



PRUKSA

PRUKSA HOLDING PUBLIC COMPANY LIMITED



ANNUAL REPORT
2017



Developing Power of **Creativity**
to Achieve **Sustainable Future**





Expanding Investment to Create Continued Business Opportunities

Pruksa has expanded its investments in real estate and new businesses to diversify customer base while developing its corporate continually to strengthen brand and deliver highest possible level of customer satisfaction.



Doing Business in Compliance with the Principles of Good Corporate Governance While Creating Social Sustainability

The principle of good corporate governance is a key which Pruksa has adhered to while doing business concurrently with social, community and environmental responsibility. Growing side by side, the corporate and society shall support one another toward the sustainable future.







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An aerial night view of a city skyline, likely Bangkok, featuring several prominent skyscrapers with illuminated windows and a river winding through the urban landscape. The sky is a pale, hazy blue, and the city lights create a warm, golden glow.

Vision

PSH aims to be a top Thai property company with variety of businesses and services that delivers end-to-end modern lifestyles and enables to fulfill all customer demands.

Mission

PSH aims at helping customers to fulfill their dreams by delivering happiness and modern lifestyles for the entire family members.





Financial Highlights

Financial Highlights (Bt m)

	2016	2017
Assets	66,344	72,244
Liabilities	30,180	33,584
Equities	35,413	37,909
Non-Controlling interests	751	750
Revenue from sales of real estate	46,926	43,935
Total Revenue	47,173	44,113
Gross Profit from sales of real estate	15,742	15,713
Selling and Administration	8,153	8,537
Net profit	6,069	5,574
Profit attributable to Owner of the Company	5,940	5,456

Information Per Share

Paid up capital (Million Baht)	2,186	2,186
Paid up shares (Million Shares)	2,186	2,186
Book Value Per Share (Baht)	16.2	17.3
Earning Per Share (Baht)	2.72	2.50
Dividend per share (performance year) ⁽¹⁾ (Baht)	-	2.09
Market Price at Year-End (Baht)	22.5	22.5
P/E (times)	8.3	9.0
P/BV (times)	1.4	1.3
Market Cap (Million Baht)	49,182	49,182

Key Financial Ratios

Average Asset Turnover (times)	0.72	0.64
Average ROA ⁽²⁾ (%)	11.9	10.6
Average ROE (%)	17.1	14.9
Gross Profit Margin ⁽³⁾ (%)	33.5	35.8
Net Profit Margin (%)	12.7	12.4
Cash and Short term investments (Million Baht)	832	1,348
Net Debt to Equity (times)	0.85	0.89
Interest Bearing Debt (Million Baht)	19,898	24,300
Interest Bearing Debt to Equity (times)	0.56	0.64
Net Interest Bearing Debts to Equity (times)	0.54	0.61

Note: ⁽¹⁾ The right to receive the said dividends is subject to approval by the 2018 AGM

⁽²⁾ Average ROA = EBIT / Average assets

⁽³⁾ Gross Profit Margin = (Revenue from sales of real estate - Cost of real estate sales) /
Revenue from sales of real estate



Message from Chairman of the Board and Chairman of the Executive Committee

The year 2017 was marked as the first year of the full business operation in the name of Prukسا Holding Public Company Limited whereas the Company has still generated revenues and overall operation from real estate business group under main management of Prukسا Real Estate. The Company operates according to one of the setting core corporate strategies, which are expansion of its core business in real estate for sale and customer base expansion to customer group with new income in the premium business group. The said customer group is the one with high purchasing power and well growth potential despite in decelerating economic situation and well customer acceptance as seen from presales of premium business group under satisfactory result.

Other important core strategies of Prukسا Holding are investment diversification and search for new business opportunity in addition from residential real estate business to generate recurring income. The Company has commenced to invest in hospital business and health care services.

One of the policies given precedence by Prukسا is business operation with social responsibility awareness under the principle of corporate governance, aiming at building sustainable growth to the Company. In last year, Prukسا Holding has participated as the membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and granted for two awards from Stock Exchange of Thailand such as SET Sustainability Awards 2017 in type of Rising Star in the group of companies with market capitalization for 30,000 - 100,000 million Baht and Thailand Sustainability Investment (THSI) or "Sustainable Stock" Award. The latter award has been continuously granted for the second year, indicating the acceptance of outstanding business operation according to sustainable development guideline of the Company with complete and transparent disclosure of overall operation information in economy, society and environment together with continuous creating "shared value with society".

For this year, we shall remain operating according to the setting corporate vision which is "PSH aims to be a top Thai property company with variety of businesses and services that delivers end-to-end modern lifestyles and enables to fulfill all customer demands", and remain focusing on residential project development and customer group base expansion to cover all segments, feasibility study in new business operation that can general additional recurring income apart from the foresaid hospital business, and concurrently aiming at building the Company's sustainable growth.



Dr. Pisit Leeahtam

Chairman of the Board and
Independent Director



Mr. Thongma Vijitpongpan

Chairman of the Executive Committee
and Group Chief Executive Officer

Board of Directors



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1. Dr. Pisit Leeahtam

- Chairman of the Board of Directors
- Member of the Nomination and Remuneration Committee
- Independent Director

2. Mr. Thongma Vijitpongpan

- Executive Vice Chairman of the Board of Directors
- Chairman of the Executive Committee
- Member of the Nomination and Remuneration Committee
- Group Chief Executive Officer

3. Dr. Piyasvasti Amranand

- Independent Director
- Chairman of the Audit Committee

4. Mr. Adul Chandanachulaka

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

5. Mr. Weerachai Ngamdeevilaissak

- Independent Director
- Member of the Audit Committee
- Member of the Corporate Enterprise Risk Management Committee
- Chairman of the Nomination and Remuneration Committee

6. Dr. Anusorn Sangnimnuan

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



7. Dr. Prasarn Trairatvorakul

- Independent Director
- Member of the Audit Committee
- Chairman of the Corporate Enterprise Risk Management Committee

8. Professor Piyamitr Sritara, MD

- Independent Director

9. Mr. Wichian Mektrakarn

- Director
- Member of the Executive Committee
- Member of the Nomination and Remuneration Committee

10. Mrs. Rattana Promsawad

- Director
- Member of the Corporate Governance Committee

11. Mr. Piya Prayong

- Director
- Member of the Executive Committee
- Member of the Corporate Enterprise Risk Management Committee

12. Mr. Prasert Taedullayasatit

- Director
- Member of the Executive Committee
- Member of the Corporate Enterprise Risk Management Committee

Awards and Pride of the Company



SET Rising Star Sustainability Awards 2017

from The Stock Exchange of Thailand

Thailand Sustainability Investment (THSI) Award

for the second consecutive year

from The Stock Exchange of Thailand



The Seventh Honorable Mention NACC Integrity Awards

from Office of the National Anti-Corruption Commission

Recognition Sustainability Report Award 2017

for the second consecutive year

from CSR Club, Thai Listed Companies Association, Office of the Securities and Exchange Commission, and Thaipat Institute

Honorable Certificate for Organization that Performs Usefulness to the Ministry of Education

from Ministry of Education

Glorification Certificate for Organization that Performs Social Usefulness in Promoting the Employment of People with Disabilities for 2017

from Thai Health Promotion Foundation (Thai Health) and Ministry of Labour

Membership Certificate of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

from The CAC Council

Being selected to be in ESG100 Company Group for 2017 (Environmental, Social and Governance: ESG) for the second consecutive year

from Thaipat Institute

Excellent Corporate Governance Report of Thai Listed Companies 2017

from Thai Institute of Directors

Quality Assessment for 2016 Annual General Meeting ("AGM") with 100% of Score Result Class

from Thai Investors Association

Certification of Participation in Corporate SDG Index Preparation Project

from Thaipat Institute



"Real Estate Development Business Sector Model" Honorable Plate

was granted from Foundation of The Scientific and Technological Council of Thailand to Mr. Piya Prayong, the Chief Executive Officer-Pruksa Real Estate Business Group, on behalf of business sector model in applying new knowledge and technology for the Company's business operation.

"Social Usefulness Creator" Honorable Plate

was granted by INTV AWARD 2017 event to Mr. Prasert Taedullayasatit, Chief Executive Officer-Pruksa Real Estate-Premium Business Group, on behalf of the successful businessman and person in the business field both in public and private sector who create overall social and economic usefulness.

Asia's Most Promising Brands Award 2017

from World Consulting & Research Corporation, a consulting company of luxury brand management



International Star for Platinum Quality Award 2017

from Business Initiative Directions (B.I.D.)

BCI Asia Top 10 Developers Awards 2017 for the seventh consecutive year

from BCI Media Group

- Urbano Rajavithi Project
- Chapter One Eco Ratchada-Huai Kwang Project
- Plum Condo Ramkhamhaeng Project

Outstanding Real Estate Project Award 2017

from Agency for Real Estate Affairs

- The Privacy Ladprao-Sena Project
- Baan Prukha Puchao-Samrong Project

Outstanding Townhouse Model Energy Conservation Housing Development Award 2017

from Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy

- The Connect Project

Smart Green Energy Award 2017

from Office of Industrial Economics, Ministry of Industry

- Prukha Precast Factory, Nawanakorn



Provincial Safety Model Establishment Award for the second consecutive year

from Pathum Thani Provincial Labour Protection and Welfare Office

- Prukha Precast Factory, Nawanakorn

Platinum Green Building Standard Certificate

from German Sustainable Building Council

- "Prukha Plus House" House Model, The Plant Estique, Phatthanakan Project

Green Industry Certificate for Class 3 of Green System

from Ministry of Industry

- Prukha Precast Factory, Lamlookka
- Prukha Precast Factory, Nawanakorn

Corporate Carbon Footprint Development Registration Certificate for 2017

from Thailand Greenhouse Gas Management Organization (Public Organization)

- Prukha Precast Factory, Lamlookka
- Prukha Precast Factory, Nawanakorn

Innovation Management System CEN/TS 16555-1 : 2013 Certificate

from Management System Certification Institute (Thailand)

Policy and Business Overview

History

On March 16, 2016, Pruksha Holding Public Company Limited was registered for public company establishment of Holding Company with initial registered capital of Bt 10,000 operate the business that mainly generates revenues from shareholding in other companies. Later, the Extraordinary Shareholders' Meeting No. 1/2016 approved a resolution 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 to buy common stocks of the Company to be consistent with increase in the Company's registered capital. The initial trading in Stock Exchange of Thailand was on 1 December 2016 under "PSH" ticker.

The core business of the Company is real estate development business for sale. The Company shall maintain the proportion of real estate development business for sale which is the core business is not less than 75% of total assets of the Company. After restructuring completion, Pruksha Real Estate Public Company is the subsidiary of the Company that operates core business and generates main revenues from dividend acquired from shareholding in Pruksha Real Estate Public Company Limited and its subsidiary and/or associated company which will be invested by the Company in the future.



The Company's policy is to focus on investment diversification and seek the opportunity in operating new businesses in addition to residential real estate business for sustainable growth and ability to generate recurring revenues. Therefore, the investment in hospital business and health service center was approved and executed through two subsidiaries including (1) Vimut Holding Hospital Company Limited which is the company that operates the investment business in other companies, and (2) Vimut International Hospital Company Limited that operates the business of private hospital and clinic for patients. At present, it has been under business planning and expected to be opened for service in 2020 onwards. Therefore, in this 2017, revenues and overall operations have been mainly derived from real estate business group.

Important Changes and Development

Year	Important Development
2016	<ul style="list-style-type: none"> A holding company under the name of “Pruksa Holding Public Company Limited” was established to operate investment business and hold 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 for 2,273,207,600 stocks at par value of Bt 1 per stock.
2017	<ul style="list-style-type: none"> Vimutti Holding Hospital Company Limited and Vimutti International Hospital Company Limited as the subsidiaries of Pruksa Holding Public Company Limited were registered to change their names to be Vimut Holding Hospital Company Limited and Vimut International Hospital Company Limited, respectively. The Company was awarded for SET Rising Star Sustainability Awards 2017 in the group of listed companies with market price value for Bt 30,000 - 100,000 million to announce the honor and admiration to the listed company that outstandingly starts its business operation according to sustainable development guideline. It was also continuously awarded for Thailand Sustainability Investment (THSI) or “Sustainable Stock” Award for second year to announce the honor and admiration to the company with good corporate governance and business operation under concern on all groups of stakeholders. The Company entered to be the member of “Collective Action Coalition Against Corruption” and granted for membership certificate for Thailand’s Private Sector Collective Action Coalition Against Corruption. The Company also organized “Pruksa Collective Advancement Coalition Against Corruption” to build awareness to every level of employees for transparent execution under good governance. In 2017, Pruksa Real Estate Public Company Limited, the subsidiary of the Company, issued debenture for three tranches in value of Bt 9,500 million.

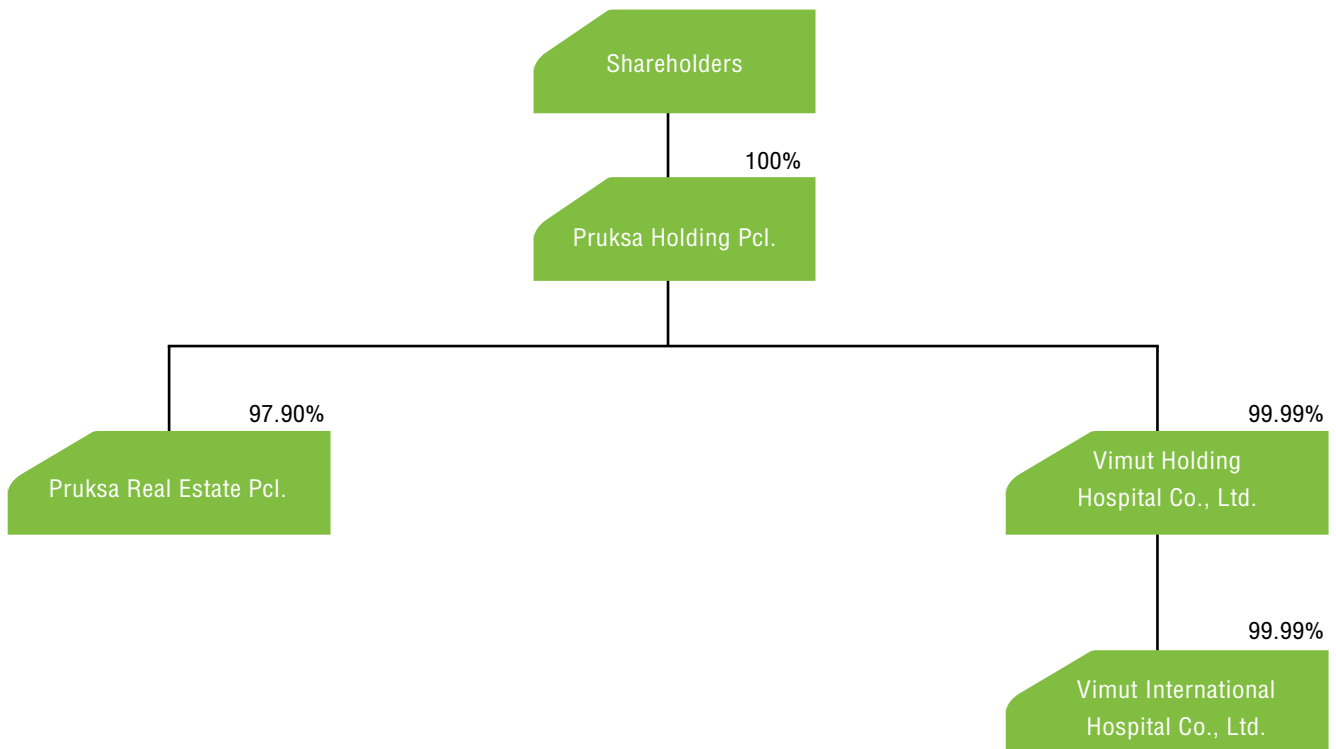
Shareholding Structure of the Group of Companies

In execution under the business restructuring plan by Pruksa Real Estate Public Company Limited (“Pruksa”), the Company prepared a tender offer for purchasing the securities of Pruksa. Through tender process, the Company shall exchange its common stocks of identical category with Pruksa at the rate of 1 : 1. The rate herein is one common stock of the Pruksa per one common stock of the Company. After the tender process, the Company was able to acquire 98 percent of shareholding in Pruksa, allowing it to have paid-up capital equaling to Bt 2,185,857,580 and common stocks totaling to 2,273,217,600 stocks at par value of Bt 1 per stock after restructuring. Meanwhile, warrants to purchase common stocks of the Company shall be given to the shareholders who exchanged shares under this restructuring plan based on the shareholding proportion of each shareholder in the Company after success of restructuring.

In the Company’s Annual General Meeting of Shareholders on April 27, 2017, the shareholders resolved the approval of decrease in the registered capital of the Company for Bt 46.84 million from Bt 2,273.22 million of existing registered capital to be Bt 2,226.38 million of new registered capital by cutting off the issued common stocks remained from support of the tender offer for purchasing the securities of Pruksa for 46.84

million shares. The Company registered for capital decrease with the Ministry of Commerce on May 22, 2017 and the Company’s capital which has been called for payment has been Bt 2,186,796,580.

After the Company has been listed in Stock Exchange of Thailand, the Company’s policy focuses on investment diversification and exploration of new business operation opportunity in addition to residential real estate business for sustainable growth and ability to generate recurring income. For investment in healthcare business according to information notified to Stock Exchange of Thailand, the Meeting of the Company’s Board of Directors resolved in the Meeting No. 2/2017 on February 16, 2017, resolved the investment in hospital and healthcare center business under operation through two subsidiaries consisting of (1) Vimut Hospital Holding Company Limited, which is the Company that operates as holding company to invest in other companies. As on December 31, 2017, the Company invested in Vimut Holding Hospital Company Limited, and (2) Vimutti International Hospital Company Limited that operate private hospital and clinic business for patient treatment. At present, it has been under business planning with anticipation of service opening in 2020 onwards.



Operational Division Policy of the Companies in the Group

The Company shall operate the following businesses.

1. To invest in subsidiaries and/or associated companies in the Group.
2. To finance funds for supporting the business operation of the Company and the group companies.
3. To invest in any other companies which are not in the Group for liquidity management benefit and for return of the Company.
4. To provide financial support to the group companies.

After the initial stage of business restructuring, the Company shall use services from work units of four main lines and some support work units from PrukSA to manage the Company's existing human resources for maximum benefit. Those four main lines consisting of finance and risk management, human capital management, strategy, and support business group which consists of legal service and marketing and corporate communication shall therefore remain within PrukSA which are the core business of the Company.

At present, PrukSA shall provide support services to the Company in aspects under below details:

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

Nevertheless, support business group of the Company shall govern the overview of the Company and its subsidiaries and/or associated companies in the future.

Furthermore, the Company shall assign its strategy line together with finance and risk management line to perform their duties in governing and controlling new investment policy of the Company and governing new businesses of the Company which will be invested in the future.

Relationships with the Business Group of Major Shareholders

-None-

Nature of Business

Revenue Structure

Group of companies generated revenues from real estate business only. At December 31, 2017, the company has revenue structure classified by product type as follow:

Product Type	Consolidated Financial Statement For the accounting period as of December 31					
	Year 2015		Year 2016		Year 2017	
	Bt m	%	Bt m	%	Bt m	%
Townhouse (Thailand)	23,023	44.8	23,529	49.9	22,694	51.4
Single-detached house (Thailand)	10,135	19.7	9,413	20.0	9,159	20.8
Condominium (Thailand)	17,236	33.5	13,849	29.4	12,068	27.4
International	278	0.5	129	0.3	13	0.0
Total	50,672	98.5	46,920	99.5	43,935	99.6
Other revenue ⁽¹⁾	568	1.1	6	0.0	0	0.0
Revenue from sale of real estate	51,240	99.6	46,926	99.5	43,935	99.6
Other income	198	0.4	247	0.5	178	0.4
Total revenue	51,438	100.0	47,173	100.0	44,113	100.0

Remark : ⁽¹⁾ Other is composite of revenue from sales of raw lands and revenue from construction



Existing projects of Pruksa , a subsidiary company as of December 2017, consisted of 181 projects classified by total value, sold and unsold value as follow :

Projects as of December 2017	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	35	14,002	27,158	5,594	10,797	178	385	5,772	11,182	8,230	15,975
Patio	7	1,517	6,644	485	1,969	28	137	513	2,106	1,004	4,537
Pruksa Lite	1	267	582	166	336	10	25	176	362	91	221
Pruksa Town	10	3,194	9,172	1,284	3,381	35	119	1,319	3,500	1,875	5,672
Pruksa Village	3	375	900	232	550	12	31	244	580	131	319
Pruksa Ville	38	11,221	29,978	4,162	10,347	378	1,090	4,540	11,437	6,681	18,541
The Connect	16	4,657	13,406	2,061	5,935	71	215	2,132	6,150	2,525	7,257
The Plant	2	763	2,977	582	2,189	10	45	592	2,234	171	743
Villette	1	390	961	151	363	-	0	151	363	239	598
Total TH	113	36,386	91,777	14,717	35,868	722	2,047	15,439	37,915	20,947	53,862
Passorn	13	3,582	16,364	1,769	7,308	131	626	1,900	7,934	1,682	8,430
Pruksa Village	12	3,303	12,474	1,124	4,160	46	197	1,170	4,356	2,133	8,117
The Palm (Value)	1	120	1,234	25	256	3	32	28	288	92	946
The Plant	15	3,363	15,010	1,612	7,316	118	587	1,730	7,903	1,633	7,107
Pruksa Town	3	568	2,668	226	1,048	3	17	229	1,064	339	1,604
Pruksa Nara	1	300	1,038	181	642	-	0	181	642	119	396
Total SDH	45	11,236	48,787	4,937	20,730	301	1,458	5,238	22,187	5,998	26,600
Fuse	1	815	1,587	681	1,209	7	16	688	1,225	127	363
Plum Condo	8	13,770	21,426	5,022	5,707	3,811	8,001	8,833	13,708	4,937	7,718
Privacy	2	1,655	4,711	-	0	670	1,994	670	1,994	985	2,717
The Tree	5	2,927	8,664	1,008	2,670	1,295	3,846	2,303	6,516	624	2,148
Urbano	1	325	1,367	-	0	157	697	157	697	168	670
Total CD (Value)	17	19,492	37,755	6,711	9,585	5,940	14,554	12,651	24,139	6,841	13,616
Chapter One	2	2,478	7,381	0	0	1,680	5,058	1,680	5,058	798	2,323
The Reserve	3	556	6,205	0	0	329	3,674	329	3,674	227	2,531
How	1	55	461	0	0	7	62	7	62	48	399
Total Premium	6	3,089	14,047	0	0	2,016	8,794	2,016	8,794	1,073	5,253
Almost Closed						66	180				
Grand Total	181	70,203	192,367	26,365	66,183	9,045	27,033	35,344	93,035	34,859	99,331

Product and Service Attribute

Prukha Holding PCL (“Company”) operates the business of holding company that mainly generates income from shareholding in other companies of which their core business is real estate development business for sale. The Company’s guideline is to maintain not less than 75% for investment proportion in real estate development business for sale. The Company’s policy is to focus on investment diversification and seek the opportunity in operating new businesses in addition to residential real estate business for sustainable growth. The Company has selected to focus on the business with ability to generate recurring incomes and healthcare business is the interesting business for investment. At present, the Company operates real estate business and healthcare business under the following details of the Company’s business.

Business Group-Classified Business Operation

1. Real Estate Business

Prukha Real Estate PCL (“Prukha”) operates the real estate development business for residence in three types including single detached house, townhouse/twin house and condominium, under emphasis on project development in every area of Bangkok Metropolitan Region and Central Bangkok District in the locations with high potential and growth. In 2010, Prukha started selling projects in upcountry such as Nakhonpathom, Chonburi and Phuket. In 2011, it launched the first project in Khon Kaen and additional project in Phuket for sale. Furthermore, during 2014 - 2015, Prukha expanded low rise products in market group with higher price level and improved brand image for management clarity of each business group for sustainable and continuous growing business and maintenance of secure financial status. In 2016, Prukha developed product brands by adjusting strategy in building strong and potential

brand for long-term development. However, Prukha has added premium housing market share to cover all customer groups.

Currently, Prukha Real Estate PCL classifies its core business operation into two groups consisting of Value Business Group and Premium Business Group, which is the real estate development business for sale.

Prukha Real Estate Value Business Group

In conclusion, the projects on sale by Prukha Real Estate Value Business Group are under the names (brands) as follows.

Townhouse/ Commercial Building	Single Detached House	Condominium
Baan Prukha	Passorn	Plum Condo
Prukha Ville	The Plant	The Tree
The Connect	The Palm	The Privacy
Patio		

1.1 Townhouse/Twin House/Commercial Building

Prukha Real Estate Value Business Group constructs and develops townhouse projects under different brands and house styles. Townhouse pricing is from 1 - 5 million Baht and the main target group of townhouse group product is customer group with low-middle income. Prukha has also expanded to quite high income earners who need to own their residences without for speculation, and expanded the projects in upcountry through increase in number of projects to respond economic expansion.

Markets of townhouse, commercial building and twin house have been approximately 20% of housing market from registered house units. The income ratio of Value Business Group from townhouse has been about 50% of income from real estate of Value Business Group.



1.2 Single Detached House

The price level for target group of single detached group product of Value Business Group is the customer in core group at price level of 3 - 7 million Baht. Therefore, the policy of Value Business Group emphasizes on both architectural and engineering design of single detached house by adding innovations and construction techniques to obtain quality house under more effective cost management, enabling to construct houses faster and save more cost. The customer then can buy house in more worthwhile price.

Furthermore, Value Business Group has also expanded single detached house market in the market with price from 10 million Baht in addition to the existing project (The Palm). The project development plan has been additionally expanded to 10 million Baht and more of house and land value in 2018.

The size of single detached house market has been approximately 28% of total housing market of registered house units. The income ratio of Value Business Group from single detached house has been approximately 20% of real estate income of Value Business Group.

1.3 Condominium

Value Business Group has adjusted marketing strategy and income structure from foreseeing the rapid change of residence need in Bangkok Metropolitan Region together with change of public transportation system such as sky train projects. This has resulted in considerable increase in residence needs of condominium since 2007 with target group of customers who earn low-middle income. Value Business Group has developed project model under the aforesaid brands with price range from 0.7 million Baht to 5 million Baht. After 2012, the economy started to recover from great flood situation, people increasingly needed residence along the routes of sky train, needed second house for occasional habitation, and increasingly travelled to work in Bangkok Metropolitan Region. Value Business Group therefore has entered into customer group that emphasizes on location in downtown zone or location nearby sky train or future sky train line such as Sathorn, Saphankwai, Charan Sanit Wong Road, etc. Value Business Group will focus on condominium projects with price range of 1 - 2 million Baht and 2 - 3 million Baht since the tendency of condominium projects with such price range is the market with continuous high rate of expansion tendency. Moreover, Value Business Group will expand condominium project market in price range of 3 - 5 million Baht with location nearby sky train line.

The size of condominium market in Bangkok Metropolitan Region has been 51% of total housing market from registered house units. The income ratio of Value Business Group from condominium has been approximately 30% of real estate income from Value Business Group.

Pruksa Real Estate Premium Business Group

In conclusion, the projects on sale by Pruksa Real Estate Premium Business Group under the following names (brands) are as follows.

High Risk (Condominium)	Low Rise (Single Detached House/ Twin House, Townhouse, Commercial Building)
The Reserve	The Palm
Chapter One	How*

Remark : * new brand

Pruksa Real Estate Premium Business Group develops both high rise and low rise premium projects and target group of products is customer group with quite high income earners both for residence and for investment.

The size of the current premium product market has been approximately 30% of total housing market value in Bangkok Metropolitan Region. With premium market potential, the growth of Pruksa Real Estate Premium Business Group has been considered as the growth of new business that will drive future growth of Pruksa. Even though, the first market entry has been commenced in 2017, five new projects could be launched and generated total sales of Business Group up to 8,000 million Baht or in the proportion of 17% of total sales of the Company whereas market share was estimated to be 7% of total sales of premium market in Bangkok Metropolitan and Region and total revenue recognition of Business Group was 1,866 million Baht. In the future, project launch has been continuously planned.

Pruksa Real Estate Premium Business Group uses its strength of project development ability under the following principle.

- To focus on selling point in each project based on location and life style of the consumer (Product Differentiation).
- To control project size and investment for investment diversification and risk abatement to be consistent with the existing marketing gap in each project and area.

The aforesaid strategy is for coping with change of market and competitors which are large entrepreneurs in the same business and outside the business, and Joint Venture (JV) Group and mix used projects that have been emerged nowadays and in the future.

Pruksa Real Estate Premium Business Group has developed both high rise and low rise projects. High rise projects have been developed under "The Reserve" brand which is the premium product and "Chapter One" brand which is the mass premium product for middle class group. The character is

designed based on consumer group with different selling point of project pattern. The low rise project has been developed under “The Palm” brand which is premium single detached house in the style of Modern Luxury under project launching plan in 2018, and “How” brand which is the brand in the style of Modern Luxury Shophouse that can satisfy the customer need both in term of commerce and residence under Soft Launch at the end of 2017 with well acceptance.

2. Hospital Business

With reference to information declared with Stock Exchange of Thailand, the Board of Directors’ Meeting of Pruksa Holding Public Company Limited resolved in the Meeting No. 2/2017 on February 16, 2017 to approve the business investment in hospital and health care center in the form of business operation through two subsidiary companies which are: (1) Vimutti Holding Hospital Company Limited as the holding company that holds shares in the Group of Companies which engages in hospital business, and (2) Vimutti International Hospital Company Limited (“Vimut Company”) as the company that engages in hospital business.

On October 9, 2017, the Company registered to change the Company’s name with Department of Business Development, Ministry of Commerce, under the following details.

1. Thai Name of the Company : Vimut Hospital Holding Company Limited and English Name of the Company : Vimut Hospital Holding Company Limited
2. Thai Name of the Company : Vimut International Hospital Company Limited, and English Name of the Company : Vimut International Hospital Company Limited

The investment in the first hospital of Vimut Company is in form of 250 Bed Sized Tertiary Care Level General Hospital whereas the medical care is provided both for general disease and complicated disease. The design is conforming to JCI International Standard from the beginning. The location is in business district of Bangkok Metropolis on the approximate area size of 4 rai 55.60 square wah at the roadside of Phahon Yothin Road and adjacent to Saphan Khwai Intersection. Vimut Company has estimated its total approximate investment for Baht 4,900 million being divided into Baht 950 million of land cost, and another Baht 3,950 million of construction cost, medical equipment and devices, and others. The operation commencement can be operated within 2020 according to the expectation.

Vimut Company has completed the purchase of such land and has already been approved for Environmental Impact Assessment (EIA) Report and Permit of Hospital Building Construction (39 Bis) from the authority.



Marketing and Competition

Real Estate Business

Marketing Policy

Pruksa Real Estate Pcl. ("Pruksa") as the core company of Pruksa Holding Pcl. has determined policies and strategies for sale promotion as follows:

Product Strategy: In 2017, Pruksa is unceasingly determined to develop residence to meet changing behaviors of consumers in every era and every age, and communicate the consumers via campaign of "Invisible Care" that "even though it is unseen by you but we have never overlooked" due to Pruksa's foresight beyond basic consumer demand and attention on small issues that may be unseen or overlooked by the house buyers in order to be new standard of habitation. Various people may give precedence to house style and design but forget important matter that should be mostly attentive. The said matter is house structure that must be strong and safe. However, Pruksa constructs with Safety Home Innovation for house strength and safety with increase of pile length at the back of the house, contributing to strong house without collapse risk. Pruksa has created Green Home Innovation, the energy-saving home, with addition of Sky lights, contributing to delivery of natural light into house and resulting in non-pitch-dark house, reduction of electricity consumption, saving of electricity bill, and also saving of our world. Due to Pruksa's understanding on living, easiness is increased with Smart Home Innovation that can control function of indoor electric appliances and check indoor movement by burglar alarm system equipped with surveillance camera unit via everyone's mobile phone with comfort despite of not staying at home. Today's consumers have given precedence to health care, the Company therefore uses construction materials and allocation of common area inside the project until becoming Healthy Home Innovation. It is the health care home that contributes to heat extraction, humidity reduction, and bad smell reduction, and has bicycle lane and racetrack which is actually usable, resulting in quality habitation and more healthiness upon long habitation.

Price Strategy: Pruksa is aware of purchasing power of the consumer group with low to medium income which is the main basis of Thailand and the group of main customers of Pruksa who are unsure and concerned about their insecurity of financial stability in purchasing their residences. Pruksa therefore gives precedence to construction cost management as the leader of technology and construction management process with Precast System and REM (Real Estate Manufacturing) and enable to set selling price lower than general entrepreneurs about 10 - 15% for townhouse and single detached house.

Advertisement and PR Strategy: Pruksa has improved the clarity of Brand Vision for advancement to cope with Business Move under brand target from 'Top Sales Brand' in Mass Market Segment to be 'Top of Mind Brand' in every target

group. Mind and emotional value addition is extended from the Pruksa's ability to continuously carry mass market's favors from brand with utility strength for market base expansion both in image and sales through Communication Design Concept. As at Pruksa..., we do not build house just for living but we build inspiration area for better living of everyone, and communicate the matter of inspiration creation to the group of people in different context (Communicate INSPIRING content certain Living Content) by key communication message which is Live INSPIRED. A Drive for BETTER Living fulfills inspiration for driving better living.

The said concept was developed to be three stories of motion pictures in advertising for communication with three groups of target customers that differently perceive value of life such as Be Stable Group, Be Myself Group, and Be Wealthy Group. This campaign (Inspirer) communicates to demonstrate that house can be inspiring place and trigger off the resident's dream to do what he/she desires to do, and become the inspirer who creates living model by him/her. However, the story and atmosphere of motion pictures in advertising are presented to reflect new image (Mood & Tone) for distinctness and change in the existing Pruksa Brand Personality.

Both offline and online communication channels have been integrated in order that each media can perform function of access to all three groups of target customers in creating awareness in broad area and creating content understanding to be consistent with the interest of each group for maximum effective spending of communication budget and extension of communication channels via public relations.

Distribution Strategy: Pruksa launched three campaigns of sales promotion activities such as (1) "Best Buy Moment" (Lucky draw to win gold) for the fourth time, (2) "Big Luck Big Life" (Big happiness to be granted for right of lucky draw to win 10 cars) and (3) "Pruksa Wonder move" (Bt 1 m of maximum discount for ready house for living) so that the consumer has chance to consider selecting house which is proper for his/her demand and also has chance to win the grand prize. The customer can visit to select and purchase via distribution channel at sale office of Pruksa more than 160 projects throughout campaign period. According to the consequence evaluation on all three campaigns, the Company found that the said campaigns could promote sales and total transfers on target under effective budget spending management.

In addition, Pruksa also participated in the events organized by real estate association such as house and condo expo at Queen Sirikit Convention Center, etc. 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 to extend customer base and increase more competitiveness. For other distribution channels, Pruksa also selected houses being offered for sale in special price of "Hot deal" on website of Pruksa.

Market Situation and Competition Condition

Summary of Thai Residential Market Situation in 2017

In 2017, the continuous recovery of the world economy has affected recovery of Thailand export sector, continuous expansion of consumption and investment of private sector particularly in the group of automotive industry, satisfactory expansion of tourism sector, and clear progress of infrastructure investment policy. All of which has been considered as main driving force of economy in last year while purchasing power of most household has still decelerated to be the obstacle of spending from high level of increasing accumulated household obligation as well as tendency of stagnant household income from non-increasing tendency of the price of agriculture goods and wage of non-agricultural sector. The aforesaid resulted in less growth of overall residential market of the whole nation in 2017 except Bangkok Metropolitan Region market with high growth up to 19%.

The value of ownership transfer for Thai residence in 2017 was approximately 636,380 million Baht under the proportion of Bangkok Metropolitan Region for 63% in maximum, eastern region for 12%, southern region for 8%, northern region for 7%, central and northeastern region for 5% in each region.

Table 1 : Value of ownership transfer for Thai residence in 2017 categorized by regions

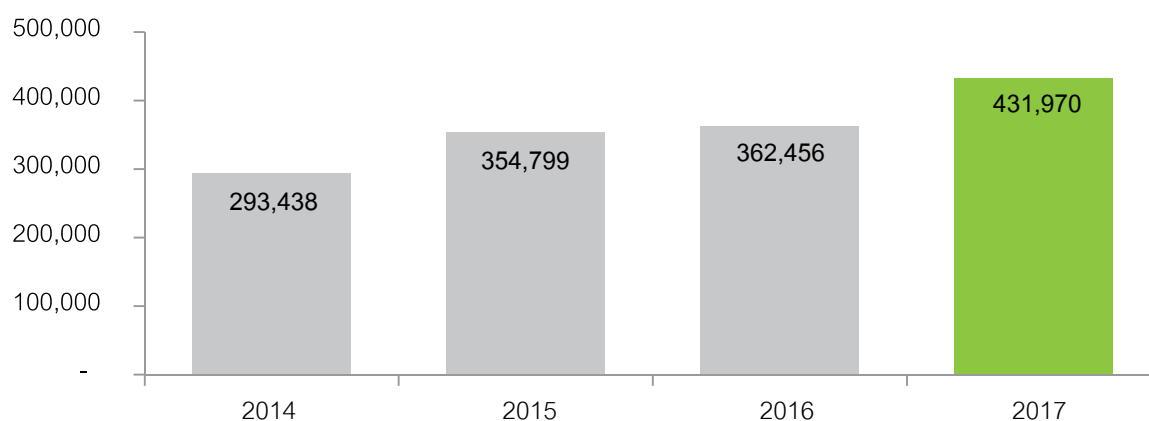
Year	North	Northeast	Central	East	South	Bangkok Metropolitan Region	Nationwide
2017	44,940	32,074	30,886	79,527	48,411	400,542	636,380
Proportion in Percentage	7	5	5	12	8	63	100

Source: Analysis by New Business Development and Strategy Line, Pruksha Real Estate Public Company Limited

Residential Market Situation in Bangkok Metropolitan Region

The residential market in Bangkok Metropolitan Region in 2017 from existing high level of household debt affected middle-low class customer groups, resulting in adjustment of strategy by the entrepreneurs in deceleration of project launches in the said price levels and focus on middle-high end level project launches, sales promotion program for customer group with good financial potential, and continuous expansion into customer group which is foreign investor group. The aforesaid resulted in increase of overall residential purchasing power for 19% when compared with 2017 with value of 431,970 million Baht.

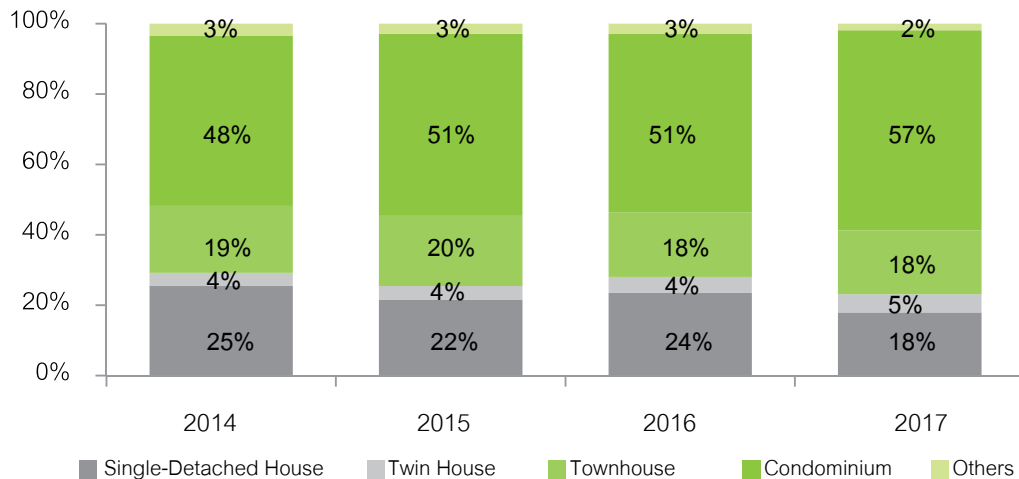
Diagram 1 : Value of residential market in Bangkok Metropolitan Region during 2014 - 2017



Source: New Business Development and Strategy Line, Pruksha Real Estate Public Company Limited

The proportion of condominium and twin house market increased for 57% and 5% (respectively). The proportion of townhouse market was equal to the proportion in 2016 at 18% and the proportion of single-detached house decreased to be 18%.

Diagram 2 : Proportion of residence type in Bangkok Metropolitan Region during 2014 - 2017

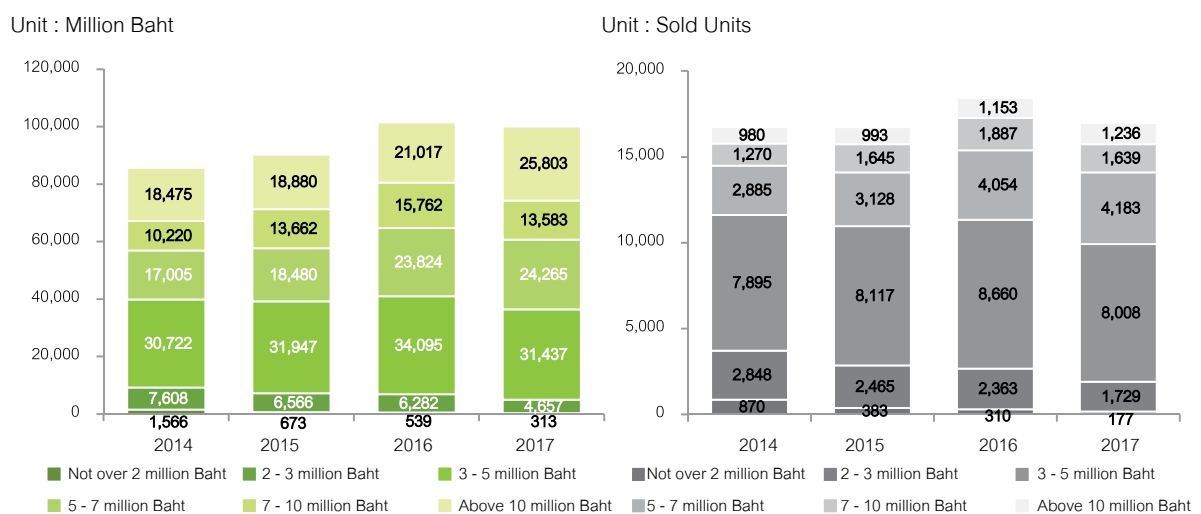


Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

Single-Detached House (including Twin House) in Bangkok Metropolitan Region

The value of single-detached market (including twin house) in Bangkok Metropolitan Region in 2017 was 100,059 million Baht, decreasing for 1% from 2016 due to deceleration in price level of 7 - 10 million Baht and price level of below 5 million Baht, and decrease in price level of below 2 million Baht and price level of 2 - 3 million Baht for 42% in maximum and 26% (respectively). The market proportion of price level of 3 - 5 million Baht was highest at 31% of total single-detached market (including twin house) value.

Diagram 3-4 : Market value and sales (number of units) for single-detached house (including twin house) in Bangkok Metropolitan Region during 2014 - 2017



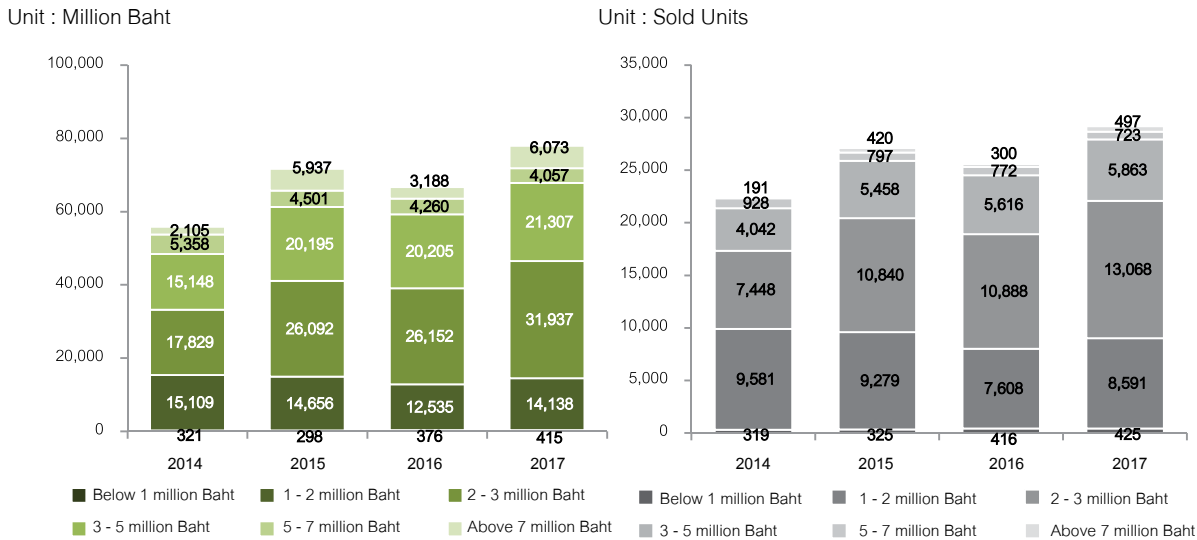
Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

When compared with average sale price in 2017, average sale price increased for 7% at 5.9 million Baht (in 2016, average price was at 5.5 million Baht) due to increase in price of single-detached house (including twin house) of the newly launched projects.

Townhouse Market in Bangkok Metropolitan Region

The value of townhouse market in Bangkok Metropolitan Region in 2017 was 77,927 million Baht with increasing growth for 17% from 2016. Pruksa Real Estate Public Company Limited has still maintained market share at 23% and still dominated highest market share as the leader of townhouse market at price level not over than 5 million Baht with proportion at 87% of total townhouse market.

Diagram 5-6 : Market value and sales (number of units) of townhouse in Bangkok Metropolitan and Region during 2014 - 2017



Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

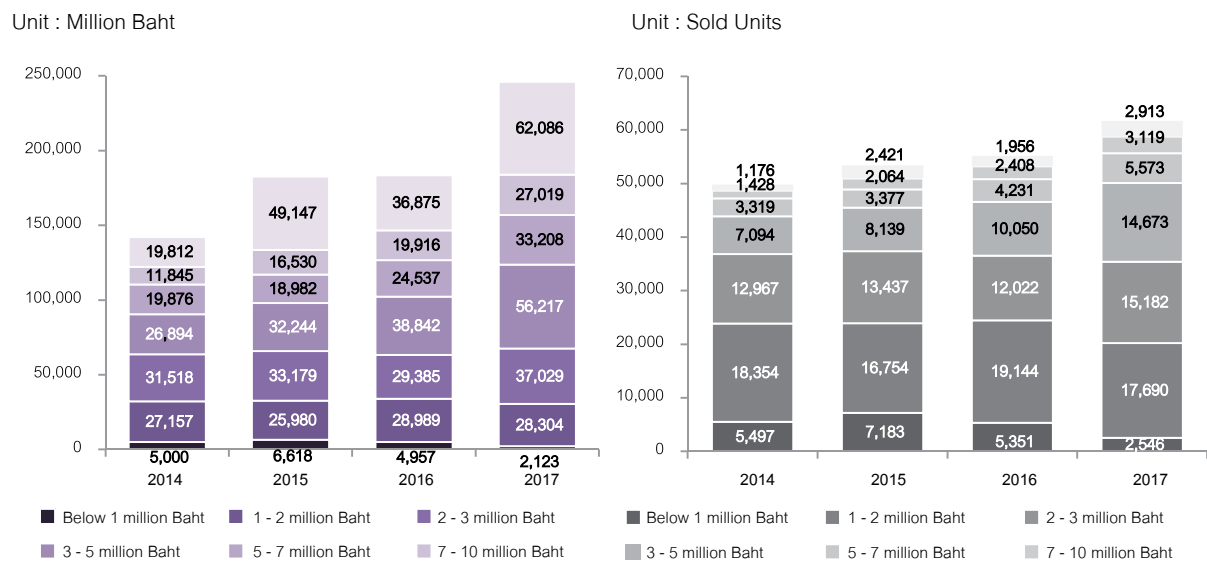
When compared with average sale price in 2017, average sale price slightly increased to be 2.7 million Baht (in 2016, average sale price was at 2.6 million Baht) due to slight increase in price of townhouse of the newly launched projects.



Condominium Market in Bangkok Metropolitan Region

The household debt and NPL problems have still continuously been in high level since 2016, affecting middle-lower class purchasing power in applying for housing loan and resulting in commencement of deceleration signal in the rate of absorption of newly launched projects in 2017 in the price level below 3 million Baht. Risk from transfer has been exposed by several entrepreneurs by starting to encounter the problem of transfer which is below target, resulting in strategic adjustment of the entrepreneurs to develop condominium projects in order to support demand of middle-high end class customers in the locations of downtown, business center, luxury residential are, and skytrain area where are always the districts with demand. In addition, the entrepreneurs have continuously expanded customer base to be the foreign investor group, resulting in increase in growth of the overall condominium market for 34% from 2016 with value of 245,985 million Baht.

Diagram 7-8: Market value and sales (number of units) of condominium in Bangkok Metropolitan Region during 2014 - 2017



Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

When compared with average sale price in 2017, average sale price increased for 20% at 4.0 million Baht (in 2016, average price was at 3.3 million Baht) since most of condominium projects were launched at sale price over than 3 million Baht which have been large number of luxury projects.

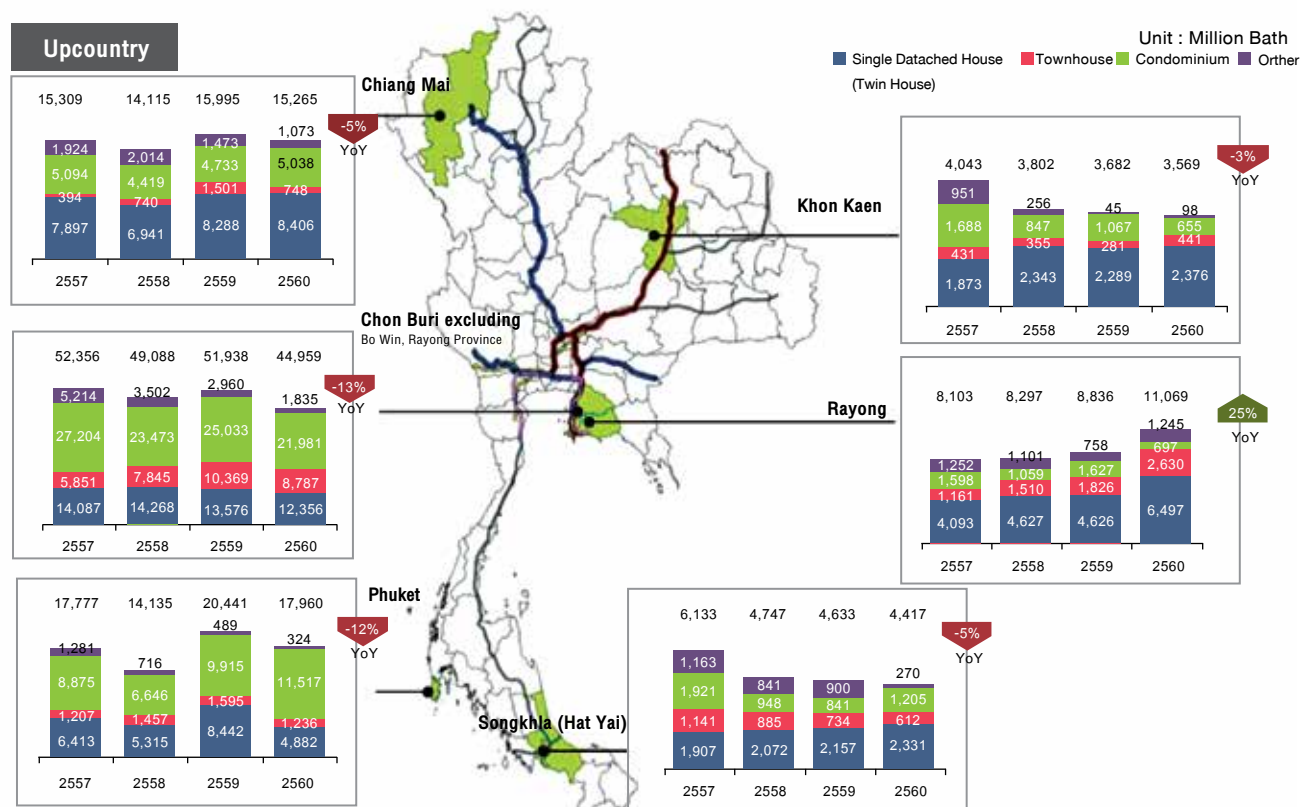


Residential Market Situation in Upcountry

Due to agricultural sector impact from decline in price of agriculture goods and high level of household debt problem, it resulted in slight deceleration of the overall residential purchasing power in five main provinces such as Chiang Mai, Chon Buri, Khon Kaen, Phuket, and Songkhla (Hat Yai) in 2017. However, it was found that the growth of condominium market in tourism sector provinces such as Phuket, Chiang Mai and Chon Buri which were the provinces with slight growth was mainly from foreign investor group.

For Rayong, the residential market particularly in low-rise residence has been affected from clearness of Eastern Economic Corridor (EEC) Area Development Policy to be increased for 42% or estimated value of 2,675 million Baht. Total value of residential market of main six provinces in 2017 was at 97,239 million Baht.

Diagram 9 : Value of residential market in 6 major provinces during 2014 - 2017



Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

Trend of Real Estate Development Business for 2018

The following table is the summary of key economic indicators of Thailand in 2014 - 2018.

Significant Information of Thai Economy	2014	2015	2016	2017F	2018F
Growth Rate of Gross Domestic Product (YoY%)	0.8	2.8	3.2	3.9	3.6 - 4.6
Gross Domestic Product for the Current Year (Trillion Baht)	12.91	13.67	14.37	15.26	16.26
Average Inflation Rate (%)	1.9	-0.9	0.2	0.7	0.9 - 1.9
Policy Interest Rate (%)	2.00	1.50	1.50	1.50	1.50

Significant Information of Thai Economy	2014	2015	2016	2017F	2018F
1 Year-Term Bank Deposit Interest Rate in average of five big banks (%)	1.73	1.40	1.40	1.40	N.A.
Minimum Loan Rate (MLR) in average of five big banks (%)	6.94	6.68	6.43	6.32	N.A.
Average Baht Value (Baht per USD)	32.48	34.29	35.29	34.00	34.0 - 35.0
Forex Reserves (Thousand Million USD)	157.11	156.51	171.85	202.56	196.00

Source: IMF, World Bank, Bloomberg, Office of the National Economics and Social Development Board, Bank of Thailand

The expansion on the overview of Thai economy in 2017 was anticipated to be 3.9% consisting of the expansion in export value at 8.6%, private consumption and total investment at 3.2% and 2.0%, respectively, average general inflation rate at 0.7% and surplus current account at 10.4% of GDP.

The Office of the National Economics and Social Development Board anticipated the trend of Thai economy in 2018 that it will be expanded at 3.6 - 4.6% whereas the important supporting factors being continual from 2017 included (1) expansion of the world economy in satisfactory criteria, (2) driving force from public sector investment with accelerating trend according to the progress of the significant investment projects and increase in investment budget framework, (3) improved adjustment of private investment, (4) expanding trend of significant economic fields in continual satisfactory criteria, and (5) adaptation of employment and income base of people in economic system in better direction. However, the expansion was anticipated in export value of goods at 5.0%, private consumption and total investment at 3.1% and 5.5%, respectively, average general inflation rate in the interval of 0.9 - 1.9%, and surplus current account at 8.1% of GDP.

Thai economy supporting factors in 2018

1. The economic direction in 2018 from continuous satisfactory expansion of world economy and export has resulted in upward acceleration of industrial sector and more economic promotion, along with progress of government investment in important investment projects and framework of increasing investment expenditure budget.
2. The rate of production capacity utilization of the export industry sector has been continuously increased due to interest of the foreigners to invest in Eastern Economic Corridor (EEC) Projects and due to entry of e-commerce business group to penetrate into Thai consumer markets, leading to investment demand in various areas such as transportation, goods storage and distribution, data collection and analysis, etc.
3. Private sector investment has gained supporting factors from investment promotion policies whether BOI, Eastern Economic Corridor (EEC), and Public Private Partnership (PPP), and being the companies in the industry with tendency of satisfactory growth in service category such as communication and telecommunication, construction of big projects, and industry category such as automobile, electronics and petrochemical.
4. Tourism sector has still tended to be expanded in satisfactory criteria according to recovery of the world economy both in main economic countries and important countries in Asia, and government promotion measure.
5. It was anticipated that the interest rate under the policy of Bank of Thailand has not yet been increased and remained at 1.5%, contributing to well stimulation of consumption sector and real estate sector.

Risk factors that may affect Thai economy in 2018

1. Household income has tended to be decelerating due to declining price of agriculture goods. The agricultural sector has been affected after cancellation of agriculture goods subsidy measure in accompany with draught state in the previous period that has caused output lesser than expectation, resulting in income impact and increase in obligation of agriculturalists. The price of agriculture goods was anticipated to be steady in low level.
2. The existing high level of household sector debt has restricted new debt incurrence and the financial institution has still been strict to loan granting, affecting access of people to housing loans.
3. Increase in minimum rate of labor wage has affected in crease in labor cost for 2.6%, resulting in higher cost burden of business sector and industrial sector that directly utilizes labor such as construction business, retail and wholesale business, textile business, and agricultural sector, etc.

Tendency of Residential Market in 2018

According to supporting factors of residential market, the Company anticipated tendency of Thai economy in 2018 as follows:

- 1) The 44 transportation investment projects with approximate investment value of 1.9 trillion Baht will result in the tendency of continuous expansion of government investment in term of infrastructure of transportation such as double-track railway, electric train in urban area, and motorway connected with big city projects.
- 2) Eastern Economic Corridor (EEC) Infrastructure Investment Project in the limit of 1 trillion Baht and promulgation plan for Eastern Economic Corridor Act within the first quarter of 2018 will contribute to enhancement of confidence to investors that will enter to invest in the said area.
- 3) Ministry of Finance anticipated growth rate of GDP at 3.8% and approximate increase in general inflation rate for 1.4.
- 4) Tourism sector has still tended to be expanded in satisfactory criteria according to recovery of world economy both in major economic countries and important countries in Asia, and government promotion measure.
- 5) The investment of private sector and export has tended to be continuously expanded. Due to the said factor, it has reflected good signal of economic expansion of the country.

At the time that the challenge of real estate sector has been high level of household debt level and Non-Performing Loan (NPL) level factors, the said challenge has resulted in strictness of financial institution in granting housing loan. Therefore, it was anticipated that the tendency of residential market in Bangkok Metropolitan Region in 2018 will be expanded for 10% with approximate market value of 474,000 million Baht. The average sale price of low-rise residence has been increased and fluctuated according to increase in land cost, construction cost and labor cost. While condominium market has still dominated highest market proportion for 55 - 60%, the residential market in upcountry where are the main provinces will be steady equaling to 2017. Except main provinces in tourism sector and industrial sector, it was anticipated for continuous expansion in 2018.

Hospital Business

The expansion of the private hospital business in Thailand has been likely continuous due to recovery of economy, population status, globalization and few number of hospital beds per population when compared with mean and standard normal score of the developed countries. Apart from private hospital business, the special supporting factors such as high quality, potential and internationally accepted medical personnel and hospital school and proper with reasonable medical care service charge when compared with foreign countries, etc. For the group of main target group for construction of the first hospital of the Company, Vimut selects to focus on the potential group and the customer group which is expert by the Company from experience in real estate business. The said customer group is middle income customers which are the large group of populations without necessity of reliance on basic public system of government sector under problem both of quantity and quality shortage and long waiting period for disease treatment. In addition, the middle income customer group has moderate purchasing power and gives precedence to convenience and effective service without necessity of excessive luxury.

As both large public and private hospitals are around the project and this is both pros and cons. It is to say that medical personnel are the key factor of success and they can be easily circulated from various hospitals to be the project. However, it is necessary for the project to use various and proper strategies in retaining these medical personnel to be with the project such as benefit and remuneration, investment in new and modern medical instruments, good, appropriate and up-to-date information system, etc.

Product or Service Provision (All Products)

Real Estate Business

Land purchase

If Prukسا Real Estate PCL (“Prukسا”) is interested in construction and land development in any area, it will conduct feasibility study of the project by surveying the market situation and competition situation, as well as needs of customers in target area where the project will be implemented. After that, Prukسا will negotiate land purchase by buying land from the owner or agent of land for further development. Prukسا will compare land prices with appraisal value and/or market price to ensure that the purchasing land is not too expensive.

Construction Material

As Prukسا manages construction of the projects by itself, it purchases construction materials after purchase division receives details of construction materials required for use in the projects. Mostly, purchase division contacts each construction material manufacturer directly to check price of construction materials which will be purchased. Prukسا will get a higher discount due to purchase of construction materials in large volume. Upon agreement on quantity and price of construction material with the manufacturers, Prukسا orders construction materials via manufacturer agents to deliver them to projects directly. The Company’s credit term of construction material payment is in the range of 30 - 60 days. Furthermore, after 2006, Prukسا reduced risk of construction materials by starting changing the method of purchasing main construction materials such as cement, steel, tile and cable, etc. under a bidding and long-term price agreement such as 1 year or 3 - 6 months. This resulted in Prukسا’s reduction of risk in price fluctuation. Good relationship between Prukسا and construction material distributors causes Prukسا enable to order construction materials in required quantity without problem of construction material shortage. However, Prukسا particularly relies on none of any construction material distributors and it also created the system of planning on usage requirement for every type of important main materials in consistency with business expansion plan to ensure that the Company has sufficient materials for continual usage and plans searching of major and minor trade partners effectively.

In addition, Prukسا developed the trade partner searching and assessing process for transparency and acquisition of potential trade partners to support works. It also implemented e-Auction system for fair quotation of trade partners and for acquisition of reasonable prices.

Contractor

Prukسا is one of few real estate developers that can manage construction by itself. In operating project, it defines the project pattern and design detail in part of project construction. Prukسا manages construction works by itself under division of works such as foundation work, cement work, building part installation, flooring work, tiling work and roof work, etc. Prukسا employs the contractor with specific expertise to be in charge of such works and controls construction by itself through sending Prukسا’s employees which are engineer and foremen to inspect according to determined specification and standard. However, Prukسا supplies construction materials by itself so it can manage construction cost effectively.

Production Technology

Prukسا applies construction technology to support in-house construction. In part of townhouse, two structure systems are applied including 1. Cast-In Situ Load Bearing Wall using Tunnel Technology, and 2. RC Load Bearing Wall Prefabrication System using Precast Technology for construction of two-storey townhouses. For single detached house, it applies RC Load Bearing Wall Prefabrication Technology or Precast Technology which is the application of fully precast load bearing wall structure system. In part of large and small condominium projects, Prukسا applies Full Precast System which is its strength for constructing the entire project. Besides elements produced from modern factory are quality both in attractiveness and strength, they can effectively contribute to accurate and rapid construction process, reduction of error caused from operation during construction due to skilled labor, as well as mitigation of labor shortage problem in the market.

In 2014, Prukسا applied prefabricated bathroom innovation in construction process particularly in low rise condominium construction and the first project was “Plum Condo”. The use of the said bathroom can reduce duration and complicated procedures in constructing bathrooms in condominium, improve quality in particular, with exquisite and valuable style in the customer perception, resulting in creating maximum customer satisfaction.

In 2015, Prukسا conducted research and development of prefabricated bathroom innovation for townhouse and single detached house projects by hiring an expert consultant from foreign country to join the test and design of prefabricated bathroom factory with automatic production process. According to production of prefabricated bathroom from factory and installation in work site, quality, cost and beautiful model of bathroom in every house can be controlled for delivery of highest quality houses to its customers.

In 2016, the Company firstly implemented Fully Precast System and prefabricated bathroom for high rise condominium construction with 38 - storey Plum Condo Central Station Project. The said system contributes to considerable reduction of construction duration with strong, attractive styles and good quality, and valuable products, resulting in creation of maximum customer satisfaction.

In 2017, Pruksha extended the implementation of Fully Precast System in low rise construction in townhouse business group for

all new projects, and single detached house business group, contributing to considerable reduction of construction duration, with strong, attractive styles and good quality, and valuable products, resulting in creation of maximum customer satisfaction.

With above production technology and construction process development, Pruksha can adjust business cycle time (from booking date to transfer date) to be continuously faster. From 2013 - 2017, Pruksha's business cycle time was from the booking date to the transfer date as follows:

Units: Day	2013	2014	2015	2016	2017
Townhouse and Single Detached House	146	87	79	77	73
Condominium	780	817	739	631	619

Environmental Impact

The residences and public utilities of the project are constructed under control of the Notification of Ministry of Natural Resources and Environment Re: determination of principles, methods, regulations and guidelines of preparing environmental impact assessment report, issued by virtue of National Promotional and Reserved Environment Act B.E. 1992. Under such notification, the company that develops estate for residence or commercial business in the size of at least 500 plots or space more than 100 Rai must prepare environmental impact assessment to propose in procedure of asking for permission of estate development according to Estate Development Law. Before starting construction, such report shall be submitted to Office of Natural Resources and Environment Policy and Planning. In this part, Pruksha shall prepare EIA Report in accordance with the law and such report shall be prepared by external experts.

Moreover, the environment may be affected from construction of residence especially single detached house. The most important thing is wastewater treatment system. Pruksha therefore provides wastewater treatment system for each house and central wastewater treatment system so as to prevent impact on public water sources.

Every condominium project of the Company shall prepare Environmental Impact Assessment (EIA) Report by external expert and submit the said Report to the Office of Natural Resources and Environment Policy and Planning before construction commencement. The environmental expert shall collect data to conduct public hearing, analyze impact as the result of project from the period of construction and building opening for use, determine environmental control measure in accordance with the criteria of the Office of Natural Resources

and Environment Policy and Planning and senior professional level from relevant government agencies.

In part of the Precast Concrete Factory, it is under control of Factory Act B.E. 1992 whereas Pruksha has set standard and method of emission control for waste, pollution and anything affecting environment as a result of the said factory business operation. Pruksha has formulated control measure in the matters of environmental impacts as the result of the said factory business operation to create confidence that Pruksha operates with environmental responsibility.

Three types of Pruksha's pollution control measures include: (A) wastewater from concrete production process is controlled to flow into precipitation sump before stone and sand sorting for reuse. Such wastewater is reused for production without emission of wastewater to the community or public land; (B) air pollution is controlled by spraying water in the area of concrete mixing factory during adding stone and sand to the stock pile, and also spraying water during rinsing stone and sand in order to enter into concrete mixing process to prevent disturbance from dust to nearby community and in the factory. In addition, the production process is also installed with dust collector and floor cleaning machine to reduce dust left in building. For all road surfaces in factory area, they are sprinkled with water before sweeping to prevent dust diffusion; (C) noise pollution is controlled whereas the said noise pollution is mostly originated from concrete compaction machine. In 2008, Pruksha installed Noise Barrier to absorb noise occurred from production and later ordered new concrete compaction machine using Shaking System in replacement of Vibrating System which was the old system. The new system can reduce intensity of sound substantially. Moreover, Pruksha also measures sound loudness level both inside the factory and nearby community every year.

