa Real Estate Plc. has resolved to propose the agenda to Annual General Meeting of Shareholders for 2014 of Pruksa Real Estate Plc. for request of approval on warrant offering for sale to the directors and executives of Pruka Real Estate and/or subsidiaries during 24 January 2014 to 13 February 2014. The said price is equal to Bt 18.09.
Secondary Market of Warrant	The Company shall not register warrants in Stock Exchange of Thailand.
Exercise Period	Total of offering warrants under this PSH-WF Project is 11,933,900 units. The warrant holder is able to exercise his or her right to purchase newly issued ordinary shares of the Company in four times per year during 8.30 hrs. to 15.30 hrs. of the last working day of February, May, August and November of each year unless the last exercise of right can be performed within expiry date of warrant term. Furthermore, if the exercise date is consistent with office holiday, the warrant holder is able to exercise his or her right according to warrant in the following working day from the said day.
Price Dilution (Dilution of Share Market Price Upon Exercise of Right to Purchase the Company's Ordinary Shares)	As of the Company's issuing date of PSH-WF, the Company's ordinary shares have not been traded in the Securities Exchange of Thailand or any other markets with comparable market price. However, the issuance of warrants under PSH-WF Project is the issuance for replacement of warrants under cancelled PS-WF Project. The said issuance of warrants under PSH-WG Project therefore will not cause any Price Dilution against the existing shareholders apart from what has ever been disclosed as of the issuing date of warrants under PS-WF Project.
Control Dilution (Dilution of Profit Sharing or Voting Right of the Existing Shareholders)	In the event that total warrants of 11,933,900 units are exercised, it will affect profit sharing or voting right of the existing shareholders (Control Dilution) to be reduced in the rate of 0.52% whereas it is calculated from number of shares supporting the exercise of the Company's offering right in this time divided with (total number of paid-up shares after tender offer of the shares of Pruksa Real Estate Pcl., using the assumption that all shareholders will accept tender offer and initial registered capital will be decreased based on restructuring plan + number of shares supporting the exercise of the offering right in this time) {11,933,900 / (2,232,682,000 + 11,933,900)} However, the issuance of warrants under PSH-WF Project is the issuance for replacement of warrants under cancelled PS-WF Project. The issuance of warrants under PSH-WF Project therefore will not cause any Control Dilution against the existing shareholders apart from what has ever been disclosed on the issuing date of warrants under PS-WF Project.

3) PSH-WG Project for Issuance of 15,000,000 Units of Warrants to Purchase Ordinary Shares of Pruksa Holding Public Limited Company to Directors and Executives of Pruksa Holding Public Company Limited, Pruksa Real Estate Public Company Limited and/or Subsidiaries ("PSH-WG Project")

Security Name	Warrants to Purchase Ordinary Shares of Pruksa Holding Public Limited Company (PSH-WG)
Type	Warrant
Kind	Holder-Named, Non-Transferrable and Non-Negotiable Warrant to Purchase Ordinary Shares of Pruksa Holding Public Company Limited unless it is the transfer to the sub-buyer of the security.
Number of Warrants Offered for Sale	15,000,000 units
Offering Price per Unit	Bt 0
Term of Warrant	3 years, 9 months and 18 days from the issuing date of warrant whereas expiry date of warrant term is February 16, 2020.
Number of Ordinary Shares Supporting Exercise	15,000,000 shares at par value of 1 Baht per share or estimated number for 0.67% of total number of the Company's paid-up shares after tender offer for shares of Pruksa Real Estate Plc., using the assumption that all shareholders will accept tender offer and initial registered capital will be decreased based on restructuring plan; or estimated for 2,232,682,000 shares.
Allocation Method of Warrants to Purchase Ordinary Shares	The Company shall allocate 15,000,000 units of warrants under PSH -WG to the directors who are allocated on behalf of the executives (who do not hold the position of the Company's director) of Pruksa Holding Plc., Pruksa Real Estate Plc. and/or subsidiaries, and the executives of Pruksa Holding Plc., Pruksa Real Estate Plc., and/or subsidiaries, in the number equaling to warrants under PS-WG Project possessed by the said group of people on the date of which the General Meeting of Shareholders of Pruksa Real Estate Plc. has resolved to cancel warrants under PS-WG Project based on shareholding and management restructuring plan of Pruksa Real Estate Plc. The allocation of the said warrants shall be completed within one (1) year from the date of which the Meeting of Shareholders has resolved to approve the Company for issuance of warrants to the directors and executives of Pruksa Real Estate Plc., and/or subsidiaries. The offering for sale to the executives (who do not hold the position of the Company's director) of Pruksa Holding Plc., Pruksa Real Estate Plc., and/or subsidiaries shall be the issuance via the sub-buyer of the security which shall be appointed by the authorized Executive Committee.
Sub-Byer of Security	Executive Committee shall be the authorized person for appointment accordingly.
Exercise Ratio	1 (one) unit of warrant has right to purchase 1 (one) ordinary share. Exercise ratio may be changed as determined in topic of Right Adjustment and Condition of Right Adjustment subject to the Company's right requirement and warrant condition.
Exercise Price per Share	Bt 29.27 which is equal to the existing exercise price of PS-WG. The said exercise price is equal to 90% of market price for the shares of Pruksa Real Estate Plc. on the approval date of PS-WG issuance. Exercise price may be changed as determined in topic of Right Adjustment and Right Adjustment Condition subject to the Company's right requirement and condition of warrant.

	The said exercise price is the price which is not below 90% of market price whereas this price shall be calculated based on the method prescribed in the Notification of Office of the Securities and Exchange Commission No. SorJor. 39/2551 on Calculation of Security Offering Price and Determination of Market Price for Consideration on Offering for Sale of Newly Issued Shares in Low Price dated December 24, 2008. Furthermore, "market price" means weighted average price of ordinary shares of Pruksa Real Estate Plc. in Stock Exchange of Thailand in 15 (fifteen) retroactive and consecutive working days prior to the date that the Board of Directors of Pruksa Real Estate Plc. has resolved to propose the agenda to Annual General Meeting of Shareholders for 2015 of Pruksa Real Estate Plc. for request of approval on warrant offering for sale to the directors and executives of Pruksa Real Estate and/or subsidiaries during 27 January 2015 to 16 February 2014. The said price is equal to Bt 32.52.
Secondary Market of Warrant	The Company shall not register warrants in Stock Exchange of Thailand.
Exercise Period	Total of offering warrants under this PSH-WG Project is 15,000,000 units. The warrant holder is able to exercise his or her right to purchase newly issued ordinary shares of the Company for four times per year during 8.30 hrs. to 15.30 hrs. of the last working day of February, May, August and November of each year unless the last exercise of right can be performed within expiry date of warrant term. Furthermore, if the exercise date is consistent with office holiday, the warrant holder is able to exercise his or her right according to warrant in the following working day from the said day.
Price Dilution (Dilution of Share Market Price Upon Exercise of Right to Purchase the Company's Ordinary Shares)	As of the Company's issuing date of PSH-WG, the Company's ordinary shares have not been traded in the Securities Exchange of Thailand or any other markets with comparable market price. However, the issuance of warrants under PSH-WG Project is the issuance for replacement of warrants under cancelled PS-WG Project. The said issuance of warrants under PSH-WG Project therefore shall not cause any Price Dilution against the existing shareholders apart from what has ever been disclosed on the issuing date of warrants under PS-WG Project.
Control Dilution (Dilution of Profit Sharing or Voting Right of the Existing Shareholders)	In the event that total warrants of 15,000,000 units are exercised, it will affect profit sharing or voting right of the existing shareholders (Control Dilution) to be reduced in the rate of 0.66% whereas it is calculated from number of shares supporting the exercise of the Company's offering right in this time divided with (total number of paid-up shares after tender offer of the shares of Pruksa Real Estate Plc., using the assumption that all shareholders will accept tender offer and initial registered capital will be decreased based on restructuring plan + number of shares supporting the exercise of offering right in this time) {15,000,000 / (2,273,207,600 + 15,000,000)} However, the issuance of warrants under PSH-WG Project is the issuance for replacement of warrants under cancelled PS-WG Project. The issuance of warrants under PSH-WG Project therefore will not cause any Control Dilution against the existing shareholders apart from what has ever been disclosed on the issuing date of warrants under PS-WG Project.

DIVIDEND POLICY AND PAYMENT

Dividend Payment Policy of the Company

The policy of Pruksa Holding Plc. is to consider annual dividend payment to its shareholders for twice a year in total rate of not below 50% of net profit of Pruksa Holding Plc.'s consolidated financial statements after deduction of annual corporate income tax and legal capital reserve. However, it shall depend on investment plan, condition and limitation prescribed in the relevant contracts (if any), necessity and appropriateness as well as other factors in the future as the Board of Directors deems appropriate so that it shall be in line with business growth plan of Pruksa Holding Plc. However, such dividend payment shall not exceed retained earnings appeared in separate financial statements of the Company according to the relevant laws.

Dividend Payment Policy of the Subsidiaries/Associated Companies

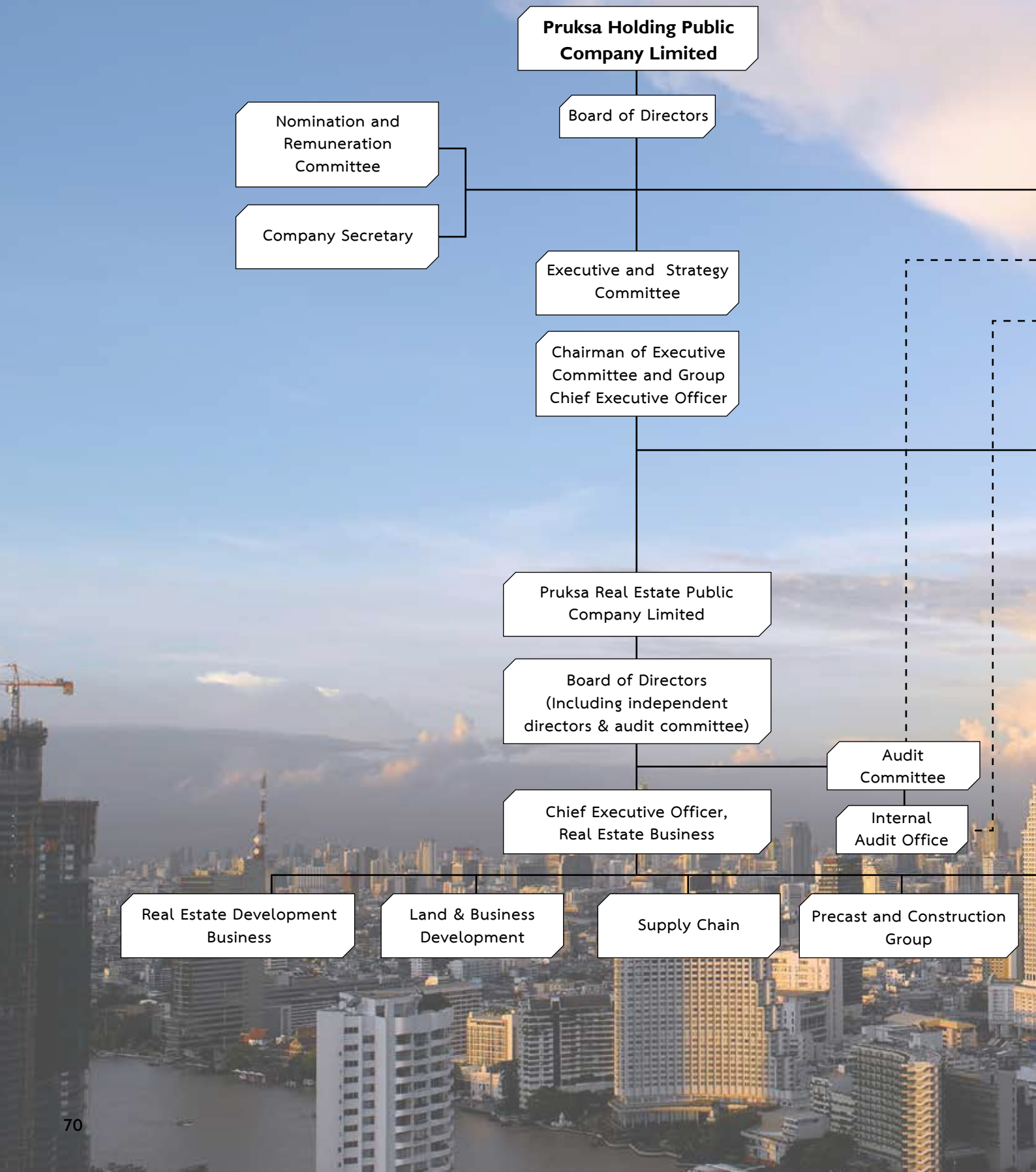
The policy of Pruksa Real Estate Plc. is to consider annual dividend payment to shareholders for twice a year in the rate of not below 50% of net profit of Pruksa Real Estate Plc.'s consolidated financial statements after deducation of all capital reserves. Nevertheless, such dividend payment may be changed depending on investment plan, necessity and other appropriateness in the future as the Board of Directors deems appropriate. According to dividend payment policy of the subsidiaries, the subsidiaries shall pay dividend to Pruksa Real Estate Plc. from net profit of the subsidiaries. However, factor shall be taken into consideration to support the dividend payment such as overall operation and financial position of the subsidiaries, liquidity of the subsidiaries, business expansion and management-related factors of the subsidiaries.

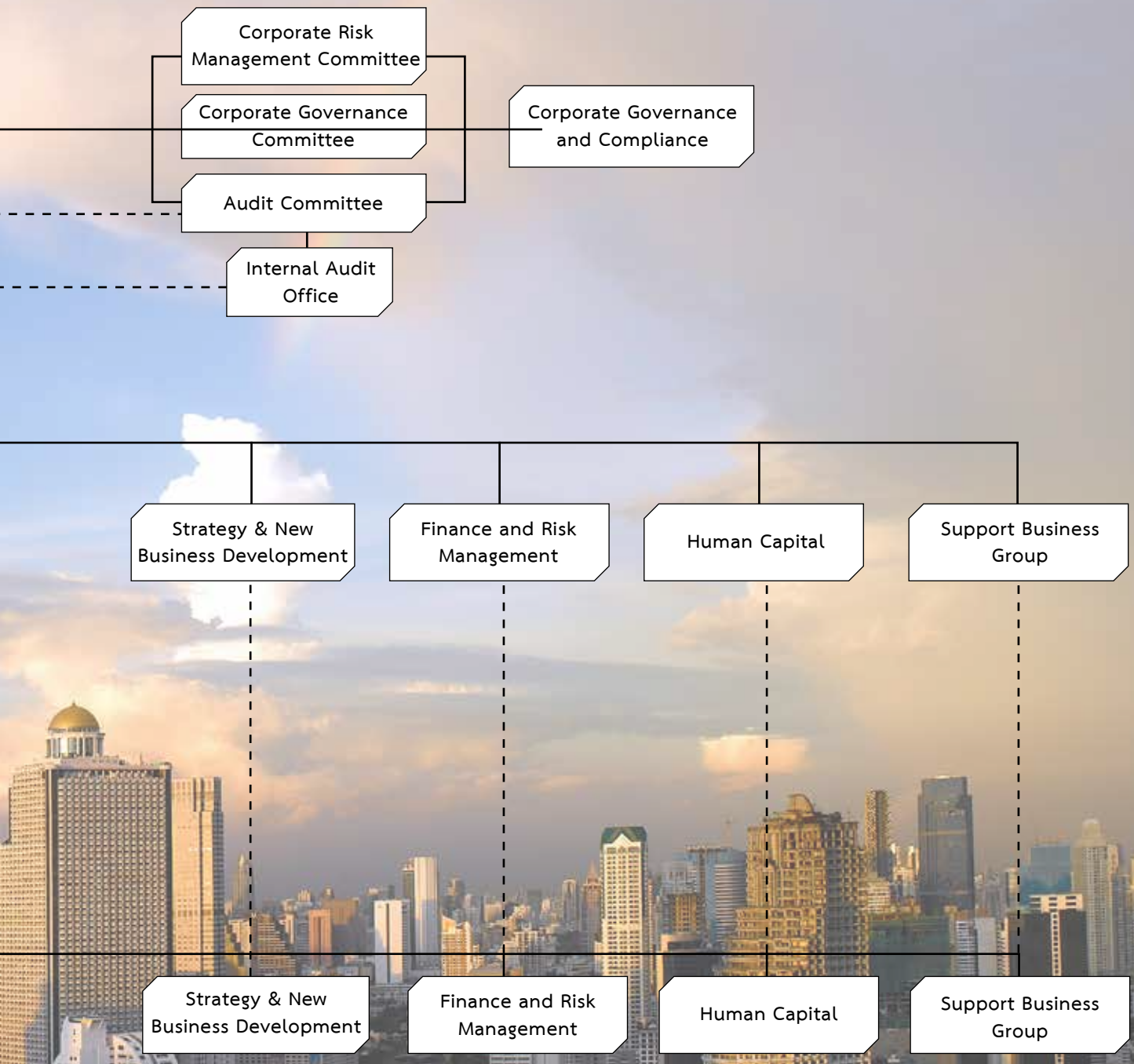
In addition, dividend payment of Pruksa Real Estate Plc. particularly in the event of payment from net profit from the business of Pruksa Real Estate Plc. in part that Pruksa Real Estate Plc. has been granted for investment promotion privilege from BOI. The receiver of such dividend shall be exempt for taking received dividend to calculate for income tax payment of income. Pruksa Real Estate Plc. has no duty to deduct withholding tax of such dividend.

MANAGEMENT STRUCTURE

1. ORGANIZATIONAL STRUCTURE

Organizational structure of Pruksa Holding Public Company Limited (the "Company") as of December 30, 2016 can be shown as follow.




Corporate Risk Management Committee
Corporate Governance Committee
Audit Committee
Corporate Governance and Compliance
Internal Audit Office
Strategy & New Business Development
Finance and Risk Management
Human Capital
Support Business Group
Strategy & New Business Development
Finance and Risk Management
Human Capital
Support Business Group

2. BOARD OF DIRECTORS AND SUB-COMMITTEE

Today's management structure of the Company consists of the Board of Directors and five Sub-Committees including Audit Committee, Corporate Risk Management Committee, Corporate Governance Committee, Nomination and Remuneration Committee, and Executive and Strategy Committee. At present, the Board of Directors and Sub-Committees of the Company are as follows :

2.1 The Board of Directors

According to the Articles of Association of the Company, it specifies that the Board of Directors shall consist of not less than five directors. Not less than one half of directors shall have domicile in the Kingdom. However, in business operation, the directors shall honestly and carefully perform duties in compliance with law, objective, Articles of Association, as well as resolutions of the Shareholders' Meeting to maintain the Company's interest. The current Board of Directors (as per the Ministry of Commerce's certification dated on December 8, 2016) who possess the qualifications in accordance with Section 68 of Public Limited Companies Act B.E. 2535 (1992) and the relevant announcements of the Office of the Securities and Exchange Commission, consists of 12 members under below name list.

Name	Position
1. Dr. Pisit Leeahtam	Chairman and Independent Director
2. Mr. Thongma Vijitpongpun	Executive Vice Chairman
3. Dr. Piyasvasti Amranand	Independent Director
4. Mr. Adul Chandanachulaka	Independent Director
5. Mr. Weerachai Ngamdeevilaisak	Independent Director
6. Dr. Anusorn Sangnimnuan	Independent Director
7. Dr. Prasarn Trairatvorakul	Independent Director
8. Mr. Somprasong Boonyachai [(1)]	Independent Director
9. Mr. Wichian Mektrakarn	Director
10. Mr. Lersuk Chuladesa	Director
11. Mrs. Rattana Promsawad	Director
12. Mr. Piya Prayong	Director

Remark : [(1)] Mr. Somprasong Boonyachai resigned from the director and it will be effective from January 1, 2017.

Mr. Paisarl Rumphan shall hold the position of the Board of Directors' Secretary.

Authorized Directors

Authorized Directors who can sign to bind the Company are either Mr. Thongma Vijitpongpun or Mrs. Rattana Promsawad, to countersign with Mr. Piya Prayong or Mr. Wichian Mektrakarn, in total of two directors, and jointly affix the Company's seal.

Position Integration or Separation

The Chairman of the Board of Directors must not be an executive director, nor the same person of the Chairman of Executive and Strategy Committee, or Group Chief Executive Officer, and have no relations with the management team. The duties in determining corporate governance policy and routine management are clearly defined.

Roles and Duties of the Chairman of the Board of Directors

The duties of the Chairman of the Board of Directors shall be to play the leadership role and preside over the Board of Directors' Meeting and the Shareholders' Meeting to ensure effectiveness and efficiency by encouraging all directors to

participate in the meeting, assisting, advising, scrutinizing, and supporting the business operation of the management. The Chairman also has freedom to propose the meeting agendas, provide opinions on the Company's operation in various aspects, and mutually and carefully consider matters that may have conflict of interests to ensure justice and transparency.

Scope of Powers, Duties and Responsibilities of the Board of Directors

1. To perform duties with responsibility, caution, and honesty and conduct the Company's business in accordance with the laws, Company's objectives and Articles of Association as well as the resolutions of the Shareholders' Meeting with the exception of matters requiring approval of the Shareholders' Meeting prior to operation such as matters required by law to acquire the resolution of the Shareholders' Meeting, entering connected transactions and purchase and sale of the important assets pursuant to the regulations of the Stock Exchange of Thailand (SET) or those prescribed by other government authorities, etc. To perform duties in supervising the Company and subsidiaries in compliance with laws related to business operation of the Company and its subsidiaries as well as laws related to prohibition of bribe payment or corruption support.

2. To perform corporate governance for operation in ethical manner, for example, preparation of Corporate Governance Policy of the Company and Subsidiaries on good governance basis, Manual of Business Code of Conduct for Directors, Executives and Employees of the Company and its subsidiaries; disclosure for acknowledgement and determination for compliance and monitoring for implementation.

3. To consider approval of the business policies, as well as visions, targets, operational plans, business strategies, and annual budgets of the Company and its subsidiaries; and monitor and supervise the administration and management of the Management in accordance with the determined policies, plans and budget effectively.

4. To continuously follow up the overall operation of the Company, its subsidiaries and associated companies to be in line with action plans and budget of the Company and its subsidiaries.

5. To accurately prepare financial statements of the Company and its subsidiaries as of the ending date of the accounting period for presentation of financial position and overall operation in last accounting period to be consistent with fact, and completely and accurately according to Generally Accepted Accounting Standard. The said financial statements shall be audited by the auditor prior to proposing to the Shareholders' Meeting for consideration and approval.

6. To prepare Annual Report of the Company and responsible for preparation and disclosure of the Company's financial statements for presentation of financial position and overall operation in last year, and propose to the Shareholders' Meeting for consideration and approval.

7. To consider approval and appointment of a qualified person without prohibited characteristics as prescribed in under the Public Limited Companies Act B.E. 2535 (1992), Securities and Exchange of Thailand Law, and relevant announcements, regulations and/or rules, to assume the Company's directorship in case of the directorship vacancy due to other cause apart from retirement by rotation.

8. To consider appointment or change of independent directors by taking qualifications and prohibited characteristics of the independent directors into consideration pursuant to Securities and Exchange of Thailand Law, announcements of the Capital Market Supervisory Board, including relevant announcements, regulations and/or rules of Stock Exchange of Thailand; or propose to the Shareholders' Meeting for consideration appointment of the Company's independent directors accordingly.

9. To consider the appointment or change of Audit Committee members who meet the qualifications required by laws relevant to Securities and Stock Exchange of Thailand, Notification of the Capital Market Supervisory Board, including notifications, regulations and/or rules of the Stock Exchange of Thailand (SET).

10. To consider the appointment or change of executive director by selection from among the directors or the executives of the Company or external parties, and determine their scope of authorities and responsibilities.

11. To consider the appointment or change of sub-committees to assist in operations under the Board of Directors' responsibilities.

12. To consider the determination and change of the names of the authorized directors and its subsidiaries.

13. To consider the nomination to the Shareholder's Meeting for appointment of directors of the Company; consider the appointment of directors of its subsidiaries in consistency with the proportion of the Company's shareholding in the said subsidiaries; and also consider the determination of remuneration of the said directors.

14. To appoint any other persons to manage the Company's operations under the supervision of the Board of Directors or may authorize the said persons to have power and/or within the time period as deemed as appropriate by the Board of Directors. The Board of Directors may cancel, withdraw, change or revise the said power. However, the authorization under the determined scope of the authority shall not be the nature of authorization or sub-authorization that makes the said Executive Committee, Group Chief Executive Officer, and different sets of sub-committees can consider and approve the transactions that may have conflict of gains and losses or conflict of any other interests with the Company or its subsidiaries except it is the approval of the transaction which is in line with policies and criteria considered and approved by the Shareholders' Meeting or the Board of Directors' Meeting.

15. To consider the determination of the organizational structure and management structure.

16. To consider the appointment of the Company Secretary as well as determination of the scope of authorities and responsibilities of the Company Secretary.

17. To consider the selection and give consent on nomination of the auditor of the Company and its subsidiaries, and consider the determination of proper remuneration as proposed by the Audit Committee prior to proposing to the Shareholders' Meeting in Annual General Meeting for consideration and approval.

18. To execute the Company and its subsidiaries to have appropriate and effective accounting system, reliable financial reporting, adequate and appropriate internal control system and internal audit system, and document filing system whereas the accuracy of the information can be audited later.

19. To consider the approval of Risk Management Policy for companywide coverage, and govern to have appropriate risk management process to reduce the impact of the Company and its subsidiaries.

20. To consider the approval of transactions of asset acquisition and disposal of the Company and its subsidiaries, except where such transactions require approval from the Shareholders' Meeting. Such approval must be in compliance with the Notification of the Capital Market Supervisory Board and/or relevant notifications, regulations and/or rules of the Stock Exchange of Thailand (SET).

21. To consider the approval of connected transactions of the Company and its subsidiaries, except where such transactions require approval from the Shareholders' Meeting. Such approval consideration must be in compliance with the Notification of the Capital Market Supervisory Board and/or relevant notifications, regulations and/or rules of the Stock Exchange of Thailand (SET) in control and prevention of non-conflict of interests between the stakeholders of the Company and of its subsidiaries.

22. To consider the approval of interim dividend payment among the shareholders when it is considered that the Company has sufficient profit to do so, and to report such payment to the following Shareholders' Meeting for acknowledgement.

23. To accurately, completely, properly, and timely execute the appropriate information dissemination and information disclosure to stakeholders, person with conflict of interests and the related persons.

24. To request for profession opinion from external organization if it is necessary for appropriate decision support.

25. To govern its subsidiaries as if one of the Company's work units, and supervise its subsidiaries to strictly comply with the Articles of Association of its subsidiaries.

The Board of Directors shall elect a director to be the Chairman of the Board. In case that the Board considers and deems appropriate for election of one or several directors to be the Vice Chairman of the Board, the duties of the said Vice Chairman of the Board shall be in accordance with the Articles of Association of the business and entrusted by the Chairman of the Board. However, the Board of Directors shall convene at least six (6) meetings per year.

However, in granting authorities and responsibilities of the Board of Directors, it shall not be authorization or sub-authorization in the manner which will allow the Executive Committee, the Group Chief Executive Officer, and different sets of Sub-Committees the ability to approve transactions in which the Executive Committee or any persons may have conflict of interests (as per the definition by the notification of the Securities and Exchange Commission) or gain or loss or any other conflict of interests with the Company or its subsidiaries, except where the approval of such transaction is consistent with the policy and criteria considered and approved by the Meeting of Shareholders or of the Board of Directors.

Element and Appointment of the Board of Directors

1. The shareholders shall consider the approval and appointment of the directors.

2. The Board of Directors shall consist of Chairman of the Board, Vice Chairman of the Board and other director members in the number appropriate for the Company's business and effective operation. Total number shall not be less than five members whereas there shall be at least one-third of total directors and shall not be less than three directors who are truly independent from the Management and has no business relationship or any other relationship that may influence the free exercise of discretion.

3. The Board of Directors shall select a director to be the Chairman of the Board. In case that the Board of Directors considers and deems appropriate, one or several directors may be elected to be the Vice Chairman of the Board.

4. The appointment of director shall be in accordance with the Articles of Association and the relevant law requirements under transparency and clearness in the way that the adequate detailed educational background and occupational experience of the said person shall be contained in consideration for decision benefit of the Board of Directors and the shareholders.

5. Chief Executive Officer shall be appointed to be the director in the Board of Directors by position.

Independent Directors

The independent directors shall not perform the executive duties, be independent from the Management and the regulating shareholders, and be the person having no business relationship with the Company in the way that limits free opinion expression, and shall possess the qualifications specified in the notification of Capital Market Supervisory Board as follows.

1. Holding not more than 1.0% of the total voting shares of the Company, its subsidiary, associated company, juristic persons with potential conflict of interest, major shareholder or regulator of the Company, whereas the number of shares held by the independent director's related persons shall be counted.

2. Being a director who is not or has never been an executive director, and is not or has ever been an employee, staff member, advisor with monthly salary or regulator of the Company, its subsidiary, associated company, same-level subsidiary, juristic persons with potential conflict of interest, major shareholder or the controlling person of the Company, unless the said director shall be free from such characteristics for at least two years before being appointed.

3. Being a director who has no relationship whether by blood or by legal registration under the status of a father, mother, spouse, sibling, and child, including the spouse of the child, of other directors, executives, major shareholders, controlling persons or persons who are being nominated as director, executive or controlling person of the Company or its subsidiary.

4. Being a director who does not have or has never had a business relationship with the Company, its subsidiary, associated company, juristic persons with potential conflict of interest, major shareholder or controlling person of the Company in a manner that may hinder the exercise of his or her independent judgment, and not being

a person who is not or has ever been a significant shareholder or controlling person of the person having business relationship with the Company, its subsidiary, associated company, juristic persons with potential conflict of interest, major shareholder or controlling person, unless the said director is free from such characteristics for at least two years before being appointed.

The business relationship in paragraph one shall include normal trading transactions for the purpose of business operations, lease of or renting out immovable property, transaction related to assets or services, or granting or receiving financial assistance by receiving or giving loans, guarantee, using assets as debt collateral, including other similar acts that result in the Company or the party thereof being liable to pay the other party by the rate of 3% or more of net tangible asset or Bt 20 million or more, whichever is smaller. The calculation of such liabilities shall be in accordance with the method of connected transaction calculation specified in the Capital Market Supervisory Board Notification Re: Criteria on Undertaking Connected Transactions, mutatis mutandis. In consideration of such liabilities, the liabilities occurring during the one-year period prior to the date of business relationship with the same person shall be included.

5. Being a director who is not or has never been an auditor of the Company, its subsidiary, associated company, juristic persons with potential conflict of interest, major shareholder or controlling person, and must not be a significant shareholder, controlling person or partner of an audit firm to which an auditor of the Company, its subsidiary, associated company, juristic persons with potential conflict of interest, major shareholder or controlling person belongs to, unless the said director is free from such characteristics for at least two years before being appointed.

6. Being a director who is not or has never been a provider of any professional service including legal advisory service or financial advisory service with the service fee thereof exceeding Bt 2.0 million per year from the Company, its subsidiary, associated company, juristic persons with potential conflict of interest, major shareholder or controlling person, and must not be a significant shareholder, controlling person or partner of the provider of such professional service, unless the said director is free from such characteristics for at least two years before being appointed.

7. Being a director who is not appointed as representative of a director, major shareholder or a shareholder who is related to a major shareholder of the Company.

8. Not engaging a business of the same nature and in significant competition with those of the Company or its subsidiary, nor being a significant partner of a partnership or an executive director, employee, staff member, advisor with fixed salary or shareholding for over 1.0% of the total voting shares of another company engaging a business of the same nature and in significant competition with those of the Company or its subsidiary.

9. Not having any other characteristics that may hinder the exercise of his or her independent judgment about the Company's business operations.

After having been appointed as Independent Director with characteristics under Items (1)-(9), the appointed Independent Director may be assigned by the Board of Directors to make decision on the business operations of the Company, its subsidiary, associated company, same-level subsidiary, juristic persons with potential conflict of interest, major shareholder or controlling person in the form of collective decision.

2.2 Audit Committee

As of December 30, 2016, the Company's Audit Committee consists of four members as follow:

Name	Position
1. Dr. Piyasvasti Amranand	Chairman of the Audit Committee
2. Mr. Adul Chandanachulaka	Member
3. Mr. Weerachai Ngamdeevilaisak [(1)]	Member
4. Dr. Prasarn Trairatvorakul	Member

Remark: [(1)] Mr. Weerachai Ngamdeevilaisak has been knowledge and experience in accounting and finance.

By which Mr. Premsak Vallikul, Senior Vice President of Internal Audit (Head of Internal Audit) is the Secretary of the Audit Committee.

Scope of Powers, Duties and Responsibilities of the Audit Committee

1. To review the Charter of the Audit Committee at least once a year and consider amendment in the aspect deemed necessary and appropriate.

2. To conduct reviews of financial reports of the Company and its subsidiaries, to ensure accuracy and integrity, and adequate information disclosure under coordination with the external auditor and the executive in charge in preparation both of quarterly and yearly financial reports.

3. To consider and give consent on changes in significant accounting principles or procedures as proposed by the Management of the Company.

4. To conduct reviews to ensure that the Company has appropriate and effective internal control and internal audit system of the Company and its subsidiaries, and possibly suggest to conduct review or audit on any transaction deemed necessary and significant, and also propose the Board of Directors the recommendation regarding important and necessary improvement of internal control system. The review shall be mutually conducted with the external auditor, Internal work System Audit Department Manager, and mutually convene the meeting with the Head who manages internal audit without the presence of the Management for at least once a year.

5. To review the independency of the Internal Audit Unit and to give consent to the consideration of appointment, transfer and disemployment of the Head of Internal Audit Unit or any other unit in charge in internal audit, and to consider the consent of annual budget, manpower rate and resources necessary for operation of Internal Audit Office, and the approval of annual audit budget, as well as to consider the approval, review and adjustment of significant internal audit plan.

6. To review Internal Audit Reports submitted to the Management and to review the Management's opinion toward the proposed and reported audit issues.

7. To have unrestricted access to the Management and employees and relevant information.

8. To mutually conduct reviews with relevant units (such as Legal Unit) to ensure that the Company complies with Securities and Exchange Law, requirements of the Stock Exchange of Thailand, and other laws relating to the Company's business, and to conduct reviews to ensure that its subsidiaries comply with the criteria prescribed in control policy and governance mechanism of the business invested by the Company

9. To select and nominate to appoint independent persons to act as the Auditors of the Company and propose their remuneration, to attend the meeting with the Auditors without the Management's presence for at least once a year to acknowledge review result of quarterly financial statements, audit result of yearly financial statements, and to discuss about problems and obstacles that may be detected from the Auditors' operation.

10. To consider the connected transactions or transactions with potential conflict of interests for compliance with laws and requirements of the Stock Exchange of Thailand, and to consider the acquisition or disposal of the Company and its subsidiaries in accordance with laws and requirements of the Stock Exchange of Thailand as well as control policy and governance mechanism of the business invested by the Company in order to ensure that the said transactions are reasonable and most beneficial to the Company and its subsidiaries.

11. To prepare the Audit Committee's Report which shall be disclosed in the Company's Annual Report. The said report shall be affixed with the signature of the Chairman of the Audit Committee and shall at least contain the following information:
    - 11.1 Opinions regarding accuracy, completeness and integrity of financial reports of the Company and its subsidiaries.
    - 11.2 Opinions regarding the adequacy of the Internal Control System of the Company and its subsidiaries
    - 11.3 Opinions regarding compliance with Securities and Exchange Law, requirements of the Stock Exchange of Thailand or other laws related to the business of the Company and its subsidiaries.
    - 11.4 Opinions regarding the suitability of the Auditors
    - 11.5 Opinions regarding transactions which may have conflict of interest.
    - 11.6 The number of Audit Committee's meetings and the attendance of each member of the Audit Committee
    - 11.7 Overall opinions or observations of the Audit Committee drawn from the performance of their duties according to the Charter.
    - 11.8 Other transactions within the scope of duties and responsibilities assigned by the Board of Directors whereas the shareholders and general investors should know.

12. To perform other tasks within the Scope of Powers, Duties and Responsibilities stipulated in the Charter or as assigned by the Board of Directors upon consent of the Audit Committee.

13. To report any matters within the scope of duties and responsibilities assigned by the Board of Directors, whereas the shareholders and general investors should know.

14. To regularly report the activities of the Audit Committee to the Board of Directors for acknowledgement.

15. In performing duties, if the Audit Committee detects or suspects that there is a transaction with conflict of interest, a fraudulent case, an irregularity or deficiency of a significant degree in the Internal Audit System or any violation of Securities and Exchange Law, and requirement of the Stock Exchange of Thailand, or laws relevant to the business of the Company which may significantly affect the financial position and the overall operation of the Company and its subsidiaries, the Audit Committee is required to submit a report to the Board of Directors for improvement or correction within a timeframe considered appropriate by the Audit Committee.

Nomination of the Audit Committee

The Board of Directors shall appoint at least three Audit Committee members from among Independent Directors of the Company who have met the qualifications stipulated by Securities and Exchange Law, the Notification of Capital Market Supervisory Board, including the notifications, regulations and/or rules of the Stock Exchange of Thailand Re: Qualifications and Scope of Operation of the Audit Committee. At least one member of the Audit Committee must be qualified in accounting or finance and has adequate experience to ascertain the integrity of the financial statements of the Company. The office term of each member of the Audit Committee shall be three years and shall terminate upon the director's retirement by rotation.

2.3 Corporate Risk Management Committee

As at December 30, 2016, the Company's Corporate Risk Management Committee consists of six members as follow:

Name	Position
1. Dr. Prasarn Trairatvorakul	Chairman of Corporate Risk Management Committee
2. Mr. Weerachai Ngamdeevilaisak	Member
3. Mr. Lersuk Chuladesa	Member
4. Mr. Piya Prayong	Member
5. Mr. Prasert Taedullayasatit	Member
6. Mr. Charly Madan	Member and Secretary of Corporate Risk Management Committee

Secretary of Corporate Risk Management Committee is Mr. Charly Madan, Chief Financial and Risk Officer.

Scope of Powers, Duties and Responsibilities of the Corporate Risk Management Committee

1. To acknowledge and recommendations on policy, strategy and guideline of corporate risk management.
2. To review risk management plan of the Management, including the organization's overall risk management process.
3. To be informed of significant risks and consider whether the Management had responded to them properly.
4. To monitor the result of compliance with corporate risk management framework.
5. To report risk assessment result and overall operation to reduce risk for regular acknowledgment of the Board of Directors. In case that there is important matter that significantly affects financial position and overall operation of the Company, the said matter shall be reported to the Board of Directors as quick as possible.
6. To carry any other duties assigned by the Board of Directors.

2.4 Corporate Governance Committee

As of December 30, 2016, the Company's Corporate Governance Committee consists of three members as follow:

Name	Position
1. Dr. Anusorn Sangnimnuan	Chairman of Corporate Governance Committee
2. Mr. Adul Chandanachulaka	Member
3. Mrs. Rattana Promsawad	Member

The Secretary of Corporate Governance Committee is First Lieutenant Ruengwong Tantipattayangkul, Assistant Director of Corporate Governance.

Scope of Powers, Duties and Responsibilities of Corporate Governance Committee

The Corporate Governance Committee shall be directly responsible for the Board of Directors under the scope of entrusted powers and duties as follows.

1. To consider, review and propose the following policies of the Company for approval of the Board of Directors: Good Corporate Governance Policy, Business Code of Conduct, Corporate Social and Environmental Responsibility Policy, Sustainable Development Policy, including any policies and practices that can help support the Company's operations in compliance with the guideline of corporate governance to ensure transparency and fairness and support sustainable growth of the Company.

2. To supervise and ensure that the aforementioned policies/practices in item (1) are executed for continuous development of the Company and the aforementioned policies/practices must be appropriate and consistent with the Company's business, including the recommendations of regulatory or relevant unit, and comparable with international standard.

3. To monitor, review and ensure that various organizational work systems are consistent with the defined code of conduct and best practices.

4. To monitor and direct in the event that the Management or staff members fail to comply with the defined policies and practices.

5. To monitor and report organizational performance in accordance with Good Corporate Governance Policy and relevant policies to the Board of Directors and external organizations as deemed appropriate.

6. To perform any other duties assigned by the Board of Directors.

2.5 Nomination and Remuneration Committee

As of December 30, 2016, the Company's Nomination and Remuneration Committee consists of five members as follow:

Name	Position
1. Mr. Weerachai Ngamdeevilaisak	Chairman of Nomination and Remuneration Committee
2. Dr. Anusorn Sangnimnuan	Member
3. Dr. Pisit Leeahtam	Member
4. Mr. Thongma Vijitpongpun	Member
5. Mr. Wichian Mektrakarn	Member

The Secretary of Nomination and Remuneration Committee is Mr. Udomsak Yamnoon, Executive Vice President of Human Capital.

Scope of Powers, Duties and Responsibilities of the Nomination and Remuneration Committee

1. To determine nomination policy and criteria for the Board of Directors, Sub-Committee, Chief Executive Officer, Chief Operation Officer and Managing Director.

2. To nominate the Board of Directors, Sub-Committee, Chief Executive Officer, Chief Operation Officer and Managing Director, and propose to the Board of Directors and/or shareholders, whichever the case may be, for approval.

3. To determine remuneration policy and criteria for the Board of Directors, Sub-Committee, Chief Executive Officer, Chief Operation Officer and Managing Director, and propose to the Board of Directors and/or shareholders, whichever the case may be, for approval.

4. To determine necessary and appropriate remuneration, both in a form of monetary and non-monetary payments, in order to attract and retain the Board of Directors, sub-committee, Chief Executive Officer, Chief Operation Officer and Managing Director.

5. To set up criteria and methods for appraising the performance of the Board of Directors, Sub-Committee, Chief Executive Officer, Chief Operation Officer and Managing Director.

6. To consider and review the nomination and remuneration policies and criteria including remuneration payment system to ensure that they are appropriate with the given duties and responsibilities and consistent with the Company's overall operation as well as market situation by mainly taking into account the best interest of the Company.

7. To perform any other duties assigned by the Board of Directors.

2.6 Executive and Strategy Committee

To ensure the best management efficiency of the Company in keeping with the Company's directions, policies and targets defined and assigned by the Board of Directors as well as building business operation stability and sustainability, the Board of Directors therefore approved the establishment of Executive and Strategy Committee, with qualifications in accordance with the Public Limited Companies Act B.E. 2535 (1992) and relevant Notification of the Office of the Securities and Exchange Commission, to regulate and take accountability on various business operations carried out within the scope of duties and responsibilities assigned by the Board of Directors. As of December 30, 2016, the Company's Executive and Strategy Committee consists of five members as follow:

Name	Position
1. Mr. Thongma Vijitpongpun	Chairman of Executive and Strategy Committee
2. Mr. Somprasong Boonyachai [(1)]	Vice Chairman of Executive and Strategy Committee
3. Mr. Lersuk Chuladesa	Member
4. Mr. Wichian Mektrakarn	Member
5. Mr. Piya Prayong	Member
6. Mr. Charly Madan	Member

Remark: [(1)] Mr. Somprasong Boonyachai resigned from being Vice Chairman of the Executive and Strategy Committee and it is effective from January 1, 2017.

The Secretary of Executive and Strategy Committee is Mr. Paisarl Rumphan.

Scope of Powers, Duties and Responsibilities of Executive and Strategy Committee

1. To determine policies, targets, strategies, operational plans, annual budgets and administrative powers of the Company and its subsidiaries to be proposed to the Board of Directors for approval.

2. To oversee business operations of the Company and its subsidiaries and ensure they are in compliance with the policies, targets, strategies, operational plans and annual budgets approved by the Board of Directors in efficient manner and favorable to the business condition as well as providing counsel, recommendation and management to top executives.

3. To consider and approve investing spending or financial transaction performing with financial institutions for account opening, borrowing pledge, mortgage, guarantee and any other activities, including any trading/registering land ownership for normal transaction performing of the Company and its subsidiaries under the specified financial limit power.

4. To determine organizational structure and efficient management system covering from selection, training, employment and disemployment of staff members of the Company and its subsidiaries who are executive team or top executives, and may entrust Chief Executive Officer or Chief Operation Officer or Managing Director of the Company to be the authorized person who acts on the Company's behalf in signing employment agreement.