In 2014, Prukha constructed Prukha 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 for wastewater of Batching Plant, rinsed water in precast concrete production process, as well as concrete scraps that has high alkalinity, causing intoxication to environment. Prukha thus constructed precipitation sump and used Concrete Recycling Machine to recycle treated water from precipitation process into concrete production process again. Stone and sand which are separated can be reused as ingredients of concrete, resulting in no material scraps left from production; (B) Dust Protection and Elimination System was installed with Dust Collector, Shuttering Cleaner with Dust Collector, and Pallet Cleaner with Dust Collector. Close-System Batching Plant (Tower Plant) was selected for use whereas Conveyor conveys stone, sand and cement in close-system to prevent diffusion of dust from stone, sand and cement that may occur from production process; (C) factory noise impact protection and mitigation using Shaking System instead of Compacting System (Concrete Shaker) to prevent noise pollution in the factory.

In 2015, Prukha Precast Factories including factories in Lamlookka and Navanakorn were certified for Green Industrial (GI) Level 2 from Ministry of Industry. The factories started implementing Solar Cell System with Lighting System and Water Pump System to reuse water for watering trees and garden care in the area of the factories to reduce electricity resource consumption, and to worthily consume water resource.

In 2016, Prukha Precast Factory in Lamlookka implemented Wastewater Management System with wastewater of Batching Plant, rinsed water in precast concrete production process, as well as fresh concrete scraps. The Company constructed

precipitation sump and used Concrete Recycling Machine to recycle treated water from precipitation process in concrete production process again. The sand and stone which are separated can be reused as ingredients of concrete again, resulting in no material scraps left from production. The Company invested in construction for 20 million Baht in total and the construction was completed in December 2016.

In 2017, Prukha Precast Factories including factories in Lamlookka and Navanakorn were certified for Green Industrial (GI) Level 3 from Ministry of Industry. Both factories operate their production under systematic environmental management, monitoring and assessment, and review for continuous development. In the meantime, Solar Cell Lighting System was invented for Wastewater Treatment System of the project and juristic person office. It is the consumption of clean natural energy using solar energy to substitute electrical energy in primary form, enabling to effectively reduce electrical energy consumption and to be environmentally friendly. However, the Company formulated the policy that the said project will be implemented in every new project.

Hospital Business

The form of tertiary care general hospital and clinic with 250 beds is the medical care service both of general disease and complicated disease, under design in consistency with JCI international standard from the beginning. The location is situated in business district of Bangkok Metropolis on the area in approximate size of 4 rai 55.60 square wah at Phaholyothin roadside nearby Saphan Khwai Intersection.

Vimut has already completed purchase of the said land, and EIA Report and Permit of Hospital Building Construction (39 BIS) have already been approved by the authorities.



Production Management

- Most materials are cement, stone, and steel that can be generally purchased from nationwide manufacturers and distributors. Since 2006 onwards, Prukسا used the selection strategy for construction material sellers through bidding method in a year or possibly shorter period as deemed proper for constant construction cost of Prukسا all year long.
- There are approximately 2,500 contractors in the system of Prukسا.
- Prukسا develops relationship with the contractors in major works that are needed in market such as soil filling works, piling works, or building construction contracting works to be strategic partner to support Prukسا expansion according to future plan.

I. Construction Management - Townhouse

Prukسا divides the construction management into 2 management divisions as follows:

- Construction Management Division performs duties to supervise and operate the construction of every construction project in accordance with specified plans and patterns. It also monitors expenditures to be within budget and coordinates with Budget Division of Prukسا.
- Quality Assurance Division performs duties to inspect quality of each constructed house to meet the specified standard.

In addition, Prukسا's central supporting divisions manage construction works with duties to support in part of townhouse and single detached house. Such divisions include the following:

- Contractor Recruitment Division performs duties to recruit a specialized contractor and labors to support construction works in required quantity of each project.
- Purchase Division performs duties to purchase materials used in construction to support more flexible and effective construction management. In 2013, the Company restructured internal management by transferring the following supporting divisions to be managed by each business unit.
- Research and Development Division performs duties to adapt suitable technology in design and construction.
- Engineering Division performs duties to design and solve technical problems.
- Project Development Division performs duties to coordinate and mutually develop residence designing in projects.

House Designing: In designing houses of each project, the marketing and sale division 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 for house construction. After that, Project Development Division assigns an architect to design houses according to the said approaches, attributes and conceptual design. When Project Development Division deems that the house drawing designed by the architect is suitable, the architect will carry out detailed design for complete house drawing before construction startup of Prukسا.

In constructing townhouse, the Company divides construction works into production line. Each production line can construct approximately 21 two-storey townhouses per month. In each project, there may be more than one production line depending on size of the project. Prukسا will send about 10 employees of Prukسا/production line to supervise construction works. Those employees consist of project manager as project supervisor, project engineers, field engineers and construction controllers that supervise construction works in each stage of works, and supervise and control the specialized contractor employed by Prukسا to perform works which are minor details such as piling work, foundation work, building member installation, roof work, architectural work, electricity and water supply works. However, Prukسا employs the specialized contractor and day laborers in the number deemed proper in each production line. During construction, Quality Control Division will periodically inspect quality of houses and inspect quality when houses are completely constructed before offer for sale or delivery to customers.

Prukسا can build this type of house in lower price than other entrepreneurs but with equivalent quality and more utility spaces than houses with similar model, size and location constructed by other entrepreneurs. Apart from Prukسا's ability to manage construction works by itself as aforementioned, there is another important reason that Prukسا uses production technology that can reduce construction duration, resulting in cost and labor cost saving with good quality elements. Prukسا uses technology of Cast-In Situ Load Bearing Wall Structure System for houses in Baan Prukسا Project and technology of precast load bearing wall which is the technology used by Prukسا in constructing single detached houses for use in construction of houses in Prukسا Ville and The Connect Projects.

In the initial period of townhouse construction, Prukسا has used construction technology using Cast-In Situ Load Bearing Wall Structure System which was purchased by Prukسا from France. This technology is called by us as "Tunnel Technology". This system uses wall to bear load instead of post and beam. The construction procedure begins from construction by assembly and installation of wall steel and upstairs floor layout in the same procedure. After that, structural steel both of downstairs wall and upstairs floor is simultaneously knotted and cemented. The following procedure is to build wall and install roof structure to acquire complete exterior work in very shorter duration than conventional construction. The said technology has been applied with townhouse construction for Prukسا, Prukسا Ville, and The Connect.

Later, Pruksha constructed Precast Concrete Factory using modern technology from Germany for construction of single detached house. After a certain period of production, Pruksha can properly manage and control cost. RC Load Bearing Wall Prefabrication Construction Technology or called "Precast Technology" by us then was initiated for implementation with townhouse construction. This is the modern technology with good quality elements due to control of element production quality from factory. Pruksha formulated the policy for entire adaptation of townhouse construction from Tunnel Technology construction to be Precast Technology with Pruksha, Pruksha Ville, The Connect, and Patio Projects.

House Construction Technology using Cast-In Situ Load Bearing Wall Structure System. Please see additional details in topic of single detached house construction management.

2. Construction Management - Single Detached House

The construction management of single detached house takes place in the same way of construction management of townhouse project. However, in part of construction of each project, Pruksha will allocate the employees to be responsible for each project instead of division of production line because the units of single detached house projects are fewer than the units of townhouse projects. Nevertheless, Pruksha shall send 30 - 40 employees of Pruksha to supervise construction in each project and employ the specialized contractor and day laborers in the number deemed as appropriate by Pruksha for each project.

RC Load Bearing Wall Prefabrication Technology. Initially, Pruksha mutually cooperated with Asian Institute of Technology to use methods of construction with RC Load Bearing Wall Prefabrication or shortly called "Precast" by casting prefabricated load bearing wall in the area of each project. Later in 2004, Pruksha constructed Precast Concrete Factory by purchasing such technology from Germany whereas Semi-Automated Pallet Circulating System is used. The said system is the most modern production system in Thailand at that moment. Furthermore, this type of construction technology has been used for two-storey single detached house due to variety of wall patterns in single detached house. In a house, there are approximately 30 - 60 pieces of elements. This type of construction technology is casting each element in the factory before transportation for assembly to be a house in construction project.

However, the prominent point of this type of technology apart from similar prominent point of house construction technology with Cast-In Situ Load Bearing Wall Structure System, also includes other significant prominent points such as no waste of space between beam and post resulting in more utility space, highly-fire-resistant wall, and more dullness than the construction using redbrick or autoclaved aerated brick, as well as high resistance to water absorption. Moreover, such technology requires low maintenance because it is

prefabricated structure, resulting in low insurance payment by the residents since the house constructed with reinforced concrete structure, is highly resistant to fire, strong and durable. Pruksha mutually studied and developed with AIT on the construction with this system until the system can be resistant to force derived from 7-richter earthquake.

Houses that are constructed with this technology can be finished within 30 - 45 days. If it is constructed with conventional construction method, it will take around 180 days.

Pruksha also has a factory producing prefabricated fences and posts using production technology of Battery Mold System to produce fences and posts. In production process, steel mold is patterned and controlled by hydraulic system in pushing and removing steel mold to tail and separate with each other. After the steel mold is tailed with proper distance, concrete will be filled in the steel mold. After that, the steel mold is removed so that fences and posts are used to construct houses. The production capacity for fences of such factory is 12 units/day and production of house fence and post, project fence of single detached house and townhouse projects, and model post and Parapet of townhouse are also increased.

In 2007, Pruksha entered to penetrate condominium market and then formulated the policy to build PCF3 to produce exterior wall members of condominium. The interior wall and main structure have still been the old construction system. Later in 2010, Pruksha formulated Fully Precast System Construction Policy, resulting in inadequacy of PCF3 production capacity. Therefore, it constructed PCF4 to support condominium works. For PCF3, the factory was modified to produce Pre-stress concrete slab to support the plan to respond increasing need of single detached houses.

In 2010, Pruksha had more market share of single detached house, resulting in inadequacy of the factory production capacity. Therefore, it constructed PCF4 and PCF5 with investment fund of 1,050 million Baht and started test run in the mid of December 2010. PCF5 could produce houses for 400 units/ month. When combining with current production capacity of PCF1, total house production capacity is 640 units/ month. The newly constructed PCF5 was a precast concrete factory with highest production 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 mid of 2011. Later in the ending period of October 2011, the great flood occurred in Bangkok Metropolitan Region but the factory was safe from such disaster. However, it had to stop production because it could not transport materials to the projects. The factories returned to produce again in January 2012.

In 2013, Pruksha modified the townhouse construction system from Cast-In Situ Load Bearing Wall Structure System to be RC Load Bearing Wall Prefabrication System. It also had more market share of single detached house. So, in the

second half of the year, production capacity of PCF1-PCF5 was used over 100%. It had a plan to construct PCF6 and PCF7 to support growth of the company according to its business plan and Prukha purchased 130 Rai of land in Navanakorn, Pathumthani Province.

In 2014, Prukha constructed two new Prukha Precast factories in Navanakorn consisting PCF6 and PCF7 with investment fund of 2,300 million Baht. PCF6 produces precast concrete wall with production capacity of 480 units/month and started production in September. PCF7 produces Pre-Stressed Concrete Slab by implementing Long Bed System whereas machine was installed in September and production was commenced in the beginning of 2015.

New Prukha Precast factory uses most modern technology and machines from Germany and uses automatic system controlled by computer in every step of production, resulting in higher quality elements above general standard. Furthermore, it also uses Robot to reduce labor and increase productivity and also uses Concrete Recycling System to recycle wastewater and concrete scraps in production process again. This system also sorts stone and sand for reuse without any material scraps left from production. It is environmentally-friendly and considered as the first Green factory of Thailand that has implemented this system in Precast Concrete manufacturing industry.

Prukha has increasingly expanded into condominium market. It then formulated a policy to use prefabricated bathroom to reduce construction time and modify PCF2 previously from fence production to be prefabricated bathroom production instead. It started production in May 2014 with prefabricated bathroom production capacity of 4,000 units/year.

In 2015, PCF7 started production in February, resulting in total production capacity of 1,120 units/month or 5.2 million square meter/year. It has been considered as factory with highest production capacity in the country.

In 2016, Prukha expanded the construction of low rise and high rise condominium projects, resulting in the increasing demand of prefabricated bathrooms. PCF2 then improved production process, resulting in increasing production capacity of prefabricated bathroom to be 7,200 units/year.

In 2017, construction method was modified from Cast-In Situ Flat Slab of downstairs floor to be Precast downstairs floor (Ground Beam + Slab 1), resulting in the factory's increase of products in production at PCF3 and PCF7. The stair work construction system for townhouse was modified from steel structure stair to be precast concrete stair, resulting in increase of stair products to be produced at PCF3 for production capacity of 900 units/month.

Table for Brief Summary of Precast Factory

Location	Factory	Production System	Product	Monthly Production Capacity
Lamlookka	PCF1 (Carrousel I)	Semi-Automated Carrousel System	Bearing Wall (House/Condo Wall)	700,000 Sq.m.
	PCF2		Bathroom Pods (Prefabricated Bathroom)	Prefabricated Bathroom for 7,200 Pods
	PCF3	Pre-stressed Long Line System	Pre Stressed Concrete Slab, Stair, Ground Beam	600,000 Sq.m.
	PCF4	Battery Mold system	Special Element, Bearing Wall (Condo High Rise), Prefabricated Bathroom Element, Townhouse Backyard Fence	400,000 Sq.m.
	PCF5 (Carrousel II)	Fully Automated Carrousel System	Bearing Wall (House/Condo Wall)	1,300,000 Sq.m.

Location	Factory	Production System	Product	Monthly Production Capacity
Navanakhon	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 Ground Beam	700,000 Sq.m.

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

Criteria of Old Investment Promotion	Criteria of New Investment Promotion for 1 Million Baht BOI (Condominium)	Criteria of New Investment Promotion for 1.2 Million Baht BOI (Row House or Single Detached House)
<ul style="list-style-type: none"> There must be not less than 150 residence units for District 1 and not less than 75 units for District 2 and 3. 	<ul style="list-style-type: none"> There must be not less than 50 residence units for every District. 	<ul style="list-style-type: none"> There must be not less than 50 residence units for every District.
<ul style="list-style-type: none"> Unit space must not be less than 31 square meter. 	<ul style="list-style-type: none"> Unit space must not be less than 28 square meter for District 1 and not less than 31 square meter for District 2 and 3 	<ul style="list-style-type: none"> Unit space must not be less than 70 square meter for District 1.
<ul style="list-style-type: none"> It must be sold in unit price of not over 600,000 Baht (including land price). 	<ul style="list-style-type: none"> It must be sold in unit price of not over 1 million Baht (including land price) for District 1 and not over 600,000 Baht for District 2 and 3. 	<ul style="list-style-type: none"> It must be sold in unit price of not over 1.2 million Baht (including land price) for District 1 and not over 600,000 Baht for District 2 and 3.
<ul style="list-style-type: none"> It must be permitted for construction according to Building Control Act or other relevant laws. 	<ul style="list-style-type: none"> It must be permitted for construction according to Building Control Act or other relevant laws. 	<ul style="list-style-type: none"> It must be permitted for construction according to Building Control Act or other relevant laws.

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

Environmental Impact Mitigation Measure for Condominium Work

Environmental impact mitigation measure is divided into 2 phases as follows.

1. During construction
2. During operation

However, measures in both phases are mostly similar whereas the detail of measure during construction is not much different in each project and measure during operation is partially derived from building design that is different part in each project.

Measure	During Construction	During Operation
1. Air Quality	/	/
2. Noise	/	/
3. Vibration	/	-
4. Landslide	/	-
5. Using 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	-	/

Samples 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 on road surface inside the project to reduce dust as a result of travel in construction site.
- The project arranges officers from the project to meet nearby residents and ask them about impacts from building construction.

2. Noise Measure

- The project sets working hours causing noise at daytime to avoid disturbance to neighbor houses.
- The project constructs foundation with bore pile and Jack in pile to reduce impact of vibration to n nearby community.
- The project repeats the contractor not to do activities that cause noise at the same time to prevent excessive noise.

3. Landslide Measure

- The project constructs retaining wall along the area of public canal boundary line to prevent bank collapse.

- The project constructs retaining wall around the project to prevent landslide that can damage nearby houses.

- The project pounds Sheet Pile and makes Bracing to prevent landslide. During removing the retaining pile, the project must immediately fill the hole occurred from removing the said retaining pile and solidly compact soil to prevent soil movement.

4. Wastewater Measure

- The project has instant aerobic wastewater treatment tank to treat wastewater before draining into the sanitary sewer aside the road of the project.

5. Water Drainage

- The project designs water drainage system in accordance with specified regulation for water drainage so that water drainage from the project will not cause trouble to neighborhood during construction and during operation.

6. Solid Waste Management Measure

- The project prepares the solid waste containing tank in construction site area and collects at many points so that the solid waste collecting truck can collect and transport for disposal.

7. Traffic Measure

- The project sets up publicity board of the project according to the determined measure so that nearby residents can contact us in case of troubles and the signboard of the project name is clearly visible.
- The project provides security guards to conveniently and safely facilitate car access in the project in order not to obstruct the traffic.

8. Occupational Health and Safety

- The project installs strong and noticeable fences around it to prevent commuters around the project to enter the construction site area.
- The project installs publicity signboard in front of the construction site so that nearby residents can be informed in case of trouble from construction site.
- The project arranges Safety Talk everyday morning to educate workers about personal sanitation care.



Risk Factors

Due to establishment of Pruksha Holding Public Company Limited ("Company") to operate business as holding company that generates revenue from holding shares in other others, the contingent risks encountered by the Company are risks from business operations of its subsidiaries and/or future associated companies. The risk, preventive method and risk abatement aspects have been analyzed as follows.

Risks from Core Business Operation of the Company

Risks as a Holding Company

As the Company was established as holding company under objective of main investment in other companies, its operating results are mostly based on the operating results of the companies in which the Company makes investment. Hence, the decision on selecting the company for investment therefore is highly crucial for operating results of the Company. At present, the Company has invested in two subsidiaries, including Pruksha Real Estate Public Company Limited and the affiliated company of Vimut Hospital, without additional investment in other subsidiaries and associated companies in last year.

The Company recognizes its profit and loss from its jointly invested subsidiary which is Pruksha Real Estate Public Company Limited ("Pruksha") and the affiliated company of Vimut Hospital. If the subsidiary earns good operating results, the Company can be profitable. However, on the other hand, if the operating results of the subsidiary and the associated company decline or get loss, the Company will be directly affected.

The Company's dividend payment capability depends on dividend earned from the invested subsidiary and associated company of the Company

As the Company was established as holding company under objective of main investment in other companies, besides the operating result of the Company depends on the operating results of the companies invested by the Company, the dividend payment capability of the Company also depends on dividend payment policy of its subsidiary and/or associated company invested by the Company. At present, the Company has invested in two subsidiaries, including Pruksha Real Estate Public Company Limited and the affiliated company of Vimut Hospital. Thus, the Company's dividend payment capability mainly depends on dividend payment policy of both subsidiaries. Nevertheless, the dividend payment policy of both subsidiaries is not less than 50% of net profit from consolidated financial statements of each company after deduction of legal reserve capital.

The subsidiary, the affiliated company of Vimut Hospital, has still been unable to pay dividend to the Company since it has been under investment and construction of hospital to be opened for operation. It was expected to take another 2 - 3 years until the construction is completed and ready to be opened for operation and generate adequate dividend for dividend payment. Therefore, during this period, revenue and profit have been derived from Pruksha Real Estate Public Company Limited that operates real estate business and is the leader of real estate market of Thailand with quite secure revenue, regular profit, and continuously growing operating result. Pruksha is the subsidiary which has been within the criteria of capability to pay dividend to all shareholders of the Company.



Risk from Core Business Operation of the Company's Subsidiaries

I. Real Estate Business

Risk from land selection for development

- *Risk from inadequate supply and purchase of land for demand according to target or business plan*

The channel of most potential land acquisition for development is land broker and the other channel is from the land owner who offers for sale to Pruksa. Therefore, proactive plan is determined to stimulate or persuade the brokers who are existing alliances and new group of brokers to explore and propose maximum lands situated in targeted locations as quick as possible. In the event that the land owner offers for sale, there is quicker selection and decision process. However, the selection and decision process for purchase remains focus on transparent, clean and fair process for land owner whether the source of land is derived from any means or channels. In addition, Pruksa has also determined preventive and eliminating measure for benefit exploitation which is the cause of higher cost of land.

- *Risk from mistake in land purchasing decision such as land without exit, land with inadequate element for applying the development permission, land that may affect community during construction, etc.*

The most careful and circumspect preventive action without problem from the said risk is to arrange land physical survey working team with knowledge and high experience in survey and inspection on every plot of land before making purchasing decision, hire external independent appraisal company to survey and appraise price, and procure the area measurement and relocation of boundary, and ground level measurement and others.

In addition, if doubt is raised in the aspect of width of right of way or public existence, or the aspect of the official prohibited rules, a separated work unit shall perform duty in communication and coordination to apply warranty from government agencies covering colorful plan, expropriation range, road connection and all of other related aspects.

- *Risk from purchase of excessively expensive land or purchase of land in the vicinity of non-purchasing power vicinity or low demand*

With circumspect process before purchasing decision, the business unit shall collect marketing data, conduct feasibility study and analysis on investment, study market and competitor, compare market price of targeted land, price of the plot of land in comparison with the appraisal price of the official, and appraisal price of the independent appraiser to



be supplementary data for preparation of feasibility study report of the project and audit by Finance Division. Therefore, it is abatement of risk that will cause damage from project development and then non-salability as planned or loss from development.

Moreover, land selection and purchase process shall be performed in form of the committee consisting of top executive who is specialized whether in the fields of land and land development, business, finance, law, and official requirement, risk control, and others, so as to ensure that Prukasa can purchase land in the appropriate period of time and number of plots so that Prukasa can generate revenues according to the business plan.

Risk from result of change in credit granting policy of commercial banks

According to high level of household debt situation in the country, the entire system of commercial banks has still been strict to credit facilitation to consumers. 90% of customers who will buy houses and lands from Prukasa have been also affected due to mortgage loan rejection from commercial banks in credit facilitation, resulting in inability of the customers to find source of fund to support house and land cost. This will limit purchasing power of the customer and directly affect revenues of Prukasa. In this regard, Prukasa therefore has issued the form for salesperson to fill the important primary data of the house buyer upon expression of intention to reserve house and apply loan, and deliver the said data to the bank for pre-approval by the bank within 7 working days whether the customer can be granted for mortgage loan so that risk of both house buyer and Prukasa will be reduced. In addition, the considerable number of houses of Prukasa has been at variety of price ranges and cheap price for selection. The customer can select cheaper house to be consistent with criteria or policy of the each commercial bank in each period of time.

Prukasa has currently established working group to monitor economy and adjust strategy to be consistent with change in situation and policy of each commercial bank and government bank; and also applied information technology to support and facilitate customers for applying credit with the bank, and provide measure to support for quick credit approval. The strategic partners are 12 commercial banks and government banks for selection by the customers of Prukasa to use their service.

Risk from high competition situation

At present, real estate development business has been highly competitive. This could be seen from the increasing large number of new project launches, affecting rapid increase in



supply of real estate. Several large developers have significantly adapted by applying modern residential technology and innovation to drive business operation in order to create remarkableness and difference in property development.

Pruksa is the large well-known developer in the market for long time in real estate development and accepted and trusted by the customer group. Pruksa Real Estate develops lands in various locations, meets living lifestyles of various customer groups, and focuses on distribution of development in every price level, resulting in access to wider customer group. In addition, Pruksa has continuously developed construction quality by applying Real Estate Manufacturing (REM) innovation of construction quality. The contractor shall focus on only the construction works within his field of expertise such as tiling work or painting work. In the said work process, the construction working team of Pruksa shall work in part of its own responsibilities in the existing type until skill and expertise area developed. It is certain that house which is constructed by specialized craftsman will be quality, strong and durable under construction quality control in every procedure by Quality Improvement Team together with Quality Construction Service in entering to inspect and handle occurred problem during construction throughout construction period before the customer's house inspection and acceptance. All of the said elements are therefore mutually assembled to be the key that makes Pruksa houses quality and strong to satisfy the demands of all customer groups and all lifestyles.

Risk concerning construction cost and construction material shortage

Most of Pruksa property sales are pre-sale whereas cost plus basis is applied for Pruksa pricings. Hence, any fluctuations in the prices of construction materials or change in the rate of labor wage after customer booking those units, Pruksa cost of sale will be higher, causing decrease in its gross profit margin.

Construction materials are considered as essential construction cost. The prices of main construction materials such as steel and oil have been increased while the price of concrete has been slightly declined due to demand and supply and world economic situation, affecting higher cost of production and cost of transportation, and higher cost of land will result in higher cost of house and land accordingly. Pruksa might not be able to immediately increase selling price to be consistent with the said higher total costs, possibly affecting sales volume and the said cause will affect financial position and overall operation of Pruksa.

Moreover, the increasing number of construction projects may lead to inadequacy of construction material. If such circumstance occurs, Pruksa may have to pay more expensive material costs or must wait for materials until it is unable to

completely carry out construction in deadline, this will affect business, financial position, and overall operation of Pruksa as well.

However, the quick construction process of Pruksa that can complete the construction of low-rise properties within 73 days contributes to reduction of risk in a certain level. Pruksa is able to fix the prices of construction materials required for use in 2 - 3 months period in advance, allowing it to adjust selling price according to the said cost. Moreover, Pruksa formulates the policy on sale of more houses during construction period in order to mitigate risk from change in cost of build-to-order houses. Regarding condominium projects, Pruksa is still facing risks due to extended construction period. However, for risk prevention, Pruksa has applied the strategy of selecting the vendors of main construction materials from all major categories of construction materials through bidding method since 2006 onwards to ensure that Pruksa has fixed construction cost throughout the year. For prevention of material shortage problem particularly main essential materials, Pruksa formulates the policy on creation of strategic partners by defining clear cut procedures from selection, supervision and evaluation as well as guideline of mutual operation. In addition, Pruksa holds the monthly meeting to report the change in prices of main construction materials and calculates the impact on cost of sale for consideration on adjusting selling price or supplying alternative materials.

Risk from labor shortage

The construction labor shortage problem has still been the major issue in real estate sector due to the current large number of construction projects from several developers and stricter new issue of alien labor law promulgated by the government, resulting in confrontation of skilled labor shortage problem in some projects. Even Pruksa, it has also confronted with this problem. If Pruksa fails to supply specialized contractors and skilled labors to carry out the projects of Pruksa, construction works may be delayed and unable to transfer the units within the deadline, possibly resulting in poor quality of construction work.

Pruksa therefore has invented low-rise properties construction method which is designed to have process of on-construction site installation system whereas Precast Concrete Panel is the main structure. Pruksa manages main construction works of the projects by itself under construction work supervision by the construction engineer and foreman of Pruksa, and hires the specialized contractors or labor contractors for construction in each part of work such as foundation work, building element installation work, tiling work to roofing work and painting work, etc. The construction is under supervision by Pruksa. For condominium projects, Pruksa began to hire

turnkey contractors to carry out construction of high-rise buildings or condominiums since 2009 and forms the partnerships with high quality contractors for reduction of risk resulting from production capacity or construction expansion to support Prukسا business.

To reduce its reliance on workforce as well as the number of working hours and ensure the use of limited existing workforce in the most worthwhile manner, Prukسا has applied a construction technology “Real Estate Manufacturing (REM)” to control the entire low-rise housing construction step-by-step to ensure the quality of houses. REM is the system that helps promoting 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 2017, Prukسا could manage its business cycle time from house reservation to house receiving by the customer at an average of 73 days for low-rise properties projects.

Moreover, Prukسا has studied new innovation whether being new construction management system technology or search of materials or prefabricated compositions such as prefabricated bathroom, contributing to reduction of workforce dependence and construction period, and increase in work quality.

Risk from reliance on knowledgeable and specialized personnel in operation

Prukسا is the company that constructs houses with prefabricated load bearing wall which is the latest construction technology requiring specialized and experienced employees in specific fields such as designer, construction team, selling team and marketing team. Prukسا designs the system to retain and stimulate those people with working expertise to ensure that the employees can effectively perform their works and achieve the determined goals both in the current and future position.

Prukسا realizes on the factor of specialized employees and preparedness in coping with this risk by developing complete specialized personnel for all work sections to ensure that they can replace working among them. Moreover, Prukسا determines the policy in relation to encouragement of career progress of the employees by giving the opportunity of equal growth under creation of career path instrument and system together with support system, building of preparedness for career growth of the employees together with corporate business growth, such as continuous personnel training and development, Succession Planning, Promotion, Talent Management, Leadership Opportunity Matching (LOM), and Leadership Competency Development. However, the policy of Prukسا is to grant proper welfare and reward to these specialized personnel, resulting in the ability of Prukسا to reduce the said risk.





Personnel Development

Pruksa Real Estate Public Company Limited aims at continuous developing higher personnel potential and competence so that the employees can effectively work and achieve the setting goals both in the current and future positions under 70:20:10 development model of Pruksa as follows.

- **70 Experiential Learning.** It is the form of development derived from work experiences and problem solving thinking through actual working both derived from daily working or may be derived from assignment of new work or new project, resulting in requirement of learning and training of various skills for work success such as being project leader of the innovation project, being project leader of improvement project, being the change agent and being the team leader in solving problems, etc.
- **20 Learning from Others.** It is the learning derived from all surrounding things such as coaching from supervisor, feedback acquisition from superior, mentor or from related person in working, observing other persons, peer reviewing, shadowing from expert, learning from internet, or some times, the team meeting can be applied for mutual learning in working team. These methods are considered as learning from others.
- **10 Formal Learning.** It is the learning which is standard pattern such as learning from attending trainings and seminars whether classroom training, workshop training, attending trainings as determined by the Company and attending external training.

Risk from business operation under restricted laws

Pruksa Holding Public Company Limited operates the business in the nature of Holding Company by holding shares in Pruksa since 2016. The core business is real estate development, residential construction in type of townhouse, single house and condominium for sales. In consistent business operation, Pruksa observes regulations of laws, rules, regulations and requirements of government agencies all the time, and build customer confidence that all types of Pruksa products are in line with laws, properly permitted by related government agencies, and complies with advice or order of the government agencies or other clearinghouse organizations in the event of doubts or complaints from third parties, to ensure customer confidence and problem solving for our customers.

However, Pruksa Holding Public Company Limited is assured that Pruksa business operation applies the principle of good corporate governance enabling to develop product, and effective, transparent and accountable purchase of materials and equipment or procurement of contractor. Pruksa Holding Public Company Limited therefore is confident and believes in availability of principle of good corporate governance is for full retention of interest of the Company itself and for shareholders. Thus, illegal risk from business operation has not been exposed at all.

Risk from crisis affecting danger of the construction project

As core business of Pruksa is the residential construction in type of townhouse, single house and condominium for sales,

the important thing under concern according the nature of this type of business is contingent occupational accident. Each time of accident occurrence may cause invaluable loss of life and property. However, Prukso considerably realizes and gives significance to care of the employee's life and property safety by organizing occupational safety-related training courses to all new employees before work commencement with Prukso, determination of practical guideline for use of safety devices for operating employee in construction site areas, arrangement of regular professional safety officer for each project to randomly audit the operation of the contractor and construction workers according to safety practice, as well as improvement of international standard accommodation for construction workers. However, Prukso has been accredited for Occupational Health and Safety Management System Standard OHSAS 18001:2007 in high rise projects. Thus, it is assured of Prukso international standard safety care.

2. Hospital Business

The business operation of Vimut Hospital Project ("Hospital") under Vimut International Hospital Company Limited ("Vimut") must encounter with various risk factors that may affect Vimut's operation. The following risk factors are just some significant aspects that may affect Vimut and significantly causes investment risk. However, the specified risk factors were referred from current existing and future anticipated information as much as possible for specification. In the future, it may have newly emerged risk factors due to changing environmental factor of Vimut, possibly affecting Vimut's future business operation.

Risk from construction of the project that may be in error from scheduled plan

Vimut has determined business plan and strategy of investment growth in hospital building construction with value of 4.9 billion Baht. The construction planning has been commence in 2017 and scheduled for completion in 2020. However, there may be risk from delay of construction completion later than scheduled plan, possibly affecting overall operation and business opportunity of Vimut.

According to the said contingent risk factor, Vimut therefore has hired specialized and experienced designer and consultant of hospital building design and construction control for estimation of proper construction period, considered insuring insurance policy in the beginning period of building construction to support risk from the contingent damage with the construction project, and considered determining the condition of construction contract for main contractor. The fine is defined from delay working in the event of construction incompleteness as scheduled by the contract.

Risk from business competition in healthcare business

Healthcare business operation has currently tended to be increasingly severe competitive due to continuous merger of large operators in the market, resulting in advantage of treatment cost and variety of service channels. Moreover, the competition with private hospital in the same level must compete with serviced expansion of the government hospitals such as overtime special clinic, possibly affecting customer base attraction of Vimut.

For enhancement of service efficiency and increase in competitiveness, Vimut therefore has formulated strategies and business development plan in order to be leading hospital by investing in medical equipment and modern information technology system, study of the information from expert group in application of technology to upgrade facilities covering both Clinical and Healthcare Facility Services for continuous quality development and expansion of medical care, and consideration on adaptation of international quality accreditation system from Joint Commission International Accreditation (JCI) Institute in order to accentuate for being the global international standard hospital. However, today's hospital business situation has tended to well growth. For ability to support variety service demand, convenience and rapidity of service access, Vimut may adjust its business plan to be proper for business situation in each period of time.

Risk from shortage of medical and nursing staff

The medical care must rely on medical and nursing staff in related fields. At present, the said people can be produced in limited number. In addition, the impact from medical care business expansion has caused quality and experienced employee demand to join with the organization. It must take long time for the said employees to develop proper knowledge and competence. Vimut therefore exposes to risk of these professional personnel shortage from increasing demand of the government and private hospitals in the future.

Vimut therefore considers collaborating with universities that produce medical and nursing personnel on granting various forms of scholarship to students for continuous knowledge development and application of knowledge in working with the organization in the future after graduation. Moreover, Vimut also considers determining appropriate rate of remuneration and welfare for competitiveness with other entrepreneurs in private hospital business group, enabling to reduce negative impact from the risk factor under prediction.

Other Risk Factors

Risk from operation under control of the group of major shareholders

On December 31, 2017, the largest group of major shareholders which is Vijitpongpun Group that holds shares in Prukisa Holding Public Company Limited (“Company”) for 1,650,251,749 shares or 75.46% of total paid-up capital of the Company. The group of major shareholders has still able to control resolution of the shareholders in significant issues prescribed by law or regulation for majority voting of total votes of the shareholders who attend the meeting and have voting rights.

Moreover, Mr. Thongma Vijitpongpun, a shareholder of the group of major shareholders of the Company, has held 1,314,009,986 shares or 60.09% of total paid-up capital of the Company and has still held the office of Group Chief Executive Officer and authorized signatory director of the Company. Therefore, other shareholders are unable to collect votes for checks and balances of the group of major shareholders.

Risk on earnings per share dilution and control power dilution from exercise of right under warrant to buy common stocks for capital increase of the Company

The Company has issued warrant to buy common stocks of the Company (“Warrant”) to the directors and executives of the Company, Prukisa and/or Prukisa’s subsidiaries for total of two tranches including PSH-WF and PSH-WG in replacement of warrant to buy common stocks of Prukisa which is cancelled according to organization restructuring plan. However, if the right under the said warrant is exercised, the shareholder will be affected from earnings per share dilution and shareholding proportion dilution (control dilution) in the event where both tranches of warrants are entirely allocated and the right is exercised in full amount.



General Information and Other Significant Information

General Information of the Company

The Company's Name	:	Prukha Holding Public Company Limited
Type of Business	:	Business operation as Holding Company
Head Office's Location	:	1177 Pearl Bangkok Building, 24 th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Company Registration No.	:	0107559000052
Home Page	:	http://www.psh.co.th
Telephone	:	66 (0) 2080 1739
Facsimile	:	66 (0) 2080 1700
Registered Capital (Baht)	:	2,226,383,180 Baht
Paid-Up Registered Capital (Baht)	:	2,186,796,580 Baht
Classification	:	2,186,796,580 Ordinary Shares at par value of 1 Baht per Share

Information of Juristic Person Held by the Company from 10% and Over

The Company's Name	:	Prukha Real Estate Public Company Limited
Type of Business	:	Business operation in real estate development in types of townhouses, single detached houses, and condominiums
Head Office's Location	:	1177 Pearl Bangkok Building, 23 rd Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Company Registration No. .	:	0107548000307
Home Page	:	http://www.prukha.com
Telephone	:	66 (0) 2080 1735
Facsimile	:	66 (0) 2080 1700
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 the Affiliated Companies

1) Prukha Real Estate Public Company Limited

Head Office's Location	: 1177 Pearl Bangkok Building, 23 rd 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	: 0-2080-1739
Facsimile	: 0-2080-1700
Homepage	: www.prukha.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 Standchion 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	: 1177 Pearl Bangkok Building, 21 st Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business	: Contracting for construction and decoration
Telephone	: 0-2080-1739

5) Putthachart Estate Company Limited (Subsidiary Company)

Head Office's Location	: 1177 Pearl Bangkok Building, 21 st Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business	: Real estate development
Telephone	: 0-2080-1739

6) Phanalee Estate Company Limited (Subsidiary Company)

Head Office's Location	: 1177 Pearl Bangkok Building, 20 th Floor, Phaholyothin Road, Samsennai Sub-district, Phayathai District, Bangkok 10400
Type of Business	: Real estate development
Telephone	: 0-2080-1739

7) Prukse Overseas Company Limited (Subsidiary Company)

Head Office's Location : 1177 Pearl Bangkok Building, 23rd Floor, Phaholyothin Road,
Samsennai Sub-district, Phayathai District, Bangkok 10400

Type of Business : Stock Investment

Telephone : 0-2080-1739

8) Prukse International Company Limited (Subsidiary Company)

Head Office's Location : 1177 Pearl Bangkok Building, 23rd Floor, Phaholyothin Road,
Samsennai Sub-district, Phayathai District, Bangkok 10400

Type of Business : International real estate development

Telephone : 0-2080-1739

9) Prukse Overseas Service Company Limited (Subsidiary Company)

Head Office's Location : 1177 Pearl Bangkok Building, 23rd 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 : 0-2080-1739 (under liquidation)

10) Prukse India Housing Private Limited (Subsidiary Company)

Head Office's Location : Ground Floor, No. 61/1 Commercial Complex, Near Gokul Towers,
Dr. M.S. Ramaiah Road, Gokula, Bangalore-560054 Karnataka, Republic of India

Type of Business : Real estate development in India

11) Prukse India Construction Private Limited (Subsidiary Company)

Head Office's Location : Ground Floor, No. 61/1 Commercial Complex, Near Gokul Towers,
Dr. M.S. Ramaiah Road, Gokula, Bangalore-560054 Karnataka, Republic of India

Type of Business : Contracting for construction in India (under liquidation)

12) Prukse-Luxora Housing Private Limited (Joint Venture)

Head Office's Location : Soham House, Hari Om Nagar, Off. Eastern Express Highway, Mulund (East),
Mumbai - 400081 Maharashtra, Republic of India

Type of Business : Real estate development in India

13) Prukse Vietnam Company Limited (Subsidiary 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

14) Prukse-HDC Housing Private Limited (Joint Venture)

Head Office's Location : 2nd Floor, HDC Building, Hulhumale, Republic of Maldives

Type of Business : Real estate development in Maldives

15) Kaysorn Construction Company Limited (Subsidiary Company)

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

16) Vimut Hospital Holding Company Limited

Head Office's Location : 1177 Pearl Bangkok Building, 14th Floor, Phaholyothin Road,
 Samsennai Sub-district, Phayathai District, Bangkok 10400
 Company Registration No. : BorMorJor. 0105560030421
 Telephone : 0-2080-1739
 Facsimile : 0-2080-1700

17) Vimut International Hospital Company Limited

Head Office's Location : 1177 Pearl Bangkok Building, 14th Floor, Phaholyothin Road,
 Samsennai Sub-district, Phayathai District, Bangkok 10400
 Company Registration No. : BorMorJor. 0105560032106
 Telephone : 0-2080-1739
 Facsimile : 0-2080-1700

Information of Other Reference Parties**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
 Facsimile : 0-2009-9991

Debenture Registrar (Debenture 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 No. : 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

Capital Structure

1. Number of Registered Capital and Paid-Up Capital

As on December 31, 2017, the Company's registered capital was 2,226,383,180 Baht divided to be 2,226,383,180 ordinary shares at par value of 1 Baht per share, and paid-up capital was 2,186,796,580 Baht being divided to be 2,186,796,580 ordinary shares. Annual General Meeting of Shareholders for 2017 held on April 27, 2017, resolved to decrease registered capital from 2,273,217,600 Baht to be 2,226,383,180 Baht by cutting off ordinary shares remained from support of offering for sale of newly issued securities of the Company for 46,834,420 shares.

2. Shareholders

Name List of Major Shareholders

The Company's shareholders as of December 31, 2017 are as follows.

No.	Name of Shareholder ⁽¹⁾	Shareholding	
		Number of Held Shares (Shares)	Shareholding Proportion (Percentage)
1.	Vijitpongpun Group	1,650,251,749	75.46
	Mr. Thongma Vijitpongpun	1,314,009,986	60.09
	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	42,221,462	1.93
	Mr. Jirathep Promsawad	13,000,000	0.59
	Miss Chantana Promsawad	13,000,000	0.59
	Mr. Chamlong Promsawad	12,500,000	0.57
	Mr. Soros Vijitpongpun	415,100	0.02
	Mrs. Patcha Vijitpongpun	76,000	0.00
	Mr. Thavorn Vijitpongpun	29,200	0.00
	Miss Anchalee Vijitpongpun	1	0.00
2.	Social Security Office	84,452,800	3.86
3.	Thai NVDR Company Limited	47,856,603	2.19
4.	STATE STREET BANK EUROPE LIMITED	20,026,161	0.92
5.	Maybank Kim Eng Securities (Thailand) Plc.	13,611,500	0.62
6.	Registered K Master Pooled Fund	11,283,000	0.52
7.	Mr. Anucha Kitthanamongkolchai	10,970,000	0.50

No.	Name of Shareholder ⁽¹⁾	Shareholding	
		Number of Held Shares (Shares)	Shareholding Proportion (Percentage)
8.	STATE STREET BANK AND TRUST COMPANY	8,677,400	0.40
9.	EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	7,775,400	0.36
10.	Employee Provident Fund of The Electricity Generating Authority of Thailand Registered by BBL Asset Management Co., Ltd.	7,446,600	0.34
	Total Top Ten	1,862,351,213	85.16
	From Total Shares	2,186,796,580	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.

3. 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 31, 2017 are as follows.

No.	Name of Shareholder ⁽¹⁾	Shareholding	
		Number of Held Shares (Shares)	Shareholding Proportion (Percentage)
1.	Pruksa Holding Public Company Limited	2,185,847,580	97.90
2.	HSBC (SINGAPORE) NOMINEES PTE LTD	19,036,290	0.85
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	0.04
7.	Mr. Bahratbusan Kwatra	1,000,000	0.04
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	2,221,183,970	99.48
	From Total Shares	2,232,682,000	100.00

4. Debenture

As of December 31, 2017 there was Bt21,500m outstanding issued by Prukha Real Estate Company Limited which can be divided into seven tranches as follows :

Name of Debentures of Prukha Real Estate Public Company Limited	No. 1/2013 due 2016 and 2018	No. 2/2014 due 2017 and 2018	No. 1/2015 due 2018 and 2020
Type of debentures	Name registered debenture		
Status	Unsubordinated and Unsecured		
Lead underwriter, Registrar and paying agent	Kasikorn Bank Plc. and Siam Commercial Bank Plc.	Bank of Ayudha Plc. and United Overseas Bank (Thai) Plc.	Kasikorn Bank Plc.
Par value	Bt1,000		
Issue price/unit	Bt1,000		
Issue size	Bt6,000,000,000 (Balance amount Bt3,000,000,000)	Bt4,000,000,000 (Balance amount Bt2,000,000,000)	Bt3,000,000,000
No. of debenture	6,000,000 units (Balance 3,000,000 units)	4,000,000 units (Balance 2,000,000 units)	3,000,000 units
Duration	3 years 1 month and 5 years from the issuing date	2 years 9 months and 3 years 6 months from the issuing date	3 years 6 months and 5 years from the issuing date
Issuing date	15 May 2013	17 Sep 2014	13 May 2015
Maturity date	Series 1 : 15 Jun 2016 (Due)	Series 1 : 17 Jun 2017	Series 1 : 13 Nov 2018
	Series 2 : 15 May 2018	Series 2 : 17 Mar 2018	Series 2 : 13 May 2020
Coupon rate	Series 1 : 3.58% per annum of Bt3,000,000,000	Series 1 : 3.71% per annum of Bt2,000,000,000**	Series 1 : 2.68% per annum of Bt1,000,000,000**
	Series 2 : 4.09% per annum of Bt3,000,000,000**	Series 2 : 3.90% per annum of Bt2,000,000,000 **	Series 2 : 3.23% per annum of Bt2,000,000,000**
Coupon payment period	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		
Repurchasing of debenture	The issue is entitled to repurchase the debentures from the secondary market or otherwise a any time		
Credit Rating by TRIS	"A" as issued on 20 Mar 2013	"A" as issued on 10 Jul 2014	"A" as issued on 16 Apr 2015

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

No. 1/2016 due 2019	No. 1/2017 due 2019 and 2020	No. 2/2017 due 2020	No. 3/2017 due 2021
Name registered debenture			
Unsubordinated and Unsecured			
Bank of Ayudhaya Plc., CIMB Thai Bank, Thanachard Bank Plc.	Krungthai Bank Plc. and United Overseas Bank (Thai) Plc.	United Overseas Bank (Thai) Plc.	The Siam Commercial Bank Plc.
Bt1,000			
Bt1,000			
Bt4,000,000,000	Bt5,000,000,000	Bt2,500,000,000	Bt2,000,000,000
4,000,000 units	5,000,000 units	2,500,000 units	2,000,000 units
3 years and 3 years 6 months from the issuing date	2 years 9 months 26 days and 3 years 5 months 28 days from the issuing date	3 years 5 months 5 days from the issuing date	3 years 6 months from the issuing date
17 Mar 2016	03 Feb 2017	15 Jun 2017	19 Sep 2017
Series 1 : 21 Mar 2019	Series 1 : 29 Nov 2019	Series 1 : 20 Nov 2020	Series 1 : 19 Mar 2021
Series 2 : 17 Sep 2019	Series 2 : 31 Jul 2020		
Series 1 : 2.05% per annum at Bt2,300,000,000	Series 1 : 2.63% per annum at Bt2,400,000,000	Series 1 : 2.64% per annum at Bt2,500,000,000	Series 1 : 2.27% per annum at Bt2,000,000,000
Series 2 : 2.08% per annum at Bt1,700,000,000	Series 2 : 2.85% per annum at Bt2,600,000,000		
Quarterly	Half year	Half year	Half year
The issuer shall redeem the debentures with the single payment of principal and the final unpaid interest (if any) at maturity			
The issue is entitled to repurchase the debentures from the secondary market or otherwise at any time			
"A" as issued on 25 Feb 2016	"A" as issued on 5 Jan 2017	"A" as issued on 25 May 2017	"A" as issued on 25 Aug 2017

5. Issuance of Other Securities

The Company has issued the 3 series of warrants to directors and management of the Company, consisting of PSH-WE of 13,591,700 units, PSH-WF of 11,933,900 units and PSH-WG of 15,000,000 units, with the exercise ratio of 1 warrant per 1 ordinary share. These 3 series of warrants can be exercised 4 times a year, from 8.30 am to 3.30 pm of the last business day of February, May, August and November of each year, unless the last exercise can be exercised by the expiration date of the warrants.



Dividend Policy and Payment

Dividend Payment Policy of the Company

The Company formulates the policy for considering the annual dividend payment to its shareholders twice a year at total rate not less than 50% of net profit of the Company's consolidated financial statements after deduction of annual corporate income tax and legal capital reserves. The Company's establishment objective is to mainly invest in other companies. In dividend payment of the Company, it shall be subject to dividend payment policy of the subsidiary companies and/or associated companies which are invested by the Company, apart from being subject to the operating result of the companies which are invested by the Company. At present, the Company has invested in two subsidiary companies consisting of Prukse Real Estate Public Company Limited ("Prukse") and Vimut Hospital Holding Company Limited. As Vimut Hospital Holding Company Limited has been in the period of investment in hospital business and has not yet earned revenue, the Company's ability to pay dividend shall be subject to dividend payment policy of Prukse Real Estate Public Company Limited, investment plan, condition and limitation as prescribed in the relevant contracts (if any), necessity and appropriateness, as well as factors in other areas as deemed appropriate by the Board of Directors. In keeping with business growth plan of the Company, the said dividend payment shall not exceed retained earnings appeared in the separate financial statements of the Company and according to the relevant laws.

Dividend Paid by Prukse Holding Public Company Limited to Shareholders

Performance Year	Net Profit from Consolidated Financial Statements (Bt m)	Net Profit in Part of the Holding Company (Bt m)	Earnings per Share (Consolidated Financial Statements)	Dividend per Share	Dividend Payout Ratio (%)	Dividend Payment Date
2017	5,574.13	5,456.42	2.50	2.09	84	May 23, 2018

Remark: 1) Dividend payment from operating result for 2017 at 2.09 Baht per share shall be subject to the approval of Annual General Meeting of Shareholders held on April 27, 2018.
2) On June 9, 2017, interim dividend from operating result in the first four months period was paid at the rate of 0.80 Baht per share, and on September 8, 2017, interim dividend from operating result in the first six months period was paid at the rate of 0.57 Baht per share.

Dividend Payment Policy of the Subsidiaries/Associated Companies

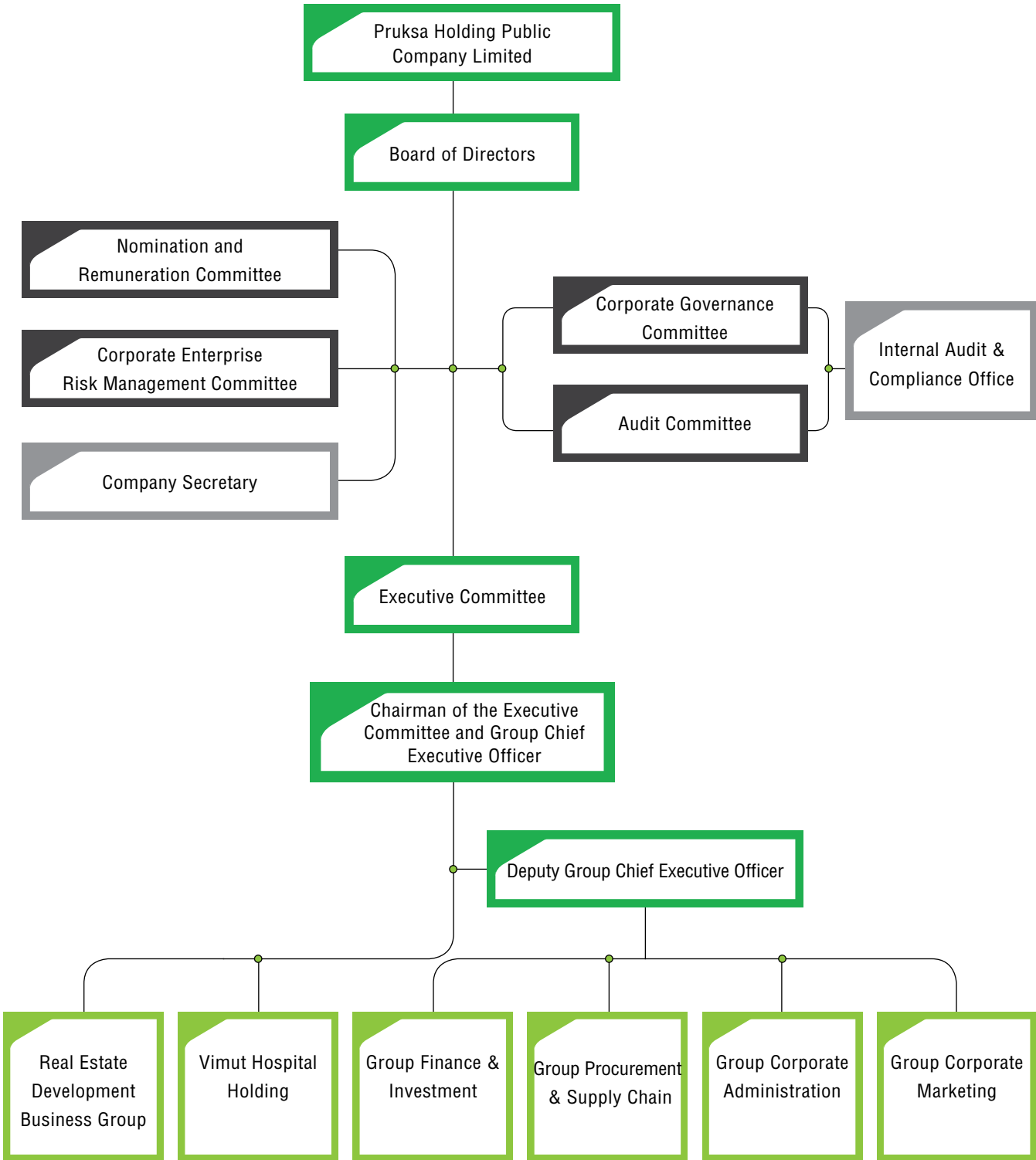
Prukse Real Estate Public Company Limited ("Prukse") formulates the policy for considering the annual dividend payment to its shareholders twice a year at the rate of not less than 50% of net profit of the consolidated financial statements of Prukse Real Estate Pcl. after deduction of all reserves. However, the said dividend payment may be altered subject to future investment plan, necessity and other appropriateness as deemed proper by the Board of Directors. In respect of dividend payment policy of the subsidiaries, the subsidiaries will pay dividend to Prukse Real Estate Pcl. from their net profits. In paying dividend, many factors shall be taken into consideration in combination, such as their operating result, financial position, liquidity, business expansion and factors related to the management of their businesses.

Moreover, according to dividend payment of Prukse Real Estate Pcl. particularly in the event of payment from net profit of the business of Prukse Real Estate Pcl. whereas Prukse Real Estate Pcl. has been granted for privilege from BOI investment promotion, the receiver of the said dividend shall be exempted not to combine such received dividend for calculation of income tax payment and Prukse Real Estate Pcl. has no right to deduct withholding tax from such dividend.

Management Structure

I. Management structure

Organizational structure of Pruksa Holding Public Company Limited (the “Company”) as of December 31, 2017 can be shown as follow



2. The Board of Directors and Sub-Committees

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

2.1 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 total number of directors shall have domicile in Thailand. In business operation, the directors must therefore perform duties in compliance with the laws, the Company's objectives and Articles of Association as well as the resolutions of the Shareholders' Meetings in good faith and carefulness to protect interests of the Company. At present, the Board of Directors of the Company (as per the latest Ministry of Commerce's certification dated on December 4, 2016), who possess qualifications in accordance with Section 68 of Public Company Act B.E. 2535 (1992) and the related notifications of the Office of the Securities and Exchange Commission, consists of 12 members under the following name list:

Name	Position
1. Dr. Pisit Leeahtam	Chairman of the Board 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. Professor Piyamitr Sritara, MD ⁽¹⁾	Independent Director
9. Mr. Wichian Mektrakarn	Director
10. Mrs. Rattana Promsawad	Director
11. Mr. Piya Prayong	Director
12. Mr. Prasert Taedullayasatit ⁽²⁾	Director

Remark: ⁽¹⁾ Prof. Piyamitr Sritara, MD, was appointed to be the Company's director from February 16, 2017 onwards.

⁽²⁾ Mr. Prasert Taedullayasatit was appointed as the Company's director from April 27, 2017 onwards.

Mr. Lersuk Chuladesa retired from the office of the Company's director from April 27, 2017 onwards.

Secretary of the Board of Directors is Mr. Paisarl Rumphan, in the position of Company Secretary.

Authorized director who signs to bind on behalf of the Company

The authorized directors who jointly sign on behalf of the Company are either Mr. Thongma Vijitpongpun or. Mr. Prasert Taedullayasatit or Mr. Nimit Poonsawat, together with Mr. Piya Prayong or Mr. Wichian Mektrakarn or Mrs. Rattana Promsawad, totaling to two directors, and affix with the Company's seal.

Integration or separation of position

The Chairman of the Board must be neither an executive director nor the same person as Chairman of Executive Committee or Group Chief Executive Officer, and must have none of any relationship with the Management. This is the clear separation of duties in determining corporate governance policy and routine management.

Roles and duties of the Chairman of the Board

The duty of the Chairman of the Board is to play the leadership role, and to preside over the Board of Directors' Meeting and the Shareholders' Meeting to ensure efficiency and effectiveness by encouraging every director to participate in the meeting, assisting, advising and supporting the business operation of the management. The Chairman also has the freedom to propose agenda of the meetings and express opinions on the Company's operations in various aspects, including carefully and mutually considering matters concerning conflict of interests for justice and transparency.

Scope of powers, duties and responsibilities of the Board of Directors

1. To perform duties with responsibility, caution and honesty in accordance with the laws, the Company's objectives and Articles of Association as well as the resolution of the Shareholders' Meeting with the exception of matters requiring approval from the Shareholders' Meeting prior to execution such as matters required by law for approval of the Shareholders' Meeting in performing connected transactions and any purchase or sale of important assets pursuant to the regulations of the Stock Exchange of Thailand (SET) or those prescribed by other government agencies, etc. To oversee the Company and its subsidiaries to comply with laws related to business operation of the Company and its subsidiaries, and law related to bribe payment or anti-corruption support.
2. To govern the business to be operated in ethical manner such as determining Corporate Governance Policy of the Company and its subsidiaries according to Good Governance, Handbook of Code of Business Ethics for directors, executives and employees of the Company and its subsidiaries, and disclosing for acknowledgement, determining the compliance and monitoring the compliance.
3. To consider the approval of business policies including visions, targets, operational plans, business strategies and annual budgets of the Company and its subsidiaries, including monitoring and supervision, management and administration of the management to be effectively line with formulated policy, plan and budget.
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 and approve the appointment of a person who possesses the required qualifications and does not have any prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) and laws relevant to Securities and Stock Exchange of Thailand, including the related notifications, regulations and/or rules to hold the director position in case of vacancy due to causes other than 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, Notifications of the Capital Market Supervisory Board, including relevant notifications, 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 within the scope of responsibilities of the Board of Directors.
12. To determine and change the names of the authorized signatory directors to bind the Company and its subsidiaries.
13. To propose the Shareholders' Meeting for appointing the director of the Company and consider appointing the director of its subsidiaries in consistency with the proportion of shareholding of the Company in the said subsidiaries; and consider determining 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 business 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, persons with conflict of interests and the related persons.

24. To request for professional 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.

In granting authorities and responsibilities of the Board of Directors, it shall not be authorization or subauthorization 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 aforesaid or any persons may have conflict of interests (as per the definition by the notification of the Securities and Exchange Commission), 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 of the Company 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. Group Chief Executive Officer shall be appointed to be the director in the Board of Directors by position.

Independent Director

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% of 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 person with potential conflict of interest, major shareholder or controlling person of the Company in a manner that may hinder the exercise of his/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 person 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, giving 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, which ever is smaller. The calculation of such liabilities shall be in accordance with the method of connected transaction value calculation notified in the Capital Market Supervisory Board Notification Re: Criteria on Undertaking Connected Transactions, mutatis mutandis. In consideration of such liabilities, the liabilities incurring 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 person 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 person 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 there of exceeding Bt 2.0 million per year from the Company, its subsidiary, associated company, juristic person 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% of total voting shares of another company that engages 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/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 person with potential conflict of interest, major shareholder or controlling person in the form of collective decision.

2.2 Audit Committee

As of December 31, 2017, the Company's Audit Committee consists of four members as follows:

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

Remark : ⁽¹⁾ Mr. Weerachai Ngamdeevilaisak is the person who has knowledge and experience in accounting and finance.

Secretary of the Audit Committee is Mr. Premsak Wallikul, in the position of Acting Executive Vice President, Internal Audit & Compliance.

Scope of Powers, Duties and Responsibilities of the Audit Committee

- To review the Charter of the Audit Committee at least once a year and consider amendment in the aspect deemed necessary and appropriate.
- 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.
- To consider and give consent on changes in significant accounting principles or procedures as proposed by the Management of the Company.
- To conduct reviews to ensure that the internal control and internal audit system of the Company and its subsidiaries are appropriate and effective, 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.
- 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.
- To review Internal Audit Reports submitted to the Management and to review the Management's opinion toward the proposed and reported audit issues.
- To have unrestricted access to the Management and employees and relevant information.
- To mutually conduct reviews with relevant work 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.
- 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.
- 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.
- 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:
 - 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 signed 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 and 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 Enterprise Risk Management Committee

As of December 31, 2017, the Company's Corporate Enterprise Risk Management Committee consists of five members as follow:

Name	Position
1. Dr. Prasarn Trairatvorakul	Chairman of Corporate Enterprise Risk Management Committee
2. Mr. Weerachai Ngamdeevilaisak	Member
3. Mr. Piya Prayong	Member
4. Mr. Prasert Taedullayasatit	Member
5. Miss Trithip Sivakrskul	Member and Secretary of Corporate Enterprise Risk Management Committee Member

Secretary of Corporate Enterprise Risk Management Committee is Miss Trithip Sivakrskul, in the position of Group Chief Financial Officer, and Director and Chief Executive Officer of Vimut Hospital Holding Company Limited.

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

1. To acknowledge and give recommendations on policy, strategy and guideline of corporate enterprise 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 responded to them properly.
4. To monitor the result of compliance with corporate enterprise 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 31, 2017, the Company's Corporate Governance Committee consists of three members as follows:

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

The Secretary of the Corporate Governance Committee is Mr. Premsak Wallikul, in the position of Acting Executive Vice President, Internal Audit & Compliance.

Scope of Powers, Duties and Responsibilities of Corporate Governance Committee

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 31, 2017, the Company's Nomination and Remuneration Committee consists of five members as follows:

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 Vijitpongpan	Member
5. Mr. Wichian Mektrakarn	Member

The Secretary of Nomination and Remuneration Committee is Mr. Udomsak Yamnoon, in the position of Acting Chief Corporate Administration Officer.

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 for approval consideration and/or propose the Shareholders' Meeting for approval request, as the case may be.
4. To determine necessary and appropriate remuneration, both in 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 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 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 31, 2017, the Company's Executive Committee consists of nine members as follows:

Name	Position
1. Mr. Thongma Vijitpongpan	Chairman of Executive Committee
2. Mrs. Supattra Paopiamsap	Member
3. Mr. Wichian Mektrakarn	Member
4. Mr. Piya Prayong	Member
5. Mr. Prasert Taedullayasatit	Member
6. Miss Trithip Sivakrskul	Member
7. Mr. Porntep Suppataratarn	Member
8. Mr. Udomsak Yamnoon	Member
9. Mr. Theeradej Kerdsamang	Member and Secretary of the Executive Committee

The Secretary of Executive Committee is Mr. Theeradej Kerdsamang, in the position of Managing Director - Townhouse Business Group 1, Pruksa Real Estate Public Company Limited.

Scope of Powers, Duties and Responsibilities of Executive 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 Committee as deemed appropriate. The Executive 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 Committee the ability to approve transactions in which the Executive 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 that shall 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 Committee shall not be the authorization or sub-authorization in the way which will allow the Executive Committee or the authorized person from the Executive Committee the ability to approve transactions in which the Executive 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 (as 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 Committee Member

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

2.7 Management Team

The Company's Management Team 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 31, 2017, the Company's Executive Committee consists of six members as follows:

Name	Position
1. Mr. Thongma Vijitpongpan	Chairman of Executive Committee and Group Chief Executive Officer
2. Mrs. Supattra Paopiamsap	Deputy Group Executive Officer
3. Miss Trithip Sivakrskul	Group Chief Financial Officer
4. Mr. Porntep Suppataratarn	Group Chief Procurement and Supply Chain Officer
5. Mr. Udomsak Yamnoon	Acting Chief Corporate Administration Officer
6. Mr. Komkrit Nongsawad	Acting Group Chief Corporate Marketing Officer

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 higher or equivalent.

Scope of Powers, Duties and Responsibilities of Chairman of Executive 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 Committee covering selection, training, employment and disemployment of the Company's staff members who are not a member of the management

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 have power to consider and approve any capital expenditure or operating expenses for the Company's business operation, borrowing or request for credit facilities 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 Committee of the Company.
6. To participate in the Company's budget consideration with the Board of Directors and/or the Executive Committee of the Company.
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/her behalf as deemed appropriate, provided that such sub-authorization and/or delegation is subject 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 Committee, and/or of the Company or Chairman of the Executive 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 Committee and Group Chief Executive Officer shall not be authorization in the way which will allow the Chairman of the Executive Committee and Group Chief Executive Officer the ability to approve transactions in which the Chairman of the Executive 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 (as the case may be) for consideration and approval as required by the Articles of Association of the Company or of its subsidiaries 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 corporate governance according to good governance standard. 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 the Board & Management Profile.

Scope of duties and responsibilities of Company Secretary

compliance with laws, rules and the Company's information disclosure policy.

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 the issues in regard to matters of 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
6. To communicate with the general shareholders for acknowledgement on their rights and the Company's news.
7. To keep stakeholding 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 prescribed by the Securities and Exchange Commission.

The Board & Management Profile

Dr. Pisit Leeahtam 67 Years



**Chairman of the Board of Directors /
Member of the Nomination and Remuneration
Committee / Independent Director**

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2017

- | | |
|-----------------------------|----------------------------|
| 1. I | : 0.0047% (103,500 Shares) |
| 2. Spouse/Cohabiting couple | : None |
| 3. Minor Children | : None |

as on December 30, 2017

- | | |
|-----------------------------|----------------------------|
| 1. I | : 0.0047% (103,500 Shares) |
| 2. Spouse/Cohabiting couple | : None |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-----------------------------|-----|
| 1. I | : - |
| 2. Spouse/Cohabiting couple | : - |
| 3. Minor Children | : - |

Family Relationship Among the Executives

-

Education

- Doctorate Degree (Economics), The Netherlands School of Economics, Erasmus University, Netherlands
- Master Degree (Economics), The Netherlands School of Economics, Erasmus University, Netherlands
- Bachelor Degree (Economics), The Netherlands School of Economics, Erasmus University, 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.