5. To supervise and give approval on matters concerning the operations of the Company and may appoint or entrust any one or more persons to take any actions on behalf of the Executive and Strategy Committee as deemed appropriate. The Executive and Strategy Committee can cancel, change or amend such authority. The authorization under the defined scope of powers and duties shall not be authorization or sub-authorization in the manner which will allow the person authorized from the Executive and Strategy Committee the ability to approve transactions in which the Executive and Strategy Committee or any persons may have conflict of gains and losses or conflict of any other interests with the Company or its subsidiaries except it is the approval of the transaction which is in line with policies and criteria considered and approved by the Shareholders' Meeting or the Board of Directors' Meeting.

6. To scrutinize all types of works proposed to the Board of Directors, except those under duty and responsibility and/or authority of other sub-committees of the Company who scrutinize for direct proposal to the Board of Directors.

7. To perform any other duties assigned by the Board of Directors. However, the delegation of powers, duties and responsibilities of the Executive and Strategy Committee shall not the authorization or sub-authorization in the way which will allow the Executive and Strategy Committee or the authorized person from the Executive and Strategy Committee the ability to approve transactions in which the Executive and Strategy Committee or any persons may have conflict of gains and losses or conflict of any other interests with the Company or its subsidiaries (as per the definition by the notification of the Securities and Exchange Commission). The approval of such nature of transactions shall be proposed to the meeting of the Board of Directors and/or shareholders (whichever the case may be) for consideration and approval as required by the Articles of Association of the Company or of its subsidiary or relevant laws, except where it is the approval of such transaction with normal business condition under clearly defined scope.

Selection of Executive and Strategy Committee Member

The Board of Directors shall appoint members of Executive and Strategy Committee by selecting among the Directors, the Company's executives and/or external parties. The Executive and Strategy Committee Member shall have appropriate knowledge, competency and experience, and shall be able to devote time to the Company as well as understand his or her qualifications, duties and responsibilities, including not having prohibited characteristics stipulated by law.

2.7 Executive Committee

The Company's Executive Committee consists of executives who have the qualifications in accordance with the Public Limited Companies Act B.E. 2535 (1992) and relevant notifications of the Office of the Securities and Exchange Commission. As of December 30, 2016, the Company's Executive Committee consists of 5 members as follow:

Name	Position
1. Mr. Thongma Vijitpongpun	Chairman of Executive and Strategy Committee and Group Chief Executive Officer
2. Mr. Charly Madan	Chief Financial and Risk Officer
3. Mr. Porntep Suppataratarn	Chief Supply Chain Officer
4. Mr. Udomsak Yamnoon	EVP, Human Capital
5. Mr. Pornchalit Ploykrachang	SVP, Investor Relations and New Business Initiatives

Remark: Executive (as defined by SEC) means Managing Director or the person (s) in the first fourth-executive levels immediately under Managing Director including every person (s) holding the position equivalent to the one(s) holding the position at the fourth executive level and also include the person holding the managerial level in finance and accounting field in the Division Manager and over or equivalent.

Scope of Powers, Duties and Responsibilities of Chairman of Executive and Strategy Committee, and Group Chief Executive Officer

1. To be responsible for daily business operation and/or management of the Company.

2. To coordinate with Internal Audit Office in relation to any accounts and disbursement of the Company in the event of detection and doubt on non-compliance with the Company's policy.

3. To establish organizational structure and efficient management in accordance with the guidelines that may be set out by the Executive and Strategy Committee covering selection, training, employment and disemployment of the Company's staff members who are not a member of the executive team or top executive. The said person shall be the authorized person on behalf of the Company to sign employment agreement on behalf of the Company.

4. To consider and approve any capital expenditure or operating expenses for the Company's business operation or any borrowing or credit facilitaties from financial institutions, including acting as a guarantor in the normal course of business, in an amount not exceeding Bt 20.0 m. or equivalent.

5. To have other powers necessary for the Company's operation as assigned by the meeting of the Board and/or the Executive and Strategy Committee of the Company.

6. To participate in the Company's budget consideration with the Board of Directors and/or the Executive and Strategy Committee.

7. To negotiate and review documents and agreements in relation to normal business operations of the Company, and give advice and suggestions on such matters so that the Board of Directors and/or the Executive Committee of the Company and/or responsible person (s) in those matters can consider and scrutinize to find the conclusion.

8. To entrust one or more persons to perform any acts on his or her behalf as deemed appropriate, provided that such sub-authorization and/or delegation is subjected to the scope of authorization under power of attorney and/or in accordance with rules, requirements or orders of which the Board of Directors and/or Executive and Strategy Committee, and/or of the Company or Chairman of the Executive and Strategy Committee, and Group Chief Executive Officer can cancel, alter or revise such powers.

However, the delegation of powers, duties and responsibilities of the Chairman of the Executive and Strategy Committee and Group Chief Executive Officer shall not be authorization in the way which will allow the Chairman of the Executive and Strategy Committee and Group Chief Executive Officer the ability to approve transactions in which the Chairman of the Executive and Strategy Committee and Group Chief Executive Officer or any persons may have conflict of gains and losses or conflict of any other interests with the Company or its subsidiaries (as per the definition by the notification of the Securities and Exchange Commission). The approval of such nature of transactions shall be proposed to the meeting of the Board of Directors and/or shareholders (whichever the case may be) for consideration and approval as required by the Articles of Association of the Company or of its subsidiar ies or relevant laws, except where it is the approval of such transaction with normal business condition under clearly defined scope.

2.8 Company Secretary

The Board of Directors appoints the Company Secretary to perform duty in organizing the Board of Directors and Shareholders' meetings and other activities of the Board of Directors to ensure that the Board of Directors and the Company properly comply with the related laws and regulations, including the promotion of good governance practices. At present, the Board of Directors has appointed Mr. Paisarl Rumphan as the Company Secretary, effective on April 19, 2016 whereas the qualification of the person who holds the Company Secretary position appears in Attachment.

Scope of duties and responsibilities of Company Secretary

1. To organize the meetings of the Shareholders, the Board of Directors and Specific Committees in accordance with laws, the Company's Articles of Association, each Committee's Charter and Best Practices.

2. To inform the related management of the resolutions and policies of the Board of Directors and Shareholders and follow up the implementation of the resolutions and policies.

3. To give initial advice and recommendations to the Board of Directors and Specific Committees on issues in regard to laws, regulations, the Company's Articles of Association and corporate governance practice, follow up the implementation to ensure correctness and continuity, and report the significant changes to the Board of Directors.

4. To take the minutes of the Shareholders' Meeting and the Board of Directors' Meeting and follow up the implementation of the resolutions of the Shareholders' Meeting and the Board of Directors' Meeting.

5. To supervise the disclosure and report of information under responsibility to the regulatory body in accordance with the compliance with laws, rules and the Company's information disclosure policy.

6. To communicate with the general shareholders for acknowledgement on their rights and the Company's information.

7. To keep stake holding report presented by directors or executives and other important documents such as the Register of the Company's Directors, The Board of Director's Meeting Appointment Letter, Minutes of the Board of Directors' Meeting, and Annual Report of the Company, including Shareholders' Meeting Appointment Letter and Minutes of the Shareholders' Meeting.

8. To supervise the Company's Secretariat to serve as the center of corporate records such as the Company's Certificate of Juristic Person Registration, Memorandum of Association, Articles of Association, Shareholders' Register, etc.

9. To give suggestions and advice to newly appointed directors on assuming their directorship.

10. To supervise the activities of the Board of Directors and carry out other matters as provided by law or assigned by the Board of Directors or as announced by the Securities and Exchange Commission.

THE BOARD & MANAGEMENT PROFILE

Dr. Pisit Leeahtam

Age 66 Years
Chairman of the Board of Directors
Member of the Nomination and Remuneration Committee
Independent Director

(Started on April 29, 2016)

Shareholding

as on April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as on December 30, 2016

1. I	:	0.0047% (103,500 Shares)
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	103,500 Shares
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Doctorate Degree (Economics), Erasmus University, Rotterdam, The Netherlands
- Master Degree (Economics), Erasmus University, Rotterdam, The Netherlands
- Bachelor Degree (Economics), Erasmus University, Rotterdam, The Netherlands

Other Position (s) (Listed Companies and Others)

Listed Companies

- Vice Chairman of the Board of Directors/Chairman of the Audit Committee - KGI Securities (Thailand) Plc.
- Independent Director/Chairman of the Audit Committee - Tirathai Plc.
- Independent Director/Chairman of the Audit Committee - Global Connections Plc.
- Director - OHTL Plc.

Others

- Chairman of the Board of Directors/Member of the Nomination and Remuneration Committee/Independent Director - Pruksa Real Estate Plc.
- Chairman - Thai Tank Terminal Limited
- Country Chairman (Thailand) - Jardines Matheson (Thailand) Ltd.
- Independent Director/Chairman of the Audit Committee - Muangthai Life Assurance Plc.
- Independent Director - Mahaphant Fiber-Cement Plc.
- President - Provident Fund Association
- Council Member - Rajamangala University of Technology Krungthep
- Council Member - King Mongkut's University of Technology, Thonburi
- Council Member - Faculty of Commerce and Accountancy, Thammasat University

Work Experience

• 2008 - 2016	Dean - Faculty of Economics, Chiang Mai University
• 2006 - 2016	Chairman - Netherlands-Thai Chamber of Commerce
• 2014 - 2015	Member of the National Reform Council
• 2001 - 2003	President & CEO, TT&T Plc.
• 1997 - 2001	Deputy Minister of Finance, Ministry of Finance
• 1995 - 1997	Executive Vice President, Head of Investment Banking Group, Bangkok Bank Plc.
• 1991 - 1994	Director, Office of the Governor, Bank of Thailand
• 1987 - 1990	Economist, Exchange and Trade Relations Department, The International Monetary Fund, Washington DC, USA

Training

- Directors Certification Program - (DCP) 18/2002, Thai Institute of Director (IOD)
- Corporate Governance for Capital Market Intermediaries - CGI 2/2558, Thai Institute of Director (IOD)

Mr. Thongma Vijitpongpun

Age 59 Years

Authorized Director/Executive Vice Chairman of the Board of Directors/Chairman of the Executive and Strategy Committee/ Member of the Nomination and Remuneration Committee/Group Chief Executive Officer

(Started on March 16, 2016)

Shareholding

as of March 16, 2016

1. I	:	99.86% (9,986 Shares)
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	60.11% (1,314,009,986 Shares)
2. Spouse	:	3.88% (85,000,000 Shares)
3. Minor Children	:	3.88% (85,000,000 Shares)

Change (+/-)

1. I	:	1,314,000,000 Shares
2. Spouse	:	85,000,000 Shares
3. Minor Children	:	85,000,000 Shares

Family Relationship Among the Executives

- Elder brother of Mrs. Rattana Promsawad

Education

- (Honors) Ph.D. (Engineering Science in Civil Engineering), SPU
- Ph.D. (Civil Engineering), RMUTK
- B.SC (Civil Engineering), Chulalongkorn University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Director/Executive Vice Chairman of the Board of Directors/Chairman of the Executive and Strategy Committee/Member of the Nomination and Remuneration Committee / Chief Executive Officer - Pruksa Real Estate Plc.
- Director - Pruksa Overseas Co.,Ltd.
- Director - Pruksa International Co.,Ltd.
- Director - Pruksa Overseas Service Co.,Ltd.

Work Experience

• 1993 - Present	:	Pruksa Real Estate Plc.
• 1998 - 2005	:	Kaysorn Construction Co.,Ltd.
• 1985 - 1987	:	Siam Engineering Partnership

Training

- Directors Certification Program - (DCP) 51/2004, Thai Institute of Director (IOD)
- Finance for Non-Finance Directors, Thai Institute of Director (IOD)

Mr. Lersuk Chuladesa

Age 62 Years
Authorized Director/Member of the Executive and Strategy Committee/Member of the Enterprise Risk Management Committee

(Started on March 16, 2016)

Shareholding

as of March 16, 2016

1. I	:	0.01% (1 Share)
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	0.0063% (139,001 Shares)
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	139,001 Shares
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Honorary Ph.D. (Business) Western University
- M.A. (Public Administration), National Institute of Development Administration - NIDA
- B.A. (Marketing), Chulalongkorn University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Director/Vice Chairman of the Executive and Strategy Committee/Member of the Corporate Risk Management Committee/Member of the International Investment Committee/CO-Chief Executive Officer - Pruksa Real Estate Plc.
- President of the Pacific Institute of Management
- Executive Committee Member at Office for National Education Standards and Quality Assessment (ONESQA)
- Advisor to Double A (1991) Plc.

Work Experience

• Jul 2008 - Jul 2012	President & CEO, Government Saving Bank
• 2009 - 2012	Director - MFC Asset Management Plc.
• 2008 - 2012	Director - IRPC Plc.
• 2008 - 2012	Chairman - Regional Urban Development Found Office (RUDF)
• 2010 - 2013	Chairman - The GHB Foundation
• 2011 - 2013	Chairman - Saiyai Foundation
• 2002 - 2008	Chairman of Executive Committee - Siam City Insurance Plc.
• 2007 - 2008	Chairman of Executive Wholesale Banking and Operation Officer, Siam City Bank Plc.
• 2005 - 2007	Senior Executive Vice President - Siam City Bank Plc.
• 2002 - 2004	Executive Vice President - Siam City Bank Plc.

Training

- Nation Defence College Diploma (Class 17, 2004), Thailand Nation Defence College
- Executive Officers Program No.9, Capital Market Academy
- Mini MBA II, Thammasat University
- Management Development Program for Middle Manager, Standard Chartered, Singapore
- Banking and Financial Institutes Executive Development Program No.4, The Thai Institute of Banking and Financial Association
- Directors Accreditation Program - (DAP) 63/2007, Thai Institute of Directors Association (IOD)

Mrs. Rattana Promsawad

Age 55 Years
Authorized Director/Member of the Corporate Governance Committee

(Started on April 29, 2016)

Shareholding

as of April 29, 2016

1. I	:	0.01% (1 Share)
2. Spouse	:	None
3. Minor Children	:	None

as of 30 December 2016

1. I	:	1.84% (40,220,401 Shares)
2. Spouse	:	0.58% (12,800,000 Shares)
3. Minor Children	:	4.02% (26,000,000 Shares)

Change (+/-)

1. I	:	40,220,400 Shares
2. Spouse	:	12,800,000 Shares
3. Minor Children	:	26,000,000 Shares

Family Relationship Among the Executives

- Younger sister of Mr. Thongma Vijitpongpun

Education

- Bachelor Degree (Law), Ramkhamhaeng University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Director/Member of the Corporate Governance Committee/Director of CEO Office - Pruksa Real Estate Plc.
- Director - Pruksa Overseas Co.,Ltd.
- Director - Pruksa International Co.,Ltd.
- Director - Kaysorn Construction Co.,Ltd.
- Director - Pruksa India Housing Private Limited

Work Experience

• 2003 - 2005	Finance Advisor - Pruksa Real Estate Co.,Ltd.
• 1998 - 2004	Director - Kaysorn Restaurant Co.,Ltd. (stopped operating the business on January 28, 2005)
• 1993 - 2003	Finance Manager - Pruksa Real Estate Co.,Ltd.
• 1986 - 2001	Finance Manager - Siam Engineering Limited Partnership

Training

- Directors Certification Program - (DCP) 52/2004, Thai Institute of Director (IOD)

Mr. Piya Prayong

Age 47 Years

Authorized Director / Member of the Executive and Strategy Committee / Member of the Enterprise Risk Management Committee

(Started on March 16, 2016)

Shareholding

as of March 16, 2016

1. I	:	0.01% (1 Share)
2. Spouse	:	None
3. Minor Children	:	None

as of 30 December 2016

1. I	:	0.048% (1,056,901 Shares)
2. Spouse	:	0.002% (49,000 Shares)
3. Minor Children	:	None

Change (+/-)

1. I	:	1,056,900 Share
2. Spouse	:	49,000 Shares
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Bachelor Degree (Engineering), Kasetsart University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Director/Member of the Executive and Strategy Committee/Member of the Corporate Risk Management Committee/President, Value Business - Pruksa Real Estate Plc.
- Director - Kaysorn Construction Co.,Ltd.
- Director - Pruksa Overseas Service Co.,Ltd.

Work Experience

- 2010 Chief Business Officer - Pruksa Real Estate Plc.
- 2008 Chief Operating Officer - Pruksa Real Estate Plc.
- 2004 Executive Vice President - Pruksa Real Estate Co.,Ltd.
- 2003 Project Construction Manager - Pruksa Real Estate Co.,Ltd.

Training

- Directors Certification Program - (DCP) 59/2005, Thai Institute of Director (IOD)

Mr. Adul Chandanachulaka

Age 71 Years

Independent Director/Member of the Audit Committee/Member of the Corporate Governance Committee

(Started on April 29, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Bachelor Degree (Commerce and Accountancy), Chulalongkorn University

Other Position (s) (Listed Companies and Others)

Listed Companies

- Independent Director and Audit Committee of Jutha Maritime Public Company Limited

Others

- Independent Director/Member of the Audit Committee/ Member of the Corporate Governance Committee - Pruksa Real Estate Plc.

Work Experience

- 2003 - 2004 Director - Siam Press Management Co.,Ltd.
- 2001 - 2002 Chairman of the Board of Directors - Siam Integrated Service Co.,Ltd.
  Director - Dusit Sinthorn Co.,Ltd.
- 2000 - 2002 Director - Jalaprathan Cement Plc.
- 1968 - 2002 Last Position: Executive Vice President - Siam Commercial Bank Plc.

Training

- Directors Accreditation Program - (DAP) 5/2003, Thai Institute of Director (IOD)
- Audit Committee Program - (ACP) 7/2005, Thai Institute of Director (IOD)
- Role of the Compensation Committee - (RCC) 3/2007, Thai Institute of Director (IOD)

Mr. Weerachai Ngamdeevilaisak

Age 54 Years
Independent Director/Member of the Audit Committee/ Member of the Enterprise Risk Management Committee/ Chairman of the Nomination and Remuneration Committee

(Started on April 29, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Bachelor Degree (Commerce and Accountancy), Thammasat University
- Advanced Certificate, Public Administration and Law (King Prajadhipok's Institute)

Other Position (s) (Listed Companies and Others)

Listed Companies

- Independent Director/Member of the Audit Committee/ Member of Nomination and Remuneration Committee Chairman of Risk Management Committee - Srisawad Power (1979) Public Co.,Ltd.
- Independent Director/Chairman of the Board of Directors/Chairman of the Audit Committee Alla Public Co.,Ltd.
- Independent Director/Chairman of the Audit Committee - SYN MUN KONG INSURANCE Public Co.,Ltd.

Others

- Independent Director/Member of the Audit Committee/ Member of the Corporate Risk Management Committee/Chairman of the Nomination and Remuneration Committee - Pruksa Real Estate Plc.
- Director - Audit One Co.,Ltd.
- Director - Associated One Co.,Ltd.
- Director - SMILE P Co.,Ltd.

Work Experience

- 2003 - 2015 Director - Professional Outsourcing Solutions Co.,Ltd.
  Director - Accounting & Business Advisory Co.,Ltd.
- 1999 - 2003 Executive Director - Arthur Andersen Thailand's Group of companies
- 1996 - 1999 Assistant Director - SGV-Na-Thalang Co.,Ltd.
- 1992 - 1996 Audit Manager - SGV-Na-Thalang Co.,Ltd.
- 1985 - 1992 Assistant Auditor - SGV-Na-Thalang Co.,Ltd.

Training

- Directors Certification Program - (DCP) 0/2000, Thai Institute of Director (IOD)
- Finance for Non-Finance Director - (FN) 1/2003, Thai Institute of Director (IOD)
- Role of the Compensation Committee - (RCC) 3/2007, Thai Institute of Director (IOD)
- Successful Formulation & Execution of Strategy - (SFE) 4/2009, Thai Institute of Director (IOD)
- Chartered Director Class - (CDC) 8/2014, Thai Institute of Director (IOD)

Mr. Somprasong Boonyachai

Age 61 years

Independent Director / Vice Chairman of the Executive and Strategy Committee

(Started on April 29, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Master of Engineering (IE & M), Asian Institute of Technology (AIT)
- Bachelor of Engineering (IE), King Mongkut Institute of Technology Thonburi (Currently King Mongkut University of Technology Thonburi)

Other Position (s) (Listed Companies and Others)

Listed Companies

- Director/Chairman of the Executive Committee - Intouch Holdings Plc.
- Vice Chairman of the Board - Advanced Info Service Plc.
- Director - Thaicom Plc.
- Advisor of CEO - Intouch Holdings Plc.
- Member of the Audit Committee (Independent Director) Power Line Engineering Plc.

Others

- Independent Director / Member of the Executive and Strategy Committee Pruksa Real Estate Plc.
- Advanced Wireless Network Co.,Ltd.
- Osotspa Co.,Ltd.

Work Experience

- 2008 - 2015 Group CEO/Chairman of the Executive Committee - Intouch Holdings Plc. (INTOUCH Group)
  Vice Chairman of the Board of Directors - Advanced Info Service Plc. (AIS)
- 2007 - 2008 Group CEO/Chairman of the Executive Committee - Intouch Holdings Plc. (INTOUCH Group)
  Chairman of the Executive Committee - Advanced Info Service Plc. (AIS)
- 2000 - 2007 Vice Chairman of the Executive Committee - Shin Corporation Plc. (Shin Group)
  Chairman of the Executive Committee - Advanced Info Service Plc. (AIS)
- 1999 - 2000 Group Chairman of the Executive Committee - Advanced Info Service Plc. (AIS)
- 1997 - 1998 Chairman of the Executive Committee - Shin-IT Co.,Ltd.
  Group Director - Advanced Info Service Plc. (AIS)

Training

- IMD (High Performance Boards Program)
- Top Executive Program in Energy (Class 4)
- Executive Program in Judicial Administration (Class 17)
- Harvard Business School (Corporate Restructuring, Mergers, and Acquisitions)
- Top Executive Program in Commerce and Trade (TEPCoT 4)
- Role of the Chairman - (RCP) 21/2552, Thai Institute of Director (IOD)
- Directors Certificate Program - (DCP) 67/2548, Thai Institute of Director (IOD)
- Capital Market Academy (CMA # 6)
- King Prajadhipok's Institute (PPR #11)
- Leadership Dilemmas and Profitable Growth : LDPG, IMD International, MIT Sloan
- Leading Change and Organizational Renewal/Graduate School of Business, Stanford University
- National Defence College of Thailand (NDC # 4313)

Dr. Piyasvasti Amranand

Age 63 Years
Independent Director /
Chairman of the Audit Committee

(Started on April 29, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Ph.D. Economics, London School of Economics, University of London, UK
- Master's Degree (Distinction) Economics, (Econometrics and Mathematical Economics), London School of Economics, University of London, UK
- Bachelor's Degree (First Class Honors) Mathematics, University of Oxford, UK

Other Position (s) (Listed Companies and Others)

Listed Companies

- Chairman of the Board of Directors (Independent Director) PTT Plc.
- Chairman of the Audit Committee (Independent Director) - Kasikorn Bank Plc.

Others

- Independent Director / Chairman of the Audit Committee - Pruksa Real Estate Plc.
- 2010 - Present Chairman, Energy for Environment Foundation

Work Experience

- 2009 - 2012 President - Thai Airways International Plc.
- 2008 - 2009 Chief Advisor to Chief Executive Officer - Kasikorn Bank Plc.
- 2006 - 2008 Minister - Ministry of Energy

Training

- Directors Accreditation Program - (DAP) 35/2005, Thai Institute of Director

Mr. Wichian Mektrakarn

Age 62 Years

Authorized Director/Member of the Executive and Strategy Committee/Member of the Nomination and Remuneration Committee

(Started on March 16, 2016)

Shareholding

as of March 16, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- BS EEE (Honor)/California State Polytechnic University, Pomona, USA

Other Position (s) (Listed Companies and Others)

Listed Companies

- Director - Pruksa Real Estate Plc.
- Director/Member of the Audit Committee/ Member of the Nomination and Remuneration Committee - AAPICO Hitech Plc.
- Chairman - CS Loxinfo PLC.

Others

- Director/Member of the Executive and Strategy Committee/Member of the Nomination and Remuneration Committee - Pruksa Real Estate Plc.
- Chairman - Aira & Aiful Plc.
- Director/Member of the Audit Committee - Thanachart Insurance Plc.
- Director - International School of Engineering, Chulalongkorn University

Work Experience

• 2009 - Jun 2014	Chief Executive Officer - Advanced Info Service Plc.
• 2006 - 2009	President - Advanced Info Service Plc.

Training

- Advanced Technical in Microwave California State University - Northridge
- Mini MBA for Shinawatra Executives Chulalongkorn University
- Advanced Executive Program Kellogg School of Management, Northwestern University, USA
- Capital Market Academy Class 8 (CMA 8), Capital Market Academy - The Stock Exchange of Thailand
- Director Certification Program - (DCP) 107/2008, Thai Institute of Directors
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Class 17 The College of Politics and Governance - King Prajadhipok's Institute
- Board that Make a Different - (BMD) 3/2016, Thai Institute of Directors (IOD)

Dr. Anusorn Sangnimnuan

Age 62 Years
Independent Director / Chairman of the Corporate Governance Committee / Member of the Nomination and Remuneration Committee

(Started on April 29, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Ph.D. (Chemical Engineering), Monash University, Melbourne, Australia
- M.Eng. (Environmental Engineering), Asian Institute of Technology (AIT)
- B.Sc. (Chemical Engineering), Chulalongkorn University

Other Position (s) (Listed Companies and Others)

Listed Companies

- Independent Director - IRPC Plc.
- Independent Director - B.Grimm Power Plc.

Others

- Independent Director / Chairman of the Corporate Governance Committee / Member of the Nomination and Remuneration Committee - Pruksa Real Estate Plc.
- Chairman - Office of Vocational Education Commission
- Chairman - The Transport Co.,Ltd.
- Board Member, Office of the National Economic and Social Development Board
- Committee member- Audit and Evaluation Committee, Ministry of Science and Technology
- Consultant - The Ubon Bio Ethanol Co.,Ltd.

Work Experience

- 2013 - 2016 Director - The Krungthep Thanakom Co.,Ltd.
- 2014 - 2015 Member of the National Reform Council
- 2014 - 2015 Director - Loxley Plc.
- 2013 - 2015 Senior Consultant, The Bangchak Petroleum Plc.
- 2005 - 2012 President - The Bangchak Petroleum Plc.
- 2011 - 2012 Chairman - The Bangchak Solar Energy Co.,Ltd.
- 2011 - 2012 Chairman - The Ubon Bioethanol Co.,Ltd.
- 2008 - 2012 Chairman - The Bangchak Biofuel Co.,Ltd.
- 2008 - 2011 Chairman - Thailand Business Council for Sustainable Development (TBCSD)
- 2008 - 2011 Director - Thai Capital Market Organizations
- 2007 - 2011 Director - Thai Listed Companies Association
- 2006 - 2008 Member - The Legislative Assembly Commissioner and Secretary, Energy Committee

Training

- Diploma, The Joint State-Private Sector Course, National Defence College (Class 20)
- Leadership Program, Capital Market Academy (Class 10), The Stock Exchange of Thailand
- Advanced Diploma, Public Administration and Public Law, King Prajadhipok's Institute
- Public Director Certification Program, Public Director Institute (Class 1)
- Director Certification Program - (DCP) 62/2005, Thai Institute of Directors (IOD)
- Director Accreditation Program - (DAP) 40/2005, Thai Institute of Directors (IOD)

Dr. Prasarn Trairatvorakul

Age 64 years

Independent Director/Member of the Audit Committee/ Chairman of the Enterprise Risk Management Committee

(Started on April 29, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Doctor of Business Administration, Harvard University, Massachusetts, USA
- Master in Business Administration, Harvard University, Massachusetts, USA
- Master of Engineering in Industrial Engineering and Management, Asian Institute of Technology, Bangkok, Thailand
- Bachelor of Engineering in Electrical Engineering (First Class Honors), Chulalongkorn University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Independent Director/Member of the Audit Committee/ Chairman of the Corporate Risk Management Committee - Pruksa Real Estate Plc.
- Executive Director - Thai Red Cross Society
- Advisor - Board of Investment
- Member - State Enterprises Supervisory Board
- Member - Committee to Enhance Competitiveness of the Nation
- Member - Committee to Draft the National Strategy
- Member - Anti-corruption Committee

Work Experience

- 2010 - 2015 Governor - Bank of Thailand
- 2010 - 2010 Vice Chairman - Muangthai Life Assurance Co.,Ltd.
- 2005 - 2010 Chairman - KLeasing Co.,Ltd.
- 2005 - 2009 Chairman - KFactoring Co.,Ltd.
- 2004 - 2010 President - Kasikorn Bank Plc.
- 1999 - 2003 Secretary General - Securities and Exchange Commission of Thailand
- 1992 - 1999 Deputy Secretary-General, Securities and Exchange Commission of Thailand
- 1983 - 1992 Economist, Department of Economic Research - Section Chief, Department of Bank Supervision and Examination - Deputy Director, Department of Financial Institutions Supervision and Examination - Bank of Thailand
- 1981 - 1983 Research Fellow, International Food Policy Research Institute, Washington, DC, USA

Training

- The Joint State-Private Sector Course Thailand National Defence College
- Role of the Chairman Program, Thai Institute of Directors (IOD)
- Directors Certification Program, Thai Institute of Directors (IOD)

Mr. Charly Madan

Age 54 years
Member of the Executive and Strategy Committee/ Member of Enterprise Risk Management Committee/ Chief Financial and Risk Officer

(Started on May 4, 2016)

Shareholding

as of May 4, 2016

1. I	:	0.01% (1 Share)
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	0.000000046% (1 Share)
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Master of Business Administration, Sasin Graduate Institute of Business Administration
- Bachelor of Business Administration, Assumption Business Administration College

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Member of the Executive and Strategy Committee/ Member of Corporate Risk Management Committee/ Chief Financial and Risk Officer - Pruksa Real Estate Plc.

Work Experience

- 2015 - Present Chief Financial & Risk Officer - Pruksa Real Estate Plc.
- 2012 - 2014 Head of Capital and Portfolio Management, APAC, Country Executive and Head of International Banking - Royal Bank of Scotland Thailand
- 2010 - 2012 Head of Corporate Banking - Bank of Ayudhya Plc.
- 2008 - 2009 President & CEO - AIG Retail Bank Plc., Thailand
- 2003 - 2008 Managing Director - Citibank N.A., Vietnam
- 1994 - 2003 Director - Citibank N.A., Thailand Board of Director - Citicorp Finance and Securities (Thailand) Co.,Ltd.
- 1991 - 1994 Team Head Corporate Banking - Standard Chartered Bank, Bangkok Branch
- 1987 - 1988 GM Thailand - Sassoon Securities PTE LTD, Hong Kong

- 1985 - 1987 Head of Custodial Services - Standard Chartered Bank, Bangkok Branch

Training

- Director Certification Program Thai Institute of Directors Association (IOD)
- Senior Risk Program (SCO) Citibank Switzerland

Mr. Porntep Suppataratarn

Age 54 years
Chief Supply Chain Officer

(Started on November 7, 2016)

Shareholding

as of November 7, 2016

1. I	:	0.01% (1 Share)
2. Spouse	:	N/A
3. Minor Children	:	N/A

as of December 30, 2016

1. I	:	0.00089% (19,501 Share)
2. Spouse	:	N/A
3. Minor Children	:	N/A

Change (+/-)

1. I	:	19,500 Shares
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Master of Business Administration, National Institute of Development Administration
- Bachelor Degree of Engineering, Chulalongkorn University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Chief Supply Chain Officer - Pruksa Real Estate Plc.

Work Experience

- 2016 - Present Chief Supply Chain Officer - Pruksa Real Estate Plc.
- 2013 - 2015 EVP Human Capital - Pruksa Real Estate Plc.
- 2008 - 2013 EVP Engineering & Quality - Mitr Phol Sugar, Co.,Ltd.
- 2005 - 2008 Associate Director - Procter & Gamble Vietnam, Co.,Ltd.
- 2000 - 2005 Operation Manager - Procter & Gamble Manufacturing (Thailand) Co.,Ltd.
- 1997 - 2000 Operation Manager - Procter & Gamble Canada, Co.,Ltd.
- 1989 - 1997 Operation Manager - Procter & Gamble Manufacturing (Thailand) Co.,Ltd.

Training

- -

Mr. Pornchalit Ploykrachang

Age 48 years
Senior Vice President - Investor Relations and New Business Development

(Started on May 4, 2016)

Shareholding

as of May 4, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Family Relationship Among the Executives

- -

Education

- Master Degree (Business Administration), Long Island University, New York, USA
- Bachelor Degree (Accounting), West Virginia University, New York, USA

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Senior Vice President - Investor Relations Department - Pruksa Real Estate Plc.

Work Experience

- 2012 - Present Senior Vice President - Investor Relations - Pruksa Real Estate Plc.
- Jan - Oct 2012 Director - Head of Equities - SBI Royal Securities, Phanom Penh, Cambodia
- 2003 - 2011 Assistant Managing Director-Head of Institutional Sales, Siam City Securities Plc.
- 2001 - 2003 Institutional Sales, ING Securities
- 1999 - 2001 Institutional Sales - ABN AMRO Asia Securities
- 1996 - 1999 Senior Investment Analyst - ABN AMRO HOARE GOVETT
- Feb - Nov 1996 Investment Analyst - Seamico Securities Plc.
- 1992 - 1995 Regional Regulatory Compliance Officer & Internal Auditor - Siam Commercial Bank Plc

Training

- Refresher Course conducted by Investment Analysts Association

Mr. Udomsak Yamnoon

Age 55 years
Executive Vice President Human Capital

(Started on May 6, 2016)

Shareholding

as of May 6, 2016

1. I	: 0.01% (1 Share)
2. Spouse	: None
3. Minor Children	: None

as of December 30, 2016

1. I	: 0.000000046% (1 Share)
2. Spouse	: None
3. Minor Children	: None

Change (+/-)

1. I	: -
2. Spouse	: -
3. Minor Children	: -

Family Relationship Among the Executives

- -

Education

- Bachelor Degree (Political Science) 2nd Class Honor/ Thammasat University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Executive Vice President Human Capital - Pruksa Real Estate Plc.

Work Experience

- 2015 - Present Executive Vice President Human Capital - Pruksa Real Estate Plc.
- 2013 - 2014 Personal Director of Industry - Michelin Siam Co.,Ltd.
- 2011 - 2013 Personal Director - Michelin Siam Leam Chabang Plant - Michelin Siam Co.,Ltd.
- 2006 - 2011 Production Manager TC Product - Michelin Siam Pra Pradaeng Plant Michelin Siam Co.,Ltd.
- 2000 - 2005 Personal Manager - Michelin Siam Pra Pradaeng Plant - Michelin Siam Co.,Ltd.
- 1998 - 1999 Personal Manager - Michelin Siam Nongkhea Plant - Michelin Siam Co.,Ltd.
- 1996 - 1997 Personal Manager - Thai Wanaphan Co.,Ltd. Siam Cement Group

Training

- Management Development Program Class 17 : SCG 2003
- Empowerment Program and OR Coordinator : Michelin Siam 2012
- Managing Daily Performance and MDP Coach : Michelin Siam 2009

Mr. Premsak Vallikul

Age 52 years

Head of Internal Audit and Internal Audit Department/Secretary of the Audit Committee

(Started on April 19, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- Certified Information Systems Auditor - CISA (0126580/2001 ISACA)
- Master Degree in Commerce, University of New South Wales, Australia
- Graduate Diploma in Information Systems, University of Wollongong, Australia
- Bachelor Degree in Accounting, Chulalongkorn University

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Senior Vice President - Internal Audit - Pruksa Real Estate Plc.

Work Experience

- 2015 - Present Senior Vice President - Internal Audit, Pruksa Real Estate Plc.
- 2009 - 2014 Vice President - Internal Audit Pruksa Real Estate Plc.
- 2008 - 2009 Vice President - Land Acquisition Pruksa Real Estate Plc.
- 2007 - 2008 Chief Audit Officer - Grande Asset Development Plc.
- 2004 - 2007 Manager - Pruksa Real Estate Plc.
- 2003 - 2004 Senior Manager Internal Audit Department - Betagro Group Co., Ltd.
- 1999 - 2002 Manager - Pricewatherhouse Coopers Co.,Ltd.
- 1996 - 1999 Senior Internal Auditor Shell Company of Thailand

Training

- Director Certification Program - (DCP) 56/2005, Thai Institute of Directors (IOD)

Mr. Paisarl Rumphan

Age 57 Years

Company Secretary / Secretary of the Executive and Strategy Committee

(Started on April 19, 2016)

Shareholding

as of April 29, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

as of December 30, 2016

1. I	:	None
2. Spouse	:	None
3. Minor Children	:	None

Change (+/-)

1. I	:	-
2. Spouse	:	-
3. Minor Children	:	-

Family Relationship Among the Executives

- -

Education

- LL.B., Thammasat University
- Barrister-at-Law, The Institute of Legal Education, Thai Bar Association

Other Position (s) (Listed Companies and Others)

Listed Companies

- -

Others

- Company Secretary / Secretary of the Executive and Strategy Committee - Pruksa Real Estate Plc.

Work Experience

- 2009 - Present Company Secretary/Secretary of the Executive and Strategy Committee - Pruksa Real Estate Plc.
- 2008 - 2009 Senior Legal Manager/Company Secretary - Pruksa Real Estate Plc.
- 2005 - 2006 Vice President, Broker Business Department Ayudhya Allianz C.P. Life Plc.
- 1992 - 2005 Vice President, Legal Department Ayudhya Allianz C.P. Life Plc. Member of the Law Sub-committee, The Thai Life Assurance Association

Training

- Company Secretary Program - (CSP) 27/2008, Thai Institute of Directors (IOD)
- Effective Minute Taking - (EMT) 13/2009, Thai Institute of Directors (IOD)
- Board Reporting Program - (BRP) 3/2010, Thai Institute of Directors (IOD)

CONTROLLING PERSONS OF THE COMPANY AND ITS SUBSIDIARIES (AS OF DECEMBER 30, 2016)

Name	Company	Pruksa Real Estate	Kaysorn Construc-tion	Phanalee Estate Co., Ltd.	Puthachart	Pruksa Interna-tional Co., Ltd.	Pruksa Overseas Co., Ltd.	Pruksa Overseas Service Co., Ltd.
1. Dr. Pisit Leeahtam	X	X	-	-	-	-	-	-
2. Mr. Thongma Vijitpongpun	/ & //	/ & //	-	-	-	X	X	X
3. Mr. Adul Chandanachulaka	/	/	-	-	-	-	-	-
4. Mr. Weerachai Ngamdeevilaisak	/	/	-	-	-	-	-	-
5. Mr. Prasert Taedullayasatit	-	/ & //	-	-	-	-	-	-
6. Mrs. Rattana Promsawad	/	/	/	-	-	/	/	-
7. Mr. Piya Prayong	/ & //	/ & //	/	-	-	-	-	/
8. Mr. Lersuk Chuladesa	/ & //	/ & //	-	-	-	-	-	-
9. Dr. Piyasvasti Amranand	/	/	-	-	-	-	-	-
10. Mr. Wichian Mektrakarn	/ & //	/ & //	-	-	-	-	-	-
11. Dr. Anusorn Sangnimnuan	/	/	-	-	-	-	-	-
12. Mr. Somprasong Boonyachai [1]	/ & //	/ & //	-	-	-	-	-	-
13. Dr. Prasarn Triratvorakul	/	/	-	-	-	-	-	-
13. Mr. Charly Madan	//	//	-	-	-	-	-	-
14. Ms. Suporn Treewichayapong	-	-	/	/	/	/	/	/

Remarks : / = Director x = Chairman // = Executive Director

[1] Mr. Somprasong Boonyachai resigned from the Company Director and Executive and Strategy Committee on 1 January 2017

MEETING ATTENDANCE OF THE DIRECTORS IN Y2016

The company was established on March 16, 2016 to support the business expansion according to the business restructure of Pruksa Real Estate (Public) Co., Ltd. The trading day in The Stock Exchange of Thailand (SET) on December 1, 2016.

Name	Board of Directors	Executive Committee	Corporate Risk Manage-ment Committee	Corporate Governance Committee	Nomination and Remuneration Committee	Executive & Strategy Committee
1. Dr. Pisit Leeahtam [1]	3/3	-	-	-	-	-
2. Mr. Thongma Vijitpongpun	3/4	-	-	-	-	-
3. Dr. Piyasvasti Amranand [1]	3/3	6/6	-	-	-	-
4. Mr. Adul Chandanachulaka [1]	3/3	6/6	-	-	-	-
5. Mr. Weerachai Ngamdeevilaisak [1]	3/3	6/6	-	-	-	-
6. Dr. Anusorn Sangnimnuan [1]	3/3	-	-	-	-	-
7. Dr. Prasarn Trairatvorakul [1]	3/3	5/6	-	-	-	-
8. Mr. Somprasong Boonyachai [1] [3]	3/3	-	-	-	-	-
9. Mr. Wichian Mektrakarn	4/4	-	-	-	-	-
10. Mr. Lersuk Chuladesa	4/4	-	-	-	-	-
11. Mrs. Rattana Promsawad [1]	3/3	-	-	-	-	-
12. Mr. Piya Prayong	4/4	-	-	-	-	-
13. Mr. Prasert Taedullayasatit [2]	1/1	-	-	-	-	-

Remarks: [1] Dr. Pisit Leeahtam, Dr. Piyasvasti Amranand, Mr. Adul Chandanachulaka, Mr. Weerachai Ngamdeevilaisak, Dr.Anusorn Sangnimnuan, Dr. Prasarn Trairatvorakul, Mr. Somprasong Boonyachai and Mrs. Rattana Promsawad were appointed as the Chairman of Extraordinary General Shareholder Meeting No. 1/2016 effective on April 29, 2016

[2] Mr Prasert Taedullayasatit resigned from the Company Director effective on April 29, 2016

[3] Mr. Somprasong Boonyachai resigned from the Deputy Chairman Executive & Strategy Committee effective on January 1, 2017

REPORT OF BOARD OF DIRECTORS

As part of its restructuring plan which had been approved by the Annual General Meeting of Shareholders held on 28 April 2016, Pruksa Real Estate Public Company Limited (PS) shall establish a holding company under the name of Pruksa Holding Company Limited (PSH) which shall acquire the entire stocks of Prusksa Real Estate Public Company Limited by exchanging the same category of stock at the rate of 1 : 1 (One common stock of PS per one common stock of PSH) through tender process. Today, this process have already been completed and the common stocks of Pruksa Holding are now listed on the Stock of Exchange of Thailand in replacement of the common stocks of Pruksa Real Estate on December 1, 2016, allowing it to become the major shareholder of Pruksa Real Estate. At the same time, the common stocks of Pruksa Real Estate under "PS" symbol are simultaneously delisted from The Stock Exchange of Thailand on the same date.

Pruksa Holding Public Company Limited was established as a holding company to invest in the business of residential property development for sale as part of its core business by no less than 75% of its total assets including building new businesses with stable and sustainable recurring income. Once the restructuring process is completed, Pruksa Holding's core businesses shall include:

1. To invest in subsidiaries and/or group companies.
2. To seek funds for supporting the businesses of the Company and group companies.
3. To invest in non-related businesses to promote liquidity and excess return.
4. To provide support to group companies.

Under this restructuring plan, Pruksa Holding will not only enable Pruksa Real Estate to flexibly operate its businesses according to the set up plan but also offers the opportunity to find suitable joint ventures in each field of specialization, including limiting risk level, promoting efficient business risk management and enhancing the efficiency and flexibility of organizational management structure to ensure it is capable of supporting future business operations. Through organizational restructuring and investment expansion to new income segments as part of the determined strategic plan, the Company is expected to gain more sources of income and at the same time reduce the chance of revenue fluctuations in comparison to the revenue of Pruksa Real Estate generated from real estate development for sale alone. Most importantly, value-added can be created among the shareholders.

Following the restructuring process, the main committees responsible in overseeing the Company's business operations, which included the Board of Directors, the Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Corporate Risk Management Committee and the Executive and Strategy Committee, shall also be responsible in regulating the business operations of Pruksa Holding Group. Currently, the Board of Directors and main committees of Pruksa Holding have already by appointed.

Lastly, the Board of Directors would like to thank all related parties namely the shareholders, customers, business partners, financial institutions and public and private organizations. We promised to operate our business in careful and transparent manner and in line with the determined goals and legal requirements and based on the principle of good governance to ensure the best interests of all relevant parties and sutainable growth for the future ahead.

(Dr. Pisit Leeahtam)
Chairman of the Board of Directors
January 20, 2017

REPORT OF EXECUTIVE AND STRATEGY COMMITTEE

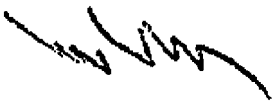
Pruksa Holding Public Company Limited ("the Company") was listed on the Stock Exchange of Thailand on December 1, 2016 and was established to operate the following core businesses:

1. To act as a holding company to invest in the business of residential property development for sale, which is owned by Pruksa Real Estate Public Company Limited, by 100% of its total assets.
2. To operate businesses with recurring income.

The Executive Committee is determined to regulate and monitor the business operations of the Company and subsidiary to ensure they are in compliance with the objectives set out by the Company by taking into consideration the best interests of every group of shareholders and stakeholders as per the following details:

(1) Enlarging core residential real estate business by expanding to new income segments.
(2) Expanding residential real estate business internationally.
(3) Building synergized business related to real estate to strengthen brand and customer satisfaction.
(4) Building new businesses to provide stable recurring income.
(5) Developing a sustainable and professional organization.

Lastly, the Executive Committee promised to manage and regulate the business operations of the Company with accountability, carefulness and honesty and in compliance with relevant laws and the principle of good corporate governance to ceaselessly foster business stability and sustainability of the organization.



(Mr. Thongma Vijitpongpun)
Chief Executive Officer Pruksa Group
January 23, 2017

REPORT OF NOMINATION AND REMUNERATION COMMITTEE

The current Nomination and Remuneration Committee has consisted of Mr. Weerachai Ngamdeevilaisak as the Chairman of the Committee, Dr. Pisit Leeahtam, Mr. Thongma Vijitpongpun, Mr. Wichian Mektrakarn, Dr. Anusorn Sangnimnuan, as the members, and Mr. Udomsak Yamnoon as the Secretary. The Committee consists of four independent directors from five members and the independent director is the Chairman of the Committee in accordance with Good Corporate Governance Policy of the Company and the Charter of Nomination and Remuneration Committee.

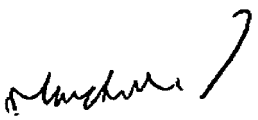
In selection and nomination of the qualified person's name list to be the Director and Chief Executive Officer, the Nomination and Remuneration Committee has considered by regarding qualification, knowledge, competency, experience and good work background, with leadership, wide vision as well as virtue, ethics and ability to devote adequate time to be beneficial to the Company' business operation. Moreover, the Company's director nomination has also taken the diversity of the Board's structure into consideration. Board Skill Matrix has been prepared to define the qualifications of the directors required for nomination under consideration from deficient necessary skill and qualifications which are appropriate and consistent with the element and structure of the director in accordance with the Company's business strategy as the component of new director nomination. The transparent process has ensured the shareholder's confidence. The current Board of Directors has consisted of 11 members in total, including five independent directors, one non-executive director and five executive directors. The profile information of each member has been appeared in this Annual Report under topic of Director and Executive Profile.

The appropriateness in accordance with the delegated obligations and responsibilities has been considered in determining remuneration of the Director and Managing Director, to be comparable with the listed companies in the Stock Exchange of Thailand in the similar industry and business size, in order to retain the personnel with knowledge and competency to stay with the Company and motive them for functionality to achieve target under defined strategies. The shareholders can be confident from the transparent process. The remuneration information of each member has been appeared in this Annual Report under topic of the Director and Executive's Remuneration.

In 2016, Nomination and Remuneration Committee convened total of 4 meetings to function the nomination of the qualified persons in holding the director position. The Committee also performed duty in considering the director's remuneration and proposing to the Board of Directors' Meeting before proposing to the Shareholders' Meeting for consideration and approval. In addition, the Nomination and Remuneration Committee also considered the study for below purpose.

1. Update of criteria and method for determination of remuneration structure to support future business growth of the Company that covers the determination of appraisal indicator of the Board's and top executive's performance.

2. Determination of the continuous procedure and process for systematic management in continuous succession planning for the key director and executive positions, covering the detail of procedure, criteria and method, and in the way of development plan for director and executive officer, delegation of duty to the director and/or accepted competent person to give counsel and advice and assist the executive who possesses achievement and potential under mentoring system so that there will be continual task successor for the Company's business operation sustainability in the future accordingly.



(Mr. Weerachai Ngamdeevilaisak)
Chairman of the Nomination
and Remuneration Committee
January 20, 2017

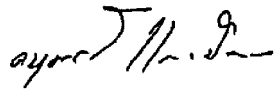
REPORT OF CORPORATE GOVERNANCE COMMITTEE

Pruksa Holding Public Company Limited (PSH) was recently established in 2016 with the same Board of Directors and management team as Pruksa Real Estate Public Company Limited (PS). Hence, the Company's corporate governance policy and activities are therefore identical to that of PS.

In 2017, the Company shall conduct the following activities in order to complete the determined corporate governance goals:

- Joining Private Sector Collective Action Coalition Against Corruption (CAC) with Thai Institute of Directors (IOD) with the aim to become a certified member by 2018.
- Completely defining PSH corporate governance policy.
- Determining appropriate measures in monitoring and overseeing operational performance of subsidiaries to ensure they are in line with relevant laws and good corporate governance principles.
- Organizing seminar session with the business partners of subsidiaries on topics relating to anti-corruption policy and joining hands with them in preventing corruptions and including this as one of the terms and conditions in the agreement entered between subsidiary and its business partner.
- Encouraging business partners of subsidiaries to join Private Sector Collective Action Coalition Against Corruption (CAC) with Thai Institute of Directors (IOD).

Apart from the above mentioned activities, the Company also plans to carry out basic corporate governance activities namely organizing corporate governance training among new employees, conducing online assessment among the executives and existing employees, encouraging the management and employees to disclose their relationship with clients, organizing campaigns and promoting 'no gift policy' and CG Day Activity to build confidence among the shareholders and stakeholders that the business operations of the Company and subsidiaries are carried out based on transparency, honesty and fairness among all parties.



(Dr. Anusorn Sangnimnuan)
Chairman of Corporate Governance Committee
January 16, 2017

REPORT OF CORPORATE RISK MANAGEMENT COMMITTEE

The Company places great importance on risk management as it play a vital role in building business sustainability and creating value added among the shareholders and stakeholders of the Company. Hence, the Board of Directors therefore appointed Corporate Risk Management Committee of Pruksa Real Estate Public Company Limited which comprises a total of six members who are also members of Corporate Risk Management Committee of Pruksa Holding Public Company Limited since all members are professionals with the capability in overseeing that the Company's corporate risk management operations are properly carried out to ensure the highest benefits. The Chairman of Corporate Risk Management Committee is Dr. Prasarn Trairatvorakul and shall be effective from December 31, 2016 onwards.

Corporate Risk Management Committee held one meeting of which important agenda can be summarized as follows:

1. Reviewing Corporate Risk Management Committee Charter to ensure that it completely covers the roles and responsibility of the Board of Directors who oversee risk management operation of Pruksa Holding Public Company Limited and affiliates. The Charter shall then be submitted to the Board of Directors for further approval.
2. Considering the 2016 Risk Management Framework and Risk Management Plan in order to extend the scope in identifying risks to ensure that it covers all business groups under Pruksa Holding Public Company Limited and affiliates, including potential risks that may derive from new businesses.
3. Considering appropriate procedure in identifying major risks in 2017 to further be adopted in risk assessment process by Corporate Risk Management Committee and high-ranking executives.

Corporate Risk Management Committee is highly committed in managing and maintaining risks at appropriate level within the organization and shall assist all affiliates under Pruksa Group in developing risk management system of internationally accepted standard to sustainably ensure the best interests of the shareholders and stakeholders of the Company.

(Dr. Prasarn Trairatvorakul)
Chairman of Corporate Risk Management Committee
December 30, 2016

REMUNERATION OF DIRECTOR AND MANAGEMENT

1. MONETARY REMUNERATION

1.1 Remuneration of Independent Director and non-executive Director

Pruksa Holding Company Limited was founded on March 16, 2016 and did not have any significant business operation in year 2016. There are no remuneration set up year 2016 and no payment has been made during March 16, - December 31, 2016.

1.2 Remuneration of Management and Director

Pruksa Holding Company Limited was founded on March 16, 2016 an did not have any significant business operationin year 2016. There are no remuneration set up year 2016 and no payment has been made during March 16, - December 31, 2016.

1.3 Other remuneration (if any)

- None -

2. PERSONNEL AND EMPLOYEE

2.1 Employee

Pruksa Holding Company Limited was founded on March 16, 2016. There are 2 staffs work in Internal Audit and Company Secretary as of December 31, 2016.

2.2 The major change of number of employee during the past 5 years (Excluding the Management)

- None -

2.3 The labor dispute during the past 3 years

- None -

3. PROVIDENT FUND

Pruksa Holding Company Limited was founded on March 16, 2016 and did not have any employee benefit Y2016. The company registered a provident fund on May 11, 2016.

GOOD CORPORATE GOVERNANCE

POLICY FOR CORPORATE GOVERNANCE AND BUSINESS CODE OF BUSINESS

Pruksa Holding Public Company Limited ("Company") has registered for establishment as public limited company on March 16, 2016. The Company has registered the ordinary shares of the Company in the Stock of Exchange of Thailand and completed the revocation of the shares of Pruksa Real Estate Public Company Limited on December 1, 2016. The Company engages in the main business as Holding Company by holding shares in other companies whereas the main revenue is from dividend gained from holding shares in its subsidiaries and its subsidiaries or associated companies that will be invested by the Company in the future.

The Company prioritizes and complies with the international standard Principle of Good Corporate Governance in consistency with the policy of the Stock Exchange of Thailand, and the criteria of ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard). Accordingly, the Board of Directors has established and approved the Good Corporate Governance Policy and Manual of Business Code of Conduct for Directors, Executives and Employees of the Company, and Charter of Board of Directors and Sub-committee of the Company. For support of good business code of conduct, the Company has therefore determined as policy on annual review of business code of conduct so that the Manual is always up to date and consistent with both short-term and long-term strategies of the Company and internal publicity is performed for awareness on the said significance. In this light, "PRUKSA CG DAY" was organized and Manual of Business Code of Conduct was published and distributed to every director, executive, and employee of the Company for reading and ratification signing identifying name and family name, and returning to the box of ratification signing documents, or to the line secretary to ensure the strict compliance of everyone under consideration of the said Manual as the part of 'the Company's Work Regulation" that reflects the existence of a good corporate governance with transparency in doing business of the Company while taking into account the shareholders, customers, employees, and all stake holders.

Mr. Thongma Vijitpongpun, the Group Chief Executive Officer, has well foreseen the importance of business code of conduct and has encouraged the executives and employees of the Company to realize on such importance. He remarked in Pruksa CG Day that the three main essences of Pruksa CG are Governance, Growth and Process. The Company is considerably confident that the Principle of Good Corporate Governance will support the Company's business operation to generate sustainable profit growth, transparency of business management, concern on roles, duties and responsibilities, effective internal control system/risk management system, and social, community and environmental responsibilities. All of them are considered as very significant key of basic goal achievement.

According to the Company's continuous emphasis and compliance with the international standard Principle of Good Corporate Governance in consistency with the policy of the Stock Exchange of Thailand and the criteria of Asean Corporate Governance Scorecard (Asean CG Scorecard), its subsidiary, Pruksa Real Estate Public Company Limited was assessed and awarded on good corporate governance and other awards in 2016 as follows.

1. The quality assessment result from Annual General Meeting of Shareholders for 2016 or AGM indicated that the Company has been consecutively scored at full 100 points of assessment since 2013 - 2016, resulting in the Company's receiving of Invertors' Choice Awards 2016 from Thai Investors Association.

2. The result from Corporate Governance Evaluation of Thai Listed Companies for 2016 revealed that the Company was rated in the top level of "Excellence" by earning evaluation score for more than 90 points from Thai Institute of Directors (IOD) out of all of the 601 listed companies in Stock Exchange of Thailand which were evaluated.

3. Certificate of ESG100 Company Award whereas the Company has been consecutively rated in ESG100 with outstanding security in sustainable business operation and has been selected to be in Universe of ESG100 Security Group for 2016 out of all of 621 listed companies with remarkable overall operation in Environmental, Social and Governance (ESG) areas in second year.

4. It was selected to be in the list of the listed company of Thailand Sustainability Investment 2016 as alternative for investor who desires to invest in the listed company's shares with Environmental, Social and Governance (ESG) remarkableness.

5. EIT-CSR Awards 2016 in type of Best Award from the Engineering Institute of Thailand under H.M. the King's Patronage by considering from overall operation in corporate social and environmental responsibilities.

6. Recognition Award from Sustainability Report Award 2016 was granted continuously for the fourth year from CSR Club, Thai Listed Companies Association.

7. Pruksa Real Estate Public Company Limited has been 1 of 39 companies that has been certified for Certificate of

Voluntary Collective Action Against Corruption (or CAC) Membership. The Company gives precedence to transparent management under good governance and evident standpoint in concrete anti-corruption.

8. AFEO Honorary Member Award was granted from ASEAN Federation of Engineering Organization (AFEO) on behalf of the organizational leader as key role player with know-how and benevolence in engineering to the society and country all the time at Philippines.

9. "International Quality Crown Awards 2016" No. 30 in type of Gold was awarded from Business Initiative Directions (B.I.D.) which is the organization that gives precedence to and emphasizes on quality and innovation at London, England.

10. "Best Property Project Award 2016" was granted from decision consideration by Data Center of Thai Property Research and Appraisal to be the maximum excellent properties up to 4 projects consisting of Plum Condo Paholyothin 89, Condolette Midst Rama IV, Fuse Chan-Sathorn and Baan Pruksa Srinakarin-Theparak)

11. "BCI Asia Top 10 Developers Awards 2016" from BCI ASIA and FuturArc Magazine in the sixth year consecutively was awarded. It is the award granted to real estate developing company with outstanding and quality project design achievement. Three condominium projects of the Company consisting of The Tree Rio Bang-Aor Station, The Tree Elegance Tiwanon, and Plum Condo Extra Rama II, were qualified to be selected.

12. Thailand Top Company Awards 2016 in type of "Employee Of The Year Award" was awarded from the University of the Thai Chamber of Commerce and Business + Magazine whereas it was selected from the best overall operation in the Group of the Companies with employee-focused operating remarkableness whether in the areas of welfare, training, employee value recognition as well as career growth opportunity.

13. Pruksa Precast Factory, Nava Nakhon was awarded for "Safety Model Establishment in Provincial Level" from Labor Safety Division, Department of Labour Protection and Welfare Building.

14. Pruksa Precast Factory, Nava Nakhon and Pruksa Precast Factory, Lam Lookka, were certified for "Outstanding Establishment" from the Pathumthani Provincial Governor due to the factory's operation in accordance with the Project for Standard on Prevention and Solution to Drug Problems in Establishment.

15. Golden Award was granted from I-Inspection achievement which is the intelligent house inspection program and Silver Award was granted from the achievement of Clamp mounted on Precast Wall in the contest of Thailand Kaizen Award 2016 from Technology Promotion Association (Thailand-Japan)

16. The Company was rated as "BEST HERO FACTOR" from survey result of Thailand's Most Admired Company 2016 of Monograph Magazine that classified the Company to be the outstanding organization in CSR with highest score in real estate business group.

17. Plum Condo Chaengwattana Station of Pruksa Real Estate Public Company Limited was selected to be awarded for Editor's Choice Awards 2016 in type of best worthwhile condominium project of the year from Think of Living, property online media, to be the remarkable project whether in term of location, project design, facility layout composition, and worthiness.

18. The Energy Saving Housing Awards
Received 3 awards in the 2016 Energy Saving Housing Contest from Department of Alternative Energy Development and Efficiency (DEDE):

1. Outstanding energy saving housing: The Best Energy Saving Home : Environment Aspect from "CV56 - Forest Type" from Delight @Scene (Watcharapol - Chatuchot) Project

2. Outstanding energy saving housing: The Best Energy Saving Home from "DV56 The Arise Type" from Delight @Scene (Watcharapol - Chatuchot) Project

3. Outstanding energy saving housing: The Best Energy Saving Home from "Plus House Type"

The Company's Principle of Good Corporate Governance contains seven categories as follows.

1. The Board of Directors
2. Rights of Shareholders
3. Equitable Treatment of Shareholders
4. Role of Stakeholders
5. Disclosure and Transparency
6. Internal Control and Risk Management
7. Philosophy and Code of Conduct

The Company has encouraged the compliance with the Manual of Code of Conduct of the Company and communicated the Principle of Good Corporate Governance and Business Code of Conduct via "Manual of Code of Conduct", "Pruksa Monthly Magazine", "Digital Image System Publicity Media Box", "Publicity Poster", and the Company's website (www.pruksa.com) in section of Investor Relations on Corporate Governance for acknowledgement of the Board of Directors, executives and employees on the said principle, continuous observance and performance monitoring. The task related to any particular issues must be performed under strict compliance and any significant issue must get approval from various committees such as Management Committee, Executive Committee or Board of Directors.

1) The Board of Directors

The Board of Directors is dutiful to be accountable for all shareholders of the Company in the Company's management for benefit of the shareholders and other stakeholders, society as well as environment. The Board of Directors plays key role in controlling the Company's management to ensure that the Company's executives continuously aim at excellent operation under consideration on risk condition.

1.1 Preparation of Corporate Governance Policy and Manual of Business Code of Conduct

The Board of Directors has prepared Corporate Governance Policy and Corporate Governance Policy and Manual of Code of Conduct for Directors, Executives and Employees of the Company, disclosed in the Company's website at www.psh.co.th in section of Corporate Governance, and encouraged the directors, executives and employees of the Company to comply with Corporate Governance Policy and Manual of Business Code of Conduct. In addition, the compliance monitoring method for the said manual is to arrange training/seminar to every organizational employee. After finishing training/seminar, the Company shall arrange to do the practical test whether the employee has proper knowledge, understanding and solution method in case that actual circumstance occurs. If any employee dose the test and fails the Company's determined criteria, the said employee shall study and search for additional knowledge and redo the test until passing the Company's determined criteria. In case that the employee doubts in any respect, the Company shall give the said employee the chance to inquire and mutually exchange the opinion throughout the working period with the Company for clearer understanding.

Moreover, CG Unit of the Company has also arranged its organizational employees to do the test of "Initiation of CG at Oneself" Course under the objective of creation of understanding and awareness on the Company's good governance so that the organization shall mainly have moral and honest personnel and the Company can transparently and fairly drive its business. The three main topics of content are as follows.

1. What is Corporate Governance or CG?
2. How is good governance applicable in working?
3. How is the application of good governance beneficial to the Company and oneself?

1.2 Corporate Vision, Mission, Culture and Value

The Board of Directors have participated in determining vision, mission, culture and value of the Company both in short-term and long-term under the policy of annual review in accounting year so that the executives and employees shall have the same direction of goal which is consistent with situation and policy of the Stock Exchange of Thailand and criteria of ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard)

1.3 Diversity of Board Structure Policy

The Company considerably emphasizes on diversity of board structure, for example, professional skill, specialization and gender. The Company has prepared questionnaire of qualification and development of the directors of the Company and delivered to every members of the Board to survey their opinions whether the person who is additionally recruited by the Company to be the director should possess knowledge, competency or experience in which area in order to support the change in the Company's organization structure in the future. At present, the Company has been under additional selection of the female director for more diversity of the board structure.

The Board of Directors (as of 1 January 2017) consists of 11 members including 10 males and 1 female in the range of 30 - 50 years of age for 1 person and in the range of over than 50 years of age for 10 persons as follows.

1. Independent director and non-executive director for 7 persons whereas an independent director with work experience related to the Company's business is Mr. Adul Chandanachulaka.

2. Six independent directors consist of Dr. Pisit Leeahtam, Mr. Weerachai Ngamdeevilaisak, Mr. Adul Chandanachulaka, Dr. Piyasvasti Amranand, Dr. Anusorn Sangnimnuan and Dr. Prasarn Trairatvorakul. The independent directors exceed one-third of the directors of the entire Board.

3. A non-executive director consists of Mr. Wichian Mektrakarn, and four executive directors (participating in management) consist of Mr. Thongma Vijitpongpun, Mr. Lersuk Chuladesa, Mr. Piya Prayong and Mrs. Rattana Promsawad.

In addition, the Chairman of the Board (Dr. Pisit Leeahtam) is not the same person as the Chairman of the Executive Committee (Mr. Thongma Vijitpongpun) and has different scope of duties and responsibilities (see additional details in the section of profile of directors and executives, the section of roles, powers and duties of Chairman of the Board) and the section of scope of power and duties of the Executive Committee).

1.4 Qualification of Director

(1) The director shall be completely qualified pursuant to Public Limited Company Law and other relevant laws, without the disqualified characteristic to be trusted for management of the business having public as the shareholders as prescribed in Section 89/3 of Securities and Exchange Act (No. 4) B.E. 2551 (2008).

(2) The director shall be the person having knowledge, competency, honesty and ethics in business operation and adequate time for devotion of knowledge, competency and function to the Company.

(3) The independent director shall be qualified of the independence as prescribed by the Company according to the same way as the qualification of the audit committee member pursuant to the Notification of Capital Market Supervisory Board.

(4) The independent director shall be able to equally oversee the benefit of all shareholders without conflict of interests and shall be able to independently comment.

1.5 Office Term of the Director

Number of Office Years per Term

Good Corporate Governance Policy determines that the office term of the director shall be three years per term whereas one year herein means the period of time between General Meeting of Shareholders of the appointed year and General Meeting of Shareholders in the following year. Upon expiration for retirement of rotation, the director may be considered from the shareholders to reassume as the director.

The office term of the sub-committee member shall be in line with office term of the director. Upon expiration for retirement by rotation, the sub-committee member may be appointed from the Board to reassume the office.

Number of Consecutive Office Terms of the Director

The Company deems that all of its directors who are elected from the Shareholders' Meeting are the qualified directors having knowledge, competency, morality and ethics as well as effective function all the time. If the Shareholders' Meeting remains trust on the said qualified directors and select them as the Company's directors, the right of the shareholders should be respected. The Company has not yet clearly determined the number of consecutive office terms of the director.

Nevertheless, the Charter of the Board of Directors shall prescribe that the director shall retire when he or she is fully aged 72. In this case, the said director shall retire from the director office from the ending date of the accounting year of the Company.

1.6 The Board of Directors' Meeting

Advance Scheduling of Meeting Date of the Board of Directors' Meeting and Shareholders' Meeting

The Board of Directors has scheduled the meeting date of the Board of Directors' Meeting and Shareholders' Meeting in advance every year and notified all directors for acknowledgement on such schedule so that the directors can allocate their time for meeting attendance all together. In the Board of Directors' Meeting and Shareholders' Meeting, all directors participate in consideration selecting the issues into the meeting agenda every time. Company Secretary Section shall deliver draft of the meeting invitation letter to the Board of Directors for consideration in advance prior to every meeting so that the Board of Directors shall consider revising/adding the meeting agenda.

The main meeting agenda of the Board of Directors' Meeting include the issue of the Chairman's notification to the meeting's acknowledgement, consequent issue from last meeting, acknowledgment issue and consideration/approval issue.

The main meeting agenda of the Annual General Meeting of Shareholders include consideration on the Board of Director's report on the Company's business in last year, consideration and approval of balance sheet and profit and loss account, consideration and approval of profit allocation and dividend payment, and consideration on election of new director in replacement of the director who retire by rotation, determination of remuneration for director, and consideration on appointment of the auditor and determination of audit fee amount, and other affairs.

Attendance of the Board of Directors/Advance Receiving of Meeting Documentation

The Company has formulated the policy for advance determination of number of the Board of Directors' Meetings and Annual General Meetings of Shareholders in the whole year. The Board of Directors' Meeting shall be held more than six (6) times per year and the meeting documentation shall be delivered to the directors in advance for not less than seven (7) days prior to the meeting date. In the past 2016,

the Company held the Board of Directors' Meeting for four times in total (since the Company has just been registered in Stock Exchange of Thailand on 1 December 2016). All directors attended the Board of Directors' Meeting more than 80% of the entire Board of Directors' Meetings in last year, and not less than 75% of the meetings in the whole year. In case of non-monthly meeting of the Company, the overall operation report shall be delivered to the Board of Directors for acknowledgement in the non-meeting month so that the Board of Directors can continuously supervise, control and oversee the operation of the Management to be up-to-date (see additional details in the section of Attendance of the Board of Directors' Meeting in 2016).

Minimum Element during Resolution of the Board of Directors

The Company has formulated the policy that while the Board of Directors will resolve in the Board of Directors' Meeting, not less than two-third of total directors shall be present.

1.7 Disclosure of Number of the Audit Committee's Meetings in the Year

(see additional details in the section of Attendances of the Board of Directors' Meeting in 2016)

1.8 Company Strategic Planning and Implementation

In the Board of Directors' Meeting every year, the Board shall mutually consider the plan of the annual advance five-year strategic planning. In the past 2016, the Board mutually considered the plan of annual strategic planning for 2017 - 2021. After that, the Board shall follow up whether the Management has implemented the said plan of the strategic planning. The Management shall regularly report the said plan of the strategic planning to the Executive Committee's Meeting and the Board of Directors' Meeting for acknowledgement respectively every month. In the meeting of each Board/Committee, the agenda of acknowledgement issue for monthly overall operation of each month and quarterly review of strategic plan shall be determined so that the Executive Committee's Meeting and the Board of Directors' Meeting shall suggest the issue deemed that the Management should improve/correct accordingly.

1.9 Sub-Committees

The Company has set up Sub-Committee which is the Audit Committee, according to the requirement of the Stock Exchange of Thailand. Moreover, other Sub-committee has also set up to share the works of the Board of Directors, such as Corporate Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance Committee, and Executive Committee.

1.9.1 Audit Committee

The duties of the Audit Committee are to review the Company to prepare appropriate and adequate financial reports, give consent on the change in the significant accounting principles or accounting practices, have proper and effective internal control and internal audit system, and consideration on the independence of internal audit unit, as well as give consent on consideration of the appointment, removal and dismissal of the Head of Internal Audit Unit or any other units in charge in internal audit, review of internal audit result report proposed to the Management, as well as review of the Management's opinions toward the audit aspect. The Audit Committee shall meet the executives, contact the employees and access to the related information without restriction, consider the Company's information disclosure in case that the connected transaction or transaction that may have conflict of interest occurs to be in accordance with law and requirement of the Stock Exchange of Thailand to ensure that the said transaction is reasonable and generates maximum benefit for the Company. The audit committee's report shall be prepared and disclosed in the Company's annual report. The observance with Securities and Exchange Law, Requirement of the Stock Exchange of Thailand or relevant laws of the Company's business shall be reviewed. The selection, appointment, nomination and determination of the auditor's remuneration shall be considered. In addition, the Charter shall be reviewed for at least once a year. The Audit Committee shall independently function any other operations as assigned by the Board of Directors and express its opinions whereas the Company's Internal Audit Division that directly reports to the Audit Committee is the operating unit. The Audit Committee shall also regularly discuss with the external auditor.

1.9.2 Corporate Risk Management Committee

The duties of the Corporate Risk Management Committee are to acknowledge and suggest to the Company's policy, strategy and guideline of corporate risk management, review the risk management plan of the Management and risk management process in the organizational overview, acknowledge the significant risk and consider whether the Management properly responds to risk, and follow up the practical result under the framework of organizational risk management.

1.9.3 Nomination and Remuneration Committee

The duties of the Nomination and Remuneration Committee are to formulate policy and criteria of nomination and nomination consideration for the Board of Directors, Sub-Committees, Group Chief Executive Officer, Chief Executive Officer, Chief Operation Officer and Managing Director both in parts of the Company and its subsidiaries to propose the Board of Directors for consideration and approval and/or propose the Shareholders' Meeting for approval request; formulate policy and criteria of remuneration determination and determination of the necessary and proper nomination both in monetary and non-monetary form; formulate criteria and procedure of performance appraisal; consider and review policy and criteria of the nomination and determination of remuneration and remuneration payment to be always proper for duties and responsibilities and consistent with the Company's overall operation and market situation.

1.9.4 Corporate Governance Committee

The duties of the Corporate Governance Committee are to consider, review and present for approval of the Board of Directors on Good Corporate Governance and Business Code of Conduct Policy, Social and Environmental Responsibility Policy, Sustainable Development Policy of the Company, any other policies and practical guidelines that support the Company's operation according to the guideline of corporate governance; supervise the Management to continuously implement the aforesaid policies/practical guidelines for development of the Company; follow up and review internal work systems to be consistent with good code of conduct and practice; follow up and command in case that there is the issue of non-compliance with the formulated policies and practical guidelines from the operation of the Management and the employees; follow up and report the Board of Directors and external organizations about the corporate performance according to Good Corporate Governance Policy and other relevant policies as appropriate.

1.9.5 Executive Committee

The duties of the Executive Committee are to formulate the policy, target, strategy, operating plan, annual budget and managerial power of the Company and propose the Board of Directors for approval; supervise and control the Company's business operation to be effective and support the business condition; give counsel and advice of management to the senior executives; approve spending for investment, financial transaction performing with financial institution, purchase and sale/registration of land ownership for the Company's normal transaction performing; determine effective organization structure and management structure; govern and approve the issue related to the Company's operation as well as scrutinize all types of works proposed to the Board of Directors except works under other sub-committee's duties and responsibilities and/or powers.

1.10 Invitation of Senior Executive to Attend the Meeting

The policy of the Company is to invite senior executives to attend the Board of Directors' Meeting in the agenda relevant to such executive to provide additional information and details, and give the Board of Directors the chance to be acquainted with the senior executives as support of the work succession plan consideration as well.

1.11 Charter of the Board of Directors and Sub-Committee

For clear practical regulation in the operation of the Board of Directors and Sub-Committees, the Company has prepared the Charter of the Board of Directors and Sub-Committees such as Charter of Audit Committee, Charter of Risk Management Committee, Charter of Nomination and Remuneration Committee, Charter of Corporate Governance Committee, and Charter of Executive Committee. The content in the Charter shall be classified into different sections under review and update for at least once a year, for example, the section of Objective, Element and Qualification, Office Term, Powers, Duties and Responsibilities, Meeting, Quorum and Reporting. Their details are disclosed in the Company's website at www.psh.co.th.

1.12 Orientation of New Entrant Director/Knowledge Training and Development of Director

The Company has arranged orientation for the newly appointed director so that the newly appointed director shall adequately acknowledge regulation, rule and information related to the Company's business and other information related to the Company's business operation prior to function, such as Corporate Governance Policy, Manual of Code of Conduct, Charter of the Board of Directors, Annual Report, and Minutes of the Board of Directors' Meeting and Shareholders' Meeting in the period of the past one year.

Moreover, the Board of Directors has also formulated the promotion policy for continuous internal and external knowledge training and development for director, for example, participation in the training courses of Thai Institute of Directors, the Stock Exchange of Thailand, Office of the Securities and Exchange Commission, and other courses organized by government and private agencies, as well as field study and visit such as the construction project of the Company at the projects, field study and visit at Precast Factory. In addition, the additional survey of the director's opinion has been conducted whether each director additionally requires which area for both internal and external knowledge training and development to be organized in order to assist the Board of Directors to enable to effectively perform its duties and govern the Company.

Record of Course Training Participation or Seminar Activity Participation by the Board of Directors

	Name-Surname	Position	Training/Seminar Course	Institution
1	Dr. Pisit Leeahtam	Chairman of the Board of Directors/Member of Nomination and Remuneration Committee / Independent Director	1. Directors Certification Program - DCP 18/2545 2. Corporate Governance for Capital Market Intermediaries - CGI 2/2558	Thai Institute of Directors

2	Mr. Thongma Vijitpongpun	Authorized Director/ Executive Vice Chairman of the Board of Directors Chairman of Executive and Strategy Committee/ Member of Nomination and Remuneration Committee/ Group Chief Executive Officer	1. Directors Certification Program - DCP 51/2004 2. Finance for Non-Finance Directors	Thai Institute of Directors
3	Mr. Lersuk Chuladesa	Authorized Director/ Member of Executive and Strategy Committee/ Member of Corporate Risk Management Committee	1. Diploma of National Defence College, The Joint State - Private Sector Course (NDC 2004/ PorRorOr. Class 17 2. Senior Executive Program (CMA), Class 9 3. Mini MBA, Class No. 2 4. Management Development Program for Middle Manager 5. Certificate of Banking and Financial Institutes Executive Development Program, Class No. 4, 6. Director Accreditation Program - DAP	1. Nation Defence College 2. Capital Market Academy 3. Thammasat University 4. Standard Chartered, Singapore 5. The Thai Institute of Banking and Financial Association 6. Thai Institute of Directors Association
4	Mrs. Rattana Promsawad	Authorized Director/ Member of Corporate Governance Committee	Directors Certification Program - DCP 52/2004	Thai Institute of Directors
5	Mr. Piya Prayong	Authorized Director/ Member of Executive and Strategy Committee/ Member of Corporate Risk Management Committee	Directors Certification Program - DCP 59/2005	Thai Institute of Directors
6	Mr. Weerachai Ngamdeevilaisak	Independent Director/ Member of Audit Committee/ Member of Corporate Risk Management Committee/ Chairman of Nomination and Remuneration Committee	1. Directors Certification Program (DCP) 0/2000 2. Finance for Non-Finance Director (FN) 1/2003 3. Role of the Compensation Committee (RCC) 3/2007 4. Successful Formulation & Execution of Strategy 4/2009 5. Chartered Director Class (CDC) 8/2014	Thai Institute of Directors

7	Mr. Adul Chandanachulaka	Independent Director/ Member of Audit Committee/ Member of Corporate Governance Committee	1. Directors Accreditation Program - DAP 5/2003 2. Audit Committee Program - ACP 7/2005 3. Role of the Compensation Committee 3/2007	Thai Institute of Directors
8	Dr. Piyasvasti Amranand	Independent Director/ Chairman of Audit Committee	Director Accreditation Program (DAP) 35/2005	Thai Institute of Directors
9	Mr. Wichian Mektrakarn	Authorized Director/ Member of Executive and Strategy Committee/ Member of Nomination and Remuneration Committee	1. Advanced Technical in Microwave 2. Mini MBA for Shinawatra Executives 3. Advanced Executive Program 4. Certificate of "Senior Executive" Course, Class 8 (CMA 8) 5. Director Certification Program - DCP 107/2008 5. Director Certification Program - DCP 107/2008 6. Advanced Certificate Course in Politics and Governance in Democratic Systems for Senior Executives, Class 17 7. Board that Make a Difference (BMD 3/2016)	1. California State University - Northridge 2. Chulalongkorn University 3. Kellogg School of Management, Northwestern University, USA 4. Capital Market Academy, the Stock Exchange of Thailand 5. Thai Institute of Directors 6. King Prajadhipok's Institute (PorPorRor. 17) 7. Thai Institute of Directors
10	Dr. Anusorn Sangnimnuan	Independent Director/ Chairman of Corporate Governance Committee/ Member of Nomination and Remuneration Committee	1. Diploma of National Defence College, The Joint State - Private Sector Course 2. Certificate of Senior Executive Course, Class 10 3. Advanced Diploma of Public Administration and Public Law, Class 5 4. Corporate Governance for Director and Senior Executive of Public Enterprise and Public Organization, Class 1 5. Director Certification Program (DCP) 6. Director Accredited Program (DAP)	1. Nation Defence College (NDC 20) 2. Capital Market Academy, the Stock Exchange of Thailand (CMA 10) 3. King Prajadhipok's Institute (PorRorMor. 5) 4. Public Director Institute (PDI) 5. Thai Institute of Directors 6. Thai Institute of Directors
11	Dr. Prasarn Trairatvorakul	Independent Director/Member of Audit Committee/ Chairman of Corporate Risk Management Committee	National Defence College, The Joint State - Private Sector Course (PorRorOr.), Class 15	Nation Defence College

12	Mr. Somprasong Boonyachai	Independent Director/Vice Chairman of Executive and Strategy Committee	1. IMD (High Performance Boards Program) 2. Senior Executive Course in Technology Science (TEA Class 4) 3. Senior Juristic Executive Course (Bor.Yor.Sor. Class 17) 4. Corporate Restructuring, Mergers, and Acquisitions 5. Top Executive Program in Commerce and Trade (TEPCoT 4) 6. Role of the Chairman (RCP 21/2552)	1. International Institute for Management Development in Switzerland 2. Thailand Energy Academy 3. Judicial Training Institute 4. Harvard Business School 5. Commerce Academy 6. Thai Institute of Directors

Record of Course Training or Participation in Seminar Activity by the Board of Directors in 2016

In the past 2016, one director of the Company participated in the course training or participated in seminar activities for enhancement of working knowledge as follows.

Name-Surname	Position	Training/Seminar Course	Institution
1. Mr. Wichian Mektrakarn	Member of Executive and Strategy Committee and Member of Nomination and Remuneration Committee	Board that Make a Difference-BMD 3/2016	Thai Institute of Directors

1.13 Training of Director Function-Related Courses

The Company's policy is to support each director to regularly participate in trainings organized for directors. Twelve directors participated in training of the courses organized by Thai Institute of Directors under below details.

(1) Director Certification Program (DCP) for 9 persons
(2) Director Accreditation Program (DAP) for 4 persons
(3) Audit Committee Program (ACP) for 1 person
(4) Role of the Compensation Committee (RCC) for 2 persons
(5) Successful Formulation & Execution of Strategy for 1 person
(6) Finance for Non-Finance Directors (FN) for 2 persons
(7) Chartered Director Class for 1 person
(8) Corporate Governance for Capital Market Inter Me diaries (CGI) for 1 person
(9) The Role of Chairman (RCP) for 2 persons
(10) Board that Make a Difference (BMD) for 1 person

1.14 Internal Control Policy / Risk Management Policy

The Company emphasizes on Internal Control Policy and Risk Management Policy. The Audit Committee's duty is to review the assessment result and adequacy of internal control system to aim at adequate and proper internal control system for business operation. The practical framework and guideline of internal control according to international standard of COSO (The Committee of Sponsoring Organizations of the Tread way Commission) is applied for improvement and development together with framework and guideline of Establishment Risk Management (ERM) as the Management's tool in development for more complete internal control and risk management systems (see additional details in the section of Internal Control and Risk Management).

1.15 Provision and Disclosure of Internal Control System and Risk Management System

The Board of Directors has provided and disclosed internal control system and risk management system of the Company by determining as the guideline of key risk management to be extensive to the organization under system consideration and review or efficiency assessment for at least once a year in every period that the changing risk level is detected; and emphasizing on early warning sign and abnormal systems. The Board of Directors or the Audit Committee has given the opinion toward the adequacy of the internal control system and risk management system of the Company in Annual Report (see additional details in the section of Internal Control and Risk Management).

1.16 The Board of Directors' Opinion toward Adequacy and Appropriateness of the Company's Internal Control System and Risk Management System

The Board of Directors has given the opinion toward adequacy of the Company's internal control system and risk management system that the Company has had appropriate and adequate internal control system and risk supervision (see additional details in the section of The Audit Committee's Report).

1.17 Guideline of the Company's Key Risk Management

The duty of the Company's Corporate Risk Management Committee is to suggest the Management about the determination of frame and guideline for systematic risk management and supervision. The Board of Directors and the executives have emphasized on risk management by determining the assessment of risk factors and preventive system to abate the impact that may occur with the Company's business operation. In the Corporate Risk Management Committee's Meeting, the representatives from each operating line have been invited to propose things which have been executed according to risk management guideline for hearing of the Corporate Risk Management Committee on problem, practical trouble as well as observation or additional recommendation.

Moreover, the Company has established Business Continuity Management (BCM) Project as guideline of development and control of business continuity management system so that the Company can continuously operate its business and reduce the Company's impact in various areas upon occurrence of cause of difficulty. The experienced and proficient advisors shall be recruited for project operation (see additional details in the section of Internal Control and Risk Management).

1.18 Compliance Unit

The Company has established Compliance Unit and its internal name is called as "CG Management" having main duty in Corporate Governance and Compliance. The tasks of this Unit are as follows.

(1) To have the principle of good corporate governance in consistency with organizational vision and mission and indicate the existence of effective, transparent, verifiable management system that contributes to trust and confidence creation to the shareholders, investors, stakeholders and all relevant parties.

(2) To arrange the structure and process of relationship among the Board, Management and shareholders to build competitiveness, leading to growth and value addition to shareholders in long term under consideration on other stakeholders.

1.19 Establishment of Internal Audit Unit

The Board of Directors has established Internal Audit Division whereas Mr. Premsak Wallikul, Senior Director of Internal Audit Division Position, to be the Head of Internal Audit (see additional details in the section of Profile of Directors and Executives). For working independence of the internal audit unit, the Board of Directors therefore has determined that the internal audit unit shall report directly to the Audit Committee. The Audit Committee has reported the significant function and performance or opinion in various issues such as disclosure of number of the Audit Committee's Meetings in the year, assessment and review of the internal control system, inter-transaction performing, consideration on nominating auditor, review of the financial reports, supervision on compliance with rule, regulation and policy and conclusion/opinion of the Audit Committee toward the overall operations (see additional details in the section of Attendance of the Audit Committee's Meeting in 2016, and section of the Audit Committee's Report).

1.20 Conflict of Interest Policy

The Board of Directors emphasizes on careful, fairly and transparent handling the conflict of interests of the relevant persons both in business organization level and in the Company's personnel level. In addition, the policy and guideline of good practice on the transaction which are conflict of interests and disclosure of the complete information for the said issue has been determined.

In case that any director and executive have gain and loss and interest of the issue under consideration, the said director and executive shall not attend the meeting or shall abstain voting in that agenda.

The Company's Conflict of Interest Policy

(1) The employees shall avoid the conflict between personal interest and the Company's interest in dealing with business partner and any other person.

(2) In case that the employee is the director or advisor of other company, business or business association, there shall no direct conflict of interest and function.

(3) The employee shall not be a partner or shareholder with decision making power or executive in the competitive or same nature of the business as the Company. However, in case that is may be unavoidable, the superior shall be immediately reported for acknowledgement.

(4) During service with the Company and after service termination, the employee shall not disclose information which is considered as the Company's secret for any other person's benefit at all whether it is electronics information, financial information, operational information, business information, future plan of the Company, and others.

(5) In case where the employee or his or her family member participates in or is the shareholder in any business that may have benefit or cause conflict of business with the Company, the superiors shall be notified for acknowledgement in writing.

(6) The employee shall not borrow money from the business partner which is dealt for business by the Company except the financial institution due to the possibility of functional influence on behalf of the Company's representative.

(7) The employee shall avoid getting involved with any activity that may cause conflict of interest of the Company or incur any form of financial obligation with the person related with the Company's business or employee.

(8) The employee is prohibited to pay the Company's money or give the Company's asset to any person without approval from the authorized person.

(9) Every employee shall fully devote himself or herself and time to the Company's business. In case of necessity for performing other task for earning increase or for other purpose outside of working hours, the said task shall be as follows:
- 9.1 Not violate law or in conflict with public order or good public morals.
- 9.2 Not in conflict of the Company's interests.
- 9.3 Not engage in competitive or the same nature of the Company's business.
- 9.4 Not damage the Company's reputation or business.
- 9.5 Not use the Company's secret.
- 9.6 Not affect work under his or her duty.

1.21 The Board of Director's Independence from the Management

The Board of Directors is independent for giving the opinion on the Management's works in order to cause maximum benefit to the Company and the shareholders. The duties and responsibilities between the Board of Directors and the Management are clearly segregated. In addition, there shall be at least one non-executive director (independent director) who is experienced in main business or industry in which the Company is doing business (see additional details in the section of Scope of Powers, Duties and Responsibilities of the Board of Directors and Group Chief Executive Officer).

1.22 Approval Power of the Board of Directors

Apart from the power prescribed by law and regulation, the Board of Directors remains have power to approve issues as prescribed in the Charter of the Board of Directors as follows.