Others

- Chairman of the Board of Directors / Independent Director - Pruksa Real Estate Plc.
- Chairman - Thai Tank Terminal Limited
- Independent Director / Chairman of the Audit Committee - Muangthai Life Assurance Plc.
- Independent Director - SHERA Plc.
- President - Provident Fund Association
- President - Thai Bond Market 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
- Etc

Work Experience

- 2006 - May 2017 Country Chairman (Thailand) - Jardines Matheson (Thailand) Ltd.
- 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 D.C., USA

Training

- Director Certification Program - DCP 18/2002 / Thai Institute of Directors (IOD)
- Corporate Governance for Capital Market Intermediaries - CGI 2/2015 / Thai Institute of Directors (IOD)

Mr. Thongma Vijitpongpun 60 Years



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

(Started on March 16, 2016)

Shareholding (%)

as on January 1, 2017

- | | |
|-----------------------------|-----------------------------------|
| 1. I | : 60.1142% (1,314,009,986 Shares) |
| 2. Spouse/Cohabiting couple | : 3.8886% (85,000,000 Shares) |
| 3. Minor Children | : 3.886% (85,000,000 Shares) |

as on December 30, 2017

- | | |
|-----------------------------|-----------------------------------|
| 1. I | : 60.0884% (1,314,009,986 Shares) |
| 2. Spouse/Cohabiting couple | : 3.8870% (85,000,000 Shares) |
| 3. Minor Children | : 3.8870% (85,000,000 Shares) |

Change (+/-)

- | | |
|-----------------------------|-----|
| 1. I | : - |
| 2. Spouse/Cohabiting couple | : - |
| 3. Minor Children | : - |

Family Relationship Among the Executives

- Elder brother of Mrs. Rattana Promsawad

Education

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

Other Position(s) (Listed Companies and Others)

Listed Companies

- -

Others

- Executive Vice Chairman of the Board of Directors - Prukso Real Estate Plc.
- Director - Vimut Hospital Holding Co., Ltd.
- Director - Prukso Overseas Co., Ltd.
- Director - Prukso International Co., Ltd.

Work Experience

- 1998 - 2005 Kaysorn Construction Company Limited
- 1985 - 1993 Siam Engineering Partnership

Training

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

Dr. Piyasvasti Amranand 64 Years

**Independent Director /
Chairman of the Audit Committee**

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2017

- 1. I : None
- 2. Spouse/Cohabiting couple : None
- 3. Minor Children : None

as on December 30, 2017

- 1. I : None
- 2. Spouse/Cohabiting couple : None
- 3. Minor Children : None

Change (+/-)

- 1. I : -
- 2. Spouse/Cohabiting couple : -
- 3. Minor Children : -

Family Relationship Among the Executives

- -

Education

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

**Other Position(s)
(Listed Companies and Others)**

Listed Companies

- Chairman of the Board of Directors
(Independent Director) - PTT Public Company Limited
- Chairman of the Audit Committee
(Independent Director) -
Kasikorn Bank Public Company Limited

Others

- Chairman of the Audit Committee
(Independent Director) -
Pruksa Real Estate Public Company Limited.
 - Chairman - Energy for Environment Foundation
-

Work Experience

- 2009 - 2012 President - Thai Airways
International Public Company Limited
 - 2008 - 2009 Chief Advisor to Chief Executive
Officer - Kasikornbank Public Company
Limited
 - 2006 - 2008 Minister - Ministry of Energy
-

Training

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

Mr. Adul Chandanachulaka 71 Years



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

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
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 - Jutha Maritime Public Company Limited

Others

- Independent Director / Member of the Audit Committee - Pruksa Real Estate Public Company Limited.

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

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

Mr. Weerachai Ngamdeevilaisak 55 Years

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

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
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 Corporation 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 - Pruksa Real Estate Public Company Limited.
- Independent Director / Chairman of the Audit Committee - Autocorp Holding Co. Ltd.
- Director - Audit One Co., Ltd.
- Director - F&A Solutions 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

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

Dr. Anusorn Sangnimnuan 63 Years



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

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
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 Public Company Limited
- Independent Director - B.Grimm Power Public Company Limited

Others

- Independent Director - Pruksa Real Estate Public Company Limited
- 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 Company Limited
- 2014 - 2015 Member of the National Reform Council
- 2014 - 2015 Director - Loxley Public Company Limited
- 2013 - 2015 Senior Consultant - The Bangchak Petroleum Public Company Limited
- 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

Training

- Diploma, The Joint State-Private Sector Course / National Defence College (Class of 20)
- Leadership Program, Capital Market Academy (Class of 10) / The Stock Exchange of Thailand
- Advanced Diploma, Public Administration and Public Law / King Prajadhipok's Institute (Class of 5)
- Public Director Certification Program (Class of 1) / Public Director Institute
- Director Certification Program - DCP 62/2005 / Thai Institute of Directors (IOD)
- Director Accredited Program - DAP 40/2005 / Thai Institute of Directors (IOD)

Dr. Prasarn Trairatvorakul 65 years

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

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Honorary Doctor of Philosophy - National Institute of Development Administration
- Honorary Doctor of Economics - Chulalongkorn University
- Honorary Doctor of Economics - The University of the Thai Chamber of Commerce
- Honorary Doctor of Economics - Khon Kaen University
- Honorary Doctor of Business Administration - Rajamangala University of Technology Suvarnabhumi
- 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

- Director / Member of the Remuneration Committee / Member of CSR Committee for Sustainable Development - The Siam Cement Public Company Limited

Others

- Independent Director / Member of the Audit Committee - Pruksa Real Estate Public Company Limited
- Chair Professor, Faculty of Commerce and Accountancy - Chulalongkorn University
- Member, Asset Management Committee of Vajiravudh College
- Member, Committee on King's Scholarships for Thai Buddhist Monks
- Chairman, National Economic Reform Committee
- Member, Education Reform Committee
- Member, Committee Preparing the Long-term National Strategy
- Chairman, Public Procurement Committee
- Chairman of the Council of Trustees and the Board of Director, Thailand Development Research Institute (TDRI)
- Senior Advisor - the CENTRAL Group
- Member, Property Management Committee - Chulalongkorn University
- Director, Thailand Sustainable Development Foundation
- Advisor, Board of Investment
- Advisor, Crown Property Bureau
- Member, Anti-corruption Committee
- Member, Committee to Enhance Competitiveness of the Nation
- Member, State Enterprises Supervisory Board
- Executive Director, Thai Red Cross Society

Work Experience

- 2010 - 2015 Governor - Bank of Thailand

- | | | | |
|---------------|--|---------------|--|
| • 2010 - 2010 | Vice Chairman - Muangthai Life Assurance Company Limited | • 1983 - 1992 | and Exchange Commission of Thailand
Bank of Thailand |
| • 2010 - 2010 | Chairman - Thai Bankers' Association (TBA) | | - Economist, Department of Economic Research |
| • 2008 - 2016 | Council Member - Chulalongkorn University | | - Section Chief, Department of Bank Supervision and Examination |
| • 2005 - 2010 | Chairman - KLeasing Company Limited | | - Deputy Director, Department of Financial Institutions Supervision and Examination |
| • 2005 - 2009 | Chairman - KFactoring Company Limited | | |
| • 2004 - 2010 | Chairman - Anandamahidol Fellows Club | | |
| • 2004 - 2010 | President - KASIKORNBANK Public Company Limited | • 1981 - 1983 | Research Fellow, International Food Policy Research Institute, Washington, D.C., USA |
| • 2002 - 2003 | Member of Economic Policy Working Group - Ministry of Finance | | |
| • 2001 - 2005 | Chairman - Thai Red Cross Society's Eye Bank | | |
| • 2001 - 2003 | Director and Chairman of Audit Committee - Thailand Asset Management Corporation | | |
| • 2000 - 2003 | Director - State Enterprises Capital Policy Committee | | |
| • 1999 - 2003 | Secretary-General - Securities and Exchange Commission of Thailand | | |
| • 1998 - 2004 | Member, the Law Reform Commission of the Council of State | | |
| • 1998 - 2000 | Director of the Financial Reform Advisory Committee - Ministry of Finance | | |
| • 1992 - 1999 | Deputy Secretary-General - Securities | | |

Training

- Role of the Chairman Program - RCP 2/2001 / Thai Institute of Directors (IOD)
 - Director Certification Program - DCP 21/2002 / Thai Institute of Directors (IOD)
 - Ethical Leadership Program - ELP 2/2015 / Thai Institute of Directors (IOD)
 - Top Executives in the Energy Education Program, Class 9 / Thailand Energy Academy
 - The National Defence Course for the Joint State-Private Sectors, Class 15 / Thailand National Defence College.
-

Professor Piyamitr Sritara, MD, FRCP, FACP, FRCP(T). 59 years



Independent Director

(Started on February 16, 2017)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- 2018 The Programme Rule of Law for Democracy No. 6, College of the Constitution Court
- 2016 Fellow of Royal College of Physician (LONDON)
- 2015 Fellow of American College of Physician
- 2008 The Programme for Senior Executive on Justice Administration No.12
- 1994 Thai Board of Cardiovascular Medicine, FRCP (Thailand)
- 1990 Diploma in Cardiology, Royal Postgraduate Medical School, Hammersmith Hospital, University of London
- 1988 Thai Board of Internal Medicine, FRCP (Thailand)
- 1982 M.D., Faculty of Medicine, Ramathibodi Hospital

Mahidol University

- 1980 B.Sc. (Medical Science), Mahidol University

**Other Position(s)
(Listed Companies and Others)**

Listed Companies

- -

Others

- Dean Faculty of Medicine Ramathibodi Hospital Mahidol University
- Chairman Cardiovascular Research Cluster Mahidol University
- Committee of Cardiology Board Examination, Thailand

Work Experience

- 2015 - Present Dean Faculty of Medicine Ramathibodi Hospital, Mahidol University
- 2012 - 2017 Chairman, Scientific Committee, The Royal College of Physicians of Thailand
- 2011 - Present Chairman Cardiovascular Research Cluster, Mahidol University
- Oct 2010 - 2014 Chairman Department of Medicine, Faculty of Medicine Ramathibodi Hospital, Mahidol University
- 2008 - 2011 Thailand Research Fund Senior Research Scholar
- 2007 - 2010 Director of Cardiovascular and Metabolic Center Ramathibodi Hospital, Mahidol University, Bangkok
- 2006 - 2010 Deputy Chairman of Department of Medicine, Faculty of Medicine Ramathibodi Hospital, Mahidol University, Bangkok
- Sep 2006 Professor of Medicine, Mahidol University
- 2005 Award of Outstanding Physician of the Royal College of Physicians of Thailand (Academic)
- 2002 - 2005 Deputy Dean for Medical Informatics, Faculty of Medicine Ramathibodi Hospital, Mahidol University, Bangkok
- 1999 - Present Committee of Cardiology Board Examination, Thailand
- 1996 Associate Professor of Medicine, Mahidol University
- 1992 Assistant Professor of Medicine, Mahidol University
- 1990 - 1992 Cardiologist, Hammersmith Hospital
- 1988 Lecturer in Division of Cardiology, Ramathibodi Hospital
- 1983 - 1985 General Practitioner, Koh Samui Hospital, Surat thani

Training

- Director Certification Program - DCP 244/2017 / Thai Institute of Directors (IOD)

Mr. Wichian Mektrakarn 63 Years



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

(Started on March 16, 2016)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
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 / Member of the Audit Committee / Member of the Nomination and Remuneration Committee AAPICO Hitech Plc.
- Chairman - CS Loxinfo Plc.

Others

- Director - Pruksa Real Estate Plc.
- Chairman - Aira & Aiful Plc.
- Director / Member of the Audit Committee - Thanachart Insurance Plc.

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 (IOD)
- 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 Difference - BMD 3/2016 / Thai Institute of Directors (IOD)
- Role of the Chairman Program - RCP 40/2017 / Thai Institute of Directors (IOD)

Mrs. Rattana Promsawad 56 Years

**Authorized Director /
Member of the Corporate Governance
Committee**

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2017

- | | |
|-----------------------------|-------------------------------|
| 1. I | : 1.8400% (40,220,401 Shares) |
| 2. Spouse/Cohabiting couple | : 0.5856% (12,800,000 Shares) |
| 3. Minor Children | : None |

as on December 30, 2017

- | | |
|-----------------------------|-------------------------------|
| 1. I | : 1.9307% (42,221,462 Shares) |
| 2. Spouse/Cohabiting couple | : 0.5716% (12,500,000 Shares) |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-----------------------------|--------------------|
| 1. I | : 2,001,061 Shares |
| 2. Spouse/Cohabiting couple | : (300,000) Shares |
| 3. Minor Children | : - |
-

Family Relationship Among the Executives

- Younger sister of Mr. Thongma Vijitpongpan
-

Education

- Bachelor Degree (Law), Ramkhamhaeng University
-

**Other Position(s)
(Listed Companies and Others)**

Listed Companies

- -

Others

- Director / Director of CEO Office - Prukso Real Estate Public Company Limited.
 - Director - Prukso Overseas Co., Ltd.
 - Director - Prukso International Co., Ltd.
 - Director - Kaysorn Construction Co., Ltd.
 - Director - Prukso India Housing Private Limited
-

Work Experience

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

Training

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

Mr. Piya Prayong 48 Years



Authorized Director / Member of the Executive Committee / Member of the Corporate Enterprise Risk Management Committee

(Started on March 16, 2016)

Shareholding (%)

as on January 1, 2017

- | | |
|-----------------------------|------------------------------|
| 1. I | : 0.0484% (1,056,901 Shares) |
| 2. Spouse/Cohabiting couple | : 0.0022% (49,000 Shares) |
| 3. Minor Children | : None |

as on December 30, 2017

- | | |
|-----------------------------|------------------------------|
| 1. I | : 0.0624% (1,364,002 Shares) |
| 2. Spouse/Cohabiting couple | : 0.0037% (80,000 Shares) |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-----------------------------|------------------|
| 1. I | : 307,101 Shares |
| 2. Spouse/Cohabiting couple | : 31,000 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 / Chief Executive Officer, Prukso Real Estate - Prukso Real Estate Public Company Limited
- Director - Kaysorn Construction Co., Ltd.

Work Experience

- 2016 - Jan 2017 Director /
Member of the Executive and Strategy Committee /
Member of the Corporate Risk Management Committee /
President-Value Business -
Prukso Real Estate Public Company Limited
- 2010 Chief Business Officer -
Prukso Real Estate Public Company Limited
- 2008 Chief Operating Officer -
Prukso Real Estate Public Company Limited
- 2004 Executive Vice President -
Prukso Real Estate Company Limited
- 2003 Project Construction Manager -
Prukso Real Estate Company Limited

Training

- Director Certification Program - DCP 59/2005 / Thai Institute of Directors (IOD)
- Risk Management Program for Corporate Leaders - RCL 8/2017 / Thai Institute of Directors (IOD)
- Capital Market Academy Leadership Program (Class 25/2017) / Capital Market Academy

Mr. Prasert Taedullayasatit 50 Years



Authorized Director / Member of the Executive Committee / Member of the Corporate Enterprise Risk Management Committee

(Started on April 27, 2017)

Shareholding (%)

as on January 1, 2017

1. I : 0.0000% (1 Shares)
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : 0.0000% (1 Shares)
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- Master Degree {Business Administration (Marketing & Finance)}, Chulalongkorn University
- Bachelor Degree (Accountancy: 2nd class Honor), Thammasat University

Other Position(s) (Listed Companies and Others)

Listed Companies

- -

Others

- President - Thai Condominium Association
- Director - The Committee on The Thai Chamber of commerce and Board of Trade Thailand
- Advisor - Housing Business Association

- Director - Board of Directors of Housing Development office (Housing Development office, business unit of Bangkok Metropolitan administration)
- Director - Board of Directors Real Estate Information Center (REIC)
- Advisor - Chulalongkorn University Demonstration School Parents and Teachers Association
- Advisor - MBA Alumni Association Chulalongkorn University
- Director / Chief Executive Officer Prukha Real Estate, Premium - Prukha Real Estate Public Company Limited

Work Experience

- 2016 - Jan 2017 Director / Member of the Executive and Strategy Committee / Member of the Corporate Risk Management Committee / President Premium Business - Prukha Real Estate Public Company Limited.
- 2013 - 2016 Director / Managing Director Condominium Group 1 (MD) - Prukha Real Estate Public Company Limited.
- 2010 - 2013 Director / Senior Executive Vice President / Chief Business Officer (CBO) - Prukha Real Estate Public Company Limited
- 2008 - 2009 Director / Senior Executive Vice President / Chief Operating Officer (COO) - Prukha Real Estate Public Company Limited.
- 2007 - 2008 Director / Senior Executive Vice President / Chief Business Officer (CBO) - Prukha Real Estate Public Company Limited.
- 2005 - 2007 Director / Executive Vice President (Marketing / Sales & Business Development) - Prukha Real Estate Public Company Limited.
- 2002 - 2005 Director / Executive Director / Executive Vice President (Business Development) - Lalin Property Public Company Limited.
- 1999 - 2002 Senior Marketing and Business Development Manager - Lalin Property Co., Ltd.
- 1993 - 1999 Marketing and Business Development Manager - Lalin Property Co., Ltd.

Training

- Advanced Security Management Program (Class 8) / The National Defence College (NDC)
- Capital Market Academy Leadership Program (Class 21), Capital Market Academy / The Stock Exchange of Thailand
- 3rd Metropolis Development Program for Top Executive (Metropolis class 3) / Institute of metropolitan development (Navamindradhiraj University)
- Director Certification Program - DCP 56/2005 / Thai Institute of Directors (IOD)
- Director Accreditation Program - DAP 1/2003 / Thai Institute of Directors (IOD)
- Public Economic Management for Executives Program - 5/2006 / King Prajadhipok's Institute
- Property Management for Executives Program - RECU10, Faculty of Architecture / Chulalongkorn University

Mrs. Supattra Paopiamsap 54 Years



**Deputy Group Chief Executive Officer /
Member of the Executive Committee**

(Started on July 14, 2017)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

- MBA, Marketing, Georgia State University, USA
- BBA Accounting, Assumption University, Bangkok, Thailand

Other Position(s) (Listed Companies and Others)

Listed Companies

- -

Others

- Non-Executive Chairwoman - Unilever Thai Group of Companies.
- President - Marketing Association of Thailand (MAT)
- Advisor - True Corporation Co., Ltd.
- Advisory Board - School of Management and Economics, Assumption University
- Advisory Board - Faculty of Commerce and Accountancy, Thammasat University
- Advisory Board - Faculty of Management Sciences, Prince of Songkla University

Work Experience

- 2014 - Apr 2017 CEO - Unilever Thai Trading Ltd.
- 2013 Vice President, Home care, Foods & Ice Cream - Unilever Thai Trading Ltd.
- 2009 - 2012 Vice President, Foods & Ice Cream - Unilever Thai Trading Ltd.
- 2006 - 2009 Vice President, Brand Development, Savoury South East Asia & Greater China, based in Shanghai, China
- 2004 - 2005 Vice President, Home & Personal Care - Unilever Malaysia
- 2001 - 2003 Marketing Director, Laundry - Unilever Thai Trading Ltd
- 1998 - 2000 Head of Marketing Services - Unilever Thai Trading Ltd.
- 1996 - 1997 Head of Consumer Insight - Unilever Thai Trading Ltd.
- 1992 - 1996 Consumer Insight Manager, South East Asia Hair Innovation Center - Unilever SEA, based in Thailand
- 1989 - 1992 Director, Center for Research in Business Assumption University

Training

- 2015 Leading Global Business, Harvard Business School USA
- 2014 UL2020, Unilever Senior leadership - Purpose to Impact in Singapore & UK
- 2014 Global CEO program , Asia Week : Singapore & Indonesia
- 2012 Global INSEAD Women Leadership in UK

Ms. Trithip Sivakriskul 52 Years**Group Chief Financial Officer**

(Started on September 1, 2017)

Shareholding (%)**as on January 1, 2017**

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
3. Minor Children : -

Family Relationship Among the Executives

• -

Education

- Master of Business Administration (MBA), Finance, Marketing, Sasin Graduate Institution of Business Administration at Chulalongkorn University
- Exchange Student, Kellogg Graduate of Management, Northwestern University, USA
- Bachelor of Business Administration (BBA), Finance, Chulalongkorn University

**Other Position(s)
(Listed Companies and Others)****Listed Companies**

- Independent Director & Audit Committee - Triton Holding Plc.

Others

- Independent Director & Audit Committee - Singapore International School of Bangkok
- Independent Director & Audit Committee - King Telecom Plc.

Work Experience

- Apr 2016 - Aug 2017 Chief Financial Officer - Ek-Chai Distribution System Co., Ltd.
- Dec 2011 - Mar 2016 Corporate Chief Financial Officer - Minor International Plc.
- Jan - Oct 2011 Chief Financial Officer - Ratchburi Electricity Generating Plc.
- Sep 2007 - Jan 2011 Executive Vice President, Corporate Business Planning - IRPC Plc.
- 2006 - 2007 Director - Open Technology Co., Ltd
- 2006 - Sep 2007 Executive Vice President-Finance - IRPC Plc.
- 2005 - 2011 Director - Super Block Plc.
- 2003 - 2006 Working team of the plan administrator - Thai Petrochemical Plc.
- 2001 - 2003 VP - Asset Management Thai Asset Management Corporation
- 1997 - 2001 Partner - Deloitte Touche Tohmatsu Corporate Restructuring Co., Ltd.
- 1994 - 1997 VP-Investment Banking - Peregrine Nithi Finance & Securities Co., Ltd.

Others

- Jan - Jun 2008 Advisor - The Stock Exchange of Thailand.
- 2005 - Jan 2007 Advisor, Managing Director - Muang Thai Life Assurance Co., Ltd.
- 2003 Advisor - Financial Institutions Development Fund (FIDF)

Training

- Director Certification Program - DCP 158/2012 / Thai Institute of Directors (IOD)
- Director Accreditation Program - DAP 31/2005 / Thai Institute of Directors (IOD)
- Capital Market Academy Leadership program (CMA 9)
- TLCA Executive Development Program (EDP 2) / Thai Listed Companies Association (TLCA)
- Corporate Secretary Development Program / Thai Listed Companies Association (TLCA)

Mr. Porntep Suppataratarn 55 Years



Group Chief Procurement & Supply Chain Officer / Member of the Executive Committee

(Started on November 7, 2016)

Shareholding (%)

as on January 1, 2017

1. I : 0.0009% (19,501 Shares)

2. Spouse/Cohabiting couple : None

3. Minor Children : None

as on December 30, 2017

1. I : 0.0001% (2,555 Shares)

2. Spouse/Cohabiting couple : None

3. Minor Children : None

Change (+/-)

1. I : (16,946) Shares

2. Spouse/Cohabiting couple : -

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 Public Company Limited

Work Experience

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

Training

• -

Mr. Udomsak Yamnoon 56 Years

Acting Group Chief Corporate Administration Officer / Member of the Executive Committee

(Started on May 6, 2016)

Shareholding (%)

as on January 1, 2017

- 1. I : 0.0000% (1 Shares)
- 2. Spouse/Cohabiting couple : None
- 3. Minor Children : None

as on December 30, 2017

- 1. I : 0.0001% (1,764 Shares)
- 2. Spouse/Cohabiting couple : None
- 3. Minor Children : None

Change (+/-)

- 1. I : 1,763 Shares
 - 2. Spouse/Cohabiting couple : -
 - 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 Public Company Limited
-

Work Experience

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

Training

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

Mr. Komkrit Nongsawat 53 Years



Acting - Group Chief Corporate Marketing Officer

(Started on November 1, 2017)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : -
2. Spouse/Cohabiting couple : -
3. Minor Children : -

Family Relationship Among the Executives

• -

Education

- Bachelor Business Administration, California State University

Other Position(s) (Listed Companies and Others)

Listed Companies

• -

Others

• -

Work Experience

- Nov 2017 - Present Acting-Group Chief Corporate Marketing Officer - Pruksa Holding Public Company Limited.
- Oct 2016 - Oct 2017 Executive Vice President - Pruksa Real Estate Public Company Limited
- 2014 - 2016 General Manager (Aston Martin Bangkok), Head of Marketing & Communication (Azimut Yachts Thailand) - Master Group Corporation (Asia) Limited
- 2011 - 2014 General Manager - Marketing & Communication - Mercedes Benz Thailand
- 2004 - 2010 Marketing Director - Ford Motor Company (Thailand)
- 2003 - 2004 Fleet Sales Manager - Ford Motor Company (Thailand)
- 2001 - 2003 Sr. Brand Manager / Corporate Brand Communication Manager - Ford Motor Company (Thailand)
- 1996 - 2001 Corporate Brand Communication & Sales Promotions Manager - Ford Motor Company (Thailand)
- 1993 - 1996 Public Relation & Sales Promotions Manager (New Era Cycle and Carriage Company) - Ford Motor Company (Thailand)

Training

• -

Mr. Premsak Vallikul 53 Years**Secretary of the Audit Committee**

(Started on April 19, 2016)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : 0.0001% (1,249 Shares)
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : 1,249 Shares
2. Spouse/Cohabiting couple : -
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

- Acting-EVP Internal Audit & Compliance - Pruksa Real Estate Public Company Limited

Work Experience

- 2017 - Present Acting - EVP Internal Audit & Compliance - Pruksa Real Estate Public Company Limited
- 2015 - 2016 Senior Vice President -Internal Audit - Pruksa Real Estate Public Company Limited
- 2009 - 2014 Vice President - Internal Audit - Pruksa Real Estate Public Company Limited
- 2008 - 2009 Vice President - Land Acquisition - Pruksa Real Estate Public Company Limited
- 2007 - 2008 Chief Audit Officer - Grande Asset Development Public Co., Ltd.
- 2004 - 2007 Manager - Pruksa Real Estate Public Company Limited
- 2003 - 2004 Senior Manager Internal Audit Department - Betagro Group Co., Ltd.
- 1999 - 2002 Manager - PricewaterhouseCoopers 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 58 Years



Company Secretary

(Started on April 19, 2016)

Shareholding (%)

as on January 1, 2017

1. I : None
2. Spouse/Cohabiting couple : None
3. Minor Children : None

as on December 30, 2017

1. I : 0.0000% (982 Shares)
2. Spouse/Cohabiting couple : None
3. Minor Children : None

Change (+/-)

1. I : 982 Shares
2. Spouse/Cohabiting couple : -
3. Minor Children : -

Family Relationship Among the Executives

- -

Education

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

Other Position(s)
(Listed Companies and Others)

Listed Companies

- -

Others

- Company Secretary -
Pruksa Real Estate Public Company Limited.

Work Experience

- 2009 - Present Company Secretary -
Pruksa Real Estate Public Company Limited
- 2008 - 2009 Senior Legal Manager / Company Secretary -
Pruksa Real Estate Public Company Limited
- 2005 - 2006 Vice President, Broker Business Department -
Ayudhya Allianz C.P. Life Public
Company Limited
- 1992 - 2005 Vice President, Legal Department -
Ayudhya Allianz C.P. Life Public
Company Limited
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)
- CGM Workshop 2017 / Thai Institute of Directors (IOD)

Controlling Persons of the Company and its Subsidiaries (As of December 31, 2017)

Name	Company	Pruksa Real Estate Co., Ltd.	Kaysorn Construction Co., Ltd.	Phanalee Estate Co., Ltd.	Puthachart Co., Ltd.	Pruksa International Co., Ltd.	Pruksa Overseas Co., Ltd.	Pruksa Overseas Service Co., Ltd. **	Vimut Holding Hospital Co., Ltd. *
1. Dr. Pisit Leeahtam	X	X	-	-	-	-	-	-	-
2. Mr. Thongma Vijitpongpun	/ & //	/	-	-	-	X	X	X	X
3. Dr. Piyasvasti Amranand	/	/	-	-	-	-	-	-	-
4. Mr. Adul Chandanachulaka	/	/	-	-	-	-	-	-	-
5. Mr. Weerachai Ngamdeevilaiak	/	/	-	-	-	-	-	-	-
6. Dr. Anusorn Sangnimnuan	/	/	-	-	-	-	-	-	-
7. Dr. Prasarn Triratvorakul	/	/	-	-	-	-	-	-	-
8. Professor Piyamitr Sritara ⁽²⁾	/	-	-	-	-	-	-	-	-
9. Mr. Wichian Mektrakarn	/ & //	/	-	-	-	-	-	-	-
10. Mrs. Rattana Promsawad	/	/	/	-	-	/	/	-	-
11. Mr. Piya Prayong	/ & //	/	/	-	-	-	-	/	-
12. Mr. Prasert Taedullayasatit ⁽³⁾	/ & //	/	-	-	-	-	-	-	-
13. Mr. Theeradej Kerdсамang ⁽⁶⁾	//	/	-	/	-	-	-	-	-
14. Mr. Nimit Poonsawat	-	/	-	-	-	-	-	-	-
15. Mr. Lersuk Chuladesa ⁽¹⁾	/	-	-	-	-	-	-	-	-
16. Mrs. Supattra Paopiamsap ⁽⁶⁾	//	-	-	-	-	-	-	-	-
17. Mr. Porntep Suppataratarn ⁽⁶⁾	//	-	-	-	-	-	-	-	-
18. Mr. Udomsak Yamnoon ⁽⁶⁾	//	-	-	-	-	-	-	-	-
19. Ms. Suporn Treewichayapong ⁽⁴⁾	//	-	/	/	/	/	/	/	-
20. Professor Samrerng Kanyakool ⁽⁵⁾	//	-	-	-	-	-	-	-	/
21. Ms. Trithip Sivakrskul ⁽⁷⁾	//	-	-	-	-	-	-	-	/
22. Mr. Vatcharakris Nopakun	-	-	-	-	-	-	-	-	/

Remark : / = Director X = Chairman // = Executive Director

⁽¹⁾ Mr. Lersuk Chuladesa resigned from the Company Director since April 27, 2017.

⁽²⁾ Professor Piyamitr Sritara was appointed as the Company Director since February 16, 2017 onwards.

⁽³⁾ Mr. Prasert Taedullayasatit was appointed as the Company Director since April 27, 2017 and was appointed as Executive Director since January 20, 2017 onwards.

⁽⁴⁾ Ms. Suporn Treewichayapong was appointed as Executive Director since January 20, 2017 and resigned from Executive Director since September 18, 2017 onwards.

⁽⁵⁾ Professor Samreng Kanyakool was appointed as Executive Director since January 20, 2017 and resigned from Executive Director and the Company Director Vimut Hospital Holding Co., Ltd. since September 1, 2017.

⁽⁶⁾ Mrs. Supattra Paopiamsap, Mr. Porntep Suppataratarn, Mr. Udomsak Yamnoon and Mr. Theeradej Kerdamang was appointed as Executive Director since July 14, 2017 onwards.

⁽⁷⁾ Ms. Trithip Sivakrskul was appointed as Executive Director since September 18, 2017 onwards.

* Vimut Hospital Holding Company Limited registered on February 23, 2017 (The change of its name from Vimutti Holding Hospital Co., Ltd to Vimut Hospital Holding Co., Ltd. on October 9, 2017)

** Pruksa Overseas Service Co., Ltd. Liquidation on October 4, 2017

Meeting Attendance of the Board and the Committees in 2017

Name	Board of Directors		Audit Committee		Corporate Enterprise Risk Management Committee		Corporate Governance Committee		Nomination and Remuneration Committee		Executive Committee	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
1. Dr. Pisit Leeahtam	11/11	3/3	-	-	-	-	-	-	12/12	-	-	-
2. Mr. Thongma Vijitpongpun	10/11	3/4	-	-	-	-	-	-	11/12	-	8/9	-
3. Dr. Piyasvasti Amranand	10/11	3/3	12/12	6/6	-	-	-	-	-	-	-	-
4. Mr. Abdul Chandanachulaka	11/11	3/3	12/12	6/6	-	-	8/8	-	-	-	-	-
5. Mr. Weerachai Ngamdeevilaiak	11/11	3/3	12/12	6/6	12/12	-	-	-	12/12	-	-	-
6. Dr. Anusorn Sangnimnuan	10/11	3/3	-	-	-	-	8/8	-	10/12	-	-	-
7. Dr. Prasarn Trairatvorakul	11/11	3/3	12/12	5/6	12/12	-	-	-	-	-	-	-
8. Professor Piyamitr Sritara, MD ⁽¹⁾	9/9	-	-	-	-	-	-	-	-	-	-	-
9. Mr. Wichian Mektrakarn	11/11	4/4	-	-	-	-	-	-	12/12	-	9/9	-
10. Mrs. Rattana Promsawad	10/11	3/3	-	-	-	-	7/8	-	-	-	-	-
11. Mr. Piya Prayong	10/11	4/4	-	-	10/12	-	-	-	-	-	9/9	-
12. Mr. Prasert Taedullayasatit ⁽³⁾	8/8	1/1	-	-	10/12	-	-	-	-	-	8/9	-
13. Mr. Lersuk Chuladesa ⁽²⁾	0/3	4/4	-	-	1/1	-	-	-	-	-	-	-
14. Mrs. Supattra Paopiamsap ⁽⁸⁾	-	-	-	-	-	-	-	-	-	-	2/4	-

Name	Board of Directors		Audit Committee		Corporate Enterprise Risk Management Committee		Corporate Governance Committee		Nomination and Remuneration Committee		Executive Committee	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
15. Miss Trithip Sivakrskul ⁽⁶⁾	-	-	-	-	4/4	-	-	-	-	-	2/2	-
16. Mr. Charly Madan ⁽⁴⁾	-	-	-	-	1/1	-	-	-	-	-	-	-
17. Mr. Porntep Suppataratarn ⁽⁸⁾	-	-	-	-	-	-	-	-	-	-	3/4	-
18. Mr. Udomsak Yamnoon ⁽⁸⁾	-	-	-	-	-	-	-	-	-	-	4/4	-
19. Mr. Theeradej Kerdsamang ⁽⁸⁾	-	-	-	-	-	-	-	-	-	-	4/4	-
20. Miss Suporn Treewichayapong ⁽⁵⁾	-	-	-	-	-	-	-	-	-	-	7/7	-
21. Mr. Samroeng Kaenyakool ⁽⁷⁾	-	-	-	-	-	-	-	-	-	-	5/5	-

Remark : ⁽¹⁾ Professor Piyamitr Sritara, MD was appointed as director of the Company since February 16, 2017.

⁽²⁾ Mr. Lersuk Chuladesa retired from the office of the Company's director since April 27, 2017 and retired from the office of Executive Committee since April 20, 2017 onwards.

⁽³⁾ Mr. Prasert Taedullayasatit was appointed as director of the Company since April 27, 2017.

⁽⁴⁾ Mr. Charly Madan retired from the office of the member of Corporate Enterprise Risk Management Committee since December 31, 2017.

⁽⁵⁾ Miss Suporn Treewichayapong was appointed as Executive Committee since January 2, 2017 and retired from the office of Executive Committee since September 18, 2017.

⁽⁶⁾ Miss Trithip Sivakrskul was appointed as member of Corporate Enterprise Risk Management Committee and appointed as Executive Committee since September 18, 2017.

⁽⁷⁾ Mr. Samroeng Kaenyakool was appointed as Executive Committee since January 20, 2017 and retired from the office of Executive Committee since July 14, 2017.

⁽⁸⁾ Mrs. Supattra Paopiamsap, Mr. Porntep Suppataratarn, Mr. Udomsak Yamnoon and Mr. Theeradej Kerdsamang were appointed as Executive Committee since July 14, 2017.



Report of the Board of Directors

Pruksa Holding Public Company Limited (“Company”) engages in the core business as Holding Company by holding shares in other companies, with expectation to be Thai leading company that offers variety of businesses and services to fulfill the modern way of living and enable to completely satisfy the customer demand. The Company also aims for helping and fulfilling the customer dream by delivering happiness and modern way of living for every family member.

In last 2017, the Company held total of eleven Board of Directors’ Meetings and a Non-Executive Directors’ Meeting which is the meeting mutually convened particularly by the Company’s independent directors without meeting attendance of the Management. The Meetings discussed and exchanged opinions in different matters in the essence of planning to cope with circumstances in the event of economic crisis occurrence, principle of SBU incentive determination for 2018, measurement of corporate performance evaluation, proposal of tactics and strategies to the Board of Directors’ Meeting for more consideration, investment in other businesses for revenue generation to the Company, employee care, and continual employee development particularly in junior level. In the previous year, the Company executed in the essence of launch of the residence projects of Pruksa Real Estate Public Company Limited which is the Company’s subsidiary in total of 56 projects, classifying into 36 town house projects, 10 single-detached house projects, and 10 condominium projects.

Moreover, the Company also declared the intent to participate in Thailand’s Private Sector Collective Action Coalition Project and was certified on November 10, 2017. The Company’s emphasis on balance business operation between financial turnover and stakeholder responsibility, as well as social and environmental care, ability to apply the issues of environment, society, corporate governance, or ESG (Environmental, Social and Governance), as mechanism of business development towards sustainability; and emphasis on good corporate governance and continuous compliance, have resulted in the awards granting to the Company, for instance:

Awards Related to Business Operation of the Company

1. “Real Estate Development Business Sector Role Model” Honorable Plate was granted from Foundation of The Scientific and Technological Council of Thailand to Mr. Piya Prayong, the Chief Executive Officer - Pruksa Real Estate Business Group, on behalf of business sector role model in applying new knowledge and technology for the Company’s business operation.
2. “Social Usefulness Creator” Honorable Plate was granted by INTV AWARD 2017 Event to Mr. Prasert Taedullayasatit,

Chief Executive Officer - Pruksa Real Estate-Premium Business, on behalf of the successful businessman and person in the business field both in public and private sector who creates overall social and economic usefulness.

3. Asia’s Most Promising Brands Award 2017 from World Consulting & Research Corporation on World Leading Brand
4. International Star for Quality Award 2017, Platinum type from Business Initiative Directions (B.I.D.)
5. BCI Asia Top 10 Developers Awards 2017 for the seventh consecutive year from BCI Media Group
 - Urbano Rajavithi Project
 - Chapter One Eco Ratchada-Huai Kwang Project
 - Plum Condo Ramkhamhaeng Project
6. Outstanding Real Estate Project Award 2017 from Agency for Real Estate Affairs
 - The Privacy Ladprao-Sena Project
 - Baan Pruksa Puchao-Samrong Project
7. Outstanding Townhouse Model Energy Conservation Housing Development Award 2017 from Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy
 - The Connect Project
8. Smart Green Energy Award 2017 from Office of Industrial Economics, Ministry of Industry
 - Pruksa Precast Factory, Nawanakorn
9. Provincial Safety Model Establishment Award for the second consecutive year from Pathum Thani Provincial Labour Protection and Welfare Office
 - Pruksa Precast Factory, Nawanakorn
10. Platinum Green Building Standard Certificate from DGNB Institute of Germany
 - “Pruksa Plus House” House Model, The Plant Estique, Phatthanakan Project
11. Green Industry Certificate for Class 3 of Green System from Ministry of Industry
 - Pruksa Precast Factory, Lamlookka
 - Pruksa Precast Factory, Nawanakorn

12. Corporate Carbon Footprint Development Registration Certificate for 2017 from Thailand Greenhouse Gas Management Organization (Public Organization)

- Prukha Precast Factory, Lamlookka
- Prukha Precast Factory, Nawanakorn

13. Innovation Management System CEN/TS 16555-1 : 2013 Certificate from Management System Certification Institute (Thailand)

Awards in Good Corporate Governance, Sustainability, and Social and Environmental Responsibility

1. Quality Assessment Result for 2017 Annual General Meeting ("AGM") whereas the Company earned full 100 scores of assessment score from Thai Investors Association (However, Prukha Real Estate Public Company Limited, its subsidiary which is the core company of the Company, has ever earned full 100 scores of assessment score for four consecutive years from 2013 - 2016 before delisted from Stock Exchange of Thailand.)

2. "Excellent" Corporate Governance Evaluation Report of Thai Listed Companies 2017 from Thai Institute of Directors (IOD) whereas evaluation score result was earned more than 90 scores.

(However, Prukha Real Estate Public Company Limited, its subsidiary which is the core company of the Company, has ever earned more than 90 scores of evaluation score result for three consecutive years from 2014 - 2016 before delisted from Stock Exchange of Thailand.)

3. SET Rising Star Sustainability Awards 2017 from Stock Exchange of Thailand

4. Thailand Sustainability Investment (THSI) Award for the second consecutive year from Stock Exchange of Thailand

5. The Seventh Honorable Mention NACC Integrity Awards from Office of the National Anti-Corruption Commission

6. Recognition Sustainability Report Award 2017 for the second consecutive year from CSR Club, Thai Listed Companies Association, Office of the Securities and Exchange Commission, and Thaipat Institute

7. Honorable Certificate for Organization that Performs Usefulness to the Ministry of Education from Ministry of Education

8. Glorification Certificate for Organization that Performs Social Usefulness in Promoting the Employment of People with Disabilities for 2017 from Thai Health Promotion Foundation (Thai Health) and Ministry of Labour

9. Membership Certificate of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) from The CAC Council

10. Being selected to be in ESG100 Company Group for 2017 (Environmental, Social and Governance: ESG) for the second consecutive year from Thaipat Institute

11. Certification of Participation in Corporate SDG Index Preparation Project from Thaipat Institute

The Board of Directors considerably hopes that the Company can generate long-term turnover which is satisfactory and accepted by the shareholders for the Company's interest in creation of business value. The Company would like to deliver the gratitude to all related parties such as shareholders, customers, business partners, financial institutions, government sector and private sector organizations, and employees. All can be confident that the Company will operate the business deliberately, transparently and ethically under responsibilities towards shareholders, stakeholders and society, and will not operate business that may have environmental impact for mutual happiness in all segments and for ongoing sustainability of the Company.



(Dr. Pisit Leeahtam)

Chairman of the Board of Directors

January 25, 2018

Report of the Executive Committee

Prukha Holding Public Company Limited (“Company”) entered as listed company in Stock Exchange of Thailand on December 1, 2016 to operate the following core businesses.

1. Holding company business that generates revenues from shareholding in other company such as development business of real estate for sale which is invested by the Company in the proportion of 100% of total assets of the company which is Prukha Real Estate Public Company Limited that operates development business of real estate for sale.
2. Business that can generate recurring income.

The Executive Committee aims at controlling business operation of the Company and its subsidiaries according to the operating goal of the Company mainly based on the benefit of shareholders and all parties of stakeholders as follows.

- (1) Sustain Prukha brand as #1 Leadership in real estate business under sustainable growth;
- (2) Establish Prukha brand as Trust Mark on behalf of the standard industrial leader;
- (3) Explore new business growth engine via new channels or new potential business group;
- (4) Aim at development of efficiency and improvement of profitability;
- (5) Set corporate foundation to enhance key enablers to be ready for skipping growth in term of organization structure, corporate culture and information technology system.

Lastly, the Executive Committee is substantially confident to manage and govern the Company's operation with responsibility, carefulness, honesty, and conformity with laws and principle of good corporate governance for endless security and sustainability of the Company.



(Mr. Thongma Vijitpongpun)

Group Chief Executive Officer

15 December 2017

Report of Nomination and Remuneration Committee

The current Nomination and Remuneration Committee has consisted of Mr. Weerachai Ngamdeevilaiak as the Chairman of the Committee, Dr. Pisit Leeahtam, Mr. Thongma Vijitpongpan, 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's 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 12 members in total, including seven independent directors, one non-executive director and four 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 2017, Nomination and Remuneration Committee convened total of 12 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 Ngamdeevilaiak)

Chairman of the Nomination and
Remuneration Committee

January 30, 2018

Report of the Corporate Governance Committee

Pruksa Holding Public Company Limited (PSH) always focuses on business operation by adherence to ethics and the principle of good governance. The Company's implementation of corporate governance in 2017 were awarded. For instance, the Company was certified for Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on November 10, 2017 and assessed for "Excellent" CGR for 2017 of Thai Listed Companies (LC). Pruksa Real Estate Public Company Limited (Subsidiary) was granted for the Seventh Admiration NACC Integrity Awards 2017 from NACC. These certifications have been resulted from the clear formulation of policy for concrete practice of anti-corruption policy by the Company's directors, executives and employees; and formulation of measure for continual internal anti-corruption. Moreover, in November 2017, the Company organized Supplier CG's Day : JOIN TOGETHER for Anti-Corruption Coalition Building" Event to invite the Company's business partners to jointly declare their intent on anti-corruption and adherence to business operation according to the principle of virtue and ethics and business operation on all-round anti-corruption basis to be stronger network. The brokers, business partners and financial institutions have been communicated on the Company's request for collaboration in abstention of giving gift, present and sponsorship budget or any other benefits in all forms in the period of New Year Festival and other festivals to the directors, executives and employees. Moreover, the organizational policy on rule of giving and receiving gift, present and entertainment or other benefits, has been issued as guideline of operating guideline which is transparent and free from corruption or bribery for the superiors, colleagues, business partners, suppliers, customers, government agencies and external agencies according to matters of law, and principle of good corporate governance of public limited company under responsibilities towards society and all related parties.

For social and environmental aspect, one of the policies which is always emphasized by the Company is business operation under awareness of social responsibility aiming at creation of the Company's sustainable growth. In last year, the Company was granted for three awards from Stock Exchange of Thailand such as SET Rising Star Sustainability Awards 2017 in the group of companies with securities value based on market price of Baht 30,000 - 100,000 million, Thailand Sustainability Investment (THSI) or "Sustainable Shares" Award for the second consecutive year, and Recognition Sustainability Report Awards 2017. The Company was selected to be in Universe Group of ESG100 Securities Group for 2017 from remarkable operation in environment, society and good governance areas from Thaipat Institute, indicating the acceptance on business operation according to the guideline of remarkable sustainable development of the Company.

In addition, the information of operating results in economic, social and environmental areas was completely and transparently disclosed together with continuous creating "shared value with society".

The significant operating plan for 2018 for continuous corporate governance is as follows.

- Apply for recertification of Thailand's Private Sector Collective Action Coalition Against Corruption or CAC of Pruksa Real Estate Public Company.
- Support the Company's business partners to apply for joining Thailand's Private Sector Collective Action Coalition Against Corruption or CAC Project and joining CAC SME Certification Project to reinforce coalition against giving and receiving bribery in public sector.
- Review the Charter of the Corporate Governance Committee, Code of Conduct Manual, Policy and Measure for Anti-Corruption, etc.
- Define the proper guideline to be accepted by both domestic and overseas to ensure that the operation of the Company can be appropriately monitored and controlled to be consistent with laws and good corporate governance.

Apart from the aforesaid activities, the Company has still implemented basic corporate governance activities such as training for educating corporate governance knowledge to new employees and organizing training and testing via electronics system to the current executives and employees, and site visit for training the project employees to build awareness of the significance of good governance and corruption to the employees all over, stimulating the executives and employees to disclose the relationship with business partners, conducting campaign and publicizing the policy for abstention of receiving gift as well as organizing CG Day Activity to ensure all shareholders and stakeholders that the Company's business operation and its subsidiaries proceed under transparency, non-corruption, and fairness to all parties. In part of ethical promotion activity, the Company has further planned to join the activities with external agencies such as Anti-Corruption Museum, Office of the National Anti-Corruption Commission, etc. to promote and realize on its duty in participation in corruption prevention and suppression, and promotion of virtue, ethics and honesty.



(Dr. Anusorn Sangnimnuan)

Chairman of the Corporate Governance

January 18, 2018

Report of the Corporate Enterprise Risk Management Committee

Pruksa Holding Public Company Limited realizes on the significance of risk management toward attainment of both short-term and long-term corporate goals for sustainable enterprise growth under changing situation all the time. The Corporate Enterprise Risk Management Committee consists of five experts in total including three executives and two independent directors who are the members of the Audit Committee at the same time. Dr. Prasarn Trairatvorakul is the Chairman of the Enterprise Risk Management Committee, and holds the Meeting of the Corporate Enterprise Risk Management Committee every month to perform the duties in governing risk management according to the scope and authority entrusted by the Board of Directors and continuously reports risk management operation for acknowledgement of the Board of Directors.

In 2017, the Corporate Enterprise Risk Management Committee held total of twelve meetings and quarterly reported the operation for acknowledgement of the Board of Directors. The significant operation of the corporate enterprise risk management can be summarized as follows.

- To suggest the determination of policies, strategies and guideline of corporate enterprise risk management
1. To consider guideline for determination of risk indicator and risk management measure for 2017 to be applied in monitoring risk status and risk factor management progress within 2017 for abatement of impact which will occur with the businesses of the Group of the Company.
 2. To consider significant risk aspects and guideline for determination of risk indicator and risk management measure for 2018 to be applied in monitoring risk status which is passed for assessment by the Corporate Enterprise Risk Management Committee and top executives, and following up the progress of risk factor management plan for further abatement of impact toward business operation of the Group of the Company.
 3. To consider giving guideline for risk management on business continuity management system of the Group of the Company under awareness of significance on maintaining

business operation capability of the Group of the Company in emergency situation so that products and services can be continuously delivered to customers. However, the Corporate Enterprise Risk Management Committee supports the preparation of business continuity management plan both in enterprise level and business unit level, determines regular practice in each situation every year, and supports system development for preparedness in applying the certification of ISO 22301 System for Business Continuity Management Standard.

- To review risk management plan of the Management and risk management process in the enterprise overview

The Committee remarks opinion on the appropriateness of risk management plan and Key Risk Indicator (KRI) that will signal the Company for advance acknowledgement on risk that will occur in order to adjust risk management plan to be proper for current situation, for instance, risk from land development. Control Self Assessment (CSA) is arranged for information technology risk. In addition, the Committee considers newly occurred risk and gives useful recommendations, for instance, risk from law on billing Land and Construction Tax Act B.E. 2562 (2019) which shall be applied to support the determination of long-term enterprise strategies.

- To report overall operation to the Board of Directors and the Audit Committee

The agenda of overall operation reporting of the Subcommittees including Corporate Enterprise Risk Management Committee, are contained as regular agenda of the Quarterly Meeting of the Board of Directors once a quarter for total of four meetings in a year. The Chairman of Corporate Enterprise Risk Management shall report to the Board of Directors and the Secretary of the Corporate Enterprise Risk Management Committee shall report to the Audit Committee continually.

The Corporate Enterprise Risk Management Committee aims at operating for the Company's governance and risk management in proper level, and supporting the affiliated companies to develop international standard risk management system for endless sustainable interest of shareholders and stakeholders.



(Dr. Prasarn Trairatvorakul)

Chairman of the Corporate Enterprise Risk Management Committee

29 December 2017

Remuneration of Director and Management

I. Monetary Remuneration

I.1 Remuneration for Independent Director and Non-Executive Director

The 2017 Annual General Meeting of Shareholders held on Thursday April 27, 2017 determined the remuneration as well as other special benefits for 2017 for the Board of Directors, Audit Committee, Corporate Enterprise Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance Committee, and Executive Committee in the amount not exceeding 30,000,000 Baht and bonus for the directors for operating result of 2017 in the rate between 0.3 - 0.5% of amount of money equivalent to dividend announced for payment depending on the determined indicator of operating result. The remuneration of directors shall be paid particularly to independent directors and non-executive directors who hold the position in the aforesaid Board/Committees only. The non-executive director who is entitled to receive remuneration must not be a representative of the shareholder. Other directors shall not be paid for remuneration. The details of remuneration for independent director and non-executive director are as follows.

Name/Position	2017	
	Remuneration	Bonus ⁽¹⁾
1. Dr. Pisit Leeahtam Chairman of the Board of Directors, Member of the Nomination and Remuneration Committee, Independent Director	4,320,000.00	1,794,236.59
	6,114,236.59	
2. Mr. Weerachai Ngamdeevilaiak Independent Director, Member of the Audit Committee, Member of the Corporate Enterprise Risk Management Committee, Chairman of the Nomination and Remuneration Committee	3,480,000.00	815,741.06
	4,295,741.06	
3. Mr. Adul Chandanachulaka Independent Director, Member of the Audit Committee, Member of the Corporate Governance	2,720,000.00	553,491.06
	3,273,491.06	
4. Dr. Piyasvasti Amranand Independent Director, Chairman of the Audit Committee	2,640,000.00	513,491.06
	3,153,491.06	
5. Mr. Wichian Mektrakarn Executive Director, Member of the Nomination and Remuneration Committee	2,760,000.00	953,491.06
	3,713,491.06	
6. Dr. Anusorn Sangnimnuan Independent Director, Chairman of the Corporate Governance, Member of Nomination and Remuneration Committee	2,600,000.00	673,491.06
	3,273,491.06	
7. Dr. Prasarn Trairatvorakul Independent Director, Member of the Audit Committee, Chairman of Corporate Enterprise Risk Management Committee	3,000,000.00	593,491.06
	3,593,491.06	
8. Prof. Piyamitr Sritara, MD Independent Director	1,569,642.86	338,239.19
	1,907,882.05	
Total	23,089,642.86	6,235,672.14
	29,325,315.00	

Remark : ⁽¹⁾ The Company pays bonus for directors twice a year, being divided into the first-half of the year performance that will be paid in September, and the second-half of the year performance that will be paid in April in the following year. Total amount reported in this year then has not yet included bonus in the second half of 2017.

1.2 Remuneration for Executive Directors and Executives

Due to the Company's establishment on March 16, 2016, the significant business has not yet been operated in 2016. The Company therefore commenced to pay remuneration to the Company's executives in 2017 under the following details.

Remuneration	2017	
	Number (Persons)	Amount (Baht)
Salary/Wage	2	6,800,000.00
Bonus ⁽¹⁾	2	2,649,885.69
Saving of Provident Fund	2	-
Other Incomes	2	2,000.00
Total	2	9,451,885.69

1.3 Other Remuneration (if any)

- None -

2. Personnel

2.1 Number of Employees

Due to the establishment of the Company on March 16, 2016, as of December 31, 2017, the Company has had just two employees to operate in part of internal audit and the Company Secretary.

2.2 Important Change in the Number of Employees in the Past 5 Years Period (Excluding the Executives)

- None -

2.3 Major Labor Disputes in the Past 3 Years Period

- None -

3. Remuneration of Employees

Due to the Company's establishment on March 16, 2016, remuneration was not paid to the employees in 2016 from establishment date of the Company until December 31, 2017 at all. The Company set up provident fund for the employees as of May 11, 2016.

Corporate Governance

Policy for Corporate Governance and Code of Business Conduct

Pruksa Holding Public Company Limited (“Company”) registered for establishment as public limited company on March 16, 2016. The Company registered the ordinary shares of the Company in the Stock Exchange of Thailand and completed the withdrawal of the shares of Pruksa Real Estate Public Company Limited on December 1, 2016. The Company engages in the core business as Holding Company by holding shares in other companies whereas the main revenue is from dividend gained from holding shares in 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) under clear corporate sustainability management as follows.

1. The Board of Directors established and approved the Good Corporate Governance Policy and Code of Business Conduct Manual for Directors, Executives and Employees of the Company, Anti-Corruption Policy of the Company and its Subsidiaries, and Charter of the Board of Directors and Sub-Committees of the Company in order to be consistent with the Principle of Good Corporate Governance for 2017.

For support of good code of business conduct, the Company has therefore formulated as policy on regular annual review of Good Corporate Governance and Code of Business Conduct Policy to be up-to-date and consistent with both short-term and long-term strategies of the Company.

2. Provide knowledge of Corporate Governance Code for Listed Companies 2017 by the expert from the external consulting firm to the Board of Directors, Corporate Governance Committee, executives and related parties.
3. Arrange good corporate governance, code of business conduct, Pruksa ethic and anti-corruption trainings to

the existing operating employees and new entrant employees from working commencement. All employees must pass trainings and pass testings in the said courses and also sign for acknowledgement and strict observance by considering as if they are the part of “Work Rules and Regulations of the Company”. All of which indicates good corporate governance, transparency of business operation of the Company under concern on shareholders, customers, employees and all parties of stakeholders.

4. Communicate with the employees to continuously recognize and realize on the significance of good governance and anti-corruption via various channels such as EC News, Line of the employee, Tai Rom Pruksa Journal, Digital Signage; and collect related information, knowledge and activities of CG Unit via Google Site made by the Unit. The employees can access information via Link, QR Code and publicity news.
5. Communicate the aspects of corruption problem and punishment to the employees and, executives to be case study both in prevention and deterrence for non-misconduct by the employees against code of conduct.
6. Organize testing of CG Course to create awareness on code of conduct and good governance to the executives and employees once a year.
7. Organized activity for the Board, the related executives and employees for hearing of new CG Code for Listed Companies for 2017 from the expert on May 4, 2017.
8. Delivered the Company’s representative to attend Anti-Corruption Day on September 6, 2017.
9. Organized field trip activity for the executives and employees at Anti-Corruption Museum on September 15, 2017.
10. Organized Supplier CG Day on November 22, 2017 to build ally in declaration of anti-corruption intent under objective of invitation the business partners to mutually declare intent of anti-corruption as well adherence to business doing under the principle of virtue and ethics and operate the business based on the principle of anti-corruption in all forms to be stronger network.



11. Organized PrukSA CG Day on December 7, 2017 to promote the initiation of concept under the principle of good governance in working that should be performed and principle of working ethics, as well as channels of complaint-whistleblowing, and request of fairness.



12. Organized Compliance Unit using internal name as "CG Management" with main duty in Corporate Governance and Compliance. Mr.Thongma Vijitpongpan, the Group Chief Executive Officer, considerably foresees the significance of code of business conduct and is the one who drives the corporate sustainability management and invites the Company's executives and employees to recognize the said significance. He addressed and emphasized on the significance of "Virtue" to the employees in PrukSA CG Day Event. However, the Company is highly confident that if the Principles of Good Corporate Governance is available, it will contribute to the sustainable profit growth of the Company's business operation, transparency of business management, taking roles, duties, and responsibilities into consideration, effective internal control system/risk management system and social, community and environmental responsibility. All of which is considered as the very crucial key of basic goal achievement.

Due to the Company's continual emphasis and compliance with the international standard Principles of Good Corporate Governance in consistency with the policy of the Stock Exchange of Thailand and Criteria of ASEAN Corporate Governance Scorecard (ASEAN CG

Scorecard), the Company could earn assessment results and many awards related to good corporate governance, sustainability and social and environmental responsibility, and awards in other areas related to business operation in last 2017 under the following details.

Awards in Good Corporate Governance, Sustainability, and Social and Environmental Responsibility

1. Quality Assessment Result for 2017 Annual General Meeting ("AGM") whereas the Company earned full 100 scores of assessment score from Thai Investors Association

(However, PrukSA Real Estate Public Company Limited, its subsidiary which is the core company of the Company, has ever earned full 100 scores of assessment score for four consecutive years from 2013 - 2016 before withdrawal of securities from Stock Exchange of Thailand.)

2. Excellent Corporate Governance Evaluation Report of Thai Listed Companies 2017 from Thai Institute of Directors (IOD) whereas evaluation score result was earned more than 90 scores.

(However, PrukSA Real Estate Public Company Limited, its subsidiary which is the core company of the Company, has ever earned more than 90 scores of evaluation score result for three consecutive years from 2014 - 2016 before withdrawal of securities from Stock Exchange of Thailand.)

3. SET Rising Star Sustainability Awards 2017 from Stock Exchange of Thailand
4. Thailand Sustainability Investment (THSI) Award for the second consecutive year from Stock Exchange of Thailand
5. The Seventh Honorable Mention NACC Integrity Awards from Office of the National Anti-Corruption Commission
6. Recognition Sustainability Report Award 2017 for the second consecutive year from CSR Club, Thai Listed Companies Association, Office of the Securities and Exchange Commission, and Thaipat Institute
7. Honorable Certificate for Organization that Performs Usefulness to the Ministry of Education from Ministry of Education
8. Glorification Certificate for Organization that Performs Social Usefulness in Promoting the Employment of People with Disabilities for 2017 from Thai Health Promotion Foundation (Thai Health) and Ministry of Labour
9. Membership Certificate of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) from The CAC Council

10. Being selected to be in ESG100 Company Group for 2017 (Environmental, Social and Governance: ESG) for the second consecutive year from Thaipat Institute

11. Certification of Participation in Corporate SDG Index Preparation Project from Thaipat Institute

Awards Related to Business Operation of the Company

1. “Real Estate Development Business Sector Role Model” Honorable Plate was granted from Foundation of The Scientific and Technological Council of Thailand to Mr. Piya Prayong, the Chief Executive Officer - Prukha Real Estate Business Group, on behalf of business sector role model in applying new knowledge and technology for the Company’s business operation.

2. “Social Usefulness Creator” Honorable Plate was granted by INTV AWARD 2017 Event to Mr. Prasert Taedullayasatit, Chief Executive Officer - Premium-Prukha Real Estate Business Group, on behalf of the successful businessman and person in the business field both in public and private sector who creates overall social and economic usefulness.

3. Asia’s Most Promising Brands Award 2017 from World Consulting & Research Corporation on World Leading Brand

4. International Star for Platinum Quality Award 2017 from Business Initiative Directions (B.I.D.)

5. BCI Asia Top 10 Developers Awards 2017 for the seventh consecutive year from BCI Media Group

- Urbano Rajavithi Project
- Chapter One Eco Ratchada-Huai Kwang Project
- Plum Condo Ramkhamhaeng Project

6. Outstanding Real Estate Project Award 2017 from Agency for Real Estate Affairs

- The Privacy Ladprao-Sena Project
- Baan Prukha Puchao-Samrong Project

7. Outstanding Townhouse Model Energy Conservation Housing Development Award 2017 from Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy

- The Connect Project

8. Smart Green Energy Award 2017 from Office of Industrial Economics, Ministry of Industry

- Prukha Precast Factory, Nawanakorn

9. Provincial Safety Model Establishment Award for the second consecutive year from Pathum Thani Provincial Labour Protection and Welfare Office

- Prukha Precast Factory, Nawanakorn

10. Platinum Green Building Standard Certificate from DGNB Institute of Germany

- “Prukha Plus House” House Model, The Plant Estique, Phatthanakan Project

11. Green Industry Certificate for Class 3 of Green System from Ministry of Industry

- Prukha Precast Factory, Lamlookka
- Prukha Precast Factory, Nawanakorn

12. Corporate Carbon Footprint Development Registration Certificate for 2017 from Thailand Greenhouse Gas Management Organization (Public Organization)

- Prukha Precast Factory, Lamlookka
- Prukha Precast Factory, Nawanakorn

13. Innovation Management System CEN/TS 16555-1 : 2013 Certificate from Management System Certification Institute (Thailand)

The content of the principle of good corporate governance of the Company is classified into seven categories as follows.

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

The Company has promoted the compliance with Code of Conduct Manual of the Company by communicating the principles of good corporate governance and code of business conduct via “Code of Conduct Manual”, “Tai Rom Prukha Journal”, EC News, Publicity Media Box, Digital Signage System, Publicity Poster, Line of the employee, as well as collection of related information, knowledge and activities of CG Unit via Google Site prepared by the unit, website of the Company (www.psh.co.th) under “Investors Relation” Section on Corporate Governance to ensure that the Board of Directors, executives and employees of the Company

are aware of and continuously observe such principles and monitor their performances. In other words, the aforesaid persons must strictly comply with whichever subjects that are related to working and significant matters must obtain approval from various sets of committees such as the Board of Management, the Executive Committee, Corporate Governance Committee, Audit Committee or the Board of Directors.

1) The Board of Directors

The Board of Directors shall be accountable for all shareholders of the Company in managing the Company's business for interests of the shareholders and other stakeholders, society and environment. The Board of Directors plays the key role in governing the management of the Company to ensure that the executives of the Company continuously commit themselves to excellent operation under concern on risk condition.

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

The Board of Directors prepared Corporate Governance Policy and Code of Business Conduct Manual for the directors, executives and employees of the Company and both of which are disclosed on the Company's website www.psh.co.th under Corporate Governance Section. All directors, executives and employees are also promoted to strictly comply with Corporate Governance Policy and Code of Business Conduct Manual. In addition, the compliance monitoring method for the said manual is as follows.

- (1) Arrange anti-corruption training to the employee from working commencement, and contain Pruksha Ethics Course Training for orientation of new entrant employees. All new entrant employees must pass training and pass testing in the said course and also sign for acknowledgement and observance.
- (2) Arrange training/seminar of CG Course to all organizational executives and employees at least once a year to build awareness on code of conduct and good governance. After finishing training/seminar, the Company shall arrange all trainees/attendees to do the practical test whether the employees have proper knowledge, understanding and solution method in case that actual circumstance occurs. If any employee does 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 is in doubt 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, Corporate Governance unit of the Company arranged the test named "policy and anti-corruption measurement Y2017". The objective of the anti-corruption measurement is to emphasize the loyalty awareness to The Board of Directors, The Executive management and employee to perform their duty with honestly, free from corruption or have conflict of interest. This is a key factor to sustain reputation and support business operation of the Company.

- (3) Communicate to the employees for acknowledgement and awareness on the importance of good governance and anti-corruption by continuous communicating articles or publicity channels of the Company as well as collecting related information, knowledge, and activities of CG Unit via Google Site prepared by the Unit whereas the employees can access the information via Link, QR Code and publicity news.
- (4) Communicate the aspects of corruption problem and punishment to the executives and employees to be case study both in prevention and deterrence for non-misconduct by the employees against code of conduct.

1.2 Corporate Vision, Mission, Culture and Value

The Board of Directors participates in determining corporate vision, mission, culture and value both in short-term and long-term under review in every 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) (For more details, see Section "Pruksha Vision, Mission, Culture and Value").

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 on 1 January 2018) consists of 12 members including 11 males and 1 female in the range of 30 - 50 years of age for 2 persons and in the range of over than 50 years of age for 10 persons as follows.

1. Independent director and non-executive director for 8 persons whereas two independent directors with work experience related to the Company's business are as follows.

(1.1) Mr. Adul Chandanachulaka

(1.2) Prof. Piyamitr Sritara, MD

2. Seven independent directors that exceed 1/3 of the entire committee members are as follows.

(2.1) Dr. Pisit Leeahtam

(2.2) Mr. Weerachai Ngamdeevilaiak

(2.3) Mr. Adul Chandanachulaka

(2.4) Dr. Piyasvasti Amranand

(2.5) Dr. Anusorn Sangnimnuan

(2.6) Dr. Prasarn Trairatvorakul

(2.7) Prof. Piyamitr Sritara, MD

3. Four executive directors (who participate in management) are as follows.

(3.1) Mr. Thongma Vijitpongpan

(3.2) Mr. Piya Prayong

(3.3) Mr. Prasert Taedullayasatit

(3.4) Mrs. Rattana Promsawad

4. One non-executive director (who is not participative in management) is Mr. Wichian Mektrakarn.

In addition, the Chairman of the Board (Dr. Pisit Leeahtam) is not the same person as the Chairman of the Executive and Strategy Committee, and Group Chief Executive Officer (Mr. Thongma Vijitpongpan), and also has scope of clear separated duties and responsibilities (For more details, see Section "The Board & Management Profile", Section "Roles, Powers and Duties of the Chairman of the Board" and Section "Scope of Powers and Duties of the Executive Committee")

1.4 Qualification of Director

- (1) The director shall be completely qualified pursuant to Public Limited Companies 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 and 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 by rotation, the director may be considered from the shareholders to resume 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 resume 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, virtue and ethics as well as effective function all the time. If the Shareholders' Meeting remains trust on the said qualified directors and elect them to be 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 years. 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 shall schedule the meeting date of the Board of Directors' Meeting, Sub-Committees' Meeting and Shareholders' Meeting in advance every year and notify 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.

In 2017, the Company has scheduled the timetable of the Board of Directors' Meeting, Sub-Committees' Meeting and Annual General Meeting of Shareholders for 2018 (in advance) excluding meeting of other special agenda as follows.

Board of Directors' Meeting (No./Date)	Meeting of the Executive Committee (No./Date)	Meeting of Audit Committee (No./Date)	Meeting of Nomination and Remuneration Committee (No./Date)	Meeting of Corporate Enterprise Risk Management Committee (No./Date)	Meeting of Corporate Governance Committee (No./Date)
1. 25 Jan 2018	1. 12 Jan 2018	1. 19 Jan 2018	1. 19 Jan 2018	1. 12 Jan 2018	1. 8 Feb 2018
2. 9 Feb 2018	2. 13 Feb 2018	2. 13 Feb 2018	2. 9 Feb 2018	2. 13 Feb 2018	2. 3 May 2018
3. 16 Mar 2018	3. 13 Mar 2018	3. 13 Mar 2018	3. 15 Mar 2018	3. 13 Mar 2018	3. 2 Aug 2018
4. 9 May 2018	4. 10 Apr 2018	4. 10 Apr 2018	4. 12 Apr 2018	4. 10 Apr 2018	4. 1 Nov 2018
5. 22 Jun 2018	5. 8 May 2018	5. 8 May 2018	5. 4 May 2018	5. 8 May 2018	-
6. 20 Jul 2018	6. 12 Jun 2018	6. 12 Jun 2018	6. 15 Jun 2018	6. 12 Jun 2018	-
7. 9 Aug 2018	7. 12 Jul 2018	7. 12 Jul 2018	7. 13 Jul 2018	7. 12 Jul 2018	-
8. 21 Sep 2018	8. 8 Aug 2018	8. 8 Aug 2018	8. 3 Aug 2018	8. 8 Aug 2018	-
9. 19 Oct 2018	9. 13 Sep 2018	9. 13 Sep 2018	9. 14 Sep 2018	9. 13 Sep 2018	-
10. 12 Nov 2018	10. 11 Oct 2018	10. 11 Oct 2018	10. 12 Oct 2018	10. 11 Oct 2018	-
11. 21 Dec 2018	11. 8 Nov 2018	11. 8 Nov 2018	11. 9 Nov 2018	11. 8 Nov 2018	-
-	12. 13 Dec 2018	12. 13 Dec 2018	12. 14 Dec 2018	12. 13 Dec 2018	-
Annual General Meeting of Shareholders for 2018 will be held on April 27, 2018.					

Remark : 1. Non-Executive Directors' Meeting will be held on December 21, 2018.

2. This timetable of the meetings may be changed depending on necessity and appropriateness in the future.

In the Board of Directors' Meeting, the main meeting agenda are as follows.

- | | |
|--|---------------------------------------|
| (1) The Chairman's Report issues for meeting acknowledgement | (3) Issues for consideration/approval |
| (2) Continual issues from previous meeting | (4) Issues for acknowledgement |

In Annual General Meeting of Shareholders, the main meeting agenda are as follows.

- (1) Consideration on the report of the Board of Directors indicating the Company's business in the previous year
- (2) Consideration and approval on balance sheet and profit and loss account
- (3) Consideration and approval on appropriation of profit and dividend payment
- (4) Consideration and election of new director in replacement of the director who retires by rotation, and determination of director's remuneration
- (5) Consideration and appointment of auditor and determination of audit fee and other affairs

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

The Company has a policy to define 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 last 2017, the Company held the Board of Directors' Meeting for 11 (eleven) times in total. 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, the operating result 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 and timely (For more details, see Section "Attendance of the Board of Directors' Meeting in 2017").

Moreover, after completion of the Board of Directors' Meeting and Sub-Committees' Meeting, the Company Secretary and Secretary of Sub-Committees shall quickly notify the meeting resolutions for acknowledgement of the Board/Sub-Committees and the Management so that the Management shall immediately further execution of the meeting opinions and suggestions, and the Company Secretary and the Secretary of Sub-Committees shall monitor the progress whether and how the Management executes according to the opinions and suggestions, and then reports to the Board of Directors' Meeting and the Sub-Committees' Meetings for consideration or acknowledgement accordingly.

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

(For more details, see Section "Attendances of the Board of Directors' Meeting in 2017.")

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 strategic planning and advance five-year strategic planning. In last 2017, the Board mutually considered the plan of annual strategic planning for 2018 - 2022 in advance. After that, the Board shall follow up whether the Management implements the said plan of the strategic planning. The Management shall regularly report the said plan of the strategic planning to the Executive and Strategy Committee's Meeting and the Board of Directors' Meeting for acknowledgement respectively every month by determining to be agenda of acknowledgement issue for monthly operating result, report of business operation progress and quarterly review of strategic plans under the following details.

- (1) Agenda of acknowledgement issue (monthly) shall report the following issue.
 - Acknowledgement of monthly operating result
- (2) Agenda of acknowledgement issue (quarterly) shall report the following issues.
 - Acknowledgement of the business operation progress report
 - : Report of Prukpa Real Estate Business Group
 - : Report of Prukpa Real Estate-Premium Business Group
 - : Report of Vimut Hospital Business Group

Moreover, the Company Secretary shall also determine agenda on review of quarterly strategic plan for fact acknowledgement and suggestion provision by the Meetings of the Executive Committee and of the Board of Directors in the issue which is deemed that the Management should further improve/correct.

1.9 Sub-Committees

The Company set up Sub-Committee which is the Audit Committee, according to the requirement of the Stock Exchange of Thailand. Moreover, other Sub-committees were set up too share the works of the Board of Directors, such as Corporate Enterprise 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 on the Company's preparation of appropriate and adequate financial reports, give consent on the change in the significant accounting

principles or accounting practice, 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 on 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 which is 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 take any other actions as assigned by the Board of Directors, perform duties 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 Enterprise Risk Management Committee

The duties of the Corporate Enterprise Risk Management Committee are to acknowledge and suggest toward the Company's policy, strategy and guideline of corporate enterprise 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 corporate enterprise 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 remuneration 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 system to be always proper for duties and responsibilities and consistent with the Company's operating result 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 Code of Business 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 good 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 top 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 Top Executive to Attend the Meeting

The policy of the Company is to invite top executives to attend the Board of Directors' Meeting every time, and invite the inferior ranking executives to attend the meeting in the agenda related to the said executives in order to reply queries, provide additional related data and details and give the Board of Directors the chance to be acquainted with each top executive and the inferior ranking executive as support of consideration on work succession plan.

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 Corporate Enterprise 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

(1) The Company determines to arrange orientation for the newly appointed director under objective of preparedness of the director to function, and support effective function whereas the Company Secretary Line shall coordinate and present adequate significant information in various issues such as vision, mission, value, regulation, rule, management structure, as well as other related information prior to function, for instance:

- Corporate Governance Policy
- Code of Business Conduct Manual
- Charter of the Board of Directors
- Annual Report
- Minutes of the Board of Directors' Meeting and Shareholders' Meeting in the period of the past one year

(2) Business Information of the Company

- Operating Strategy and Guideline

- Taking directors to visit precast factories and projects of the Company under interest such as single-detached house, townhouse and condominium

(3) Association and exchange of knowledge and experience with the Board of Directors and top executives such as Group Chief Executive Officer, Deputy Group Chief Executive Officer, Chief Executive Officer-Pruksa Real Estate Business Group, Chief Executive Officer-Pruksa Real Estate-Premium Business Group, etc.

In last 2017, the Company elected two new entrant directors which are Prof. Piyamitr Sritara, MD, and Mr. Prasert Taedullayasatit.

Moreover, the Board of Directors also has a promotion policy for continuous internal and external knowledge training and development for director, for example, participation in training courses of Thai Institute of Directors, 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. Furthermore, the Company also surveys the additional opinions of each director whether he/she requires the additional fields of knowledge training and development that contribute to the ability of the Board of Directors to effectively perform duties and govern the Company's business.

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

No.	Name-Surname	Position	Training/Seminar Courses	Institution
1	Dr. Pisit Leeahtam	Chairman of the Board / Member of Nomination and Remuneration Committee / Independent Director	1. Director Certification Program - DCP, Class 18/2545 2. Corporate Governance for Capital Market Intermediaries - CGI, Class 2/2015	Thai Institute of Directors
2	Mr. Thongma Vijitpongpan	Authorized Signatory 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. Director Certification Program - DCP, Class 51/2003 2. Finance for Non-Finance Directors	Thai Institute of Directors
3	Mrs. Rattana Promsawad	Authorized Signatory Director / Member of Corporate Governance Committee	Director Certification Program - DCP, Class 52/2003	Thai Institute of Directors

No.	Name-Surname	Position	Training/Seminar Courses	Institution
4	Mr. Piya Prayong	Authorized Signatory Director / Member of Executive Committee / Member of Corporate Enterprise Risk Management Committee	1. Director Certification Program - DCP, Class 59/2005 2. Risk Management Program For Corporate Leader-RCL, Class 8/2017 3. Senior Executive Course (CMA Class 25/2017)	1. Thai Institute of Directors 2. Thai Institute of Directors 3. Capital Market Academy
5	Mr. Weerachai Ngamdeevilaisak	Independent Director / Member of Audit Committee / Member of Corporate Enterprise Risk Management Committee / Chairman of Nomination and Remuneration Committee	1. Director Certification Program - DCP, Class 0/2000 2. Finance for Non-Finance Director - FN, Class 1/2003 3. Role of the Compensation Committee - RCC, Class 3/2007 4. Successful Formulation & Execution of Strategy, Class 4/2009 5. Chartered Director Class - CDC, Class 8/2014	Thai Institute of Directors
6	Mr. Adul Chandanachulaka	Independent Director / Member of Audit Committee / Member of Corporate Governance Committee	1. Director Accreditation Program - DAP, Class 5/2003 2. Audit Committee Program - ACP, Class 7/2005 3. Role of the Compensation Committee - RCC, Class 3/2007	Thai Institute of Directors
7	Dr. Piyasvasti Amranand	Independent Director / Chairman of Audit Committee	Director Accreditation Program - DAP, Class 35/2005	Thai Institute of Directors
8	Mr. Wichian Mektrakarn	Authorized Signatory Director / Member of Executive 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, Class 107/2008 6. Advanced Certificate Course in Politics and Governance in Democratic Systems for Top Executives, Class 17 7. Board that Make a Difference - BMD, Class 3/2016 8. Role of the Chairman Program - RCP, Class 40/2017	1. California State University - Northridge 2. Chulalongkorn University 3. Kellogg School of Management, Northwestern University, USA 4. Capital Market Academy, Stock Exchange of Thailand 5. Thai Institute of Directors 6. King Prajadhipok's Institute (KPI 17) 7. Thai Institute of Directors 8. Thai Institute of Directors

No.	Name-Surname	Position	Training/Seminar Courses	Institution
9	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 Top Executive Course, Class 10 3. Advanced Certificate Course in Public Administration and Public Limited Companies Law, Class 5 4. Course of Corporate Governance for Director and Top Executive of State Enterprise and Public Organization, Class 1 5. Director Certification Program - DCP, Class 62/2005 6. Director Accredited Program - DAP, Class 40/2005	1. National Defence College of Thailand (NDC 20) 2. Capital Market Academy, Stock Exchange of Thailand (CMA 10) 3. King Prajadhipok's Institute (KPI 5) 4. Public Director Institute (PDI) 5. Thai Institute of Directors 6. Thai Institute of Directors
10	Dr. Prasarn Trairatvorakul	Independent Director / Member of Audit Committee / Chairman of Corporate Enterprise Risk Management Committee	1. National Defence College, The Joint State - Private Sector Course (PorRorOr.), Class 15 2. Role of the Chairman Program - RCP, Class 2/2001 3. Director Certification Program - DCP, Class 21/2002 4. Role of the Board of Directors of Listed Companies in Abatement of Corporate Risk in Cyber Threat, Challenge and Solution	1. National Defence College of Thailand 2. Thai Institute of Directors 3. Thai Institute of Directors 4. Office of Securities and Exchange Commission
11	Prof. Piyamitr Sritara, MD	Independent Director	Director Certification Program - DCP, Class 244/2017	Thai Institute of Directors

No.	Name-Surname	Position	Training/Seminar Courses	Institution
12	Mr. Prasert Taedullayasatit	Authorized Signatory Director /Member of Executive Committee / Member of Corporate Enterprise Risk Management Committee	1. Advanced Security Management Course, Class 8 2. Senior Executive Course, Class 21 3. Top Executive in Urban Development Management Course (Mahanakorn, Class 3) 4. Director Certification Program - DCP, Class 56/2005 5. Director Accreditation Program - DAP, Class 1/2003 6. Advanced Certificate Course in Public Economics Management for Top Executives, Class 5/2006 7. Real Estate Executive Course, Class 10 (RECU 10)	1. The Association of National Defence College of Thailand Under The Royal Patronage of His Majesty the King 2. Capital Market Academy 3. Institute of Metropolitan Development, Navamindradhiraj University 4. Thai Institute of Directors 5. Thai Institute of Directors 6. King Prajadhipok's Institute 7. Faculty of Architecture, Chulalongkorn University

Record of Course Training Attendance or Seminar Activity Participation by the Board of Directors in 2017

In last 2017, four directors of the Company attended the course trainings or participated in seminar activities to accumulate operating knowledge as follows.

Name-Surname	Position	Training/Seminar Courses	Institution
1. Dr. Prasarn Trairatvorakul	Independent Director/Chairman of Corporate Enterprise Risk Management Committee	Role of the Board of Directors of Listed Companies in Abatement of Corporate Risk in Cyber Threat, Challenge and Solution	Office of Securities and Exchange Commission
2. Prof. Piyamitr Sritara, MD	Independent Director	Director Certification Program - DCP 244/2017	Thai Institute of Directors
3. Mr. Piya Prayong	Authorized Signatory Director / Member of Executive Committee, Member of Corporate Enterprise Risk Management Committee	1. Risk Management Program for Corporate Leader - RCL 8/2017 2. Top Executive Course (CMA, Class 25/2017)	1. Risk Management Program for Corporate Leader - RCL 8/2017 2. Top Executive Course (CMA, Class 25/2017)
4. Mr. Wichian Mektrakarn	Authorized Signatory Director / Member of Executive Committee, and Member of Nomination and Remuneration Committee	Role of the Chairman Program - RCP 40/2560	Thai Institute of Directors

1.13 Training of Courses Related to Director Function

The Company has a policy to support each director to regularly attend the organized trainings for directors whereas 12 directors attended training of courses organized by Thai Institute of Directors under the following details.

- (1) Director Certification Program (DCP) for 8 persons
- (2) Director Accreditation Program (DAP) for 3 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 Mediarities (CGI) for 1 person
- (9) The Role of Chairman (RCP) for 1 person
- (10) Board that Make a Difference (BMD) for 1 person
- (11) Role of the Board of Directors of Listed Companies in Abatement of Corporate Risk in Cyber Threat, Challenge and Solution for 1 person
- (12) Risk Management Program for Corporate Leader for 1 person

1.14 Internal Control/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 of the 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 (For more details, see Section "Internal Control and Risk Management").

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

The Board of Directors provides and discloses 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 gave the opinion towards the adequacy of the internal control system and risk management system of the Company in Annual Report (For more details, see Section "Internal Control and Risk Management").

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

The Board of Directors gave 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 (For more details, see Section "Report of Audit Committee").

1.17 Guideline of the Company's Key Risk Management

The duty of the Company's Corporate Enterprise Risk Management Committee is to suggest the Management about the determination of framework and guideline for systematic risk management and supervision. The Board of Directors and the executives emphasize 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 Enterprise Risk Management Committee Meeting, the representatives from each operating line shall be invited to propose things which have been executed according to risk management guideline for hearing of the Corporate Enterprise Risk Management Committee on problem, practical trouble as well as additional observation or suggestion.

Moreover, the Company 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 expert advisors shall be recruited for project operation (For more details, see Section "Internal Control and Risk Management").

1.18 Compliance Unit

The Company 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, indicating 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 established Internal Audit Division whereas Mr. Premsak Wallikul, Acting Executive Vice President, Internal Audit & Compliance, to be the Head of Internal Audit (For more details, see Section "The Board & Management Profile"). For working independence of the internal audit unit, the Board of Directors therefore determined that the internal audit unit shall report directly to the Audit Committee. The Audit Committee then 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, related party transaction performing, consideration on nominating and appointing auditor, review of financial reports, supervision on compliance with rule, regulation and policy and conclusion/opinion of the Audit Committee towards the overall operations (For more details, see Section "Attendance of the Audit Committee's Meeting in 2017, and Section "Report of Audit Committee").

1.20 Conflict of Interest Policy

The Board of Directors emphasizes on careful, fair and transparent handling the conflict of interests of the relevant parties both in business organization level and in personnel level of the Company, and determining 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.

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 where the employee is the director or advisor of other company, organization or other business association, it shall not conflict with interest and direct function.

- (3) The employee shall not be a partner or shareholder with decision making power or executive in the business with 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/her family member is involved in or is the shareholder in any business that may have benefit or cause conflict of business with the Company, his/her superior 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 to perform other task for earning increase or for other purpose over 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 with the Company's interests.
 - 9.3 Not engage in the business which is competitive or has the same nature as 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/her duty.

1.21 The Board of Director's Independence from the Management

The Board of Directors is independent in giving the opinion on the Management's works in order to generate maximum benefit to the Company and the shareholders. The duties and responsibilities between the Board of Directors and the Management are clearly segregated (For more details, see Section "Scope of Powers, Duties and Responsibilities of the Board of Directors and Group Chief Executive Officer).

In addition, there shall at least two non-executive directors (independent directors) who are experienced in real estate development business group and hospital business under the following details.

Name	Year	Position	Company/Hospital
1. Mr. Adul Chandanachulaka	2000 - 2002	Director	Jalaprathan Cement Plc.
2. Prof. Piyamitr Sritara,MD	2015 - Present	Dean	Ramathibodi Hospital
	2002 - 2015	Deputy Dean	Ramathibodi Hospital

1.22 Approval Power of the Board of Directors

Apart from the power prescribed by law and regulation, the Board of Directors remains having 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 operation 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 the Principle of Good Governance, Code of Business Conduct Manual for Directors, Executives and Employees of the Company and its Subsidiaries; and disclose for acknowledgement and determine the compliance and follow up for practice.
- (3) To consider the 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 associated 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 present the financial position and overall operation in the past accounting period completely and properly identical to fact and according to Generally Accepted Accounting Standards under audit of 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 present financial position and overall operation in last year; and propose to the Shareholders' Meeting for consideration and approval.
- (7) To consider approval of appointment of the qualified person without prohibited characteristic as prescribed by Public Limited Companies Act B.E. 2535 (1992) and Securities and Exchange of Thailand 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 of Thailand 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 of Thailand 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 the 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 director 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 the appointment of its subsidiaries' director in consistency with the proportion of shareholding of the Company in the said subsidiaries; and consider the 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 risk management policy to cover the whole organization, and govern to have risk management process to reduce impact on the business of the Company and its subsidiaries appropriately.
 - (20) To consider approval on performing transaction of acquisition or disposition 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 acknowledgement of the Shareholders' Meeting in the next Shareholders' Meeting.
 - (23) To completely, properly and duly execute the appropriate information dissemination and disclosure to the stakeholder, the person with conflict of interests and the related parties.
 - (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 Person) 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 overall working benefit of the Board of Directors and also indicating the significant aspect under belief of 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**
- (1) Board of Directors (the Whole Board and Individual Person)
 - (2) Sub-Committees

The Company determines the policy and process of performance appraisal of the Board of Directors (the whole board and individual person) and Sub-Committees as follows:

1. In the end of every year for the Company Secretary Section and Sub-Committee's Secretary Section of Sub-Committees such as Audit Committee, Corporate Enterprise Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance Committee and Executive Committee, shall deliver Performance Appraisal Form for the Board of Directors (the whole Board and individual persons) and Sub-Committees to appraise the annual performance.
2. After each member of the Board of Directors (the whole Board and individual persons) and Sub-Committees complete 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 (the whole Board and individual persons) and Sub-Committees, and reporting to the Board of Directors and/or each Sub-Committee for acknowledgement accordingly.
3. The Nomination and Remuneration Committee shall gather performance appraisal result of the Board of Directors (the whole Board and individual persons) and Sub-Committees to be part of remuneration payment for the directors/committee members of the Company.

Criteria of Performance Appraisal for the Board of Directors

- (1) The Board of Directors (the Whole Board and Individual Person)
- (2) 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.

Performance Appraisal

1. The Board of Directors (the Whole Board and Individual Person)

2. Sub-Committees

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

- 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

Overview of Average Appraisal Result of the Board of Directors (the Whole Board and Individual Person) and each Sub-Committee

1. The Board of Directors (the whole Board) earned the score of appraisal result in 2017 at 91.95% and was in Very Good-Excellent criteria.
2. The Board of Directors (individual person) earned the score of appraisal result in 2017 at 89.49% and was in Very Good-Excellent criteria.
3. The Executive Committee earned the score of appraisal result in 2017 at 85.09% and was Good Criteria.
4. The Audit Committee earned the score of appraisal result in 2017 at 98.68% and was in Very Good-Excellent criteria.
5. The Corporate Enterprise Risk Management Committee earned the score of appraisal result in 2017 at 94.29% and was in Very Good-Excellent criteria.
6. The Nomination and Remuneration Committee earned the score of appraisal result in 2017 at 95.08% and was in Very Good-Excellent criteria.
7. The Corporate Governance Committee earned the score of appraisal result in 2017 at 97.86% and was in Very Good-Excellent criteria.

1.24 Preparation of Development Plan for the Board of Directors

Apart from performance appraisal of the Board of Directors (the whole Board and individual person), the Company is farsighted that in maximum effective function of the Board of Directors that is considered as if the representative of the shareholders according to the operational plan of the Company and its subsidiaries, the Company therefore has assigned McKinsey & Company on behalf of the advisor of the Company to help preparing development plan for the Board of Directors. The Company's advisor then has conducted Board Effectiveness

Survey for twice a year and report the survey result to the Board of Directors' Meeting for acknowledgement so that the said result shall be further applied to support the preparation of development plan for the Board of Directors.

Summary of Essence from Survey for 2017

(1) Board Effectiveness for 2017 compared with 2016 was developed in three aspects as follows.

1.1 Board Qualification (Board Platform)
(76% in 2016 - 90% in 2017) such as:

- Element of the Board and Sub-Committees
- Consistency of Board Roles
- Giving Time for Board Works
- Dynamics of Board Team
- Board Knowledge

1.2 Board Activities (48% in 2016 - 73% in 2017)
such as:

- Board Role in Strategy, Investment, and Merger/ Takeover
- Board Role in Performance Management
- Board Role in Talent Management
- Board Role in Risk Management

1.3 Board Performance (46% in 2016 - 83% in 2017)
such as:

- Role of the Protection of the Shareholders' Interest
- The Company's Operating Result
- Organizational Health

However, McKinsey & Company, the Company's advisor has additionally suggested that the Company can plan for more effective development of the Board of Directors in the matter of Board Role in Strategy, Board Role in Investment, etc.

1.25 Performance Appraisal for the Topmost Executive (Group Chief Executive Officer)

At the end of every year, the Company determines that all of the Company's independent directors shall firstly appraise leadership behaviors of the topmost executive (Group Chief Executive Officer) at first glance. After that, the Management shall submit the said appraisal result to the Nomination and Remuneration Committee to be further used as support in considering performance appraisal of the topmost executive. The score of the said appraisal result shall be deemed as

individual secret data, and unable to be disclosed by the Company.

(1) Independent director shall appraise the performance of Group Chief Executive Officer in Leadership Behaviors under the following criteria.

- 1.1 Corporate Governance
- 1.2 Pruksa Culture and Values
- 1.3 Strategic Planning
- 1.4 Problem-Solving
- 1.5 Holding Accountability
- 1.6 Innovation Creativity
- 1.7 Developing People
- 1.8 Team Building
- 1.9 Leading Change
- 1.10 Motivating and Influencing Others

(2) Nomination and Remuneration Committee shall appraise the performance of Group Chief Executive under the following criteria.

- 2.1 Appraisal Result of Leadership Behaviors by Independent Director
- 2.2 Overall Business Operation of the Company
- 2.3 Operation according to the Policy assigned by the Board of Directors
- 2.4 Function in Consistency with Good Corporate Governance

1.26 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 made 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 Group Chief Executive Officer and top 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 to attract them to further working with the Company in long term.

Total remuneration of Group Chief Executive Officer and top executives for 2 persons equaling to 9,451,885.69 Baht, consisting of salary/wage, 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 determined the policy of remuneration payment in other non-monetary forms such as Warrant to Purchase Ordinary Shares of the Company (ESOP), and Employee Joint Investment Program (EJIP) (For more details, see Section "Performance Appraisal for Group Chief Executive Officer, and Section "Remuneration for Directors and Executives").

1.27 Remuneration Structure for Non-Executive Directors

The Board of Directors shall disclose remuneration structure for non-executive directors whereas the said remuneration structure 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 (For more details, see Section "Remuneration for Directors and Executives").

1.28 Remuneration for Executive Directors/Top 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 top 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 (For more details, see Section "Remuneration for Directors and Executives").

1.29 Roles and Duties of the Chairman of the Board

The Board shall determine and disclose the roles and duties of the Chairman of the Board (For more details, see Section "Roles and Duties of Chairman of the Board").

1.30 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 perform the duty of the Company's auditor, and also have role and duty to nominate, appoint, remove and disemploy the Company's internal auditor.

1.31 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 as follows.

Name	Year	Office	Company/Hospital
1. Mr. Adul Chandanachulaka	2000 - 2002	Director	Jalaprathan Cement Public Company
2. Prof. Piyamitr Sritara, MD	2015 - Present	Dean	Ramathibodi Hospital
	2002 - 2015	Deputy Dean	Ramathibodi Hospital

(For more details, see Section "The Board & Management Profile").

1.32 Violation of the Regulations 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 had no record of violation against the said law and other relevant laws at all.

1.33 Preparation of Succession Plan for Topmost Executive Position

In case where the Group Chief Executive Officer who is the topmost executive of the Company is unable to perform duties, the Company shall formulate to prepare work succession plan in the said position. The person who is the successor shall be prepared by the Board of Directors and the Nomination and Remuneration Committee in the areas of essential knowledge, competency and skill which are deficient, and individual development plan. 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 to the Board of Directors and/or the shareholders for consideration and approval to assume the office in replacement.

1.34 Criteria and Process for Appointment of New Directors and Top Executives

In case where the director and the top executive of the Company are vacant, the Company's transparent criteria and policy for selection of director and top executive is as follows.

Criteria for Appointment of New Director and Top Executive

- (1) The Nomination and Remuneration Committee shall perform its duty in considering and selecting new director and top executive under the criteria that the essential qualification, knowledge and competency, work experience and skill which are deficient in the Board of Directors and top executive shall be considered without gender limitation and time devotion for full function.
- (2) Not have prohibited characteristics under laws and principle of good corporate governance.

Appointment Process for New Director and Top Executive

- (1) 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.
- (2) 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 qualified and experienced in consistency with the new business of the Company which will be operated.
- (3) In the event where the Nomination and Remuneration Committee deems that the Company has still lacked of additional knowledge, competency and skill in specific area, the Nomination and Remuneration Committee shall select additional director to help the Company's works.
- (4) The Nomination and Remuneration Committee shall nominate the name of the new director and top executive to the Board of Directors' Meeting and/or the Shareholders' Meeting for consideration and approval as the case may be.
 - 4.1) From business restructuring in the nature of holding company, and expansion to invest in new business which is hospital business, the Board of Directors' Meeting No. 2/2017 on February 16, 2017 resolved to appoint Prof.Piyamitr Sritara, MD, to be the new entrant director of the Company since he is knowledgeable, competent and has professional experiences in hospital management, and can considerably help the Company's work.
 - 4.2) The Annual General Meeting of Shareholders for 2017 on April 27, 2017 resolved to appoint **Mr. Prasert Taedullayasatit** to be the Company's new entrant director since he is knowledgeable, competent and has professional experiences in real estate development and can considerably help the Company's work.

The appointment of new entrant director did not cause the number of the Company's directors in conflict with the relevant laws and regulations of the Company.

1.35 Remuneration for Directors and Executives

The Company defined the policy, criteria and procedure for proposing remuneration for directors in each position in appropriate and attractive level to retain quality directors. The remuneration shall be clearly and transparently classified into two portions consisting of monetary remuneration and other remunerations such as regular remuneration, monthly remuneration, meeting allowance, bonus of the director (if any), and other special benefits (lecturer fee in the Company's activities and others) by considering in comparison with leading companies which are in the same business group or non-business group, information from Thai Institute of Directors, meeting plan of each Board/Committee, business expansion, and profit growth of the Company. The Nomination and Remuneration Committee shall yearly consider, scrutinize, and propose the remuneration for directors in each year for consideration and approval by 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.

1.36 Meeting of Non-Executive Directors

The Board of Directors shall determine that the non-executive directors shall mutually convene the regular yearly meeting as appropriate without meeting attendance of the executive directors or the Management in the said meeting in order to give the non-executive directors the opportunity to discuss problems whether being related to the Company's business such as management strategy and sustainable growth guideline, or other interested issues.

In last 2017, a Meeting of Non-Executive Directors was held on December 22, 2017, and the Meeting mutually considered and discussed the important issues and corrective guideline as follows.

1. Planning to cope with circumstances if economic crisis occurs
2. Principle of SBU Incentive Determination for 2018
3. Measurement of corporate performance evaluation
4. Proposal of strategies and tactics to the Board of Directors' Meeting for more consideration
5. Investment in other business for revenue generation to the Company
6. Continuous employee care and employee development particularly for junior level employee

1.37 Director Office Holding by the Group Executive Officer in Other Listed Company

The Company has determined that the Group Chief Executive Officer can hold the director office in just one listed company which is Prukha Holding Public Company Limited.

1.38 Director Office Holding in Listed Company

In consistency with Corporate Governance Policy, every director of the Board shall hold the director office in not more than five listed companies to ensure that they can fully devote time for effective working, and can provide suggestion and advices to the Management in managing to achieve the Company's defined goals.

1.39 Office Term of Independent Directors

At present, all of the Company's independent directors shall hold the director office in Prukha Holding Public Company Limited for not more than six (6) years (For more details, see Section "The Board and Management Profile").

1.40 Disclosure of Name List of the Company's Independent Directors

The Company shall disclose the name list of the whole Board of Directors at the end of the year in Annual Report of the Company. If any director is an independent director, the Company shall also clearly disclose name list of the said director (For more details, see Section "Management Structure" and Section "Board of Directors").

Moreover, the Company shall also disclose name list of the Board of Directors, and independent directors of the Company (latest) together with details of information of each director on the Company's website at www.psh.co.th in Section "Board of Directors".

1.41 Employee or Partner Status of the External Audit Firm

In last two years period, the directors and top 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.

1.42 Director Office Holding by the Independent Directors in Listed Company

The Company's independent directors have not held the director office in more than five listed companies (For more details, see Section "The Board & Management Profile").

1.43 Director Office Holding by Executive Directors in Listed Company

The executive directors of the Company have not held the director office in other listed companies which are non-business group for more than two companies (For more details, see Section "The Board & Management Profile").

1.44 Appointment of Company Secretary

The Board of Directors has appointed Mr. Paisarl Rampan to hold 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, support the function of the Board of Directors for maximum efficiency of the Company, shareholders and all related parties, and oversee both internal and external activities of the Board of Directors such as business operation to be consistent with corporate mission and strategy, counseling to the top executive, Board Off Site, field trip, and training and seminar, etc., and coordinate with the Operation Department to ensure the complete compliance with the resolution of the Board of Directors. In addition, the Company Secretary has also been trained in various courses that contribute to support his function, for instance,

- (1) Company Secretary Program Course-CSP Class 27/2008
- (2) Effective Minute Taking Course-EMT Class 13/2009
- (3) Board Reporting Program Course-BRP Class 3/2010
- (4) CGR Workshop for 2017

Furthermore, the Company disclosed information and roles and duties of the Company Secretary in the matter of Management Structure in Section "Company Secretary". The shareholders and stakeholders can directly contact the Company Secretary at:

- (1) Mr.Paisarl Rampun
Prukha Holding Public Company Limited
No. 1177, Pearl Bangkok Building, 24th Floor,
Phaholyothin Road, Samsennai Sub-district,
Phayathai District, Bangkok 10800
- (2) Tel. 02-0801739 Ext. 48010 / Fax. 02-0801700
- (3) E-mail : paisarl_r@prukha.com

(For more details, see Section "Company Secretary" and Section "Company Secretary Profile")

1.45 Participation in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

The Company was registered in Stock Exchange of Thailand on December 1, 2016 under adherence to business operation with honesty and transparency and without involvement in corruption.

The Company's policy is to conduct campaign so that the employees and executives shall counter against corruption by indicating that corruption has adverse effect towards house quality, customer service, and internal operation of the Company. Any employee who detects the clue of fraud, corruption, stakeholding in work or demand for pay, can complain/notify the clue/ask for justice. .

The Company is farsighted that the employees take part in helping driving the organization, the complaining/whistleblowing employee who can prove shall be awarded in maximum value of reward for 30,000 Baht per case together with Merit Honorary Certificate from Group Chief Executive Officer. The Company formulates the policy for concealment of the whistleblower's information under confidentiality and measure of whistle-blower's protection without trouble.

According to serious emphasis and adherence to anti-corruption, the Company declared its intention to be Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on February 1, 2017, and later, the Company was certified as the member of CAC on November 10, 2017.

Moreover, in part of Pruksa Real Estate Public Company Limited which is the Company's subsidiary, it has already been certified as the member of CAC on April 22, 2016.

1.46 Non-Breach of Fraud/Ethics, Corporate Governance and Adverse Reputation

In last 2017, the Board of Directors, executives and employees did not commit the breach of fraud or breach of ethics (penalty) or any acts that violate the regulation of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. There were none of executives resigned due to the issue of corporate governance of the Company and none of the Company's adverse reputation due to functional failure of the Board of Directors in surveillance 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 share of dividend, right to purchase share for capital increase, equitable treatment in share buyback by the Company, right to inter-communicate, right to propose meeting agenda, right to nominate directors, right to deliver queries related to meeting agenda in advance, right to attend the Shareholders' Meeting and vote, right to authorize other person for meeting attendance and voting 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 for appointment and determination of remuneration for auditor, without hindering or building obstacle in giving shareholder the opportunity to enable to inter-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 lecturer fee in the Company's activities, mentor fee for the Company's executives, and others.

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 Enterprise 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 date, time and venue which will be held for meeting to be prepared to facilitate and encourage all groups of shareholders including the shareholders who are institutional investors to attend the Shareholders' Meeting of the Company. The Company's policy is as follows:

- (1) 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., and give all shareholders the opportunity to enable to deliver Registration Form or Proxy to the Company for prior-registration acceptance.
- (2) 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.
- (3) 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.

- (4) Not limit the shareholder's opportunity in studying the Company's information.
- (5) The Company can call the Extraordinary Meeting of Shareholders if the Board of Directors deems necessary or appropriate.

In 2017, the Company held the Annual General Meeting of Shareholders on Thursday April 27, 2017 at 10.00 hrs. at Banyan Ballroom, 10th Floor, Banyan Tree Hotel, Address No. 21/100, South Sathorn Road, Sathorn Sub-district, Sathorn District, Bangkok Metropolis. It is the Company's policy that requires the shareholders to be able to conveniently travel to attend the meeting since it is located in midtown zone with convenient transportation and proximity to public transport system such as bus, BTS Skytrain and MRT Subway. In addition, in delivery of Invitation Letter for Meeting to the shareholders, the Company delivered meeting venue map indicating clear travelling detail.

2.3.2 Acceptance of Advance Registration for Attendance of the Shareholders' Meeting

The Company gives the opportunity to the minor shareholders and shareholders that are institutional investors to deliver Proxy to the Company to register for attendance of the shareholders' meeting of the Company in advance prior to actual meeting date since the Company is farsighted that acceptance of advance registration for attendance of the shareholders' meeting is the important way that helps facilitating all shareholders including minor shareholders and shareholders that are institutional investors since the institutional investors must use rather plentiful meeting documentation. In the event of registration for meeting attendance in actual meeting date, the Company must take more time to examine completeness and correctness of their documents as prescribed by law than the general shareholders. If there are several shareholders that are institutional investors, it will affect long time in acceptance of registration.

Thus, the acceptance of advance registration for attendance of the shareholders' meeting will be considerably useful for the shareholders and the Company since it will help preventing the shareholders from obstruction problem in the meeting date, and also help not delaying the registration in the meeting date. This will show the Company's care on all groups of shareholders which is also consistent with the Principle of Good Corporate Governance that promotes the Company to spend rapid time in registration acceptance procedure.

2.3.3 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 facilitate and relieve the burden in acquiring stamp duties of the shareholders.

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 non-transparent 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. In last 2017, the Company's proportion of free float shares has been 24.05%.

2.5 Giving the Shareholders Opportunity to Propose Meeting Agenda, Nominate Directors and Deliver Queries in advance Prior to Meeting Date

The Company has a policy to give the shareholders the opportunity to add meeting agenda, nominate directors and deliver queries related to the Company in advance prior to the shareholders' meeting date. The Company defines clear means and criteria to show fairness and transparency in considering and notifying the shareholders for acknowledgement, and disseminating the said criteria on website of the Company.

For the 2017 Annual General Meeting of Shareholders, the Company gave shareholders the opportunity to propose meeting agenda, nominate directors and deliver queries in advance prior to the meeting date from December 1, 2016 to January 31, 2017; and announced to the Stock Exchange of Thailand and publicized the criteria on the Company's website (www.psh.co.th in Topic "Investor Relations"). After the said deadline was expired, it appeared that none of shareholders proposed the meeting agenda, nominated directors and delivered queries in advance at all.

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 principal 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 principal shall be declared such as Proxy and Certified True Copy of Certificate of Juristic Person Registration. The Company shall open for shareholders to register the meeting attendance in advance prior to the meeting time as mentioned in Topic 2.3.2 on Acceptance of Advance Registration for Attendance of the Shareholders' Meeting.

2.6.2 Attendance of the Shareholders' Meeting by Chairman of the Board of Directors, Chairman of the Sub-Committee and Topmost Executive of the Company

The Company gives precedence to the Shareholders' Meeting and has a policy to assign the Board of Directors to attend the meeting all together. The Chairman of the Board of Directors shall perform the duty to preside over the Meeting. The Chairman of every Sub-Committee and topmost executive of the Company (Group Chief Executive Officer), and the first four ranking executives, external auditor or representative shall attend the meeting for hearing opinions and completely replying queries of the shareholders.

Name List of the Board of Directors	Number of Meeting Attendances/Number of Times with Right to Attend the Meeting
	(Annual General Shareholders' Meeting for 2017
1. Dr. Pisit Leeahtam	1/1
2. Mr. Thongma Vijitpongpan	1/1
3. Mr. Weerachai Ngamdeevilaiak	1/1
4. Mr. Adul Chandanachulaka	1/1
5. Dr. Piyasvasti Amranand	1/1
6. Dr. Prasarn Trairatvorakul	1/1
7. Dr. Anusorn Sangnimnuan	1/1
8. Mr. Lersuk Chuladesa [*]	0/0
9. Prof. Piyamitr Sritara, MD ^{**}	1/1
10. Mr. Wichian Mektrakarn	1/1
11. Mr. Piya Prayong	1/1
12. Mrs. Rattana Promsawad	1/1

Remark : ^{*} 1. Mr. Lersuk Chuladesa retired from the director office and it is effective from April 27, 2017.

^{**} 2. Prof. Piyamitr Sritara, MD has been appointed as the independent director of the Company and it is effective from February 16, 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 that are required for resolution and not defined 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 determine 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 Notification 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 separately 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 individual directors using ballot. After voting completion, the Company shall collect ballots one by one by sequencing one at time whether agreeing, disagreeing and voting abstaining, for vote collection in order to allow the shareholders to have right to actually select the required director. During the meeting, all shareholders are given 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 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 disposition transaction, change in business structure, capital increase and capital decrease, etc. to show 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, vote count, use of ballot for acknowledgement of the shareholders prior to meeting commencement, as well as name list and position 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 date of 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% 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 may be periodically paid to its shareholders and the Shareholders' Meeting shall be reported in next meeting. 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 Shareholder Treatment

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's policy is to determine the appropriate process for giving minor shareholders the opportunity to be able to nominate the person together with supporting information for consideration and consent provision of the nominee in assuming the director office, to the Chairman of the Board in advance prior to the Shareholders' Meeting. The Company also has the process that ensures the minor shareholders that they can elect independent directors to oversee their interests 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.

In Annual General Meeting of Shareholders for 2017, the Company gave its shareholders the opportunity to nominate the person who was considered and deemed as qualified with appropriate knowledge and competency as representative in performing duty of the Company's director in advance from December 1, 2016 to January 31, 2017, whereas this was announced to the Stock of Exchange of Thailand and disseminated on the Company's website (www.psh.co.th in Topic "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/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. It shall be deemed that the Company specifies simple condition of authorization to other person to attend the meeting on behalf of the shareholder. Moreover, the shareholders can download Proxy Form B and Form C from the Company's website at www.psh.co.th in Topic "Investor Relations/Shareholders' Meeting".

The Company shall nominate at least three independent directors as authorization alternative of the shareholder. This nomination of three independent directors shall indicate

that the Company concerns on the privilege of shareholders stricter than the Policy of the Stock Exchange of Thailand and Criteria of ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) prescribed by the Company in nomination of just at least two independent directors.

3.2.2 Delivery of Meeting Appointment Letter

Under Articles of Association of the Company, it specifies that the Meeting Appointment Letter shall be delivered to the shareholders at least 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 to allow the shareholders have period to consider meeting agenda and issues that will be proposed to the meeting together with adequate details used for decision support. Each issue shall be clearly specified whether 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, the opinion of the Sub-Committee that is related to that agenda, and the opinion of the Board of Directors in the said issue shall be also specified.

In last 2017, the Company delivered Meeting Invitation Letter together with meeting documentation both in Thai language and English language (unabridged edition) to the shareholders 23 days in advance. The Company delivered Meeting Invitation Letter together with meeting documentation on April 4, 2017 and held Annual General Meeting of Shareholders on April 27, 2017.

The Company shall publicize the appointment of the Shareholders' Meeting in any issue of Thai daily newspaper not less than 3 days and disseminate in the Company's website at www.psh.co.th both in Thai and English languages (unabridged edition) at least 30 days in advance prior to meeting date. The Company disseminated on March 27, 2017 and held the Annual General Meeting of Shareholders on April 27, 2017 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 was informed.

3.3 Financial Assistance Transaction

In last 2017, the Company had none of related party 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. CG Day was organized on December 7, 2017 so that all directors, executives, and employees can study, learn and endeavor to grasp the Company's code of conduct, good corporate governance policy, and policy for prevention of use of inside information, to be strictly observed as principle and guideline of practice for maximum benefit of the Company and all groups of stakeholders throughout the functional period. It was determined that everyone shall affix their signatures for acknowledgement and observance for practice.

Moreover, the Company also determines that the director and executive as well as his/her spouse and underage child shall report the first possession of the Company's securities within 30 days from the appointed date, report the change in security possession every time of purchase, sale, transfer or transfer acceptance of securities within 3 working days, and regularly report the Board of Directors 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 2017, 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 be performed 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 where the connected transaction is performed 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 2017, 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. In addition, the Company did not breach the Criteria of Asset Purchase and Sale at all.

3.6 Connected Transaction Performing in 2017

In last 2017, the Company performed five transactions with connected parties under the following details.

Person who may have conflict of interests	Relationship with the Company	Nature of Transaction and Necessity	Value of Connected Transaction (Million Baht)	Price and Details
Transaction No. 1 Mr. Thongma Vijitpongpan	Director of the Company and Shareholders of the Company	Prukso Real Estate Public Company Limited leased space in Laksi Plaza Building, 10 th Floor, which is owned by Mr. Thongma Vijitpongpan to be used as the central training center.	2.9	Lease and Service Agreement of 425.68 square meter area, was effective from October 1, 2013 to September 30, 2015 and the Agreement was renewed to November 2017 in monthly rate of Baht 268,148. Such rental and service fees are at the rates comparable to market rates and under conditions that are indifferent from the agreement entered by Prukso Real Estate Public Company Limited with the third party. The rates of rental and service fees were compared with the rates of which Prukso Real Estate Public Company Limited has leased with other lessor.



Person who may have conflict of interests	Relationship with the Company	Nature of Transaction and Necessity	Value of Connected Transaction (Million Baht)	Price and Details
Transaction No. 2. TCT Company Limited (shares are held by Mr. Thongma Vijitpongpan)	Director of the Company and Shareholders of the Company	Vimut International Hospital Company Limited purchased empty land from TCT Company Limited to be used as location of the Project under the Company's business plan.	950.0	<p>Vimut International Hospital Company Limited purchased empty land from TCT Company Limited for 10 plots in total area of 4 rai 55.60 square wah in the amount of Baht 950 million to be used as location of the Project. The Company considered purchasing the said land under condition and price based on the criteria agreed between the counter parties.</p> <p>The said transaction was considered as connected transaction which is the transaction related to asset and service. The size of the said transaction is more than 0.03% but below 3% of net tangible asset value of the listed company. The said transaction was approved by the Meeting of the Board of Directors No. 3/2017 on March 24, 2017 since such land was purchased to be the location of the project where is appropriate and useful for the Company. The purchasing price of land is appropriate and below average appraisal price of the two independent appraisers that have been approved by the Office of Securities and Exchange Commission.</p>
Transaction No. 3. Mr. Thongma Vijitpongpan	Director of the Company and Shareholders of the Company	Kaysorn Construction Co., Ltd. purchased the plot of land at Phatthanakan 32 since at present, the nature of this plot of land is another route of entrance which is very useful for customers in the group of Phatthanakan Projects	2.0	<p>The plot of land at Phatthanakan 32 in the area of 0-1-55 rai was purchased in the amount of Baht 1,998,381.25 (including tax and transfer fee) from Mr. Thongma Vijitpongpan whereas the appraisal price is Baht 3,797,500 since at present, the nature of this plot of land is another route of entrance which is very useful for customers in the group of Phatthanakan Projects.</p> <p>The said transaction was considered as connected transaction which is the transaction related to asset and service. The size of the said transaction is less than 0.03% of net tangible asset value which is under the approval power of the Management.</p>

Person who may have conflict of interests	Relationship with the Company	Nature of Transaction and Necessity	Value of Connected Transaction (Million Baht)	Price and Details
Transaction No. 4. Vimut Hospital Company Limited of which shares are held by TCT Company Limited (shares are held by Mr. Thongma Vijitpongpan)	Director of the Company and Shareholders of the Company	Vimut International Hospital Company Limited paid plan and construction cost of hospital building	8.0	Vimut International Hospital Company Limited paid plan and construction cost of hospital building to Vimut Hospital Company Limited of which shares are held by TCT Company Limited (Mr. Thongma Vijitpongpan) for Baht 8 million. The said transaction was considered as connected transaction which is the transaction related to asset and service. The size of the said transaction is less than 0.03% of net tangible asset value which is under the approval power of the Management.
Transaction No. 5. TCT Company Limited (shares are held by Mr. Thongma Vijitpongpan)	Director of the Company and Shareholders of the Company	Pruksa and the Group of Companies has leased space in Pearl Bangkok of 19,125 square meter which is owned by TCT Company Limited, to be office building	57.6	Lease and Service Agreement of 19,125 square meter area for 3 years term of the agreement is effective from November 2017 to October 2020. Such rental and service fees are the rates similar to market rates and under conditions that are indifferent from the agreement entered by the Company with the third party. The rates of rental and service fees were compared with the rates of which the Company has leased with other lessor.

3.7 Violation/Non-Compliance with Regulation of Asset Purchase and Sale

In last 2017, 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 Top Executive on Purchase/Sale of His/Her Company's Shares

The Company formulates the policy for director and top executive of the Company to notify the Company Secretary about purchase/sale of his/her shares at least 1 day in advance prior to purchase/sale so that the Company Secretary shall keep as database 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-counter 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 well 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 towards individualism. In employment, appointment and removal of employees shall be considered on virtue basis and utilization of human capital for maximum benefit of 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, Privilege of the Employee and Provident Fund

The Company always takes responsibility for supervising maintaining working environment which is safe for life and property 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 instance:

- : Grant Welfare such as giving gift in marriage ceremony, funding scholarship of his/her child, visiting present in case of sickness that is required for hospitalization, grant in case of natural disaster encounter, and grant in case of death and 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 employees in equal level (classified based on Band) shall be equally granted for welfare without discrimination of gender, race, age and religion under coverage of the employee, the employee's spouse and child.
- : Welfare of residence purchase, special discount receiving in case of purchasing house, townhouse, 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%; social security fund, and compensation fund in case of occupational sickness/accident.
- : Other Privileges such as commission, funding scholarship of child, Fitness & Sport club, monthly telephone expense, employee uniform tailoring expense (international suit), gratuity for the employee with complete service duration of 10 years and 20 years, annual vacation, leave for military service, maternity leave, cinema ticket or gift voucher for goods purchase in birthday, present in New Year Festival, etc.

In addition, the Company also formulates the practical guideline for its employee due to its foreseeing that employee emphasis is deemed as the first social responsibility of the Company 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 must 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 common interest.

- 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 to his/her honour and dignity.
- 2.2 The Company shall select the persons for employment to hold the 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 by Pruksha School Learning Center Unit shall support its employee to be trained and developed for working efficiency improvement through both in-house training/seminar

organized by the Company and training and seminar with external agency due to the Company's belief that "Pruksha employees" are most important resources of the Company. Therefore, the Company aims at developing the employees in all positions to have knowledge and skills for dateless development and extension. The learning center or Website of Pruksha School of the Company is established with objective to upgrade the employee knowledge, skill and competency, and develop professional working. All employees of the Company can conveniently access training system everywhere and every time via PC, Notebook, Tablet and Smart phone to give employees the opportunity of continuous work progress.

In last 2017, all of the Company's employees from operation level, lower superior, middle superior and upper superior, were trained and developed to cover all career fields for 22 hours per person in average, classifying into female employees for 17 hours per person in average and male employees for 25 hours per person in average. The courses organized by the Company for new entrant employees and existing operating employees were as follows.

Type of Employee	Subject Category	Title of Course
1. New Employee	Subject Category for New Employee	1. Orientation of new employee by teaching on: <ul style="list-style-type: none"> - Human Right - Good Corporate Governance - Code of Business Conduct - Pruksha Ethic - Anti-Corruption 2. Basic Knowledge of Pruksha Construction Technology 3. Application of ESS and MSS System 4. Corporate IT System 5. SAP System Knowledge for Site Staff 6. SAP System Knowledge for Store Staff 7. Working Safety 8. Learning of Pruksha Technology 9. Basic Knowledge of Supply Chain in Real Estate

Type of Employee	Subject Category	Title of Course
2. Existing Operating Employee	Career Group-Based Subject Category	1. Project Feasibility & Project Budgeting 2. CRM for Sales & Marketing 3. Drilling of Emergency Coping Plan of the Project and Precast Factory 4. Condominium Management 5. Basic Low-Rise Property Management 6. Update of Criteria and Condition for Credit Consideration for Salesperson 7. How to turn data to be an opportunity 8. PrukSA Digital Academy 2017 (Market Penetration by Google Adsword Searching) 9. Personality Development for Standard Improvement of Salesperson (Personality for Success) 10. Safe Use of Mobile Crane for Signaler and Graber 11. Foreman Skill Development 12. Sales for Success 13. Viewpoint of Real Estate Business Group Analysis
	Self-Development Subject Category	1. Step towards Professional Mentoring 2. Active Listening 3. Perfect Supervisorship 4. Writing Personality Reinforcement Book 5. Finance for Non Finance 6. Time Management 7. Change Agent 8. Presentation Essentials Band 4 - 5 9. Superior Service with Positive Thinking Mind 10. Strategy of Improvement & Roll Out Award 11. Negotiation 12. Train the Trainer 13. Bank Matching & Online Approval System 14. Bargaining and Customer Satisfaction Creation Technique 15. Real Estate Business Executive Development Project (Mini MRE)
	Quality and Safety Subject Category	1. Safety, Occupational Health and Working Environment Committee 2. Preliminary Fire Extinguishing Training 3. Safe Use of Mobile Crane for Signaler and Graber 4. Introduction ISO 9001:2015 and WI Writing Technique

Type of Employee	Subject Category	Title of Course
	Leadership and Management Development Subject Category	1. Leadership Program (2) 2. IDP for Subordinate
	Information Technology Subject Category	1. Application of MS Project Program 2. Application of Advanced Excel Program 3. Application of I Construction V2 System 4. Approval of construction budget due to primary budget audit 5. Application of Advanced Powerpoint Program

(For more details, see “Sustainable Development Report” in Section “Personnel Development and Promotion, Career Progress/ Information of Employee Training and Development”).

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 occasion as much as possible.

2.6 The Company shall give its employees the opportunity to have communication channel, suggest and complain in the frustration 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 behave oneself to gain respect from the employees and the employees shall not perform any disrespectful act to his/her superior.

3.2 The employees must not perform any act of violation or threat either by word or action against other person on the basis of race, gender, religion, age, and physical and mental disability.

3.3 All employees shall respect to one another's opinions.

(For more details, see “Sustainability Report” in Section “Human Right Management”).

Policy for Development of the Employee's Knowledge and Potential

The Company formulates the policy and concept for employee development to be the competent person, and development guideline for preparedness to fully and completely function on his/her duty and for position growth, resulting in 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 number one brand in customer mind is not derived from the operation of the Group Chief Executive Officer or executives only but it is believed that it can be built by every employee of the Company under variety of development methods as follows:

- (1) Preparation of Vision, Mission and Pruksha Culture, Pruksha Value, and Leadership Competency as practical guideline of companywide people
- (2) 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 Pruksha Holding can be recruited since the Company has believed that these things will cause success in the period of more than 20 years ago.
- (3) 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 frame work which is clear policy. All of the aforesaid will support the supervisors and employees to be able to plan for suitable mutual development.
- (4) Organizing Talent & Succession Planning by defining talent. Talent is mutually defined by the supervisor and Human Capital Line by considering from performance and potential personal 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 under concern on business necessity together with analysis on long-term strategic target of the organization.

- (5) Encouraging the employee to recognize his/her clear Career Path whereas the employee will recognize his/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/her career together with his/her supervisor. Work method and self-development method are defined to be able to reach the setting career goal.
- (6) Regular survey of the employee engagement towards the organization for once a year. The said survey result shall be applied for mutual determining companywide plan in increase in more employee engagement level towards the organization via activities and plans required for continuous operation and contained as part of performance indicator of the executive.

(For more details, see “Sustainability Report” in Section “Personnel Development”).

Policy for Equitable Career Progress Promotion

In self-development, every employee must mutually plan his/her self-development with the superior in determining Individual Development Plan by considering from strength and point which must be developed by the employee to be taken in determining as individual development plan under priority of development and application of development principle of 70-20-10 as follows.

- (1) Assign challenging duties aiming at development through Experiential Learning in the ratio of 70%. The employee shall be supported from the organization to be prepared for working the said work. This work assignment is for development of leadership skill. The project participant has main role in endeavoring to grasp, expectations whether being work target, success, matter which must be learnt, and application method of learnt matter, as well as achievement measurement method.
- (2) Arrange the employee to receive advice from top executive or specialist such as having Coaching & Mentoring or receiving Feedback from his/her superior or team meeting, for mutual team learning in the ratio of 20%.
- (3) Formal Learning such as training attendance in the ratio of 10%.

The future position both in short-term and long term shall be defined for effective orientation of self-development in assuming the position in the future, transfer of position in the same level, or promotion in higher position.

Policy for Non-Involvement in Human Right Violation

The Company’s policy for non-involvement in 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, physical disorder, gender, language, political belief, any other belief, ethnic or genesis, social lineage/property or status under consideration on the appropriateness of duties and responsibilities in case by case and without use of child labor, conscript labor, and forced labor. The Company shall disapprove the employment of the employee to hold any office of which the direct superior and subordinate have relative or family member relationship. The aforesaid can make everyone have equal opportunity in being selected as the Company’s employee emphasizing on his/her competency and appropriateness for that position. Moreover, the Company also complies with Persons with Disabilities Employment Law by coordinating with government agency, Association of Physically Handicapped of Thailand to encourage the person with disabilities to be employed. In any year that the Company is unable to employ the employee who is the person with disabilities, the Company shall deliver the contribution into Empowerment of Persons with Disabilities Fund as fund for spending about protection and development on quality of life of the persons with disabilities accordingly.

Moreover, the Company also treats its employees with respect on their honor, dignity and individual right and liberty. Every employee shall be protected not to be violated from use, disclosure or transfer his/her personal information such as biography, health record, work history, or other personal information to irrelevant persons that may cause damage to the owner or any other person unless it is the dutiful act with honesty or by law or for common interest. If it is unfair for the employee or the employee’s right is violated, the Company shall allow the said employee to complain and request for fairness, and also promote and give employees the opportunity to mutually express opinions or complain about the right which is violated by each person.

The Company realizes and emphasizes on human rights related to equality in purchasing, procurement, and treatment to business partner and counter party under competition on equal information. The business partner and counter party shall not violate human right or perform any act that is breach of law such as use of child labor, etc.

(For more details, see “Sustainability Report” in Section “Guideline for Human Right Management”).

Customer : The Company aims for 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 and serious will of higher standard level upgrade, disclosure of complete and accurate news and information about products 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 Pruksha Contact Center 1739.
- (4) To 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 perform 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 aim 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 Counter 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, purchasing and procurement of the contractor and designer and hiring of the consulting firm. The Company transparently, impartially, openly and fairly gives all business partners, vendors/contractors/lessees, hereinafter referred to as business partner, the chance to participate in bidding, quoting the price of contracting work, quoting the selling price of materials and equipment or receiving design work with the Company for all business partners. Thus, in case where the business partner is contacted from any executive, employee or person in the nature of demand for pay or reward or any other benefit unless the moral giving either directly or indirectly so that the business partner can gain its business benefit in return; or the 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 and that 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, Purchasing, Procurement of 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 counter 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 counter party according to the agreed payment condition.
2. The Company aims at development and maintenance of sustainable relationship with its business partners and counter 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. Notice is issued and delivered to brokers, business partners and financial institutions that the Company abstains to receive gift and present, and has the policy not to receive sponsorship budget from the financial institutions whether in any forms.
5. Do not involve in purchasing and procurement with business partner or counter party that is related to oneself, for example, in the way that it is belonged to his/her family or relative or he/she is the owner or partner.
6. The information which is notified 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 capability of coordination, problem solving and preparedness of working team.

Code of Business Operation Conduct of the Business Partner

1. Code of Business Conduct

- : Inter-Confidentiality
- : Omission to perform any act that causes conflict of interests and/or conflicting interest
- : Omission to infringe the intellectual property right
- : Determination of complaint receiving channel
- : Participation in development and social responsibility

2. Code of Conduct in Human Right and Labor

- : The business partner should respect to human right and concern on dignity of humanity, equality, whether it is due to difference from race, nationality, religion, gender, education, disability, and fair treatment to its employees according to international standard and law.
- : The business partner shall not enforce to use labor without willingness of its employee.
- : The business partner shall not employ child labor with age below criteria as prescribed by law, and arrange the labor to be protected as prescribed by law in all respects.
- : The business partner shall properly, fairly, punctually pay wage and any other benefits which should be received by its employees.
- : The business partner shall not assign its employees to work for long time over than the requirement of law. It is necessary for overtime, it shall be willingly performed.

3. Safety, Occupational Health and Environment

- : The business partner shall adequately and properly prepare working environment to have safety and occupational health for its employees, and procure personal protective devices for its employees.
- : In the event of emergency situation, the business partner shall be prepared for emergency situation by determining situation evaluation, impact management measure, warning plan, and organizing continuous and appropriate training for its employees.
- : The business partner shall have clear environmental conservation policy under will of effective resource utilization and saving and proper energy consumption.

- : The business shall strictly comply with the applicable Safety, Occupational Health and Environment Law,

- : The business partner shall be assured of proper and safe production process, installation of waste disposal and management system, pollution emission both via air and on ground, and wastewater drainage, whereas quality monitoring, control and inspection shall be always performed to ensure that waste and output from the production which are emitted to environment shall not cause any pollution both in short-term and long-term.

4. Ethic and Compliance with Law

- : The business partner shall operate business with virtue and ethics and strictly comply with laws.
- : The business partner shall operate business without bribery in every form.
- : The business partner shall operate business under fair competition.
- : The business partner shall prepare correct and complete accounts related to business doing.
- : The business partner shall protect the secret information of its customers.

Supplier CG's Day Activity

On November 22, 2017, the Company organized Supplier CG's Day Event with purpose to invite business partners to participate as coalition in declaration of their intention on anti-corruption and adherence to business operation according to the principle of virtue and ethics and business operation according to the principle of anti-corruption in all forms to support the stronger network of the Company.

Complaint

1. Complaint Notification

In the event where the executive, employee, officer and/or person related to the Company have any behavior implying in the way of fraud, unfairness or demand of the said pay, all business partners can notify the Company for immediate acknowledgment via the following channels.

- : **Direct notification at**
 - (1) Chairman of the Board
 - (2) Group Chief Executive Officer
 - (3) Chairman of the Audit Committee
 - (4) Chairman of the Corporate Governance Committee
 - (5) Superior

- : **By post**

Corporate Communication Department

Pruksa Holding Public Company Limited
Pearl Bangkok Building, 24th Floor, No. 1177,
Phaholyothin Road, Samsennai, Phayathai,
Bangkok 10400

or

Group Chief Executive Officer or Chairman of the Audit Committee

Pruksa Holding Public Company Limited
Pearl Bangkok Building, 24th Floor, No. 1177,
Phaholyothin Road, Samsennai, Phayathai,
Bangkok 10400

: **By phone:** 1739

: **By website:** www.psh.co.th Topic "Complaint, Whistleblowing, Request for Fairness to Chairman of the Board, Chairman of the Audit Committee, Chairman of the Executive and Strategy Committee and/or Group Chief Executive Officer)

: Line ID: @pruksacg

: E-mail: cg@pruksa.com

Apart from playing a vital role in helping the organization, the complaint informant shall also be rewarded up to Bt 30,000 (Thirty Thousand Baht) per case together with a Certificate of Merit from the Group Chief Executive Officer.

2. Protection Measure for the Complainant or Investigating Collaborator

The complainant or investigating collaborator shall be protected in accordance with the requirement in Whistleblower Policy under the following criteria:

- 2.1 The complainant or fact investigating collaborator can choose not to disclose oneself if he/she feels that such disclosure may cause any harm or damage. However, if such self-disclosure is made, it will enable the Company to report the progress, clarify fact for acknowledgement or alleviate damage more conveniently and quickly.
- 2.2 The Company shall not disclose the information relating to the complainant or fact investigating collaborator. The said information includes first name, last name, address, picture or any other information that can identify the informant. The investigation shall be conducted to find out whether there is a ground of fact.
- 2.3 The complaint receiver must maintain the confidentiality of relevant information and shall disclose such information only as necessary by taking into consideration the security and damage of the complainant or fact investigating collaborator, source of information or related persons.

2.4 In the event where the complainant or fact investigating collaborator feels that there may be harm or trouble and damage to him/her, the complainant or fact investigating collaborator may ask the Company to formulate protection measure as appropriate, or the Company may formulate protection measure without requirement of request by the complainant or fact investigating collaborator if it deems that it is likely to occur trouble, damage or harm. Relief shall be given to those suffered from any trouble, damage or harm under impartial and appropriate 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 not be 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 ongoing sustainable social and environmental development. The Company therefore continuously implements community and social activities and formulates social responsibility policy as working framework in various areas for practical observance 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) To formulate the business operation policy to promote economy and society by conservation and mainly concern on environmental condition, and compliance with applicable laws and regulations related to environment.
- (2) To formulate Corporate Social Responsibility (CSR) Implementation Policy and develop the implementation of corporate social responsibility as business strategy for social problem 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 observing 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 area where the Company enters for business operation as appropriate as the case may be.
- (7) To prevent accident and control the operation as well as control the emission 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.

Besides implementation of CSR In Process, the Company has also implemented CSR After Process to mutually creation of social sustainability through participation in sustainable community and social development by focusing on three areas including education area, society and environment area, and religion, arts and culture area under the following details.

1. Youth Education and Development

- Pruksa fund
- Participation of top executive to be the guest speaker to disseminate knowledge of real estate business operation to educational institutions and business organizations.
- Pruksa Precast Factory Learning Center Project
- Project for Collaboration in Creation of Architecture Innovation between the Company and Faculty of Architecture of Chulalongkorn University, etc.

2. Society and Environment

- Participation in offering good deeds to the Late King Bhumibol Adulyadej
- Donation of 144 rai of land for result expansion of the Royal Idea Initiation Project

- Mutual declaration of the collaboration in support and driving "Power Sustaining into New Dimension, Job Creation, and Career Creation Project" for the special person for 10,000 positions
- Support on National Labor Day
- Pruksa Caring : Green Living Health for free physical checkup to customers and nearby communities
- Elderly friendly business operation
- Giving of lunch to the younger persons with disabilities
- Participation of the executives and employees in exchange and learning activity on "Right of Children and Business Practice" according to the policy of "Children Friendly Business Operation Promotion Project" from Thaipat Institute
- Mutual aid to purchase rice from farmers, etc.

3. Religion, Arts and Culture

- Support of Foundation of Thai Islamic Center
- Dhamma Practice for Happiness Project
- Giving Dharma books of "Record of Dhamma Doctrine and Dhamma Sermon of Phra Rajavuthacharn (Luang Pu Dune Atulo) by Group Chief Executive Officer to the employees, etc.

In addition, the Company has developed to upgrade the business operation standard in social responsibility by preparing implementation report of social responsibility to be in line with international standard of Global Reporting Initiative (GRI version 3.1) so that the reporting shall cover economy, society and environment to promote concrete and clear sustainable development (For more details, see "Sustainability Report" in Section "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 from the physician team of the leading hospital for customers, employees and residents around the projects and teaching how to primarily take care of oneself in "Pruksa Caring : Green Living Health" Project for the 15th consecutive year.
- Distribution of Free Eye Glasses to the Longsighted Elderly Project for 200 people and over
- "Volunteer Mind in Blood Donation Project" for assistance of patients nationwide

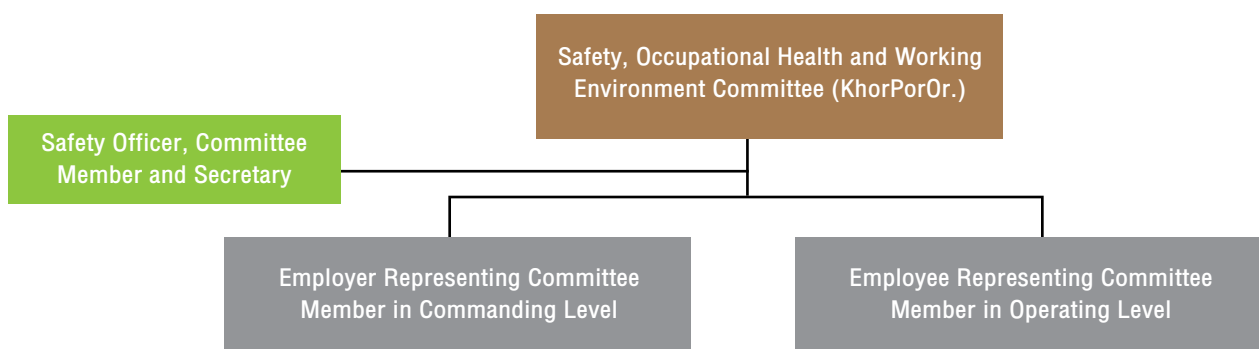
- “Environmental Management by Community” Project for promotion of the community learning on disposal of waste and wastewater from their sources for sustainable prevention of environmental pollution in the community
- Educating knowledge on waste screening for recycle as biological compost manure, and sustainability building to the schools in the community
- Donation of three 2,000 liter water storage tanks to the schools that have countered with problem of water shortage in dry season to have sufficient water storage tanks for daily life activities such as drinking water, consumption water, and plantation of vegetables inside the educational institutions
- Giving 2,000 chairs to the First Army Area and joining distribution of 15,000 sets of foods, and 17,000 bottles of drinking water, to people who were waiting in queue to enter for glorification of the royal remains at Phra Men Ground.
- Donation of 144 rai of land in the zone of Khlong 3 Sub-district, Khlong Luang District, Pathum Thani Province, to be used for building as Kaem Ling (Monkey’s Cheek) to assist the agriculturalists in the period of draught encounter, and to be water catchment place for flood problem alleviation
- Joining with Ministry of Social Development and Human Security and six occupational organizations in “Power Sustaining into New Dimension, Job Creation, and Career Creation for Persons with Disabilities in 10,000 Positions Project”
- Participation in “Art for All Camp” Project to join “Clothes Design for Younger Youth who are Persons with Disabilities (Blind, Deafness, Limb Disabilities, and Mental Retardation) Activity, with 150 applicants and over for project participation
- Shift of crisis of domestic refuse, fighting with saline water and saline soil into edible vegetable garden and landscape based on way of sufficiency at the communities and Baan Namdaeng Border Patrol Police School, Chantaburi Province
- Sustainable development of community water management system

- Making public interest, cleaning temple and painting toilet walls in the occasion of the beginning of the Buddhist Lent

Implementation result of continuous social responsibility caused the Company being granted for below awards.