(1) To function with responsibility, carefulness and honesty and comply with law, objective, articles of association,

as well as resolution of the Shareholders' Meeting, unless in the issue that requires approval from the Shareholders' Meeting prior to execution such as the issue required by law to be resolved by the Shareholders' Meeting, connected transaction performing and purchase or sale of significant asset pursuant to the regulation of the Stock Exchange of Thailand or as prescribed by other government agencies, etc.; and have duty to supervise the Company and its subsidiaries to comply with laws related to business engagement of the Company and its subsidiaries and law related to prohibition of bribery or corruption support.

(2) To govern the business to have ethical working such as preparation of the corporate governance policy of the Company and its subsidiaries according to Corporate Governance, Manual of Business Code of Conduct for Directors, Executives and Employees of the Company and its Subsidiaries; and disclose for acknowledgement and determine for compliance and follow up for practice.

(3) To consider approval of the business policies as well as visions, targets, operational plans, business strategies and annual budget of the Company and its subsidiaries; and monitor and supervise the Management's management and administration to be effectively in line with the formulated policies, plans and budget.

(4) To continuously follow up the overall operation of the Company, its subsidiaries and associate companies according to operational plan and budget of the Company and its subsidiaries.

(5) To prepare proper financial statements of the Company and its subsidiaries on the ending date of the accounting period to indicate the financial position and overall operation in the past accounting period to be completely and properly identical to fact and according to Generally Accepted Accounting Standard; and audit the financial statements by the auditor prior to proposing to the Shareholders' Meeting for consideration and approval.

(6) To prepare Annual Report of the Company, and take responsibility of preparation and disclosure of the Company's financial statements to indicate the financial position and overall operation in last year; and propose to the Shareholders' Meeting for consideration and approval.

(7) To consider approval on appointment of the qualified person without prohibited characteristic as prescribed by Public Limited Companies Act B.E. 2535 (1992) and Securities and Exchange Law including the relevant notification, regulation and/or rule for assuming director position in case where the director position is vacant due to other reason apart from retirement by rotation.

(8) To consider appointment or alteration of the independent director by considering from qualification and prohibited characteristic of the independent director pursuant to Securities and Exchange Law, Notification of Capital Market Supervisory Commission, as well as relevant Notification of Regulation and/or Rule of the Stock Exchange of Thailand, or propose to the Shareholders' Meeting for consideration and appointment as the Company's independent director accordingly.

(9) To consider appointment or alteration of the Audit Committee having qualification pursuant to Securities and Exchange Law, Notification of Capital Market Supervisory Commission as well as Notification of Regulation and/or Rule of the Stock Exchange of Thailand.

(10) To consider appointment or alteration of the member of the Executive Committee by selecting from the director or executive of the Company or external outsider; and determine scope of powers, duties and responsibilities of the member of the Executive Committee.

(11) To consider appointment or alteration of the Sub-Committee to help working according to the responsibilities of the Board of Directors.

(12) To consider determination and alteration of the name of the authorized signatory person to bind with the Company and its subsidiaries.

(13) To consider and propose the Shareholders' Meeting for appointment of the director of the Company; consider appointment of its subsidiaries' director in consistency with the proportion of shareholding of the Company in the said subsidiaries; and consider determination of remuneration for the said director.

(14) To appoint any other person to operate the Company's business under control of the Board of Directors or may authorize power so that the said person shall have power and/or within the time deemed appropriate by the Board of Directors. The Board of Directors may cancel, withdraw, change or alter that power. The authorization under the scope of the defined authority shall not be the nature of authorization or sub-authorization that make the said Executive Committee, Group Chief Executive Officer and Sub-Committees enable to consider and approve the transaction that may have conflict, gain and loss or conflict of any other interests with the Company or its subsidiaries except it is the approval of the transaction according to policy and criteria already considered and approved by the Shareholders' Meeting or the Board.

(15) To consider determination of the organization structure and management structure.

(16) To consider appointment of the Company Secretary, and determination of the scope of powers, duties and responsibilities of the Company Secretary.

(17) To consider selection and give consent on nomination of the auditor of the Company and its subsidiaries; and consider determination of the proper remuneration as proposed by the Audit Committee prior to proposing to the Shareholders' Meeting in Annual General Meeting for consideration and approval.

(18) To execute the Company and its subsidiaries to have appropriate and efficient accounting system, reliable financial reporting and adequate and appropriate internal control system and internal audit system, and filing system whereas the information accuracy can be verified later.

(19) To consider approval of the risk management policy to cover the whole organization, and govern to have risk management process to reduce the impact on the business of the Company and its subsidiaries appropriately.

(20) To consider approval on performing transaction of acquisition or disposal of the assets of the Company

and its subsidiaries except the said transaction must be approved from the Shareholders' Meeting. The consideration on the said approval shall be according to the Notification of Capital Market Supervisory Commission and/or the relevant Notification of Regulation and/or Rule of the Stock Exchange of Thailand.

(21) To consider approval on performing connected transaction of the Company and its subsidiaries except the said transaction must be approved from the Shareholders' Meeting. The consideration on the said approval shall be according to the Notification of Capital Market Supervisory Commission and/or the relevant Notification of Regulation and/or Rule of the Stock Exchange of Thailand to govern, control and prevent not to cause conflict of interests between the stakeholders of the Company and its subsidiaries.

(22) To consider approval of interim dividend payment to the shareholder upon deeming that the Company earns reasonable profit to do so; and report the said dividend payment for the shareholders' acknowledgement in the next Shareholders' Meeting.

(23) To completely, properly and duly execute the appropriate information dissemination and disclose information to the stakeholder, the person with conflict of interests and the related persons.

(24) To request for professional opinion from external organization if it is necessary to support the appropriate decision making.

(25) To govern the subsidiaries as if a unit of the Company and control the subsidiaries to strictly comply with the regulation of the subsidiaries.

1.23 Appraisal of the Performance of the Board of Directors (the Whole Board and Individual Persons) and all Sub-Committees

The Company determines the appraisal of the performance of the Board of Directors and Sub-Committees for at least once a year by appraising the performance of the whole Board and individual persons for working benefit of the Board of Directors on the whole and also indicating the significant aspect believed by the Board of Directors that it will make more benefit to the Company than it is existent. The objective of this performance appraisal is to increase the efficiency of the Board of Directors and Sub-Committees, and also apply the result for improvement of the function of the Board of Directors and Sub-Committees.

Performance Appraisal Process for the Board of Directors (the Whole Board and Individual Person) and all Sub-Committees

The Company determines the policy that in the end of every year for the Company Secretary Section and Sub-Committee's Secretary Section such as Audit Committee, Corporate Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance Committee and Executive Committee, shall deliver Performance Appraisal Form for the Board of Directors and Sub-Committees to appraise the annual performance. After each member of the Board/Sub-Committee completes performance appraisal, they will return Performance Appraisal Form to the Company Secretary Section and each Sub-Committee's Secretary Section for gathering the appraisal result of each member, concluding the appraisal result of the Board of Directors and Sub-Committees in the year, and reporting to the Board of Directors and/or each Sub-Committee for acknowledgement accordingly.

Criteria of Performance Appraisal for the Board of Directors (the Whole Board and Individual Person) and Sub-Committees

The Company has adapted the Stock Exchange of Thailand's sample of Performance Appraisal Form for the Board of Directors and Sub-Committees, and updated the criteria of performance appraisal to be consistent with the structure of the Board of Directors under below details.

Scoring

- Earned score for 85 - 100 percent means Very Good - Excellent.
- Earned score for 75 - 85 percent means Good.
- Earned score for 65 - 75 percent means Quite Good.
- Earned score for 50 - 65 percent means Fair.
- Earned score below 50% means Need Improvement.

Consideration Topic of Performance Appraisal for the Board of Directors and Sub-Committees

Performance Appraisal Form for the Board of Directors and Sub-Committees shall consist of the main consideration topics as follows.

- Structure and qualification of the Board of Directors
- Roles/duties and responsibilities of the Board of Directors

- The Board of Directors' Meeting
- Communication and coordination between Sub-Committees and the Board of Directors
- Performing duties in consistency with good corporate governance.
- Overall opinion conclusion

Average Appraisal Result of the Board of Directors and each Sub-Committee

1. The Board of Directors. The earned score from appraisal result for 2016 was 92.35 percent and was in Very Good-Excellent criteria.
2. The Executive Committee. The earned score from appraisal result for 2016 was 84.92 percent and was in Good criteria.
3. The Audit Committee. The earned score from appraisal result for 2016 was 98.16 percent and was in Very Good-Excellent criteria.
4. The Corporate Risk Management Committee. The earned score from appraisal result for 2016 was 89.14 percent and was in Very Good-Excellent criteria.
5. The Nomination and Remuneration Committee. The earned score from appraisal result for 2016 was 91.21 percent and was in Very Good-Excellent criteria.
6. The Corporate Governance Committee. The earned score from appraisal result for 2016 was 95.46 percent and was in Very Good-Excellent criteria.

1.24 Performance Appraisal for the Senior Executive (Group Chief Executive Officer)

The Nomination and Remuneration Committee shall appraise the performance of the senior executive in the position of Chairman of the Group Chief Executive Officer at the end of every year. The said appraisal result shall be deemed as individual secret data and unable to be disclosed. There is the consideration criterion of the overall business operation consideration of the Company under operation according to the policy assigned by the Board of Directors and function in consistency with good corporate governance. The Nomination and Remuneration Committee shall apply the acquired information in considering remuneration of the Group Chief Executive Officer accordingly.

1.25 Remuneration Policy for Group Chief Executive Officer

The payment of remuneration to the Group Chief Executive Officer both in short-term and long-term shall be performed under transparent and fair consideration procedure of the Company. The Nomination and Remuneration Committee shall determine the criteria and policy of determination of remuneration for Chairman of the Group Chief Executive Officer and senior executives in every year, and also appraise performance. In determining both short-term and long-term remuneration policy, performance appraisal score, overall business operation of the Company, operation according to the policy assigned by the Board of Directors, function in consistency with good corporate governance and practical guideline of the big business group shall be considered as incentive and retention of the key personnel for attraction them to further working with the Company in long term.

Total remuneration of the Chairman of the Group Chief Executive Officer and senior executives for 15 persons equaling to 209,124,712 Baht, consisting of salary/labor cost, bonus, savings of provident fund and other earnings.

Other Remuneration

In retention of key personnel for long-term working with the Company and creation of sustainable growth for the Company's overall operation, the Board of Directors therefore has determined the policy of remuneration payment in other non-monetary forms such as Warrant to Purchase Ordinary Shares of the Company (ESOP), Employee Joint Investment Program (EJIP) (see additional details in the section of Performance Appraisal for Chairman of the Group Chief Executive Officer, and section of Remuneration for Directors and Executives).

1.26 Remuneration Structure for Non-Executive Directors

The Board of Directors has disclosed remuneration structure for non-executive directors whereas the said remuneration shall be given consent by the Board of Directors and proposed to the shareholders for consideration and approval in the Annual General Meeting of Shareholders (see additional details in the section of Remuneration for Directors and Executives).

1.27 Remuneration for Executive Directors/Senior Executives

In considering remuneration for executive directors, it shall be given consent by the Board of Directors and proposed to the shareholders for consideration and approval in the Annual General Meeting of Shareholders. The appropriate remuneration of that senior executive shall be considered and determined by the Nomination and Remuneration Committee both in monetary and non-monetary forms as incentive and retention of quality personnel for long-term working with the Company (see additional details in the section of Remuneration for Directors and Executives).

1.28 Roles and Duties of the Chairman of the Board of Directors

The Board has determined and disclosed the roles and duties of the Chairman of the Board of Directors (see additional details in the section of Roles and Duties of Chairman of the Board of Directors).

1.29 Nomination and Disemployment of the External Auditor/Internal Auditor

The Audit Committee of the Company has authority to consider, select, nominate and disemploy the external auditor to act as the Company's auditor, and also have role and duty to propose the appointment, removal and disemployment of the Company's internal auditor.

1.30 Non-Executive Director with the Company's Business-Related Working Experience

The Company's non-executive director with the Company's business-related working experience has been Mr. Adul Chandanachulaka. In 2000 - 2002, he has ever worked in the director position of Jalaprathan Cement Public Company Limited (see additional details in the section of Profile of Directors and Executives).

1.31 Violation against the Regulation of Office of Securities and Exchange Commission and Stock Exchange of Thailand

The policy of the Board of Directors is to operate the lawful business, articles of association, requirement of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand, etc. Therefore, in last year, the Company has not violated against the said law and other relevant laws at all.

1.32 Preparation of Succession Plan for Senior Executive Position

In case where the Chairman of the Group Chief Executive Officer who is the topmost executive of the Company fails to perform duties, the Company has determined the preparation of work succession plan in the said position. The person who is the successor shall be prepared by the Nomination and Remuneration Committee in the areas of essential knowledge, knowledge and skill which are deficient. In addition, the performance, vision and experience which are proper for the Company shall be also considered for work succession in the said position in order to be proposed the Board of Directors and/or the shareholders for consideration and approval for assuming the office in replacement.

1.33 Criteria and Process for Appointment of New Directors and Senior Executives

In case where the director and the senior executive of the Company are vacant, the Company's transparent criteria and policy for selection of directors and senior executives is that the Nomination and Remuneration Committee shall perform its duty in considering and selecting new director and senior executive under the criteria. The said criteria is to consider from the essential qualification, knowledge and competency, working experience and skill which are remained deficient in the Board of Directors and senior executives without gender limitation; preparedness to fully devote time for function without prohibited characteristic according to law and principle of good corporate governance. In appointment of the director of the Company, Director Pool or Professional Search Firm shall be partly considered as the case may be, resulting in the diversity of the Board's structure. The Board Skill Matrix shall be prepared to define the qualification of the director who is required for selection by considering from essential skill which is remained deficient in the Board of Directors and strategy of the Company's business operation. For example, if the Company has new strategy of business operation apart from the existing business which is operating, it is necessary for selecting the director who is directly qualified and experienced in the new business of the Company which is operating in order to be proposed to the Board of Directors and/or the Shareholders' Meeting for consideration and approval as the case may be. This is deemed as the appointment process for the Company's director.

1.34 Remuneration for Directors and Executives

The Company has defined the remuneration for directors in appropriate and attractive level for retention of the quality directors whereas it shall be classified into two portions consisting of monetary remuneration and other remunerations. The Nomination and Remuneration Committee shall yearly consider, scrutinize and propose the remuneration for directors in each year for consideration and approval of the shareholders. The executive director shall receive remuneration on behalf of the executive only. The remuneration for each executive shall be linked with the Company's overall operation and the performance of each executive.

1.35 Meeting of Non-Executive Directors

The Board of Directors has determined that the non-executive directors shall mutually convene the meeting as appropriate without meeting attendance of the executive directors or the Management in order to give the opportunity for discussion on problems both related to the Company's business such as management strategy and sustainable growth guideline, or other interested issues. In 2016, a Meeting of Non-Executive Directors was held on 16 December 2016.

1.36 Director Office Holding by the Chairman of the Group Executive Officer in Other Listed Company

The Company has determined that the Chairman of the Group Chief Executive Officer can hold the director office in just one listed company which is Pruksa Holding Public Company Limited.

1.37 Office Term of Independent Directors

At present, all of the Company's independent directors shall hold the director office in Pruksa Holding Public Company Limited for not more than six (6) years (see additional details in the section of Profile of Directors and Executives).

1.38 Disclosure of Name List of the Company's Independent Directors

The Company has disclosed the name list of the whole Board of Directors at the end of the year. If any director is an independent director, the Company shall also clearly disclose the name list (see additional details in the section of Management Structure and the section of the Board of Directors).

1.39 Employee or Partner Status of the External Audit Firm

In last two year period, the directors and senior executives of the Company have not been employees or partners of the external audit firm of which the Company has used its service at all.

1.40 Director Office Holding by the Independent Directors in the Listed Company

The Company's independent directors have not held the director office in more than five listed companies (see additional details in the section of Profile of Directors and Executives)

1.41 Director Office Holding by Executive Directors in the Listed Company

The executive directors of the Company have not held the director office in other listed companies which are outside the business group for more than two companies (see additional details in the section of Profile of Directors and Executives)

1.42 Appointment of Company Secretary

The Board of Directors has appointed the person who holds Company Secretary Office. The said Company Secretary directly graduated in law and performs the duty in giving advice on laws and criteria required for acknowledgement by the Board of Directors and oversee the activities of the Board of Directors and coordinate for compliance with the resolution of the Board of Directors. The Company has disclosed the information and roles and duties of the Company Secretary. The Company Secretary can be directly contacted at E-mail: paisarl_r@pruksa.com, Tel. 02-298-0101 Ext. 2528, Fax. 02-298-1000 (see additional details in the section of Company Secretary and the section of Profile of the Company Secretary).

1.43 Participation in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

The Company adheres to operate its business with honesty and transparency and without involvement in corruption. The Company has been currently under announcement of its intent to be Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). It has been expected to be completed around March 2017 since the Company has just been registered in the Stock Exchange of Thailand on December 1, 2016. In next procedure, the Company will submit the application for certification of the membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) accordingly.

In part of Pruksa Real Estate Public Company Limited which is the Company's subsidiary, it has already been certified as the member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on April 22, 2016.

The Company has conducted campaign so that its employees and executives will counter corruption by indicating that corruption has adverse effect toward house quality, customer service, and internal operation of the Company. Any employee who detects the clues of fraud, corruption, stakeholding in work or demand for remuneration, is able to complain/notify the clues/ask for justice. The Company shall deem that the said employee contributes to the organization and will be awarded in maximum value of 30,000 Baht per case and Merit Honorary Certificate from the Chairman of the Group Chief Executive Officer. However, the Company's policy for disclosure of the whistleblower's information is to keep as secret under measure of whistle-blower's protection without trouble.

1.44 Non-Breach of Fraud/Ethics, Corporate Governance and Adverse Reputation

In last 2016, the Board of Directors, executives and employees did not commit the breach of fraud or breach of ethics or any acts that violate the regulation of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. None of executives resigned due to the aspect of corporate governance of the Company and none of adverse reputation existed due to functional failure of the Board of Directors in examining at all.

2) Rights of Shareholders

2.1 Basic Rights of Shareholders

The Company realizes and gives precedence to the rights of shareholders by not performing any acts that violate, diminish the rights of shareholders or not neglect against the equal shareholder treatment. However, the Company considers the basic rights of shareholders such as right to equally receive dividend, right to purchase share for capital increase, equitable treatment in share buyback by the Company, right to mutual communicate, right to propose meeting agenda, right to nominate directors, right to deliver queries related too meeting agenda in advance, right to attend the Shareholders' Meeting and vote, right to authorize power to other person for meeting

attendance and vote instead, right to express opinion and inquire in the Shareholders' Meeting, right to vote for election of individual director in order to give shareholder the opportunity to have right to actually elect the required director, right to consider remuneration for directors, right to vote the appointment and determination of remuneration for auditor, without hindering or building obstacle in giving shareholder the opportunity to enable to mutually communicate. If Shareholders Agreement with significant impact on the Company or other shareholder is entered, the Company shall immediately disclose for acknowledgement.

2.2 Right to Consider Remuneration for Directors

The Company's shareholders have right to regularly consider and approve all forms of remunerations for directors every year both in monetary remuneration and other non-monetary remuneration such as regular remuneration, meeting allowance, bonus/pension, and other special privilege such as group insurance welfare.

The Company has clear policy, procedure and criteria for consideration of remuneration for directors in each position prior to proposing remuneration issue for consideration of the shareholders. The appropriateness in various respects is thoroughly considered and scrutinized by comparing with the same industry. The meeting plan of the Board of Directors and each Sub-Committee such as Executive Committee, Audit Committee, Corporate Risk Management Committee, Nomination and Remuneration Committee, and Corporate Governance Committee, and business expansion and profit growth of the Company shall be approved by the Nomination and Remuneration Committee and the Board of Directors prior to proposing to the Shareholders' Meeting for consideration and approval.

2.3 Shareholders' Meeting

2.3.1 Policy for Defining Meeting Date, Time and Venue to Facilitate and Encourage the Meeting Attendance of all Groups of Shareholders and Institutional Investors

In holding the Annual General Meeting of Shareholders which will be held within four (4) months from the closing date of the annual balance sheet account, the Company shall define meeting holding date, time and venue which are prepared to facilitate and encourage all groups of shareholders including the shareholders who are institutional investors for attending the Shareholders' Meeting of the Company. The Company's policy is not to hold the meeting in public holiday and office holiday of the commercial bank, start meeting time in the period of 8.30 - 16.00 hrs., give all shareholders the opportunity to enable to deliver Registration Form or Proxy to the Company for prior-registration acceptance, hold the meeting in Bangkok zone or the locality where is the location of the Company's head office so that its shareholders can easily travel to attend the meeting, and provide clear information of meeting date, time and venue, meeting agenda in issues with supporting clarification and reason in each requested agenda or resolution as specified in Invitation Letter for Annual General Meeting of Shareholders and Extraordinary Meeting of Shareholders or in Enclosure of Meeting Agenda, without limitation of the shareholder's opportunity in studying the Company's information. However, the Company can call the Extraordinary Meeting of Shareholders if the Board of Directors deems necessary or appropriate.

The Company has just been registered in the Stock Exchange of Thailand on 1 December 2016. Thus, in 2016, the Company has not yet held the Annual General Meeting of Shareholders. However, from mutual discussion with the Board of Directors on primary schedule of meeting holding time for the Annual General Meeting of Shareholders for 2017, the Company will hold the Annual General Meeting of Shareholders at Banyan Ballroom, 10th Floor, Banyan Tree Hotel, No. 21/100 Sathon Tai Road, Sathon Sub-district, Sathon District, Bangkok, in the period of around April 2017 at 10.00 hrs. The shareholders can conveniently travel to attend the meeting since it is located in central downtown zone with convenient transportation and proximity to public transport system such as BTS, MRT (MRT Subway). In delivery of Invitation Letter for Meeting to the shareholders, the Company has delivered meeting venue map indicating clear travelling detail. In addition, the Company has coordinated with the shareholders that are the institutional investors to deliver Proxy to the Company in advance for accuracy verification prior to meeting date and facilitation of meeting attendance of the shareholders.

2.3.2 Stamping Service for Stamp Duty in Proxy

The Company renders stamping service for stamp duty in Proxy to the proxy who attends the meeting at free of charge at the verifying point of the registration documents to relieve the burden in acquiring stamp duties of the shareholder.

2.4 Shareholding Structure of the Company

The shareholding structure of the Company indicates the protection mechanism of business domination that will be exercised by the Management or the regulator as self-protection in case of inefficient or opaque management such as non-cross shareholding in the Group of the Company, non-pyramid shareholding structure in the Group of the Company, and the proportion of free float shares more than what is prescribed by law and more than 25 percent. In last 2016, the Company has had the proportion of free float shares for 29.09 percent.

2.5 Giving the Shareholders Opportunity to Propose Meeting Agenda, Nominate Directors and Deliver Queries in advance Prior to Meeting Date

The Company has just been registered in the Stock Exchange of Thailand on 1 December 2016. Therefore in 2016, the Company has not yet given its shareholders the opportunity

to nominate the name list of the person who is considered and deemed to be qualified with proper knowledge and competency as the representative in performing the duty of the Company's director in advance.

However, the Company's policy is to give its shareholders the opportunity to propose additional meeting agenda, nominate directors and deliver queries about the Company in advance prior to the meeting date. The channel and criteria shall be clearly determined to indicate fairness and transparency in consideration, and notify the shareholders for acknowledgement, and disseminate the said criteria on the Company's website.

For Annual General Meeting of Shareholders for 2017, the Company has given the shareholders the opportunity to propose the meeting agenda, nominate the name list of the directors, and deliver queries prior to the meeting date in advance from 1 December 2016 to 31 January 2017. This has been announced to the Stock Exchange of Thailand and the criteria has been disseminated on the Company's website (www.psh.co.th in Topic of Investor Relations)

However, in case that advance query delivery deadline is expired, if the shareholders have still delivered queries to the Company before the meeting date, the Company is ready for listening and gathering the said queries to reply the shareholders via other channels as deemed as appropriate.

2.6 Execution in the Shareholders' Meeting Date

2.6.1 Meeting Attendance and Registration

In meeting attendance, the shareholders should bring documents used for identification in meeting attendance such as Citizen Identification Card or Passport or in case of authorization from natural person, the evidence of the attorney shall be declared such as Proxy, Copy of Citizen Identification Card, or Copy of Passport, or in case of authorization from juristic person on behalf of the representative, the evidence of the Proxy shall be declared such as Proxy and Certified Correct Certificate of Juristic Person Registration. The Company will open for shareholders to register the meeting attendance in advance prior to the meeting time.

2.6.2 Attendance of the Shareholders' Meeting by Chairman of the Board of Directors, Chairman of the Sub-Committee and Senior Executives of the Company

The Company gives precedence to the Shareholders' Meeting. Therefore, the Board of Directors shall attend the Shareholders' Meeting which is presided over by the Chairman of the Board of Directors. In addition, the Chairman of every Sub-Committee, the senior executive of the Company (the Chairman of the Group Chief Executive Officer), the first four executives, external auditor or representative shall attend the meeting for hearing opinion and replying queries of the shareholders all together.

Name List of the Board of Directors	Number of Meeting Attendances/Number of Times with Right of Meeting Attendance
	Shareholders' Meeting for 2016 (Extraordinary General Meeting of Shareholders)*
1. Dr. Pisit Leeahtam	0/0
2. Mr. Thongma Vijitpongpun**	1/1
3. Mr. Weerachai Ngamdeevilaisak	0/0
4. Mr. Adul Chandanachulaka	0/0
5. Dr. Piyasvasti Amranand	0/0
6. Dr. Prasarn Trairatvorakul	0/0
7. Mr. Somprasong Boonyachai***	0/0
8. Mr. Wichian Mektrakarn**	1/1
9. Dr. Anusorn Sangnimnuan	0/0
10. Mr. Lersuk Chuladesa **	1/1
11. Mr. Prasert Taedullayasatit **	1/1
12. Mrs. Rattana Promsawad	0/0
13. Mr. Piya Prayong**	1/1

Remark: *1. The Company has just been registered in the Stock Exchange of Thailand on 1 December 2016. Therefore, in 2016, the Company has not held the Annual General Meeting of Shareholders.

**2. The meetings in 2016 included Extraordinary General Meeting of Shareholders No. 1/2016 which was held on 29 April 2016 whereas all directors attended the meeting for 100 percent. Five directors who attended the meeting were listed in No. 2, 8, 10, 11 and 13. Concurrently, Mr. Prasert Taedullayasatit retired the director office and it was effective from 29 April 2016.

***3. Mr. Somprasong Boonyachai retired from the director office and it was effective on 1 January 2017.

2.6.3 Defining of Meeting Agenda

In the Shareholders' Meeting in case where there are several meeting agenda, the Company shall clearly define the meeting agenda into issues and resolve them in individual item such as agenda of director selection, and determination of director powers and director remuneration.

The Company's policy is not to add other agenda which are not defined in advance in the Shareholders' Meeting since the addition of other agenda required for resolution without defining in the meeting agenda is unfair for shareholders who are absent from the meeting.

2.6.4 Vote Counter

The Company's policy is to stipulate the independent person as the counter or checker of vote in the Annual General Meeting of Shareholders and Extraordinary Meeting of Shareholders, and disclose to the Meeting for acknowledgement and record in the meeting minutes.

2.6.5 Announcement of Vote Count Practice and Giving Shareholders the Opportunity to Inquire/Comment

In Shareholders' Meeting, the Company's policy is to clarify voting method and vote count method for acknowledgement of shareholders prior to meeting commencement according to agenda. The vote count method of the shareholder who attends the meeting by presence and by proxy shall be explained. Ballot shall be used for voting by shareholders in case where shareholders disagree or abstain voting. In voting for election of the directors, the Company shall give shareholders the opportunity to elect the directors. The Company gives shareholders the opportunity to vote for election of individual director using ballot in order to give shareholders the opportunity to have right to actually select the required director. During the meeting, it will give all shareholders the opportunity to have equal rights to comment and inquire under appropriate time provision. The Company shall count one share as one vote in voting and majority vote shall be regarded as resolution. If the vote is equal, the Chairman of the Meeting shall make a final decision for another vote apart from voting on behalf of the shareholder.

2.6.6 Use of Ballot

The Company's policy is use ballot in every meeting agenda both of general main agenda by law and significant agenda such as performing connected transaction, performing asset acquisition or disposal transaction, change in business structure, capital increase and capital decrease, etc. for transparency and accountability in case of subsequent dispute and for confidence of the shareholder who is unable to attend the meeting on voting result in each meeting agenda.

2.6.7 Recording of Meeting Minutes

The Company's policy is to record the notification of the method for voting, count, use of ballot for acknowledgement of the shareholders prior to meeting commencement, as well as name list and office of the directors who attend the meeting, the directors who take leave from the meeting, and queries, replies, clarifications, opinions, meeting resolution in each agenda under classification into agreed, disagreed and abstained vote; and notify number of voided ballots (if any) in writing in the meeting minutes in detail for acknowledgement of the shareholders who are absent from the meeting and verifiability on the participation of the directors in each Shareholders' Meeting. In case that any director has special gain and loss in any issue of meeting agenda, the said director shall not present in the meeting and has no right to vote in that issue unless voting for election or removal of the director.

2.7 Disclosure of Resolution of the Shareholders' Meeting

The Company's policy is to disclose the resolution of the Shareholders' Meeting and voting result after meeting or lately in the morning of the following day from the Shareholders' Meeting by notification in newsletter to the Stock Exchange of Thailand and disclosure on the Company's website at www.psh.co.th.

2.8 Dividend Payment

The Board of Directors may consider annual dividend payment of the Company upon approval of the Shareholders' Meeting. The dividend shall be paid to shareholders in case where the Company's turnover is profitable without accumulated loss. The said dividend payment shall be divided based on number of shares in equal amount per share.

According to the Company's policy, the annual dividend shall be paid to its shareholders for twice a year in the rate of not less than 50 percent of net profit of consolidated financial statements of the Company after deduction of legal reserve. In considering dividend payment, the Company shall take turnover and long-term return of the shareholders into consideration.

Moreover, if the Board of Directors deems that the Company earns sufficient profit for dividend payment, interim dividend payment to its shareholders may be periodically made and the Shareholders' Meeting shall be reported in next meeting. However, the remaining profit from dividend payment according to the resolution of the Shareholders' Meeting or the remaining from interim dividend payment shall be allocated as reserve as deemed appropriate by the Board of Directors, or allocated as reserve capital to be the fund of the Company accordingly. The Company shall pay dividend within one (1) month from the resolution date of the Shareholders' Meeting or within one (1) month after the resolution date of the Board of Directors in case where the Company will pay interim dividend payment. The Company shall issue the written notice for acknowledgement of the shareholders and also notify dividend payment in newspaper.

2.9 Appointment and Determination of Remuneration for Auditor

The Shareholders' Meeting shall appoint and determine remuneration for the Company's auditor as suggested by the Board of Directors. The said auditor shall not be the director, staff, employee or the person who holds any post in the Company.

3) Equitable Treatment of Shareholders

The Company takes responsibility of the equitable and fair treatment to all shareholders as well as minor shareholders and foreign shareholders. The minor shareholders shall be protected for right from the act which is taken for both direct and indirect advantage of the shareholder with controlling power for equitable treatment and basic right protection to shareholders. The Company also grants voting rights to shareholders in the form of one share per one vote whereas the Company has had one type of share which is ordinary share.

3.1 Nomination of the Person Assuming the Director Office

The Company has just been registered in the Stock Exchange of Thailand on 1 December 2016. Therefore, in 2016, the Company has not yet given its shareholders the opportunity to nominate the person who is considered and deemed as qualified with appropriate knowledge and competency as the representative in performing duty of the director of the Company in advance.

However, the Company's policy is to determine the proper process for giving the minor shareholders the opportunity to enable to nominate the person together with supporting information for consideration and consent provision of the nominated person to assume the director office to the Chairman of the Board of Directors in advance prior to the Shareholders' Meeting. The Company's process ensures the minor shareholders that they can elect the independent directors to oversee the benefit in lieu of them. The selection of all directors shall be considered through consent of the Meeting of the Nomination and Remuneration Committee and approval of the appointment from the Board of Directors' Meeting and/or the Shareholders' Meeting as the case may be.

For Annual General Meeting of Shareholders for 2017, the Company has given its shareholders the opportunity to nominate the person who is considered and deemed as qualified with appropriate knowledge and competency as representative in performing duty of the Company's director in advance from 1 December 2016 to 31 January 2017 whereas this has been announced to the Stock of Exchange of Thailand and disseminated on the Company's website (www.psh.co.th in topic of Investor Relations).

3.2 Shareholders' Meeting

3.2.1 Authorization to other Person for Attendance of the Shareholders' Meeting and Voting on His or Her Behalf in Form of One Share per One Vote

In case where any shareholder is unable to attend the meeting, the Company shall facilitate by delivery of Proxy both in Form B and Form C together with Meeting Appointment Letter, specifying documents/evidences and suggestion of the authorization procedure so that the shareholders can prepare them properly without problem in meeting attendance by proxy. The shareholder can authorize other person to attend the meeting and vote on behalf of him or her in form of one share per one vote by filling Proxy according to guideline described in detail of the authorization method delivered together with Meeting Appointment Letter by the Company. The complicated condition of authorization for other person to attend the meeting on behalf of the shareholder is not specified. Moreover, the shareholders can download Proxy Form B and Form C from the Company's website at www.psh.co.th in topic of Investor Relations/Shareholders' Meeting. The Company shall nominate at least three (3) independent directors as authorization alternative of the shareholder which is more than the policy of the Stock Exchange of Thailand and Criteria of ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard).

3.2.2 Delivery of Meeting Appointment Letter

According to Articles of Association of the Company, it specifies that the Meeting Appointment Letter shall be delivered to the shareholders at least seven (7) days prior to the Shareholders' Meeting. In practice, the Company's policy is to deliver the Meeting Appointment Letter together with meeting documentation both in Thai language and English language to Thai and foreign shareholders at least 21 days in advance prior to the Shareholders' Meeting. The delivery of the Meeting Appointment Letter may be changed depending on situation in each year but shall not be later than the duration specified by law and Articles of Association of the Company so that the shareholders will have period of time for consideration on the meeting agenda and the issue proposed to the meeting together with adequate details used in decision support. However, each issue shall be clearly specified that it is the issue proposed for acknowledgement, for approval or for consideration as the case may be. The objective and reason of each meeting agenda, opinion of the relevant sub-committee in that agenda and opinion of the Board of Directors in such issue shall be also specified.

The Company shall publicize the appointment of the Shareholders' Meeting in any issue of Thai daily newspaper of not less than three (3) days and disseminated in the Company's website at www.psh.co.th both in Thai and English languages (unabridge edition) at least thirty (30) days in advance prior to meeting date in order to facilitate Thai and foreign shareholders. The adequate and timely information of meeting date, time, venue and agenda as well as information related to the issue required for decision making in the Shareholders' Meeting shall be informed.

3.3 Financial Assistance Transaction

In last 2016, the Company had none of inter-transaction in the nature of financial assistance such as money lending, credit guarantee to the company which is not its subsidiary at all. In addition, the Company did not lend or guarantee loan in the shareholding proportion under joint venture contract as well.

3.4 Confidentiality, Information Retention and Protection of Use of Inside Information

The Company formulates the written policy of confidentiality, information retention and prevention of use of inside information and notifies the said policy for practical observance of the organizational directors, executives and employees. In addition, the Company also issues the confidence building measure that the said policy is acknowledged and complied whereas CG Day organizing is defined so that all directors, executives and employees can study, learn and endeavor to grasp the Company's code of conduct including the aforesaid policy. Such policy shall be strictly adhered as practical principle and guideline for maximum benefit of the Company and all groups of stakeholders throughout the functional period and everyone shall affix their signatures for ratification.

Moreover, the Company also determines that the director and executive as well as his or her spouse and underage child shall report the first possession of the Company's securities possession within thirty (30) days from the appointed date, report the change in security possession every time of purchase, sale, transfer or transfer acceptance of securities within three (3) working days, and regularly report the director for acknowledgement. The Company formulates as strict policy in the issue of prohibition of the director and executive of the Company to purchase and sell shares using inside information. In last 2016, the said circumstance did not occur.

Policy for Prevention of Use of Inside Information

The secret information means the non-public information or information which is publicly disclosed or falls in the competitor's hand may cause serious impact toward the Company, and all types of information which are given by the business partner and customer to the Company.

(1) The Company shall define the layer of the information secret and confidentiality practice. The important document and information which are secret shall be supervised by specific means specified in each level, each kind or type of information.

(2) The Company shall keep and conceal customer information and trade information as secret, and shall neither disclose customer secret to the Company's irrelevant employees nor outsiders unless it is the legal regulation for disclosure whereas the disclosure shall be for the purpose of litigation, or the approval by the Board of Directors for disclosure.

(3) In employment of the person who has ever worked with the trade competitor or the government, the Company shall search and study the confidentiality agreement of which the said person has ever entered with the trade competitor or the government before entering with the Company. Any act shall not perform in the way that the act of the said person is breach of the agreement with the trade competitor or the government, resulting in subsequent litigation.

3.5 Connected Transaction Performing

In case of the connected transaction under the scope of information disclosure or request for approval of the shareholders pursuant to the requirement of the Stock Exchange of Thailand prior to transaction performing, the Company formulates the policy for disclosure of information about name and relationship of the connected person, detail and reason of transaction performing, transaction pricing and valuation policy, as well as opinion of the Audit Committee and the Board of Directors regarding the said transaction for clear acknowledgement of the shareholders via the channel of the Stock Exchange of Thailand. Such connected transaction shall be fairly performed under fair and at arms' length. In last 2016, the Company did not perform the connected transactions by the way of violation and/or non-compliance with the regulation of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The Company did not have the business group structure that performed connected transactions in the nature that may have conflict of interests. Upon consideration on the level of transaction performing either being income or expense, it will be below 25 percent without exception.

3.6 Connected Transaction Performing in 2016

The Company has been established on 16 March 2016 and has been registered in the Stock Exchange of Thailand on December 1, 2016. In last 2016, the Company did not performed related transactions with the connected person.

3.7 Violation/Non-Compliance with Regulation of Asset Purchase and Sale

In last 2016, the Company did not purchase and sell asset in the nature of violation/non-compliance with the regulation of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

3.8 Policy for Declaration of the Director and Senior Executive on Purchase/Sale of His or Her Company's Shares

The Company formulates the policy for director and senior executive of the Company to notify the Company Secretary about purchase/sale of his or her shares at least one (1) day in advance prior to purchase/sale so that the Company Secretary shall keep as information for each director and executive.

4) Role of Stakeholder

The Company respects the rights of the groups of stakeholders and formulates as practical guideline in the Company's code of conduct in order to ensure that any relevant legal rights of the stakeholders including shareholders, employees, executives, customers, competitors, business partners-contractual parties, creditors, social community and environment, shall be supervised. The collaboration among the groups of stakeholders shall be reinforced based on roles and duties for satisfactory operation of the Company's business with stability and fair benefit reciprocation to all parties. The Company therefore has prepared social responsibility report (sustainable development report) under the framework of Global Reporting Initiative (GRI) divided into separate book from Annual Report.

4.1 Formulation of Policy for Stakeholder Treatment

4.1.1 The Board of Directors formulates the policy for treatment to each group of stakeholders as follows.

Shareholder : The Company aims for being good representative of its shareholders due to realization that the shareholders are the business owners. Therefore, the Company aims for maximum shareholder satisfaction creation in business operation under consideration on the long-term value growth of the Company with good and ongoing return. The information is transparently and reliably disclosed to its shareholders according to below practical guideline.

(1) Function with honesty and make any operating decision with carefulness and fairness to all shareholders for overall maximum shareholder benefit.

(2) Regularly and completely present actual reports of the Company's status, turnover, financial information position, accounting and other reports.

(3) Equitably report shareholders for acknowledgement on future trend of the Company both in positive and negative aspects on possibility basis under supporting information and adequate reason.

(4) Not exploit for self-benefit and other person's benefit using any of the Company's information which has not yet been publicly disclosed, or executing in the nature that may cause conflict of interests with the organization.

(5) The Company shall equitably treat all shareholders in the Shareholders' Meeting.

Employees : The employees are maximum valued resources and key success factor of the Company.

The Company therefore aims for development and reinforcement of culture and good working atmosphere as well as promotion of teamwork, polite and respectful employee treatment toward individualism. In employment, appointment and removal of employees, virtue basis shall be considered and human capital is used for maximum benefit to the Company. The Company shall treat its employees equitably without concern on gender, nationality, race, religion or belief.

Policy and Practical Guideline for Remuneration, Welfare and Provident Fund

The Company always takes responsibility for maintaining working environment which is safe for life and asset of its employees and strictly adheres to comply with Labor Law.

Moreover, the Company also formulates the policy for remuneration in consistency with the Company's overall operation both in short-term and long-term under consideration from profitability in each year and performance measurement according to Balanced Scorecard and the employee welfare, for example:

: Grant Welfare such as grant in case of natural disaster encounter, grant in case of marriage, and gift in case of sickness required for treatment at hospital, and grant of wreath expense for corpse salutation in case of death of the employee and the employee's spouse, father and mother.

: Health and Life Insurance such as annual employee medical examination, group health insurance and group accident insurance the covers the employee and the employee's, spouse and child.

: Loan Welfare such as loan for residence purchase, special discount acceptance in case of purchase of house, townhouse and condominium of the Company.

: Fund such as provident fund for saving and security creation for employee and his or her family whereas this portion of savings will depend on willingness and service duration of the employee and the Company's contribution rate is between 5 - 10 percent; social security fund, compensation fund in case of occupational sickness/ accident.

: Other Privilege such as Fitness & Sport club, monthly telephone expense.

In addition, the Company formulates the practical guideline for its employee due to its foreseeing employee emphasis which is deemed as the first social responsibility that should be performed since the happiness of the employee in working will reflect in form of quality achievement and organizational sustainability. The said practical guideline is as follows.

(1) Privacy

Right of individual liberty shall be protected without being violated from use, disclosure or transfer of personal information such as biography, health history, working history or other personal information to other irrelevant persons that may cause damage to the owner or any other person. The violation shall be deemed as disciplinary offence unless it is dutifully performed with honesty or by law or for public benefit.

1.1 To protect the employee's personal information under the Company's possession or maintenance.

1.2 To be able to disclose or transfer the employee's personal information to public only if upon consent of the said employee.

1.3 To restrict disclosure and use of the personal information of the Company's employee and related parties as necessary.

(2) Equality and Equal Opportunity

2.1 The Company shall treat its employee with respect in his or her honour and dignity.

2.2 The Company shall select the persons for employment in various positions with fairness under consideration on qualification of each position, educational qualification, experience and other requirements necessary for job without barrier of gender, sex, race and religion.

2.3 The Company shall determine fair remuneration for its employees as appropriate for condition and nature of job, performance and the Company's capability to pay the said remuneration.

2.4 The Company shall support its employee to be trained and developed for working efficiency improvement and for giving its employee the opportunity for work progress of its employee.

In last 2016, the employees were trained and developed for 15 hours per person in average including from the levels of operation, bottom superior, middle superior and top superior. The course which shall be trained by every newly entrant employees is "human right" and other courses prepared by the Company for every employee can be classified into 6 main categories as follows.

(1) Subject Category on On Boarding Program for New Employee
(2) Subject Category on Career Group
(3) Subject Category on Quality & Safety
(4) Subject Category on Leadership and Leadership & Expertise
(5) Subject Category on Personal Development and
(6) Subject Category on Information Technology

(see additional details in "Sustainable Development Report" in the section of Training and Development of Employee Potential.)

2.5 The Company shall be aware that good communication shall bring about efficiency and good relationship in mutual working. The Company shall promote its employee to be always notified for related news according to reasonable opportunity as much as possible.

2.6 The Company shall give its employees the opportunity to have communication channel, suggest and complain in the frustrated issue regarding working. The suggestions shall be seriously considered and solution shall be defined for benefit to all parties and creation of good relationship in mutual working.

(3) Harassment

3.1 The superior should conduct oneself to be respectful by the employee and the employee shall not perform any disrespectful act against the superior.

3.2 The employee shall not perform any act which is the harassment either by word of mouth or act against other person on race, gender, religion, age and physical and mental disability basis.

3.3 Mutual opinion respect

(see additional details in "Sustainable Development Report" in the section of Human Right Management.)