1. Rising Star SET Sustainability Awards 2017 from Stock Exchange of Thailand
2. Thailand Sustainability Investment (THSI) Award for the second consecutive year from Stock Exchange of Thailand
3. The Seventh Admiring NACC Integrity Awards from Office of the National Anti-Corruption Commission
4. Recognition Sustainability Report Award 2017 for the second consecutive year from CSR Club, Thai Listed Companies Association, Office of the Securities and Exchange Commission, and Thaipat Institute
5. Honorable Certificate for Organization that Performs Usefulness to the Ministry of Education from Ministry of Education
6. Glorification Certificate for Organization that Performs Social Usefulness in Promoting the Employment of People with Disabilities for 2017 from Thai Health Promotion Foundation (Thai Health) and Ministry of Labour
7. Membership Certificate of Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC) from The CAC Council
8. Being selected to be in ESG100 Company Group for 2017 (Environmental, Social and Governance: ESG) for the second consecutive year from Thaipat Institute
9. Certification of Participation in Corporate SDG Index Preparation Project from Thaipat Institute

Safety, Hygiene and Environment : The Company established Safety, Occupational Health and Working Environment Committee (KhorPorOr.) derived from appointment (commanding level) from election of the organizational members (operating level) in total of 13 persons to effectively implement safety, occupational health, and working environment under below details.



Roles, Duties and Responsibilities

- (1) To consider policy and plan of work safety including non-work safety to prevent and mitigate accident occurrence, danger encounter, sickness or trouble and annoyance circumstance occurrence as the result of working or working danger to be proposed to the executives.
- (2) To report and suggest improving and corrective measure or guideline to be proper according to Work Safety Law and Work Safety Standard to the executives for work safety of the employees, contractors and third parties that enter to perform works or enter to use services in the establishment.
- (3) To promote and support work safety activities of the Company.
- (4) To consider regulation and manual of work safety as well as work safety standard of the establishment to be proposed to the executives.
- (5) To survey the operation in the aspect of work safety and verify statistics of occurred danger encounter in the Company at least once a month.
- (6) To consider training project related to work safety or plan as well as training project or plan related to roles, duties and responsibilities in the aspect of safety of the employees and personnel in all levels, in order to propose the opinion to the executives.
- (7) To systemize dangerous working condition reporting system to be the duty of all employees in all levels for practice.
- (8) To follow up the progress result in the issue proposed to the executives.
- (9) To report annual performance report and specify problems, obstacles and suggestions in function of the Committee upon completion of function for one year, to be proposed to the executives.
- (10) To appraise operating result in work safety of the Company.
- (11) To perform work in other areas of work safety as assigned by the executives.

Moreover, the Company also formulates clear and concrete policy related to care of both internal and external safety, hygiene and environment (community and society) to be practical guideline of the employee, and transfers to the employees in all levels. The occupational health and safety management structure is established to comply with laws under clear determination of responsible persons.

Policy for Safety, Occupational Health and Working Environment

- (1) The Company deems that work safety is the duty of all employees in all levels that they must be collaborative in mainly performing both for their safety and other person's safety as well as the Company's properties all the time of work performing. It is important that the relevant laws and requirements must be strictly complied and all employees have right to comment the improvement of working condition and method of safe working.
- (2) The Company continuously supports development and improvement of working environment, method of safe working, as well as use of appropriate protective equipment and maintenance of quality and good hygiene of all employees
- (3) The Company promotes safety activities that contribute to stimulate conscious mind of the employees such as training, motivation and public relations in safety.
- (4) The Company follows up and reviews the implementation of occupational health and safety for continuous development and improvement.

As the Company gives precedence to safety and hygiene inside the Company and surrounding community, society and environment with well awareness that we are compared as part of the society that will mutually step toward ongoing sustainable social and environmental development, the Company therefore continuously performs the following community and social activities together with business operation under overall community and social responsibilities as follows.

- (1) To aim for support on implementing the Company's activities together with compliance with safety law and other relevant requirements, for example, preparation of environmental impact assessment report for analysis, and determination of measure for prevention and abatement of environmental impact around the project in three 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 waste water treatment system and urban ecosystem
 - Value of human utilization such as consumption water, wastewater, 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 work safety to be regarded as the first working duty and responsibility of all employees.
- (3) To prescribe that all levels of superiors must behave themselves as good models and leaders in training, coaching and motivating the employees for work safety.
- (4) To prescribe that the employees must mainly concern on their safety, safety of colleagues as well as the Company's properties all the time of working.
- (5) To prescribe that all employees must always oversee cleanliness and orderliness in their working areas.
- (6) To aim for support of safety activities that contributes to stimulation, promotion and development of consciousness of the employees for work 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 prevention of water and air pollution prevention, waste and other pollutions derived from the Company's activities for minimum impact towards environment and community

Furthermore, the Company has strictly complied with international safety standard by applying occupational health and safety management system in the Company until being accredited for OHSAS 18001:2007 and TIS 18001:2554 which are international standards of condominium construction process in 2017. The Company has applied Safety Certify Program as safety standard assurance system developed by the Company so that the projects can properly apply the same safety standard according to the principle of management and laws. The Certificate will be granted to the complete standardized projects according to the auditing criteria. This system is applied with the Company's low-rise projects. Therefore, it can be seen that the Company gives precedence to safety matter under controlling process for all work sections of single-detached house, townhouse and condominium.



From safety standard operated by the Company, it resulted in number of work safe hours in the Company has been at 2,500,000 hours without accident. This has been the best statistics from foundation of the Company until present. Top executives have issued letter of admiration and gratitude to the employees.



In the aspect of the employee quality of life, the Company formulates the same accommodation standard of for the employees who perform construction works in the project at every sites, and arranges complete basic public utility systems, recreation corner, and safety system, including contingent emergency receiving system.



Work Rule for Safety, Occupational Health and Working Environment

For effective operation of occupational health and safety, and complete working coverage according to standard and compliance consistency in all segments, work rule in term of policy is mainly defined as follows.

1. Implementation Policy for Safety, Occupational Health and Environment in High-Rise Construction It is the policy in formulating work standard and rule for safety of high-rise working covering working both in part of the Company's employees, contractors, work controllers, advisors, and other related parties.
2. Implementation Policy for Safety, Occupational Health, and Working Environment in Low-Rise Construction It is the policy in formulating work standard and rule for safety of low-rise working covering working both in part of the Company's employees, contractors and other related parties.
3. Action Policy upon Occupational Accident Occurrence It is the policy in formulating operating standard and rule upon occupational accident occurrence, accident reporting, accident investigation, and recurrence prevention and correction
4. Personal Protective Equipment Policy Is the policy in defining Personal Protective Equipment (PPE) Standard to be the same standard in the Company that covers all working activities.
5. Regulation of Safety Measure for Project Construction Contractor It is the contractual documentation (TOR) that specifies Practice of Occupational Health and Safety

for Contractor that is employed for construction for the Company and the said Practice must be complied.

6. Safety Management Plan of the Project It is the manual of occupational health and safety management procedure inside the project
7. Evaluation and Assurance of Low-Rise Safety Certification Standard It is the operating standard and guideline of safety system in low-rise construction project
8. Regulation of Low-Rise Safety Measure It is the work standard and procedure for the low-rise safety of the contractor
9. Announcement of the Company on Safety Operating Measure for High Danger Related to Electricity and Machinery is the measure for control of high risk exposed working
10. Standard of Temporary Electrical Cabinet in Construction Project is the standard of electrical cabinet in the Company for application of all projects to be the same standard.

Working Control for Safety

The Company controls working in high risk exposed activities whether being Hot Work, High Work, Work in Confined Space and other Works, under clear work regulations. At present, there have been work regulations for 42 types of operating activities in the Company under regular inspection on each type of working and clear inspection report. Work Regulations for 42 types of activities are as follows.

1. Safety Regulation for PPE Wearing
2. Safety Regulation for Housekeeper Working

3. Safety Regulation for Fire Protection
4. Safety Regulation for High Working
5. Safety Regulation for Working in Confined Space
6. Safety Regulation for Hole Falling Protection
7. Safety Regulation for Hot Working
8. Safety Regulation for Use of Passenger Elevator
9. Safety Regulation for Electrical Tool Operation
10. Safety Regulation for Lifting and Movement of Objects (Office)
11. Safety Regulation for Footpath Management
12. Safety Regulation for Traffic Control
13. Safety Regulation for Motor Vehicle Control
14. Safety Regulation for Use of Girder
15. Safety Regulation for Footing Working
16. Safety Regulation for Working Using Caissons
17. Safety Regulation for Working Using Pile Driving
18. Safety Regulation for Working Using Bored Pile
19. Safety Regulation for Electrical Device Installation
20. Safety Regulation for Belt, Chain and Sling Operation
21. Safety Regulation for Mobile Crane Operation
22. Safety Regulation for Hoists Operation
23. Safety Regulation for Hazardous Chemical Operation
24. Safety Regulation for Noise Control
25. Safety Regulation for Dust Control
26. Safety Regulation for Hazardous Waste Control
27. Safety Regulation for Internal Construction Site Road Control
28. Safety Regulation for Steel Structure Installation
29. Safety Regulation for Wood Cutting Machine Operation
30. Safety Regulation for Removal
31. Safety Regulation for Excavation Working (Bored Pile)
32. Safety Regulation for Working Using Vibro Machine
33. Safety Regulation for Tower Crane Installation
34. Safety Regulation for Precast Installation

35. Safety Regulation for Radiation Working
36. Safety Regulation for Computer Application (Office)
37. Safety Regulation for Narcotic and Alcohol Control (Office)
38. Safety Regulation for High Building Fire Event (Office)
39. Safety Regulation for Earthquake Protection on High Building (Office)
40. Safety Regulation for Use of Photocopier (Office)
41. Safety Regulation for Tsunami Protection
42. Safety Regulation for Office Working

Operation of Occupational Health and Safety

1. The Company assesses risks of the organizational activities to control, prevent contingent risk not to result in physical harms, diseases and mental status of the employee.
2. The Company assesses the conformity with occupational health and safety law and other requirements.
3. The Company applies Safety Defect Found and Fixed System as dangerous working environment report system and correction in the construction project.
4. The Company applies BO&F (Behavior Observation & Feedback) System to be the dangerous working behavior examination system.
5. The Company applies Safety Performance System to follow up safety operation of the low-rise construction project for observation of safety tendency.
6. The Company appoints personnel who transfer safety knowledge in each construction project via Q&S Ambassador Activity.
7. The Company prepares standard worker camp to be proper according to law and to be similar standard format in every construction project, and model project for field study from external agencies.
8. The Company prepares regulation and knowledge of safety and work standard which are translated in four languages for understanding of foreign labors.
9. The Company establishes community relations with nearby area of the project for good attitude toward the community and community support and assistance.
10. The Company provides inspection on usability preparedness of machinery, equipment and tool for life and property safety.
11. The Company communicates occupational health and safety in various channels such as SMS, E-mail, public relations board, to the employees and other related parties.

12. The Company provides training and knowledge to the employees for acknowledgement of the principle of proper working in different nature of works, wearing of protective equipment in correct way from work commencement, and continuous review.
13. The Company arranges drilling of emergency coping in contingent situations to practice the employee for understanding in operating procedure, notification method, coordination method and roles and duties.
14. The Company provides working audit of the employee to be in line with the standard prescribed by the Company and if the employee violates, there will be disciplinary penalty.
15. The Company investigates the occurred accidents every time to find actual cause of that incidence and enters to exactly control for recurrence prevention.
16. The Company reviews management by top executive to ensure that occupational and safety management system is proper, adequate and efficient.
17. The Company provides knowledge to the employees (Safety Talk) who work in the project and prepares training need based on risk exposed activities to cover all activities.
18. The Company regularly arranges the external agency to conduct narcotic examination on the employees for criminal risk prevention according to law.
19. The Company measures environment both in the office and the project to monitor working environment to be proper for the employees.
20. The Company coordinates the hospital to deliver the employee for treatment once encountering with accident or sickness.

Safety for Use of Raw Materials, Materials, Equipment and Chemical

1. The Company selects raw materials which are not dangerous to the customers and operators such as selection to use materials and furniture with free of Volatile Organic Compounds (VOCs) in the category of Formaldehyde.
2. The Company controls the storage of using chemicals under classification of chemicals, and provides knowledge to the employees related to Safety Data Sheet (SDS) of chemicals with clear identification tag according to practice and standard of the Company.
3. The Company audits suppliers on materials and equipment from the manufacturers to be an audit for acquisition of standard raw materials as required by the Company.

Training for Safety and Occupational Health Consciousness Creation

In 2017, for enhancement of awareness and consciousness creation for the employees, the Company organized 6 courses of safety and occupational trainings for 54 training classes in total to ensure that the employees and related parties gain safety knowledge without occupational accident and disease from the training centers which are registered with Ministry of Labour. The trainees were granted for certificates. The courses organized for trainings are as follows.

1. Work Safety Consciousness
2. Supervisory Level Safety Officer (Supervisory Safety Officer)
3. Managerial Level Officer (Managerial Safety Officer)
4. Technical Level Officer (Technical Safety Officer)
5. Work Safety Committee (KhorPorOr.)
6. Primary Fire Extinguishment Training

Policy for Reduction of Environmental and Health Impact

Prukha Precast Factories at Nawanakorn and Lamlookka organize activities that reduces environmental and health impact as follows.

1. Screening waste and disposal according to industrial system so that reused and recycled waste can be further utilized
2. Reduction of paper usage using document filing system by computer, and reuse of paper for both pages
3. Health gardening and pine tree plantation along the range of drain channel
4. Use of automatic on-off lighting system in office, Stock yard, lights of road and parking lots
5. Reduction of lighting intensity in the point where there is none of operators by reducing Watt and changing type of lamps from High Bay to be LED for energy consumption saving.
6. Reduction of number of transportation rounds for Precast Panels caused from improvement of work piece packs
7. Determination to switch off engine of goods transporting truck all the time of precast panel loading
8. Use of bicycle for travel inside the factory instead of use private car
9. Attachment of light filter films inside the office to reduce external heat and reduce electrical energy consumption such as air-conditioner.

(For more details, see “Sustainability Report” in Section “Safety, Occupational Health and Working Environment” and Section “Environmental Operation”).

Summary of Occupational Accident Occurrence Statistics for 2012 - 2017

The Company engages in the core business as Holding Company by holding shares in other companies, and has invested in Prukse Real Estate Public Company Limited which is the Company's subsidiary that engages in real estate business.

The Company therefore reported the summary of occupational accident occurrence statistics for 2012-2017 of Prukse Real Estate Public Company Limited which is its subsidiary of which its shares are held by the Company. The details of summary are as follows.

Details	Gender	2012	2013	2014	2015	2016	2017
Head Office							
Injury Rate (IR)	Male	0	0	0	0	0	0
	Female	0.12	0.053	0	0	0	0.036
Occupational Disease Rate (ODR)	Male	0	0	0	0	0	0
	Female	0	0	0	0	0	0
Leave Day Rate (LDR)	Male	0	0	0	0	0	0
	Female	0.12	0.213	0	0	0	0
Absence Rate (AR)	Male	0	0	0	0	0	0
	Female	1,612.90	2,272.73	0	0	0	0
Number of Occupational Deceased	Male	0	0	0	0	0	0
	Female	0	0	0	0	0	0
Construction Line							
Injury Rate (IR)	Male	0.07	0.465	0.421	0.330	0.732	0.299
	Female	0.01	0.058	0.030	0.147	0	0.075
Occupational Disease Rate (ODR)	Male	0	0	0	0	0	0
	Female	0	0	0	0	0	0
Leave Day Rate (LDR)	Male	1.12	4.938	2.345	0.550	6.809	0.485
	Female	0	0.087	0.902	2.458	0	0.112
Absence Rate (AR)	Male	60,925.50	96,590.91	44,318.18	8,522.73	105,681.82	7,386
	Female	0	1,704.55	17,045.45	38,068.18	0	1,705
Number of Occupational Deceased	Male	1	2	2	2	1	3
	Female	0	0	0	0	0	1

Details	Gender	2012	2013	2014	2015	2016	2017
Pruksa Precast Factory							
Injury Rate (IR)	Male	1.2	0.768	1.056	0.640	0.270	0
	Female	0.22	0	0.132	0.160	0.270	0.258
Occupational Disease Rate (ODR)	Male	0	0	0	0	0	0
	Female	0	0	0	0	0	0
Leave Day Rate (LDR)	Male	5.46	1.537	3.828	1.760	0.405	0
	Female	0.33	2,273.73	1.320	0	5	0.26
Absence Rate (AR)	Male	26,881.72	7,954.55	16,477.27	6,250.00	852.27	0
	Female	0	0	5,682	0	11,364	568
Number of Occupational Deceased	Male	0	1	1	0	0	0
	Female	0	0	0	0	0	0

From statistical data in 2017, it could be seen that in overview, Injury Rate, Leave Day Rate and Absence Rate for Employee tended to be decreased more than previous year. However, the Company takes the results from collection of accident occurrence statistics in every year as one of the significant development plans in order to aim for minimizing accident occurrence to be Zero Accident, and developing occupational quality of life of the employees which is always the attentive and highlighted matter of the Company.

4.2 Policy and Practical Guideline for Effective Resource Utilization

The Company develops campaign of energy saving, worthwhile resource utilization, and recycle of resources. According to strict compliance of the Company with the policy and practical guideline for resource utilization, it resulted in last 2017, Pruksa Precast Factory, Nawanakorn and Pruksa Precast Factory, Lamlookka, were certified for Green Industry Level 3 : Green System from Ministry of Industry. Both factories carry out their production under systematic environmental management, monitoring, evaluation and review for continuous improvement. The details of practical guideline are as follows.

(1) Energy

- Switching off air-conditioner and switching off light during noon break
- Switching on 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.
- Recycle of sandstones screened from Recycling System in new concrete production process for 2% of consumption of total sandstone quantity, and cement water which is passed from Recycling System for reuse in mixing for new concrete production for 25% of total volume of manufacturing water consumption, resulting in no discharge of wastewater into the community or public land.
- Use of sludge acquired from Sedimentary Well 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.

(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) Material Management

- In consumption of reinforced steels and other materials, Pruksa Precast Factory applies Reinforced Steel Manufacturing System in type of Automated

Mesh Welding Plant and Automated Mesh Welding Plant with Automated Placing for new factory, resulting in manufacture of reinforced steels for manufacture of every panel of correct, accurate, complete precast work pieces, and ability to reduce waste from consumption of reinforced steels resulting in material consumption for effective production.

- Due to high consumption quantity of concrete which is the main production cost of Precast Concrete resulting in high consumption quantity of resources and possibly affecting environment in various areas, the Company then initiated the concept of reduction on consumption quantity of cement in concrete mixture but the structural strength has been maintained according to engineering principle. From the concept of SGA Competition (Activity of New Innovation Creativity from Employee Initiative) on key joint downsizing, it has resulted in adjustability of concrete mixture in production and lowering consumption quantity of cement and lowering production cost through decrease in cement for 35 kg./m³ and consumption of fly ash as substitute of cement for 10% in concrete mixing, resulting in additional decrease in cement for another 32 kg./m³.

(5) 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 code of business 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/her signature to affirm that he/she will not 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) The employee shall respect and not use the achievement which is intellectual property of other person either in whole or in part without permission of the owner.

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 director, executive and employee are prohibited to demand or receive benefit or any property indicating the functional motivation or functional omission in wrongful way or possible cause of loss of rightful benefit by the Company.

- 1.2 The employee should omit to offer or avail benefit or any property to the outsider in order to motivate the said person to act or omit to illegal or wrongful act against his/her duty.

(2) Gift or Business Entertainment

Giving or receiving gift, present, entertainment or other benefit from the customer, business partner or business representative or party related to the Company is prohibited unless in the event where the said act can be performed under below details.

2.1 Giving gift, present or other benefit

- 2.1.1 The employee and his/her family member is prohibited to give gift, present or other benefit to the business partner, business representative, or party related to the Company both on behalf of the Company's representative or in person.

- 2.1.2 The employee and his/her family member are prohibited to give gift, present or other benefit to his/her superior, colleague, and family member except it is giving or receiving according to tradition, festival or occasion in small value without intention of return expectation.

- 2.2 Giving gift, present or other benefit that can be given to customer, business partner, business representative or party related to the Company must be in line with the following condition.

- 2.2.1 Giving gift and present that have the Company's symbol according to tradition and festival shall be approved for use of the Company's symbol for the gift and present that have the Company's symbol according to the Company's rule from Corporate Marketing Unit.

- 2.2.2 There is rule under consideration of the topmost executive of the line for giving gift, present or other benefit for gift, present or other benefit which are made by Department/Line to be given to customers for sales promotion or for business relationship building.

2.2.3 Gift and souvenir can be given in the congratulation occasion, in the business occasion, gratitude expression, hospitality, sorrow expression, assistance provision as the matter of courtesy which is observed in the society or in organizing the Company's activities.

Expense requisition for giving gift, souvenir or benefit in different occasions shall be observed according to rule and procedure of administrative expense requisition of the Company and Operating Expense Approval Power Handbook. Name of the receiver of gift, present and purpose of requisition must be specified in Money Requisition Form every time.

2.3 Receiving gift, present or other benefit

2.3.1 The employee and his/her family member are prohibited to receive gift, present or other benefit from customer, business partner, business representative, or party related to the Company both on behalf of the Company's representative or in person.

2.3.2 If gift, present or other benefit receiving according to tradition and festival are unable to be refused, the receiver shall deliver to Central Human Capital Line within 7 days after receiving the said articles for allocation to the Company's employees or donation for charity as appropriate under practical guideline according to the enclosure.

2.3.3 The superior and his/her family member are prohibited to receive gift, present or other benefit from his/her subordinate and family member.

2.4 Entertainment and Entertainment Acceptance

2.4.1 Entertainment acceptance is prohibited in the event of the form with intention to influence or affect business decision or to support political activity.

2.4.2 The employee is prohibited to entertain in the nature of working return form, breach of law, regulation conflict or within the scope of bribery, unless it is the entertainment for contact to acquaint, provide knowledge, exchange knowledge and experience, the entertainment due to function as appropriate and not excessively extravagant.

2.4.3 The entertainment of customer, business partner or others for project publicity, sales promotion, activity organizing for introduction of products, services, activities, and the Company's image promotion project. The said projects or activities must be given consent from the topmost executive of the line.

The requisition of entertainment expense shall be observed according to rule and procedure of administrative expense requisition of the Company

and Operating Expense Approval Power Handbook. Name of the entertainment accepting person, purpose of requisition must be specified in Money Requisition Form. The expense in the improper place such as entertainment spot that has the courtesans or similar place, etc., is unapproved.

2.5 Invitation acceptance for attendance of meeting, training, seminar and field trip organized by customer / business representative / business partner

Invitation acceptance for attendance of meeting, training, seminar and field trip organized by customer / business representative / business partner can be performed in the event of being entrusted on behalf of the Company's representative under below condition.

2.5.1 It is approved from the topmost executive of the line.

2.5.2 There must be clear purpose and detail of the meeting and field trip and advance plan should be prepared.

2.5.3 After attending the meeting and field trip, the guest must summarize the result of the meeting and field trip attendance to be proposed to the topmost of the line.

2.5.4 Do not attend the meeting, seminar and field trip with nature of tourism latency without true intention of passing on knowledge or acquiring knowledge.

2.6 The basis required for regular concern in giving gift, present, entertainment or other benefit which is executed according to this rule.

2.6.1 Form and value of gift, present, entertainment or other benefit must not be excessively extravagant and must be reasonably disbursed.

2.6.2 The receiver and giver must be candid, transparent, and accountable. .

2.7 Penalty

The employee shall strictly observe and consider as a condition of employment. If any employee violates the said rule, it shall be regarded as disciplinary offence, and shall be considered for punishment according to the Company's rule.

The following practice shall be performed in the event where the employee receives gift, present or other benefit.

1) In the event of gift and present which are unable to be kept for long time or have the symbol of the giving company under general giving or small value, such as food, beverage, calendar, pen, diary, etc., the employee shall notify his/her supervisor of the work unit to consider openly, fairly and thoroughly distributing to the employees in the work unit.

2) In the event of gift, present or other benefit out of the scope in Clause 1, the detail of gift, present or other benefit shall be notified to the topmost executive of the line. The topmost executive of the line or the person who is entrusted by the topmost executive of the line shall consider as follows.

2.1) Gift and present that may have risk causing the said gift and present damage, or have excessive high delivery or storage expense, gift and present receiving registration shall be prepared and the open, fair and thorough allocation to the employees in the line shall be considered. The gift registration together with allocation method shall be submitted to the Central Human Capital Line.

2.2) The delivery registration of other benefit including gift and present out of the scope in Clause 2.1 shall be performed to Central Human Capital Line for open, fair and thorough allocation.

(3) Political Assistance

The Company shall not assist or give political assistance to the political party, political group, or politician either directly or indirectly, including not utilization of the Company's properties for the said execution.

(4) Donation for Charity, Public Interest, and Subsidy Giving

4.1 Money or property donation for charity, public interest

Land selection process consists of :

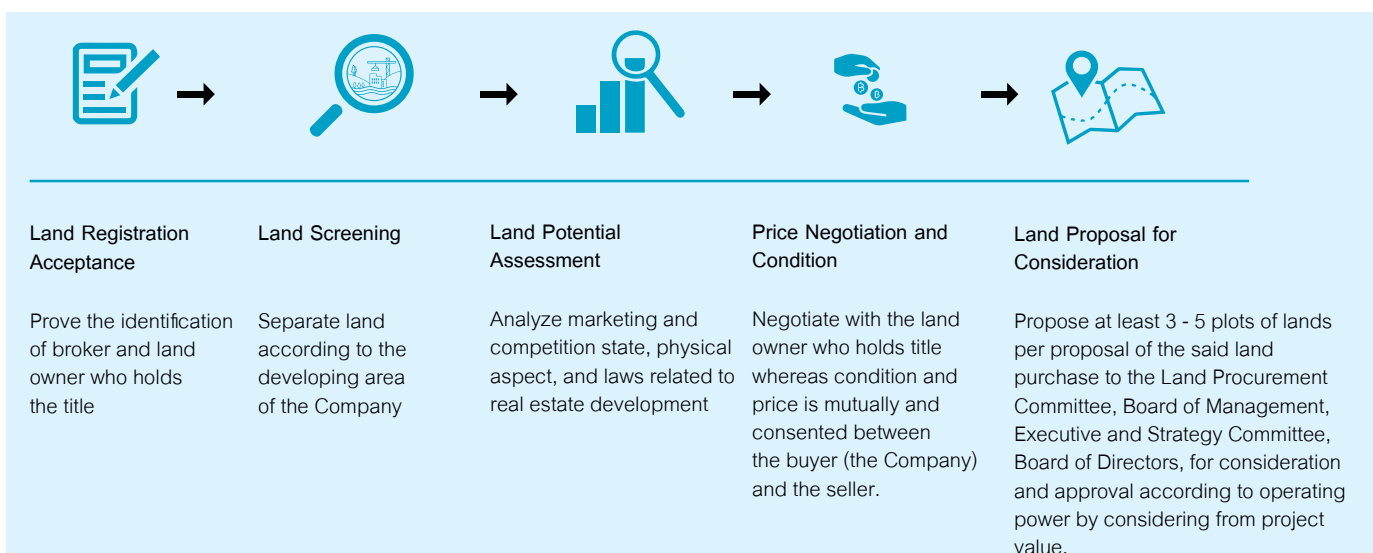
and subsidy giving must be properly performed according to law without conflict with morality, and not being any act that damages to the society at large.

4.2 Giving or receiving donated money or property for charity or subsidy must not be used as excuse of bribery.

4.3 The requisition of expense for charity and subsidy giving shall comply with rule and work procedure for requisition of administrative expense of the Company, and Operating Expense Approval Power Handbook prescribed by the Company. However, the purpose must be clearly specified and the verifiable evidences must be available in requisition and disbursement. In the event of doubt that may have legal impact, Law Department shall be requested for counsel in writing or other important matters shall be under discretion of the Management.

4.5 Land Selection Policy

The Company shall execute land selection policy by determining that every related process shall be transparent and verifiable, and considering choosing land in form of Committee in every process. Every related work units shall collect complete information and pass the verification before proposing to the Land Procurement Committee, Board of Management, Executive Committee, and Board of Directors, for consideration under operating power from value of the developed project.



Principle of Land Selection Consideration

The Company shall prepare primary physical report of the said plot of land to verify the physical characteristic of the said plot of land so that it can be developed without getting stuck to condition and rule of the government agencies that govern the real estate project development particularly for the said plot of land where is located adjacent to the place that may cause chemical pollutions such as chemical factory, waste pool or the range of noise exposure for taking off and landing of airplane. However, the Company shall mainly take livable environment and customer safety into consideration.

4.6 Policy for Treatment to Land Owner, Broker and Employee of Prukسا Real Estate Public Company Limited with behavior indicating corruption and breach of the Principle of Corporate Governance against land purchase and sale of Prukسا 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 Prukسا 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 Prukسا Company to the outsider
- (5) Concealment of fact of the land plot
- (6) Provision or use of false information related to land plot to Prukسا Company
- (7) Jactitation of Prukسا 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 Prukسا Company
- (9) The involvement of the employee with the land owner or broker in any aforesaid clause shall be regarded by Prukسا Company as severe offence and malfeasance.
- (10) Other operation indicating corruption and breach of the principle of corporate governance against land purchase and sale of Prukسا Company

Objective

- (1) To be recognized that Prukسا 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 Prukسا 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 Prukسا 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 owners, brokers and employees 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 transactions that the land owner and broker's behavior indicates corruption and breach of the principle of corporate governance against land purchase and sale of Prukسا Company, Prukسا Company therefore formulates the policy/measure for blacklist of land owner and broker with behavior indicating corruption and breach of the principle of corporate governance against land purchase and sale of Prukسا Company so that the executives and employees will acknowledge and implement in the same 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 Prukسا 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 model in compliance with this policy.
- (2) The executive has duty to communicate the employees for acknowledgement that Prukسا Company does not support the business operation with the land owner and/or broker with behavior indicating corruption and breach of the principle of corporate governance against land purchase and sale of Prukسا Company.
- (3) The executive and employee related to land purchasing process (P0-P7) have duty 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 Prukسا 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 Prukسا Company is detected.
 - Website : www.prukسا.com for complaint/whistle blowing/fairness request
 - E-mail : cg@prukسا.com
 - Line : Line ID : pruksacg

- Post : deliver to Group - CEO or the Chairman of the Audit Committee of Prukha Holding Public Company Limited, Pearl Bangkok Building, 23rd Floor, No. 1177 Phaholyothin Road, Samsennai Sub-district, Phayathai District, 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 corruption or stakeholding or working in wrong procedure that may cause Prukha Company damage from land purchase-sale of Prukha Company, the Land Procurement Committee can comment to Personnel Division and the employee's superior to suspend work in order to investigate the said employee or otherwise consider as deemed as appropriate for fact investigation according to Prukha Company's rule 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/her superior to consider.

4.7 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 members participate in compliance with such policy via various channels have consisted of educating knowledge via Tai Rom Prukha 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 to be improved.

4.8 Corruption Risk Assessment Process

The Company was registered in the Stock Exchange of Thailand on December 1, 2016. Later on November 10, 2017, the Company has been certified as member of Thai 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.

In last 2017, Corporate Enterprise Risk Management Committee assessed the corruption risk separately from other areas of risks and quarterly reported the result to the Board of Directors for acknowledgment.

4.9 Governance and Control Practical Guideline for Prevention and Monitoring Corruption Risk

The Company formulates governance and control practical guideline for prevention and monitoring corruption risk in conclusion as follows.

- (1) To assess risks regarding product and service delivery, land selection process, procurement and employing process as well as pricing process for house, condominium and precast factory construction costs, to be standard in work rules and manuals.
- (2) To open the channels of Website and Call Center for complaint of the consumer, employee, people and public sector.
- (3) To have controlling tools and systematic risk management process under quarterly reporting of risks to the Board of Directors.
- (4) To establish CG Unit in formulation of governance and management plan for contingent risks.

Moreover, in last 2017, the Company promulgated three issues of anti-corruption policy to be guideline for function of the directors, executives and employees with good consciousness without corruption or acquisition of wrongful interests as follows.

- (1) Anti-Corruption Measure
- (2) Rule of Fraud and Corruption-Related Whistleblowing and Complaint
- (3) Rule of Giving Gift, Present, Entertainment and Other Benefit

4.10 Employee Training for Educating Knowledge related to the Company's Policy and Practical Guideline for Anti-Corruption

All employees are communicated and trained by the Company about the knowledge of policy and practical guideline for anti-corruption, starting from working commencement with the Company in order to prevent internal corruption. The personnel are delivered for external trainings organized by both public and private agencies. After training arrangement for educating knowledge to the employees about anti-corruption, various additional ways are also executed by the Company, for example, showing video for viewing, disseminating via billboard, website, internal journal and announcements, delivering Code of Business Conduct Manual, and publicizing the rule of whistleblowing 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. The Company always promotes and educates knowledge to the employees as follows.

- (1) To conduct the Prukha Ethic Training for new employee and everyone who must attend the training and pass the requirement of the course, and must acknowledge in Ethic handbook which has been distributed on the first day of employment.
- (2) To annually conduct the test for CG course, in order to encourage the knowledge regarding the Ethic and good governance for managements and employees.
- (3) To annually organize CG Day and CG Suppliers Day Activities under good collaborations of directors, executives, employees and business partners.
- (4) To continuously communicate with the employees for recognition and awareness on the significance of good governance, corruption, via journals and publicity channels of the Company.
- (5) To communicate with the executives and employees on the aspect of corruption problem and punishment to be case study both of prevention and deterrence of non-misconduct against code of conduct by the employees.

4.11 Educating Knowledge and Training for Employees in Environmental Issue

The Company operates real estate development business as core business of the Company and 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 was initiated. All employees both in Prukha Precast Factory and the employees who work in other places, shall be trained on environment and business operation without both direct and indirect destroy of ecosystem. In addition, the information of environmental care shall be also disseminated to undergraduate, student and interested organization at Precast Factory. Prukha School Unit that takes particular responsibility in training and seminar organizes trainings/seminars, courses which are useful for the employees in order to be applied as working support and reinforcement of more self-knowledge. The environment course is one of the topics which are emphasized by the Company.

In last 2017, the Company organized the environment issue-related training courses/seminars as follows.

- (1) Primary Knowledge of Supply Chain in Real Estate Work
- (2) Safety, Occupational Health and Working Environment Committee
- (3) Use of Mobile Crane for Safety of Signaler and Graber
- (4) Primary Knowledge of Prukha Construction Technology
- (5) Learning of Prukha Technology

- (6) Analysis on Land Potential in Term of Law and Physics

(For more details, see "Sustainability Report" in Section "Environmental Operation".)

4.12 Complaint

The Board of Directors arranges the channel of which all groups of stakeholders can contact/complain in the issue that may directly cause damage to the Company or the Board of Directors 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.

: Direct Notification at:

- (1) Chairman of the Board of Directors
- (2) Group Chief Executive Officer
- (3) Chairman of the Audit Committee
- (4) Chairman of the Corporate Governance Committee
- (5) Superior

: By Post

Corporate Communication Division

Prukha Holding Public Company Limited
Pearl Bangkok Building, 24th Floor, No. 1177,
Phaholyothin Road, Samsennai, Phayathai,
Bangkok 10400

or

Group Chief Executive Officer or Chairman of the Audit Committee

Prukha Holding Public Company Limited
Pearl Bangkok Building, 24th Floor, No. 1177,
Phaholyothin Road, Samsennai, Phayathai,
Bangkok 10400

: By Phone: 1739

: By Website: www.psh.co.th (Topic "Complaint, Whistleblowing, Fairness Request") to Chairman of the Board, Chairman of the Audit Committee, Chairman of the Executive Committee, and/or Group Chief Executive Officer)

: 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/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/she may execute by him/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 Measures

- The complaint receiver shall propose action measure for settlement of violation or non-compliance with code of conduct, and relief of damage for the affected persons under concern on the entire overall trouble and damage.

(4) Report of Results

- The complaint receiver has duty to report the results to the concerned parties. For important matters, the report shall be submitted to the Group Chief Executive Officer and/or the Audit Committee and/or Corporate Governance Committee and/or the Board of Directors, as the case may be.

- (5) According to protection measure for complainant or investigating collaborator, the complainant or investigating collaborator shall be protected under the criteria (For more details, see Section "Business Partner, Counter Party on Complaint")

4.13 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 the government whereas the Company determines the yearly consideration on salary increase and bonus for the 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 applies 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 arrangement 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 increase in salary, bonus and commission which are regarded as performance-based reward.

The long-term employee remuneration policy includes contribution of provident fund, and Employee Stock Ownership Program (ESOP), and Employee Joint Investment Program (EJIP), etc.

4.14 Violation of Labor, Employment, Consumer, Trade Competition and Environment Laws

In last 2017, the Company did not execute in violation of Labor, Employment, Consumer, Trade Competition and Environment Laws.

4.15 Oversight by Governance Agency

In last 2017, the Company declared information of important circumstances within the timeframe specified by the official. Hence, the governance agency did not perform oversight on the Company.

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 also establishes Investor Relations Unit as coordinating representative 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 instance:

- (1) 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.
- (2) The shareholding of the director, spouse and underage child of the director and executive in Annual Report in Section "The Board and Management Profile")

- (3) Corporate Governance Policy
- (4) Code of Business Conduct
- (5) Risk Management Policy
- (6) Social and Environmental Care Policy
- (7) Report of the Board of Directors' Responsibilities towards Financial Report
- (8) Report of Auditor
- (9) Management Discussion and Analysis (MD&A), R&D Expenses (if any)
- (10) Audit Fee and other Service Charges rendered by the Auditor
- (11) Roles and Duties of the Board of Directors, and Sub-Committees
- (12) Number of Meeting Attendances by each Director in Previous Year
- (13) Professional Knowledge Training and Development for Board of Directors
- (14) Policy for Remuneration Payment to Directors and Top Executives

The rules and regulations of the Office of the Securities and Exchange Commission and the 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 as practice according to Guideline of Good Corporate Governance of Listed Companies to build investor trust creation and create sustainable business value from the Company's business operation to be accepted and reliable for shareholders and surrounding people according to expectation of business sector, investor, capital market, and society on the whole. Moreover, the Company also supervises the Management to apply the said principle to develop the organization and the project of the Company for benefits of the Company and of various groups of stakeholders whether in Section "Rights of Shareholders, Equitable Shareholder Treatment, Concern on Role of Stakeholder, Information Disclosure and Transparency, and Responsibilities of the Board of Directors".

The Company determines to regularly review Policy for Corporate Governance, Code of Conduct Manual, 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 why the said criteria are unable to be complied and /or alternative measure applied by the Company to be the work guideline of all directors, executives and employees.

In impractical part of the Company according to the Principle of Good Corporate Governance, the Company however formulates 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 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 are 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 to work 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.

Impractical Points	Reason/Necessity
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 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 also have more complete and intensive qualifications 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 intent 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 they can generate revenue and profit for the Company as well.
5. Corporate Enterprise Risk Management Committee of the Company is not the director level for the whole committee	Corporate Enterprise Risk Management Committee of the Company consists of five committee members classifying into two famous, knowledgeable, competent, and widely accepted independent directors with numerous usefulness creation, and two committee members who are participative in management and has direct experience and high level of potential, and one top executive in the position of Group Chief Financial Officer. Even though they are not the Company's director but they are regarded as specialists with high competency that contributes to support on working of this Committee, leading the Company towards setting goal in the future.

5.2 Long-Term Objective/Target of the Company

The Company engages in core 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 which will be 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 to be a top Thai property company with variety of businesses and services that delivers end-to-end modern lifestyles and enables to fulfill all customer demands.

Mission

PSH aims at helping customers to fulfill their dreams by . delivering happiness and modern lifestyles for the entire family members.

Values

1. Customer Focus
 - : We aim for exploration and understanding for satisfaction of every customer group's demand with a valuable home and impressive service.
2. Team Collaboration
 - : We work in harmony as a team to deliver impressive results to our customers.
3. Creative Innovation
 - : We create innovative and top-grade products and services that surpass our customer expectations and impressions.
4. Working Discipline
 - : We have discipline to complete our work on time, according to our plans with quality achievement.
5. Ethical Adherence
 - : Our thinking spirit, speech and act are for interest of our customers, and fairness and benefit for all related parties.

Target and Strategy of Business Operation

1. To expand core 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

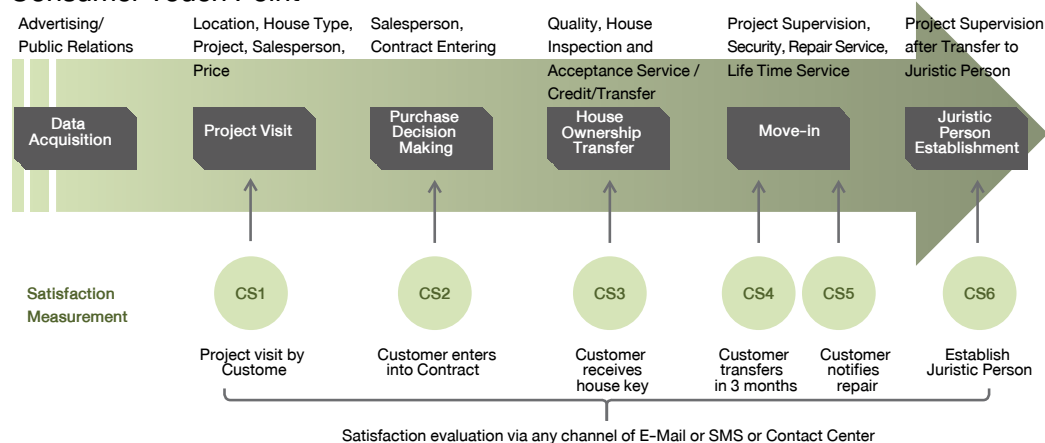
(For more details, see Section "Management Discussion and Analysis and Performance")

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. Corporate Customer Relationships Management Division is the division that manages customer data collection to be used in planning for demand fulfillment and good customer relationship creation. Moreover, the Company's Innovation Center Unit and hiring external expert to conduct survey, research and analysis on demand of the consumers in each area as well as potentiality of project location in public utilities result in the Company's adequacy of database for recognition on the consumer's residence market demand, style of residence, location and price level. The Company applies the acquired data for continuous development of products and services.

Customer and Stakeholder Satisfaction Management of the Company With Prukسا vision aiming for being the number one brand in customer mind in residence real estate business and stepping upward to be top ten of real estate business brand of Asia, Prukسا therefore gives considerable precedence to management for customer and stakeholder satisfaction. Customer satisfaction is evaluated in every procedure of the customer's contact with Prukسا from project information service to service after management delivery to juristic person as follows.

Consumer Touch Point



Procedure	Evaluation Method
1. Satisfaction on information service and project visit	Customer can evaluate satisfaction via any channel of E-Mail or SMS or Contact Center after project visit by customer for one day.
2. Satisfaction on salesperson service about reservation and contract entering	Customer can evaluate satisfaction via any channel of E-Mail or SMS or Contact Center after reservation and/or contract entering for one day.
3. Satisfaction on ownership transfer and delivery acceptance service for residence	Customer can evaluate satisfaction via any channel of E-Mail or SMS or Contact Center after ownership transfer date for one day.
4. Satisfaction after moving in after ownership transfer for three months	Customer can evaluate satisfaction via any channel of E-Mail or SMS or Contact Center after ownership transfer date for three months.
5. Satisfaction on repair or complaint notification	Customer can evaluate satisfaction via any channel of E-Mail or SMS or Contact Center after the officer's completion of repair and solving problem as informed by the customer.
6. Satisfaction on ownership assignment to the village or juristic person committee	Customer and Village or Building Juristic Person Committee evaluates satisfaction via any channel of E-Mail or SMS or Contact Center after juristic person establishment or acceptance of public utilities and after ownership transfer for 3,5,7 and 10 years.

Organizational Overview

From overall operation in 2017, the finding indicated that the current overall customer satisfaction score was at 85.67%, being lower than the score in 2016 for 3.63%. After considering into two periods consisting of information acquisition starting period until ownership transfer and post-ownership transfer period, the finding indicated that in information acquisition starting period until ownership transfer, satisfaction score was at 89.42%, being lower than the score in previous year for 9.08%. While in the post-ownership transfer period, total satisfaction score was at 79.77%, increasing for 0.7% from 2017.

Development of Products and Services

In last 2017, quality of products and services has been developed for more customer satisfaction particularly in post-ownership transfer period as follows.

- 1) Development of After-Project Sales Management Team. The customers who have moved in 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. Additional CRM activity doing in each project was publicized 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 re-inspected with the house owners for primary inspection on work quality and satisfaction. If work is untidy, the work will be immediately corrected. In addition, contractor teams were emphasized to select the experienced and skilled workers to carry out the correction 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 Low-Rise) or Annual 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 Pruksha Real Estate Pcl. In addition, Responsibility Standard and Outsource Training were determined to enhance working efficiency, and propose to the Board of Directors.

Moreover, Pruksha has also developed various channels via E-Mail and SMS for customer satisfaction inquiry in order to access more customers. CRM System has been developed for automatic evaluation in each period of

customer interaction with the Company to acquire reliable and accurate satisfaction score result, leading to service quality improvement. The automatic processing system of satisfaction score result has been available for immediate viewing all the time. Each work unit can immediately apply data for satisfaction development.

Market Share of Pruksha Real Estate Public Company Limited (“Pruksha”) which is the subsidiary of the Company

(For more details, see Section “Nature of Business” in Topic “Market Situation and Competition Condition”.)

Market Situation of Residence in Bangkok Metropolitan Region

(For more details, see Section “Nature of Business” in Topic “Market Situation and Competition Condition”.)

5.5 Nature of Business Operation and Competition Condition

(For more details, see Section “Nature of Business Operation” in Topic “Market Situation and Competition Condition”.)

5.6 Structure of Business Group

(For more details, see Section “Shareholding Structure”.)

5.7 Key Risk in Business Operation

(For more details, see Section “Risk Factors”.)

5.8 Dividend Payment Policy

(For more details, see Section “Dividend Payment Policy”.)

5.9 Whistleblowing Policy for Offence

(For more details, see Section “Complaint”.)

5.10 The Board Profile

(For more details, see Section “The Board and Management Profile”.)

5.11 Indication on which Director is Independent Director

(For more details, see Section “The Board of Directors”, Section “Management Structure”, and Section “The Board and Management Profile”.)

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 rate of director remuneration 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 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 (Employee Stock Option Program (ESOP), Employee Joint Investment Program (EJIP), Savings of Provident Fund.

(For more details, see Section “Remuneration for Directors and Executives”.)

5.13 Policy and Criteria for Remuneration Payment to Top Executives

The Company formulates the policy and criteria for remuneration payment to the Group Chief Executive Officer and top 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 working competency, as appraisal tool for the behavioral ability of the operator.

The remuneration 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 of consideration of remuneration for Group Chief Executive Officer and top executives is as follows.

(1) Human Capital Line proposes the Meeting of the Nomination and Remuneration Committee to consider the remuneration for the Group Chief Executive Officer and top executives.

(2) Nomination and Remuneration Committee considers and evaluate overall operation according to criteria and performance in the past one year period. In the element of evaluation, Corporate KPI and leadership that are reflected from the Company’s growth shall be taken into consideration.

(For more details, see Section “Performance Appraisal for Topmost Executive (Group Chief Executive Officer)” and Section “Remuneration for Directors and Executives”.)

5.14 Disclosure of Information for Number of Meeting of the Board/Committees and Meeting Attendance of Each Member

(For more details, see Section “Meeting Attendance of the Board and the Committees in 2017”.)

5.15 Disclosure of Information for Participation in Development and Training of Each Director in Last Year

(For more details, see Section “The Board of Directors on Knowledge Training and Development for the Directors.”)

5.16 Disclosure of Related Party Transaction Performing Information

(For more details, see Section “Equitable Treatment of Shareholders on Connected Transaction and Related Party Transaction Performing”.)

5.17 Policy for Requirement of the Director and First Four Executives (Top Level) for 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 (top executives) who have duty in quarterly reporting security possession and the Company's share purchase-sale of oneself, his/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 Top Executives

Unit: Shares

Name	Position	In 2016 Outstanding Shares as of December 30, 2016	In 2017 Outstanding Shares as of December 30, 2017	Increase/Decrease
1. Dr. Pisit Leeahtam	Chairman of the Board of Directors and Independent Director	103,500	103,500	-
2. Mr. Thongma Vijitpongpan	Executive Vice Chairman of the Board of Directors	1,314,009,986	1,314,009,986	-
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. Prof. Piyamitr Sritara, MD	Independent Director	-	-	-
8. Mr. Adul Chandanachulaka	Director	-	-	-
9. Mr. Wichian Mektrakarn	Director	-	-	-
10. Mr. Prasert Taedullayasatit	Director	1	1	-
11. Mr. Piya Prayong	Director	1,056,901	1,364,002	307,101
12. Mrs. Rattana Promsawad	Director	40,220,401	42,221,462	2,001,061
13. Mrs. Supattra Paopiamsap	Deputy Group Chief Executive Officer	-	-	-
14. Miss Trithip Sivakrskul	Group Chief Financial Officer	-	-	-
15. Mr. Porntep Suppataratarn	Chief Supply Chain Officer	19,501	2,555	(16,946)

Unit: Shares

Name	Position	*In 2016 Outstanding Shares as of December 30, 2016	In 2017 Outstanding Shares as of December 30, 2017	Increase/ Decrease
16. Mr. Udomsak Yamnoon	Acting Group Chief Corporate Administration Officer	1	1,764	1,763
17. Mr. Komkrit Nongsawad	Acting Group Chief Corporate Marketing Officer	-	-	-

- Remark :
1. Prof. Piyamitr Sritara, MD, was appointed as the Company's independent director and it is effective from February 16, 2017.
 2. Mr. Prasert Taedullayasatit was appointed as director, executive director, member of Corporate Enterprise Risk Management Committee, and it is effective from April 27, 2017.
 3. Mrs. Supattra Paopiamsap was appointed as Deputy Group Chief Executive Officer and it is effective from September 1, 2017.
 4. Miss Trithip Sivakrskul was appointed as Group Chief Financial Officer, and it is effective from September 1, 2017.
 5. Mr. Komkrit Nongsawad was appointed as Acting Group Chief Corporate Marketing Officer, and it is effective from November 1, 2017.
 6. For more details of the share possession of the spouse and underage children, see Section "The Board and Management Profile".

5.19 Stakeholding Reporting

The Company formulates the policy for the director and executive to disclose his/her own, his/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 to the Chairman of the Board of Directors and Chairman of the Audit Committee for acknowledgement within seven 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 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 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 related party 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 2017, the Company performed transactions with the connected parties (For more details, see Section "Connected Transactions in 2017").

5.21 Financial Statements of the Company

The Company is farsighted that for creation of confidence on the Company's transparency and generation of confidence to shareholders, investors, as well as all groups of stakeholders, the Company therefore formulates the policy that the Company's financial statements shall be unqualified certified by the Company's auditor.

5.22 Annual Report Publicity

The Company formulates the policy to simultaneously publicize Annual Report both in Thai language and English language on the websites of the Company and of Stock Exchange of Thailand prior to Annual General Meeting of Shareholders in advance at least 30 days according to the Principle of Good Corporate Governance. The publicity of Annual Report in the said period of time shall also be consistent with the requirement of the Stock Exchange of Thailand that Annual Report shall be publicized within 120 days from the ending date of the accounting year.

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 (For more details, see Section "Audit Remuneration").

5.24 Policy for Establishment of Investor Relations Unit

The Company established and assigned Investor Relations Department as coordinator between the Company and shareholders, securities analysts, institutional investors, general investors, government sector and related parties based on equality and fairness by allowing them to meet with the Company's executives as appropriate under the rule that the provided information has already been disclosed to the public. In addition, the Company shall report the information via electronics media of Stock Exchange of Thailand to disseminate on website www.set.or.th, and report information to the Office of Securities and Exchange Commission, and disclose the said information and data in various forms of the Company both in Thai and English language via website www.psh.co.th under Topic "Investor Relations".

The Company formulates the Investor Relations Activity Organizing Policy for thorough and regular acquisition of data by the shareholders, securities analysts, investors and interesting persons. In 2017, the Company organized investor relations activities as follows.

- Held Analyst & Investor Meeting to declare quarterly turnover for three times per year, annual turnover for once a year and annual business plan for once a year; and held Ordinary Meeting of Shareholders for once a year after delivering financial statements and Analytical Report of Operating Results 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 the securities analysts, investors and interested persons.
- Gave the securities analysts and investors the opportunity for Company Visit and/or Conference Call with top executives to inquire about policies, strategies and business plans, financial data (being already passed for audit/review from the certified public accountant and notified to the Stock Exchange of Thailand and the Office of Securities and Exchange Commission), and general data properly, completely, timely and in line with laws or regulations, as well as operating progress of the Company's projects. In addition, business viewpoint may be regularly exchanged for benefit of investment decision, creation of confidence and good image to the Company. In 2017, there were 20 Company Visits, 7 Conference Calls and 5 Project Visits in total.

- Met 147 institutional investors from total for 7 roadshows
- Performed press conference to mass media for 5 times whereas around 70 mass media attended the conference per time.
- Led the securities analysts and investors to visit the projects whether being single-detached house, townhouse and condominium projects.
- Joined the activities with Stock Exchange of Thailand such as Opportunity Day Event, to give data, respond queries of the minor shareholders, securities analysts and mass media.
- Joined Roadshow Events both in the country and overseas according to invitation of the securities companies to provide data, respond queries, and exchange business viewpoints of the shareholders, securities analysts, and institutional investors. In 2017, the Company joined 4 domestic Roadshows and 3 overseas Roadshows.
- Gave the top executives the opportunity to give interviews in newspapers and journals, to be on TV program and join activities of Thai Investor Relations Club to exchange knowledge and experience for development of investor relations work of the Company.

The shareholders, securities analysts, investors, public sector and related parties can contact to inquire the Company's investment data at Investor Relations Department via Email: ir@pruksa.com, Tel. (66) 2080 1739 Ext. 49112, 49113, 49114.

6) Internal Control and Risk Management

The Company has a comprehensive internal control and internal audit system covering all aspects concerning finance, operation, and action in compliance with relevant laws, regulations, rules and risk management.

6.1 Internal Control and Internal Audit System

The Company requires the review and report of internal control system by the responsible executive, and internal audit. The established Internal Audit Department shall be independent and responsible for regular audit for internal management control to ensure that the executives and employees must strictly comply with practical regulations as well as the Management Authorities Handbook of the Company. The operations shall be under governance of the Audit Committee whereas the executive who is the Head of Internal Audit is Mr.Prem Sak Vallikul (For more details, see Section "The Board & Management Profile").

6.2 Risk Management

The Company has a risk management policy for risks affecting the Company under consideration from both internal and external factor for remaining risk exposure within appropriate and acceptable level. The Management of the Company determines that risk factors in every aspect covering strategic

risks, financial risks, construction management risks, and other operational risks, shall be reviewed on regular basis. The review shall cover the consideration on opportunity of risk occurrence, level of impact severity, determination of impact preventive and mitigation measure, assignment of responsible persons, and determination of reporting and monitoring measure for assessment. The Corporate Enterprise Risk Management Committee shall suggest governance guideline and/or policy related to the significant risk.

7) Philosophy and Code of Conduct

The Company has a firm intention to reinforce all executives and employees to adopt the conduct standard under the changing business environment in the same way. The Company therefore declared the “Code of Business Conduct Manual” as guidance for conduct and practice alongside with the regulations and rules of the Group of Companies under the framework of ethics, virtue and honesty in equitable creative ways. The code of business conduct covers safety of society, community and environment, anti-fraud and corruption, anti-bribery, political involvement, any other conflict of interests, and respect to laws and principle of human rights. Every employee shall be given for Good Corporate Governance and Code of Business Conduct Manual with their signature for acknowledgement and observance. The Company also assigns Human Resource Department to be responsible for promoting the directors, executives and employees to comply with Good Corporate Governance and Code of Business Conduct Policy with understanding, acceptance and faith since 2006.

Nevertheless, the Company has prepared Good Corporate Governance Policy, Code of Conduct Manual, Charter of various sets of the Board/Committees, disseminated on Intranet System, on website of the Company at www.psh.co.th under Topic of Investor Relations, Tai Rom Pruksa Journal, E-mail, and prepared channel for stakeholders including employees to be able to complain various issues to the Board of Directors via website.

Moreover, the Company produced VDO to disseminate and promote the compliance with the said Code of Business Conduct Manual of the Company. The dissemination shall be performed via internal media for employee awareness, and presentation in the orientation day of new entrant employee for awareness. The Company determines that the Code of Business Conduct shall be constantly reviewed to ensure its appropriateness. In update or review, the Board of Directors also takes part in determining corporate vision, mission, culture and value of the Company, and considering carrying out regular review to ensure that the executives and employees share the goal in the same direction.

Governance on Use of Inside Information

The Company formulates policy and procedure of executive supervision in use of inside information of the Company for self-benefit as follows.

1. Policy of Confidentiality, Data Storage, and Use of Internal Information

The duty of the organizational personnel in all levels is to be informed about the procedure of information security for protection of secret information and comply with security procedure of such information for protection of non-disclosure of such information.

The secret information means the information which is not public information or information that if it is publicly disclosed or fallen in the hand of the competitor, it will cause serious impact toward the Company, as well as all types of information which are given by business partner and customer to the Company.

1. The Company defines the secret level of information and confidentiality practice. The important documents and secret information shall be supervised with specific procedure determined in each level, each kind or type of information. The secret level of these information may be classified into various levels based on their significance such as information which can be disclosed, concealed information, secret information, and very secret information. However, the sharing of internal information must be in the framework of duty and responsibility entrusted by him/or only.
2. The Company must keep and conceal the customer information and trade information as secret, and must not disclose customer secret to the Company's irrelevant officer and third party unless it is the legal regulation for disclosure which is the disclosure for purpose of litigation or under approval by the Board of Director for disclosure.
3. In employing the person who has ever worked with the business competitor or government before, the Company must search for and study the confidentiality agreement of which the said person has ever entered with the business competitor or government before, and must not perform any act in order to allow the said person to perform the act which is breach of the agreement with the business competitor or government, causing subsequent litigation.
4. The disclosure of secret information to public shall be given consent by the Group Chief Executive Officer. The Group Chief Executive Officer may be the person who replies by oneself in the event where the information is very significant or may entrust the responsible person to be the provider of the information to public. However, the Company has the person who performs the duty of information dissemination to public and takes responsibility in investor relations and contact with investment agencies in the projects by coordinating with internal work unit which is the owner of the information.

5. The Company's personnel shall not reply queries or express opinions to any other third party unless it is the duty or he/she is entrusted to reply these queries. If it is not his/her duty or he/she is not entrusted, the personnel shall politely refuse the opinion expression.

The Company formulates the policy and procedure of the organizational personnel supervision in all levels, including directors, executives, officers, employees or relevant parties in utilization of the Company's internal information for self-benefit as follows.

1. The director, executive and person who holds the position in accounting or finance line, person in charge in operation, auditor, officer, spouse and underage child of the said person are educated about the duty of the director, executive and person who holds the position in accounting or finance line, person in charge in operation, auditor, officer, spouse and underage child of the said person that they must report the holding of the Company's securities and determination of punishment according to Securities and Exchange Act B.E. 2535 (1992) (pursuant to Revision), Requirement of Stock Exchange of Thailand, and any other related criteria.
2. The Company determines that the director, executive and person who holds the position in accounting or finance line, person in charge in operation, executive, auditor, officer, spouse and underage child of the said person, shall report their change in securities holding to the Office of SEC according to Section 59 of Securities and Exchange Act B.E. 2535 (1992) (pursuant to Revision) and deliver copy of this report to the Company in the same day of which the said report is delivered to the Office of SEC every time.
3. For enhancement of confidence to the shareholders, investors and all relevant parties, the Company shall formulate the measure related to use of inside information of the Company's personnel, including the Board, executives and persons who hold the position in accounting or finance line, persons in charge in operation, auditor, officers, spouse and underage child of the said person. The objective of this measure is to bring about equality and fairness in use of internal information of the Company as the enhancement of confidence to the shareholders, investors and relevant parties. The Company also determines as prohibition not to allow the aforesaid personnel in all levels of the Company including all family members of the said personnel to be informed about the internal information of the Company which is the fact that is essential for change in price of securities and has not yet been publicly disclosed whether for securities trading or persuading other person to offer for purchase, or offer for sale of the Company's shares either by oneself or via broker, and whether the said act is performed for self-benefit or for other person's benefit. Moreover, the Company also prohibits the afore said personnel of the Company and his/her family members not to disclose the fact which is essential for

change in price of securities and has not yet been publicly disclosed in order to assign other person to perform such act in the way that he/she gains benefit in return.

4. The Company notifies the directors, executives, officers, employees or relevant parties that the executive who is informed about the internal information which is essential and affects the change in price of securities must exercise his/her diligence in trading the Company's securities in the period before 15 days and 1 day after financial statements or internal information will be publicly disclosed.
5. The Company notifies the parties who are related to the internal information that they must not disclose the said information to other person for acknowledgement until the said information has been informed to the Stock Exchange of Thailand.

2. Security of Computer System and Data and Information

For orderly compliance with policy, the Company formulates the preventive measure of computer system and data and information as follows.

1. Limit access to data which is not publicly disclosed by allowing particularly topmost executive to recognize as much as possible, and disclosing to the Company's employees as much as necessary for acknowledgement only, and notifying the employees that it is secret information under limitation of utilization.
2. Arrange security system in workplace for prevention of access and use of file and secret information.
3. The owner of information which has not yet been publicly disclosed shall reiterate the relevant parties to strictly comply with security procedure.
4. The Company formulates the policy for application of computer system and data and information system, and always updates according to occurred changes whether being from laws and regulations of the governing agencies, and changes from trend of technological application such as changed SOCIAL MEDIA, and internal occurring development and change, etc.
5. The Company has international standard control system such as defining user's name, and password in entry to the Company's system according to role and duty of the system application and scope of practice that is linked to approval power which is consistent with working of the said person in the Company.

3. Measure of Punishment

If the aforesaid work regulation is violated, the Company shall take disciplinary action to consider punishment as deemed appropriate as the case may be such as verbal warning, written warning, wage reduction, work suspension, dismissal, and take legal proceedings in the event of legal offence commitment.

Auditing Remuneration

Auditing Remuneration

Pruksa Holding Public Company Limited ("Company") and its subsidiaries paid annual audit fee of 2017 to the auditors of KPMG Phoomchai Auditing Company Limited for reviewing and auditing financial statements of the Company and its subsidiaries in Thailand and for audit fee of the subsidiaries in India. The Company paid to the Group of KPMG as per the following details.

Audit Fee of the Company and its Subsidiaries

Unit : Baht

Items	2017	2016* (after business restructuring)
Audit fee for the Company	1,100,000	500,000
Audit fee for the subsidiaries in Thailand	3,680,000	3,880,000
Audit fee for the subsidiaries in foreign countries**	514,478	1,140,922
Other expenses	198,000	133,000
Total	5,492,478	5,653,922

* Year 2016 for comparison

** Audit fee for the subsidiaries in foreign countries depends on exchange rate at that time.

In addition, there have been the other service charges as follows.

3.1 KPMG Phoomchai Auditing Company Limited

Unit : Baht

Items	2017	2016*
Audit Report as per BOI requirements	535,000	535,000

* Year 2016 for comparison



3.2 KPMG Phoomchai Business Consultant Company Limited

Unit : Baht

Items	2017	2016*
Audit pursuant to agreed procedure of revenue and expenditure of funds for the project of which juristic person has not yet been transferred	-	909,500
Audit of liability setting up and land purchasing payment and procurement	-	535,000
Technology Assessment for the year 2016	-	770,400
Review of Anti-Corruption Assessment Result	-	385,200
Consultancy Fee of Collective Action Coalition (CAC) Project	481,500	-
Accountability Audit	674,100	-
IT System Integration Audit	203,300	-
Total	1,358,900	2,600,100

* Year 2016 for comparison

Remark : KPMG Phoomchai Business Consultant Company Limited and KPMG Phoomchai Tax Agency Company Limited are different legal entities from KPMG Phoomchai Auditing Company Limited. Also, the scope of work on the said advisory services is not redundant to the audit work.

3.3 KPMG Phoomchai Tax Agency Company Limited

Unit : Baht	2017	2016	2015	2014	2013
Consultancy fee in investment	-	-	-	-	4,368,000
Preparation fee of the Company's contract	1,741,000	-	-	-	-

Remark : KPMG Phoomchai Business Consultant Company Limited and KPMG Phoomchai Tax Agency Company Limited are different legal entities from KPMG Phoomchai Auditing Company Limited. Also, the scope of work on the said advisory services is 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



Besides the commitment of Pruksha Holding Public Company Limited (“Company”) and its subsidiaries on business operations in a manner which ensures stable growth and highest satisfaction among every group of stakeholders, the Company also gives precedence to business operation under CSR in process which is the responsibility toward community, society and environment in part related to corporate business operation process, together with CSR after process which is the assistance given to the community and society apart from the corporate business operation process, to create social development value in various dimensions, and create participation with all segments for motivation, result extension, and extension towards quality of life improvement in all areas for nationwide coverage. The Company is also participative as part of drive toward Sustainable Development Goals 2030 in national and international levels.

The Company and its subsidiaries therefore have divided the care of community, society and environment into three areas consisting of youth education and development area, religion, arts and culture area, and society and environment area.

1. Youth Education and Development

• “Pruksha Scholarship” Project for the 16th Year

The Group of Companies granted educational scholarship to the children of customers and employees, and schools situated in the areas surrounding by the Company’s projects from primary education, secondary education, vocational education, and university levels nationwide to assist the students with good academic record but capital shortage who were affected from continuous study to return in receiving equal educational opportunity as general children, totaling 517 scholarships in total amount of over Bt 3.8 million.