Policy for Development of the Employee's Knowledge and Potential

The employee's policy and concept for employee development to be the competent person has been formulated. There is the development guideline for preparedness to completely function on his or her duty and for position growth, affecting the personnel's ability to use their full potential in working with all of their abilities in order to deliver quality achievement to both internal and external customers. In addition, knowledge

and skill acquired by the employees are the ingrained knowledge of the employee that can be extended in future work and after retirement. The Company has established Human Capital Line to supervise the employees due to its realization that its employee is an asset worthwhile for investment. The way that the Company will be the first brand in customer mind is not derived from the operation of the Chairman of the Group Chief Executive Officer or executives only but it has been believed that it can be built by every employee of the Company under variety of development methods as follows:

- Preparation of Vision, Mission and Pruksa Culture, Pruksa Value, Leadership Competency as practical guideline of companywide people.

- Recruitment and selection of the employee for working using Competency Based Interview so that the applicant who is consistent with culture, value and leadership competency in form of Pruksa Holding can be recruited since the Company has believed that these things will cause success in more than 20 years ago.

- Training system according to annual training plan under the training courses consisting of both theory and actual practice, culture building and systematic coaching by the supervisor, new employee mentoring program, development of work assignment form that the employee can actually practice, and availability of operating framework which is clear policy, entirely support the ability of supervisor and employee to plan for suitable mutual development.

- Talent & Succession Planning whereas talent is mutually defined by the supervisor and Human Capital Line to identify talent under consideration from performance and personal potential characteristic both in management ability and operating ability. The identification and preparation of alternative position plan for executive level in Department, Division, and SBU/BU and higher defines both talent and successor. In addition, business necessity is considered by mutually analyzing long-term strategic target of the organization.

- Support the employee to recognize his or her clear Career Path whereas the employee will recognize his or her next position according to profession and knowledge, skill and performance indicator of the next position are defined so that the employee can mutually plan his or her career together with his or her supervisor. Work method and self-development method are defined to be able to reach the setting career goal.

- Regularly conduct the survey of the organizational commitment of the employee for once a year. The said survey result shall be applied for mutual determining companywide plan in increase in more the employee' organizational commitment level via activities and plans required for continuous operation and filled as part of performance indicator of the executive.
  (see additional details in "Sustainable Development Plan" in the section of Personnel Development and Career Growth Promotion)

Policy Irrelevant to Violation of Human Rights

The Company's policy irrelevant to human right violation consists of guideline for human right management in the issue of recruitment and employment. The Company shall adhere to the ethical principle of recruitment and employment without discrimination whether in the issue of race, religion, skin color or gender under consideration on the appropriateness of duties and responsibilities in case by case and without use of child labor and forced labor. The Company shall disapprove the employment of the employee to hold any office whereas the direct superior and subordinate have relative or family member relationship. The aforesaid can make everyone have equal opportunity in selection as the Company's employee emphasizing on his or her competency and appropriateness with that position. Moreover, the Company also complies with Physically Handicapped Worker Employment Law by coordinating with government agency, Association of Physically Handicapped of Thailand to encourage the physically handicapped person to be employed. In any year that the Company is unable to employ the physically handicapped employee, the Company will deliver the contribution into Empowerment of Persons with Disabilities Fund as fund for spending about protection and development on quality of life of persons with disabilities accordingly.
(see additional details in "Sustainable Development Report" in the section of Guideline for Human Right Management.)

Customer: The Company aims at business operation under intention of standard and ethical creativity, offer and management of products and services to its customers subject to the following operating principle.

(1) To deliver quality products and services in line with standard under fair condition and continuous, serious will of higher standard level upgrade, disclosure of complete and accurate news and information about goods and services without fact distortion.

(2) To provide accurate, adequate and timely information of products and services to its customers so that the customers can have adequate information for decision making. There is no exaggeration both in advertising and in communication via other channels with its customers, causing misunderstanding of the customer on quality, quantity or any condition of products and services.

(3) To rapidly respond the customer demand, systematize and arrange effective communication or complaint channels about the quality of products and services round the clock via www.psh.co.th and Pruksa Contact Center 1739.

(4) Retain information and secret of the customers without disclosure and use in the wrongful way unless it is the information that must be disclosed to the outsiders related to the statutory provisions.

Competitor: The Company aims for business operation under intention of sustainable success and maintenance as the leading company in the business under fair and ethical competition in the industry through support and promotion of free trade, fair and non-monopolized competition policy or without determination that business partners must sell the Company's products only. The Company has none of trade competition policy using any means to illegally acquire the competitor's information and in conflict with ethics. The principle of business partner treatment is as follows.

(1) To conduct and treat under the framework of good competition rule.
(2) Not to seek for secret information of the business partner by dishonesty or improper means for benefit of the Company's business operation.
(3) Not to adversely accuse or aims at discrediting the business competitor.
(4) Not to mutually enter into contract or agreement that may result in unreasonable elimination of business competitor.

Business Partner and Contractual Party: The Company formulates the policy for business partner treatment according to the Principle of Corporate Governance (CG) in search and selection of business partner, procurement and outsourcing of the contractor and designer and hiring of the consulting firm. The Company transparently, impartially, openly and fairly gives all business partners, vendor/contractor/lessee, hereinafter referred to as business partner, the chance to participate in bid, quote the price of contracting work, quote the selling price of materials and equipment or accept design work with the Company for all business partners. Thus, in case where business partner is contacted from any executive, employee or person in the nature of demand for remuneration or reward or any other benefit unless the moral giving either directly or indirectly so that the business partner can gain its business benefit as return; or case where business partner deems that search and selection process for the Company's business partner is not transparently and fairly performed with business partner; or it is the elimination of business competitor, the Company will ask for collaboration that the business partner shall immediately inform the Company and suggest the improvement guideline for transparency and fairness in procurement and outsourcing to all business partners. The Company will be impartial and impartially and equally protect all business partners.

Search, Procurement and Outsourcing and Treatment to Business Partner

1. The Company intends to supply standard goods and services under below principle.
   1.1 The competition is on equitable information.
   1.2 The criteria for evaluation and selection of business partners and contractual parties are available.
   1.3 The proper form of the contract is prepared.
   1.4 Management and monitoring system ensure the complete compliance with the contractual condition and protection of fraud and misconduct in every procedure of procurement process.
   1.5 The payment is duly made to business partner and contractual party according to the agreed payment condition.

2. The Company aims at development and maintenance of sustainable relationship with its business partners and contractual parties, under clear objective of quality of goods and services which are worthwhile for money value, technical quality and mutual reliability.

3. All executives and employees are prohibited to personally receive any benefits from the business partners and contractual parties either directly or indirectly.

4. Do not involve in purchasing and procurement with business partner or contractual party that is related to oneself, for example, in the way that it is belonged to family or relative or it is owned or partnership by oneself.

5. The acknowledged information as the result of purchasing and procurement shall not be used for personal benefit or other person's benefit.

Method for Selection and Evaluation of Business Partner

1. To inspect and evaluate working preparedness.
2. To evaluate quality of works, goods and services.
3. To evaluate the punctuality on delivery of works, goods and services.

4. To evaluate the ability to coordinate and solve problem and preparedness of work team.

Complaint

1. Complaint Notification

In case where the executives, employees, officers and/or parties related with the Company are detected to have any behavior showing fraud, unfairness or reward demand, all business partners can immediately notify the Company for acknowledgement via below channels.

- : **By post**

  Organizational Communication Division
  Pruksa Holding Public Company Limited
  SM Tower Building, 28th Floor, No. 979/88, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400

  Or

  The Chairman of the Group Chief Executive Officer or the Chairman of the Audit Committee
  Pruksa Holding Public Company Limited
  SM Tower Building, 28th Floor, No. 979/88, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400

  : **By Phone:** 1739

  : **By Website:** www.psh.co.th

  : Line ID: @pruksacg

  : E-mail: cg@pruksa.com

Besides the complaint informant takes significant part in assisting the organization, the complaint informant will also be awarded in maximum value of Baht 30,000 (thirty thousand Baht) per case together with Merit Honorary Certificate from the Chairman of the Group Chief Executive Officer.

2. Protection Measure for Complainant or Investigation Collaborator

The complainant or the investigation collaborator shall be protected under below criteria.

2.1 The complainant or fact investigation collaborator can choose not to disclose by oneself if he or she deems that the said disclosure will cause danger or any damage. However, the disclosure by oneself will make the Company enable to report the progress, clarify fact for acknowledgement or more conveniently and rapidly alleviate damage.

2.2 The Company will not disclose the name, surname and address of the complainant or fact investigation collaborator or any other information that can identify the informant, and investigate whether how much the ground of fact is available.

2.3 The complaint receiver shall collect the relevant data as secret and disclose as necessary under consideration on safety and damage of the complainant or fact investigation collaborator, source of information or relevant person.

2.4 In case where the complainant or fact investigation collaborator deems that he or she may be unsafe or may be in trouble, the complainant or fact investigation collaborator can request the Company to determine the protection measure as appropriate, or the Company may determine protection measure without request of the complainant or fact investigation collaborator if it deems that it is the issue with tendency of trouble or danger, the affected person shall be alleviated for trouble with proper and fair process.

Creditor: The Company clearly formulates the policy and practical guideline about the creditor either being trade creditor or financial institution creditor, particularly in the issue of guarantee condition, capital management and in case of default of debt payment in order that debt shall be not defaulted for payment and strictly comply with the specified creditor's condition as follows.

(1) To duly pay back debt to the creditor according to specified condition without default of debt payment.

(2) In paying debt, loan, interest and responsibility in security or guarantee, the Company shall strictly adhere to the agreed contract or conditions.

(3) Upon important circumstance that may significantly affect financial position, the Company shall manage capital by notifying the creditor for mutual finding prevention or solution method in order to avoid damage.

(4) To strictly comply with the conditions specified by the creditor.

Community and Society: The Company gives precedence to the surrounding community and society with awareness that we are compared as part of the society that will mutually step into abiding sustainable social and environmental development. The Company therefore continuously executes community and social activities and formulates the policy for social responsibilities as working framework in various

areas for practical adherence by the Board of Directors, all executives and employees so that social responsibilities shall be companywide executed in all processes together with business operation under overall community and social responsibilities as follows.

(1) The environment shall be mainly concerned in business operation policy under strict compliance with the applicable laws and regulations related to environment.

(2) The Corporate Social Responsibility (CSR) Implementation Policy is formulated. The corporate social responsibility shall be implemented as business strategy for social question response and Creating Share Value (CSV) between Business and Society to build sustainable growth by applying the Company's specialization for sustainable economic value creation to the organization and society at the same time, and adhering as the internal practical guideline.

(3) To promote the Company's employees to be conscious and responsible for environment and society.

(4) To respect customs, tradition, and culture of each locality in every country where the Company enters to do its business.

(5) To regularly implement activities for mutual creation of society, community and environment so that the community where the Company is located will have improved quality of life under implementation by the Company and collaboration with the government, private and community agencies.

(6) To collaborate in activities with the community around the Company's area where is entered for business operation as appropriate as the case may be.

(7) To prevent accident and control the operation as well as control the discharge of waste to be in the criteria of standard value.

(8) To rapidly and effectively respond the event that affect environment, community, life and property as the result of the Company's operation. The collaboration shall be fully given to the government officer and relevant agencies.

The Company also executes the social responsibility works out of the process to mutually create social sustainability through corporate social responsibility policy in three areas such as education, society and environment, and religion, art and culture (the details according to the content in the section of Social and Environmental Responsibilities).

In addition, the Company also develops to upgrade business operation standard in social responsibility area. The overall operation in social responsibility area is reported according to international standard of Global Reporting Initiative (GRI version 3.1) so that reporting shall cover economic, social and environmental areas to support concrete and obvious sustainable development (see additional details in "Sustainable Development Report" in the section of Participation in Sustainable Community and Social Development).

Support of Community Development-Related Activities

The Company formulates policy for participation in support of the community development-related activities such as:

- Free Medical Examination Project from the physician team of the leading hospital for customers, employees and residents around the projects
- Distribution of seedling to customers, employees and residents around the projects for promotion of green community building
- "Environmental Management by Community" Project for promotion of the community learning on disposal of waste and waste water from their sources to sustainably prevent environmental pollution in the community
- Educating knowledge on plantation of perennial plant, fruit tree, ornamental plant and backyard garden for sustainability building to the schools in the community
- Educating knowledge on waste screening for recycle as biological compost manure, and sustainability building to the schools in the community
- Blood Donation Project for assistance of patients nationwide
- Good health promotion activities to customers and community

Pruksa Real Estate Public Company Limited which is the Company's subsidiary has been awarded from the operating result in continuous social responsibilities as follows.

1. Certificate of ESG100 Company Award whereas the Company has been consecutively rated in ESG100 with outstanding securities in sustainable business operation and has been selected to be in Universe of ESG100 Security Group for 2016 out of 621 listed companies with remarkable overall operation in Environmental, Social and Governance (ESG) areas in second year.

2. It was selected to be in the list of the listed company of Thailand Sustainability Investment 2016 as alternative for investor who desires to invest in the listed company's shares with Environmental, Social and Governance (ESG) remarkableness.

3. Plate for Best EIT-CSR Awards 2016 from the Engineering Institute of Thailand under H.M. the King's Patronage by considering from overall operation in corporate social and environmental responsibilities.

4. Recognition Award from Sustainability Report Award 2016 was granted continuously for the fourth year from CSR Club, Thai Listed Companies Association.

5. Pruksa Real Estate Public Company Limited has been 1 of 39 companies that has been certified for Certificate of Voluntary Collective Action Against Corruption (or CAC) Membership. The Company gives precedence to transparent management under good governance and evident standpoint in concrete anti-corruption.

Safety, Hygiene and Environment: The Company formulates clear and concrete policy for care on safety, hygiene and environment both in internal and external company (community and society). The occupational health and safety management structure shall be prepared to comply with laws and the persons in charge shall be clearly specified. Environmental impact analysis report shall be prepared for impact analysis and assessment. The measure for prevention and abatement of environmental impact around the project shall be formulated and classified into three (3) phases consisting of prior to project construction, during project construction and project implementation period. All of three phases of implementation shall cover environmental elements and values as follows.

- Physical environmental resources such as air quality, air pollution, noise, vibration, soil collapse and water quality
- Biological environmental resources such as wastewater treatment system and urban ecosystem
- Value of human utilization such as consumption water, waste water, water drainage, flood prevention, solid waste management, electricity system and fire prevention
- Value of quality of life such as health, social, occupational health and safety impact

As the Company gives precedence to internal safety and hygiene as well as surrounding community, society and environment with awareness that we are compared as part of the society that will mutual step toward abiding sustainable social and environmental development, the Company therefore has continuously performed the following community and social activities together with business operation under overall community and social responsibilities as follows.

(1) To aim for support on performing the Company's activities together with compliance with law, safety and other relevant requirements. For example, Environmental impact analysis report shall be prepared for impact analysis and assessment. The measure for prevention and abatement of environmental impact around the project shall be formulated and classified into three (3) phases consisting of prior to project construction, during project construction and project implementation period. The implementation in all three phases shall cover environmental elements and values as follows.

- Physical environmental resources such as air quality, air pollution, noise, vibration, soil collapse and water quality
- Biological environmental resources such as wastewater treatment system and urban ecosystem
- Value of human utilization such as consumption water, waste water, water drainage, flood prevention, solid waste management, electricity system and fire prevention
- Value of quality of life such as health, social, occupational health and safety impact

(2) To define occupational safety and regard as the first working duty and responsibility of all employees.

(3) To prescribe that all levels of superiors shall behave themselves as good models and leaders in training, coaching and motivating the employees for occupational safety.

(4) To prescribe that all levels of superiors shall mainly concern on their safety, colleague as well as the Company's properties all the time of working.

(5) To prescribe that the employees shall always oversee cleanliness and orderliness in their working area.

(6) To aim for support of safety activities helping stimulate, promote and develop consciousness of the employees for occupational safety.

(7) To aim for support of continuous review, improvement and development of safety management system.

(8) To aim for finding way to abate environmental impact by monitoring and controlling on emission and discharge of pollution as well as hazardous and non-hazardous waste management for preservation of natural resources.

(9) To utilize resources and energy under maximum efficiency and water and air pollution prevention, waste and other pollutions derived from the Company's activities in order to minimally affect environment and community.

(see additional details in "Sustainable Development Report" in the section of Occupational Safety, and in the section of Environmental Operation.)

Summary of Occupational Accident Occurrence Statistics for 2012 - 2016

Pruksa Holding Public Company Limited has been registered in the Stock Exchange of Thailand on 1 December 2016. The Company engages in the main business as Holding Company by holding shares in other companies. At present, it has not yet engaged in its own business. The Company has invested in Pruksa Real Estate Public Company Limited which is the Company's subsidiary and engages in real estate business.

The Company therefore has reported Summary of Occupational Accident Occurrence Statistics for 2012 - 2016 of Pruksa Real Estate Public Company Limited as its subsidiary in which the Company has held the shares. The details of the summary are as follows.

Details	Gender	2012	2013	2014	2015	2016
Head Office						
Injury Rate (IR)	Male	0	0	0	0	0
	Female	0.12	0.053	0	0	0
Occupational Disease Rate (ODR)	Male	0	0	0	0	0
	Female	0	0	0	0	0
Lost Day Rate (LDR)	Male	0	0	0	0	0
	Female	0.12	0.213	0	0	0
Absenteeism Rate (AR)	Male	0	0	0	0	0
	Female	1,612.90	2,272.73	0	0	0
Number of Occupational Dead	Male	0	0	0	0	0
	Female	0	0	0	0	0
Construction Line						
Injury Rate (IR)	Male	0.07	0.465	0.421	0.330	0.732
	Female	0.01	0.058	0.030	0.147	0
Occupational Disease Rate (ODR)	Male	0	0	0	0	0
	Female	0	0	0	0	0
Lost Day Rate (LDR)	Male	1.12	4.938	2.345	0.550	6.809
	Female	0	0.087	0.902	2.458	0
Absenteeism Rate (AR)	Male	60,925.50	96,590.91	44,318.18	8,522.73	105,681.82
	Female	0	1,704.55	17,045.45	38,068.18	0
Number of Occupational Dead	Male	1	2	2	2	1
	Female	0	0	0	0	0
Pruksa Precast Factory						
Injury Rate (IR)	Male	1.2	0.768	1.056	0.640	0.270
	Female	0.22	0	0.132	0.160	0.270
Occupational Disease Rate (ODR)	Male	0	0	0	0	0
	Female	0	0	0	0	0
Lost Day Rate (LDR)	Male	5.46	1.537	3.828	1.760	0.405
	Female	0.33	2,273.73	1.320	0	5
Absenteeism Rate (AR)	Male	26,881.72	7,954.55	16,477.27	6,250.00	852.27
	Female	0	0	5,682	0	11,364
Number of Occupational Dead	Male	0	1	1	0	0
	Female	0	0	0	0	0

From statistical data in 2016, it was deemed that Head Office had none of accident occurrence, slight increasing trend in construction line more than previous year, and decreasing trend in Precast, the last line, more than previous year.

4.2 Policy and Practical Guideline for Effective Resource Utilization

The Company's policy and practical guideline for effective resource utilization is to save energy, worthily utilize resources and recycle resources under below details.

(1) Energy
- Switching off air-conditioner and switching off light during noon break
- Switching off light in specific points required for use
- Walking up and down stairs in low floor
- Mutual use of cars in the same way

(2) Water Quality
- Application of Solar Cell System with lighting system and water pump system for water reuse in watering plants and overseeing garden in factory area for electricity resource consumption reduction and worthwhile water resource consumption.
- Use of Recycling Concrete Machine for recycle of water which is passed from Sedimentation Process in Concrete Production Process, and recycle of separated stone and sand as the part of concrete
- Use of sludge acquired from Sedimentary Wall for filling land or road, resulting in no waste scraps from production. This is environmental friendly and deemed as the first Green Factory of Thailand that has applied this system in Precast Concrete Manufacturing Industry.
- Recycle of cement water to be mixed with concrete in production process, resulting in no discharge of waste water into the community or public area.

(3) Waste Management
- Application of effective systems or machineries in production process for reduction of waste quantity that may occur such as oil scraps remained from molding table.

(4) Resource Saving
- Application of I-PAD in the Board of Directors' Meeting in replacement of use of document files for decrease in paper consumption.

4.3 Policy and Practical Guideline for Non-Infringement of Intellectual Property or Copyright

The Company formulates the policy and practical guideline for non-infringement of intellectual property or copyright to be adhered as business code of conduct of the Company under below details.

(1) Prevention on non-leakage of information of the Company's intellectual property or copyright

(2) Application of computer and information technology system whereas the employee who uses computer must affix his or her signature to affirm not to infringe the right of any person or any company which is protected by copyrights, trade secrets, patents or other intellectual properties, or laws or regulations with similar nature, including installation or dissemination of illegal software products or software which is not licensed properly to the Company.

(3) No use of any types of intellectual properties of the Company for personal benefit or for other person's benefit without permission.

4.4 Policy for Anti-Corruption and Bribery Prohibition

The Company formulates the policy for anti-corruption and bribery prohibition in all forms under below details.

(1) Bribery and Bribe Receiving

1.1 The executive and employee are prohibited to demand or receive benefit or any asset indicating the functional motivation or function abstention in wrongful way or may cause rightful loss of benefit by the Company.

1.2 The employee should omit to offer or avail benefit or any asset to the outsider in order to motivate the said person to act or omit to act which is illegal or wrongful against his or her duty.

(2) Gift or Business Entertainment

2.1 The employee should avoid giving or receiving any article or benefit from the business partner or the parties related to the Company's business unless in the festival or tradition in appropriate value. The receiver should consider and consult his or her affiliated superior to request for advice as appropriate.

2.2 Not to receive or give gift, souvenir in cash, cheque, bond, share, gold, jem, immovable property, or similar article.

2.3 Gift or souvenir with appropriate value in proper occasion such as giving calendar, diary and stationery with the nature of keepsake in New Year's Day shall be deemed as the acceptable case.

2.4 If the employee receives gift, keepsake, gift basket, and/or any other articles considered to have value for more than Baht 3,000 (three thousand Baht), he or she shall notify his or her affiliated superior for acknowledgement and return, or consideration on delivery to the Gift Allocation Committee except perishable or life-limited goods.

2.5 The employee should avoid providing or accepting entertainment in the nature that is over than the normal relationship circumstance from other party whose business is related to the Company's work.

4.5 Policy for Treatment to Land Owner, Broker and Employee of Pruksa Real Estate Public Company Limited with behavior indicating corruption and breach of the Principle of Corporate Governance against land purchase and sale of Pruksa Company

Definition of self-conduct of land owner, broker and employee with behavior indicating corruption and breach of the Principle of Corporate Governance against land purchase and sale of Pruksa Company

(1) Addition of land price to be increased from the price required for sale by the land owner
(2) Addition of land price without reason
(3) Getting in purchase of land before the Company using inside information and offer for sale in higher price
(4) Disclosure of the important inside information of Pruksa Company to the outsider
(5) Concealment of fact of the land plot
(6) Provision or use of false information related to land plot to Pruksa Company
(7) Jactitation of Pruksa Company's name for use in contact with the land owner
(8) Offer of bribery and quid pro quo to the executives and employees of Pruksa Company
(9) The participation of the employee with the land owner or broker in any aforesaid clause shall be deemed by Pruksa Company as severe offence and corruption with the officer.
(10) Other operation indicating corruption and breach of the principle of corporate governance against land purchase and sale of Pruksa Company

Objective

(1) To be recognized that Pruksa Company does not support the business operation with the land owner and broker with behavior indicating corruption and breach of the principle of corporate governance against land purchase and sale of Pruksa Company.
(2) To be recognized by the executives and employees on behavior and act indicating corruption and breach of the principle of corporate governance against land purchase and sale of Pruksa Company.
(3) To be recognized by the executives and employees on the practical guideline upon detection of behavior and act indicating corruption and breach of the principle of corporate governance against land purchase and sale.
(4) To enable the Company give fair treatment to the land owner, broker and employee who honestly and transparently carry out the purchase and sale of land.

Principle and Reason

To avoid and prevent not to perform any act that may be within the scope or cause conflict of interests particularly upon occurrence of the land owner and broker's behavior indicating corruption and breach of the principle of corporate governance against land purchase and sale of Pruksa Company, Pruksa Company therefore has formulated the policy/measure for backlist of land owner and broker with behavior indicating corruption and breach of the principle of corporate governance against land purchase and sale of Pruksa Company so that the executives and employees will acknowledge and implement in the name norm as support of good corporate governance.

Scope

This policy shall cover the related parties as follows.

(1) Land Owner
(2) Broker
(3) Executive and employee of Pruksa Company and the affiliated companies.

Practical Procedure

The following measure is determined in practical guideline for attainment of the aforesaid objective.

(1) The executive shall be good sample of compliance with this policy.
(2) The executive's duty is to communicate the employee for acknowledgement that Pruksa Company does not support the business operation with the land owner and/or broker having behavior indicating corruption and breach of the principle of corporate governance toward land purchase and sale of Pruksa Company.
(3) The duty of the executive and employee related to land purchasing process (P0-P7) is to rapidly report the Land Procurement Committee for acknowledgement if improper behavior of the land owner, broker and employee is detected as specified in this policy.
(4) It is the duty of employees in all levels to notify Pruksa Company for acknowledgement if the behavior indicating corruption and breach of the principle of corporate governance of the land owner, broker and employee as specified in this policy via the following whistle-blowing channels of Pruksa Company is detected.
    - Website : www.pruksa.com for complaint/whistle-blowing/fairness request
    - E-mail : cg@pruksa.com
    - Line ID : pruksacg
    - Post : deliver to CEO or the Chairman of the Audit Committee of Pruksa Real Estate Public Company Limited, SM Tower Building, 28th Floor, No. 979/83, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400.
(5) In case where the land owner and broker have behavior as above definition, it shall be the duty of the executive of PO/PI Unit to immediately propose the Land Procurement Committee for consideration and approval on Blacklist.

(6) In case of doubt that the employee's behavior indicates fraud or stakeholding or working in wrong procedure that may cause Pruksa Company damaged from land purchase-sale of Pruksa Company, the Land Procurement Committee can comment to Personnel Division and the employee's superior to suspend job in order to investigate the said employee or otherwise consider as deemed as appropriate for fact investigation according to Pruksa Company's rules accordingly.

If it is detected that the executive and employee executes in conflict with this policy, it shall be regarded as disciplinary offence and it shall be the duty of his or her superior to consider.

4.6 Monitoring/Evaluation Guideline for Compliance with Anti-Corruption Policy

Apart from determination of the aforesaid anti-corruption policy, the Company's procedures in making the companywide people participate in compliance with such policy via various channels have consisted of educating knowledge via Pruksa Nestling Journal, E-mail, Intranet of the Company, training/VDO show for recognition by the new employees in orientation day, and monitoring and evaluation on the implementation of the said policy. The Company's executive and employee opinions on anti-corruption shall be surveyed for application as guideline for improvement, monitoring and evaluation of the implementation of the anti-corruption policy.

4.7 Corruption Risk Assessment Process

The Company has been registered in the Stock Exchange of Thailand on 1 December 2016. At present, it has been preparing the declaration for intent on Private Sector Collective Action Coalition Against Corruption. The Company's corruption risk assessment process is to assess risk in main process with high corruption risk, and prepare management and internal control plan to prevent internal corruption.

4.8 Governance and Control Practical Guideline for Prevention and Monitoring Corruption Risk

The Company has assessed risks regarding product and service delivery, land allocation process, procurement and outsourcing process, as well as pricing process for house, condominium and precast factory construction costs, based on standard in the practical rules and manuals. In addition, the channels of Website and Call Center have been opened for complaint of the consumer, employee, people and public sector. There have been controlling tool and systematic risk management process under quarterly reporting of risks to the Board of Directors and establishment of CG Unit in formulation of contingent risk governance and management plan.

4.9 Employee Training for Educating Knowledge related to the Company's Policy and Practical Guideline for Anti-Corruption

All employees have been communicated and trained by the Company about the knowledge of policy and practical guideline for anti-corruption, staring from working commencement with the Company in order to prevent internal corruption. The personnel have been delivered for external trainings organized by both public and private agencies. After training arrangement for knowledge provision to the employees about anti-corruption, various additional ways have been executed by the Company, for example, showing video for viewing, disseminating via billboard, website, internal journal and announcements, delivering Manual of Business Code of Conduct, and publicizing the rule of whistle-blowing about the person who commits corruption, procedure of compliant on fraud and corruption, rule of giving and receiving gift, present and entertainment or other benefit, and anti-corruption measure.

4.10 Educating Knowledge and Training for Employee in Environmental Issue

The Company formulates the policy that aims at development of real estate business to promote economy and society, preserve environment, and realize on the significance of environmental impact from business operation. Therefore, the concept that must be carried forward for awareness of all employees on surrounding environmental care has been initiated. All employees both in Pruksa Factory and the employees who work other places, shall be trained on environment and business operation without destroy of ecosystem both directly and indirectly. In addition, the information of environmental care shall be also disseminated to undergraduate, student and interested organization at Precast Factory.

In last 2016, the training courses participated by the employees on environmental issue have included the following.

(1) Task of big tree pruning and maintenance in townscape work
(2) Consideration on Soil Information, Foundation Problem and Solution
(3) City Planning and Improvement and Restoration Design, and Infrastructure of Special Economic Area
(4) Primary Knowledge of Supply Chain in Real Estate Work

(see additional details in "Sustainable Development Report" in the section of Environmental Operation.)

4.11 Complaint

The Board of Directors arranges the channel of which all groups of stakeholders can contact/complain in the issue that may directly cause the Company or the Board of Directors damaged, under below detail and procedure.

(1) Complaint Notification

If the employees or all groups of stakeholders detect the suspicious act in violation, infringement of right or non-compliance with the code of conduct, they can inquire their doubts or report to the person in charge as follows.

- Every superior level trusted by the employee
- Internal Audit Division or Corporate Governance Committee via the Secretary of the Corporate Governance Committee
- Agency or other channels defined by the Company, such as:
- **: By Post**

  Corporate Communication Division
  Pruksa Holding Public Company Limited
  SM Tower Building, 28th Floor, No. 979/88, Phaholyothin Road, Samsennai,
  Phayathai, Bangkok 10400
  Or
  Chairman of the Group Chief Executive Officer or the Chairman of the Audit Committee
  Pruksa Holding Public Company Limited
  SM Tower Building, 28th Floor, No. 979/88, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400
  : By Phone: 1739
  : By Website: www.psh.co.th
  : Line ID: @pruksacg
  : E-mail: cg@pruksa.com

(2) Action Process upon Compliant Receiving

- Gather fact

  The complaint receiver under Clause (1) shall gather fact related to violation or non-compliance with the code of conduct by him or her or assign Human Capital Division to perform or the unit that performs the same duty but called in other name.
- Process and screen information

  The complaint receiver shall process and screen information for considering the appropriate handling procedure and method in each issue. He or she may executive by him or her or assign Human Capital Division or the unit that performs the same duty but is called in other name to process and screen information, or assign the Investigation Committee to process and screen information. The Investigation Committee shall be appointed from the Corporate Governance Committee in case by case.

(3) Action Measure

- The complaint receiver shall propose the action measure for settlement of violation or non-compliance with code of conduct, and alleviation of trouble for the affected person under consideration on all of overall troubles.

(4) Result Report

- The complaint receiver has duty to report the result for acknowledgement of the person in charge. In case of the important issue, it shall be reported to the Chairman of the Group Chief Executive Officer and/or the Audit Committee and/or the Corporate Governance Committee and/or the Board of Directors for acknowledgement as the case may be.

(5) Protection Measure for the Complainant or Inspection Collaborator

The complainant or the inspection collaborator shall be protected according to the criteria (see additional details in the section of Business Partner and Contractual Party on Complaint.)

4.12 Policy for Employee Remuneration

The Company formulates the policy for employee remuneration which is consistent with the Company's overall operation both in short-term and long-term, and defines the appropriate structure of salary based on knowledge, competency and working experience. The minimum salary of the employee shall be in line with minimum labor cost prescribed by law whereas the Company determines the yearly consideration on salary increase and bonus payment to employee for twice a year. In reward payment in order to build working incentive of the employee for specified short-term target attainment, the Company has applied the concept of BSC (Balance Scorecard), KPI (Key Performance Indicator) and 360° Evaluation based on Core Competency as tools of performance-based remuneration payment management and other welfare management in order to build the employee relationship without division of salary rate and basic remuneration. The reward rate between female and male is equal rate which is 1:1 such as salary increase, bonus and commission which are regarded as performance-based reward.

The long-term employee remuneration policy includes contribution of provident fund, and Employee Ownership Stock Plan (ESOP), etc.

4.13 Violation of Labor, Employment, Consumer, Trade Competition and Environment Laws

In last 2016, the Company has not performed any act that violates Labor, Employment, Consumer, Trade Competition and Environment Laws.

4.14 Under Action Taken by Governance Unit

In last 2016, the Company announced the information from critical circumstance within the officially specified period of time. The Governance Unit therefore has not yet taken action against the Company at all.

5) Information Disclosure and Transparency

The Company formulates the policy for regular and timely disclosure of complete, adequate and reliable monetary and non-monetary data and information through publicity in various forms via Annual Registration Statement Form (Form 56-1), Annual Report., the Company's website both in Thai and English languages, and mass media. In meantime, the Company has also established Investor Relations Unit as representative in coordinating between the Company and shareholders, security analysts and related parties.

The Company gives precedence and formulates the policy for complete, regular, thorough and adequate disclosure of both monetary and non-monetary information which is accurate and reliable for timely decision making of the investors, for example, structure of group of companies, clarification of the structure of the Company's beneficial shareholders without shareholding nominees. The Company completely and clearly indicates the major shareholders or regulator and proportion of minor shareholders in latest information shown to the information user for obvious recognition on the Beneficial Owner of the Company, as well as the shareholding of the director, the spouse and underage child of the director and executive in Annual Report in the section of Profile of Directors and Executives, Corporate Governance Policy, Risk Management Policy, Code of Conduct, Risk Management Policy, Policy for Social and Environmental Care, Report of the Board of Directors' Responsibilities on Financial Report, the Auditor's Report, Management Discussion and Analysis (MD&A), R&D expenses (if any), Audit Fee, and other Service Charges rendered by the Auditor, Roles and Duties of the Board of Directors, and Sub-Committees, Number of Meeting Attendances by each Director in Previous Year, Professional Knowledge Training and Development for Board of Directors, and Policy for Remuneration Payment to Directors and Senior Executives. The rules and regulations of the Office of the Securities and Exchange Commission and Stock Exchange of Thailand as well as relevant laws shall be strictly observed in disclosure of data and information.

5.1 Compliance with Principle of Good Corporate Governance

The Company foresees and gives precedence to good corporate governance and adheres to the principle of good corporate governance as practice according to Guideline of Good Corporate Governance of Listed Companies for investor trust creation and sustainable growth from the Company's business operation. The Company supervises the Management to apply the said principle to develop the organization and the Company's project for the Company's benefit and various groups of stakeholders whether in the section of Rights of Shareholders, Equitable Shareholder Treatment, Concern on Role of Stakeholder, Information Disclosure, Transparency and Responsibilities of the Board of Directors.

The Company determines to regularly review Policy for Corporate Governance, Manual of Code of Conduct, and Charter of Committees, every year or at least once a year to be consistent with the policy of the Stock Exchange of Thailand and the criteria of the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard), and to be applied as appropriate. The reason shall be clarified on the reason of inability to comply with the said criteria and/or alternative measure applied by the Company to be the practical guideline of all directors, executives and employees.

In impractical part of the Company according to the Principle of Good Corporate Governance, the Company however has formulated the policy for adaptation of the said principle as much as appropriate under below details.

Impractical Points	Reason/Necessity
1. The Board of Directors has not yet defined the number of listed companies in which each director will hold the office, except the number defined by the Chairman of the Group Chief Executive Officer that each director can hold the office in just one listed company which is Pruksa Holding Public Company Limited.	The Board of Directors has deemed that each director who jointly works with the Company shall be regarded as the potential, knowledgeable, competent person with decision making discretion and preparedness to fully devote working time with the Company without decrease in working efficiency of the Company. In addition, it is the personal right of each director in working with other companies that will not cause conflict of interests with the Company. However, the current directors of the Company have not held the director office in other listed companies for more than five companies.

2. The Board of Directors has not yet formulated the policy for limitation of number of office years of independent directors for not more than nine (9) years	The Board of Directors has deemed that each director who jointly works with the Company is regarded by the Company as the potential, knowledgeable and competent person with decision making discretion and mutual work experience with the Company. This can cause the director to have more understanding of the Company's business and to be able to formulate the strategy of business operation for extension of the Company's operation to be increasingly grown. In addition, all of the Company's independent directors are also more complete qualified and intensive than the requirement of the qualification of the independent director.
3. The Company has not yet defined Cumulative Voting Method for Director Election.	The Company has deemed that cumulative voting will cause minor shareholder enable to vote all of their available votes for any director whom the said shareholder required for election as director; or the vote can be divided for election of several directors. This will affect the elected person who is not passed from selection consideration by the Nomination and Remuneration Committee of the Company in qualification issue required by the Company, resulting in inconsistency of internal management and strategic planning with the Company's policy. This will affect the overall operation and growth of the Company.
4. The Company has not yet had female independent director.	The Company has been under selection of female independent director who is properly knowledgeable, competent and qualified to hold the office of the Company's independent director and support the future growth without intention of gender barrier at all. The Company has deemed that the current Board of Directors has had sensitive and all-around viewpoints even though all of them have been male. It has also confirmed that revenue and profit can be generated to the Company as well.

5.2 Long-Term Objective/Target of the Company

The Company engages the main business as Holding Company by holding shares in other companies. The main revenue is derived from dividend received from shareholding in its subsidiaries or associated companies invested by the Company in the future. The Company defines long-term objective/target reflecting as vision, mission, target and strategy of business operation as follows.

Vision

PSH aims for being the leading property company of Thailand with various businesses and services to respond modern way of life, and can completely respond the question of every customer demand.

Mission

PSH aims for helping its customers to fulfill their dream with happiness delivery and modern way of life for all family members.

Target and Strategy of Business Operation

1. To expand main business in property for sale, and expand to customer group with new income base.
2. To expand real estate business market to abroad.
3. To reinforce business that supports real estate business for enhancement of the brand strength and maximum customer satisfaction.
4. To expand investment to new business that generates recurring income.
5. To aim at the professional organization development for sustainable growth.

5.3 Financial Position and Overall Operation

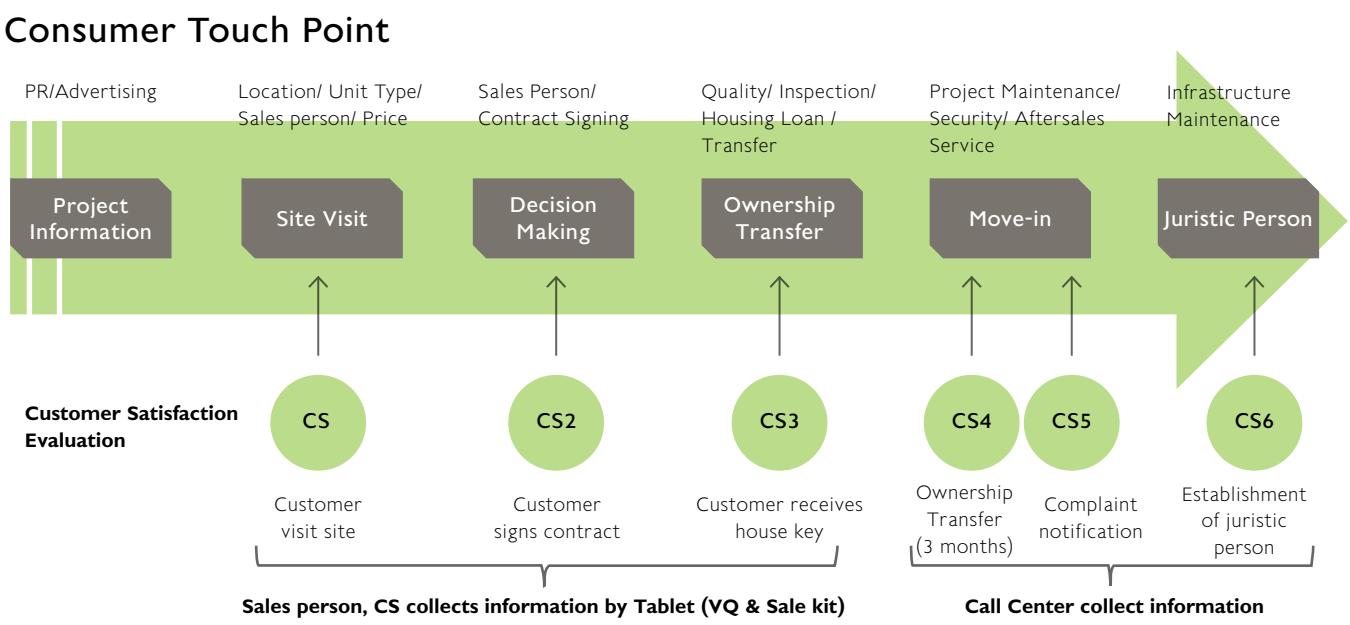
(see additional details in the section of Management Discussion and Analysis)

5.4 Customer Satisfaction Level (Indicator of Non-Monetary Overall Operation)

The Company aims for building customer satisfaction and therefore gives precedence to continuous research and development of products so that the residences delivered to customers are developed in consistency with customer demand. The Company has established Marketing Research and Internal Innovation Management Center Division and also hired the external expert to conduct survey, research and analysis on the consumer demand in each area and the potential of the project location in public utility area. This will result in adequacy of database for recognition on the consumer's residence market demand and role and style of residence, location and price level so that the Company can apply survey result from research to support the development of new project accordingly.

Customer and Stakeholder Satisfaction Management of Pruksa Real Estate Public Company Limited ("Pruksa") which is the Company's subsidiary

With Pruksa's vision aiming for being the first brand in customer mind in residence real estate business and stepping up to be top ten of real estate business brand of Asia, Pruksa therefore gives considerable precedence to customer and stakeholder satisfaction management. The customer satisfaction is evaluated in every procedure of the customer's contact with Pruksa from project information service to service after management delivery to juristic person as follows.

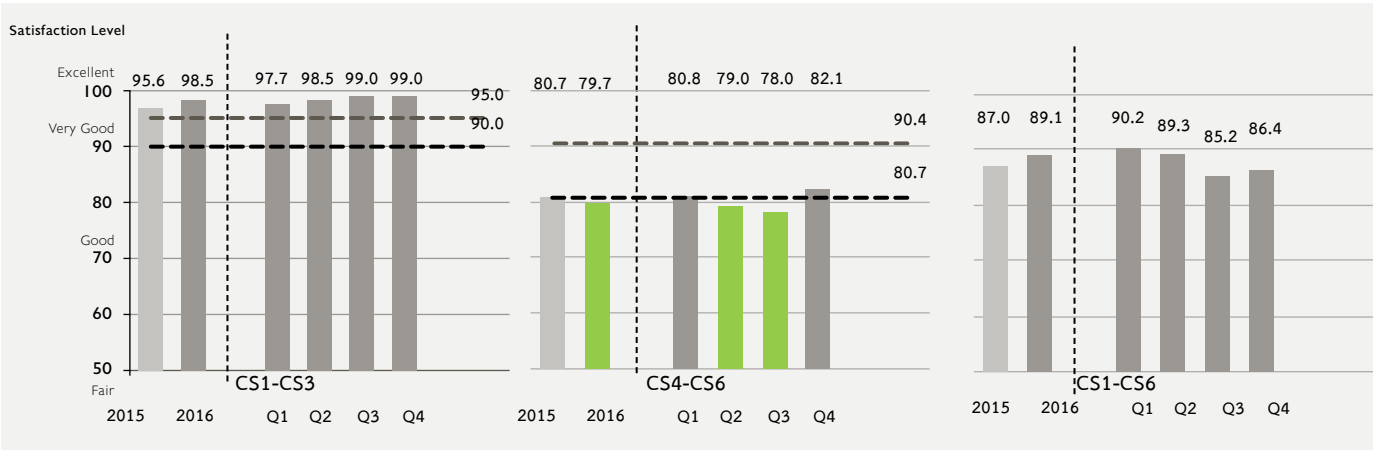


Procedure	Evaluation Method
1. Satisfaction on information service and project visit	Customer immediately evaluates satisfaction via Customer Relation Management (CRM) System from tablet of the project after project visit.
2. Satisfaction on salesperson service about reservation and contract entering	Customer evaluates satisfaction via Customer Relation Management (CRM) System from table of the project in the date of which the customer reserves or enters sale contract.

3. Satisfaction on ownership transfer and delivery acceptance service for residence	Customer can evaluate through Satisfaction Evaluation Form from tablet of the project in the date of which the customer receives house key.
4. Satisfaction after entry to reside after ownership transfer for three (3) months	Customer can evaluate satisfaction via Pruksa Contact Center 1739 after ownership transfer for three (3) months.
5. Satisfaction on repair or complaint notification	Customer can evaluate satisfaction via Pruksa Contact Center 1739 after the officer's completion of repair or troubleshooting as informed by customer.
6. Satisfaction on ownership granting to the village or juristic person committee	Customer and Village or Condominium Juristic Person Committee evaluate satisfaction via Pruksa Contact Center 1739 after establishment of juristic person or public utility delivery acceptance and after ownership transfer in 3,5,7 and 10 years.

Organizational Overview

From overall operation in 2016, the finding indicated that the current overall customer satisfaction score was at 89.3 percent which was higher than the score in 2015 for 2.3 percent. After considering into two periods consisting of the period of information search starting until ownership transfer and post-ownership transfer period, the finding indicated that in the period of information search starting until ownership transfer, satisfaction score was at 98.5 percent, which was higher than the score in previous year for 2.9 percent. While in the post-ownership transfer period, total satisfaction score was at 79.7 percent, increasing for 1.6 percent from 2015.



Development of Products and Services

In last 2016, quality of products and services has been developed for more customer satisfaction particularly in the period after ownership transfer as follows.

1) After-Project Sales Development of Management Team. The customers who have entered for residing were inquired and advised for services to build good customer relationship. Public relations letters have been continuously prepared to notify progress on use of common area and mutual utilization of common public utility for livable society creation. The public relations for additional CRM activity doing in each project have been prepared to build good relationship between the project and customers.

2) Repair Notification-Related Service Development. CS Center Team has been set up to coordinate and make appointment of work repair in the convenient time of customers, and coordinate the project to enter for repair on appointment due. The repaired works were reinspected with the house owners for primary inspection on work quality and satisfaction. If work was untidy, the work would be immediately corrected. In addition, contractor teams were emphasized to select the experienced and skilled workers to correct for customers. The contractors from relevant agencies were evaluated for improvement, development and retention of good contractors to continue working with the projects.

3) Service Development after Juristic Person Establishment (for Horizontal) or Ordinary General Meeting No. 1 (for Condominium) by advice of the Board of Directors in juristic person management. The main activities were organized for four times a year to build internal good relationships and Pruksa Real Estate Plc. In addition, Responsibility Standard and Outsource Training were determined to enhance working efficiency, and propose to the Board of Directors.

From such activities, it affected overall process satisfaction score to earn higher score as follows.

- Satisfaction after entry to reside increased to be 77.9 percent, increasing for 1.6 percent from previous year.
- Satisfaction on repair or complaint notification increased to be 85.2 percent, increasing for 2.6 percent from previous year.
- Satisfaction on ownership granting to the village or juristic person committee increased to be 68.4 percent, increasing for 0.6 percent from previous year.

In addition, Pruksa has applied electronic data collection system for customer convenience in conducting questionnaires in the period of information search starting until ownership transfer, resulting in more rapid processing ability and affecting the immediate result recognition ability of each project in day by day. Therefore, each unit can immediately prepare work plan for satisfaction development during the month.

Market Share of Pruksa Real Estate Public Company Limited ("Pruksa") as the Subsidiary of the Company

Pruksa has still had maximum market share of residences in Bangkok Metropolitan Region in 2017 and has retained market share at 11 percent, equaling to 2016. The market value of residences in Bangkok Metropolitan Region has been at 362,456 million Baht whereas Pruksa has had maximum market share at 11 percent with sales volume of 40,150 million Baht and has still occupied the position of townhouse market leader with market share of 30 percent of single detached house market (including duplex house) with market share of 11 percent and condominium market with market share of 6 percent.

Diagram: Overview of Bangkok Metropolitan Region Market

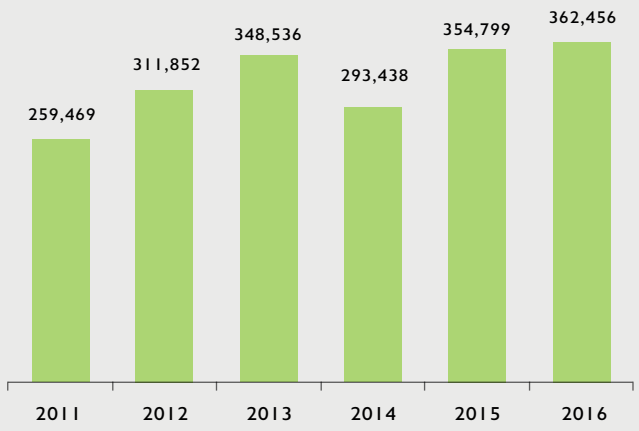


Diagram: Overview of Townhouse Market

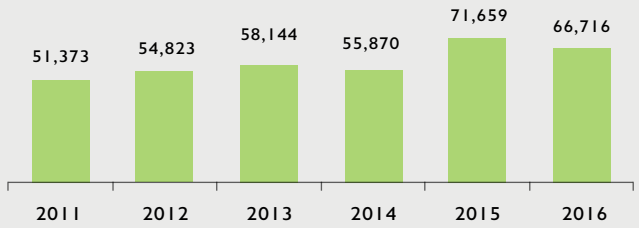


Diagram: Overview of Single Detached House Market

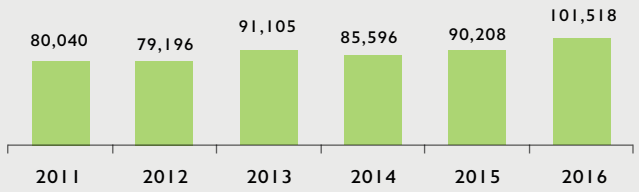
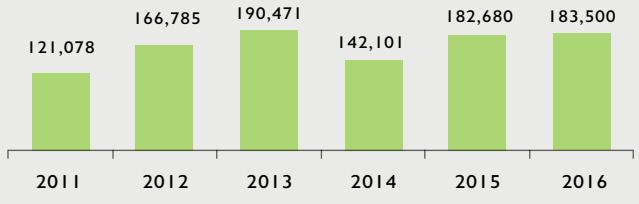


Diagram: Overview of Condominium Market



5.5 Nature of Business Operations and Competition Situation

(see additional details in the section of Nature of Business Operation.)

5.6 Structure of Business Group

(see additional details in the section of Shareholding Structure.)

5.7 Key Risk in Business Operation

(see additional details in the section of Risk Factors.)

5.8 Dividend Payment Policy

(see additional details in the section of Dividend Payment Policy.)

5.9 Whistle-Blowing Policy for Offence

(see additional details in the section of Complaint.)

5.10 Profile of the Board of Directors

(see additional details in the section of Profile of Directors and Executives.)

5.11 Indication on which Director is Independent Director

(see additional details in the section of Board of Directors, in the section of Management Structure and in the section of Profile of Directors and Executives.)

5.12 Disclosure of Criteria for Remuneration Payment to Directors and Disclosure of Remuneration for Individual Director

The Company clearly and transparently formulates the policy of remuneration for directors whereas the Nomination and Remuneration Committee's duty is to regularly consider and give consent prior to proposing to the Board of Directors and the Shareholders' Meeting every year. The appropriateness and consistency with the scope of duties and responsibilities of the directors shall be considered and compared with the director remuneration rate in the same group of industry and other leading industries. The remuneration determination guideline is as follows.

(1) Monetary remuneration such as remuneration for independent directors, non-executive directors and total remuneration for Chairman of the Group Chief Executive Officer and executives.

(2) Other remunerations such as Warrant to Purchase Ordinary Shares of the Company allocated to the directors and executives of the Company and/or its subsidiaries, and savings of provident fund.

(see additional details in the section of Remuneration for Directors and Executives.)

5.13 Policy and Criteria for Remuneration Payment to Senior Executives

The Company formulates the policy and criteria for remuneration payment to the Chairman of the Group Chief Executive Officer and senior executives under transparent consideration procedure. The performance appraisal score and overall turnover of the Company shall be considered. There are various areas of performance appraisal factors, for example, Key Performance Indicators (KPIs) which is consistent with the organizational task and target, the Company's overall operation, and financial performance which is consistent with obligations and responsibilities of the executives, and competency, as appraisal tool for the behavioral ability of the operator.

The remuneration of the Chairman of the Group Chief Executive Officer is determined under the transparent, fair and appropriate criteria under consideration on responsibilities and overall operation of the Company upon consent of the Nomination and Remuneration Committee.

The procedure in consideration of remuneration for the Chairman of the Group Chief Executive Officer and senior executives is as follows.

(1) Human Capital Line proposes the Meeting of the Nomination and Remuneration Committee to consider the remuneration for the Chairman of the Group Chief Executive Officer and senior executives.

(2) Nomination and Remuneration Committee considers and evaluate overall operation according to criteria and performance in the past one (1) year period. In the element of evaluation, Corporate KPI and leadership that reflect from the Company's growth shall be taken into consideration.

(see additional details in the section of Performance Appraisal for Senior Executives (Chief Executive Officer) and in section of Remuneration for Directors and Executives.)

5.14 Disclosure of Information for Number of the Board of Director's Meetings and Attendances of each Members of the Board

(see additional details in the section of Attendance of the Board of Directors' Meeting in the Year of 2016.)

5.15 Disclosure of Information for Participation in Development and Training of Each Director in Last Year

(see additional details in the section of the Board of Directors on Knowledge Training and Development for the Directors.)

5.16 Disclosure of Inter-Transaction Performing Information

(see additional details in the section of Equitable Treatment of Shareholders on Connected Transaction and Inter-Transaction Performing)

5.17 Policy for the Director's Disclosure/Reporting of Purchase-Sale of Shares/Possession of the Company's Securities for Acknowledgement of the Board of Directors' Meeting

The Corporate Governance Committee determines that the directors and the first four executives who have duty in quarterly reporting security possession and the Company's share purchase-sale of oneself, his or her spouse and underage child to the Board of Directors' Meeting for acknowledgement.

5.18 Change in the Company's Share Possession by Directors and Senior Executives

Unit: Shares

Name	Position	*In the Year of 2016 Outstanding Shares as of December 30, 2015	In the Year of 2016 Outstanding Shares as of December 30, 2016	Increase/ Decrease During the Year
1. Dr. Pisit Leeahtam	Chairman of the Board and Independent Director	-	103,500	-
2. Mr. Thongma Vijitpongpun	Vice Chairman of the Board	-	1,314,018,286	-
3. Dr. Prasarn Trairatvorakul	Independent Director	-	-	-
4. Dr. Piyasvasti Amranand	Independent Director	-	-	-
5. Dr. Anusorn Sangnimnuan	Independent Director	-	-	-
6. Mr. Weerachai Ngamdeevilaisak	Independent Director	-	-	-
7. Mr. Somprasong Boonyachai	Independent Director	-	-	-
8. Mr. Adul Chandanachulaka	Director	-	-	-
9. Mr. Wichian Mektrakarn	Director	-	-	-
10. Mr. Lersuk Chuladesa	Director	-	139,001	-
11. Mr. Piya Prayong	Director	-	1,056,901	-
12. Mrs. Rattana Promsawad	Director	-	40,220,401	-
13. Mr. Charly Madan	Chief Financial and Risk Officer	-	1	-
14. Mr. Porntep Suppataratarn	Chief Supply Chain Officer	-	19,501	-
15. Mr. Udomsak Yamnoon	Assistant Managing Director, Supply Chain	-	1	-
16. Mr. Pornchalit Ploykrachang	Senior Director, Investor Relations and New Business Division	-	-	-

Remark *1. The Company has entered for registration in the Stock Exchange of Thailand on 1 December 2016 and therefore it could not declare the outstanding shares as of 30 December 2015.
2. See additional details in the section of Profile of Directors and Executives for share possession of the spouse and underage child.

5.19 Stakeholding Reporting

The Company formulates the policy for the director and executive to disclose his or her own, his or her spouse's and the related parties' stakeholding information to the Board of Directors. The said stakeholding information shall be delivered to the Company Secretary and the Company Secretary shall deliver the copy of stakeholding report for acknowledgement of the Chairman of the Board of Directors and Chairman of the Audit Committee within seven (7) working days from the Company's received date of the said report.

In case of change in information in Director and Executive Stakeholding Report Notification Form, the Company determines that the director and executive shall deliver Stakeholding Report Notification Form (Revised Edition) to the Company Secretary for acknowledgement within three (3) working days

from the changing date and the Company Secretary shall deliver copy of the report (Revised Edition) to the Chairman of the Board of Directors and Chairman of the Audit Committee for acknowledgement within seven (7) working days from the received date of that report by the Company.

5.20 Policy for Significant Inter-Transaction Performing upon Consideration and Approval of the Board of Directors

The Company formulates the policy for significant inter-transaction performing that it shall be consented by the Meeting of the Audit Committee and proposed to the Board of Directors' Meeting for consideration and approval on performing the said transactions accordingly. In some sensitive transactions or significant transactions, the Company also formulates the policy that the legal consulting and financial consulting firms shall comment to support the decision of the Audit Committee and the Board of Directors since the Company has intent of non-operation which is in conflict with the Announcement of the Board of Governors of the Stock Exchange of Thailand, other relevant laws, and Principle of Good Corporate Governance.

In last 2016, the Company performed a transaction with the connected persons (see additional details in the section of Connected Transaction in the Year of 2016).

5.21 Financial Statements of the Company

The Company foresees that for trust building in the Company's transparency and confidence creation to shareholders, investors as well as different groups of stakeholders, the Company therefore formulates the policy that the Company's financial statements shall be certified under disqualified condition from the Company's auditor.

5.22 Publicity of Annual Report

The Company formulates the policy for concurrent publicity of Annual Report both in Thai and English Version on the Company's website and the Stock Exchange of Thailand prior to Annual General Meeting of Shareholders at least thirty (30) days in advance according to the Principle of Good Corporate Governance. The publicity of Annual Report in the said period of time is also consistent with the requirement of the Stock Exchange of Thailand on publicity of Annual Report within one hundred and twenty (120) days from the ending date of the accounting period.

5.23 The Company's Auditor

The Company has hired the acceptable independent and qualified auditor as the Company's auditor upon approval of the Office of the Securities and Exchange Commission. The Company has already disclosed audit fee and other service charges paid to the audit firm in Annual Report (see additional details in the section of Auditing Remuneration).

5.24 Policy for Establishment of Investor Relations Unit

The Company has established and assigned Investor Relations Division as representative for equitable and fair coordination between the Company and shareholders, security analysts, investors, institutional investors, general investors, public sector and the related parties. The opportunity of the Company's executive visit has been given as appropriate under the criteria that the provided information shall be the information which has been publicly disclosed. The Company has reported information via electronic media of the Stock Exchange of Thailand for publicity on website of www.set.or.th, and has reported information to the Office of the Securities and Exchange Commission, and disclosed the said information and data of the Company in various forms both in Thai and Engli sh languages via website of www.psh.co.th in topic of Investor Relations.

Even though the Company has just been registered in the Stock Exchange of Thailand on 1 December 2016, but the Company has had the policy for investor relations activity organizing for thorough and regular acquisition of information by shareholders, security analysts, investors and interested persons. In last 2016, Pruksa Real Estate Public Company Limited, as the subsidiary of the Company organized the investor relations activities as follows.

- Held Analyst & Investor Meeting for declaration of quarterly turnover three times a year, declaration of annual turnover for once a year and annual business plan for once a year; and held Annual General Meeting of Shareholders for once a year. After delivery of financial statements and Overall Operating Result Analysis Report to the Stock Exchange of Thailand and the Securities and Exchange Commission.
- Quarterly prepared / notified news and documents related to annual business plan and turnover of the Company to security analysts, investors and interested persons.
- Gave the security analysts and investors the opportunity for company visit and/or conference call with senior executives to inquire about policy, strategy and business plan, financial information (which were audited/reviewed from the certified public accountant and informed to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission), and general information properly, completely and up-to-date, and according to laws or rules and regulations, as well as operating progress of the Company's projects. There might be regular exchange of business viewpoint for benefit of investment decision making, trust building and good image creation to the Company. In 2016, there were 29 company visits, 13 conference calls, 1 factory visit and 11 project visits.

- Conducted the security analysts and investors for Precast Concrete Factory Visit whereas the factory applies Thailand latest modern production system in type of Semi-Automated Pallet Circulating System and project visits of single detached house, townhouse project and condominium projects.
- Participated in activities with the Stock Exchange of Thailand such as SET in the City Event and Opportunity Day Event to provide information and reply queries of the minor shareholders, security analysts and mass media.
- Participated in Roadshow Events both in domestic and abroad according to the invitations of the securities companies for information provision, query reply and business viewpoint exchange of the shareholders, security analysts and institutional investors. In 2016, the Company participated in 6 domestic roadshows and 4 foreign roadshows.
- Gave the opportunity to interview senior executives in newspaper and journal, join television programs and participated in activities of Investor Relations Club to exchange knowledge and experience for development of investor relations work of the Company.

The shareholders, security analysts, investors, public sector and related parties can contact for inquiry the company-related information in investment information area at Investor Relations Division via Email: ir@pruksa.com, Tel. (66) 2298 0101 Ext. 1699, 1615, 1107.

6) Internal Control and Risk Management

The Company arranges internal control and internal audit system that cover all financial and operating areas, and executes according to relevant laws, regulations and rules and risk management.

6.1 Internal Control System and Internal Audit System

The Company determines to review and report on internal control system by the executive in charge, and conduct internal audit by the independently established Internal Audit Division in charge of regular audit so that the internal management of the Company shall be controlled to be ensured the strict compliance of the executives and employees with regulation and Manual of Operating Power Delegation of the Company. The operations shall be under governance of the Audit Committee whereas the executive who is the Head of Internal Audit Unit is Mr. Premsak Vallikul (see additional details in the section of Profile of Directors and Executives).

6.2 Risk Management

The Company formulates the policy that manages risks affecting the Company under consideration from both internal and external factors, so that risks are remained in proper and acceptable level. The Management of the Company determines to regularly review on risk factors in all areas covering strategic risk, financial and construction management risk, and other operating risks. The review covers the consideration on the opportunity of risk occurrence and severity level of impact, formulation of impact prevention and alleviation measure, determination of person in charge as well as formulation of reporting and monitoring measure for assessment. The Corporate Risk Management Committee shall suggest the guideline and/or policy for significant risk governance.

7) Philosophy and Code of Conduct

The Company has obvious intent in reinforcing all executives and employees to have behavior standard in the same guideline under changing business condition. The Company therefore has proclaimed "Manual of Business Code of Conduct" as practical guideline together with regulations and rules of the Group of Companies under framework of ethics, virtue and honesty in the equitable creative way, covering safety of the society, community and environment, anti-corruption, anti-bribe giving, political involvement, any other conflict of interests, law and human right principle abidingness. Every employee shall receive Manual of Good Corporate Governance and Business Code of Conduct, and affix their signatures for acknowledgement and practical observance. Human Capital Department has been determined to take responsible in promoting directors, executives and employees to comply with Policy for Good Corporate Governance Policy and Business Code of Conduct with comprehension, acceptance and faith since 2006.

The Company has prepared Good Corporate Governance Policy, Manual of Code of Conduct and Charter of the Board/Committees for dissemination via Intranet System on the Company's website at www.psh.co.th, in topic of Investor Relations, Pruksa Nestling Journal and E-mail, and has also arranged the channel for stakeholders and employees to enable to complain issues with the directors via website.

In addition, the Company has produced VDO for publicity and promotion in compliance with Manual of Business Code of Conduct of the Company, and has disseminated via internal media for acknowledgement of the employees. VDO has been shown to the new employees for awareness in orientation day of the new employees. The Company determines to always review Manual of Business Code of Conduct to be proper by update or review. The Board of Directors shall participate in formulating vision, mission, culture and value of the Company, and consider regular review so that the executives and employees will have the same direction of goal.

GOVERNANCE ON USE OF INSIDE INFORMATION

The Company formulates policy and procedure for executive supervision in use of the Company's inside information for self-benefit as follows.

(1) The directors and executives in various divisions shall be educated about the duty of the Company's security holding and penalty pursuant to Securities and Exchange Act B.E. 2535 (1992) and pursuant to the requirement of the Stock Exchange of Thailand.

(2) The Company determines that the director and executive shall report change in security possession to the Office of the Securities and Exchange Commission under Section 59 of Securities and Exchange Act B.E. 2535 (1992) within three (3) working days from the date of security purchase, sale, transfer, transfer or transfer acceptance, and shall deliver copy of this report to the Company in the same date as the submission date of the transaction to the Office of the Securities and Exchange Commission.

(3) The Company informs the director and executive who are informed about the essential inside information that affects the change in security price to exercise his or her precaution of the Company's security trading. In the period of fifteen (15) days before and one (1) day after financial statements or inside information will be publicly disclosed, the Company shall notify the person relevant to inside information not to disclose the said information for other person's acknowledgement until the said information will be notified to the Stock Exchange of Thailand.

According to punishment measure, if the aforesaid work regulation, the Company shall disciplinarily punish to consider punishment to be appropriate with the case such as verbal warning, written warning, wage reduction, job suspension, dismissal and litigation in case of legal offence.

AUDIT FEE

2016 Audit expenses of Pruksa Holding Public Company Limited was reported at Bt 5,547,500 (excluding other expense), consisting of audit expense of Pruksa Holding Public Company Limited amounted to Bt 500,000 and approved by the statutory meeting as of March 14, 2016 and audit expense of its subsidiaries amounted to Bt 5,047,500 per year and approved by the 1/2016 AGM of Pruksa Real Estate Public Company Limited and its subsidiaries as of April 28, 2016.

Pruksa Holding Public Company Limited and its subsidiaries have paid for the 2016 audit expenses to KPMG Phoomchai Auditing Company Limited for audit review and for auditing the financial statement of the Company and its subsidiaries in Thailand. As for audit expenses for subsidiaries in foreign countries such as India, the Company has paid to KPMG as per the following details:

Audit Expense of the Company and its subsidiaries

Unit : Baht

Items	2016 (After a restructuring)	2015* (Before a restructuring)
Audit expenses for the Company	500,000	-
Audit expenses for subsidiaries in Thailand	3,880,000	3,780,000
Audit expenses for subsidiaries in foreign countries	1,140,922	908,037
Other expense	133,000	131,000
Total	**5,653,922**	**4,819,037**

* Year 2015 for comparison

** Audit expenses for subsidiaries in foreign courties depended on exchange rate for that period

In addition, there are other expenses on services as follows:

1. KPMG Phoomchai Auditing Company Limited

Unit : Baht

Item	2016 (After a restructuring)	2015* (Before a restructuring)
Audit Report as per BOI requirements	535,000	785,600

* Year 2015 for comparison

2. KPMG Phoomchai Business Consultant Company Limited

Unit : Baht

Items	2016 (After a restructuring)	2015* (Before a restructuring)
Agreed-upon procedure of revenue and expenditure funds for non transferable legal entities	909,500	-
Audit of land payment and procurement	535,000	-
Expense of Technology Assessment for the year 2016	770,400	-
Expense of Anti-Corruption assessment	385,200	-
Expense of Business Continuity Management : (BCM)	-	4,500,000
Expense of procurement process and budget of BOQ	-	2,621,500
Expense of purchase order	-	374,500
Expense of accounting and finance reorganization	-	714,760
Expense of internal compensating controls	-	420,620
Total	**2,600,100**	**8,631,380**

* Year 2015 for comparison

Remark: KPMG Phoomchai Business Consultant Company Limited, KPMG Phoomchai Tax Agency Company Limited, and KPMG Phoomchai Auditing Company Limited are different legal entity. The scope of work on the mentioned advisory services are not redundant to the audit work.

COMPLIANCE WITH THE PRINCIPLE OF GOOD CORPORATE GOVERNANCE IN OTHER ISSUES

The Company has complied with the Principle of Good Corporate Governance for the Listed Companies pursuant to the guideline prescribed by the Stock Exchange of Thailand in other issues such as meeting attendance of the directors/committee members in the Board of Directors and Sub-Committees. When the Company has been registered as listed company in the Stock Exchange of Thailand, the Company shall execute by adhering to the practical guideline according to the Principle of Good Corporate Governance accordingly.

CORPORATE SOCIAL RESPONSIBILITY

Pruksa Holding Public Company Limited (the "Company") and subsidiaries are committed to perform its business operations in a manner which ensures stable growth and highest satisfaction among every group of stakeholders while upholding corporate social responsibility (CSR) and by defining CSR related policies and eight anti-corruption principles as follow:

1. Conduct Business Operations Based on Fairness

The Company is determined to operate its business based on a philosophy that it shall demonstrate a keen sense of honesty, integrity and responsibility toward the overall society in terms of legal and ethical aspects, including supporting community, social and environmental developments. The Company shall perform its business through standardized and control-efficient work process by applying all available knowledge and skills in the most careful manner, ensuring adequate information with reliable references and strictly complying with relevant laws and regulations.

1.1 Treatment toward business partners - The Company shall treat its business partners based on fairness without seeking or accepting any unlawful interests from its business partners. Failure to do so, the Company shall immediately notify the affected party to jointly seek proper solution.

1.2 Treatment towards competitors - The Company shall treat its competitors based on fair rules and shall not seek any confidential information relating to its competitors by unlawful means.

2. Anti-Corruptions

The Board of Directors, executives and employees of the Company shall strictly follow anti-corruption policy and code of business ethics stated below:

2.1 No employee shall demand and accept any types of bribery from contacted parties and government agencies for unlawful personal interests.

2.2 All employees shall avoid accepting any gifts, receptions or monetary supports of exceedingly high value from customers or business partners. In case it is unavoidable to accept gifts having value beyond what is stated in the Company's code of business ethics especially when it is part of customary practice, the employee shall notify the Company and submit such gifts to the Company accordingly.

2.3 The Company shall develop internal control mechanism to prevent all forms of corruption. This includes the Company's rules and regulations, work procedure, authorized person to give payment approval, and most importantly, the responsible amount shall be in accordance with the Company's rules and regulations and must be provided with clear documentation.

2.4 No employee shall by ignorance or negligence overlook any forms of corruptions that may cause damage to the Company and shall notify their manager immediately upon discovery.

In addition, the Company also provide trainings to its employees concerning anti-corruption policy and practices, including encouraging its employees to perform their assigned duties with honesty, integrity and responsibility.

3. Demonstrate Respect in Human Rights

The Company recognizes the importance of respect towards the life and dignity of every human being, which is considered as the basic foundation of human resource management and development and at the same time helps to promote social relationship within the society.

To support this, the Company therefore defined approaches in upholding basic human rights and equality within the organization regardless of differences in terms of race, gender, language, religion, political beliefs or any other beliefs, ethnicity or social background, wealth, birth or status. Furthermore, the Company also encourages and gives chances for its employees to express opinions or make complaints relating to individual rights violation.

4. Fair Treatment among Labor Force

The Company strongly believes that human resource is the most valuable resource of the organization in creating value and generating returns for the Company. This is because various operations carried out by the Company are all dependent upon the knowledge, skiils and efforts both physically and mentally from its employees in achieving the determined goals.

Bearing this in mind, the Company therefore established employee treatment practice which requires the management to treat all employees in fair manner and without any discriminations, including supporting competency building and performance efficiency enhancement among employees to encourage carreer progress, promoting knowledge and understanding on ethics which all employees must uphold, providing suitable welfare and listening to the opinions and suggestions of its employees in honest and reasonable manner.

5. Responsibility toward Consumers

The Company shall ensure fair treatment among every customer in regards to its products and services without discrimination and shall not disclose any customer confidentiality unless required by law.

The Company shall accept all complaints raised by its customers concerning the defects in its products and services, including accurately and completely disclosing product and service information to the consumers.

The Company shall follow all terms and conditions established with its customers in a fair manner. Failure to do so, the Company shall immediately notifiy the affected customers to jointly seek proper solution.

6. Environmental Protection

The Company recognizes the importance upon which the environment has towards human life as the overall society has become more seriously concerned with environmental protection.

In response, the Company therefore formulated an environmental policy to be used as guidance of practice in running its business operations in the most careful manner to ensure minimal or no environmental impacts among nearby community. Hence, the Company is highly committed to control both water and air pollutions and making sure that all subsidiaries operating plant-related business strictly control the amount of its wastewater drainage from plants and air pollution from exhaust pipes. In addition, the Company promotes waste reduction through waste separation and recycling.

7. Community or Social Development

The Company established measures to ensure compliance with relevant laws and regulations, including promoting social responsibility, cooperation, assistance, supports and willingness to perform community and social activities in order to strengthen the economy and promote social and cultural improvement.

8. Developing and distributing innovations obtained from CSR and stakeholder-related operations

The Company shall promote innovations both in the levels of organizational work process and cooperation between organizations. This means conducting its operations using innovative methods including making changes in terms of way of thinking and production process to create added value. The main purpose of innovation is to stimulate positive changes in all aspects in order to achieve higher productivity and ultimately highest social benefits.

Disseminating innovations is considered as part of the Company's corporate social responsibility. The Company must communicate and inform every group of stakeholders either directly or indirectly using various channels of communication to ensure that every stakeholder have complete access to all news and information concerning the Company.

Pruksa Holding Public Company Limited (the "Company") and subsidiaries have developed CSR in Process operation into one of its business strategies in addressing social needs and creating shared valued (CSV) between businesses in achieving sustainable growth by applying the Company's expertise in creating economic value for the organization and the overall society in sustainable and clear manner. This business strategy shall be upheld as standard practice within the organization. Some samples of the Company's CSV operations include:

The use of Pruksa Precast and Pruksa REM (Real Estate Manufacturing) as the key tool in delivering high quality and safe residential housing to clients while continuously minimizing environmental impact, enabling the Company to efficiently maintain quality control and shorten business cycle time.

The development of the prototype innovative residential housing project under the name of "Pruksa Plus House" at The Plant Estique Phattanakarn to introduce a new dimension of living with construction standard certified by German Sustainable Building Council, an organization responsible for promoting sustainable and economically efficient building in Germany, in order to address modern consumer needs covering 4 Consumer Mega Trends including Safety Home, Healthy Home, Green Home and Smart Home.

Participation in Sustainable Development of Society

In 2016, Pruksa Holding Public Company Limited (the "Company") and subsidiaries participated in social development activities which is part of CSR after Process operation continuously emphasized and carried out by the Company together with its business operation covering three main aspects as follow:

1. Education and Youth Development

As educational opportunity and youth development is considered as essential foundation in producing competent personnel, the Company therefore developed programs and supported various educational activities such as:

Pruksa Scholarship 2016

Pruksa has been grantiing scholarships under a program called "Pruksa Scholarship" to students in primary and secondary school levels including schools in nearby community for 15 consecutive years, totaling 504 scholarships which amounted to Bt 2,622,000.

Pruksa Scholarship 2016 for Higher Education and Vocational Levels

Pruksa has been granting scholarships under "Pruska Scholarship" program to students in the Department of Civil Engineering from various academic institutions including Chulalongkorn University, Kasetsart University, Khon Kaen University, King Mongkut's University of Technology Thonburi, King Mongkut's University of Technology North Bangkok, Chiang Mai University, Thammasat University, Mahidol University, Silpakorn University, King Mongkut's Institute of Technology Ladkrabang, including vocational-level students in Construction Science Department from Phetchabun Technical College, Nakhon Sawan Technical College, Pathumthani Technical College, Minburi Technical College and Phitsanulok Technical College, totaling 50 scholarships which amounted to Bt 2,150,000.

AIT Scholarship

Pruksa granted Bt 1 million scholarship to Mr. Soumyshree Bariki, a post-graduate student in the Master of Construction, Engineering and Infrastructure Management (CEIM) Program from Asian Institute of Technology (AIT).

The 11th 2B-KMUTT : Civil Camp

Pruksa has been playing a key role in supporting young civil engineer camp "2B-KMUTT : Civil Camp" held by King Mongkut's University of Technology Thonburi (Bangmod Campus) for eight consecutive years with the hope to provide opportunity to a total of 70 high school students nationwide who are interested in joining civil engineering program in higher education level to learn and experience the real life of civil engineers.

PRUKSA-CHULA: ARchitectural Innovation SynTax (ARIST)

Pruksa together with the Faculty of Architecture, Chulalongkorn University organized a collaborative project for architectural innovation, also known as "PRUKSA-CHULA: ARchitectural Innovation SynTax" (ARIST) with the aim to promote research and develop architectural innovations to enhance the quality of accommodation and at the same time encourage knowledge sharing between private sector and educational institutions by allowing the students from the Faculty of Architecture from various academic institutions namely Chulalongkorn University, Bangkok University, Mahasarakham University, Rajamangala University of Technology Lanna (Payap Campus Chiang Mai), Vongchavalitkul University Nakhon Ratchasima, Nakhonratchasima Rajabhat University, Rangsit University, Chiang Mai University, Mae Jo University and Khon Kaen University to learn both in terms of theory and practice in creating highest value for the customers under guidance of

a team of professors and the Company's experts through six following programs including:

- Practical Learning: Two-Storey Single-Detached House and Bathroom Designs in Precast System
- Practical Learning: Green Balcony for Condominium
- Practical Learning: Small-sized Condominium
- Practical Learning: Large-sized Condominium
- Workshop : Condominium for the Elderly
- Workshop : Townhouse in Trend 2017

2. Society and Environment

The Company have always recognized the importance of taking part in social and environmental care as part of its organizational policy by continuously supporting government agencies, various organizations and foundations, including carrying out social activities as follow:

Pruksa in Remembrance of King Bhumibol Adulyadej

Pruksa donated 2,000 chairs to the 1st Army Area and distributing 15,000 packs of food and 17,000 bottles of water to the those who came to pay respect to the body of the late King Bhumibol in Sanam Luang area.

Pruksa Donated 144-Rai of Land to 144 in Expansion of the Royal Initiative Project

Pruksa donated 144-Rai of land located in Khlong Sam Sub-district, Khlong Luang District, Pathumthani Province in response to the royal initiative of HRH Princess Maha Chakri Sirindhorn concerning the expansion of Rama 9 Royal Reservoir in order to build Kaem Ling Project to aid farmers during drought season and at the same time to be used as reservoir in the event of flooding.

"Art for All" Project

Pruksa encouraged its employees to participate in "Art for All", an activity organizaed to jointly design clothings for over 150 youths with disabilities (such as visual impairment, hearing impairment, physical impairment or intellectual disability) who signed up for the program. Apart from enjoyment, the employees also had a chance to learn how to together with the disabled under a concept of "imagination beyond boundary".

Pruksa Takes Part in "Gathering Strength for New Resolution on Employment for 10,000 Handicapped Workers"

Pruksa joined the announcement event on "Gathering Strength for New Resolution on Employment for 10,000 Handicapped Workers" together with the Ministry of Social Development and Human Security and six professional organizations including Thai Chamber of Commerce, The Federation of Thai Industries, The Thai Bankers Association, Thai Retailers Association, The Stock Exchange of Thailand and Thai Listed Companies Association in order to collaboratively support employment opportunity among handicapped workers in Thailand.

Pruksa Sponsoring National Children's Day Activity

Pruksa donated Bt 1 million to Provincial Police Region 1 Wives Association on National Children's Day in order to provide financial aids to police families and children who are in need of financial help and giving courage to the police force who sacrificed personal happiness to ensure peace and order of the overall society.

Pruksa Caring : Green Living Healthy

Pruksa organized "Pruksa Caring : Green Living Healthy" for the 14th consecutive year to offer free health checkups in order to promote good health and proper personal healthcare among its customers and surrounding community. In 2016, over 4,000 participants joined the program.

Pruksa Annual Blood Donation

Pruksa joined hands with National Blood Center, Thai Red Cross Society in organizing "Pruksa Annual Blood Donation" to aid patients in need. In 2016, over 256,800 cc of blood were donated by the management, employees and general public.

Pruksa Promotes Senior Citizen-Friendly Business

Pruksa is 1 of 30 organizations that recognized the importance of working together with the Department of Older Persons, Ministry of Social Development and Human Security in driving senior-citizen friendly business.

Pruksa Promotes Child-Friendly Business

Pruksa management and employees participated in knowledge-sharing activity on "Children's Rights and Business Principles (CRBP) in reponse to organizational policy on supporting "Child-Friendly Business" program initiated by Thaipat Institute in order to strengthen competency in evaluating business operations that are friendly to children and seek opportunities to support children in accordance with business practice of the organization.

Pruksa Sponsored Lunches to Handicapped Children

Pruksa shared happiness with the handcapped childrening sponsored delicious and nutritious lunch meal at The Foundation for the Welfare of the Crippled under the Royal Patronage of HRH the Princess Mother.

Pruksa Sponsporing Water Tanks to Prasert Witthayathan School

Pruksa co-sponspored three 2,000 litre tanks to Prasert Witthayathan School located in Phra Nakhon Si Ayutthaya Province which always suffer from water shortage during drought season to ensure that the school has sufficient water reserved for carrying out daily activities. This includes having sufficient drinking water and water for planting within campus area.

Pruksa Offers Old Calendars to the Visually Impaired

Pruksa management and employees jointly donated old calendars to the Educational Technology for the Blind Center located in Pakred District to further be used in producing instruction media for the blind.

"Pruksa Encouraging Youth Involvement in Creating Value for Socieyt"

Pruksa organized an activity called "Pruksa Encouraging Youth Involvement in Creating Value for Society" to encourage youths and students in higher education and vocational levels nationwide to be involved in creating value with the society by proposing creative and practical development concepts that will help to improve the overall community, society and the environment to ensure sustainable community/ social benefits. The first three award-winning concepts for community development included:

- School building construction project for the special need children in Chiang Rai Province by Rajamangala University of Technology Krungthep
- Transforming community wastes, salty water and soil in Chantabri Province into organic farming under sufficiency economy philosophy by Rambhai Barni Rajabhat University
- Sustainable Community Water Management System in Tak Province by Eatern Asia University

3. Religion, Arts & Culture

Throughout the year 2016, the Company has continuously supported its management, employees and family members to take part in upholding the religion and organizing tradition and culture conservation activities as follow:

Pruksa Supporting The Foundation of Islamic Center of Thailand

Pruksa donated Bt 1 million to support the work of The Foundation of Islamic Center of Thailand in terms of education and carrying out important activities of the Muslim people in Thailand.

"Dhamma Practice for Happiness"

Pruksa encouraged its employees and family members to make use of their free time by joining dhamma programs such as Dhamma practice for "Blessing in Life for the New Year", meditiation during "Maka Bucha Day", Dhamma Meditation for Mindfulness Activity, Dhamma Family, Dhamma practice in the special occasion of HRH Queen Sirikit's Birthday on 12th August and Basic Dhamma Meditiation for Mindfulness Activity to allow its employees to be able to apply religious teachings in daily life in order to create self-happiness and happiness for their surrounding society.

The 4th Buddhist Lent Day Merit Making

Pruksa management and employees jointly participated in Buddhist Lent Day activities to uphold Thai tradition and culture by presenting Phansa candles offering and related items, including upholding the religion by carrying out social activities such as cleaning and renovating Wat Khao Phueng in Ratchaburi Province.

LIVE TOGETHER" by Pruksa Ville

LIVE TOGETHER by Pruksa Ville was initiated to promote religious activities among residents and employees of Pruksa Ville 73 Pattanakarn, Pruksa Ville 29 Phetkasem 69, Pruksa Ville 66/1 Bangna - Namdaeng and Pruksa Ville 41/1 Tiwanon - Rangsit so that they have the opportunity to perform merit-making and dhamma preaching by Phra Maha Sompong Talaputto on important religious days.

CEO Offering Dhamma as New Year Blessing

Mr. Thongma Vijitpongpun, Pruksa CEO, jointly offered dhamma books called "Buddhist Doctrine and Principles by Phra Rajawutthajarn (Luang Pu Dul-Atulo) to Pruksa employees under the occasion of 2016 New Year Blessing.

"Following the Footsteps of King Bhumibol"

Pruksa organized "Forever in Our Hearts, Forever Our King" activity and invited the customers of Pruksa Ville 57 (Pattanakarn 38) to participate in the event to express their loyalty and respect to the late King Bhumibol Adulyadej. At the event, participants jointly performed merit-making for the passing King and visited "The Nine Teachings of Our Father" Exhibition in order to embrace these teachings and apply them in daily life.

Buy Rice to Aid Rice Farmers

Pruksa took part in supporting Thai rice farmers who were affected by price drop by offering them an alternative channel to sell harvested rice directly to Pruksa executives and employees and at the same time encouraged Pruksa executives and employees to support the program.

INTERNAL CONTROL AND RISK MANAGEMENT

The opinion of the Board of Directors

Pruksa Holding Public Company Limited (the Company) gives a high priority to the internal control and risk management by assigning the Audit Committee to check and review the assessment results on the sufficiency of the internal control system in order to emphasize the sufficiency and appropriateness to the business undertaking. The Board of Audit Committee meeting No.1/2016 on May 9, 2016 and the Board of Directors meeting No. 2/2016 on May 11, 2016 have considered and approved the policies and practices in including the internal controls and risk management system that in line with the policies and practices of Pruksa Real Estate Public Company Limited for the same standard.

The Company has introduced the operational framework regarding an internal control total 5 elements according to the international standard of COSO (The Committee of Sponsoring Organizations of the Tread Way Commission) factors which are: internal control of the organization, risk assessment, operational control, information technology and information communication, and systematic monitoring. The Executives elevated the sufficiency of the internal control system and presented to Internal Audit Committee for review and acknowledgement before submit to the Board of Directors meeting No. 2/2016 on May 11, 2016. The 7 independent board members and 4 Internal Auditors also attend this meeting.

The Board of Directors has considered the sufficiency of the assessment and the internal control system of Pruksa Real Estate Pubilc Company Limited and did not find any deficiency related to the internal control. Therefore the same assessment and the internal control system between the Company and Pruksa Real Estate Pubilc Company Limited can ensure the sufficiency and appropriateness of the internal control and risk management systems.

In addition, the company has set up a mechanism of corporate governance of the Company, its subsidiaries and/or associates may have in the future. The Company will consider a person to be a director of a subsidiary and/or associate companies at pro rata to the shareholding of the Company, including set up the duties and responsibilities of those directors and management as clearly. However, the implementation of such policies for subsidiaries and/or associates depends on the proportion of shareholding by the Company and the approval of the joint venture partner in the future.

The opinion of the auditors

KPMG Phoomchai Audit Limited as auditors of Pruksa Real Estate Public Company Limited have audited the Financial Statements for the year ended December 31, 2016 of Pruksa Real Estate Public Company Limited, there was no significant adjustments to correct or adjust to comply with generally accepted accounting standards and had no any clarification letter for the insufficiency of the internal control systems.

Head of Internal Audit

The Audit Committee meeting No.1/2559 on May 9, 2559 has appointed Mr.Premsak Vallikul position Senior Vice President - Internal Audit to be Head of Internal Audit of the Company. Mr.Premsak Vallikul also served as head of internal audit of Pruksa Real Estate Public Company Limited and has served on this position for more than five years.

From the Charter of the Audit Committee, the Board of Directors is responsible for determining the independence of the internal audit department and to approve the appointment, transfer, termination of the Head Internal Audit, or any other head of department responsible for internal audit. Including the approval of the annual budget, manpower and resources necessary for the operation of the internal audit department and approve the annual audit plan. And also to approve and review the internal audit plan.

RELATED PARTY TRANSACTIONS

In 2016, PSH did not have any significant connected transactions with related person.

MANAGEMENT DISCUSSION AND ANALYSIS

Pruksa Holding Public Company Limited (the "Company") had accomplished the business restructuring and is considered as a business combination of entities under a common control the Company has presented the consolidated financial statements including the financial statements of Pruksa Real Estate Public Company Limited as if the business combination had been taken place since the beginning of the year 2016. In addition, the Company presented consolidated financial statements of Pruksa Real Estate Public Company Limited for the year 2015 (before the business restructuring) as comparative information.