• “Bilateralness in Establishment” Project

The Group of Companies cooperated with Office of the Vocational Education Commission (VEC), Ministry of Education, to support and promote the vocational education youths to gain the opportunity of learning and vocational experience training attendance in establishment so that the youths are quality and can actually work after graduation. The Group of

Companies gave 9 second year students in High Vocational Education Level of Thanyaburi Technical College for vocational job training at Prukha Precast Factory, Lamlookka, for 1 year, and also granted Bt 135,000 of free and unconditioned scholarship to every student for 15,000 Baht each.

- **“Prukha Seedling Scholarship” Project**

The Group of Companies have continuously granted 17 scholarships for Bt 850,000 to the third year students who are studying in Civil Engineering Department, Faculty of Engineering, nationwide, until graduation of the fourth year, and have given the students the opportunity of job training with the Group of Companies to support and promote the youths for graduation to be quality personnel who can actually work. During job training, everyone is paid for allowances.

- **Real Estate Business Knowledge Sharing**

The top executive of the Group of Companies invited guest speaker to share knowledge and experience in operation of real estate business with leading educational institutions and business organizations such as Thammasat University, Rajamangala University of Technology Krungthep, Shinawatra University, and the Engineering Institute of Thailand, etc.

- **Prukha Precast Factory Learning Center**

The Group of Companies opened for 11 agencies in total of over 700 persons, such as Chulalongkorn University, Chiang Mai University, Thammasat University, Khon Kaen University, Silpakorn University, Assumption University, and King Mongkut's University of Technology Thonburi, etc., to visit Prukha Precast technology and share knowledge in precast panel production process, benefit of new construction industrial innovation such as construction quality control for same standardization, using computer system in all procedures, at Prukha Precast Factory, Nawanakorn. It also guided the visitors to view the installation of precast panel in the projects as field learning source outside classroom for undergraduates/students from nationwide educational institutions. The students have been prepared for graduation as quality graduates of the society from this Project.

- **2B-KMUTT : Civil Camp Promotion Project for the 9th Year**

The Group of Companies cooperated with King Mongkut's University of Technology Thonburi to give the opportunity of field learning and experience in real estate business to the nationwide youths in high school education level who are interested to continue their study in civil engineering program, so that those learning and experience will be the information prior to decision on entrance selection for continuous study in higher education level, enabling to produce quality and effective professional personnel to Thai real estate business field in the future.

- **“Prukha...Learning Dream Sustaining toward Worker Camp” Project**

The Group of Companies together with Kids Home Development Network Foundation, the network associate member of UNICEF, have organized “Prukha...Learning Dream Sustaining towards Worker Camp” Project to provide knowledge related to basic right and service in education and health area to the children of alien labors who are the strategic partner of the Group of Companies and residing in worker camp of Baan Prukha Prime Rangsit-Khlong 3, and worker camp in 11 Projects in nearby areas. In addition, five educational institutions that can support the children of alien labors for continuous study have been supplied to eliminate child labor problem and create safety for children in the worker camp in accordance with the policy for participation in supporting the children friendly business operation promotion project in the establishment which has been jointly collaborated with The United Nations Children's Fund (UNICEF), Save the Children, and United Nations Global Compact. It is the pilot project of which the Group of Companies promotes and stimulates the children of alien labors to study fundamental education in the school like general children, and provide knowledge related to basic welfare which should be granted under the right of the parent for improvement of quality of life, resulting in moral support to the labor in building quality houses for customers accordingly.

2. Religion, Arts and Culture

The Group of Companies encourages its executives, employees and customers to mutually inherit good culture and tradition in important religious days, and promotion of religious activities for all religions without discrimination through the following activities.

- The Board/Committees, executives and employees were the co-host to make merit in laying wreath for glorification and joined the royal ritual in praying for royal funeral of the royal remains of the Late King Bhumibol Adulyadej for commemoration of the royal grace and conferring as royal merit at Phra Thinang Dusit Maha Prasat, the Grand Palace.
- The group of executives and employees joined the activity of “Making merit in giving food offerings to a Buddhist monks for luck enhancement in the occasion of New Year's Day” and listened to Buddhist sermon to augment work happiness, and the activity of “pouring water on the hands of revered elders and ask for blessing from the executives” in the occasion of Songkran Day and joined to listen to Buddhist sermon as good idea for living and working guideline.
- The employees and customers in the projects of the Group of Companies always and continuously joined the activity of “Making merit in giving food offerings to a Buddhist monks” in the occasions of important religious days.

- The 19th “Dhamma Practice for Happiness” Project encourages the executives, employees and family members to join dhamma practice in dhamma retreats in order to apply Buddhism doctrines in daily life and happy working.
- “Beginning Buddhist Lent Day Merit Making” Project encourages the executives and employees to jointly participate in merit making to offer the lent candle and requisites, and also participate in temple cleaning activity in the occasion of Beginning Buddhist Lent Day at Wat Boon Mongkol, Bang Phae District, Ratchaburi Province
- The executives, employees and communities around the area of Prukha Precast Factory, Lamlookka, jointly organized “united offering robes to Buddhist monks” activity Wat Klang Khlong 4, to restore old Buddhist monastery so that it can be used for meditation and contemplation and study of Buddha’s teaching.

3. Society and Environment

• New Dimension of Job and Career Creation for Persons with Disabilities Project

The Group of Companies cooperated with Social Innovation Foundation, Thai Health Promotion Foundation (Thai Health) to employ the persons with social disabilities and support career to the persons with disabilities in 2017 under Section 33 and 35 of Empowerment of Persons with Disabilities Act, which is the promotion of nationwide persons with disabilities for accessibility to self-dependency opportunity with honor and dignity. The Group of Companies has employed the persons with disabilities to work with it for 19 positions, and has employed the persons with disabilities to work in the community nearby their homes in the area of Khon Kaen Province for 25 positions to promote the persons with disabilities to have income and improved quality of life.

• You Run You Share 2017 Project

The Group of Companies organized charity running event at Benchathat Park (State Railway Public Park) to campaign the customers and general people to be healthy and strong by turning to exercise, and granted donation for Bt 100,000 to Foundation for The Welfare of The Crippled under the Royal Patronage of Princess Mother Srinagarindra for use in quality of life development of the children with disabilities accordingly.

• Prukha Caring 2017 Project for the 15th Year

The Group of Companies has organized free health checkup program and “Good Health... Happy Life” activity by physicians and experts from leading hospitals to the customers and communities around the projects in order to promote good health both body and mind of everybody, every sex and every age particularly women and elderly persons for 20 programs. Over 2,100 interested participants consisting of over 900 women who joined the health checkup to examine and screen breast cancer and cervical cancer, and 500 elderly persons

who were advised on health care to be proper for age and mental health care for happy living and received hand gripping ball and elastic for use in self-exercise by proper method.

• Prukha Community Care 2017 Project

The Group of Companies conducted field survey of the communities around the projects whether in business groups of townhouse, single detached house, and condominium, for mutual exploration of problem solving with leaders and people in the communities, and learning support and promotion based on sufficiency economy philosophy under the guideline of the royal idea of the Late King Bhumibol Adulyadej, for sustainable development and growth in the following three pilot areas.

- “Body Manipulation for Office Syndrome Treatment to Din Daeng Flat Community” Activity

The Group of Companies cooperated with Community Health Enterprise to organize health care activity for people in the community of Din Daeng Flat, who have the indication of occupational fatigue and pains and aches, at free of charge. The participants who joined the activity were over 200 persons. The Group of Companies supported organizing expense of the said activity and granted to Community Health Enterprise for Bt 55,000 for community and social development, promotion of the tribespeople youth to have income and work for doing, and prevention of deforestation and enhancement of woodland under the guideline of the royal idea.

- Sufficiency Economy Learning Center, Sam Yaek Bang Khu Lat School and Sufficiency Economy Learning Center, Watmolee School (Nanthawimol)

The Group of Companies cooperated with Sam Yaek Bang Khu Lat School, and Watmolee (Nanthawimol) School, to build Sufficiency Economy Learning Center under the Guideline of Royal Idea for Bt 300,000 so that the students and surrounding communities shall have learning source and skill practice place for agricultural operation under sufficiency economy philosophy, and use of the acquired output as lunch meals of the students in the schools for continuous and sustainable reduction of expense burden and generation of income to the students and schools.

• Prukha Annual Blood Donation Project for the 10th Year

The Group of Companies joins hands with Thai Red Cross Society to invite the executives, employees and general people to jointly donate blood with National Blood Center, Thai Red Cross Society, to aid patients in need for four times a year. The interested participants of blood donation were 603 persons which were estimated for 241,200 CC of blood volume.

• **Community-Friendly Business Operation Promotion Project**

The Group of Companies cooperated with Thaipat Institute to support community goods through subsidizing the community goods as snack foods in the corporate activities for sustainable work creation and income generation to the community, and reinforcement of the change of the community from being the “receiver” of aid to be the “deliverer” of goods in supply chain of the Company.

• **Border Patrol Police School in Remote Area Promotion Project**

The executives and employees jointly donated money, teaching aids, toys, and requisites to Border Patrol Police Company 372, Mae Sot District, Tak Province, to support the instruction of 22 Border Patrol Police Schools in remote areas.

• **Old Calendar Offer to the Blind Project**

The executives and employees jointly delivered old calendars to Educational Technology for the Blind Center located in Pak Kret District for use in producing braille instruction media for the people with visual disabilities.

• **Sandalwood Flowers Made by Heart for Offering to the Late King Rama IX Project**

The executives, employees and customers of the projects of the Group of Companies jointly invented 2,900 sandalwood flowers to offer in the royal cremation ceremony of the Late King Bhumibol Adulyadej.

• **“Children’s Day Event” Supporting Activity for Community around Prukha Precast Factory**

Prukha Precast Factory, Lamlookka, organized “2017 Annual Children’s Day” activity to create happiness and fun, and give gift, prize and educational equipment to the youths residing in Samakkhi Alley Community, Lamlookka District, Pathum Thani Province, where is the community residing nearby Prukha Precast Factory, Lamlookka.

• **“Prukha Green Society” Activity**

The executives, employees and contractors (strategic partners) of Prukha Precast Factory, Lamlookka, have jointly created green society by tree plantation inside the factory for good environment creation.

Support of Budget for Organizing Activities of Educational Institutions, Government Agencies, Business Organizations and Foundations

The Group of Companies supports budgets to educational institutions, government agencies, business organizations and foundations for operation of activities which are useful for community, society and environment under classification into three areas including youth education and development area, religion, arts and culture area, and society and environment area. In 2017, the Group of Companies supported 763 projects for Bt 57,099,010. The said projects that created outstanding social benefits were as follows.

- Supported 60,000 bottles of drinking water for use in the royal cremation ceremony of the Late King Bhumibol Adulyadej.
- Sponsored Bt 1,000,000 in the occasion of Annual 2017 National Children’s Day to Provincial Police Region 1 Wives Association, gave gifts to the exceptional children and general children who are the children of police officials for the second consecutive year, and jointly opened Care Concern Library at Provincial Police Region 1 Bureau (BorChor.Phor. 1) to provide aid to the children of the police officials for happy daily living and improved quality of life as well as reinforcement of morale and courage to the police officials who sacrifice to perform their official duties for happiness of populations.
- Granted contribution to aid fund for flood victims in southern region areas for Bt 500,000 through “OPM DISSASTER RELIEF FUND”
- Granted fund contribution for Bt 300,000 to “Kaokonlakao” Project to purchase medical instruments for 11 hospitals nationwide with shortage.
- Supported organizing “Rajavithi Run to Expel Disease in the Phase of Our Love and Knee Preservation are not outmoded” Event for Bt 300,000 to Rajavithi Walk and Run Club, Rajavithi Hospital.

Youth Education and Development Area	Religion, Arts and Culture Area	Society and Environment Area
297 Agencies 6,589,000 Baht	17 Agencies 469,797 Baht	449 Agencies 50,040,213 Baht

Internal Control and Risk Management

I. Opinion of the Board of Directors

Pruksa Holding Public Company Limited ("Company") gives precedence to the internal control and risk management system by determining that the Audit Committee has duty to verify the assessment result of internal control system adequacy in order to emphasize on internal control system which is adequate and appropriate for business operation. Assessment of Internal Control System Adequacy was conducted in Assessment Form of the Office of Securities and Exchange Commission (SEC) consisting of five elements according to the international standard of COSO (The Committee of Sponsoring Organizations of the Tread Way Commission) which are corporate internal control, risk assessment, operation control, information system and data communication, and monitoring system. The executives also conducted the adequacy of internal control system of the Company, and then proposed to the Audit Committee for considering and giving consent before entering to report the Board of Directors in the Board of Directors' Meeting No. 1/2018 on January 25, 2018 which was attended by seven independent directors consisting of four members of the Audit Committee. The Board of Directors simultaneously considered Assessment Form of Internal Control System Adequacy of Pruksa Real Estate Public Company Limited ("Pruksa") and Assessment Form of Internal Control System of the Company and deemed that internal control system of the Company and its subsidiaries is appropriate and adequate. Therefore, it is assured that the Company has appropriate internal control and risk management system due to the application of the guideline for internal control and risk management system by the Company in the same direction as Pruksa.

The Board of Directors of the Company considered Assessment Form of Internal Control System Adequacy and deemed that internal control system of the Company and its subsidiaries is appropriate and adequate. From the past audit result, the finding indicated none of essential fault related to internal control system. All five elements of the internal control of the Company and its subsidiaries can be summarized as follows:

Internal Environmental Control

The Company arranges environment and organizational structure that facilitates internal control system to be executed according to the Company's expectation, determines clear business operating target whereas result is measurable by passing the consideration from the Board of Directors to be practical guideline of the employees. In 2017, The Company

reviewed and updated Code of Conduct Manual of the Company to be completely consistent with the policy of good corporate governance, and also scheduled CG Day for countersign of the directors, top executives, and employees in ratification in Code of Conduct Manual as expression of availability of good governance, and transparency of business operation of the Company and its subsidiaries under concern on shareholders, customers, employees and all parties of stakeholders. Moreover, the Company also invited the contractors, manufacturers, distributors and business partners in business dealing to attend the meeting in Supplier's CG Day to endeavor to grasp and countersign in warranty of anti-corruption inside the organization with top executives of the Company.

Risk Assessment

The Company has Corporate Risk Management Committee that performs the duty in suggesting the Management in formulating policy, strategy and guideline of enterprise risk management to have systematic risk management and supervision. The Board of Directors and the executives give precedence to risk management by determining the preparation of the policy for risk management, risk factor assessment in enterprise level, and risk management measure in all of four aspects which are strategy, operation, finance and compliance with relevant laws and regulations; as well as arranging Control Self-Assessment (CSA) of the significant processes for assessment of contingent risk and internal control effectiveness, and assessment of corruption risk in order to have proper and adequate prevention system for reduction of impact that may affect business operation of the Company and its subsidiaries. The Meeting of Corporate Risk Management Committee invites the representatives from each operating line to present the operations according to the guideline of risk management for hearing operating problems or obstacles by the Corporate Risk Management Committee, and remark comments on the appropriateness of risk management plan and KRI (Key Risk Indicator) that will signal the Company for advance awareness on risks which will occur so that risk management plan will be adjusted to be proper for current situation or additional suggestion. The Corporate Risk Management Committee shall quarterly report the Board of Directors for acknowledgement about the operation of the Corporate Risk Management Committee.

Moreover, the Company realizes on the importance of maintenance of business operating capability of the Group of Companies in emergency situation so that product and service can be continuously delivered to customers and business



partners. The Corporate Risk Management Committee supports the preparation of business continuity management plan both in corporate level and business unit level, determines annual drilling in each situation every year, and supports system development for preparedness of request for certification of ISO 22301 System which is Business Continuity Management Standard accordingly.

Operating Activities Control

The Company and its subsidiaries have control activities by continuously applying Balanced Scorecard and Key Performance Indicators (KPIs) to be the planning and controlling tool all the time. The duties and responsibilities are divided for mutual verification. The Company and its subsidiaries have operating manual which is used as framework of operating guideline determination to be systematic and effective for prevention and abatement of risk from damage which may be caused from operating activities of work units. Moreover, the Company and its subsidiaries also have rule of decentralization of the Company for use in clearly defining scope, authority and financial limit for approval in each level for flexibility and appropriate and adequate control. In 2017, the Company has continuously updated Whistle Blower Policy and developed and improved complaint receiving and fairness requesting channel so that the employees and external stakeholders can notify complaint via the system and ensure that the complaining information will be kept as secret without leakage to irrelevant person. In addition, for practice which is proper and consistent with the Company's regulations, the procedure has been determined to ensure that the Company and its subsidiaries comply with

relevant laws and regulations under concise and appropriate measure in the event where the Company and its subsidiaries perform transaction with the major shareholder and director, etc., for prevention of interest transfer, for instance, requirement for the procedure of approval by the non-stakeholder on the said transaction and disclosure of the said transaction performing data according to rules of the Office of Securities and Exchange Commission, and rules of Stock Exchange of Thailand and Capital Market Supervisory Board, and disclosure of data related to relevant person or business according to accounting standards.

Information System & Data Communication

The Company and its subsidiaries continuously develop information system and data system by establishing effective and efficient data system and communication channel both inside and outside the organization in the complete, correct, in time, and adequate manner for use in decision making whether it is financial data or other data. According to internal communication system, the Company provides news information which is necessary for the adequate and up-to-date operation whereas all employees acquire news information via Intranet System of the Company. According to communication system with external persons or organizations, the Company has communication system that effectively provides news information via website of the Company (www.psh.co.th), and delivers operating report to the institutions pursuant to rules of the Office of Securities and Exchange Commission, and rules of the Stock Exchange of Thailand, and Capital Market Supervisory Board in deadline.

The Company and its subsidiaries have control system of data transmission or input into the system under clear work division and determination of the person with duty and responsibility, power of the personnel and work units related to communication information. In addition, the Company and its subsidiaries define right to access data particularly for the person with duty and responsibility only.

Monitoring Activities

The Company and its subsidiaries have monitoring system of operating results. The executive in each line shall regularly compare operating result with setting target for proper strategic adjustment in due time via the Board of Management that will hold weekly meeting every two weeks. However, the Board of Directors shall be regularly and monthly informed and compare the operating result whether it meets the setting target in the Board of Directors' Meeting.

In addition, the Company formulates mechanism of corporate governance of its subsidiaries and/or associated companies that may be available in the future by considering delivering the person to be the directors in its subsidiaries and/or associated companies at least in the proportion of the Company's shareholding, and clearly defining scope of duties and responsibilities of the said appointed directors and executives. However, the operation according to the said policy for its subsidiaries and/or joint venture companies that may occur in the future depends on the proportion of the Company's shareholding and consent of the joint venture party in the future.

The Company and its subsidiaries determine that verification process shall be performed by Internal Audit Division to systematically assess and improve effectiveness of internal control, risk management, and governance system through annual audit plan which is approved from the Audit Committee. Internal Audit Division shall regularly and monthly present audit result for acknowledgement of the Audit Committee and the Internal Audit Committee shall remark comment/suggestion to the Company and its subsidiaries for more effective work process improvement and correction.

Moreover, the Company hires the external consulting firm to audit control system of the significant work systems of the Company and its subsidiaries in addition to the operation of the Company's internal auditor such as land selection and procurement work system, and construction work progress, etc. The finding of the audit result indicated that the Company and its subsidiaries have proper and adequate internal control and risk supervision system without detection of essential weakness or fault of internal control system. However, the external consultant which was hired by the Company to perform audit for 2017 was EY Corporate Services Limited, KPMG Phoomchai Business Advisory Ltd., Pricewaterhouse-Coopers ABAS Ltd., and K-bizza Group Company Limited.

2. Opinion of the Auditor

KPMG Phoomchai Audit Ltd., the auditor of Pruk, audited financial statements for the year ended on December 31, 2017 of Pruk and none of material adjusting entry requiring correction or improvement according to Generally Accepted Accounting Standards and none of issuance of declaration letter for the fault of the internal control system to the Company were detected at all.



Related Party Transactions

In last 2017, the Company performed five transactions with connected parties under below details.

Person who may have conflict of interests	Relationship with the Company	Nature of Transaction and Necessity	Value of Connected Transaction (Million Baht)	Price and Details
Transaction No. 1. Mr. Thongma Vijitpongpan	Director of the Company and Shareholders of the Company	Prukha Real Estate Public Company Limited leased space in Laksi Plaza Building, 10 th Floor, which is owned by Mr. Thongma Vijitpongpan to be used as the central training center.	2.9	Lease and Service Agreement of 425.68 square meter area, was effective from October 1, 2013 to September 30, 2015 and the Agreement was renewed to November 2017 in monthly rate of Baht 268,148. Such rental and service fees are at the rates comparable to market rates and under conditions that are indifferent from the agreement entered by Prukha Real Estate Public Company Limited with the third party. The rates of rental and service fees were compared with the rates of which Prukha Real Estate Public Company Limited has leased with other lessor.
Transaction No. 2. TCT Company Limited (shares are held by Mr. Thongma Vijitpongpan)	Director of the Company and Shareholders of the Company	Vimut International Hospital Company Limited purchased empty land from TCT Company Limited to be used as location of the Project according to the Company's business plan.	950.0	<p>Vimut International Hospital Company Limited purchased empty land from TCT Company Limited for 10 plots in total area of 4 rai 55.60 square wah in the amount of Baht 950 million to be used as location of the Project. The Company considered purchasing the said land under condition and price based on the criteria agreed between the counter parties.</p> <p>The said transaction was considered as connected transaction which is the transaction related to asset and service. The size of the said transaction is more than 0.03% but below 3% of net tangible asset value of the listed company. The said transaction was approved by the Meeting of the Board of Directors No. 3/2017 on March 24, 2017 since such land was purchased to be the location of the project where is appropriate and useful for the Company. The purchasing price of land is appropriate and below average appraisal price of the two independent appraisers that have been approved by the Office of Securities and Exchange Commission.</p>

Person who may have conflict of interests	Relationship with the Company	Nature of Transaction and Necessity	Value of Connected Transaction (Million Baht)	Price and Details
Transaction No. 3. Mr. Thongma Vijitpongpan	Director of the Company and Shareholders of the Company	Kaysorn Construction Co., Ltd. purchased the plot of land at Phatthanakan 32 since at present, the nature of this plot of land is another route of entrance which is very useful for customers in the group of Phattanakan Projects	2.0	The plot of land at Phatthanakan 32 in the area of 0-1-55 rai was purchased in the amount of Baht 1,998,381.25 (including tax and transfer fee) from Mr. Thongma Vijitpongpan whereas the appraisal price is Baht 3,797,500 since at present, the nature of this plot of land is another route of entrance which is very useful for customers in the group of Phattanakan Projects. The said transaction was considered as connected transaction which is the transaction related to asset and service. The size of the said transaction is less than 0.03% of net tangible asset value which is under the approval power of the Management.
Transaction No. 4. Vimut Hospital Company Limited of which shares are held by TCT Company Limited (shares are held by Mr. Thongma Vijitpongpan)	Director of the Company and Shareholders of the Company	Vimut International Hospital Company Limited paid plan and construction cost of hospital building	8.0	Vimut International Hospital Company Limited paid plan and construction cost of hospital building to Vimut Hospital Company Limited of which shares are held by TCT Company Limited (Mr. Thongma Vijitpongpan) for Baht 8 million. The said transaction was considered as connected transaction which is the transaction related to asset and service. The size of the said transaction is less than 0.03% of net tangible asset value which is under the approval power of the Management.
Transaction No. 5. TCT Company Limited (shares are held by Mr. Thongma Vijitpongpan)	Director of the Company and Shareholders of the Company	Pruksa and the Group of Companies have leased space in the total area of 19,125 square meter in Pearl Bangkok Building which is owned by TCT Company Limited, to be office building.	57.6	Lease and Service Agreement of 19,125 square meter area for 3 years term of the agreement is effective from November 2017 to October 2020. Such rental and service fees are the rates similar to market rates and under conditions that are indifferent from the agreement entered by the Company with the third party. The rates of rental and service fees were compared with the rates of which the Company has leased with other lessor.

Measures and Procedures for Approving Related Party Transactions

In the event of related party transaction between the Company or its subsidiaries and the person who may have conflict of interest and gain and loss or may have conflict of interest in the future, the Company determines that the Audit Committee shall provide opinion on the necessity of entry into the transaction and appropriateness of price of the said transaction by considering on various conditions to be in line with the normal course of business in the industry. Furthermore, there shall be a price comparison with the price of the third party or market price. If the Audit Committee is not expert in considering the contingent related party transaction, the Company shall arrange the independent expert or the Company's auditor to provide opinion on the said related party transaction to be used as support of the Audit committee's decision. The opinion of the Audit Committee or the expert shall be used as support of the decision of the Board of Directors or the shareholders as the case may be. The director with gain and loss shall have no voting right in the said transaction. In addition, the related party transactions shall be disclosed in Notes to Financial Statements, audited or reviewed by the Company's auditor.

Policy or Trend of Future Related Party Transactions

After Pruksa Holding Public Company Limited offers for sale of shares to the existing shareholders of the Company, the Company or its subsidiaries may enter into connected transaction or related party transaction with the person that may have conflict of interest, gain and loss or may have conflict of interest in the future. If it is normal business transaction or normal business supporting transaction with trade agreement that has general trade condition (for instance, sale of house or condominium to the director or executive in normal price which is set for sale to general people, or in the discounted price according to the Company's policy which has ever been approved), the Company has established principles regarding performing transactions between the Company and its subsidiaries, and director, executive or related person by allowing the Management to be able to approve the said transactions if trade agreement is made in these transactions in the same

nature that reasonable man should perform with the general counter party in the same situation by trade bargaining power which is free of influence from his/her status as director, executive or related person, it shall be in line with Securities and Exchange Act B.E. 2535 (and amendment). Moreover, the Company shall prepare a summary report for the size of transaction above Baht 3,000,000 (three million Baht) or transaction with total value above Baht 20,000,000 (twenty million Baht) which are performed by any director, executive or related person in the quarter, to be quarterly reported in the Board of Directors' Meeting.

Moreover, the Company and its subsidiaries shall strictly comply with mutual agreed contract, and explicitly and fairly set price, condition and transaction, and prevent any benefit transfer.

In entering into connected transaction or related party transaction of the Company or other subsidiaries, the Company shall execute to be in line with the criteria of Stock Exchange of Thailand and the Securities and Exchange Commission which are effective.

Nevertheless, if the related party transaction is entered, the Company shall arrange the Audit Committee to provide opinion on the appropriateness of the said transaction. In the event where the Audit Committee is not expert in considering the occurred related party transaction, the Company shall arrange the person with special knowledge and expert such as the independent auditor or asset price appraiser to provide opinion on the related party transaction. The opinion of the Audit Committee or person with special knowledge and expert shall be used to support decision of the Board of Directors or shareholders as the case may be to ensure that the entry into the said transaction is not the removal or transfer of interest between the Company or shareholders of the Company but the transaction is entered under concern of the Company on maximum benefit of all shareholders.

However, in the event of entry into new transaction or change in prices and conditions which are different from before, the Office of Internal Audit shall quarterly verify information and prepare a report for consideration and opinion by the Audit Committee on the price appropriateness and the reasonableness of the said transactions.

Management Discussion and Analysis

Pruksa Holding Public Company Limited (“the Company”) would like to clarify operating results of the Company for year ended 31 December 2017 (consolidated financial statements) as follows:

Comparison performance of the Company for twelve months ended 31 December 2017 and 2016

Unit: Bt m

Statement of comprehensive income	31 Dec 17	%	31 Dec 16	%	Increase/ (Decrease)	%YoY
Revenue from sale of real estate	43,935	99.6	46,926	99.5	(2,991)	(6.4)
Other income	178	0.4	247	0.5	(69)	(28.0)
Total income	44,113	100.0	47,173	100.0	(3,060)	(6.5)
Cost of real estate sales	28,222	64.2	31,184	66.5	(2,962)	(9.5)
Gross profit	15,891	36.2	15,989	34.1	(98)	(0.6)
Selling and Administrative expenses	8,537	19.4	8,153	17.3	383	4.7
Selling expenses	4,383	9.9	3,983	8.4	400	10.0
Administrative expenses	4,154	9.4	4,170	8.8	(17)	(0.4)
Profit before finance cost and income tax expense	7,354	16.7	7,836	16.6	(481)	(6.1)
Financial cost	197	0.4	287	0.6	(90)	(31.3)
Profit and loss from Joint Venture	0	0.0	2	0.0	(1)	(78.4)
Profit before income tax expense	7,157	16.2	7,547	16.0	(390)	(5.2)
Income tax expense	1,582	3.6	1,478	3.1	104	7.1
Profit for the period	5,574	12.6	6,069	12.9	(494)	(8.1)
Non-controlling interests	118	0.3	128	0.3	(11)	(7.8)
Owners of the Company	5,456	12.4	5,940	12.6	(484)	(8.1)

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.

Revenue

For 2017, total revenue came from real estate business only. The Company generated total revenue of Baht 44,113 million, comprised of Baht 43,935 million from the sale of real estate and Baht 178 million from other revenue.

For 2017, revenue from real estate business was Baht 43,935 million, a decline of Baht 2,991 million or 6.4% yoy, mainly from a fall in revenue from condominium segment of Baht 1,781 million or 12.9% yoy as condominium projects are still waiting to be transferred. Revenue from townhouse segment decreased Baht 834 million or 3.5% yoy revenue from single-detached house segment slightly decreased Baht 253 million or 2.7% yoy and revenue from International segment decreased Baht 116 million or 89.8% yoy as company already transferred 100% of its international project and do not have plan for further international project.

Cost of real estate sales

For 2017, the Company reported cost of real estate sales of Baht 28,222 million baht or 64.2% of revenue from real estate as compared to Baht 31,184 million or 66.5% of revenue from real estate in 2016.

The gross profit margin for 2017 improved from the same period of last year reflecting the better efficiency of cost management.

Selling & Administrative expenses

For 2017, the selling expenses increased Baht 400 million or 10.0% from 2016, mainly from an increase in advertising expenses of Baht 190 million. The expenses for new

condominium launched increased Baht 125 million due to a higher number of condominium projects launched for 2017, 10 projects as compared to only 9 projects launched for 2016. The higher advertising expenses increased attributed to the new opening of the 4 premium condominium projects which have seen a strong take-up rate, while transferred expenses increased Baht 92 million due to the government stimulus package during January - April of last year.

The administrative expenses were Baht 4,154 million, a decrease of Baht 17 million from 2016 or 0.4%, mainly from a decrease of expenses regarding the business advisory fee.

Financing cost

For 2017, the Company reported financing cost of Baht 197 million, decreased Baht 90 million compared to 2016, due to the lower of average interest rate.

As of 31 December 2017, interest bearing debt to equity ratio was 0.64 times and interest bearing debt less cash ending to equity ratio was 0.61 times, resulting from the effective debt management of the Company and its subsidiaries.

Net profit

For 2017, the net profit of the Company was Baht 5,456 million or 12.4% of total revenue, compared to net profit of Baht 5,940 million or 12.6% of total revenue for 2016, a decline of Baht 484 million or 8.1% mostly due to the higher number of condominium projects launched that have incurred higher advertising expenses.



Report of Responsibility for Financial Reporting of the Board of Directors

The Board of Directors of Prukha Holding Public Company Limited ("Company") takes responsibilities of the financial statements and consolidated financial statements including financial data presented in Annual Report. In preparing financial statements, the Company and its subsidiaries comply with Generally Accepted Accounting Standards under selection of appropriate accounting policies for application and regular observance. Significant data is adequately disclosed in notes to financial statements, also audited with unqualified opinion from independent certified public accountant. The financial statements therefore reflect a true consolidated financial position, revenues and expenses, and cash flow of the Company.

The Board of Directors set up and maintained effective risk management and internal audit system to reasonably ensure that the accounting data is accurate, complete and adequate

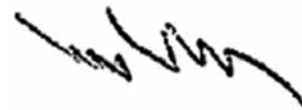
for preservation of the Company's assets and for recognition of weaknesses to prevent risk from material irregular operation.

The Board of Directors appointed the Audit Committee consisting of independent directors to effectively govern financial statements and assess internal control system to ensure that the correct, complete, adequate and timely accounting data recording, and to prevent fraud or irregular operation. The opinion of the Audit Committee has been shown in Report of Audit Committee presented in this Annual Report.

The Board of Directors remarked the opinion that the Company's internal audit system is generally satisfactory and can create the reasonable assurance of the consolidated financial statements of the Company and its subsidiaries as of December 31, 2017.



Dr. Pisit Leeahtam
Chairman of the Board and
Independent Director



Mr. Thongma Vijitpongpan
Executive Vice Chairman of the Board of
Directors and Group Chief Executive Officer

Report of the Audit Committee

The Audit Committee of Pruksa Holding Public Company Limited ("Company") consists of independent directors who are expert and experienced in management. During 2017, there were four members of the Audit Committee as follows: Dr. Piyasvasti Amranand as Chairman of the Audit Committee, Dr. Prasarn Trairatvorakul Mr. Abdul Chandanachulaka and Mr. Weerachai Ngamdeevilaissak as the members of the Audit Committee.

The Audit Committee performs duty according to the scope of responsibilities entrusted by the Board of Directors in governing the operation of the Company under the goal of clear management with honesty and responsibility of the Executive Committee and the executives that should have with the Company's shareholders, and executes to ensure that the Executive Committee and the Management properly and completely manage the business according to the policies of the Company in standardized manner.

In Year 2017, the Audit Committee held total of twelve meetings and attended the meetings with the executives, internal auditor, and auditor for acknowledgement and giving consent, mutual discussion, and exchange of opinions in various issues under the summary of the following essences of the Company and its subsidiaries.

1. Giving Consent towards Financial Statements. The Audit Committee gave consent on quarterly financial statements and Annual Financial Statements for 2017 which have been verified and audited by the Auditor before proposing to the Board of Directors for consideration and approval, inquired the auditor and executives in the issues of accuracy and completeness of financial statements and adequacy of information disclosure, as well as attended the meeting with the auditor without the Management for independent discussion on important issues in preparing financial statements and disclosing information which are useful for the users of financial statements. In addition, the suggestion of the auditor was considered to improve weakness of internal control system and acknowledge annual audit plan for 2017.

The Audit Committee remarked the opinion that the accounting and finance report preparation process of the Company has been adequately controlled to ensure that financial report properly presents financial position and operating result of the Company according to Accounting Standards, and discloses adequate data in financial statements.

2. Review of Practical Procedure for Entry to Perform Connected Transaction. The Audit Committee verified the appropriateness and adequacy related to rule and practice for entry to perform connected transaction or transaction that may have conflict of interests, verified transactions within the nature of connected transaction or transaction that may have conflict of interests that occurred during

the year, as well as verified the said information disclosure to be proper and complete pursuant to the relevant notification, requirement and practical guideline of Stock Exchange of Thailand.

The Audit Committee remarked the opinion that the said transactions which were existent or occurred during the year have been the transactions occurred according to business regularity under the Company's benefit and disclosure of adequate data.

3. Review of Legal Compliance. The Audit Committee determines reviewing and monitoring so that the Company shall execute in compliance with Securities Law, and requirement of Stock Exchange of Thailand, and other important laws related to core business of the Company whereas the Internal Audit Unit is entrusted to determine as main aspect required for audit. At present, the Company has assigned Compliance Unit to perform duty in supervising the operation of work units to govern the operation according to the relevant laws. The quarterly meetings are regularly held for acknowledgement of operational performance of Law Division and Corporate Governance & Compliance Division of the Company.

From the said review of the Audit Committee, it was found that apart from litigating case from the consumer which has been underlined by the Audit Committee that the Company shall be careful in presentation of project information in order to avoid disputes which may be caused from discrepant understanding, the Audit Committee did not detect the indication convincing the intention of the Company in omitting not to comply with and/or performing any act in conflict with the essential requirement of laws.

4. Review of Internal Control and Risk Management System. The Audit Committee verified internal control and risk management system for assessment of adequacy and appropriateness of internal control and risk management system according to internal audit standard as well as guideline prescribed by the Office of Securities and Exchange Commission, considered internal audit result report according to the approved audit plan, and considered audit result report of the external consulting firm. In 2017, the Company has still hired the external consulting firm to audit control system of the significant work system of the Company in addition to the operation of the Company's internal auditor, such as land selection and procurement work system, progress of construction work, etc. However, the finding of the audit result indicated none of essential weakness or fault of the internal control system.

Moreover, due to realization of the Company on the significance of risk management in enterprise target achievement both in short-term and long-term for the enterprise sustainable growth under changing situation. In 2017, the Company executed in various issues such as

formulation of policies, strategies, and guidelines of enterprise risk management, preparation of risk management plan, and managed the overall enterprise risks. In addition, the Company also conducted Risk Control Self-Assessment (RCSA) to assess the contingent risks and effectiveness of internal control under execution through collaboration between Risk Management Division, executives, operators, and Internal Audit Division under purpose to ensure that the Company can achieve business objective and to be the aided tool in making executives and operators participate in corporate risk assessment and internal control of the Company, and also offer opinions and suggestions which are useful for management to be used as guideline of continuous operation development. The Audit Committee suggested that Internal Audit Unit shall enter to verify RCSA conducting process again later.

The Company held the mutual meetings between the Audit Committee and Corporate Risk Management Committee for more effective coordination between Internal Audit Unit and Risk Management Unit.

The Audit Committee therefore deemed that the Company has proper and adequate internal control and risk management system.

5. **Governance of Internal Audit Works.** The Audit Committee governs works of Internal Audit Unit covering the main tasks, scope of operations, scope of duties and responsibilities, independence in audit operation, and organizing and manpower arrangement. The Audit Committee verified and approved internal audit works for 2017 prepared according to the risk assessment result in the Company's work units, determination of audit work quality development plan, and development of knowledge, skill and expertise of the internal audit personnel, as well as assessment of satisfaction from the audited executives and work units in all levels.

The Audit Committee commented that the operation of Internal Audit Unit of the Company is satisfactorily independent, efficient and effective.

6. **Good Corporate Governance.** The Audit Committee deemed that the Company always focuses on business operation under adherence to ethics and principle of corporate governance. In 2017, the Company executed in the area of corporate governance and was granted for awards, for instance, the Company was certified as Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), granted for the Seventh Admiration NACC Integrity Awards 2017, and assessed for CGR Assessment for 2017 of Thai Listed Companies (LC) in "excellent" level. All of the aforesaid awards have been resulted from the determination of obvious policies by the Company so that the directors of the Company, executives, and employees shall concretely apply anti-corruption policy, continuously formulate anti-internal corruption prevention measure, and contain in annual audit plan of the Company.

7. **Operational Performance Reporting.** The Audit Committee regularly and quarterly reported operational performance to the Board of Directors by proposing opinions and

suggestions which are useful for management of the Management. The Management have properly improved and corrected according to suggestions. In addition, the Audit Committee also conducted self-assessment to be used as guideline of continuous operational development.

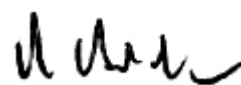
8. **Review of Charter of the Audit Committee.** During 2017, the Audit Committee reviewed charter of the Audit Committee for consideration on roles, duties, responsibilities, and practical guideline of the Audit Committee as entrusted by the Board of Directors. The Audit Committee deemed that charter should be improved in the matter of duties and responsibilities of the Audit Committee covering review of duties related to anti-corruption measure in order to be consistent with good corporate governance policy for listed companies in 2017. This resulted in the ability of the Audit Committee to effectively perform its duties under the requirement of Stock Exchange of Thailand and being important mechanism that supports its function based on responsibilities of the Audit Committee.

9. **Consideration on Appointment of Auditor for 2017.** The Audit Committee considered selecting and nominating for appointing the auditor, and determining annual remuneration of the auditor for 2017 by considering from operational performance, independence and code of conduct from review of the auditor's qualification under concern on the Notification of Office of Securities and Exchange Commission and Stock Exchange of Thailand. The Audit Committee resolved to propose the Board of Directors to request for approval of the Shareholders' Meeting to appoint the auditor from KPMG Phoomchai Audit Ltd. as auditor for 2017 for another consecutive term. In 2017, the Audit Committee operated according to the entrusted duties and responsibilities using knowledge, competency, diligence and prudence and having adequate independence without limitation of data acquisition both from executives, employees and related parties, as well as remarked opinions and suggestions for equal benefit of all parties of stakeholders.

In overall conclusion, the Audit Committee deemed that the Board of Directors of the Company and its subsidiaries, executives and employees of the Company have the will of function to achieve target through high emphasis on operation under concise and appropriate internal control and risk management system, adequate, transparent and reliable good corporate governance, and development and improvement of working system to have better continuous quality.

This report has been reviewed and consented by the Audit Committee on 19 January 2018.

On behalf of the Audit Committee



Dr. Piyasvasti Amranand

Chairman of the Audit Committee
January 19, 2018

Pruksa Holding Public Company Limited and its Subsidiaries 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 31 December 2017, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2017 and their financial performance and cash flows for the year then ended 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 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.

Pruksa Holding Public Company Limited and its Subsidiaries Independent Auditor's Report

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
<p>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.</p> <p>I considered this matter to be significant as it involved significant estimation.</p>	<p>Our audit procedures performed included:</p> <ul style="list-style-type: none"> - 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 in accordance with Thai Financial Reporting Standards.

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.

Pruksa Holding Public Company Limited and its Subsidiaries Independent Auditor's Report

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.

Pruksa Holding Public Company Limited and its Subsidiaries Independent Auditor's Report

- 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
19 February 2018

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2017	2016	2017	2016
		<i>(in Baht)</i>			
Current assets					
Cash and cash equivalents	5	1,347,534,970	585,409,490	29,165,687	24,650
Current investments	6	-	246,378,150	-	-
Other Receivables from subsidiary	4	-	-	37,205,749	-
Short-term loans and accrued interest income-subsidiaries	4	-	-	1,482,222,294	-
Real estate projects under development	7	63,791,078,880	59,838,108,296	-	-
Deposits for purchase of land		622,483,624	636,244,656	-	-
Advance payment for goods		266,581,858	196,018,027	293,314	-
Other current assets		200,600,265	203,065,665	3,225,649	846,987
Total current assets		66,228,279,597	61,705,224,284	1,552,112,693	871,637
Non-current assets					
Investments in joint ventures	8	107,540,634	107,540,634	-	-
Investments in subsidiaries	9	-	-	35,523,384,576	34,523,384,599
Investment properties	10	640,607,687	245,170,371	-	-
Property, plant and equipment	4, 11, 14	4,633,055,874	3,683,088,004	132,501	-
Intangible assets	12	333,600,728	334,418,725	1,788,164	-
Deferred tax assets	13	52,014,136	72,063,896	-	-
Other non-current assets	4	248,592,104	196,206,736	1,488,954	-
Total non-current assets		6,015,411,163	4,638,488,366	35,526,794,195	34,523,384,599
Total assets		72,243,690,760	66,343,712,650	37,078,906,888	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

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2017	2016	2017	2016
Liabilities and equity	<i>Note</i>	<i>(in Baht)</i>			
<i>Current liabilities</i>					
Short-term loans from financial institutions	14	2,800,000,000	1,897,950,018	-	-
Trade accounts payable	15	2,378,809,879	1,995,130,254	-	-
Other payables - subsidiary	4	-	-	-	39,592,323
Current portion of payables for purchase of land		1,697,872,385	3,404,738,861	-	-
Short-term loans and accrued interest expense - subsidiary	4	-	-	724,952	-
Current portion of long-term debentures	14	6,000,000,000	6,000,000,000	-	-
Current portion of finance lease liabilities	14	-	33,924	-	-
Customers' deposits		1,061,925,502	810,395,354	-	-
Current tax payable		296,513,484	505,008,121	-	-
Other current liabilities	16	3,403,790,670	2,913,343,198	18,981,442	384,175
Total current liabilities		17,638,911,920	17,526,599,730	19,706,394	39,976,498
<i>Non-current liabilities</i>					
Payables for purchase of land		-	244,980,951	-	-
Long-term debentures	14	15,500,000,000	12,000,000,000	-	-
Non-current provisions for employee benefits	17	374,400,184	289,534,759	626,500	-
Provision for litigation and claims	34	70,835,308	118,654,240	-	-
Total non-current liabilities		15,945,235,492	12,653,169,950	626,500	-
Total liabilities		33,584,147,412	30,179,769,680	20,332,894	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

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2017	2016	2017	2016
Liabilities and equity					
		<i>(in Baht)</i>			
Equity					
Share capital	18				
Authorised share capital		2,226,383,180	2,273,217,600	2,226,383,180	2,273,217,600
Issued and paid-up share capital		2,186,796,580	2,185,857,580	2,186,796,580	2,185,857,580
Share premium on ordinary shares	18	1,819,142,676	1,789,836,486	32,366,843,209	32,337,537,019
Warrants	19	31,911,459	20,981,036	31,911,459	-
Retained earnings (Deficits)					
Appropriated					
Legal reserve	20	223,730,753	223,730,753	222,638,318	-
Unappropriated (Deficits)		33,694,950,661	31,246,374,701	2,250,384,428	(39,114,861)
Other components of equity	20	(47,441,915)	(54,251,369)	-	-
Equity attributable to owners of the parent		37,909,090,214	35,412,529,187	37,058,573,994	34,484,279,738
Non-controlling interests		750,453,134	751,413,783	-	-
Total equity		38,659,543,348	36,163,942,970	37,058,573,994	34,484,279,738
Total liabilities and equity		72,243,690,760	66,343,712,650	37,078,906,888	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

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended	Period from 16 March 2016 (incorporated date) to
	<i>Note</i>	2017	2016	31 December 2017 <i>(in Baht)</i>	31 December 2016
Revenue					
Revenue from sale of real estate	21	43,934,799,376	46,925,869,711	-	-
Dividend income	4, 9	-	-	5,508,335,902	-
Other income	4	178,095,670	247,372,962	71,770,124	-
Total revenue		44,112,895,046	47,173,242,673	5,580,106,026	-
Expenses					
Cost of real estate sales		28,221,940,659	31,184,209,549	-	-
Distribution costs	22	4,382,594,086	3,983,136,976	-	-
Administrative expenses	4, 23	4,154,104,948	4,170,311,256	71,306,418	39,114,861
Finance costs	4, 27	197,350,224	287,326,436	798,046	-
Total expenses		36,955,989,917	39,624,984,217	72,104,464	39,114,861
Share of loss of joint ventures	8	(347,770)	(1,606,889)	-	-
Profit (loss) before income tax expense		7,156,557,359	7,546,651,567	5,508,001,562	(39,114,861)
Tax expense	28	(1,582,429,221)	(1,478,097,307)	-	-
Profit (loss) for the year/period		5,574,128,138	6,068,554,260	5,508,001,562	(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

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December	Year ended	Year ended	Period from
Note	2017	2016	31 December 2017	16 March 2016
			(in Baht)	(incorporated date) to
				31 December 2016
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating foreign operations	6,663,481	(20,211,427)	-	-
Gains (losses) on remeasuring available-for-sale investments	(53,625)	54,784	-	-
Total items that will be reclassified subsequently to profit or loss	6,609,856	(20,156,643)	-	-
<i>Items that will not be reclassified to profit or loss</i>				
Losses on remeasurements of defined benefit plans	(11,976,186)	-	-	-
Total items that will not be reclassified to profit or loss	(11,976,186)	-	-	-
Other comprehensive income/(expense) for the year/period, net of tax	(5,366,330)	(20,156,643)	-	-
Total comprehensive income/(expense) for the year/period	5,568,761,808	6,048,397,617	5,508,001,562	(39,114,861)
Profit (loss) attributable to:				
Owners of the parent	5,456,416,101	5,940,293,208	5,508,001,562	(39,114,861)
Non-controlling interests	117,712,037	128,261,052	-	-
Profit (loss) for the year/period	5,574,128,138	6,068,554,260	5,508,001,562	(39,114,861)
Total comprehensive income/(expense) attributable to:				
Owners of the parent	5,451,249,369	5,920,559,854	5,508,001,562	(39,114,861)
Non-controlling interests	117,512,439	127,837,763	-	-
Total comprehensive income/(expense) for the year/period	5,568,761,808	6,048,397,617	5,508,001,562	(39,114,861)
Earnings (loss) per share (in Baht)				
Basic earnings (loss) per share	2.50	2.72	2.52	(0.18)
Diluted earnings per share	-	-	-	-

The accompanying notes are an integral part of these financial statements

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Consolidated financial statements										
		Retained earnings			Other components shareholders' equity							
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated	Translating foreign operations (in Baht)	Available-for-sale investments	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
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	(35,259,034)	(8)	(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 parent												
Issue of ordinary shares	1/8	10,000	-	-	-	-	-	-	-	10,000	-	10,000
Warrants exercised	1/8, 1/9	1,611,000	50,280,276	(25,664,197)	-	-	-	-	-	26,227,079	-	26,227,079
Share-based payment transaction	1/9	-	-	1,740,337	-	-	-	-	-	1,740,337	-	1,740,337
Revocation of warrants of the company	1/9	-	-	(21,431,089)	-	-	-	-	-	(21,431,089)	-	(21,431,089)
Warrant issued for cancelled warrant under restructuring plan	1/9	-	-	21,431,089	-	-	-	-	-	21,431,089	-	21,431,089
Dividends	3/1	-	-	-	-	(4,130,461,700)	-	-	-	(4,130,461,700)	-	(4,130,461,700)
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		-	-	-	-	5,940,293,208	-	-	-	5,940,293,208	128,261,052	6,068,554,260
Other comprehensive income		-	-	-	-	-	(19,786,987)	53,633	(19,733,354)	(19,733,354)	(423,289)	(20,156,643)
Total comprehensive income for the year		-	-	-	-	5,940,293,208	(19,786,987)	53,633	(19,733,354)	5,920,559,854	127,837,763	6,048,397,617
Adjustment non-controlling interest from business combination under common control												
		(46,834,420)	(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		2,185,857,580	1,789,836,486	20,981,036	223,730,753	31,246,374,701	(54,304,994)	53,625	(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

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

Consolidated financial statements												
		Retained earnings			Other components shareholders' equity							
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated	Translating foreign operations <i>(in Baht)</i>	Available-for-sale investments	Total other components of equity	Equity attributable to owners of the parent	Non - controlling interests	Total equity
Year ended 31 December 2017												
Balance at 1 January 2017												
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the parent</i>												
		2,185,857,580	1,789,836,486	20,981,036	223,730,753	31,246,374,701	(54,304,994)	53,625	(54,251,369)	35,412,529,187	751,413,783	36,163,942,970
18, 19	Warrants exercised	939,000	29,306,190	(14,508,270)	-	-	-	-	-	15,736,920	(450,000)	15,286,920
19	Share-based payment transaction	-	-	25,438,693	-	-	-	-	-	25,438,693	-	25,438,693
31	Dividends	-	-	-	-	(2,995,863,955)	-	-	-	(2,995,863,955)	(118,023,088)	(3,113,887,043)
Total transactions with owners, recorded directly in equity		939,000	29,306,190	10,930,423	-	(2,995,863,955)	-	-	-	(2,954,688,342)	(118,473,088)	(3,073,161,430)
Comprehensive income for the year												
	Profit	-	-	-	-	5,456,416,101	-	-	-	5,456,416,101	117,712,037	5,574,128,138
	Other comprehensive income	-	-	-	-	(11,976,186)	6,863,079	(53,625)	6,809,454	(5,166,732)	(199,598)	(5,366,330)
Total comprehensive income for the year		-	-	-	-	5,444,439,915	6,863,079	(53,625)	6,809,454	5,451,249,369	117,512,439	5,568,761,808
Balance at 31 December 2017												
		2,186,796,580	1,819,142,676	31,911,459	223,730,753	33,694,950,661	(47,441,915)	-	(47,441,915)	37,909,090,214	750,453,134	38,659,543,348

The accompanying notes are an integral part of these financial statements

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Seperate financial statements			
		Issued and paid-up share capital	Share premium (in Baht)	Deficits	Total equity
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					
<i>Contributions by owners</i>					
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		-	-	(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 changes in equity

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium	Warrants (in Baht)	Legal reserve	Deficits	
Year ended 31 December 2017							
Balance at 1 January 2017		2,185,857,580	32,337,537,019	-	-	(39,114,861)	34,484,279,738
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Warrants exercised	18, 19	939,000	29,306,190	(14,958,270)	-	-	15,286,920
Share-based payment transaction	19	-	-	46,869,729	-	-	46,869,748
Dividends	31	-	-	-	-	(2,995,863,955)	(2,995,863,955)
Total transactions with owners, recorded directly in equity		939,000	29,306,190	31,911,459	-	(2,995,863,955)	(2,933,707,287)
Comprehensive income for the year							
Profit		-	-	-	-	5,508,001,562	5,508,001,562
Total comprehensive income for the year		-	-	-	-	5,508,001,562	5,508,001,562
Transfer to legal reserve	20	-	-	-	222,638,318	(222,638,318)	-
Balance at 31 December 2017		2,186,796,580	32,366,843,209	31,911,459	222,638,318	2,250,384,428	37,058,573,994

The accompanying notes are an integral part of these financial statements

Pruksa Holding Public Company Limited and its Subsidiaries Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended	Period from 16 March 2016
	Note	2017	2016	31 December 2017 (incorporated date) to 31 December 2016
			(in Baht)	
<i>Cash flows from operating activities</i>				
Profit (loss) for the year/period		5,574,128,138	6,068,554,260	5,508,001,562
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				(39,114,861)
Tax expense		1,582,429,221	1,478,097,307	-
Finance costs		197,350,224	287,326,436	798,046
Depreciation and amortisation		467,331,414	453,742,679	63,652
(Reversal of) losses on real estate projects under development devaluation		5,155,613	(4,255,920)	-
Reversal of impairment losses on equipment		(498,154)	-	-
Reversal of impairment losses on deposits for purchase of land		(22,968,000)	-	-
Reversal of impairment losses on investment properties		(5,836,000)	-	-
Loss on disposal of equipment		18,388,236	1,516,968	-
Loss on disposal of intangible assets		-	2,771,880	-
Gain on sale of investment properties		(6,407,448)	(3,202,432)	-
Dividend income from subsidiary		-	-	(5,508,335,902)
Currency translation differences		8,578,849	(25,264,230)	-
Provisions for employees benefits		69,893,689	42,092,000	626,500
Shared-based payment		25,438,693	1,740,337	-
Provision for litigation and claims		69,513,068	26,832,000	-
Gain on disposal of current investments		(70,314)	(2,202,997)	-
Share of loss of investments in joint ventures		347,770	1,606,889	-
Reversal of share of loss of joint ventures		(347,770)	(1,606,889)	-
		7,982,427,229	8,327,748,288	1,153,858
<i>Changes in operating assets and liabilities</i>				(39,114,861)
Other receivables from subsidiaries		-	-	(37,205,749)
Real estate projects under development		(3,785,167,777)	(1,769,661,578)	-
Deposits for purchase of land		36,729,032	(12,829,756)	-
Advance payment for goods		(70,563,831)	209,924,607	(293,314)
Other current assets		2,465,400	(14,447,290)	(16,362,772)
Other non-current assets		(52,385,368)	(19,391,758)	(1,488,954)
Trade accounts payable		383,679,625	419,181,985	-
Other payables - subsidiary		-	-	(39,592,323)
Payables for purchase of land		(1,951,847,427)	(1,132,717,887)	-
Customers' deposits		251,530,148	(164,523,470)	-
Other current liabilities		363,579,590	218,107,358	18,597,267
Net cash generated from operating		3,160,446,621	6,061,390,499	(75,191,987)
Taxes paid		(1,769,631,122)	(1,630,454,743)	-
Net cash from (used in) operating activities		1,390,815,499	4,430,935,756	(75,191,987)
				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

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended	Period from 16 March 2016
	Note	2017	2016	31 December 2017 (incorporated date) to 31 December 2016
			(in Baht)	
<i>Cash flows from investing activities</i>				
Proceeds from sale of equipment		18,017,876	29,148,026	-
Acquisition of property, plant and equipment		(1,404,886,616)	(227,150,530)	(134,317)
Acquisition of intangible assets		(57,798,970)	(72,312,688)	(1,850,000)
Proceeds from sale of investment properties		7,828,800	17,360,000	-
Increase in investment in subsidiaries		-	-	(999,999,977)
Dividend income from subsidiary		-	-	5,508,335,902
Short-term loans to subsidiary		-	-	(4,362,975,000)
Proceed from short-term loans to subsidiary		-	-	2,941,606,545
Proceeds from sale of current investments		303,334,890	3,415,418,976	-
Acquisition of current investments		(56,941,202)	(3,333,599,146)	-
Net cash from (used in) investing activities		(1,190,445,222)	(171,135,362)	3,084,983,153
<i>Cash flows from financing activities</i>				
Proceeds from issue of shares		15,286,920	26,237,080	15,286,920
Increase in short-term loans from financial institutions, net		902,049,982	1,897,950,018	-
Proceed from long-term debentures		9,500,000,000	4,000,000,000	-
Repayment of long-term debentures		(6,000,000,000)	(6,000,000,000)	-
Dividends paid to owners of the Company		(2,995,863,955)	(4,130,461,700)	(2,995,863,955)
Dividends paid to Non-controlling interests		(118,023,088)	-	-
Proceed from short-term loans from subsidiary		-	-	23,358,128
Repayment of short-term loans from subsidiary		-	-	(22,633,176)
Interest paid		(741,694,656)	(803,075,054)	(798,046)
Net cash from (used in) financing activities		561,755,203	(5,009,349,656)	(2,980,650,129)
Net increase (decrease) in cash and cash equivalents		762,125,480	(749,549,262)	29,141,037
Cash and cash equivalents at 1 January		585,409,490	1,334,958,752	24,650
Cash and cash equivalents at 31 December	5	1,347,534,970	585,409,490	29,165,687
<i>Non-cash transactions:</i>				
Increase (decrease) in equipment payable		(10,100,775)	19,516,612	-
Transfer of investment properties from real estate projects under development, net		(391,022,668)	(27,162,469)	-

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 2017

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Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2017

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 19 February 2018.

1 General information

(a) Corporate information

Pruksa Holding Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1177, Pearl Bangkok Tower 24th floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok.

The Company was listed on the Stock Exchange of Thailand in November 2016.

The Company’s major shareholder during the financial statement was Vijitpongpun family (75.44% shareholding).

(b) Restructuring plan

At the annual general meeting of the shareholders of Pruksa Real Estate Public Company Limited (“Pruksa Real Estate”) held on 28 April 2016, the shareholders approved the restructuring plan of Pruksa Real Estate Public Company Limited. 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 2017 and 2016 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 2017. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2017

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 2018 and have not been adopted in the preparation of these financial statements. The Group has made a preliminary assessment of the potential initial impact on the Group's 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.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

<i>Items</i>	<i>Measurement bases</i>
Available-for-sale investments	Fair value
Defined benefit liability	Present value of the defined benefit obligation 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 accounting policies and the 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 25	Lease classification
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(ii) Assumptions and estimation uncertainties

Information about assumption and 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 7	Net realisable value test of real estate projects under development
Note 10	Net realisable value test of investment properties
Note 13	Recognition of deferred tax assets;
Note 17	Measurement of defined benefit obligations: key actuarial assumptions; and
Note 34	Recognition and measurement of provisions and contingencies

Pruksa Holding Public Company Limited and its Subsidiaries

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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 chief financial officer.

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

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market 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 entirety 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 following notes:

- Note 10 - investment property
- Note 19 - Warrants; and
- Note 32 - financial instruments.

(e) Restructuring plan

Comparative information

As described 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.

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For the year ended 31 December 2017

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.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2017

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 initially recognised 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 equity-accounted investees 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, significant influence 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.

Pruksa Holding Public Company Limited and its Subsidiaries

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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 in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments.

(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 development projects*

Real estate development projects are projects for the development of properties with the intention of sale in the ordinary course of business. They are measured at the lower of cost and 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 real estate development property are capitalised, on a specific identification basis, as part of the cost of the property until the completion of development.

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For the year ended 31 December 2017

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 developing 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 measured at cost less impairment losses.

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Notes to the financial statements

For the year ended 31 December 2017

(i) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are measured 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. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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.

Any gains and losses on disposal of 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 in 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

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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 accumulated 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.

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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.

(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 recognised 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 recognised 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.

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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.

(o) 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.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as personnel expenses in profit or loss.

(p) 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.

(q) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and rendering of services

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.

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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.

Revenue from sale of real estate

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 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.

(r) Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial year of time to be prepared for its intended use or sale.

(s) 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.

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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.

(t) 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.

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Notes to the financial statements

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(u) *Earnings (loss) per share*

The Group presents basic and diluted earnings (loss) 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.

(v) *Segment reporting*

Segment results that are reported to the Group's CEO (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 Vijitpongpan	Thai	Major shareholder, 10% or more shareholding, and a director
T C T Co., Ltd.	Thai	Common directors
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.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Interest income	MLR, MLR-2 and 4%
Dividend income	The declared amount
Management income	Agreed price
Interest expense	MLR, MLR-2% and 4%
Management fee	Agreed prices
Rental and service charges	Agreed prices
Purchase of lands	Agreed prices

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Significant transactions for the years ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2017	2016 (in million Baht)	2017	2016
Subsidiaries				
Interest income	-	-	36.98	-
Dividend income	-	-	5,508.34	-
Management income	-	-	34.77	-
Interest expense	-	-	0.56	-
Management fee	-	-	1.31	-
Other related parties				
Rental and service charges	57.62	-	0.82	-
Purchase of lands	950.00	-	-	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	218.29	209.12	9.45	-
Post-retirement benefits	4.48	3.22	-	-
Share-base payments	5.18	0.49	-	-
Total key management personnel compensation	227.95	212.83	9.45	-

Balances as at 31 December with related parties were as follows:

	Separate financial statements	
	2017 (in million Baht)	2016
<i>Other receivables to subsidiary</i>		
Pruksa Real Estate Public Co., Ltd.	37.21	-
<i>Short-term loans to subsidiaries</i>		
Pruksa Real Estate Public Co., Ltd.	1,458.24	-
Vimut Hospital Holding Co.,Ltd.	10.00	-
	1,468.24	-
<i>Accrued interest income - subsidiaries</i>		
Pruksa Real Estate Public Co., Ltd.	13.92	-
Vimut Hospital Holding Co.,Ltd.	0.06	-
	13.98	-
<i>Total short-term loans and accrued interest income - subsidiaries</i>	1,482.22	-

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Notes to the financial statements

For the year ended 31 December 2017

Movements during the years ended 31 December of short-term loans to subsidiary were as follows:

	Separate financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 January	-	-
Increase	4,409.84	-
Decrease	(2,941.60)	-
At 31 December	1,468.24	-

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
<i>Deposit for rental and service - Other related party (presents under other non-current assets)</i>				
T C T Co., Ltd.	45.66	-	1.26	-

	Separate financial statements	
	2017	2016
	<i>(in million Baht)</i>	
<i>Other payables - subsidiary</i>		
Pruksa Real Estate Public Co., Ltd.	-	39.59
<i>Short-term loans from subsidiary</i>		
Pruksa Real Estate Public Co., Ltd.	0.72	-

Movements during the years ended 31 December of short-term loans from subsidiary were as follows:

	Separate financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 January	-	-
Increase	23.36	-
Decrease	(22.64)	-
At 31 December	0.72	-

Significant agreements with related parties

- The subsidiaries had lease agreements covering office space (including related service charges) with a director of the Company, which ended in November 2017. The rental and service charges for the years ended 31 December 2017 amounted to Baht 2.9 million (2016: Baht 3.2 million)
- The Company and subsidiaries had 3 years lease agreements covering office space (including related service charges) with other related party, during 1 November 2017- 31 October 2020. The lessor delivered the premises to the Group from 1 August 2017. The rental and service charges for the years ended 31 December 2017 for consolidated and separate financial statement amounted to Baht 57.7 million and Baht 0.8 million, respectively.

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- (c) The subsidiaries had partly registered land servitude accumulative value as at 31 December 2017 of Baht 1,769.9 million (2016: Baht 1,335.1 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 years ended 31 December 2017, the subsidiaries had registered land servitude and ceded land for the public interest amounting to Baht 718.5 million (2016: Baht 219.8 million), and for which the subsidiaries have received compensation of Baht 725.6 million (2016: Baht 222.0 million).
- (d) The subsidiaries had loan agreements with others for loan lines totaling Baht 7,702 million which interest rate at MLR-2% per annum and are repayable on demand. In addition, the subsidiaries had advance agreement with others which interest rate at MLR per annum.
- (e) The Company and subsidiaries had loan agreements for the loan lines totaling Baht 4,300 million which interest rate at MLR-2% per annum and are repayable on demand. In addition, the subsidiaries had advance agreement with others which interest rate at MLR per annum.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Cash on hand	19	4	-	-
Cash at banks-current accounts	77	27	28	-
Cash at banks-savings accounts	266	145	1	-
Cash at banks-fixed deposit	102	-	-	-
Cheques on hand	880	408	-	-
Others	3	1	-	-
Total	1,347	585	29	-

6 Current investments

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Current investments		
Mutual fund-available for sale investments	-	246
Total	-	246

Movements during the years ended 31 December of mutual fund-available for sale investments were as follows:

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 January	246	326
Purchases during the year	57	3,334
Sales during the year	(303)	(3,414)
At 31 December	-	246

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For the year ended 31 December 2017

7 Real estate projects under development

	Consolidated financial statements	
	2017	2016
<i>Note</i>	<i>(in million Baht)</i>	
Construction materials	677	455
Sample houses	1,302	1,083
Projects under development		
- land	30,353	27,267
- land improvements	1,473	1,468
- construction cost	4,114	4,908
- public utilities	2,233	1,840
- overhead costs	2,279	1,870
- interest costs	723	594
	41,175	37,947
Land, and land and houses for sale	11,743	11,363
Land held for development	8,999	9,090
Total	63,896	59,938
Less Losses on real estate projects under development devaluation	(105)	(100)
Net	63,791	59,838
Finance costs capitalised during the year	27 564	502

	Consolidated financial statements	
	2017	2016
	<i>(projects)</i>	
<i>Number of projects under development</i>		
Townhouse	140	127
Single house	51	41
Twin house	10	9
Condominium	20	16
Foreign	-	1
Total projects	221	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).

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8 Investments in joint ventures

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Joint ventures		
At 1 January	108	108
Share of net losses in joint ventures	-	(2)
Reversal of share of loss of investments in joint ventures	-	2
At 31 December	108	108

During the year ended 31 December 2017 and 2016 there were no acquisitions and disposals of investments in joint ventures.

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Investments in joint ventures as at 31 December 2017 and 2016, 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		Dividend income	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<i>Joint ventures - indirect shareholding by a subsidiary</i>											
Pruksa HDC											
Housing Private Limited	Maldives	80.00	80.00	129.6	129.6	129.6	129.6	108.0	108.0	-	-
Pruksa - Luxora											
Housing Private Limited	India	50.00	50.00	0.3	0.3	0.3	0.3	-	-	-	-
Total						129.9	129.9	108.0	108.0	-	-

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.

Pruksa Holding Public Company Limited and its Subsidiaries

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9 Investments in subsidiaries

	Separate financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 January/ 16 March	34,523	-
Acquisitions	1,000	34,523
At 31 December	<u>35,523</u>	<u>34,523</u>

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For the year ended 31 December 2017

Investments in subsidiaries as at 31 December 2017 and 2016, and dividend income from those investments for the years then ended, were as follows:

	Type of business	Country of incorporation	Separate financial statements							
			Ownership interest (%)		Paid-up capital		Cost method		Dividend income	
			2017	2016	2017	2016	2017	2016	2017	2016
			(in million Baht)							
Subsidiaries										
Direct										
Pruksa Real Estate Public Co., Ltd.	Sale of real estate	Thailand	97.90	97.90	2,232.7	2,232.7	34,523.4	34,523.4	5,508.3	
Vimut Hospital Holding Co., Ltd.*	Investment	Thailand	99.99	-	1,000.0	-	1,000.0	-	-	
Indirect (hold by subsidiaries)										
Kaysorn Construction Co., Ltd.	Services, management, home decoration and construction	Thailand	100.00	100.00	100.0	100.0	-	-	-	
Puthachart Estate Co., Ltd.	Sale of real estate	Thailand	100.00	100.00	800.0	800.0	-	-	-	
Phanalee Estate Co., Ltd.	Sale of real estate	Thailand	100.00	100.00	800.0	800.0	-	-	-	
Pruksa Oversea Co., Ltd.	Investment	Thailand	100.00	100.00	500.0	500.0	-	-	-	
Pruksa International Co., Ltd.	Investment	Thailand	100.00	100.00	1,000.0	1,000.0	-	-	-	
Pruksa India Housing Private Limited	Property development and construction	India	100.00	100.00	9.8	13.1	-	-	-	
Pruksa India Construction Private Limited	Construction	India	100.00	100.00	0.7	0.7	-	-	-	
Pruksa Vietnam Company Limited**	Property development and construction	Vietnam	100.00	100.00	106.1	106.1	-	-	-	
Pruksa Oversea Service Company Limited***	Service and management	Thailand	100.00	100.00	2.5	2.5	-	-	-	
Pruksa Mohan Mutha Real Estate Private Limited****	Property development and construction	India	84.85	84.85	-	0.6	-	-	-	
Thanatep Engineering and Construction Company Limited*****	Construction	Thailand	51.00	51.00	5.0	5.0	-	-	-	

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Separate financial statements

Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost method		Dividend income	
		2017	2016	2017	2016	2017	2016	2017	2016
		(%)				(in million Baht)			
Vimut International Hospital Co., Ltd.	Thailand	99.99	-	998.0	-	35,523.4	34,523.4	5,508.3	-
Total						35,523.4	34,523.4	5,508.3	-

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations.

* - In February June and July 2017, the Company invested in shares of Vimut Hospital Holding Co., Ltd of Baht 1,000.0 million, at 99.99% shareholding.

** - 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 2017, the Company indirectly held 100% of share in Pruksa Vietnam Company Limited because the joint venture hasn't paid for the shares.

*** - Pruksa Oversea Service Company Limited has registered for dissolution with the Ministry of Commerce on 4 October 2017. The Company is in liquidation process.

**** - Pruksa Mohan Mutha Real Estate Private Limited was liquidated during the year.

***** - Thanatep Engineering and Construction Company Limited has registered for dissolution with the Ministry of Commerce on 25 August 2015. The Company is in liquidation process.

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10 Investment properties

	Consolidated financial statements <i>(in million Baht)</i>
Cost	
At 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 and 1 January 2017	398
Disposals	(1)
Transfer from real estate projects under development	427
Transfer to real estate projects under development	(36)
At 31 December 2017	788
Impairment loss	
At 1 January 2016	153
At 31 December 2016 and 1 January 2017	153
Decrease	(6)
At 31 December 2017	147
Net book value	
At 1 January 2016	232
At 31 December 2016 and 1 January 2017	245
At 31 December 2017	641

The fair value of investment properties as at 31 December 2017 of Baht 682.0 million (2016: Baht 275.2 million) was determined by independent professional valuers, at market values. The fair value measurement for investment property has been categorised as a Level 2 fair value.

The Group's investment properties comprise land held for which there is no specific intention to use in the future.

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 has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

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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
<i>(in million Baht)</i>								
Net book value								
At 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 and 1 January 2017								
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
At 31 December 2017								
Owned assets	1,777	1,211	1,353	139	-	8	145	4,633
Assets under finance leases	-	-	-	-	-	-	-	-
	1,777	1,211	1,353	139	-	8	145	4,633

The gross amount of the Group's fully depreciated property, plant and equipment but was still in use as at 31 December 2017 amounted to Baht 561 million (2016: Baht 685 million), respectively.

Collateral

At 31 December 2017, the Group's property, plant and equipment with a net book value of Baht 1,267 million (2016: Baht 1,344 million) are used as collateral for credit facilities with banks (see note 14 to the financial statements).

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12 Intangible assets

	Consolidated financial statements	Separate financial statements
	Software licenses	Software licenses
	<i>(in million Baht)</i>	
<i>Cost</i>		
At 1 January 2016	512	-
Additions	72	-
Disposals	(6)	-
At 31 December 2016 and 1 January 2017	578	-
Additions	59	2
At 31 December 2017	637	2
<i>Accumulated amortisation</i>		
At 1 January 2016	198	-
Amortisation charge for the year	49	-
Disposals	(3)	-
At 31 December 2016 and 1 January 2017	244	-
Amortisation charge for the year	59	-
At 31 December 2017	303	-
<i>Net book value</i>		
At 1 January 2016	314	-
At 31 December 2016 and 1 January 2017	334	-
At 31 December 2017	334	2

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

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13 Deferred tax

Movements in total deferred tax assets and liability during the years were as follows:

	Consolidated financial statements (Charged) / credited to (Note 28)		
	As at 1 January 2017	Profit or loss	Other comprehensive income
		(in million Baht)	As at 31 December 2017
Deferred tax assets			
Real estate projects under development	3	1	4
Investment properties	29	(1)	28
Property, plant and equipment	23	-	23
Employee benefit obligations	52	10	65
Customers' deposits	2	(2)	-
Provision for litigation and claims	23	(9)	14
Exchange differences on translating foreign operations	14	-	(2)
Others	10	(8)	2
Total	156	(9)	148
Deferred tax liability			
Property, plant and equipment	(84)	(12)	(96)
Total	(84)	(12)	(96)
Net	72	(21)	52

	Consolidated financial statements (Charged) / credited to (Note 28)		
	As at 1 January 2016	Profit or loss	Other comprehensive income
		(in million Baht)	As at 31 December 2016
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
Exchange differences on translating foreign operations	9	-	5
Others	14	(4)	10
Total	163	(12)	156
Deferred tax liability			
Property, plant and equipment	(65)	(19)	(84)
Total	(65)	(19)	(84)
Net	98	(31)	72

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14 Interest-bearing liabilities

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Current		
Short-term loans from financial institutions		
Secured	1,160	-
Unsecured	1,640	1,898
Current portion of long-term debentures		
Unsecured	6,000	6,000
Total current interest-bearing liabilities	8,800	7,898
Non-current		
Long-term debentures		
Unsecured	15,500	12,000
Total non-current interest-bearing liabilities	15,500	12,000
Total	24,300	19,898

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Within one year	8,800	7,898
After one year but within five years	15,500	12,000
Total	24,300	19,898

As at 31 December 2017, unutilised credit facilities totaled Baht 23,892 million, US Dollars 4 million (Baht 131 million) and India Rupee 65 million (Baht 35 million) (2016: Baht 20,697 million, US Dollars 4 million (Baht 144 million) and India Rupee 65 million (Baht 36 million)) for the Group.

Credit facilities of the Group that used assets as collateral as at 31 December 2017 were as follows:

- (a) Loan lines from banks of Baht 1,197 million (2016: Baht 789 million) for the Group.
- (b) Bank overdraft lines of Baht 50 million (2016: Baht 50 million) for the Group.
- (c) Letter of guarantee lines of Baht 5,911 million, US Dollars 4 million (Baht 131 million) and India Rupee 65 million (Baht 35 million) (2016: Baht 5,911 million, US Dollars 4 million (Baht 144 million) and India Rupee 65 million (Baht 36 million)) for the Group.
- (d) Promissory note lines from bank of Baht 10,856 million (2016: Baht 9,792 million) for the Group.
- (f) Other credit facilities of Baht 605 million (2016: Baht 605 million) for the Group.

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Credit facilities were secured on the following assets at carrying value:

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Property, plant and equipment	1,267	1,344
Real estate projects under development (Land and properties)	3,305	4,301
Total	4,572	5,645

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.

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Debentures

As at 31 December 2017 and 2016, 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:

Type of debenture	Interest rate (% per annum)	Interest payment due	Term	Issuance date	Maturity date	Consolidated financial statements		
						Units (million units)	2017 (in million Baht)	2016 (in million Baht)
No. 1/2012*								
Set 2	4.60%	every 3 months	5 years	September 2012	September 2017	-	-	600
Set 4	4.60%	every 3 months	5 years	September 2012	September 2017	-	-	1,400
No. 1/2013**								
Set 2	4.09%	every 3 months	5 years	May 2013	May 2018	3.0	3,000	3,000
No. 1/2014*								
Set 1	3.88%	every 3 months	3 years	January 2014	January 2017	-	-	2,000
No. 2/2014***								
Set 1	3.71%	every 3 months	2 years 9 months	September 2014	June 2017	-	-	2,000
Set 2	3.90%	every 3 months	3 years 6 months	September 2014	March 2018	2.0	2,000	2,000
No. 1/2015***								
Set 1	2.68%	every 3 months	3 years 6 months	May 2015	November 2018	1.0	1,000	1,000
Set 2	3.23%	every 3 months	5 years	May 2015	May 2020	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	2,300
Set 2	2.08%	every 3 months	3 years 6 months	March 2016	September 2019	1.7	1,700	1,700
No. 1/2017****								
Set 1	2.63%	every 3 months	2 years 10 months	February 2017	November 2019	2.4	2,400	-
Set 2	2.85%	every 3 months	3 years 6 months	February 2017	July 2020	2.6	2,600	-
No. 2/2017****, *****								
Set 1	2.64%	every 6 months	3 years 5 months	June 2017	November 2020	2.5	2,500	-
No. 3/2017*****								
Set 1	2.27%	every 6 months	3 years 6 months	September 2017	March 2021	2.0	2,000	-
Total						21.5	21,500	18,000
Less current portion of long-term debentures						(6.0)	(6,000)	(6,000)
Unsubordinated and unsecured debentures - net of current portion						15.5	15,500	12,000

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- * 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 and during the second quarter of 2015, the Company issued debenture no. 1/2015 amounting to Baht 3,000 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 and during the first quarter of 2017, Pruksa Real Estate issued debenture no. 1/2017 amounting to Baht 5,000 million and during the second quarter of 2017, Pruksa Real Estate issued debenture no. 2/2017 amounting to Baht 1,000 million.

- ***** 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. During the second quarter of 2017, Pruksa Real Estate issued debenture no. 2/2017 amounting to Baht 1,500 million. During the third quarter of 2017, Pruksa Real Estate issued debenture no. 3/2017 amounting to Baht 2,000 million.

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Movements during the years ended 31 December of debentures were as follows:

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 January	18,000	20,000
Issued during the year	9,500	4,000
Matured during the year	(6,000)	(6,000)
At 31 December	21,500	18,000

15 Trade accounts payable

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Other parties	2,379	1,995
Total	2,379	1,995

16 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Accrued for real estate projects under development	789	744	-	-
Accrued for public utility	919	758	-	-
Accrued bonus	355	295	15	-
Retention payable	510	517	-	-
Accrued interest expense	73	53	-	-
Accrued withholding tax	57	60	1	-
Others	701	486	3	-
Total	3,404	2,913	19	-

17 Non-current provisions for employee benefit

Defined benefit plan

The Group operate a defined benefit 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.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

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Movement in the present value of the defined benefit obligations:

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 January	290	247
Included in profit or loss:		
Current service cost	68	37
Interest on obligation	10	8
	78	45
Included in other comprehensive income		
Actuarial loss	15	-
Other		
Benefit paid	(9)	(2)
At 31 December	374	290

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements	
	2017	2016
Discount rate (%)	1.41 - 4.15	3.6
Future salary growth		
Employees (%)	5, 6, 8 and 9	5 and 8
Retirement age (year old)	60	60

Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 December 2017, the weighted-average duration of the defined benefit obligation was 18 years (2016: 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	
	<i>(in million Baht)</i>	
	Increase	Decrease
31 December 2017		
Discount rate (1% movement)	(38)	44
Future salary growth (1% movement)	42	(36)
Future mortality (1% movement)	1	(1)

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	Consolidated financial statements (in million Baht)	
	Increase	Decrease
31 December 2016		
Discount rate (1% movement)	(27)	33
Future salary growth (1% movement)	37	(32)
Future mortality (1% movement)	-	-

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 (in Baht)	2017 Number Amount (million shares / million Baht)	2016 Number Amount
Authorised			
At 1 January/ 16 March			
- ordinary shares		2,273	2,273
Increase of new shares	1	-	2,273
Decrease shares	1	(47)	-
At 31 December			
ordinary shares	1	2,226	2,273
Issued and paid-up			
At 1 January/ 16 March			
- ordinary shares		2,186	-
Increase of new shares	1	1	2,186
At 31 December			
ordinary shares	1	2,187	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 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.

Reduction in authorised share capital

At the annual general meeting of the shareholders of the Company held on 27 April 2017, the shareholders approved the reduction in the Company's authorised share capital by Baht 46.84 from Baht 2,273.22 million to Baht 2,226.38 million by canceling 46.84 million ordinary shares which were issued to accommodate a tender offer of Pruksa Real Estate Public Company Limited. The Company registered the decrease in the authorised share capital with the Ministry of Commerce on 22 May 2017.

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For the year ended 31 December 2017

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.

During the years ended 31 December 2017 and 2016, holders of warrants exercised their option to purchase ordinary shares of the Company as follows:

	Exercise price per share (in Baht)	Separate financial statements	
		2017 (in million units)	2016
PS-WF	16.28	0.9	-
Total		0.9	-

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-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 2017	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.

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.

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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 2017	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.

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

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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.

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
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 2017	14,810,443 units (actual units granted)
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 (first year is 2016), 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.

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 17 February 2016, 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-WE, PS-WF and PS-WG Project warrants on the grant date.

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Movements during the years ended 31 December 2017 and 2016 in the units warrants were as follows:

Consolidated financial statements				
	PS-WE	PS-WF	PS-WG	Total
	<i>(in million units)</i>			
At 1 January 2016	3.1	4.8	-	7.9
Warrants exercised during the year	-	(1.6)	-	(1.6)
Cancellation of warrants of resigned employees	(0.1)	(0.2)	-	(0.3)
Cancellation of warrants during the period from restructuring	(3.0)	(3.0)	-	(6.0)
At 31 December 2016	-	-	-	-
At 1 January 2017	-	-	-	-
Transfer in warrants from restructuring*	3.0	3.0	15.0	21.0
Warrants exercised during the year	-	(0.9)	-	(0.9)
Cancellation of warrants of resigned employees	(0.2)	(0.3)	(2.3)	(2.8)
At 31 December 2017	2.8	1.8	12.7	17.3

Separate financial statements				
	PS-WE	PS-WF	PS-WG	Total
	<i>(in million units)</i>			
At 1 January 2017	-	-	-	-
Transfer in warrants from restructuring*	3.0	3.0	15.0	21.0
Warrants exercised during the year	-	(0.9)	-	(0.9)
Cancellation of warrants of resigned employees	(0.2)	(0.3)	(2.3)	(2.8)
At 31 December 2017	2.8	1.8	12.7	17.3

Movements during the years ended 31 December 2017 and 2016 in the fair value of warrants were as follows:

Consolidated financial statements				
	PS-WE	PS-WF	PS-WG	Total
	<i>(in million Baht)</i>			
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)
Cancellation of warrants during the period*	(6.9)	(14.5)	-	(21.4)
At 31 December 2016	-	-	-	-
At 1 January 2017	-	-	-	-
Transfer in warrants from restructuring*	6.9	14.5	-	21.4
Warrants granted during the year	-	25.5	-	25.5
Warrants exercised during the year	-	(15.0)	-	(15.0)
At 31 December 2017	6.9	25.0	-	31.9

The expense recognised in respect of share-based payment transactions for the year ended 31 December 2017 was Baht 25.5 million (2016: Baht 1.7 million) for the consolidated financial statements.

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	Separate financial statements			
	PS-WE	PS-WF	PS-WG	Total
	<i>(in million Baht)</i>			
At 1 January 2017	-	-	-	-
Transfer in warrants from restructuring*	6.9	14.5	-	21.4
Warrants granted during the period	-	25.5	-	25.5
Warrants exercised during the period	-	(15.0)	-	(15.0)
At 31 December 2017	6.9	25.0	-	31.9

- * 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-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.

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21 Segment information

Due to the Pruksa Real Estate's restructuring plan which was approved at the annual general meeting of the shareholders of Pruksa Real Estate held on 28 April 2016, the Pruksa Real Estate incorporated Pruksa Holding Public Company Limited (Pruksa Holding) which issue of ordinary shares due to the restructuring ended in 25 November 2016. In order to Pruksa Real Estate's business operation is effective and preparation to stable and sustainable growth. There are the segments' restructuring consisted in 5 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 1:	Baan Pruksa I, Baan Pruksa II, and The Connect
Segment 2	SBU Townhouse 2:	Pruksa Ville I, Pruksa Ville II, and PAT
Segment 3	SBU Single house:	Pruksa Town, Passorn I, Passorn II, Passorn III and Pruksa Village
Segment 4	SBU Condominium 1:	Condominium I and Condominium IV
Segment 5	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.

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Information about reportable segments:

	Segment 1		Segment 2		Segment 3		Segment 4		Segment 5		Total reportable segments		Others		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
External revenue	11,691	12,955	8,897	8,557	11,266	11,394	5,415	6,471	4,799	5,939	42,068	45,316	1,867	1,610	43,935	46,926
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	2,772	2,209	2,772	2,209
Other revenue	12	16	14	14	22	20	3	69	51	71	102	190	13	10	115	200
Total segment revenue	11,703	12,971	8,911	8,571	11,288	11,414	5,418	6,540	4,850	6,010	42,170	45,506	4,652	3,829	46,822	49,335
Segment profit (loss) before income tax	2,308	2,416	1,557	1,508	1,898	1,818	837	1,394	818	900	7,418	8,036	80	(52)	7,498	7,984
Segment assets as at 31 December	11,096	10,828	13,887	11,470	17,477	16,386	6,534	7,923	8,513	7,819	57,507	54,426	10,994	9,068	68,501	63,494

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Reconciliations of reportable segment revenues, profit or loss and assets

	2017 (in million Baht)	2016
Revenues		
Total revenue from reportable segments	42,170	45,506
Other revenue	4,652	3,829
	46,822	49,355
Elimination of inter-segment revenue	(2,772)	(2,209)
Other unallocated amounts	63	47
Consolidated revenue	44,113	47,173
Profit or loss		
Total profit before income tax for reportable segments	7,418	8,036
Other profit (loss)	80	(52)
	7,498	7,984
Elimination of inter-segment profits	(9)	(15)
Other unallocated amounts	(332)	(423)
Consolidated profit before income tax	7,157	7,546
Assets		
Total assets for reportable segments	57,507	54,426
Other assets	10,994	9,068
	68,501	63,494
Other unallocated amounts	3,740	2,850
Consolidated total assets	72,241	66,344

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.

Geographical information

	Revenues		Non-current assets	
	2017	2016	2017	2016
	(in million Baht)			
Thailand	44,100	47,026	6,002	4,622
India	13	147	10	15
Maldives	-	-	-	1
Total	44,113	47,173	6,012	4,638

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For the year ended 31 December 2017

22 Distribution costs

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Advertising expenses	1,431	1,257
Transfer expenses	1,758	1,757
Sales promotion	1,094	857
Public relation expenses	100	112
Total	4,383	3,983

23 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Employee benefit expenses	2,501	2,322	19	-
Professional fee	219	396	4	27
Rental fee	240	192	1	-
Depreciation and amortisation	117	115	-	-
Others	1,077	1,145	47	12
Total	4,154	4,170	71	39

24 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Salaries and wages	1,935	1,840	7	-
Contributions to provident fund	126	118	1	-
Others - bonus and welfare	1,251	1,266	5	-
Total	3,312	3,224	13	-

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.

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25 Operating leases

Leases as lessee

The Group leases a number of office and other leases under operating leases. The leases typically run for a period of 1 to 5 years.

i. Future minimum lease payments

At 31 December, the future minimum lease payments under non-cancellable leases were payable as follows.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Office building operating leases				
Within one year	158	7	4	-
After one year but within five years	290	-	8	-
Total	448	7	12	-
Other operating leases				
Within one year	88	52	-	-
After one year but within five years	40	17	-	-
Total	128	69	-	-

ii. Amount recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		<i>(in million Baht)</i>			
Lease expense	23	148	110	1	-

26 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirement of various TFRS were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Changes in land, land and houses for sale, and real estate projects under development		(3,578)	(306)	-	-
Raw materials and consumables used		20,612	20,143	-	-
Employee benefit expenses	24	3,312	3,224	13	-
Depreciation and amortisation	11, 12	467	454	63	-

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27 Finance costs

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Finance costs					
Related parties	4	-	-	1	-
Financial institutions and and institutional investors		761	789	-	-
Total		<u>761</u>	<u>789</u>	<u>-</u>	<u>-</u>
<i>Less</i> amounts included in the cost of qualifying assets:					
- real estate projects under development	7	(564)	(502)	-	-
Net		<u>197</u>	<u>287</u>	<u>1</u>	<u>-</u>

28 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements	
		2017	2016
		<i>(in million Baht)</i>	
Current tax expense			
Current year		1,555	1,448
Adjustment for prior years		6	(1)
		<u>1,561</u>	<u>1,447</u>
Deferred tax expense			
Movements in temporary differences	13	21	31
		<u>21</u>	<u>31</u>
Total		<u>1,582</u>	<u>1,478</u>

Income tax recognised in other comprehensive income

		Consolidated financial statements					
		2017 Tax (expense) benefit	Net of tax	2016 Tax (expense) benefit	Net of tax		
		<i>(in million Baht)</i>					
Foreign currency translation differences for foreign operations	9	(2)	7	(25)	5	(20)	
Losses on remeasurements of defined benefit plans	(15)	3	(12)	-	-	-	
Total		<u>(6)</u>	<u>(5)</u>	<u>(25)</u>	<u>5</u>	<u>(20)</u>	

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Reconciliation of effective tax rate

	Consolidated financial statements			
	2017	2016		
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before tax		7,157		7,547
Income tax using the Thai corporation tax rate	20	1,431	20	1,510
Effect of different tax rates in foreign jurisdictions		1		4
Income not subject to tax		(6)		(104)
Expenses not deductible for tax purposes		64		37
Eliminated income		92		38
Under (over) provided in prior years		6		(1)
Double tax deductible expenses		(6)		(6)
Total	22	1,582	19	1,478

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.

29 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 Group and its subsidiaries must comply with certain terms and conditions prescribed in the promotional certificates.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

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30 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2017 and 2016 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht / million shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	5,456.42	5,940.29	5,508.00	(39.11)
Number of ordinary shares at 1 January	2,185.86	2,231.07	2,185.86	-
Effect of shares issued :				
On 29 February 2016	-	1.38	-	-
On 28 February 2017	0.74	-	0.74	-
On 31 May 2017	0.03	-	0.03	-
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)	2,186.63	2,185.63	2,186.63	220.98
Earnings (loss) per share (basic) (in Baht)	2.50	2.72	2.52	(0.18)

Diluted earnings (loss) per share

The Company did not adjust the effect of exercise of share options in some project warrants to calculate diluted earnings per share for the years ended 31 December 2017, which is PS-WF project because the Company's warrant's exercise price per unit was higher than the average market price for the year.

31 Dividend

At the Board of Directors' meeting held on 12 May 2017, the Board approved the appropriation of interim dividend of Baht 0.80 per share, amounting to Baht 1,749.39 million. The dividend paid to shareholders on 9 June 2017.

At the Board of Directors' meeting held on 11 August 2017, the Board approved the appropriation of interim dividend of Baht 0.57 per share, amounting to Baht 1,246.47 million. The dividend paid to shareholders on 8 September 2017.

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Notes to the financial statements

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32 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.

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.

Carrying amount and 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.

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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:

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
		<i>(in million Baht)</i>			
31 December 2017					
Debentures	21,500	-	21,763	-	21,763
31 December 2016					
Debentures	18,000	-	18,224	-	18,224

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.

33 Commitments with non-related parties

	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
Land purchasing agreements	6,016	5,382
Development and construction agreements	351	1,062
Services and professional consulting agreements	69	116
Machinery purchasing agreements	-	8
Total	6,436	6,568

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2017

Others

As at 31 December 2017;

- (a) The Group had commitment for letters of guarantee issued by certain local banks totaling Baht 8,118 million (2016: Baht 7,090 million).
- (b) The subsidiaries had commitment with the banks as a guarantor of overdraft lines of Baht 115 million (2016: Baht 115 million), letters of guarantee lines of Baht 8,621 million (2016: Baht 9,003 million), promissory note lines of Baht 10,945 million (2016: Baht 9,700 million) and other credit facilities of Baht 770 million (2016: Baht 570 million) of the subsidiaries.

34 Contingent liability

At 31 December 2017, the Group have been sued by other companies and persons in cases of alleged violation of agreements, prosecution claims and other cases totaling Baht 304 million (2016: Baht 216 million). Presently, the cases are being considered by the court. However, the Group has set aside provision of Baht 71 million (2016: Baht 119 million) for liabilities that may arise as a result of these cases, based on the opinion of their management and legal department.

35 Events after the reporting period

At the Board of Directors' meeting held on 19 February 2018, the Board passed a resolution for the following topic;

- (a) Approval of dividend payment for 2017 at the rate of Baht 2.09 per share, of which Baht 1.37 per share was paid as an interim dividend. Therefore, the remaining dividend to be paid for the year 2017 is Baht 0.72 per share. In order that those topics depend on the resolution of Annual General Meeting of the Shareholders of the Company on 27 April 2018.
- (b) Approval of the issue of a financial debt instrument as appropriate within the credit line of Baht 20,000 million with a contractual maturity within 7 years by allotment to investors in accordance with the rules announced by the Thai Securities and Exchange Commission.



PRUKSA

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PRUKSA



Sustainability Report

2017

PrukSA Holding Public Company Limited

Corporate Social Responsibility Policy

GRI 102-14, GRI 415-1



Pruksa Holding Public Company Limited and its subsidiaries operate business with an aim to achieve sustainable growth, creating satisfaction to all groups of stakeholders, together with responsibility to society, focusing on support to education and youth development, society and the environment, and religion, arts and culture. With awareness of the importance of responsibility to society and the environment, the Company has corporate social responsibility (CSR) and anti-corruption policies, with eight principles being established, namely;

- Fair business operations
- Anti-corruption practices
- Respect for human rights
- Fair treatment of labor
- Responsibility to consumers
- Caring for the environment
- Cooperation on community or social development
- Innovation creation and dissemination of innovations which are acquired from business operations with responsibility to society, the environment and stakeholders.

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the Board of Directors and
Group Chief Executive Officer

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

Mr. Thongma Vijitpongpun

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

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

GRI 102-14, GRI 102-23, GRI 102-32, GRI 201-1, GRI 203-1, GRI 203-2

2017 is the first year that Pruksa Holding Public Company Limited fully operated its business with an aim to achieve steady growth and create satisfaction to all groups of stakeholders together with responsibility to society. The Company adopted the Philosophy of the Sustainable Economy of His Majesty King Bhumibol Adulyadej in its operations and work process based on honesty, nobility, good governance, creativity, and good quality of products and services for all customers. At the same time, the Company also took balance between its goals of business and responsibilities to society and the environment so that it can be a supportive member of the society and thus actually achieve a sustainable growth.

On the economic aspect, the Company's income still mainly derives from real estate group of business under the management of Pruksa Real Estate. The Company has expanded into a new group of customers – the premium customers - which have high purchasing power and growth even in the slow economic condition. During the past year, the Company has received a very good response from this group of customers. Moreover, the Company has also distributed its investment in and looked for new business opportunities in addition to the residential real estate business in a bid to create recurring income. Foreseeing that healthcare related business is a large market, the Company has started to invest in hospitals and health centers.

GRI 102-15

On social and environmental aspects, one of our important policies is to operate our business with an awareness on social responsibilities and an aim for a sustainable growth under the corporate governance principle. Last year, Pruksa Holding has become a member of the Collective Action Against Corruption or CAC. The Company also received two awards from the Securities Exchange of Thailand, namely the SET Sustainability Awards 2017 (Rising Star) which Award given to companies with market cap between baht 30,000 to 100,000 million baht and the Thailand Sustainability Investment (THSI) which we have received for the second consecutive year. The awards are the proof that the Company is well accepted for its outstanding sustainable development and growth, the transparency of information disclosure on the economic, social, and environmental aspects, as well as the creation of “shared value between business and society” on a continual basis.

“Pruksa Holding aims to be a top Thai diversified property company that delivers end-to-end modern urban lifestyles to customers.” This is the vision that will drive the Company towards sustainable growth while repaying to the society based on ethics and corporate governance.

Pride of Prukha Holding

GRI 102-12

Set Sustainability Awards 2017 (Rising Star)

From the Stock Exchange of Thailand



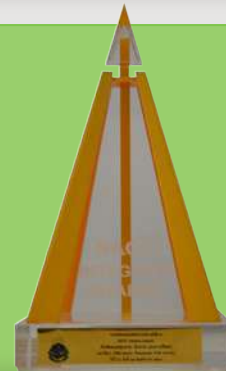
Thailand Sustainability Investment (THSI) 2017 for the second consecutive year

From the Stock Exchange of Thailand



NACC Integrity Awards 2017 (Recognition)

From the National Anti-Corruption Commission



Sustainability Report Award 2017 (Recognition) for the second consecutive year

by CSR Club, Thai Listed Companies Association,
Securities and Exchange Commission,
and Thaipat Institute





Certificate of Honored a philanthropic organization of the Ministry of Education

From the Ministry of Education



Certificate of Honour for Social Support 2017 for the employment of people with disabilities

From Thai Health Promotion Foundation
and The Ministry of Labour



A membership certificate of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

From The CAC Council

GRI 102-12



Listed in the ESG100 Company 2017 for the second consecutive year

By Thaipat Institute

**Corporate Governance of
Thai Listed Companies 2017
attaining 'Excellent' levels of recognition**

From Thai Institute of Directors Association



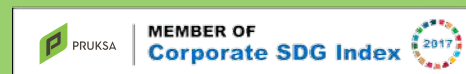
**Received 100 full scores in the quality assessment of
the annual general shareholder meeting (AGM)**

From Thai Investors Association

**Certified as a member of Corporate
SDG Index of the Thaipat Institute**

by Thaipat Institute

GRI 102-12



**The Quality Persons of the Year Award
on Property Development was given
to Mr. Piya Prayong, CEO - Pruksha Real Estate,
an idol for adopting new innovation and
technology in the business**

from the Foundation of Science and
Technology Council of Thailand.





Plaque of Honour for 'Social Support'

was given to Mr. Prasert Taedullayasatit, CEO - Pruksa Real Estate Premium by INTV Award 2017 for being a successful businessman in both public and private sectors who provides support to the society and economy.

By INTV Award 2017



Asia's Most Promising Brands 2017

From World Consulting & Research Corporation, a world-class brand management consultant



International Star for Quality Award 2017 (Platinum)

From Business Initiative Directions (B.I.D)



BCI Asia Top 10 Developers Awards 2017 for the seven consecutive year for Urbano Rajavithi, Chapter One Eco, and Plum Condo Ramkhamhaeng Station.

From BCI Media Group

The Excellent Real Estate Developer Awards 2017

for The Privacy Ladprao-Sena,
and Baan Prukha Puchao-Samrong

From the Agency for Real Estate Affairs



Best Energy Conservation Award for Housing Projects 2017 (Townhouse Prototype Category)

for The Connect

From the Department of
Alternative Energy Development and Efficiency,
Ministry of Energy



Smart Green Energy Award 2017 for Prukha Precast Factory, Navanakorn

From The Office of Industrial Economics,
Ministry of Industry



Pilot Organization on Safety Award (Provincial Level) (second consecutive year) for Prukha Precast Factory, Navanakorn

From The Office of Labour Protection
and Welfare, Pathum Thani Province





Certificate of Green Building (Platinum Level) for Prukha Plus House in The Plant Estique, Phatthanakan

From
German Sustainable Building Council (DGNB)



Certificate of Green Industry - Level 3 (Green System) for Prukha Precast Factory, Navanakorn and Prukha Precast Factory, Lam Lukka

From The Ministry of Industry
GRI 102-12



Certificate of the Carbon Footprint for Organization (CFO) 2017 for Prukha Precast Factory, Navanakorn and Prukha Precast Factory, Lam Lukka

From Thailand Greenhouse Gas Management
(Public Organization) - TGO
GRI 102-12



Innovation Management System CEN/TS 16555-1

From Management System
Certification Institute (Thailand)

About this Sustainability Report

GRI 102-46, GRI 102-49, GRI 102-50, GRI 102-52, GRI 102-56



Pruksa Holding's Sustainability Report is produced on a yearly basis, and this year is a second consecutive year. The contents cover all the operation on economic, social, and environmental aspects taken place during January 1 to December 31, 2017. The information disclosed in this report is trusted by Thaipat Institute which is an external agency. For disseminating this report, it is published in the form of a Sustainability Report 2017 (Highlights) with QR Code and distributed to shareholders together with the Annual Report. The report is also available in electronic format on the website: www.psh.co.th in order that all stakeholders and interested parties can acknowledge and access to this issue and the previous issues of the sustainable development report as a source about the Company's sustainable development from past to present.

Report Guidelines

GRI 102-12, GRI 102-46, GRI 102-54

This report is produced in accordance with the Global Reporting Initiative (GRI) Standards with the Core option, which requires to disclose at least one indicator for the material aspects of the business.

Moreover, the report is also linked to the performance which responses to the United Nation's Sustainable Development Goals 2030 (SDGs) as a proof of the organization's roles which are aligned with the international sustainable development goals.

Boundaries of Report

GRI 102-4, GRI 102-31, GRI 102-46, GRI 103-1, GRI 103-3

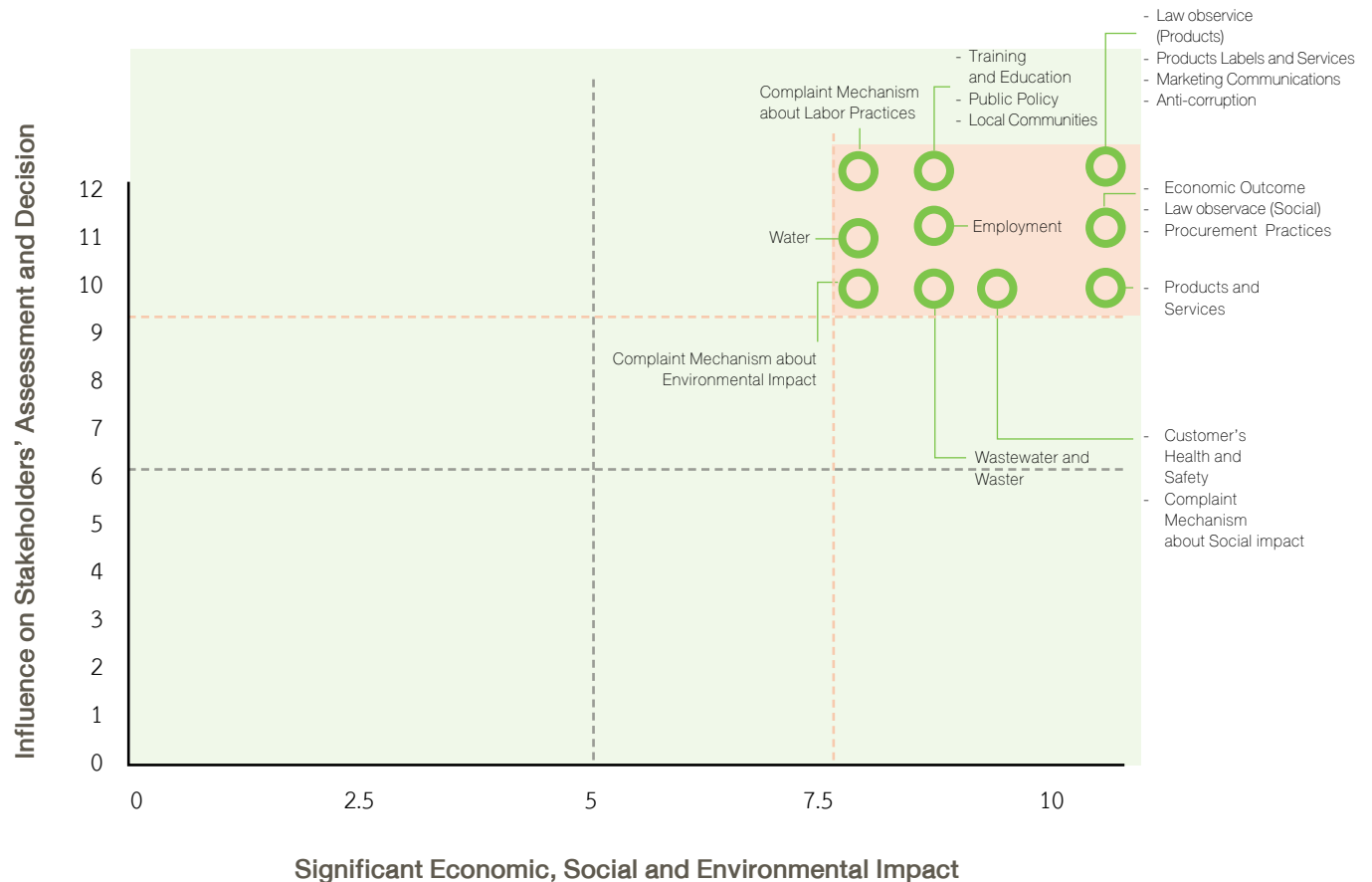
Prukso Holding Public Company Limited and its subsidiaries framed the content and framework of the report on the economic, environmental, and social sustainability which are significant to and have impact on the Company's operation. The report covers its operation on the property development in Thailand including townhouse, detached house, condominium, Prukso Precast Factory, and supporting business units from two viewpoints namely, the influence on stakeholders' assessment and decision, and major impacts on the economics, the society, and the environment in respect of levels of significance and impacts to each group of "stakeholders".

Key issues of Prukso's sustainable development include 18 topics (page 14-16), all of which are activities in the supply chain process where the company pays attention to stakeholders. There are also analysis and assessment in line with business strategies and continual sustainable development.



Materiality Sustainability Aspects of Pruksa Holding PCL. and Its Subsidiaries

GRI 102-44, GRI 102-47, GRI 103-1, GRI 103-3



The Company has arranged workshops for all units to collect the participation information from all stakeholders such as employees, shareholders, customers, and trading partners in order to identify the material aspects. The information was prioritized and analyzed into 18 material aspects which have high influence on the assessment and decision of stakeholders, and significant economic, social and environmental impacts.

GRI 102-31

Material Sustainability Aspects of Pruksa <i>GRI 102-34, GRI 102-44, GRI 102-47</i>	Boundary of Significance for Pruksa <i>GRI 103-1</i>	Topics Presented in the Report <i>GRI 102-44</i>	Page
Economic			
1. Economic Outcome	staff/ executives, clients, partners, contract partners, creditors, shareholders	<ul style="list-style-type: none"> • economic operation • administration and management of supply chain process 	23-25 34-39
2. Procurement Practices	staff/ executives, partners, contract partners, creditors	<ul style="list-style-type: none"> • procurement administration 	40-51
3. Products and services	staff/ executives, clients	<ul style="list-style-type: none"> • accountability for products and service 	127-138
Environmental			
4. Water	community and society	<ul style="list-style-type: none"> • Water Management 	69
5. Wastewater and waste	clients, community and society	<ul style="list-style-type: none"> • wastewater treatment • elimination of waste from production • wastewater solution in Klong Sam, Pathum thani 	69 70 124
6. Complaint mechanism about environmental impact	customers and community	<ul style="list-style-type: none"> • practice and response to stakeholders (topic "communication and channel") • administration and management of complaints about social and environmental impacts • approach to deal with impacts on community, society and environment 	29, 31 122 123
Social			
7. Employment	staff/ executives	<ul style="list-style-type: none"> • administration and management of valuable workforce 	73
8. Training and education	staff/ executives	<ul style="list-style-type: none"> • staff performance improvement and career advancement support 	95-106
9. Mechanism complaint about labor Practices	staff	<ul style="list-style-type: none"> • practice and response to stakeholders (topic "communication and channel") • channels for complaints and clues 	29 61
10. Local community	community and society	<ul style="list-style-type: none"> • practice and response to stakeholders (community) • projects to encourage Community-friendly businesses 	30-31 118
11. Anti-Corruption	staff/ executives, clients, partners, contract partners, creditors	<ul style="list-style-type: none"> • policies and measures to anti-corruption 	55-61
12. Public policy	staff/ executives, clients, partners, contract partners, community and society, shareholders, competitors	<ul style="list-style-type: none"> • Corporate social Responsibility Policy 	2

Material Sustainability Aspects of Prukسا <i>GRI 102-34, GRI 102-44, GRI 102-47</i>	Boundary of Significance for Prukسا <i>GRI 103-1</i>	Topics Presented in the Report <i>GRI 102-44</i>	Page
13. Law observance (social)	staff/ executives, clients, partners, contract partners, creditors, community and society, shareholders, competitors	<ul style="list-style-type: none"> business administration business ethics policies and measures to anti-corruption accounting policies on company's income tax administration and management of supply chain process environmental operation in 2017 (EIA) administration and management of valuable workforce respect for human rights benefit management and welfare Occupational Health , Safety and workplace environmental 	52-54 55 55-61 23-25 34-39 64 73 106 74-78 82-94
14. Complaints Mechanism about social system	clients, community and society	<ul style="list-style-type: none"> practice and response to stakeholders (topic "communication and channel") administration and management of complaints about social and environmental impacts approach to dealing with impacts on community, society and environment in 2017 	29, 31 122 123
15. Customer's Health and safety	clients	<ul style="list-style-type: none"> administration and management of supply chain process accountability for products and services 	34-39 127-138
16. Product labels and services	clients	<ul style="list-style-type: none"> accountability for products and services 	127-138
17. Marketing communications	clients	<ul style="list-style-type: none"> practice and response to stakeholders (topic "communication and channel") 	29
18. Law observance (products)	clients, partners, contract partners, community and society	<ul style="list-style-type: none"> administration and management of supply chain process sustainable practice of contract partners accountability for products and services environmental operation in 2017 (EIA) 	34-39 49-50 127-138 64

Remark : Concerning sustainability issues which were reported in 2017, there were no differences compared with earlier data.

Contact information in case of further inquiries regarding this report

GRI 102-43, GRI 102-53



CSR Department, Prukسا Holding PCL.
Tel. 0 2080 1739 E-mail : csr@pruksa.com

About Pruksa Holding

GRI 102-12, GRI 102-16



Evolved from property development business under the brand of Pruksa Real Estate Company Limited, Pruksa Holding Public Company Limited was established in 2016 to perform a sustainable business with the following objectives and strategies:

- Grow core residential real estate business by expanding to new income segments.
- Build new businesses to provide stable recurring income.
- Build synergized businesses related to real estate to strengthen brand and customer satisfaction.
- Establish a 'second home' for residential real estate business internationally.
- Develop a sustainable and professional organization.

In a bid to achieve a sustainable growth, the Company also embraces the Sustainable Development, in response to the Sustainable Development Goals or SDGs, as its social awareness strategy. The Company employs its expertise to create economic value and sustainability to the organization, the society, and the environment. For example, it has developed the Pruksa Precast and Pruksa REM (Real Estate Manufacturing) technologies for high quality housing construction process that not only reduce the environmental impact but also better the administrative process life-cycle.

Vision

Pruksa Holding 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 fulfill their dreams by delivering a happy and modern lifestyle for the entire family.

Core Value



Customer Focus

Find out and understand to meet the needs of all customer groups with valuable home and impressive service.



Discipline

Has discipline in the work. To be completed in time as planned.



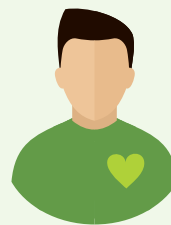
Creative Innovation

Innovate to create superior products and services, and impress customers.



Collaboration

Team work together to create a team. Customer Impressions



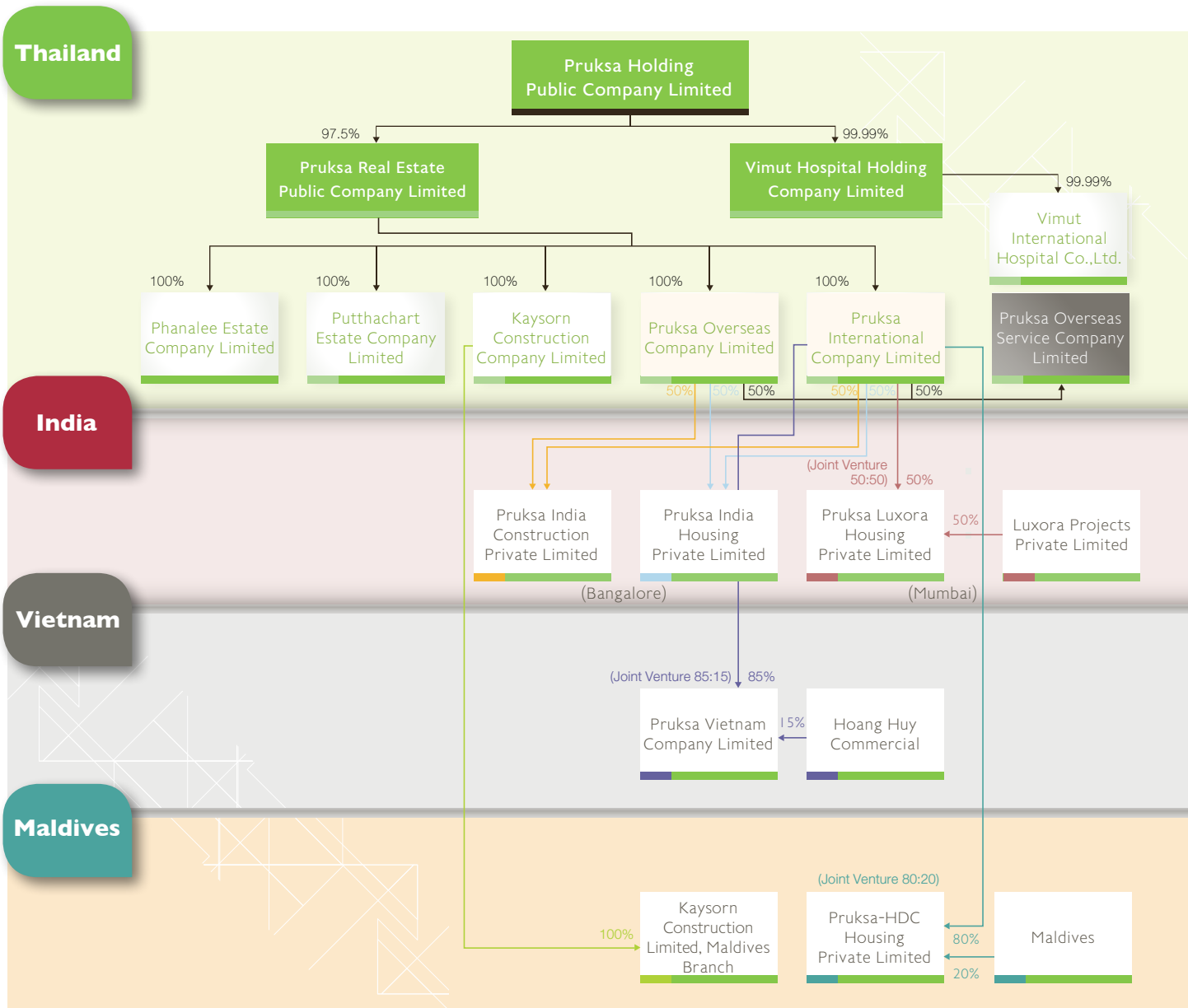
Ethics

GRI 102-17

We think, we say, we do it for the benefit of customers is fair, transparent and beneficial to all parties involved.

Shareholder Structure of Pruksa Holding PCL and Its Subsidiaries

GRI 102-1, GRI 102-2, GRI 102-5, GRI 102-6, GRI 102-7, GRI 102-45



Company Name	Address	Type of Business GRI 102-6
Pruksa Holding Public Company Limited GRI 102-1, GRI 102-5	Pearl Bangkok Tower, 24 th Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 GRI 102-3, GRI 102-4	Real estate development for sale
Vimut Hospital Holding Company Limited	Pearl Bangkok Tower, 14 th Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Hospital
Subsidiaries GRI 102-45		
Vimut International Hospital Company Limited	Pearl Bangkok Tower, 14 th Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Hospital
Pruksa Real Estate Public Company Limited	Pearl Bangkok Tower, 23 rd Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate development
Subsidiaries GRI 102-45		
1. Kaysorn Construction Company Limited	Pearl Bangkok Tower, 21 st Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Construction contractor and housing decoration
2. Putthachart Estate Company Limited	Pearl Bangkok Tower, 21 st Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate development
3. Phanalee Estate Company Limited	Pearl Bangkok Tower, 20 th Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate development
4. Pruksa Overseas Company Limited	Pearl Bangkok Tower, 23 rd Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Investment

Company Name	Address	Type of Business GRI 102-6
5. Pruksa International Company Limited	Pearl Bangkok Tower, 23 rd Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Investment
6. Pruksa Overseas Service Company Limited	Pearl Bangkok Tower, 23 rd Floor, 1177 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Regional operating headquarters (ROHs) support and service for the industries under the group or the Company's branches inside and outside Thailand.
7. Pruksa India Housing Private Limited	Gokul Point, No. 61/1, Near Gokul Tower, Dr. M.S. Ramaiah Road, Gokula, Bangalore-560 054 Karnataka, Republic of India	Real estate development in India
8. Pruksa India Construction Private Limited	Gokul Point, No. 61/1, Near Gokul Tower, Dr. M.S. Ramaiah Road, Gokula, Bangalore-560 054 Karnataka, Republic of India	Construction contractor in India
9. Kaysorn Construction Limited, Maldives Branch	2 nd Floor, HDC Building, Hulhumale, Republic of Maldives	Construction contractor and housing decoration in Maldives
Joint Ventures Partner		
1. Pruksa-HDC Housing Private Limited	2 nd Floor, HDC Building, Hulhumale, Republic of Maldives	Real estate development in Maldives
2. Pruksa - Luxora Housing Private Limited	Soham House, Hari Om Nagar, Off. Eastern Express Highway, Mulund (East), Mumbai - 400081, Maharashtra, Replublic of India	Real estate development in India
3. Pruksa Vietnam Co., Ltd.	Unit A, 8 th Floor, No. 116 Nguyen Duc Canh, Cat Dai Ward, Le Chan District, Hai Phong, Vietnam	Real estate development in Vietnam



ECONOMIC



8



DECENT WORK AND
ECONOMIC GROWTH

10



REDUCED
INEQUALITIES

12



RESPONSIBLE
CONSUMPTION
AND PRODUCTION

16



PEACE, JUSTICE
AND STRONG
INSTITUTIONS

17

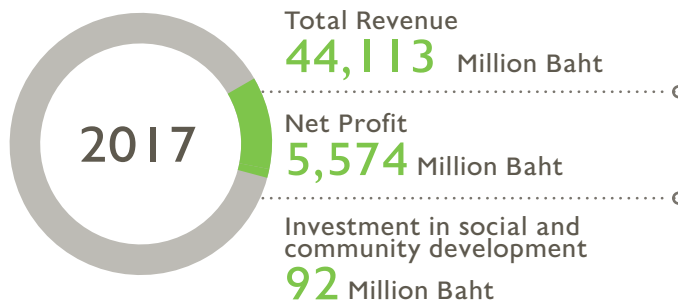


PARTNERSHIPS
FOR THE GOALS

Economic Operations

GRI 102-7, GRI 102-10, GRI 102-48, GRI 103-2


Pruksa Holding Public Company Limited (the Company) was established as a public company limited on March 16, 2016. The Company had successfully listed its common stocks on the Stock Exchange of Thailand in replacement of the common stocks of Pruksa Real Estate Company Limited on December 1, 2016. The Company's major activity is to invest in the subsidiaries. Hence, the Company main income stream is dividend income generated from subsidiaries or profit sharing from the future potential joint venture partner.



Key Financial Information <i>GRI 101-1</i>	2016 Unit: Million Baht	2017 Unit: Million Baht
Total Asset	66,344	72,244
Total Revenue	47,173	44,113
Total Expense	39,625	36,956
Profit for the year	6,069	5,574
EBITDA	7,949	7,471
Employee Benefit	3,224	3,312
Dividends paid to shareholders	4,130	2,996
Tax paid to government and local government departments	3,235	3,320
Investment in social and community development <i>GRI 203-1</i>	89	92

Note: Expense related to the government are comprised of corporate income tax Baht 1,561 million, specific business tax Baht 1,458 million and transfer fee Baht 301 million, total to Baht 3,320 million

Source: 2017 consolidated Financial statement and 2017 annual report of the Company



For the overview of the annual performance of the year 2017, the real estate sector has generated Baht 43,935 million of revenue, decreasing Baht 2,991 million or 6.4% from the prior year generally resulting from Baht 1,781 million or 12.9% decreasing in the revenue from condominium product due to undue ownership transfer, Baht 834 million or 3.5% decreasing from townhouse product, Baht 253 million or 2.7% slight decreasing in single detach house product and Baht 116 million or 89.8% decreasing in international real estate development business according to 100% of ownership transfer in 2017 and the Company has no international development project in the pipeline.

Net profit for the year 2017 of the Company is Baht 5,574 million or 12.6% of the total revenue, attributed to owners of the Company by Baht 5,456 million and non-controlling interests by Baht 118 million.

Income Tax Accounting Policy

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

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

Deferred tax is recognized 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 recognized 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

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 and must reflect the tax consequences that would follow the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Determining the amount of current and deferred tax

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company adequately set up its accruals for tax liabilities 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 company 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 realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Company has lawfully paid corporate income tax and other taxes related to internal and external requirements of the Revenue Department.

Risk and Crisis Management

GRI 102-15, GRI 102-29, GRI 102-30, GRI 103-2

Amidst the global economic fluctuation together with complicated and acute risk factors, Prukha Holding PCL is aware of the significance of risk management to achieve the business goal and create added value to the organization, shareholders, society, community and stakeholders. The Company links the risk assessment to the strategic planning by taking into account the uncertainty of both internal and external factors that may affect the business operation and the organization's goal to look for the business opportunity and help the Company achieve the business goal with sustainable growth.

GRI 102-12

The Company continually develops the risk management system in line with the international standard guidelines of COSO and ERM Framework. Each year, the risk affecting the business goal is analyzed to make a list of the organizational risk integrated with the risk management plan, and the Business Continuity Management System (BCMS) is developed to cope with the disruption risk of important process and the event having little chance to occur but with high severity in reference to the international standard ISO 22301:2012 (Business Continuity Management). The risk management plan will be transmitted within the organization for consistent practice throughout the organization. The risk management is also monitored and reported to the Organizational Risk Management Committee, Audit Committee, and the Company's Board of Directors to review and give advice for the unceasing improvement of risk management effectiveness that will respond promptly to the risk in all sides of business.

The Organizational Risk Management Committee consists of the experts who are the independent directors and chief executives. Dr. Prasarn Trairatvorakul, Independent Director, is the Chairman of the Committee having the duty to support and monitor the risk management, and supervise the operation. The Risk Management Committee is under the supervision of the Company's Board of Directors.



The organizational risk management covers the risk of 4 categories as follows:



In responding to the emergency, the Company appoints a BCM coordinator to work as a medium for important information transmission, for example, what the employees must do, key telephone number, reserved working place, and significant alteration in each year. In addition, there is the risk portal to be used as the channel to communicate the knowledge on risk management, emergency/ crisis management, and business continuity management, as well as internal and external movement to enable the employees to search for additional knowledge.

Moreover, the Company is aware that it is important to develop the business continuity management to link with the value chain in all business units, and lay out the management system in line with the international standard to prepare for the situation that may occur and cause the business disruption. Consequently, in 2017, the Company's Board of Directors adopted a resolution to make the business continuity plan to support the following events.

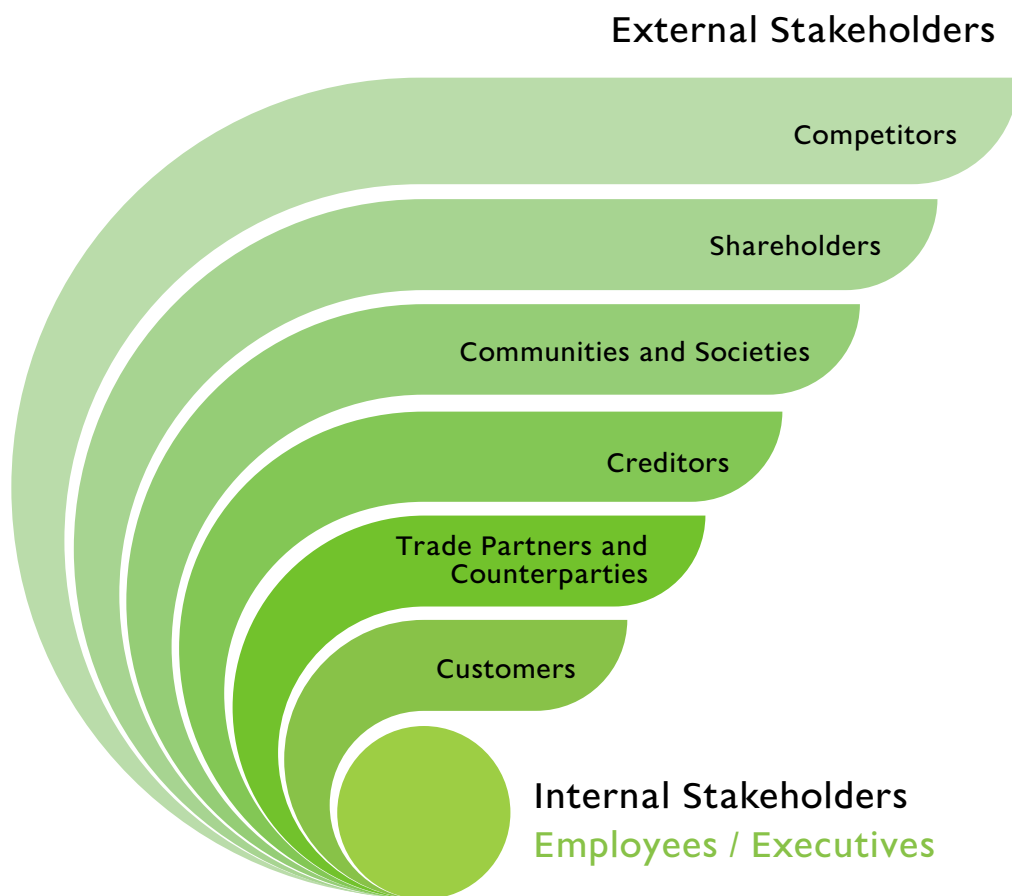
1. At the head office, the operational practice is conducted in accordance with the emergency response plan and business continuity management, including the practice of evacuating the executives with critical process, and the practice of IT disaster recovery plan to start using Non-SAP.
2. At the precast concrete factory, the operational practice is conducted in accordance with the emergency response plan.
3. There are 4 projects under the development that the operational practice is conducted in accordance with the emergency response plan to serve as a prototype of the practice.

And the aim of developing and improving the business continuity management system is to apply for the international standard certification ISO 22301:2012 for the precast concrete factory in order to build up the confidence of all stakeholders.

Stakeholders Engagement

GRI 102-40, GRI 102-42, GRI 103-3

The Company respects the rights of various groups of stakeholders and thus the Company's ethics were stipulated to ensure that the rights of all stakeholders according to related laws, be they shareholders, employees, executives, customers, competitors, trade partners and counterparties, creditors, as well as communities and societies, and the environment are protected. In addition, the cooperation among all groups of stakeholders are promoted in compliance with their roles and responsibilities taking into account the positive and negative impacts, directly and indirectly, so that the needs and expectations of all stakeholders are responded. Finally, the Company's business will be smooth, stable, and yield fair benefits to all parties.



Stakeholders

GRI 102-42

Guidelines on Stakeholder Treatment

GRI 102-43

Employees/ Executives	<ul style="list-style-type: none">(1) The Company will select to hire a person suitable for the job equitably, taking into account required qualifications, educational degrees, experience, and other related criteria with no prejudice on genders, ages, nationalities, or religions.(2) The Company has a compensation policy consistent its short-term and long-term performance as reflected in the Company's annual profitability and Balanced Scorecard.(3) Employee welfares include provident funds, welfare for housing purchase, social security fund, fitness & sport club, compensation fund in case of work-related illnesses/ accidents, visiting gift in case of inpatient care, financial aid in case of natural disaster, financial aid for funeral wreaths.(4) The Company takes responsibility in maintaining a working environment that is safe for the lives and properties of the employees and strictly adheres to labor laws.(5) The Company maintains a policy to develop its employees' capacity and has development guidelines for employees to efficiently do their jobs and to prepare themselves for career growth.(6) The Company relies on the principle of human rights in its employment process, adhering to the ethical principle in its selection and hiring of human resource and refraining from discrimination against nationalities, religions, skin colors, or genders. It, instead, focuses on appropriateness and responsibilities of the job for each candidate. The Company also abstains from engaging in child labor or forced labor.
Customers	<ul style="list-style-type: none">(1) Deliver quality products and services that meet respective standards under equitable commercial conditions, resolve to continuously and vigorously uplift its standards, and disclose information regarding its products and services in a complete, accurate, and honest manner.(2) Provide to customers sufficient and accurate information of the Company's products and services in a timely manner to ensure that the customers have sufficient information for their decision making and refrain from giving exaggerated information in advertisement or other communication channels, which may result in misunderstanding about quality, quantity, or other conditions of the products and services.(3) Promptly respond to customers' need and arrange to have a system and communication channels through which customers can effectively give suggestions on or complain about the quality of the Company's products and services.(4) Maintain confidentiality of customers' information. Refrain from using customers' information for unlawful uses. Refrain from disclosing customer's information to external parties except in the case required by laws.

Responses to Stakeholder's Expectation

GRI 102-21

Communication and Channel

GRI 102-33, GRI 102-43

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| <p>(1) Financial support in the forms of gift for wedding ceremony, scholarship for descendants, visiting gift in case of inpatient care, financial aid in case of natural disaster or death, and financial aid for funeral wreaths for employee's immediate family members.</p> <p>(2) Healthcare and life insurances e.g. annual physical checkups, group life insurance, and group accident insurance. Employees in the same level (categorized by band) is entitled to equal benefits without discrimination on genders, races, ages, and religions. Employee's spouse and descendants are also entitled to these benefits.</p> <p>(3) Financial aid for house purchasing, and special discount for purchasing the Company's single detached house, townhouse, or condominium.</p> <p>(4) Funds including provident fund which is a kind of savings and guarantee for employees and their families. Employees can choose their contribution rate depends on duration of work, and the Company's contribution is between 5 and 10 percent. Other funds are social security fund, compensation fund in case of disease or injury resulting from employment.</p> <p>(5) Other benefits such as commission, scholarship for descendants, fitness & sport club, telephone bills, uniform (blazer), monetary reward to employees with 10th and 20th year of work, annual leave, military leave, maternity leave, movie ticket or gift voucher for birthday, etc.</p> | <p>(1) Pruksa Newspaper: sent to employees everyday</p> <p>(2) Digital Signage: for intra-office communication (total 14 spots in front of elevators)</p> <p>(3) Line ID:</p> <ul style="list-style-type: none"> • @Pruksa Engagement for intra-office communication and news • @pruksacg: for petition of intra-office corruption <p>(4) E-mail: cg@pruksa.com</p> <p>(5) Meeting/ gathering for executives and employees such as New Year's Party</p> |
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| <p>(1) Summarize a customer satisfaction survey and present to the executives and relevant parties and use the information for analysis and improvement of customer satisfaction.</p> <p>(2) Arrange activities that enhance relationship between the Company and customers such as Pruksa Caring, project that aims to promote healthiness for customers, Pruksa Scholarship for primary and secondary students as an education promotion for the youth.</p> <p>(3) Constantly undertake product research and development in order that housing products delivered to customers response to their needs.</p> <p>(4) Evaluate customers' satisfaction in every touch point; from initial contact for project information all the way to services following the transfer of property management obligations to the juristic person.</p> | <p>(1) Telephone: Pruksa Contact Center 1739</p> <p>(2) Website: www.pruksa.com</p> <p>(3) Pruksa Live Chat at www.pruksa.com
GRI 102-41</p> <p>(4) Facebook: Pruksa Family Club</p> <p>(5) Letter: PSH Group CEO or Chairman of Audit Committee</p> |
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Stakeholders

GRI 102-42

Guidelines on Stakeholder Treatment

GRI 102-43

Partners,
Contact partners

- (1) The Company welcomes trade partners/ vendors/ supplier/ leasers to propose bids, sales prices of materials or design jobs in a transparent, fair, open, and equitable manner.
- (2) The Company is determined to develop and maintain sustainable relationship with its trade partners and counterparties in aspects of quality and economics of products and services, technical quality, and trustworthiness between each other.
- (3) All executives and employees are prohibited to receiving benefits, directly or indirectly, from trade partners and counterparties.
- (4) Notices are sent to brokers, trade partners, counterparties, and financial institutions informing them that the Company refrains from receiving gifts and presents, and that the Company has no policy in accepting any kinds of supporting budget from financial institutions.
- (5) Refrain from procuring from trade partners that are related to oneself, such as family member and relatives, or from the suppliers that are owned or partnered by oneself.
- (6) Refrain from using information obtained through procurement process to gain personal benefits for oneself or others.

Creditors

- (1) The Company sets up a clear policy and guidelines related to credits, especially guarantee conditions, capital management, and incidence of default, for both trade creditors and financial institutions to prevent default and ensure strict covenant/ condition compliance.
- (2) In repayment of debts, loads, interests, as well as guarantee or warrant responsibility, the Company strictly adheres to agreements or conditions.
- (3) Should events that may significantly affect the Company's financial status or its ability to repay the debts occur, the Company will manage its capital and inform lenders to collaboratively find preventions or solutions to best prevent possible damage.

Communities
and Societies

- The Company undertakes community and society activities on a continual basis. It specifies social responsibility policy to be a framework to which directors, executives, and employees adhere to throughout the organization, including 8 principles as follows:
- Fair business operation
 - Anti-corruption
 - Respect human rights
 - Fair labor treatment
 - Consumer responsibility
 - Environmental awareness
 - Community and society development
 - Innovation and innovation sharing resulting from operation with social, environmental, and stakeholders responsibility.