On November 25, 2016, the Company reported that as a result of the tender offer, the Company had acquired 97.90% of the total number of paid up shares of Pruksa Real Estate Public Company Limited. After the completion of the tender offer, the Company's shares was listed on the Stock Exchange of Thailand on December 1, 2016 in place of the Pruksa Real Estate Public Company Limited's shares which was delisted from the Stock Exchange of Thailand on the same day.

The Company would like to clarify operating result of the Company for year ended December 31, 2016 (consolidated financial statements) as follows:

Comparison performance of the Company for year ended December 31, 2016 and 2015

Unit: million baht

Statement of comprehensive income	Dec 31, 16 (after restructuring)	%	Dec 31, 15 (before restructuring)	%	Increase/ (Decrease)	%YoY
Revenue from sale of real estate	46,926	99.5	51,240	99.6	(4,314)	-8.4
Other income	247	0.5	198	0.4	49	24.8
Total income	**47,173**	**100.0**	**51,438**	**100.0**	**(4,265)**	**-8.3**
Cost of real estate sales	31,184	66.5	33,984	66.3	(2,800)	-8.2
Gross profit	**15,742**	**33.5**	**17,256**	**33.7**	**(1,514)**	**-8.8**
Selling and Administrative expenses	8,153	17.3	7,661	14.9	493	6.4
Selling expenses	3,983	8.4	3,767	7.3	216	5.7
Administrative expenses	4,170	8.8	3,894	7.6	276	7.1
Profit before finance cost and income tax expense	**7,836**	**16.6**	**9,793**	**19.0**	**(1,957)**	**-20.0**

Unit: million baht

Statement of comprehensive income	Dec 31, 16 (after restructuring)	%	Dec 31, 15 (before restructuring)	%	Increase/ (Decrease)	%YoY
Financial cost	287	0.6	328	0.6	(40)	-12.3
Share of profit (loss) investments in joint ventures	(2)	-	3	-	(5)	-151.8
Profit before income tax expense	**7,547**	**16.0**	**9,468**	**18.4**	**(1,922)**	**-20.3**
Income tax expense	1,478	3.1	1,798	3.5	320	-17.8
Profit for the year	6,069	12.9	7,670	14.9	(1,602)	-20.9
Profit (loss) attributable to:						
Owners of the Company	**5,940**	**97.9**	**7,680**	**100.1**	**(1,740)**	**-22.7**
Non-controlling interests	129	2.1	(10)	(0.1)	138	1.8
Profit for the year	**6,069**	**100.0**	**7,670**	**100.0**	**(1,601)**	**-20.9**

Remark: Percentage in statement of comprehensive income derived from total income, while percentage of cost of real estate sales is only related to revenue from real estate sales.

Total revenue

For 2016, the Company generated total revenue of 47,173 million baht, a decrease of 4,265 million baht or 2.3% from 2015, comprised of 46,926 million baht from the sale of real estate and 247 million baht from other revenue. The decline of 2016 total revenue was due to the expiration of the government stimulus package in property sector at the end of April 2016, there was no extension period for the package that have caused many of our customers postponed their transfer decisions.

For 2016, revenue from sales of real estate was 46,926 million baht; a decrease of 4,314 million baht or 8.4% yoy. Transferred condominium decreased 3,387 million baht or 19.7% since there were few completions in condominium projects during 4Q16, as compared to 4Q15. Revenue from single detached house was 9,413 million baht, a decrease of 722 million baht or 7.1% while revenue from townhouse was still a major contributor to the Company with total amount of 23,529 million baht, an increase of 506 million baht from 2015.

Cost of real estate sales

For 2016, the Company reported cost of real estate sales of 31,184 million baht or 66.5% of revenue from real estate as compared to 33,984 million baht or 66.3% of revenue from real estate in 2015. The cost of real estate sales were stable reflecting the good efficiency of cost management.

Selling & administrative expenses

For 2016, the Company reported selling and administrative expenses of 8,153 million baht, an increase of 493 million baht or 6.4% from 2015. The selling expenses were 3,983 million baht, an increase of 216 million baht or 5.7% from 2015, mainly came from an increase in advertising expenses of 119 million baht, an increase in transferred promotion of 228 million baht while transferred expenses decreased of 143 million baht due to the government stimulus package in property sector during the first half of 2016. Administrative expenses were 4,170 million baht, an increase of 276 million baht or 7.1% from 2015, mainly from an increase in consulting fee of 209 million baht, maintenance expenses for infrastructure increase of 89 million baht.

Research and Development Expense

The Company aims to be the first property developer in mind of customer. Thus, the Company set the policy to create innovation for effectiveness of process improvement and fulfil customer satisfaction such as implementing of "Pruksa Precast" to produce prefabricated concrete in home

construction, initiating innovation of "Pruksa REM" (Real Estate Manufacturing as quality home construction in type of mass production, and using "Pruksa BIM" (Building Information Modelling) to design and manage all data for cost estimation and construction management. The Company also has Pruksa Innovation Center for research and development by hiring experts in applying new knowledge to products.

In 2016, the Company allocated the budget amounted to 60 million baht (approximately 1% of net profit) in order to support all levels of employees doing jobs with creativity and cross function through the contest titled innovation award 2016. The contest can be classified into level of create value for each individual level, team level of improvement and innovation for cross function operation to enhance the new product and service developments that would able to satisfy all customer requirements.

Furthermore, the company also has the budget for engineering students, architecture students and other students in related faculties to enhance skills from experiments and practices as follow;

- The cooperation program with the faculty of architecture, Chulalongkorn University in designing of prefabricated house, the lighting landscape for common area and also the project for improvement of prefabricated construction method with value of 4.4 million baht,
- The cooperation program with Asian Institute of Technology (AIT) in a research of new joint reinforcement with value of 1.3 million baht,
- The construction of energy smart homes - DGNB certified with value of 5.5 million baht, a
- The creation of prototype in counting Blow Count with accurate integrated data with valued of 2.0 million baht.

As mentioned above, the Company concentrates on research and development programs that lead to improves and developments better quality of every product for all our customers.

Financing cost

For 2016, the Company reported financing cost of 287 million baht or 0.6% of total revenue, the same as 2015 proportion.

Income tax expenses

For 2016, income tax expenses were 1,478 million baht or 3.1% of total income, while 2015 income tax expenses reported 1,798 million baht or 3.5% of total income.

Net profit

For 2016, the net profit of the Company was 6,069 million baht or 12.9% of total income, comprised of the net profit attributable to owners of the Company 5,940 million baht and the net profit attributable to non-controlling interests 128 million baht.

THE RESPOSIBILITY FOR THE FINANCIAL REPORTING OF THE BOARD OF DIRECTORS

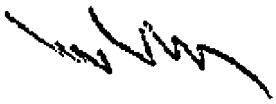
The Board of Directors of Pruksa Holding Public Company Limited (the "Company") takes responsibilities of the consolidated Financial Statement including financial data presenting in this Annual Report. In preparing the Financial Statements, the Company and its subsidiaries have used appropriate accounting standards policies and consistently applied. The Financial Statements are adequately disclosed of significant data in notes to Financial Statements, also audited with unqualified opinion from independent auditors, thus, reflects a true and fair view of Balance Sheet, Income Statement and Cash Flow Statement of the Company and subsidiaries.

The Board of Directors set up and maintained effective risk management and internal audit system to ensure that the Company and its subsidiaries keep accounting records which disclose with reasonable accuracy, completeness and adequacy of financial positions to safeguard assets of the Company and its subsidiaries, to be aware of weakness, and to prevent any risk from material irregularities.

In so doing, the Board of Directors appointed the Audit Committee taking responsibilities of the quality of Financial Statements and effective Internal Audit System. This is to ensure the correct, adequate, timely accounting booking and also to prevent fraud or irregularity. The opinion of the Audit Committee has shown in Audit Committee Report attributed in this Annual Report.

The Board of Directors is of the opinion that the Company's internal audit system is generally satisfactory and should assure the creditability of the consolidated Financial Statements of the Company and its subsidiaries as of December 31, 2016

Dr. Pisit Leeahtam
Chairman of the Board and Independent Director



Mr. Thongma Vijitpongpun
Executive Vice Chairman of the Board of Directors
and Group Chief Executive Officer

REPORT OF AUDIT COMMITTEE

Pruksa Holding Public Company Limited's Audit Committee comprises of Independent Directors who are highly qualified and have management experience. In 2015, Internal Audit Committee comprises of 4 members; Dr. Piyasvasti Amranand - Chairman of the Audit Committee, Dr. Prasarn Trairatvorakul, Mr. Adul Chandanachulaka and Mr. Weerachai Ngamdeevilaisak as members.

The Audit Committee performed the duties in accordance with the scope of the responsibilities assigned by the Company's Board of Directors, in supervising the operations of the Company to ensure that the Company is clearly managed by the Executive Committee or Management with appropriate levels of integrity and accountability to the shareholders, and that the Executive Committee and Management followed the Company's policies properly, completely, and up to professional standards.

In 2016, 6 meetings were held, with the attendance of executives, internal auditors, and the Auditor, during which presentations, discussions and exchanges of views on relevant subjects were included. Below is a summary of the main points:

1. APPROVAL OF THE AUDITED FINANCIAL STATEMENTS

The Audit Committee approved the Quarterly Financial Statements and 2016 Financial Statements prior to submission to the Board of Directors for approval. Inquiries were made to the Auditors on the accuracy and completeness of the Financial Statements and the sufficiency of information disclosure. The Auditors' Management Letter which made recommendations on the internal control system and 2016 Audit Schedule were also reviewed.

The Audit Committee is of the opinion that the Company's process of accounting and financial reporting procedures are under sufficient control for ensuring that the financial reports on its financial positions and operations are accurate and up to the legally required accounting standards, and that the Financial Statements disclose sufficient information.

2. REVIEW AND APPROVAL OF THE PRACTICE GUIDELINES FOR ENTERING INTO CONNECTED TRANSACTIONS

The Audit Committee reviewed the adequacy of the practice guidelines for entering into connected transactions or transactions with potential conflicts of interest, including reviews of transactions which could be categorized as connected, or ones with potential conflicts of interest, which took place during the year, as well as reviews of the disclosure of pertinent information to ensure that it was accurate, complete and in compliance with the Stock Exchange of Thailand's relevant notifications, regulations and guidelines.

The Audit Committee is of the opinion that Management entered into such transactions for the Company's best interests, on an arm's length basis, at reasonable prices, and with sufficient disclosure of information.

3. REVIEWS OF COMPLIANCE WITH LAWS

The Company's operational review and monitoring of compliance with securities laws, the Stock Exchange of Thailand's regulations and other major laws related to the Company's core business were set by the Audit Committee. The Internal Audit Committee was instructed to include compliance audit as one of its key tasks. The meetings with the Company's Legal Department regarding its performance are held quarterly.

According to the review, the Audit Committee found no indications leading to a belief that the Company intended to be in non-compliance and/or practices conflicting with or violating provisions of laws significantly, except lawsuits were filed against the Company by customers. In order to avoid

disputes over misunderstanding between the Company and customers, the Audit Committee suggested that the Company should be more careful to present information of projects.

4. REVIEWS OF THE INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT

The Audit Committee reviewed the internal control system and risk management to assess its adequacy and effectiveness in accordance with the guidelines of the Office of the Securities and Exchange and the standard of the system, including the consideration of the internal audit report against the approved work plan and the audit report of the external consultant firm. In addition, the Company has hired an Internal Auditor for both its subsidiaries and the joint venture companies in over sea. In 2016, the Company has hired the external auditor to inspect the key control system such as land acquisition, purchase procurement and project budget. No significant weaknesses or deficiencies were found.

Moreover, in 2014, the Company established the Business Continuity Management Project (BCM) to set up the business time frame, control the continuity of business and minimize risk. In order to ensure business continuity management systems are effective. In 2016, the procurement has been operated to conduct flexibility and cope with any crisis may occur. The Company Business Continuity Management policy intends follow international standard management. The Company also sets up training, supervises management and focuses on the Company executives and employees responsibility.

The Audit Committee is of the opinion that the Company internal audit and risk management operates in appropriate way.

5. SUPERVISION OF THE INTERNAL CONTROL FUNCTION

The Audit Committee considered the mission, the scope of operations of internal audit unit, duties and responsibilities, auditor independence, organization and manpower, as well as reviewed and approved the 2016 Audit Schedule, prepared in accordance with the risks assessment of the Company's departments, the Audit Quality Improvement Plan, the development of the knowledge skills and expertise of the internal audit personnel, and the survey of satisfaction of executives and the audited departments at all levels.

In addition, the Audit Committee also has additional suggestion for Pruksa Real Estate Public Company Limited to conduct an internal control self-assessment (Control Self-Assessment: CSA) to evaluate the effectiveness of internal controls through a cooperation between the Internal Audit Department, Risk Management Department, Management Executives Team and the officers. The aim is to ensure that company can achieve business objectives and help all management team and officers involved in assessing organizational risk and internal controls of the company, including offered comments and suggestions that are benefit for development practices.

The Audit Committee is of the opinion that the Company internal audit works independently and efficiently.

6. THE GOOD CORPORATE GOVERNANCE

The Company has focused and committed to follow the principles of good corporate governance under the policies of the Stock Exchange of Thailand, with focusing on business ethics and anti-corruption in all its forms. Currently, the Company's pending for announcement its intention to join the Coalition of Private Practice Thailand Against Corruption (Collective Action Coalition) and will perform the procedure in order to receive certification from the Institute of Directors of Thailand (Thai Institute of Directors - IOD) at the same level as the Company's subsidiary Pruksa Real Estate PCL.

Moreover, the company also expects to invite all business partners to against all form of corruptions and invite partners to join the project alignment practices (Collective Action Coalition) Thailand's private sector in the fight against corruption, the company is ready to provide advice and support to partners certified. In addition to these activities, the Company continues to promote the CG Day activities

include workshops to educate executives and employees to provide awareness of good corporate governance that can ensure to all shareholders and all stakeholders. All of the business operations of the Company and is a subsidiary will be transparency, free of corruptions and fair to all parties.

7. THE REPORT ON THE OPERATIONAL PERFORMANCE

The Audit Committee reported the quarterly reports on the operation of the Audit Committee to the Board of Directors. Opinions and recommendations for managerial purposes were presented to Management, who has made appropriate improvements and adjustments as recommended. Furthermore, the self-assessment on the operation of the Audit Committee was arranged in order to use as a guideline to improve their operational performance.

8. REVIEW OF THE AUDIT COMMITTEE CHARTER

In 2016, the Audit Committee Charter was reviewed in order to assess the scope of duties, responsibilities, and authority as assignation of the Board of Director. The charter is the key to support the duties and responsibilities of the Audit Committee as the Audit Committee can operate effectively in accordance to the regulation of the Stock Exchange of Thailand. The Audit Committee is of the opinion that the charter is suitable and complies with the policy of good corporate governance outline.

9. SELECTION OF THE AUDITORS FOR 2016

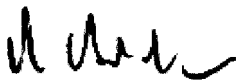
Nominating the Auditors and proposing their fee to the Board of Directors for submission to the 2016 Shareholders' Meeting for approval. Audit Committee considered the independence, performance and service of the Auditors, as well as the appropriateness of the fee and was of the opinion that the Auditors had expressed opinions and made recommendations beneficial for the preparations of financial reports and internal control. It was therefore deemed appropriate to propose that the Board of Directors request approval from the Shareholders' Meeting to reappoint the auditors from KPMG Phoomchai Audit Ltd, as the Company's Auditors, for 2016.

In 2016, the Audit Committee performed its assigned duties and responsibilities, using the members' knowledge and competence with carefulness and sufficient independence, without limitation to access to information from the executives, staff members or the relevant people. The Committee also expressed opinions and made recommendations for equitable benefits to all relevant stakeholders.

As a summary of the overall perspective, the Audit Committee is of the opinion that the Company's Board of Directors and its executives are ethical and committed to performing their duties to achieve its objectives, and have placed utmost importance to managing the operation under an effective internal control environment, appropriate and watertight risk management, sufficient good corporate governance with transparency and trustworthiness, as well as continual improvement of the operations systems.

This Audit Committee Report was reviewed and approved by the Audit Committee on January 24, 2017.

On behalf of the Audit Committee



Dr. Piyasvasti Amranand
Chairman, Audit Committee
January 24, 2017

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Pruksa Holding Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Pruksa Holding Public Company Limited and its subsidiaries (the "Group") and of Pruksa Holding Public Company Limited (the"Company"), respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2016, the consolidated statements of comprehensive income, changes in equity and cashflows for the year then ended and separate statements of comprehensive income, changes in equity and cash flows for the period from March 16, 2016 (incorporated date) to December 31, 2016, and notes, comprising asummary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in allmaterial respects, the financial position of the Group and the Company, respectively, as at December 31, 2016 and the consolidated financial performance and cash flows for the year then ended and the separate financial performance and cash flows for the period from March 16, 2016 (incorporated date) to December 31, 2016 in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Valuation of real estate projects under development		
Refer to Notes 3 and 7		
	The key audit matter	**How the matter was addressed in the audit**
1.	Real estate projects under development is a very significance balance in the statement of financial position and there are certain long outstanding real estate projects under development. The carrying value of real estate projects under development are stated at the lower of cost and net realisable value. The management had to use estimation to obtain net realisable value. I considered this matter to be significant as it involved significant estimation.	Our audit procedures performed included: - understand, assess and testing the Group's controls of net realisable value ; - understand and sampling test by attending physical count property projects; - assess the accuracy of net realisable value by comparing to actual selling prices, approval selling prices and independent appraisal valuers for long outstanding projects, the estimation of selling expenses with related supporting documentation including using the work of expert to assist the auditor to assess the assumption of appraisal value, understanding of the field of expertise, considering independence of expert, enquiries and understanding the sources of appraisal value; and - assessing adequacy of disclosure in the financial statements.

Business combination under common control		
Refer to Notes 1 and 2		
	The key audit matter	**How the matter was addressed in the audit**
2.	During 2016, the Group had restructure its business by setting the Company to be parent company and combined business of both the Company and Pruksa Real Estate Public Company Limited. by offering ordinary shares of the Company in exchange for the ordinary share of Pruksa Real Estate Public Company Limited. As a result, Pruksa Real Estate Public Company Limited. becoming the subsidiary of the Company. The management considered that this was business combination under common control. The Company recorded these transactions in the consolidated and separate financial statements to be equal to net book value of the Group of Pruksa Real Estate Public Company Limited at the date of business combination under common control (separate financial statements recorded investment in subsidiary using the proportion of the exchanged share). This transaction is significant for the year and I considered this as key audit matter.	Our audit procedures performed included: - examining the share ownership statement to assess whether both entities were ultimately under common control before and after the restructuring; - Sampling testing the accounting records and the net book value as at the date of restructuring and related documentation; - assessing the appropriate disclosure in the financial statements

Emphasis of Matter

I draw attention to Notes 1 and 2 to the financial statements, the Company was established in accordance with the business restructuring plan of Pruksa Real Estate Public Company Limited .The Company had accomplished its tender offer to exchange the ordinary shares of Pruksa Real Estate Public Company Limited with the Company's ordinary shares on November 25, 2016, which resulted in Pruksa Real Estate Public Company Limited becoming the subsidiary of the Company. Because the business restructuring is considered as a business combination of entities under common control, the Company has presented the consolidated financial statements including the financial statements of Pruksa Real Estate Public Company Limited as if the business combination had been taken place since the beginning of the year 2016. In addition, the Company presented consolidated financial statements of Pruksa Real Estate Public Company Limited for the year 2015 (before the business restructuring) as comparative information. My opinion is not modified in respect of this matter.

Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

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

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

(Vannaporn Jongperadechanon)
Certified Public Accountant
Registration No. 4098

KPMG Phoomchai Audit Ltd.
Bangkok
February 16, 2017

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of financial position

		After restructuring	Before restructuring	
		Consolidated financial statements of Pruksa Holding Public Company Limited and its subsidiaries	Consolidated financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries	Separate financial statements of Pruksa Holding Public Company Limited
Assets	*Note*	31 December 2016	31 December 2015	31 December 2016
			(in Baht)	
Current assets				
Cash and cash equivalents	*5*	585,409,490	1,334,958,752	24,650
Current investments	*6*	246,378,150	325,926,504	-
Real estate projects under development	*7*	59,838,108,296	57,590,145,350	-
Deposits for purchase of land		636,244,656	623,414,900	-
Advance payment for goods		196,018,027	405,942,634	-
Other current assets		203,065,665	228,210,697	846,987
Total current assets		**61,705,224,284**	**60,508,598,837**	**871,637**
Non-current assets				
Investments in joint ventures	*8*	107,540,634	107,540,634	-
Investments in subsidiaries	*9*	-	-	34,523,384,599
Investment properties	*10*	245,170,371	232,161,845	-
Property, plant and equipment	*11*	3,683,088,004	3,871,939,922	-
Intangible assets	*12*	334,418,725	313,524,595	-
Deferred tax assets	*13*	72,063,896	98,355,100	-
Other non-current assets		196,206,736	176,814,978	-
Total non-current assets		**4,638,488,366**	**4,800,337,074**	**34,523,384,599**
Total assets		**66,343,712,650**	**65,308,935,911**	**34,524,256,236**

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

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of financial position

		After restructuring	Before restructuring	
		Consolidated financial statements of Pruksa Holding Public Company Limited and its subsidiaries	Consolidated financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries	Separate financial statements of Pruksa Holding Public Company Limited
Liabilities and equity	*Note*	31 December 2016	31 December 2015	31 December 2016
			(in Baht)	
Current liabilities				
Short-term loans from financial institutions	*14*	1,897,950,018	-	-
Trade accounts payable	*15*	1,995,130,254	1,575,948,268	
Other payables - subsidiary	*4*	-	-	39,592,323
Current portion of payables for purchase of land		3,404,738,861	4,292,475,798	-
Current portion of long-term debentures	*14*	6,000,000,000	6,000,000,000	-
Current portion of finance lease liabilities	*14*	33,924	681,991	-
Customers' deposits		810,395,354	974,918,824	-
Income tax payable		505,008,121	688,695,870	-
Other current liabilities	*16*	2,913,343,198	2,676,291,550	384,175
Total current liabilities		**17,526,599,730**	**16,209,012,301**	**39,976,498**
Non-current liabilities				
Payables for purchase of land		244,980,951	489,961,901	-
Long-term debentures	*14*	12,000,000,000	14,000,000,000	-
Finance lease liabilities	*14*	-	297,072	-
Employee benefit obligations	*17*	289,534,759	247,442,760	-
Provision for litigation and claims	*33*	118,654,240	144,192,240	-
Total non-current liabilities		**12,653,169,950**	**14,881,893,973**	**-**
Total liabilities		**30,179,769,680**	**31,090,906,274**	**39,976,498**

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

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of financial position

		After restructuring	Before restructuring	
		Consolidated financial statements of Pruksa Holding Public Company Limited and its subsidiaries	Consolidated financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries	Separate financial statements of Pruksa Holding Public Company Limited
Liabilities and equity	*Note*	31 December 2016	31 December 2015	31 December 2016
			(in Baht)	
Equity				
Share capital	*18*			
Authorised share capital		2,273,217,600	2,285,298,800	2,273,217,600
Issued and paid-up share capital		2,185,857,580	2,231,071,000	2,185,857,580
Premium on ordinary shares	*18*	1,789,836,486	1,777,949,025	32,337,537,019
Warrants	*19*	20,981,036	45,354,949	-
Retained earnings (deficits)				
Appropriated				
Legal reserve	*20*	223,730,753	228,529,880	-
Unappropriated (deficits)		31,246,374,701	29,979,371,469	(39,114,861)
Other components of equity	*20*	(54,251,369)	(35,259,042)	-
Equity attributable to owners of the Company		**35,412,529,187**	**34,227,017,281**	**34,484,279,738**
Non-controlling interests		751,413,783	(8,987,644)	-
Total equity		**36,163,942,970**	**34,218,029,637**	**34,484,279,738**
Total liabilities and equity		**66,343,712,650**	**65,308,935,911**	**34,524,256,236**

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

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Note	After restructuring Consolidated financial statements of Pruksa Holding Public Company Limited and its subsidiaries for the year ended 31 December 2016	Before restructuring Consolidated financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries for the year ended 31 December 2015	Separate financial statements of Pruksa Holding Public Company Limited for the period from 16 March 2016 (incorporated date) to 31 December 2016
			(in Baht)	
Continuing Operations				
Income				
Revenue from sale of real estate		46,925,869,711	51,239,782,145	-
Other income		247,372,962	198,161,423	-
Total income		**47,173,242,673**	**51,437,943,568**	**-**
Expenses				
Cost of real estate sales		31,184,209,549	33,984,260,287	-
Selling expenses	*22*	3,983,136,976	3,766,744,072	-
Administrative expenses	*23*	4,170,311,256	3,893,995,320	39,114,861
Finance costs	*26*	287,326,436	327,764,443	-
Total expenses		**39,624,984,217**	**41,972,764,122**	**39,114,861**
Share of profit (loss) of investments in joint ventures	*8*	(1,606,889)	3,099,598	-
Profit (loss) before income tax expense		**7,546,651,567**	**9,468,279,044**	**(39,114,861)**
Income tax expense	*27*	(1,478,097,307)	(1,798,000,408)	-
Profit (loss) for the year/period		**6,068,554,260**	**7,670,278,636**	**(39,114,861)**

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

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Note	After restructuring Consolidated financial statements of Pruksa Holding Public Company Limited and its subsidiaries for the year ended 31 December 2016	Before restructuring Consolidated financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries for the year ended 31 December 2015	Separate financial statements of Pruksa Holding Public Company Limited for the period from 16 March 2016 (incorporated date) to 31 December 2016
			(in Baht)	
Items that are or may be reclassified to profit or loss				
Foreign currency translation differences for foreign operations		(20,211,427)	49,155,107	-
Net change in fair value of available-for-sale investments		54,784	(219,238)	-
		(20,156,643)	**48,935,869**	**-**
Other comprehensive income for the year/period, net of income tax	*27*	**(20,156,643)**	**48,935,869**	**-**
Total comprehensive income for the year/period		**6,048,397,617**	**7,719,214,505**	**(39,114,861)**
Profit (loss) attributable to:				
Owners of the Company		5,940,293,208	7,680,356,315	(39,114,861)
Non-controlling interests		128,261,052	(10,077,679)	-
Profit (loss) for the year/period		**6,068,554,260**	**7,670,278,636**	**(39,114,861)**
Total comprehensive income attributable to:				
Owners of the Company		5,920,559,854	7,729,292,184	(39,114,861)
Non-controlling interests		127,837,763	(10,077,679)	-
Total comprehensive income for the year/period		**6,048,397,617**	**7,719,214,505**	**(39,114,861)**
Earnings (loss) per share				
Basic earnings (loss) per share	*29*	2.72	3.44	(0.18)
Diluted earnings per share	*29*	-	3.44	-

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

		Before restructuring - Consolidated financial statements of Pruksa Real Estate Public Company Limited and its Subsidiaries										
					Retained earnings		Other components of equity					
	Note	Issued and paid-up share capital	Premium on ordinary shares	Warrants	Legal reserve	Unappropriated	Fair value changes in available-for-sale investments	Currency translation differences	Total other components of equity	Equity attributable to owners of the Company	Non - controlling interests	Toal equity
							(in Baht)					
Year ended 31 December 2015												
Balance at 1 January 2015		**2,226,675,700**	**1,672,383,027**	**17,665,787**	**227,029,880**	**25,646,487,904**	**219,230**	**(84,414,141)**	**(84,194,911)**	**29,706,047,387**	**1,090,035**	**29,707,137,422**
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners of the Company												
Dividends to owners	*30*	-	-	-	-	(3,345,972,750)	-	-	-	(3,345,972,750)	-	(3,345,972,750)
Share-based payment transaction	*19*	-	-	61,412,520	-	-	-	-	-	61,412,520	-	61,412,520
Warrants exercised	*19*	4,395,300	105,565,998	(33,723,358)	-	-	-	-	-	76,237,940	-	76,237,940
Total transactions with owners, recorded directly in equity		**4,395,300**	**105,565,998**	**27,689,162**	**-**	**(3,345,972,750)**	**-**	**-**	**-**	**(3,208,322,290)**	**-**	**(3,208,322,290)**
Comprehensive income for the year												
Profit for the year		-	-	-	-	7,680,356,315	-	-	-	7,680,356,315	(10,077,679)	7,670,278,636
Other comprehensive income		-	-	-	-	-	(219,238)	49,155,107	48,935,869	48,935,869	-	48,935,869
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**7,680,356,315**	**(219,238)**	**49,155,107**	**48,935,869**	**7,729,292,184**	**(10,077,679)**	**7,719,214,505**
Transfer to legal reserve		-	-	-	1,500,000	(1,500,000)	-	-	-	-	-	-
Balance at 31 December 2015		**2,231,071,000**	**1,777,949,025**	**45,354,949**	**228,529,880**	**29,979,371,469**	**(8)**	**(35,259,034)**	**(35,259,042)**	**34,227,017,281**	**(8,987,644)**	**34,218,029,637**

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of changes in equity

After restructuring - Consolidated financial statements of Pruksa Holding Public Company Limited and its Subsidiaries

	Note	Issued and paid-up share capital	Premium on ordinary shares	Warrants	Retained earnings: Legal reserve	Retained earnings: Unappropriated	Other components of equity: Fair value changes in available-for-sale investments	Other components of equity: Currency translation differences	Other components of equity: Total other components of equity	Equity attributable to owners of the Company	Non - controlling interests	Toal equity
							(in Baht)					
Year ended 31 December 2016												
Balance at 1 January 2016		**2,231,071,000**	**1,777,949,025**	**45,354,949**	**228,529,880**	**29,979,371,469**	**(8)**	**(35,259,034)**	**(35,259,042)**	**34,227,017,281**	**(8,987,644)**	**34,218,029,637**
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners of the Company												
Issue of ordinary shares	*18*	10,000	-	-	-	-	-	-	-	10,000	-	10,000
Dividends to owners	*30*	-	-	-	-	(4,130,461,700)	-	-	-	(4,130,461,700)	-	(4,130,461,700)
Share-based payment transaction	*19*	-	-	1,740,337	-	-	-	-	-	1,740,337	-	1,740,337
Warrants exercised	*19*	1,611,000	50,280,276	(25,664,197)	-	-	-	-	-	26,227,079	-	26,227,079
Revocation of warrants of the company	*19*	-	-	(21,431,089)	-	-	-	-	-	(21,431,089)	-	(21,431,089)
Warrant issued for cancelled warrant under restructuring plan	*19*	-	-	21,431,089	-	-	-	-	-	21,431,089	-	21,431,089
Total transactions with owners, recorded directly in equity		**1,621,000**	**50,280,276**	**(23,923,860)**	**-**	**(4,130,461,700)**	**-**	**-**	**-**	**(4,102,484,284)**	**-**	**(4,102,484,284)**
Comprehensive income for the year												
Profit for the year		-	-	-	-	5,940,293,208	-	-	-	5,940,293,208	128,261,052	6,068,554,260
Other comprehensive income		-	-	-	-	-	53,633	(19,786,987)	(19,733,354)	(19,733,354)	(423,289)	(20,156,643)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**5,940,293,208**	**53,633**	**(19,786,987)**	**(19,733,354)**	**5,920,559,854**	**127,837,763**	**6,048,397,617**
Adjustment non-controlling interest from business combination under common control		(46,824,420)	(38,392,815)	(450,053)	(4,799,127)	(542,828,276)	-	741,027	741,027	(632,563,664)	632,563,664	-
Balance at 31 December 2016		**2,185,867,580**	**1,789,836,486**	**20,981,036**	**223,730,753**	**31,246,374,701**	**53,625**	**(54,304,994)**	**(54,251,369)**	**35,412,529,187**	**751,413,783**	**36,163,942,970**

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

	Note	Seperate financial statements of Pruksa Holding Public Company Limited			
		Issued and paid-up share capital	Premium on ordinary shares	Deficits	Total equity
		(in Baht)			
For the period from 16 March 2016 (incorporated date) to 31 December 2016					
Balance at 16 March 2016 (incorporated date)		-	-	-	-
Transactions with owners, recorded directly in equity					
Contributions by owners of the Company					
Issue of ordinary shares	*18*	2,185,857,580	32,337,537,019	-	34,523,394,599
Total transactions with owners, recorded directly in equity		**2,185,857,580**	**32,337,537,019**	**-**	**34,523,394,599**
Comprehensive income for the period					
Loss for the period		-	-	(39,114,861)	(39,114,861)
Total comprehensive income for the period		**-**	**-**	**(39,114,861)**	**(39,114,861)**
Balance at 31 December 2016		**2,185,857,580**	**32,337,537,019**	**(39,114,861)**	**34,484,279,738**

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

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of cash flows

	Note	After restructuring Consolidated financial statements of Pruksa Holding Public Company Limited and its subsidiaries for the year ended 31 December 2016	Before restructuring Consolidated financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries for the year ended 31 December 2015	Separate financial statements of Pruksa Holding Public Company Limited for the period from 16 March 2016 (incorporated date) to 31 December 2016
			(in Baht)	
Cash flows from operating activities				
Profit (loss) for the year/period		6,068,554,260	7,670,278,636	(39,114,861)
Adjustments for				
Reversal of allowance for decline in value of real estate projects under development		-4,255,920	-38,678,798	-
Reversal of allowance for impairment loss on investment properties		-	-12,941,171	-
Depreciation and amortisation		453,742,679	425,331,693	-
(Gain) loss from disposal of equipment		1,516,968	-4,093,384	-
Loss from disposal of intangible assets		2,771,880	-	-
(Gain) loss on sale of investment properties		(3,202,432)	5,967,143	-
Loss on donation of investment prperties		-	140,089,579	-
Currency translation differences		(25,264,230)	66,828,082	-
Employees benefits		42,092,000	43,512,085	-
Shared-based payment transaction		1,740,337	61,412,520	-
Provision for litigation and claims		26,832,000	4,319,510	-
Gain on disposal of current investments		(2,202,997)	(2,443,815)	-
Share of (profit) loss of investments in joint ventures		1,606,889	(3,099,598)	-
Reversal of share of loss of invetsments in ioint ventures		(1,606,889)	-	-
Finance costs		287,326,436	327,764,443	-
Income tax expense		1,478,097,307	1,798,000,408	-
		8,327,748,288	10,482,247,333	(39,114,861)
Changes in operating assets and liabilities				
Real estate projects under development		(1,769,661,578)	(2,975,959,368)	-
Deposits for purchase of land		(12,829,756)	(330,066,870)	-
Advance payment for goods		209,924,607	300,599,949	-
Other current assets		(14,447,290)	(16,129,048)	(846,987)
Other non-current assets		(19,391,758)	(2,524,524)	-
Trade accounts payable		419,181,985	(553,215,101)	-
Other payables - subsidiary		-	-	39,592,323
Payables for purchase of land		(1,132,717,887)	2,688,113,255	-
Customers' deposits		(164,523,470)	(464,902,268)	-
Other current liabilities		218,107,358	524,394,502	384,175
Cash generated from operating activities		6,061,390,499	9,652,557,860	14,650
Income tax paid		(1,630,454,743)	(1,837,112,234)	-
Net cash from operating activities		**4,430,935,756**	**7,815,445,626**	**14,650**

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

Pruksa Holding Public Company Limited and its Subsidiaries
Statement of cash flows

	Note	After restructuring Consolidated financial statements of Pruksa Holding Public Company Limited and its subsidiaries for the year ended 31 December 2016	Before restructuring Consolidated financial statements of Pruksa Real Estate Public Company Limited and its subsidiaries for the year ended 31 December 2015	Separate financial statements of Pruksa Holding Public Company Limited for the period from 16 March 2016 (incorporated date) to 31 December 2016
			(in Baht)	
Cash flows from investing activities				
Proceeds from sale of investment properties		17,360,000	35,509,913	-
Purchase of property, plant and equipment		(227,150,530)	(427,681,829)	-
Proceeds from sale of equipment		29,148,026	8,418,827	-
Purchase of intangible assets		(72,312,688)	(81,484,722)	-
Purchase of current investments		(3,333,599,146)	(7,135,898,168)	-
Sale of current investments		3,415,418,976	7,259,664,195	-
Net cash used in investing activities		**(171,135,362)**	**(341,471,784)**	**-**
Cash flows from financing activities				
Finance costs paid		(803,075,054)	(1,038,567,331)	-
Dividends paid		(4,130,461,700)	(3,345,972,750)	-
Increase (decrease) in short-term loans from financial institutions, net		1,897,950,018	(2,047,611,611)	-
Proceeds from long-term loans		-	1,050,000,000	-
Repayment of long-term loans		-	(1,297,000,000)	-
Proceed from long-term debentures		4,000,000,000	3,000,000,000	-
Repayment of long-term debentures		(6,000,000,000)	(3,000,000,000)	-
Proceeds from issue of ordinary shares		26,237,080	76,237,940	10,000
Net cash from (used in) financing activities		**(5,009,349,656)**	**(6,602,913,752)**	**10,000**
Net increase (decrease) in cash and cash equivalents		**(749,549,262)**	**871,060,090**	**24,650**
Cash and cash equivalents at beginning of year		1,334,958,752	463,898,662	-
Cash and cash equivalents at end of year	*5*	**585,409,490**	**1,334,958,752**	**24,650**
Non-cash transactions:				
Increase (decrease) in equipment payable		19,516,612	(41,347,608)	-
Transfer of investment properties from real estate projects under development, net		(27,162,469)	(38,309,750)	-

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

Pruksa Holding Public Company Limited and its Subsidiaries
Notes to the financial statements

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

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For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 16 February 2017.

1 General information

(a) Corporate information

Pruksa Holding Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 979/88, SM Tower 28th floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok. The Company was established under the business restructuring plan of Pruksa Real Estate Public Company Limited ("Pruksa Real Estate") to engage in investment business and hold shares in Pruksa Real Estate. After the business restructuring, the Company's major shareholder was Vijitpongpun family (75.40% shareholding).

(b) Restructuring plan

At the annual general meeting of the shareholders of Pruksa Real Estate held on 28 April 2016, the shareholders approved the restructuring plan of Pruksa Real Estate. According to such restructuring plan, Pruksa Real Estate established the Company under the name, Pruksa Holding Public Company Limited, in order to engage in the business of investment and to hold the shares of Pruksa Real Estate. The Company made a tender offer for all ordinary shares of Pruksa Real Estate by exchanging them for ordinary shares of the Company, with the exchange rate of 1 per 1.

On 25 November 2016, the Company reported that as a result of the tender offer, the Company had acquired 97.90% of the total number of paid up shares of Pruksa Real Estate. After the completion of the tender offer, the Company's shares was listed on the Stock Exchange of Thailand on 1 December 2016 in place of the Pruksa Real Estate's shares which was delisted from the Stock Exchange of Thailand on the same day.

(c) Principal activity

The principal activity of the Company is investing. The principle activities of the Group are real estate development. Details of the Company's subsidiaries and joint ventures as at 31 December 2016 and 2015 are disclosed in notes 4, 8 and 9 to the financial statements.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies that are not significant effect to the financial statements.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 35.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

Items	*Measurement bases*
Available-for-sale financial assets	Fair value
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in Note 3 (n)

(c) Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.

(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following note:

Note 9	Consolidation: whether the Group has de facto control over an investee;

(ii) Assumptions and estimation uncertainties

Information about assumption significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 13	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
Note 17	Measurement of defined benefit obligations
Note 33	Recognition and measurement of provisions and contingencies

Measurement of fair values

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

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

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

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the relevant notes.

(e) Restructuring plan

Comparative information

As descripted in note 1, the Company and Pruksa Real Estate have implemented the business restructuring plan. Because the business restructuring is considered as a business combination of entities under common control, the Company has presented the consolidated financial statements including the financial statements of Pruksa Real Estate as if the business combination had been taken place since the beginning of the year 2016. In addition, the Company presented the consolidated financial statements of Pruksa Real Estate for the year 2015 (before the business restructuring) as comparative information.

Business combination under common control

As mentioned in note 1 (b) The Company has recognised investment in Pruksa Real Estate amounting to Baht 34,523 million in the separate financial statements, calculated based on the proportion of the net book value of Pruksa Real Estate' shareholders equity which presented in the consolidated financial statements in as at the date of restructuring.

Because the business restructuring is considered as a business combination of entities under common control, the Company has presented the consolidated financial statements including the financial statements of Pruksa Real Estate and presented the transaction through shareholders' equity as if the business combination had been taken place since the beginning of the year 2016.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basic of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in joint ventures.

Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the FAP.

Subsidiaries

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

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

Loss of control

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

Interests in equity–accounted investees

The Group's interests in equity-accounted investees comprise interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity–accounted investees, until the date on which joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of a joint venture while retaining joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange arising from investing activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Hedge of exchange rates

The Group has a policy to mitigate the foreign exchange risk by entering into forward exchange contracts covering foreign currency monetary transactions. In this regard, all monetary transactions are translated to the functional currency at the rates prevailing at the reporting date, adjusted by net receivables/payables arising from the related forward exchange contracts and the remaining deferred forward premium/discount. The related forward premium/discount is recorded as income/expense over the forward contract term. The amortised forward premium/discount and gains/losses on the forward exchange contracts covering foreign currency monetary transactions are offset against the related exchange losses or gains on the foreign currency monetary transactions being hedged.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activity for the purpose of the statement of cash flows.

(e) Other accounts receivable

Other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Real estate projects under development

Real estate projects under development are projects which are held with the intention of development and sale in the ordinary course of business. They are stated at the lower of cost and estimated net realisable value.

Net realisable value represents the estimated selling price less costs to be incurred in selling the properties.

The cost of real estate projects under development comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding a development property are capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development.

The cost of construction materials is calculated using the moving-weighted average cost principle.

The cost of sample houses and real estate projects under development is calculated using standard cost adjusted to approximate average cost which includes an appropriate share of production overheads based on normal operating capacity.

The cost of land is calculated using specifically identified costs.

(g) Investments

Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in joint ventures in the consolidated financial statements are accounted for using the equity method.

Investments in mutual fund

Mutual funds are marketable equity securities, classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in the profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the profit or loss.

The fair value of investments in mutual fund is determined as the net asset value at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(h) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties comprised land, which is stated at cost less impairment losses.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

(i) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	8 - 10	years
Building and decoration	3 - 27	years
Machinery and equipment	3 - 20	years
Furniture, fixtures and office equipment	3, 5	years
Public utilities	20	years
Transportation equipment	5	years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets

Software licenses

Software licenses that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are 10 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the profit or loss over the period of the borrowings on an effective interest basis.

(m) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(n) Employee benefits

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plan

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed regularly by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

The grant-date fair value of equity–settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(p) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

Real estate development projects

When the contract meets the criteria for a sale of goods, or if control and significant risks and rewards of ownership of the work in progress are transferred to the buyer at a single time, for example at completion or after delivery, revenue is recognised when the criteria described above for sales of goods and services are met.

Dividend income

Dividend income is recognised in the profit or loss on the date the Group's right to receive payments is established.

Interest and other income

Interest and other income are recognised in the profit or loss as they accrue.

(q) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(r) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(s) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(u) Segment reporting

Segment results that are reported to the Executive Committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly primarily the Company's headquarters assets and head office revenues and expenses and tax assets.

4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and joint ventures are described in notes 8 and 9. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Kaysorn Construction Company Limited	Maldives	Branch of Kaysorn Construction Company Limited
Thongma Vijitpongpun	Thai	Major shareholder, 10% or more shareholding, and a director
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Key management personnel compensation

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Short-term employee benefits	209.12	174.06
Post-retirement benefits	3.22	3.04
Share-base payments	0.49	17.11
Total key management personnel compensation	**212.83**	**194.21**

Balances as at 31 December with related parties were as follows:

	Separate financial statements
	2016
	(in million Baht)
Other payables-subsidiaries	
Pruksa Real Estate Public Co., Ltd.	39.59

Significant agreements with related parties

The subsidiaries entered into lease agreements covering office space (including related service charges) with a director of the Company, commencing October 2013 up to October 2016 and extending up to March 2017. The rental and service charges for the year ended 31 December 2016 amounted to Baht 3.2 million *(2015: Baht 3.2 million)*.

The subsidiaries have partly registered land servitude accumulative value at 31 December 2016 of Baht 1,335.1 million *(2015: Baht 1,159.5 million)*, which is subject to servitudes and restrictions to the projects of the Group for construction of the utilities of the projects with no time limit. During the year ended 31 December 2016, the subsidiaries have registered land servitude and ceded land for the public interest amounting to Baht 219.8 million *(2015: Baht 60.9 million)*, and for which the subsidiaries have received compensation of Baht 222.0 million *(2015: Baht 61.4 million)*.

In 2011, Pruksa Real Estate and subsidiaries entered into loan agreements for loan lines totaling Baht 4,100 million. In addition, the subsidiaries entered into advance agreement with Pruksa Real Estate. Loans and advances under such agreements are repayable on demand and bear interest at rates referenced to interest rates quoted by financial institutions. During the year 2015, Pruksa Real Estate and subsidiaries increased the loan lines to Baht 5,100 million with interest rate at 4% per annum and repayable on demand. During the year 2016, Pruksa Real Estate and subsidiaries increased the loan lines to Baht 7,100 million.

During the year 2016, the Company and subsidiaries entered into loan agreements for the loan lines to Baht 500 million. In addition, the subsidiaries entered into advance agreement with the Company which are bear interest at rate at 4% per annum and repayable on demand.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

5 Cash and cash equivalents

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Cash on hand	4	9
Cash at banks-current accounts	27	27
Cash at banks-savings accounts	145	655
Cheques on hand	408	643
Others	1	1
Total	**585**	**1,335**

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Thai Baht	571	1,314
India Rupee	14	13
Rufiyaa	-	4
US Dollars	-	3
Dong	-	1
Total	**585**	**1,335**

6 Current investments

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Current investments		
Mutual fund-available for sale investments	246	326
Total	**246**	**326**

Movements during the years ended 31 December of mutual fund-available for sale investments were as follows:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
At 1 January	326	448
Purchases during the year	3,333	7,136
Sales during the year	(3,413)	(7,258)
At 31 December	**246**	**326**

The currency denomination of current investments as at 31 December was as follows:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
India Rupee	246	326
Total	**246**	**326**

7 Real estate projects under development

	Note	Consolidated financial statements	
		2016 (After restructuring)	2015 (Before restructuring)
		(in million Baht)	
Construction materials		455	399
Sample houses		1,083	997
Projects under development			
- land		27,267	23,640
- land improvements		1,468	1,658
- construction cost		4,908	6,987
- public utilities		1,840	1,987
- overhead costs		1,870	1,711
- interest costs		594	597
		37,947	36,580
Land, and land and houses for sale		11,363	12,424
Land held for development		9,090	7,294
Total		**59,938**	**57,694**
Less allowance for decline in value of real estate projects under development		(100)	(104)
Net		**59,838**	**57,590**
Finance costs capitalised during the year	*26*	502	711

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(projects)	
Number of projects under development		
Townhouse	127	127
Single house	41	43
Twin house	9	6
Condominium	16	16
Foreign	1	2
Total projects	**194**	**194**

Real estate projects under development (land and structure thereon) are used as collateral for credit facilities from banks (see note 14 to the financial statements).

8 Investments in joint ventures

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Joint ventures		
At 1 January	108	102
Share of net profits (loss) in joint ventures	(2)	3
Currency translation differences	-	3
Reversal of share of loss of investments in joint ventures	2	-
At 31 December	**108**	**108**

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Investments in joint ventures as at 31 December 2016 and 2015, and dividend income from those investments for the years then ended, were as follows:

			Consolidated financial statements							
	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity	
			2016 (After restructuring)	2015 (Before restructuring)	2016 (After restructuring)	2015 (Before restructuring)	2016 (After restructuring)	2015 (Before restructuring)	2016 (After restructuring)	2015 (Before restructuring)
			(%)				*(in million Baht)*			
Joint ventures - indirect shareholding by a subsidiary										
Pruksa HDC Housing Private Limited	Property development and construction	Maldives	80.00	80.00	129.6	129.6	129.6	129.6	108.00	108.00
Pruksa - Luxora Housing Private Limited	Property development and construction	India	50.00	50.00	0.3	0.3	0.3	0.3	-	-
Total							**129.9**	**129.9**	**108.00**	**108.00**

The joint venture agreement provides that the joint venturers have joint control and management.

None of the Group's joint ventures are publicly listed and consequently do not have published price quotations.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

9 Investments in subsidiaries

	Separate financial statements
	2016
	(in million Baht)
At 16 March	-
Investment in subsidiary	34,523
At 31 December	**34,523**

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Investments in subsidiaries as at 31 December 2016 were as follows:

	Type of business	Country of incorporation	Separate financial statements		
			Ownership interest 2016	Paid-up capital 2016	Cost method 2016
			(%)	*(in million Baht)*	
Subsidiaries					
Direct					
Pruksa Real Estate Public Co., Ltd. (Note 30)	Sale of real estate	Thailand	97.90	2,232.7	**34,523.4**
Indirect (hold by subsidiaries)					
Kaysorn Construction Co., Ltd.	Services, management, home decoration and construction	Thailand	100.00	100.0	-
Putthachart Estate Co., Ltd.	Sale of real estate	Thailand	100.00	800.0	-
Phanalee Estate Co., Ltd.	Sale of real estate	Thailand	100.00	800.0	-
Pruksa Oversea Co., Ltd.	Investment	Thailand	100.00	500.0	-
Pruksa International Co., Ltd.	Investment	Thailand	100.00	1,000.0	-
Pruksa India Housing Private Limited	Property development and construction	India	100.00	13.1	-
Pruksa India Construction Private Limited	Construction	India	100.00	0.7	-
Pruksa Vietnam Company Limited*	Property development and construction	Vietnam	100.00	106.1	-
Pruksa Oversea Service Company Limited	Service and management	Thailand	100.00	2.5	-
Pruksa Mohan Mutha Real Estate Private Limited	Property development and construction	India	84.85	0.6	-
Thanatep Engineering and Construction Company Limited**	Construction	Thailand	51.00	5.0	-
Total					**34,523.4**

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations.

* - Ownership interest in Pruksa Vietnam Company Limited, according to the agreement, is 85:15 when all shares are fully paid. However, as at 31 December 2016, the Company indirectly held 100% of share in Pruksa Vietnam Company Limited because the joint venture hasn't paid for the shares.

** - Thanatep Engineering and Construction Company Limited has registered for dissolution with the Ministry of Commerce on 25 August 2015.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

10 Investment properties

	Consolidated financial statements
	(in million Baht)
Cost	
At 1 January 2015	605
Disposals	(42)
Donation	(140)
Transfer to real estate projects under development	(38)
At 31 December 2015 and 1 January 2016	**385**
Disposals	(14)
Transfer from real estate projects under development	71
Transfer to real estate projects under development	(44)
At 31 December 2016	**398**
Impairment loss	
At 1 January 2015	166
Increase	8
Decrease	(21)
At 31 December 2015 and 1 January 2016	**153**
At 31 December 2016	**153**
Net book value	
At 1 January 2015	**439**
At 31 December 2015 and 1 January 2016	**232**
At 31 December 2016	**245**

The Group's investment properties comprise land held for which there is no specific intention to use in the future. Investment properties of the Group as at 31 December 2016 appraised by firms of independent professional valuers, at market values were Baht 275.2 million *(2015: Baht 303.5 million)*.

Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for investment property of Baht 275.2 million has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

11 Property, plant and equipment

	Consolidated financial statements							
	Land and land improvement	Building and decoration	Machinery and equipment	Furniture, fixtures and office equipment	Public utilities	Transportation equipment	Assets under construction and installation	Total
	(in million Baht)							
Cost								
At 1 January 2015	845	924	2,000	417	17	52	1,484	5,739
Additions	-	-	107	18	-	4	255	384
Transfers, net	1	752	922	16	-	1	(1,692)	-
Disposals	-	(1)	(143)	(110)	-	(13)	-	(267)
At 31 December 2015 and 1 January 2016	**846**	**1,675**	**2,886**	**341**	**17**	**44**	**47**	**5,856**
Additions	-	-	130	20	-	3	94	247
Transfers, net	-	24	38	30	-	1	(93)	-
Disposals	-	-	(203)	(40)	-	(9)	-	(252)
At 31 December 2016	**846**	**1,699**	**2,851**	**351**	**17**	**39**	**48**	**5,851**
Accumulated depreciation and impairment losses								
At 1 January 2015	7	324	1,129	330	17	42	-	1,849
Depreciation charge for the year	5	93	253	43	-	5	-	399
Disposals	-	(1)	(141)	(109)	-	(13)	-	(264)
At 31 December 2015 and 1 January 2016	**12**	**416**	**1,241**	**264**	**17**	**34**	**-**	**1,984**
Depreciation charge for the year	4	95	259	43	-	3	-	404
Disposals	-	-	(176)	(38)	-	(6)	-	(220)
At 31 December 2016	**16**	**511**	**1,324**	**269**	**17**	**31**	**-**	**2,168**

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

	Consolidated financial statements							
	Land and land improvement	Building and decoration	Machinery and equipment	Furniture, fixtures and office equipment	Public utilities	Transportation equipment	Assets under construction and installation	Total
				(in million Baht)				
Net book value								
At 1 January 2015								
Owned assets	838	600	871	81	-	10	1,484	3,884
Assets under finance leases	-	-	-	6	-	-	-	6
	838	**600**	**871**	**87**	**-**	**10**	**1,484**	**3,890**
At 31 December 2015 and 1 January 2016								
Owned assets	834	1,259	1,645	76	-	10	47	3,871
Assets under finance leases	-	-	-	1	-	-	-	1
	834	**1,259**	**1,645**	**77**	**-**	**10**	**47**	**3,872**
At 31 December 2016								
Owned assets	830	1,188	1,527	82	-	8	48	3,683
Assets under finance leases	-	-	-	-	-	-	-	-
	830	**1,188**	**1,527**	**82**	**-**	**8**	**48**	**3,683**

The gross amount of the Group's fully depreciated property, plant and equipment but was still in use as at 31 December 2016 amounted to Baht 685 million *(2015: Baht 540 million)*, respectively.

Collateral

At 31 December 2016, the Group's property, plant and equipment with a net book value of Baht 1,344 million *(2015: Baht 1,420 million)* are used as collateral for credit facilities with banks (see note 14 to the financial statements).

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

12 Intangible assets

	Consolidated financial statements
	Software licenses
	(in million Baht)
Cost	
At 1 January 2015	430
Additions	82
At 31 December 2015 and 1 January 2016	**512**
Additions	72
Disposals	(6)
At 31 December 2016	**578**
Accumulated amortisation	
At 1 January 2015	159
Amortisation charge for the year	39
At 31 December 2015 and 1 January 2016	**198**
Amortisation charge for the year	49
Disposals	(3)
At 31 December 2016	**244**
Net book value	
At 1 January 2015	**271**
At 31 December 2015 and 1 January 2016	**314**
At 31 December 2016	**334**

13 Deferred tax

Movements in total deferred tax assets and liability during the years were as follows:

	Consolidated financial statements			
		(Charged) / credited to *(Note 27)*		
	As at 1 January 2016	Profit or loss	Other comprehensive income	**As at 31 December 2016**
		(in million Baht)		
Deferred tax assets				
Real estate projects under development	4	(1)	-	3
Investment properties	29	-	-	29
Property, plant and equipment	23	-	-	23
Employee benefit obligations	44	8	-	52
Customers' deposits	11	(9)	-	2
Provision for litigation and claims	29	(6)	-	23
Foreign currency translation for foreign operations	9	-	5	14
Others	14	(4)	-	10
Total	**163**	**(12)**	**5**	**156**

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

	Consolidated financial statements			
		(Charged) / credited to *(Note 27)*		
	As at 1 January 2016	Profit or loss	Other comprehensive income	**As at 31 December 2016**
		(in million Baht)		
Deferred tax liability				
Property, plant and equipment	(65)	(19)	-	(84)
Total	**(65)**	**(19)**	-	**(84)**
Net	**98**	**(31)**	**5**	**72**

	Consolidated financial statements			
		(Charged) / credited to *(Note 27)*		
	As at 1 January 2015	Profit or loss	Other comprehensive income	**As at 31 December 2015**
		(in million Baht)		
Deferred tax assets				
Real estate projects under development	12	(8)	-	4
Investment properties	33	(4)	-	29
Property, plant and equipment	22	1	-	23
Employee benefit obligations	38	6	-	44
Customers' deposits	86	(75)	-	11
Provision for litigation and claims	28	1	-	29
Foreign currency translation for foreign operations	21	-	(12)	9
Others	8	6	-	14
Total	**248**	**(73)**	**(12)**	**163**
Deferred tax liability				
Property, plant and equipment	(46)	(19)	-	(65)
Total	**(46)**	**(19)**	-	**(65)**
Net	**202**	**(92)**	**(12)**	**98**

14 Interest-bearing liabilities

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Current		
Short-term loans from financial institutions		
Unsecured	1,898	-
Current portion of long-term debentures		
Unsecured	6,000	6,000
Current portion of finance lease liabilities	-	1
Total current interest-bearing liabilities	**7,898**	**6,001**
Non-current		
Long-term debentures		
Unsecured	12,000	14,000
Total non-current interest-bearing liabilities	**12,000**	**14,000**
Total	**19,898**	**20,001**

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Within one year	7,898	6,001
After one year but within five years	12,000	14,000
Total	**19,898**	**20,001**

As at 31 December 2016, unutilised credit facilities totaled Baht 20,697 million, US Dollars 4 million and India Rupee 65 million for the Group.

Credit facilities of the Group that used assets as collateral as at 31 December 2016 were as follows:

(a) Loan lines from banks of Baht 789 million for the Group.

(b) Bank overdraft lines of Baht 50 million the Group.

(c) Letter of guarantee lines of Baht 5,911 million, US Dollars 4 million and India Rupee 65 million for the Group.

(d) Promissory note lines from bank of Baht 9,792 million for the Group.

(e) Other credit facilities of Baht 605 million for and the Group.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Credit facilities were secured on the following assets at carrying value:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Property, plant and equipment	1,344	1,420
Real estate projects under development (Land and properties)	4,301	3,111
Total	**5,645**	**4,531**

In addition, some part of subsidiaries' credit facilities are guaranteed by Pruksa Real Estate.

Loans from financial institutions

Loans from financial institutions bear interest at market rates.

Certain loans contain restrictions on financial ratios, interest-bearing liabilities to equity ratio and payment of dividends.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Debentures

As at 31 December 2016 and 2015, all debentures of the Group were issued by Pruksa Real Estate and were unsubordinated and unsecured with face value of Baht 1,000 per unit. At shareholders' meetings of Pruksa Real Estate, the shareholders approved the issuance and offer for sale of debt securities as follows:

							Consolidated financial statements			
							Units		Amount	
Type of debenture	Old interest rate	New interest rate	Interest payment due	Term	Issuance date	Maturity date	2016 (After restructuring)	2015 (Before restructuring)	2016 (After restructuring)	2015 (Before restructuring)
	(% per annum)						*(million units)*		*(in million Baht)*	
No. 1/2012*										
Set 1	4.22%	-	every 3 months	3 years 6 months	September 2012	March 2016	-	0.6	-	600
Set 2*****	4.50%	4.60%	every 3 months	5 years	September 2012	September 2017	0.6	0.6	600	600
Set 3	4.22%	-	every 3 months	3 years 6 months	September 2012	March 2016	-	2.4	-	2,400
Set 4*****	4.50%	4.60%	every 3 months	5 years	September 2012	September 2017	1.4	1.4	1,400	1,400
No. 1/2013**										
Set 1	3.58%	-	every 3 months	3 years 1 months	May 2013	June 2016	-	3.0	-	3,000
Set 2*****	3.99%	4.09%	every 3 months	5 years	May 2013	May 2018	3.0	3.0	3,000	3,000
No. 1/2014*										
Set 1*****	3.78%	3.88%	every 3 months	3 years	January 2014	January 2017	2.0	2.0	2,000	2,000
No. 2/2014***										
Set 1*****	3.61%	3.71%	every 3 months	2 years 9 months	September 2014	June 2017	2.0	2.0	2,000	2,000
Set 2*****	3.80%	3.90%	every 3 months	3 years 6 months	September 2014	March 2018	2.0	2.0	2,000	2,000
No. 1/2015***										
Set 1*****	2.58%	2.68%	every 3 months	3 years 6 months	May 2015	November 2018	1.0	1.0	1,000	1,000
Set 2*****	3.13%	3.23%	every 3 months	5 years	May 2015	May 2020	2.0	2.0	2,000	2,000
No. 1/2016******										
Set 1	2.05%	-	every 3 months	3 years	March 2016	March 2019	2.3	-	2,300	-
Set 2	2.08%	-	every 3 months	3 years 6 months	March 2016	September 2019	1.7	-	1,700	-
Total							18.0	20.0	18,000	20,000
	Less current portion of long-term debentures						(6.0)	(6.0)	(6,000)	(6,000)
	Unsubordinated and unsecured debentures - net of current portion						**12.0**	**14.0**	**12,000**	**14,000**

The new interest rate will be effected since the date on which the ordinary shares of the Company are delisted from the exchange.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

* At the annual general meeting of the shareholders of Pruksa Real Estate held on 27 April 2012, the shareholders approved the issuance and offer for sale of debt securities not exceeding Baht 7,000 million to decrease the financial costs and support the expansion of project development. Such debentures will be offered to public investors and / or private investors following the declaration of the Securities and Exchange Commission that Pruksa Real Estate may offer one-time sales and/or separate sales from time to time. During the third quarter of 2012, Pruksa Real Estate issued debenture no. 1/2012 amounting to Baht 5,000 million and during the first quarter of 2014, Pruksa Real Estate issued debenture no. 1/2014 amounting to Baht 2,000 million.

** At the annual general meeting of the shareholders of Pruksa Real Estate held on 26 April 2013, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of Pruksa Real Estate in the aggregate principle amount of not exceeding Baht 6,000 million and maturity of not exceeding 5 years. The type and interest rate of debt securities depend upon the market condition at the time of the issuance and offer for sale. During the second quarter of 2013, Pruksa Real Estate issued debenture no. 1/2013 amounting to Bath 6,000 million.

*** At the annual general meeting of the shareholders of Pruksa Real Estate held on 25 April 2014, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of Pruksa Real Estate in the aggregate principal amount of not exceeding Baht 7,000 million and maturity of not exceeding 7 years. The type and interest rate of debt securities depend upon the market condition at the time of the issuance and offer for sale. During the third quarter of 2014, Pruksa Real Estate issued debenture no. 2/2014 amounting to Baht 4,000 million.

**** At the annual general meeting of the shareholders of Pruksa Real Estate held on 28 April 2015, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of Pruksa Real Estate in the aggregate principal amount of not exceeding Baht 10,000 million and maturity of not exceeding 7 years. The type and interest rate of debt securities depend upon the market condition at the time of the issuance and offer for sale. During the first quarter of 2016, Pruksa Real Estate issued debenture no. 1/2016 amounting to Baht 4,000 million.

***** At the meetings of debenture holders of Pruksa Real Estate for which have the condition to maintain the listing status debentures held on 30 June 2016 and 13 July 2016. The debenture holders passed their resolutions to amend the terms and conditions of the relevant debentures by (1) cancelling Pruksa Real Estate's undertaking to maintain the listing status of its ordinary shares on the Stock Exchange of Thailand in order to implement its business restructuring and (2) changing the interest rate of the relevant debentures, which shall be applicable commencing on (and including) the date on which the ordinary shares of Pruksa Real Estate are delisted from the exchange.

At the annual general meeting of the shareholders of Pruksa Real Estate held on 28 April 2016, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of Pruksa Real Estate in the aggregate principal amount of not exceeding Baht 7,000 million and maturity of not exceeding 7 years. The type and interest rate of debt securities depend upon the market condition at the time of the issuance and offer for sale.

Movements during the years ended 31 December of debentures were as follows:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
At 1 January	20,000	20,000
Issued during the year	4,000	3,000
Matured during the year	(6,000)	(3,000)
At 31 December	**18,000**	**20,000**

Interest-bearing liabilities of the Group and the Company as at 31 December 2016 and 2015 are entirely in Thai Baht.

15 Trade accounts payable

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Other parties	1,995	1,576
Total	**1,995**	**1,576**

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Thai Baht	1,991	1,569
India Rupee	-	7
Singapore Dollar	3	-
Euro	1	-
Total	**1,995**	**1,576**

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

16 Other current liabilities

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Accrued for real estate projects under development	744	375
Accrued for public utility	758	609
Accrued bonus	295	514
Retention payable	517	522
Accrued interest expense	53	67
Accrued withholding tax	60	47
Others	486	542
Total	**2,913**	**2,676**

17 Employee benefit obligations

The Group operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined post-employment benefit obligations:

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Defined benefit obligations at 1 January	247	204
Recognised in profit or loss:		
Current service costs	37	37
Interest cost	8	7
	45	**44**
Other		
Benefits paid by the plan	(2)	(1)
	(2)	**(1)**
Defined benefit obligations at 31 December	**290**	**247**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Discount rate *(%)*	3.6	3.6
Future salary growth *(%)*		
Employees	5 and 8	5 and 8
Retirement age *(year old)*	60	60

Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 December 2016, the weighted-average duration of the defined benefit obligation was 25 years *(2015: 25 years)*.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements	
	(in million Baht)	
	Increase	Decrease
Defined benefit obligation 31 December 2016		
Discount rate (1% movement)	(27)	33
Future salary growth (1% movement)	37	(32)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

18 Share capital

	Par value per share	2016 (After restructuring)	
		Number	Amount
	(in Baht)	*(million shares / in million Baht)*	
Authorised			
At 16 March ordinary shares		-	-
Issue of ordinary shares	1	2,273	2,273
At 31 December ordinary shares	1	**2,273**	**2,273**
Issued and paid-up			
At 16 March ordinary shares		-	-
Issue of ordinary shares	1	2,186	2,186
At 31 December ordinary shares	1	**2,186**	**2,186**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Issue of authorised share capital

At the extraordinary general meeting of shareholders of the Company held on 29 April 2016, the shareholders approved the increase in in the Company's authorised share capital from Baht 10,000 (10,000 ordinary shares with a par value of Baht 1 per share) to Baht 2,273,217,600 (2,273,217,600 ordinary shares with a par value of Baht 1 per share) to exchange with Pruksa Real Estate's authorised share capital under restructuring plan and to accommodate the exercise of warrants. The Company registered the increase in the authorised share capital with the Ministry of Commerce on 23 May 2016.

Issue of ordinary shares

As mentioned in note 1, as at 25 November 2016 the Company summarized number of ordinary share which were issued to exchange with ordinary share of Pruksa Real Estate total of 2,185,847,580 shares at 1 Baht per share. The Company registered the increase in the authorised share capital with the Ministry of Commerce on 28 November 2016.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

19 Warrants

PS-WD

At the annual general shareholders' meeting of Pruksa Real Estate held on 22 April 2011, the shareholders passed resolutions to approve the issuance of 22 million units of warrants under the Employee Stock Option Program (ESOP) to directors (who had been allotted as Pruksa Real Estate's management) and management of the Pruksa Real Estate and/or its subsidiaries as followings:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Propose to	Directors (who had been allotted as the Pruksa Real Estate's management) and management of the Pruksa Real Estate and/or its subsidiaries
Issued and allotted as at 31 December 2016	11,689,700 units (actual units granted)
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 15.30 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year (first year is 2012), the exercise rights are not to exceed 1/4 of total rights in each year for the period of 4 years. In case of partial exercise, the holders can roll over to the next period.

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Measurement of fair value

The fair value of the PS-WD warrants granted was measured based on the Binomial option pricing model. Expected volatility is estimated by considering historic at average share price volatility during the period 19 April 2010 to 19 April 2012.

The inputs used in the measurement of the fair values of PS-WD warrants were as follows:

Average fair value at grant date (Baht)	3.55
Share price at grant date (Baht)	14.6
Exercise price (Baht)	15.3
Expected volatility (%)	45.0
Expected dividends (%)	3.1
Risk-free interest rate (%)	3.00-3.53
Termination rate (%)	10.0

Pruksa Real Estate granted the rights to directors (who had been allotted as Pruksa Real Estate's management) and management of Pruksa Real Estate and/or its subsidiaries on 19 April 2012, which is the date that the Pruksa Real Estate informed conditions and agreements of the rights to exercise options to the directors and employees.

PS-WE

At the annual general shareholders' meeting of Pruksa Real Estate held on 26 April 2013, the shareholders passed resolutions to approve the issuance of 15 million units of warrants under the Employee Stock Option Program (ESOP) to directors (who had been allotted as Pruksa Real Estate's management) and management of Pruksa Real Estate and/or its subsidiaries. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Propose to	Directors (who had been allotted as Pruksa Real Estate's management) and management of Pruksa Real Estate and/or its subsidiaries
Issued and allotted as at 31 December 2016	4,838,447 units (actual units granted)
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 28.19 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year (first year is 2014), the exercise rights are not to exceed 1/4 of total rights in each year for the period of 4 years. In case of partial exercise, the holders can roll over to the next period.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Measurement of fair value

The fair value of the PS-WE warrants granted was measured based on the Binomial option pricing model. Expected volatility is estimated by considering historic at average share price volatility during the period 24 February 2009 to 25 February 2014.

The inputs used in the measurement of the fair values of PS-WE warrants were as follows:

Average fair value at grant date (Baht)	2.55
Share price at grant date (Baht)	18.8
Exercise price (Baht)	28.19
Expected volatility (%)	45.0
Expected dividends (%)	3.0
Risk-free interest rate (%)	2.27-3.09
Termination rate (%)	10.0

Pruksa Real Estate granted the rights to directors (who had been allotted as Pruksa Real Estate's management) and management of Pruksa Real Estate and/or its subsidiaries on 25 February 2014, which is the date that Pruksa Real Estate informed conditions and agreements of the rights to exercise options to the directors and employees.

PS-WF

At the annual general meeting of the shareholders of Pruksa Real Estate held on 25 April 2014, the shareholders approved the issuance of 15 million units of warrants (PS-WF) to directors (who had been allotted as Pruksa Real Estate's management) and management of Pruksa Real Estate and/or its subsidiaries. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Propose to	Directors (who had been allotted as the Pruksa Real Estate's management) and management of the Pruksa Real Estate and/or its subsidiaries
Issued and allotted as at 31 December 2016	6,481,593 units (actual units granted)
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 16.28 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year (first year is 2015), the exercise rights are not to exceed 1/4 of total rights in each year for the period of 4 years. In case of partial exercise, the holders can roll over to the next period.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Measurement of fair value

The fair value of the PS-WF warrants granted was measured based on the Binomial option pricing model. Expected volatility is estimated by considering historic at average share price volatility during the period 12 February 2010 to 13 February 2015.

The inputs used in the measurement of the fair values of PS-WF warrants were as follows:

Average fair value at grant date (Baht)	16.01
Share price at grant date (Baht)	32.75
Exercise price (Baht)	16.28
Expected volatility (%)	40.00
Expected dividends (%)	2.86
Risk-free interest rate (%)	2.00-2.45
Termination rate (%)	10.0

Pruksa Real Estate granted the rights to directors (who had been allotted as Pruksa Real Estate's management) and management of Pruksa Real Estate and/or its subsidiaries on 13 February 2015, which is the date that Pruksa Real Estate informed conditions and agreements of the rights to exercise options to the directors and employees.

The Thai Financial Reporting Standard 2 (TFRS2): Share-based Payment was effective for share-based payment awards granted on or after 1 January 2011. Therefore, according to TFRS2, the Company has to measure the fair value of the PS-WD, PS-WE and PS-WF Project warrants on the grant date.

Movements during the years ended 31 December 2016 and 2015 in the units warrants were as follows:

	Consolidated financial statements / separate financial statements			
	PS-WD	PS-WE	PS-WF	Total
		(in million units)		
At 1 January 2015	2.4	3.8	-	6.2
Warrants issued during the year	-	-	6.5	6.5
Warrants exercised during the year	(2.4)	(0.6)	(1.4)	(4.4)
Cancelation of warrants of resigned employees	-	(0.1)	(0.3)	(0.4)
At 31 December 2015	**-**	**3.1**	**4.8**	**7.9**
At 1 January 2016	-	3.1	4.8	7.9
Warrants exercised during the year	-	-	(1.6)	(1.6)
Cancelation of warrants of resigned employees	-	(0.1)	(0.2)	(0.3)
Cancelation of warrants during the period from restructuring	-	(3.0)	(3.0)	(6.0)
At 31 December 2016	**-**	**-**	**-**	**-**

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Movements during the years ended 31 December 2016 and 2015 in the fair value of warrants were as follows:

	Consolidated financial statements / separate financial statements			
	PS-WD	PS-WE	PS-WF	Total
		(in million Baht)		
At 1 January 2015	12.5	5.1	-	17.6
Warrants granted during the year	(3.0)	3.0	61.5	61.5
Warrants exercised during the year	(9.5)	(1.3)	(22.9)	(33.7)
At 31 December 2015 and	**-**	**6.8**	**38.6**	**45.4**
At 1 January 2016	-	6.8	38.6	45.4
Warrants granted during the year	-	0.1	1.6	1.7
Warrants exercised during the year	-	-	(25.7)	(25.7)
Cancelation of warrants during the period*	-	(6.9)	(14.5)	(21.4)
At 31 December 2016	**-**	**-**	**-**	**-**

The expense recognised in respect of share-based payment transactions for the year ended 31 December 2016 was Baht 1.7 million *(2015: Baht 61.5 million)*

PS-WG

At the annual general meeting of the shareholders of Pruksa Real Estate held on 28 April 2015, the shareholders approved the issuance of 15 million units of warrants (PS-WG) to directors (who had been allotted as the of Pruksa Real Estate's management) and management of the of Pruksa Real Estate and/or its subsidiaries. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	4 years from the issuance date of warrant
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 29.27 per share
Exercise period and proportion	Four times a year in February, May, August and November of each year

There were no warrants (PS-WG) in issue.

* At the annual general meeting of the shareholders of Pruksa Real Estate held on 28 April 2016, the shareholders approved the reduction in Pruksa Real Estate's authorised share capital by means of cancelling ordinary shares which were reserved to accommodate the exercise of warrants (PS-WD, PS-WE, PS-WF and PS-WG), with a par value of Baht 1 each. Subsequently, at the extraordinary general meeting of the shareholders of the Company held on 29 April 2016, the shareholders approved the issuance of warrants to Board and Directors of Pruksa Real Estate, Pruksa Real Estate and subsidiaries, in order to replace warrants of Pruksa Real Estate which is canceled due to restructuring plan.

20 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Defined benefit plan actuarial differences

The defined benefit plan actuarial differences account within equity comprises the cumulative net change in actuarial assumptions.

21 Segment information

The Group has 4 reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Segment 1	SBU Townhouse:	Baan Pruksa, Pruksa Ville, The Connect, and SD3
Segment 2	SBU Condominium 1:	Condominium I, Condominium II, and Condominium IV
Segment 3	SBU Single house:	Pruksa Town, Passorn, and Pruksa Village
Segment 4	SBU Condominium 2:	Condominium III, Condominium V, and Condominium VI

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Information about reportable segments:

Year ended 31 December	Segment 1		Segment 2		Segment 3		Segment 4		Total reportable segments		Others		Total	
	2016*	2015**	2016*	2015**	2016*	2015**	2016*	2015**	2016*	2015**	2016*	2015**	2016*	2015**
							(in million Baht)							
External revenue	21,513	21,078	8,080	12,433	11,394	12,036	5,939	5,693	46,926	51,240	-	-	46,926	51,240
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	2,209	3,161	2,209	3,161
Other revenue	30	23	78	101	20	12	70	44	198	180	2	2	200	182
Total segment revenues	21,543	21,101	8,158	12,534	11,414	12,048	6,009	5,737	47,124	51,420	2,211	3,163	49,335	54,583
Segment profit (loss) before income tax	3,924	3,712	1,429	2,636	1,818	2,064	900	1,051	8,071	9,463	(87)	259	7,984	9,722
Segment assets as at 31 December	22,299	22,277	13,285	11,082	16,386	15,177	7,818	8,038	59,788	56,574	3,706	4,395	63,494	60,969

*- After restructuring
**- Before restructuring

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

Reconciliations of reportable segment revenues, profit or loss and assets

	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Revenues		
Total revenue from reportable segments	47,124	51,420
Other revenue	2,211	3,163
	49,335	54,583
Elimination of inter-segment revenue	(2,209)	(3,161)
Other unallocated amounts	47	16
Consolidated total revenue	**47,173**	**51,438**
Profit or loss		
Total profit for reportable segments	8,071	9,463
Other profit (loss)	(87)	259
	7,984	9,722
Elimination of inter-segment profits	(15)	(479)
Other unallocated amounts	(422)	225
Consolidated profit before income tax	**7,547**	**9,468**
Assets		
Total assets for reportable segments	59,788	56,574
Other assets	3,706	4,395
	63,494	60,969
Other unallocated amounts	2,850	4,340
Consolidated total assets	**66,344**	**65,309**

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Revenues		**Non-current assets**	
	2016 (After restructuring)	2015 (Before restructuring)	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)			
Thailand	47,026	51,145	4,622	4,775
India	147	293	15	24
Maldives	-	-	1	1
Total	**47,173**	**51,438**	**4,638**	**4,800**

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

22 Selling expenses

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Advertising expenses	1,257	1,138
Transfer expenses	1,757	1,924
Sales promotion	857	626
Public relation expenses	112	79
Total	**3,983**	**3,767**

23 Administrative expenses

	Consolidated financial statements		Separate financial statements
	2016 (After Restructuring)	2015 (Before restructuring)	2016
	(in million Baht)		
Employee benefit expenses	2,322	2,377	-
Professional fee	396	185	27
Rental fee	192	182	-
Depreciation and amortisation	115	112	-
Others	1,145	1,038	12
Total	**4,170**	**3,894**	**39**

24 Employee benefit expenses

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Wages and salaries	1,840	1,731
Contributions to provident fund	118	112
Others - bonus and welfare	1,266	1,504
Total	**3,224**	**3,347**

Defined benefit plan

Details of the defined benefit plan are given in note 17 to the financial statements.

Defined contribution plan

The defined contribution plan comprises provident fund established by companies in the Group for their employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates 5 - 10% of their basic salaries and by the Group at rates 5 - 10% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

25 Expenses by nature

The financial statements include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirement of various TFRS were as follows:

		Consolidated financial statements	
	Note	2016 (After restructuring)	2015 (Before restructuring)
		(in million Baht)	
Changes in land, land and houses for sale, and real estate projects under development		(306)	1,379
Raw materials and consumables used		20,143	18,113
Employee benefit expenses	*24*	3,224	3,347
Depreciation and amortisation		454	426

26 Finance costs

		Consolidated financial statements	
	Note	2016 (After restructuring)	2015 (Before restructuring)
		(in million Baht)	
Finance costs			
Financial institutions		789	1,039
Total		789	1,039
Less amounts included in the cost of qualifying assets:			
- real estate projects under development	*7*	(502)	(711)
Net		**287**	**328**

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27 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements	
		2016 (After restructuring)	2015 (Before restructuring)
		(in million Baht)	
Current tax expense			
Current year		1,448	1,765
Adjustment for prior years		(1)	(59)
		1,447	**1,706**
Deferred tax expense	*13*		
Movements in temporary differences		31	92
		31	**92**
Total		**1,478**	**1,798**

Reconciliation of effective tax rate

	Consolidated financial statements			
	2016 (After restructuring)		2015 (Before restructuring)	
	Rate (%)	*(in million Baht)*	*Rate (%)*	*(in million Baht)*
Profit for the year		6,069		7,670
Total income tax expense		1,478		1,798
Profit before tax		7,547		9,468
Income tax using the Thai corporation tax rate	20	1,510	20	1,894
Effect of different tax rates in foreign jurisdictions		4		24
Income not subject to tax		(104)		(41)
Expenses not deductible for tax purposes		37		33
Eliminated income		38		10
Over provided in prior years		(1)		(59)
Double tax deductible expenses		(6)		(63)
Total	**19**	**1,478**	**19**	**1,798**

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2016 (After restructuring)			2015 (Before restructuring)		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	(in million Baht)					
Foreign currency translation differences for foreign operations	(25)	5	(20)	61	(12)	49

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

28 Promotional privileges

By virtue of the provisions of the Investment Promotion Act of B.E. 2520, the Group has been granted privileges by the Board of Investment relating to developing a housing project for persons who have low or middle income (where the usable area in each unit shall not be less than 31 square meters and the contracted sale amount is less than Baht 600,000).

On 10 June 2009, the Board of Investment added a new condition in respect to pricing for projects located in zone 1 requiring that any apartment building must have area per unit of at least 28 square meters and with a maximum selling price of Baht 1 million (including land cost) and any town house or detached house, area per unit must not be less than 70 square meters with a maximum selling price of Baht 1.2 million (including land cost).

The principal privilege is the exemption from corporate income tax for a period of 5 years from the start of business operations related to these privileges.

As promoted companies, the Company and its subsidiaries must comply with certain terms and conditions prescribed in the promotional certificates.

29 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2016 and 2015 were based on the profit (loss) for the years attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

For the year ended 31 December 2016 (consolidated financial statements) and for the period from 16 March 2016 (incorporated date) to 31 December 2016 (separate financial statements)

	Consolidated financial statements		Separate financial statements
	2016 (After Restructuring)	2015 (Before restructuring)	2016
	(in million Baht / million shares)		
Profit (loss) attributable to equity holders of the Company (basic)	**5,940.29**	**7,680.36**	**(39.11)**
Number of ordinary shares at 1 January	2,231.07	2,226.68	-
Effect of shares issued :			
On 27 February 2015	-	3.43	-
On 29 May 2015	-	0.01	-
On 31 August 2015	-	0.04	-
On 30 November 2015	-	0.02	-
On 29 February 2016	1.38	-	-
Effect from issue of ordinary share			
On 16 March 2016	0.01	-	0.01
Effect from business restructuring			
On 25 November 2016	(46.83)	-	220.97
Weighted average number of ordinary shares outstanding (basic)	**2,185.63**	**2,230.18**	**220.98**
Earnings (loss) per share (basic) *(in Baht)*	**2.72**	**3.44**	**(0.18)**

Diluted earnings per share

The calculations of diluted earnings per share for the years ended 31 December 2015 were based on the profit for the years attributable to equity holders of Pruksa Real Estate and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements
	2015 (Before restructuring) *(in million Baht / million shares)*
Profit attributable to equity holders of the Company (diluted)	**7,680.36**
Weighted average number of ordinary shares outstanding (basic)	2,230.18
Effect of exercise of share options	0.22
Weighted average number of ordinary shares outstanding (diluted)	**2,230.40**
Earnings per share (diluted) *(in Baht)*	**3.44**

30 Dividend

Subsidiary

At the meeting of the Board of Directors of Pruksa Real Estate held on 11 August 2016, the Board of Directors approved the appropriation of interim dividend of Baht 0.60 per share, amounting to Baht 1,339.6 million. The dividend was paid to shareholders on 9 September 2016.

At the annual general meeting of the shareholders of Pruksa Real Estate held on 28 April 2016, the shareholders approved dividend payment of Baht 1.75 per share, amounting to Baht 3,907.19 million, of which Baht 0.50 per share was paid as an interim dividend on 21 October 2015. Therefore, the remaining dividend to be paid is Baht 1.25 per share, amounting to Baht 2,790.9 million. The dividend was paid to shareholders on 18 May 2016.

At the meeting of the Board of Directors of Pruksa Reral Estate held on 22 September 2015, the Board of Directors approved the appropriation of interim dividend of Baht 0.50 per share, amounting to Baht 1,115 million. The dividend was paid to shareholders on 21 October 2015.

At the annual general meeting of the shareholders of the Pruksa Reral Estate held on 28 April 2015, the shareholders approved the appropriation of dividend of Baht 1.00 per share, amounting to Baht 2,230.7 million. The dividend was paid to shareholders on 15 May 2015.

31 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The primary objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure. In addition, the Group has to maintain interest-bearing liabilities to equity ratio as stipulated in loan facility and debentures agreements, and requires to have debenture credit rating by qualified credit rating institutions.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its borrowings (note 14). The Group does not use derivative financial instrument to manage exposure to fluctuations in interest rates on specific borrowings. Interest rate from borrowings is according to market interest rates.

Foreign currency risk

The Group has risk from foreign currency as stated in related notes to financial statements. Management believes that the Group has minimal currency exchange rate risk. However, the Group enters into forward exchange rate contracts to hedge risks from purchasing 64achinery in foreign currency.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

The Group uses the following methods and assumptions in estimating the fair values of financial instruments.

Cash and cash equivalents, and receivables and payables approximate their fair values due to the relative short-term maturity of these financial instruments.

Current investments is investments in mutual funds, classified as available-for-sale investments, are stated at fair value which is determined as the net asset value announced by asset management company at the reporting date. The fair value measurement is determined to be level 2 of the fair value hierarchy.

Bank overdrafts and short-term loans approximate their fair values because these financial instruments bear interest at market rates.

Fair values of long-term financial liabilities, together with the carrying values shown in the consolidated and separate statements of financial position at 31 December were as follows:

	Consolidated financial statements				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in million Baht)			
31 December 2016 (After restructuring)					
Payables for purchase of land	245	-	245	-	245
Debentures	18,000	-	18,224	-	18,224
31 December 2015 (Before restructuring)					
Payables for purchase of land	490	-	490	-	490
Debentures	20,000	-	20,441	-	20,441

The fair value of long-term financial liabilities is calculated based on the present value of future principal and interest cash flows discounted at the market rate of interest for similar liabilities at the reporting date.

The Group has an established control framework with respect to the measurement of fair values. This framework includes a valuation team that reports directly to the Chief Financial Officer, and has overall responsibility for all significant fair value measurements.

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

Significant valuation issues are reported to the Group Audit Committee.

32 Commitments with non-related parties

	Consolidated financial statements	
	2016 (After restructuring)	2015 (Before restructuring)
	(in million Baht)	
Other operating lease commitments		
Within one year	7	33
After one year but within five years	-	-
Total	**7**	**33**
Other operating lease commitments		
Within one year	52	88
After one year but within five years	17	18
Total	**69**	**106**
Other commitments		
Land purchasing agreements	5,382	4,858
Development and construction agreements	1,062	2,136
Services and professional consulting agreements	116	231
Forward contracts	-	1
Machinery purchasing agreements	8	1
Total	**6,568**	**7,227**

Others

As at 31 December 2016;

(a) The Group had commitment for letters of guarantee issued by certain local banks totaling Baht 7,090 million *(2015: Baht 5,918 million)*

(b) The subsidiaries had commitment with the banks as a guarantor of overdraft lines of Baht 115 million *(2015: Baht 115 million)*, letters of guarantee lines of Baht 9,003 million *(2015: Baht 9,143 million)*, promissory note lines of Baht 9,700 million *(2015: Baht 8,275 million)* and other credit facilities of Baht 570 million *(2015: Baht 520 million)* of the subsidiaries.

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33 Contingent liability

At 31 December 2016, the Group have been sued by other companies and persons in cases of alleged violation of agreements, prosecution claims and other cases totaling Baht 216 million *(2015: Baht 363 million)*. Presently, the cases are being considered by the court. However, the Group has set aside provision of Baht 119 million *(2015: Baht 144 million)* for liabilities that may arise as a result of these cases, based on the opinion of their management and legal department.

34 Events after the reporting period

At the Board of Directors' meeting held on 16 February 2017, the Board passed a resolution for the following topics;

(a) Approval of a decrease of the Company's registered capital by Baht 46,834,420 from Baht 2,273,217,600 to Baht 2,226,383,180 by canceling 46,834,420 ordinary shares, with a par value of Baht 1 each, which were issued to accommodate a tender offer of Pruksa Real Estate Public Company Limited.

(b) Approval of an investment in a private hospital and a medical service center that are Vimutti Hospital Holding Co., Ltd. and Vimutti International Hospital Co., Ltd.

(c) Approval of Employee Joint Investment Program "EJIP" No.1, Year 2017-2022, of the Company and its subsidiaries

In order that those topics depend on the resolution of 2017 Annual General Meeting of the Shareholders of the Company on 27 April 2017. If the shareholders approve, the Company will perform the relevant steps.

35 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2017, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures

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TFRS	Topic
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 106 (revised 2016)	Accounting for Investments Companies
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 8 (revised 2016)	Operating Segments

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

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