Responses to Stakeholder's Expectation

GRI 102-21

Communication and Channel

GRI 102-33, GRI 102-43

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| <ul style="list-style-type: none"> (1) Compete based on equitable information. (2) Have clear rules regarding evaluation and selection of trade partners and counterparties. (3) Use appropriate forms of contract. (4) Put in place management and tracking system to ensure compliance with conditions set in the contracts and to prevent against frauds and misconducts in every step of procurement process. (5) Make payment to trade partners and counterparties on the time and in conditions agreed between the two parties (6) Organize Supplier CG's Day to persuade them to join as alliances of anti-corruption and adhere good governance, ethics, and anti-corruption principles. | <ul style="list-style-type: none"> (1) Telephone: Pruksa Contact Center 1739 (2) Website: www.pruksa.com/whistleblowing-disclosure (3) E-mail: cg@pruksa.com (4) Line ID: @pruksacg (5) Letter: PSH Group CEO or Chairman of Audit Committee |
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GRI 203-2, GRI 407-1

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| <ul style="list-style-type: none"> (1) Repay its debt on time according to the prescribed conditions to prevent default. (2) Strictly comply with creditors' conditions and covenants. | <ul style="list-style-type: none"> (1) Telephone: Pruksa Contact Center 1739 (2) Website: www.pruksa.com (3) Facebook: Pruksa Family Club (4) Line ID: @pruksacg (5) Email: cg@pruksa.com (6) Letter: PSH Group CEO or Chairman of Audit Committee |
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GRI 203-2

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| <ul style="list-style-type: none"> (1) Conduct CSR in Process in such projects as Conduct CSR in Process in such projects as Pruksa Community Care, Bilateral Collaborative Workplace Project, Promotion of children-friendly business operation (2) Conduct CSR after Process to create 3 aspects: education and youth development e.g. Pruksa Scholarship, Pruksa Precast Factory Learning Center; social and environment e.g. Pruksa Blood Donation project, Pruksa Caring; and religion and culture e.g. Dhamma for Happiness project, and Bhuddist Lent Day merit making. (3) Produce corporate social responsibility report in accordance with the Global Reporting Initiative (GRI Standard). (4) Participate with alliances in community development activities such as Pruksa Community Care, and create children's awareness in social responsibility, etc. | <ul style="list-style-type: none"> (1) Telephone: Pruksa Contact Center 1739 (2) Website: www.pruksa.com/whistleblowing-disclosure
www.youtube.com/PruksaFamilyClub (3) E-Mail : CSR@pruksa.com (4) Letter: PSH Group CEO or Chairman of Audit Committee |
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Stakeholders

GRI 102-42

Guidelines on Stakeholder Treatment

GRI 102-43

Shareholders

- (1) Act with integrity and make decision based on cautiousness and fairness to all shareholders in order to achieve the optimal benefit of the overall shareholders.
- (2) Present the Company's status, performance, financial and accounting performance and other reports regularly, comprehensively, and truthfully.
- (3) Present the Company's positive and negative trends based on realistic assumptions, supporting data, and rationales to all shareholders equally.
- (4) Refrain from seeking benefit for personal interest of oneself or others by using the Company's nonpublic information or engaging in any conduct possibly resulting in conflict of interests with the organization.
- (5) The Company must equally treat all shareholders in the shareholders meeting.

Competitors

- (1) The Company promotes free and fair trade competition policy, refrains from monopolistic actions obliging trade partners to sell only its products.
- (2) The Company abstains from obtaining competitors' information by illegal or unethical means.

Responses to Stakeholder's Expectation

GRI 102-21

Communication and Channel

GRI 102-33, GRI 102-43

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| <ul style="list-style-type: none"> (1) Arrange Annual General Meeting of Shareholders according to AGM Checklist Standard. (2) Arrange the meeting in Bangkok or the place where the Company's headquarters is located to facilitate shareholders convenient travelling. (3) Registration can be made in advance for convenience to shareholders and to lessen the time of registration on the AGM date. (4) Allow shareholders to access to Company's information system. (5) Give opportunities to shareholders to propose additional agenda, nominate the Company's directors, and submit questions prior to the AGM via channels and under the rules specified by the Company for fair and transparent consideration. The rules are informed to shareholders and publicized on the Company' website. (6) Allow no additional agenda in the AGM as it is unfair to shareholders who are not attending the meeting. (7) Provide a free-of-charge service for tagging stamp duty on the proxy form at the registration desk to reduce the shareholders' burden of finding stamp duty. | <ul style="list-style-type: none"> (1) Annual General Meeting of Shareholders (2) Annual Report (3) Sustainability Report (4) Website: www.psh.co.th (investor's relations) (5) Letter: PSH Group CEO or Chairman of Audit Committee |
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| <ul style="list-style-type: none"> (1) Act in the framework of rules and regulations on fair competition. (2) Abstain from obtaining competitors' information by illegal or unethical means. (3) Refrain from accusation of harm doing or any act which may be harmful to competitor's reputation. (4) Refrain from entering into contracts or agreements which may result in unconscionable elimination of competitors. | <ul style="list-style-type: none"> (1) Telephone: Pruksa Contact Center 1739 (2) E-mail: cg@pruksa.com (3) Line ID: @pruksacg (4) Letter: PSH Group CEO or Chairman of Audit Committee |
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Quality Operational Standard

GRI 102-9, GRI 103-2

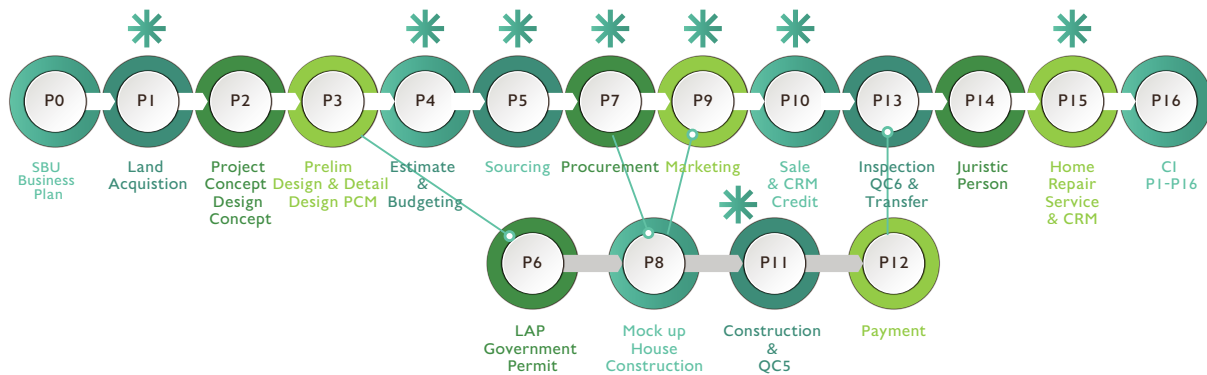
The Company implements the operational process covering the entire business chain, and determines to be the leading real estate company of Thailand with a variety of business and service to match new life styles and serve all customers' need completely. The company has a standard workflow process (Process: P) that encompasses the entire value chain, starting from the first (PO) to the last process (P16). Each process will be continuously improved and developed.

The details of operational process are currently improved to create operational standard additionally from the existing main process of the organization by preparing work instruction (Level 0-3) in the following processes.

1. Land acquisition and purchasing process
2. Procurement process
3. Personnel development process
4. Project budgetary system process
5. Marketing process
6. Information technology process
7. Project management control process
8. Bank housing loan process
9. Company secretary process
10. Complaint receiving process and whisper blower management
 - 10.1 Complaints within the organization
 - 10.2 Complaints from external agencies, such as customers and surrounding communities
11. Corporate governance process by Internal Audit Department, Corporate Governance and Compliance Department, and Risk Management Department

The Company's executives place emphasis on all of these processes which are formulated and submitted to 3 Committees, including Internal Audit Committee, Risk Management Committee, and Organizational Strategy Committee, for review and approval in order to ensure the clarity, transparency and fairness of the processes, and support the business with corporate governance.

Quality Operational Standard of Pruksa



Explanations of Standard Workflow Process Starting from P0 to P16

Working Process	Details of Quality Operation
P0	SBU Business Plan: Project Feasibility Study 1 Study the location offering marketability and financial return to stakeholders that is the Company's standard.
P1	Land Acquisition: Negotiation on Land Purchase Project Feasibility Study 2 and Approval on Land Purchase The Company's land acquisition process aims at acquiring the land plots situated in potential locations that offer added value to the residents, and choosing only the plots to be willingly sold by the owners and without legal cases. The land must not be sold by force or acquired by illegal acts or non-transparent means. In an acquisition of each land plot, representatives from each party must be present in the negotiation process to ensure transparency in the benefits of both the Company and the land owner. In addition, the Company seeks to purchase land plots suitable for the transportation of construction materials and construction workers to ensure that the surrounding communities and the project's customers are not affected by the movement in-and-out of the site. If the roads are damaged during the construction, the Company will promptly repair or improve the condition of the roads. Such process is divided into 8 sub-processes (P0-P8) and submitted to the Committee to encourage the personnel involved with the process, both insiders (operation employees) and outsiders (e.g. land owners, land agents), to understand and operate properly.
P2	Project Concept Design Concept: Project Concept and Project Feasibility Study 3 After the acquisition of land for project development, a design team will design the project layout, project infrastructure, and housing style in the concept of livability and land use optimization. The layout of the house is designed based on landscape architecture principles to make a quality and cozy project that requires low-cost maintenance.

Working Process

Details of Quality Operation

P3 Preliminary Design & Detailed Design PCM: Procurement of Designer and Housing Design

The housing design focuses on comprehensive functions that support quality living and selection of high-quality materials that are conveniently used, worthwhile, easy to maintain, classy and durable. Wastewater treatment system and water drainage are designed on the ground of good sanitation. User manuals are also provided to the customers to ensure the durability of housing components as well as to promote environment preservation.

P4 Estimate & Budgeting: Project Median Price Estimation and Project Budgeting Project Feasibility Study 4

Material price estimation is carried out based on the project design, and the project budget is prepared. Such process is divided into 6 sub-processes (P1-P6) and submitted to the Committee to encourage the personnel involved with the process, both insiders (operation employees) and outsiders (e.g. external designers), to understand and operate properly.

P5 Sourcing: Seeking and Selecting Contractors

The Company selects the contractors or suppliers who offer the products matching those specified in the project design and provide good before- and after-sales services to deliver good quality projects and housing units. In the procurement, the Company employs Bidding or e-Auction processes to ensure reasonable prices, resulting in good quality housing units with reasonable price for the customers. The contractors or suppliers with proven performance will be considered for further works in the future projects according to the Company's procurement procedure and regulations.

Such process in the procurement procedure is divided into 9 sub-processes (P0-P8) and submitted to the Committee to encourage the personnel involved with the process, both insiders (operation employees) and outsiders (e.g. shops, contractors), to understand clearly and operate properly.

P6 Government Permits: Permission Request

The Company will strictly comply with the relevant laws and regulations in obtaining all government permits concerning all related works of the Company.

P7 Procurement: Auction and Hiring of Material-Price Contractors

The Company arranges an auction of material-price contractors to hire the most qualified contractors/ distributors and to ensure appropriate hiring condition and agreement.

Such process in the procurement procedure is divided into 9 sub-processes (P0-P8) and submitted to the Committee to encourage the personnel involved with the process, both insiders (operation employees) and outsiders (e.g. shops, contractors), to understand clearly and operate properly.

P8 Mock-up House Construction: Sale office and Mock-up House Construction

The initial construction phase of the project, starting from soil filling, infrastructure and mock-up house construction focuses on the operation exactly in line with the determined project timeline and prevent the project construction from creating disturbance to the surrounding communities. The Company will assign a special project team responsible for dealing with complaints (if any) with prompt resolutions to the problems.

P9 Marketing

The Company will use all advertising media not causing any disturbance and potential damages to the surrounding environment such as installation with vision blocking, etc.

Such process is divided into 8 sub-processes (P1-P8) and submitted to the Committee to encourage the personnel involved with the process, both insiders (operation employees) and outsiders (e.g. advertising companies), to understand and operate properly.

P10 Sale & CRM Credit: Sale and Consultation on House Purchase and Housing Loans to Customers and CRM

In the sale process, the Company will provide actual and complete information for the customers to make decision on house purchase. For housing loan service, the Company will cooperate with all financial institutions to ensure maximum benefits to the customers in acknowledging the conditions set by each financial institution. This is a part of the service that the Company provides for the customers in cooperation with financial institutions.

Such process is divided into 5 sub-processes (P0-P4) and submitted to the Committee to encourage the personnel involved with the process, both insiders (operation employees) and outsiders (e.g. banks), to understand and operate properly.

P1 1 Construction & Quality Control: House and Project Infrastructure Construction and House Quality Inspection

During the construction, the Company will carefully control the effects on the surrounding communities, including noise, water drainage, and construction dust. As the Company's modern construction technique relies on the use of precast sheet (prefabricated reinforced concrete) produced in the factory, the construction dust in the project is considerably less than that of general construction. Each precast sheet is thoroughly inspected, resulting in direct and indirect reduction of pollutants emitted from construction and transportation processes (greenhouse gases), as well as reduction of disposable/waste products to ensure good quality houses before delivering to the customers.



Working Process

Details of Quality Operation

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| P12 | Payment: Payment to Contractors Based on Percentage of Work Progress
The Company approves the payment to contractors based on actual percentage of work progress. |
| P13 | Inspection Quality Control & Transfer: House Acceptance of Customers and Transfer of Ownership
The customers examine and accept the products. The number of defect corrections requested by the customers tends to decline as a result of continuous improvement of product quality starting from the design to construction. |
| P14 | Juristic Person: Property Management and Juristic Person Management
In the housing estate management starting from the first moving in – during residency – transfer of management responsibility to juristic persons, the Company employs a specific agency to take care of public utilities and public services, such as lighting system, water drainage, cleanliness in the project, roads, parks, and security services. The Company is especially scrupulous in the hiring of quality security companies, and constantly monitors the performance of security guards by using monitoring tools to make sure that they work most efficiently with the purpose of safety for the project residents. This has significantly reduced the number of insecurity problems within the project. |
| P15 | After Sales Service and Good Relationship with Customers: Management of After Sale Repair Service and CRM
The Company clearly determines and strictly complies with Repair and Maintenance Service Level Agreement (SLA) that encompasses both quality and timing aspects. All requested repair service will be recorded in the system to store the operation data and the information of related parties. In addition, the customers will receive quality, complete and timely services. The customer service team will constantly update the customers on the progress of the before-during-after repair service in order to enable the customers to evaluate the service, and the evaluation results will be reported to the Company's executives at all time. This service has resulted in utmost customer satisfaction. |
| P16 | Continuous Process Improvement and Supply Chain (Revert to PI - P16)
Continuously review and improve each work process to ensure delivery of quality products to the customers. |

* Other Supporting Processes on which the Company's Executives Place Importance:



Personnel Development Process

It is the process relating to life and welfare of employees in the organization. This process is divided into 8 sub-processes (P0-P7) and submitted to the Committee to encourage the personnel involved to have correct, clear and transparent understanding of the operational methods.



Information Technology Process

It is the process relating to all employees in the organization, and being important for both internal and external communication. This process is divided into 5 sub-processes (P1-P5) and submitted to the Committee to encourage the personnel involved to have correct, clear and transparent understanding of the operational methods.



Company Secretary Process

It is the process relating to the executives and shareholders. This process is divided into 5 sub-processes (P1-P5) and submitted to the Committee to encourage the personnel involved to have correct, clear and transparent understanding of the operational methods.



Corporate Governance (CG) Process

It is the process relating to the stakeholders both inside and outside the organization. This process is divided into 8 sub-processes (P0-P7) and submitted to the Committee to encourage the personnel involved to have correct, clear and transparent understanding of the operational methods.



Procurement Management

GRI 102-11, GRI 103-2

The Company is determined to place emphasis on strategizing its procurement management and supply chain management focusing on the quality of products and services, by way of devising risk management procedures that cover the environmental, social and governance aspects. This is in order to provide executional guidelines that are coherent with the risk levels, by taking into consideration the quality, quantity, delivery of products and services, as well as legal regulations and quality management systems to prevent and minimize the risks that can affect the quality, quantity, delivery of products and services, including stakeholders' trust regarding the organization's course of actions. The Supplier Sustainable Code of Conduct and Purchaser Code of Conduct have been developed for both suppliers and staff members respectively to strictly abide by. The content and scope of practices are governed by rules, regulations and related laws, covering the dimensions of business code of conduct, human rights, occupational health, safety, and environment, with a consideration of 4 major principles as follows:

- **Value of Money**

Suppliers and staff members must be aware of the cost, quality, and potential effects resulting from the procurement activities both at present and in the future. The comparison of alternatives and other relevant factors are to be made, e.g. marketing, finance, technology and environment, in making purchase decisions. The lowest price quoted by a supplier is not a sole factor when it comes to making purchasing decisions but it rather depends on the value score derived from the supplier selection process.

- **Integrity & Transparency**

GRI 407-1

Suppliers and staff members must carry out openly the procurement procedures and give the opportunity to all suppliers to compete fairly, while taking into account their qualifications and potential in undertaking the jobs. Also, the stakeholders, professionals and authorized parties of the Company shall be adequately and equally informed of the procurement information and activities in a timely manner. However, the executives and/ or the Procurement Committee appointed by the Company must be informed of the supplier selection results as well.

- **Efficiency and Effectiveness**

Staff members must consider the procurement requirement with clear understanding, by taking into account several dimensions of market conditions in order to articulate the directions, and potential benefits by way of making analyses and developing work execution plans that will help determine the selection goal; what the most beneficial and appropriate procurement format is in a particular situation. Also, the procurement assessment should be carried out on a monthly, quarterly and yearly basis in order to improve and correct any weakness in the process.

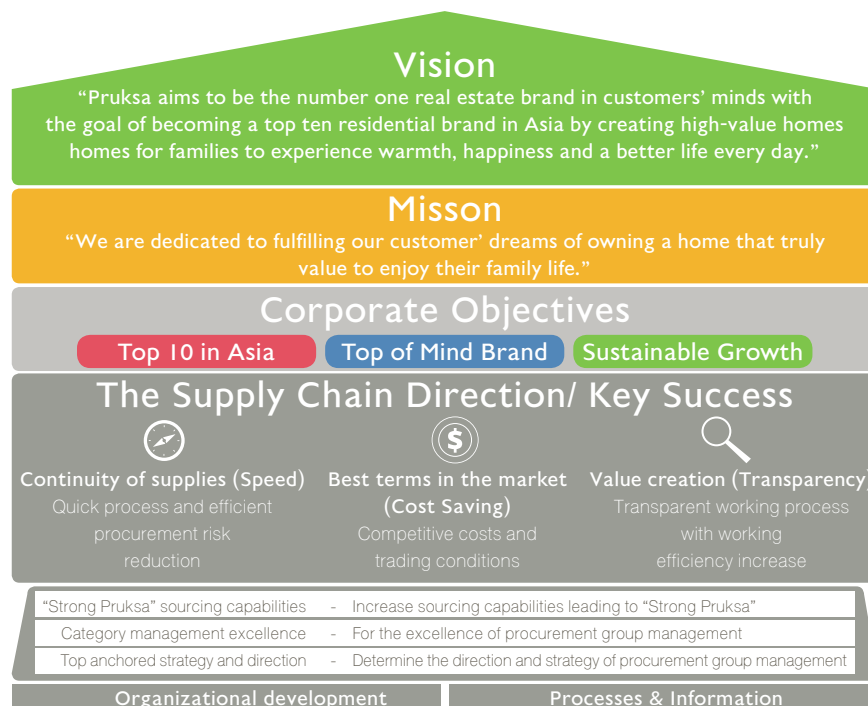
- **Accountability**

Staff members must strictly adhere to the ethical standards or occupational code of conduct, as well as consider being virtuous and righteous, utilizing their authority effectively and being accountable for their performance and assigned roles. The assessment criteria are based on the opinions of stakeholders who are involved in the procurement procedures.

Procurement 4.0

The procurement and supply chain management currently applies the concept of Thailand 4.0 to determine the development strategy for the project “Procurement 4.0” to be used for sustainable development planning which will influence the procurement of both strategic and operational dimensions, and serve as strategic compass for the procurement of modern age, as well as lead the Company to “World Class Procurement” with the following 3 main pillars.

- Continuity of Supplies (Speed)
- Best Terms in the Market (Cost Saving)
- Value Creation (Transparency)



- **Procurement 1.0: Tactical Buying**

- The procurement operation proceeds efficiently and can be measured.

- **Procurement 2.0: Optimized Sourcing**

- The cost management concept of Total Cost of Ownership (TCO) is applied together with the increase of systematic procurement capacity.

- **Procurement 3.0: Strategic Procurement**

- The procurement strategy is appropriately determined in each work category.

- **Procurement 4.0: Value Chain Integration**

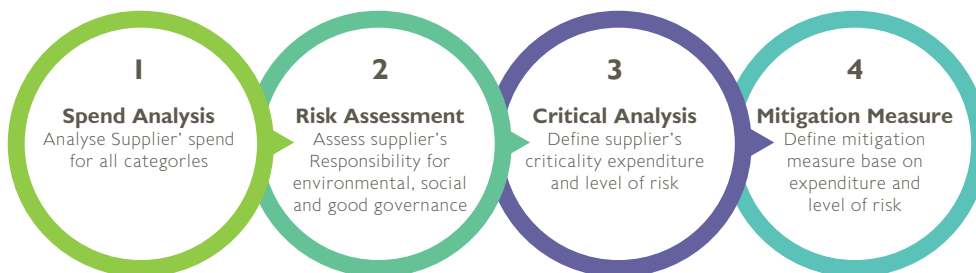
- The advantages of material costs and business management should be created to increase the Company's profits.



The most important things for the Procurement 4.0 are good technology and algorithm that will enable efficient collection, evaluation, processing and analysis of huge amount of data. The results of data analysis can be used for clear understanding of suppliers, market and customers, market trend forecast, and inspection of working failure of operational plan, materials, machinery and products that will help the Company to make better decision and make the procurement decision to become automatic. The Procurement 4.0 means the development of new value, response to new business requirements, combination of data from all departments and various supply chains, and all data will be used proactively. The most important matter of the procurement unit is that it must have the capability to cope with the challenge and opportunity to further expand the digital revolution of Pruksha Holding PCL in the future.

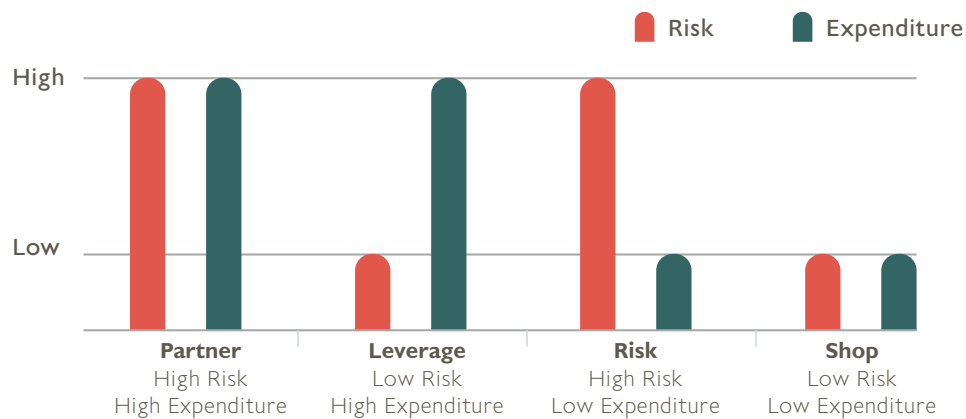
Risk Assessment of Supplier

GRI 102-15, GRI 103-3



The Company is aware of the environmental and social impact, as well as suppliers' corporate governance, by way of analyzing the importance and risk assessment of suppliers, which is composed of 4 steps as follows:

1. SPENDING ANALYSIS: This is applied to every procurement unit, and the spending records of suppliers who are classified as 'top spenders'.
2. RISK ASSESSMENT: The key focus is on the risk identification regarding the organization's sustainability in the procurement procedure such as the number of product and service sources, potential effects on the procurement procedure, use of child labor, and effects of illegal raw material purchase, etc.
GRI 408-1
3. CRITICAL ANALYSIS: The analysis criteria of suppliers' importance are as follows:



4. MITIGATION MEASURES: The criteria for developing mitigation measures are based on the results of suppliers' risk assessment and importance analysis in order for the Company to be able to handle the suppliers with high risks and high importance, with major measures as follows:
GRI 308-2



STRATEGIC PARTNER, MAJOR/ PREFERRED SUPPLIER

The suppliers with high expenditure and high or very high risk level, supplying goods that cannot be substituted or goods that are critical parts or equipment. These suppliers are classified in the group of high risk tier and must be assessed every year. Site visits and interviews of executives or staff members are required. The suppliers must also prepare corrective plan and action to minimize the risk and its potential severity, as well as the audit plan to ensure that suppliers' sustainable practices are in place and that the Company is capable of managing the risks to be in the level that does not impact the business, communities and environment.



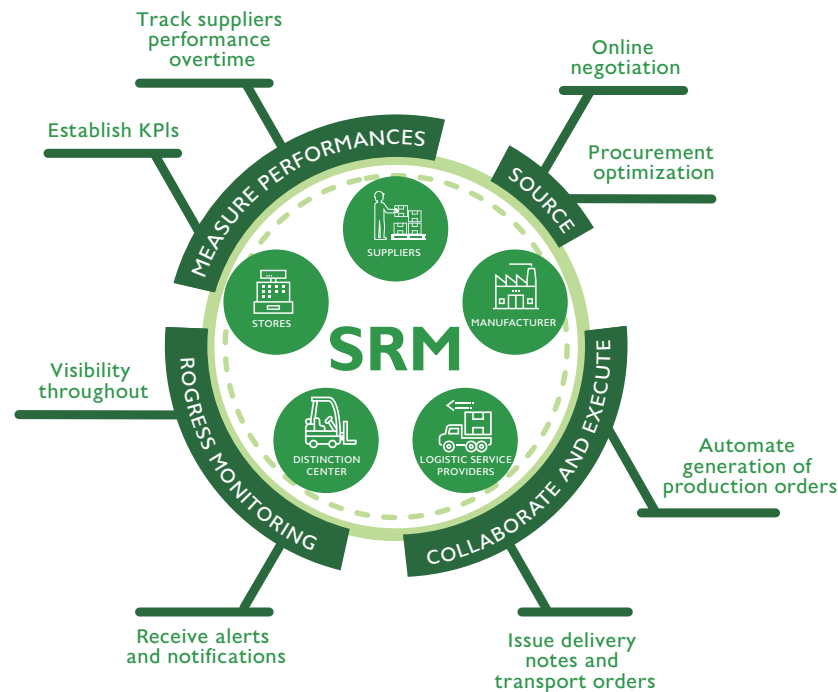
REGULAR SUPPLIER

The suppliers with moderate or low expenditure and moderate or low risk level. These suppliers are not classified in the group of high risk tier and have to go through the supplier evaluation process, sustainable practice inspection, and assessment of related bodies, i.e. Sourcing Unit, SBU, Specialist, GRC, etc.

Supplier Relation Management

GRI 103-2

The Company has regulated supplier management measures in order to ensure the suppliers' standardized operations, their ability to respond to the increased demand of products, to achieve the goals, to maintain the quality of products/services and good relationship between suppliers and the Company, and to encourage the suppliers' awareness of the organization's standpoint in terms of sustainability.



The Company employs a fair and transparent approach in selecting, assessing and inspecting suppliers, with strict adherence to the principles of corporate governance, business stability, suppliers' accountability and their ability to respond to the Company's demand. The supplier management comprises the following approaches.

GRI 308-1

- Approved vendor list (AVL) / qualified vendor list (QVL) is applied to select potential suppliers.
- Questionnaires (Request for Information: RFI) and initial assessment of suppliers (Pre-Qualification Form) are applied to assess the suppliers' potentiality in terms of their readiness to provide service, production capacity, transportation, safety, occupational health and environment, and industrial standard. The suppliers must operate their businesses following the Company's direction in sustainable practices to ensure that they are potential enough to manage the operation and can be trusted.

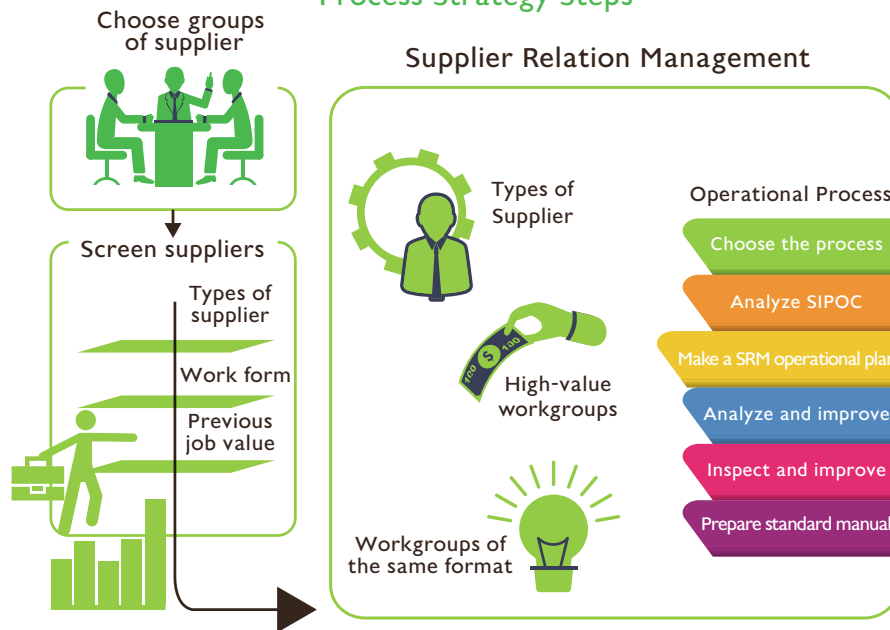
The vendor registration management is under the supervision of Vendor Registration Committee and Vendor Registration Working Team. Furthermore, for the risk management of goods delivery, the Company has included the conditions in the TOR, dictating that the suppliers' operations must be lawful and the control is to be exercised to ensure that they fulfill the contract as agreed, especially for the risk-prone projects such as safety, occupational health and environment, etc. In this regard, the risk assessment of contractor-related work (Contractor Management) is carried out to consider selecting the contractors with potential. The suppliers whose scores do not meet the requirement will not be selected.

Supplier Audit and Assessment

GRI 103-3, GRI 414-1

The Company has implemented the supplier inspection and assessment process in order to assess the risks, prepare corrective plan and evaluate the outcomes after mutually executing corrective action, by taking into consideration the quality/quantity/safety of production and delivery according to the Company's primary regulations, as well as minimum requirements of labor laws, environment laws, and several management standards such as ISO 9001, ISO 14001, OHSAS 1800, etc.

Integrated Efficiency & Sustainable Supply chain Process Strategy Steps



Purchaser Code of Conduct

The Company's employees must strictly adhere to and comply with the following code of conduct.

1. Employees must bear in mind the Company's benefits at all times.
2. Employees must listen to the colleagues' and related parties' opinions.
3. Employees must execute procurement activities with good intention in order to reap full benefits from the expenditures being spent.
4. Employees must continuously seek knowledge about materials, technology, market situation, and production procedure.
5. Employees must execute procurement activities with honesty and sincerity.
6. Employees must politely welcome both internal and external suppliers.
7. Employees must accept their own obligations and that of others.
8. Employees must avoid any unfair or dishonest conducts.
9. Employees must provide advice and guidance to buyers.
10. Employees must give kind cooperation to every department.



Conflicts of Interest

Conflicts of interest resulted from the procurement process might occur when employees place greater focus on their own benefits than the Company's, or when employees commit any reciprocal act in business, as well as utilize their authority given by the Company as a buyer to call for any benefit from the sellers, for instance, any benefit that influence the employees' decision on the selection of sellers, selection of products and/or services or negotiation to finalize purchase decisions with the sellers.

Formats of Conflicts of Interest

1. Business Gifts

Acceptance of gifts valuing over 1,000 Baht from the sellers is considered inappropriate and the employees are expected to turn down such offer as it will impact the Company's image and shows the employees' non-transparency and unfairness, except for the gifts or souvenirs that the sellers have prepared only for sale and marketing promotion.

2. Hospitality

Employees must not ask for or accept any assistance or services or buy any stuff with special discounts for themselves and their family members, as well as accept the invitation to go on tours or accept entertainment services or exchange of any high price stuff with the sellers. Employees may occasionally have lunch with the sellers during business negotiation, but not regularly. In case they are invited by the sellers to have dinner and watch the shows for entertainment on special occasions, the approval must be given beforehand by the manager of department level (Brand 4).

3. Party

In case employees are invited by the sellers to join a costly party with recreational activities or the sellers unopenly give them high-value vouchers, it is considered as conflicts of interest and employees must report to their chief or department manager before joining such party.

4. Kickbacks

Employees must not express any implication or negotiate or accept any form of bribes and/or any interest causing a loss of benefits to the Company. This action is regarded as severe violation and disobedience of code of conduct and employees must face disciplinary action and the Company might take criminal procedure against them as well. However, employees must always be aware that receiving bribes will not only discredit/defame them but also damage the Company's reputation and image.

5. Sample products

Sample products with commercial values must be returned to the sellers once the procurement process completes, unless otherwise informed by the sellers due to low value of the products or due to the fact that the products are consumables, e.g. chemicals, etc.

Treatment of Insider Information

Suppliers and the Company's employees must protect the documents and information relating to the procurement process, such as technical information, materials, documents and significant operation documents that help maintain the Company's business advantages, the suppliers' price offer, documents of technical characteristics comparison, prices and various contracts. All of these documents and information are considered as the Company's secrets and prohibited from disclosing to other people. If it is found that there are any persons violating such action, the Company will immediately take disciplinary action against them.

Corporate Social and Environmental Responsibilities

In order to comply with the Company's policy on corporate social and environmental responsibilities which has already been announced and will probably be announced further as the business progresses, employees are required to:

1. Contact and coordinate constantly between the sellers and the Company's Research and Development Division and/or Operation Division and/or Bureau of Quality, Safety and Environment regarding regulations or attributes of products or services, follow up the social and environmental impact assessment, and take required actions to sustainably obtain the products and services.
2. Contact the sellers who have maintained the commercial code of conduct, and are constantly aware of the Company's social and environmental responsibilities. Avoid the sellers who operate the business without a proper code of conduct, such as poor treatment of labor, poor working conditions, ignorance of employees' rights, bid rigging, non-transparent business operation, disclosure of trade secrets, quoting a price that is lower than the cost to undercut other sellers unfairly, having intimidating behaviors and conducting corrupt acts.
3. Ask for cooperation from the sellers or work cooperatively with them in social and environmental activities to be in accordance with the objective of operating the business stably and sustainably.


Supplier Relationship Management

GRI 407-1

The Company is well aware of fair treatment of suppliers on the basis of fair compensation of both sides. Thus, the Company provides truthful information and accurate report, fulfills the obligation, negotiates for solutions to the problems while maintaining business relationship, and avoids the situations that are susceptible to conflicts of interest, by observing the following practices.

1. Employees must retain confidential information obtained from the sellers, such as prices, patents, production schedule and product information. Disclosure of this information is allowed only when the permission is given.
2. Employees must check and compare the prices, quality and different terms and conditions in order to ensure fair competition. In this regard, covert auctions are prohibited as they are considered fraudulent, that is, the price of the first seller is disclosed to the second seller to offer lower price, and the price offered by the second seller is then used to negotiate with the first seller to offer an even lower price.
3. Employees must maintain business relationship equally with suppliers and must not call for or dishonestly accept any property or any other commercial benefits from the suppliers both directly and indirectly.
4. Employees must treat every seller equally and fairly, for example, inform them of the price bid opportunity with the same content and at the same period of time.
5. Employees must be transparent in persuading the sellers to offer prices or participate in tenders in order to ensure fair competition for every supplier.
6. Purchasing employees must be transparent in considering the prices offered by the sellers and able to explain what criteria are used in the consideration process and which seller is successful in the bidding.
7. Employees must strictly protect the Company's confidential information when dealing with the sellers and keep all the information obtained from each bidder strictly confidential.
8. Employees must strictly comply with all the conditions exercised on the suppliers. In case of not being able to comply with such conditions, the suppliers must be informed ahead of time in order to mutually consider seeking reasonable solutions to the problems.



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9. The Company will not take advantages of the suppliers and will always take into account the benefits and potential damages in terms of the Company's reputation and image through the eyes of outsiders.
 10. Employees in charge of procurement activities must provide the suppliers with accurate, clear and adequate information in an open manner, and give the opportunities to all suppliers equally.
 11. Employees in charge of procurement activities must listen to the opinion and recommendation given by the suppliers in order to solve potential problems in the operation.
 12. The negotiation is openly made on the basis of fair business relationship for both sides with evidence-based approach.

Internal Customer Relationship Management

The Company is well aware that employees are valuable resources for the Company's success. Thus the relationship between the procurement employees and internal customers is also important by adhering to the human rights principles not discriminating against any person due to the similarity or difference of race, nationality, gender, age or physical condition, with the following practical guidelines.

1. Provide the materials most beneficial for the Company by specifying that the materials must be received in accordance with the needs in terms of quality, price, quantity, time, service and rapidity, with a consideration of the policy on quality, safety, occupational health and environment of the Company as well.
2. The procurement employees must make a good procurement plan ahead of time to avoid urgent procurement on unreasonable basis.
3. Employees must treat other employees by respecting the individuals and dignity of humanity.
4. Employees must avoid any unfair action that may impact the relationship of employees or any threatening action that creates a lot of pressure on the internal customers' mental state.

Principle of Performance

The Company is aware of the importance of the employees' fair treatment to stakeholders so as to ensure efficient operating performance based on the following practices.

1. Employees must perform their duties professionally and fairly. They are required to refuse inappropriate proposals or advice in exchange for personal benefits in the procurement process.
2. In case the sellers turn out to be the companies of employees' relatives, close friends or companies in which employees have capital relationship and/ or have partnership legally and/or factually, employees must inform their immediate supervisors so that they can assign other employees to work on these cases instead.
3. Executives with an authority to approve procurement activities must use their discretion to provide advice and guidance, as well as listen to employees' opinions.
4. Executives with an authority to approve procurement activities must control, inspect, and ensure strict compliance to the code of conduct. In case of violation of the code of conduct, the investigation and disciplinary actions must be taken.
5. Employees must give priority to support Thai suppliers, their subsidiaries, affiliates or associates, for the procurement of products and services.
6. Employees must execute the procurement of products and services systematically and properly according to the academic principles with a solid control system, and change the working process constantly to be in line with the business change.

Communication

The Company is extremely aware of the communication code of conduct. If employees communicate immorally with each other, it may cause conflict or probably bad effect on business code of conduct. The practical guidelines are as follows:

1. Employees must not give their personal information or the information of their family members to the sellers, such as address, home phone number, account number or personal E-mail address.
2. Employees are prohibited from giving the Company's information or having business contact with the sellers via the sellers' personal E-mail address in any case unless it is approved by the Company's department manager.
3. The office telephone, mobile phone number approved for use and E-mail address of the Company should be used only for the Company's business contact.
4. Employees are to give only the information directly relating to their responsible work to the sellers. The disclosure of the Company's information that is not under their responsibility and without any approval is considered as the violation of this code of conduct.
5. Employees should notify the sellers to proceed according to the communication agreement stipulated by the Company only.

Supplier Sustainable Code of Conduct

GRI 102-11

Pruksa Holding PCL is determined to operate the business fairly and lawfully in compliance with the principle of good governance, as well as to provide support and promotion for social and environmental viability to ensure the balance in every dimension, and to prosper sustainably. This policy has been communicated to the suppliers to encourage their adoption of practices to widely benefit the general public. Thus, to ensure a correct and mutual understanding of both sides, the Company has prepared "Supplier Sustainable Code of Conduct" for the suppliers to use as guidelines on practices. In this regard, if the suppliers' practices do not comply with this code of conduct, the Company reserves its rights to take any required proceedings upon the suppliers as appropriate, by taking into consideration potential impact or damages.

Suppliers' Business Code of Conduct

GRI 414-1

1. Business Code of Conduct


The Company focuses on strict compliance to related laws and regulations both directly and indirectly, with honesty, ethics, and transparency, and will refrain from all sorts of dishonest or corrupt acts. Meanwhile, the Company will be focusing on obtaining products and services of good quality contributing maximum benefits to the Company with fairness to all stakeholders, under the following practices.

- 1.1 Maintain confidentiality
- 1.2 Refrain from any conducts leading to conflicts of interest
- 1.3 Refrain from violation of intellectual property
- 1.4 Designate channels for submitting complaints
- 1.5 Participate in social development and responsibility activities

2. Human Rights and Labor Code of Conduct

GRI 410-1, GRI 412-1, GRI 412-3

The Company supports and respects the principles of human rights both in domestic and international levels, and also ensures that the Company's business is not involved with any violation of human rights by adopting the practices beneficial to the global society such as the United Nations' human rights principles, and thus regulates that:

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- 2.1 Suppliers should respect human rights and be aware of human dignity and equality, regardless of diversity of race, nationality, religion, gender, education and disability. Their employees should be treated fairly in accordance with the international standards and laws.
 - 2.2 Suppliers must refrain from executing forced labor unless the employees voluntarily offer to do so.
 - 2.3 Suppliers must not hire child labor whose age has not reached the threshold regulated by law and labor protection must be strictly exercised as required by law.

GRI 408-1

- 2.4 Suppliers must accurately pay the compensation and any other benefits to their employees in a fair and timely manner.
- 2.5 Suppliers must ensure that their employees' working hours do not exceed what has been stipulated by laws. In case it is necessary for them to have the employees work overtime, it must be on a voluntary basis.

3. Safety, Occupational Health, and Environment

The Company places importance on the operation with the management standard in terms of quality, safety, and occupational health on a continual basis by determining and reviewing the policy on quality, safety and occupational health together with good practices for sustainable development as follows:

- 3.1 Suppliers must ensure that working condition and environment are safe and hygienic for their employees, and also provide them with adequate and appropriate personal protective equipment.
- 3.2 In case of emergency, suppliers must be well prepared for such an incident at all times by putting in place situational assessment, impact management measures, cautionary plan and appropriate training courses for their employees on a continual basis.
- 3.3 Suppliers must have a clear environmental conservation policy and be determined to use various resources efficiently, and consume energy wisely and appropriately.

GRI 308-1

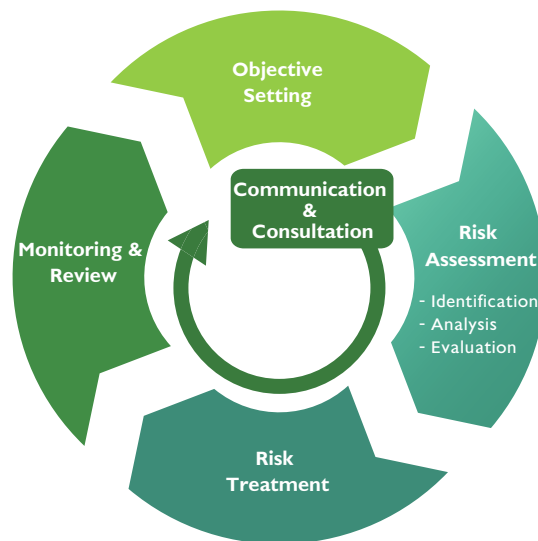
- 3.4 Suppliers must strictly abide by the laws regarding safety, occupational health and environment.
- 3.5 Suppliers must ensure that the production process is equipped with waste disposal and waste management system, and the emission of pollutants into the air, ground and water drainage are implemented safely and appropriately. The monitoring, control and inspection of quality must be carried out to make sure that the production waste and residue disposed to the environment will not cause any pollution both in the short and long term.

4. Ethics and Legal Compliance

- 4.1 Suppliers must operate the business with moral and ethical values and strictly comply with the laws.
- 4.2 Suppliers must operate the business without offering all sorts of bribes.
- 4.3 Suppliers must operate the business under the principle of fair competition.
- 4.4 Suppliers must prepare accurate and complete accounts related to business operations.
- 4.5 Suppliers must protect customers' confidential information at all times

Risk Awareness

To encourage the employees working in procurement activities to be aware of the significance of integrated organizational risk management and put it into practice systematically and continuously, which will result in the development of procurement activities and minimize potential damages or risks arising from the procurement process, the Company has determined that the functional risk assessment is to be executed according to the risk management process in the diagram below.



The Penalty Provision

Authorized persons implementing these regulations or any related individuals must proceed with care, openness and transparency, while encouraging fair competition, economical use of budget, with the focus on worthiness, effectiveness, efficiency and accountability of work success that are beneficial to the Company. If any actions are against these regulations, either intentionally or unintentionally, or are deemed to be corrupt or executed without the required authority, including any actions that facilitate the bidders to obstruct fair competition, it is considered that such persons violate the Company's and subsidiaries' regulations, and disciplinary action is to be taken as follows:

1. If the act is considered a deliberate fraud or causes severe damages to the Company, the minimum penalty is the immediate dismissal from the Company.
2. If the act causes damages to the Company but not in a great degree of severity, the minimum penalty is the reduction of salary.
3. If the act does not cause damages to the Company but can potentially lead to formulation of problems, an admonition shall be given in writing to the persons committing such act.

Disciplinary actions in 1. and 2. are not the exceptions for the persons committing the act or violating the regulations to be free of guilt from civil and/or criminal offenses (if any).



Corporate Governance

GRI 102-11, GRI 102-17, GRI 103-2

The Company attaches importance to and complies with good corporate governance principles under the international standard that is in accordance with the Stock Exchange of Thailand's policy and ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) with clearly defined sustainability management as follows.

1. The Board of Directors has determined and approved good corporate governance policy, as well as ethical business code of conduct handbook provided for directors, executives and employees, anti-corruption policy of the Company and its subsidiaries, including Charter of the Board of Directors and Committees to be in accordance with the good corporate governance principle for 2017.

In this regard, to support sound ethical business practices, the Company has established as a policy by arranging annual review of good corporate governance policy and ethical business code of conduct on a regular basis, to ensure that they are up to date and in line with the operation plan, short- and long-term strategies of the Company.

2. Provide knowledge in respect of Corporate Governance Code for Listed Companies 2017 by external consultants to the Board of Directors, Corporate Governance Committee, executives and all parties concerned.

3. Organize training on good corporate governance, code of business ethics, Pruksha ethics and anti-corruption measures for existing and new staff members from the starting of work. All staff members have to undergo the training and test in such course and put their signatures for acknowledgement and strict compliance, deeming as a part of "Company's Work Rules", which reflects its good corporate governance, transparency in business operation, taking into consideration its shareholders, customers, employees and stakeholders.

4. Communication on a continuing basis with staff members to ensure that they acknowledge and are aware of the importance of good governance through various channels such as Pruksha Newspaper, Line (Pruksha Engagement), Digital Signage, including the compiling of information, knowledge and activities relevant to CG unit (Corporate Governance) via Google Site created by the unit and accessible through Link or QR Code, as well as press release.

5. Communication to staff members and executives on corruption issues and disciplinary actions, as study case for prevention and suppression of misconduct.

6. Arrangement of the CG test to build awareness on code of conduct and good governance for executives and staff members at least once a year.

7. Arrangement of an activity for the Board of Directors, executives and relevant employees to hear the new CG Code for Listed Companies 2017 from experts on May 4, 2017.

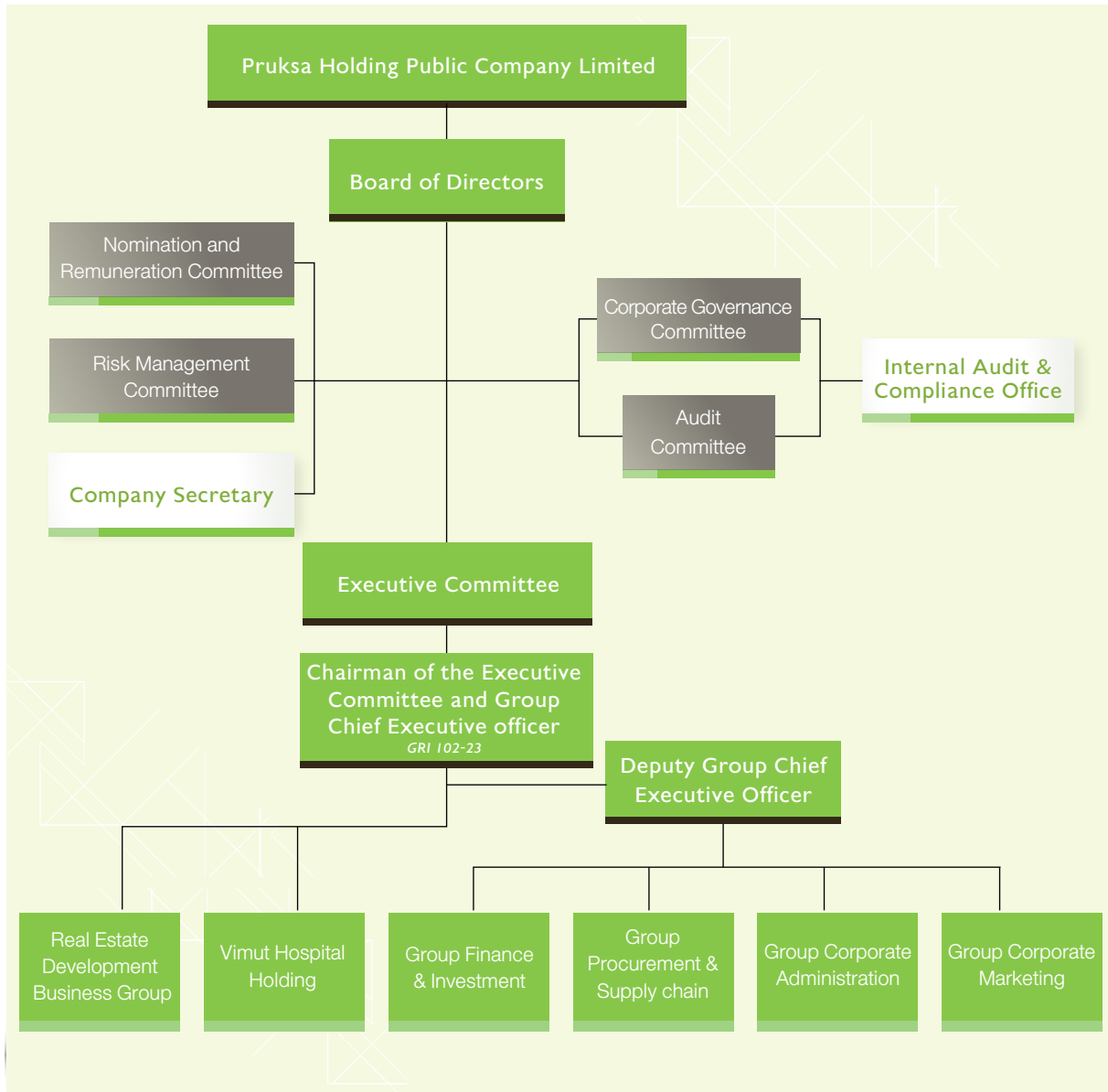
8. Send the Company's representative to participate in the Anti-Corruption day on September 6, 2017.
9. Organize a study trip to Anti-Corruption Museum for executives and employees on September 15, 2017.
10. Organize Supplier CG Day on November 22, 2017 in order to form an ally in announcing the intention to fight against corruption. The objective is to invite its trading partners, forming as a stronger network, to jointly announce the intention in fighting against corruption, as well as to uphold the principle of operating business under ethical business code of conduct and to stand against all sorts of corrupt acts.
11. Organize Prukha CG Day on December 7, 2017 to promote the concept of good governance that should be observed and ethical principles in working, as well as the channel for making complaint, whistle blowing, asking for justice.
12. Establish Compliance Unit, called internally CG Management, with core duties in the area of Corporate, Governance and Compliance. Mr. Thongma Vijitpongpan, Executive Vice Chairman of the board of directors and Group Chief Executive Officer, has foreseen the importance of ethical business code of conduct and pushed for organizational sustainability management. In addition, executives and employees were convinced to be aware of such importance. In his address to employees in Prukha CG Day event, he put emphasis on the importance of "ethics". The Company definitely believes that the Principles of Good Corporate Governance will help support its business operation for sustainable growth in profit, transparency in business management, taking into consideration the roles and responsibilities with efficient internal control system/ risk management system and with responsibility towards the society, community and environment, which is considered essential for achieving its objectives.

GRI 102-20, GRI 102-26



Organization

GRI 102-18, GRI 102-19, GRI 102-22



last updated on December 31, 2017

Corporate Code of Conducts

GRI 102-17, GRI 103-2

The Company gives priority to and complies with good corporate governance principles by communicating through its “Corporate Ethics for Pruksa Holding Public Company and Its Subsidiaries” manual in order that all directors, executives, and employees are aware of the principles on how to comply to laws and company regulations; how to behave toward shareholders, customers and other employees; how to recruit, purchase and behave toward business partners or contractors; how to behave toward competitors; how to keep confidential information; how to use internal information, internal governance and audit; the exercise of political rights; responsibilities toward society, community and the environment; responsibilities toward work safety, sanitation and environment; the Company’s transaction, international business operation, duties and obligations; and complaints and anti-corruption. They are to be strictly complied as if they are parts of “the Company’s Rules and Regulations” which indicate the good corporate governance and transparency in the business conduct of the Company, taking into account all its stakeholders.

Anti-Corruption Policy and Measures

GRI 102-11, GRI 103-2



Pruksa Holding PCL and subsidiaries are well aware of the fact that corruption causes adverse effects and hinders the economic and social development of the country. It is wrongful action that creates unfair treatment in the business, damages business ethics, weakens the company’s competitiveness and trust domestically and internationally, and also jeopardizes the confidence of shareholders, investors and stakeholders in the company. As a result, the company upholds the operation in compliance with Thai Law to stand against the corruption and determinesthis policy as an important principle in running the business with no support to any business, group of people or person engaged in seeking improper benefits, directly or indirectly, by wrongful exercise of power.



On 10 November 2017, Prukso Holding PCL has been certified for Thailand's Private Sector Collective Action Coalition against Corruption (CAC). This certification has been resulted from the anti-corruption policy clearly determined by the Company for Board of Directors, executives and employees to put into practice concretely, and the corruption preventing measures laid down in accordance with CAC guidelines.

GRI 102-12

Communication and Training to Give Knowledge on Anti-Corruption Policy and Measures within the Company

GRI 103-3, GRI 205-2



The number of executives and employees answering the questionnaires on anti-corruption measures in 2017

- The training course on Prukso Ethics relating to the corruption resistance is organized for new employees on the orientation day. All employees have to pass the test of this training course and sign for ratification.
- The test of CG course should be completed at least once a year to raise the awareness of ethics and good governance for the executives and employees.
- CG Day activity is annually organized and the outside qualified lecturers are invited to give knowledge. The Board of Directors and chief executives of the Company are also invited to join a discussion on "CG creation in the organization" to raise the awareness of good conscious mind to stand against the corruption.
- The employees are encouraged to be aware of the importance of good governance and corruption by means of continual public relations of the Company.
- The issue of corruption problem within the Company and the penalty are communicated to the executives and employees as a case study to raise the awareness and good conscious mind to resist the corruption, and to prevent the employees from misconducting.

Communication of Anti-Corruption Policy and Measures to Third Party

GRI 205-2

- In November 2017, the Company organized “Supplier CG’s Day: JOIN TOGETHER and Create Allies to Resist Corruption” in order to invite the Company’s trade partners of over 150 companies to announce jointly the intention to stand against the corruption, and persist in running the business in compliance with moral and ethical principles and operating the business with the anti-corruption principles to form more stronger network.
- Letters were sent to brokers, trade partners, and financial institutions to notify them of the policy to refrain from receiving gifts and all kinds of supporting funds from financial institutions.
- Trade partners and real estate agents were informed about the complaint channels via the attachments, tender document, means of land sale, land registration agreement, land purchasing rules and conditions in accordance with good governance.

Important Risk Evaluated as Corruption

GRI 103-3, GRI 205-1

As the Company runs the business of real estate project development of habitation category to deliver to the customers, there must be connection with various public offices to request the permission of construction and building use, and the issuance of condominium ownership documents, for example, district office, branch of land office or local office. In this regard, there may be a risk of being asked for or offering bribes for operation convenience and rapidity.

However, to keep such risk under surveillance, the Company carried out the operational risk assessment by indicating and analyzing the risk that would impact the Company’s goal achievement. The risk was rated by the assessment of likelihood and impact according to the legal risk assessment criteria and provisions, and then the risk control matrix was derived to monitor and report the risk outcome to the Risk Management Committee. The risk can be classified for the business groups that the Company is currently operating as follows:



Indication of Important Corruption Risk to the Business

Risk <i>GRI 205-1</i>	Explanation	Internal Control System already Implemented
Real Estate Business		
Risk of giving bribes to request the operational permission in terms of land allocation and development in real estate projects	As Pruksa Real Estate PCL operates the business of real estate development and habitation construction for the kinds of townhouse, single detached house and condominium, the land allocation permission must be given for the construction projects by various public offices, for example, land office or provincial land office (depending on the project location). Thus, there may be a risk of offering or being asked for bribes for operation convenience and rapidity.	<ul style="list-style-type: none"> • The Company's working process is executed in the form of committee comprising chief executives specialized in land and land development, business, finance, law, and official provisions of risk control. • Pruksa Real Estate PCL has confirmed the intention to participate in CAC and has been certified by the committee on April 22, 2016.
Risk of giving bribes to request the operational permission in terms of building construction.	As the Company operates the business of real estate project development of habitation category to deliver to the customers, there must be connection with various public offices to request the permission of construction, building use and the issuance of condominium ownership documents, for example, district office, branch of land office or local office. In this regard, there may be a risk of offering or being asked for bribes for operation convenience and rapidity.	<ul style="list-style-type: none"> • Determine obvious anti-corruption policy/measures for communication throughout the Company • Determine clearly the agency and person responsible for submitting the permission request or connecting with public offices. • Employ the outsourcers to manage the process of permission request for the Company.

Risk <i>GRI 205-I</i>	Explanation	Internal Control System already Implemented
Risk of giving bribes for migrant labor registration and welfare handling.	<p>The lack of construction labor impacts the real estate business. To prevent illegal labor and contractor employment, the company has to connect and coordinate with public offices, for example, social security office, department of skill development, embassy with regard to alien labor nationality, department of labor protection and welfare, Royal Thai police, and department of local administration. In this regard, there may be a risk of giving bribes to public officers by the representatives or third party acting on behalf of the company.</p>	<ul style="list-style-type: none"> • Announcement is made by chief executives to control and prevent illegal labor employment. • The measure to control migrant workers is executed by using QR Code system to scan the card of migrant workers who have been lawfully registered. Then they would be allowed to work in the project. This is to prevent illegal migrant workers. • The agency of HC foreign worker is established, and the security officers of professional level are assigned to work at every project of each SBU to cover thoroughly the inspection of labor infraction and security. • The suppliers/contractors are evaluated to control the migrant worker employment of the contractors to comply with the policy determined by the company.



Risk GRI 205-1	Explanation	Internal Control System already Implemented
Hospital Business		
Risk of giving bribes to request the permission to construct the hospital buildings of hospital business (under Section 39 bis).	The Company is in the procedure of constructing special size buildings of hospital business under the supervision of Building Control Act and Ministry of Public Health. Thus the Company needs to get the license to operate a hospital and the license to proceed a hospital as stipulated in legislation on hospital operation. In this regard, there may be a risk of offering or being asked for bribes by public officers for operation convenience and rapidity.	<ul style="list-style-type: none"> • The Company has determined the anti-corruption policy and measures of Pruksa Holding PCL and subsidiaries to notify the employees and stakeholders of the intention to abide by Thai law in standing against corruption. • The working group is assigned to control the construction under the work plan, and the work progress will be reported in the Steering Committee on a weekly basis. • The job profile is identified for the personnel of the specific business section whose main duty is to coordinate with public offices. • The outsourcers specialized in EIA report of hospital buildings are employed to coordinate with public offices to minimize the risk and impact that may be caused by using legal gaps for corruption.
Risk of giving bribes to submit for consideration the Environmental Impact Assessment (EIA) report of hospital buildings.	For the construction of special size building of hospital, the Environmental Impact Assessment (EIA) report has to be carried out and submitted to the Expert Committee for further submission of construction request. Thus there may be a risk of offering bribes to public officers for operation rapidity.	
Risk of giving bribes to submit for approval the establishment plan of nursing home.	For private hospital business, the establishment plans of hospital and nursing home need to be submitted for consideration and approval by Health Business Service Center, Department of Health Service Support, Ministry of Public Health, before the construction notification and submission of application for hospital business operation. In coordinating with public offices, there may be a risk of offering or being asked for bribes for operation convenience and rapidity.	






Number of Corruption Incidents in 2017

GRI 205-3

Number of Corruption Incidents	Number (Incidents) GRI 205-3	Equivalent to % GRI 205-1
Total number in 2017 (Corruption complaints from all channels that were well-grounded, groundless, and repeated)	68	100
Number of events with the operation in compliance with anti-corruption measures (The matters preliminarily considered well-grounded and the committee was appointed to investigate the facts.)	27	39.71
Number of events that the employees were dismissed or found guilty of misconduct. (14 matters investigated by the committee and found well-grounded, and the employees were penalized.)	14	20.59
Number of events of legal cases or the outcome of the cases relating to the corruption.	0	0
Number of events with legal action in terms of competition resistance and monopoly (trade partners).	0	0
GRI 206-1		
Number of events with the cancellation of business partner contract or without contract renewal because of the corruption matter.	1	1.47

Remarks: The number of corruption events is the total number of corruption complaints from all channels that were well-grounded, groundless, and repeated. So, the number of events with the investigation and penalty was less than the total number of complaints

channels for complaints and clues

 www.pruksa.com Subject: Complaint / Whistle blowing / Request for fairness GRI 102-41	 cg@pruksa.com	 @pruksacg	 0 2080 1739 Ext. 48611, 0 84 555 2364	 Pruksa Holding Public Company Limited (Head Office) 1177, 23 rd Floor, Pearl Bangkok Building Phaholyothin Road, Samsennai, Phayathai Bangkok 10400
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All complaints would be sent for information to Chairman of Board of Directors, Chairman of Executive Board and Chief Executive Officer, Chairman of Corporate Governance Committee, and Chairman of Audit Committee. The Company treated them as strictly confidential.

ENVIRONMENTAL



3



GOOD HEALTH
AND WELL-BEING

6



CLEAN WATER
AND SANITATION

7



AFFORDABLE AND
CLEAN ENERGY

11



SUSTAINABLE CITIES
AND COMMUNITIES

12



RESPONSIBLE
CONSUMPTION
AND PRODUCTION

13



CLIMATE
ACTION

17



PARTNERSHIPS
FOR THE GOALS

Environmental Operation

GRI 102-11, GRI 103-2

Pruksa Holding Public Company Limited conducts core business that is Pruksa Real Estate Public Company Limited, a subsidiary of real estate development business for sale, i.e. detached house, townhouse/semi-detached house and condominium. In addition, there are Pruksa Precast Factory Lam Lukka and Pruksa Precast Factory Navanakorn in Pathum Thani, which are precast concrete factory. The factories have implemented environmental activities under environmental impact control measures arising from construction of residential buildings and utilities.

Pruksa Environmental Policy

GRI 102-29

The Company intends and is determined to improve and save the environment to meet the required standards appropriately and continuously so that the customers, staff members and community will be aware that we are the company with responsibility and determination to improve environmental management on a continuous basis, as well as to prevent pollutions in every area. The procedures applied by the Company are as follows.

1. Give cooperation and comply with laws and regulations related to environment.
2. Waste segregation prior to its disposal for the purpose of management.
3. Control and manage the quality of wastewater from production process, accurately and properly.
4. Save and conserve energy related to production by properly controlling and managing waste volume.
5. Efficient use of resources by recycling instead of discarding and focus on finding renewable energy to reduce greenhouse gas.
6. Promote and support environmental activities fully by cooperating with public and private sectors, as well as nearby communities.
7. Build quality of life and good hygiene for staff members.



Environmental Performance in 2017

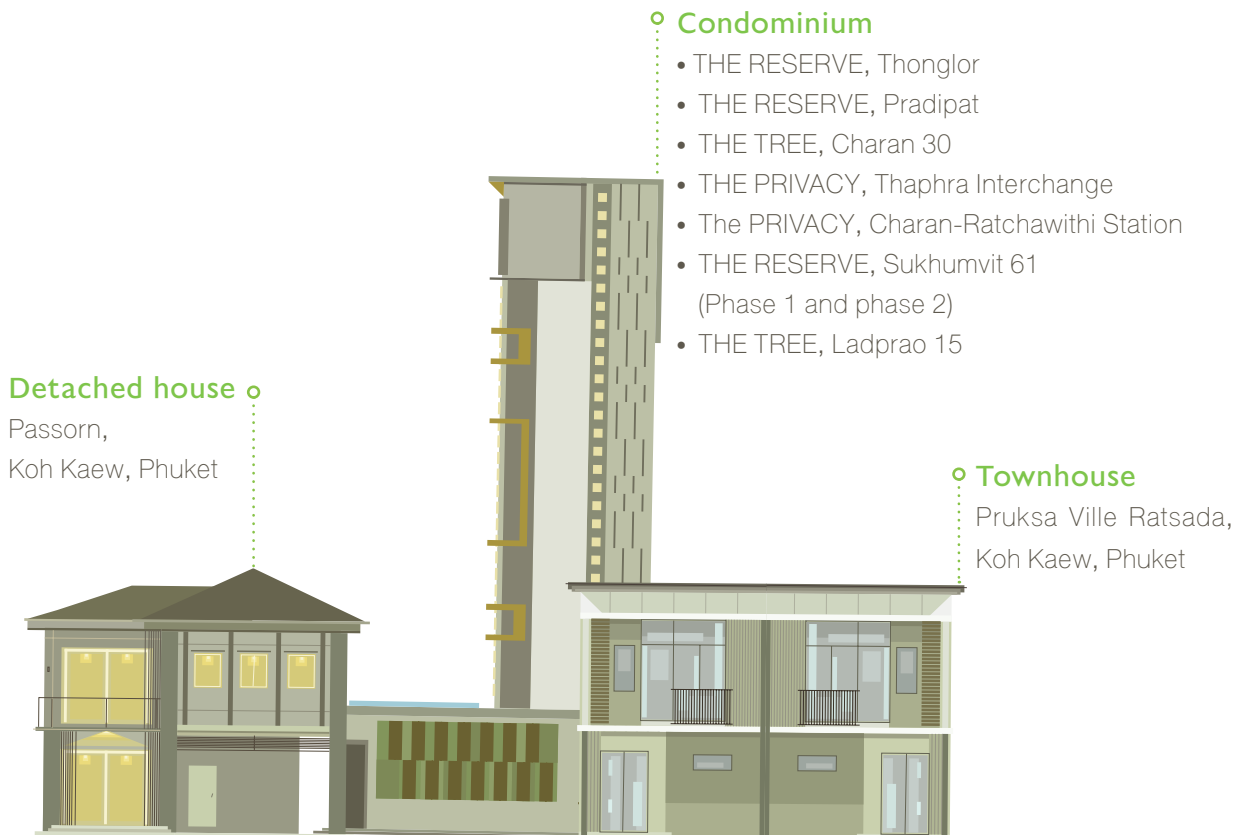
GRI 102-12, GRI 307-1

Pruksa Real Estate Public Company Limited had prepared and submitted EIA Report (Environmental Impact Assessment Report) to the Office of Natural Resources and Environmental Policy and Planning in compliance with the National Environmental Quality Act B.E. 2535 (1992), requiring a company with land allocation for residential or commercial purpose that acquires 500 sub-lots of land upwards or with area of more than 100 rai, to prepare EIA Report proposing the process of application for land development permission before beginning the construction project, during the construction project and during the implementation period. The environmental impact assessment will be made in 4 areas, namely;

- Physical resources
- Biological resources
- Human use values
- Quality of life

In 2017, the Company prepared Environmental Impact Assessment Report and received approval from the Office of Natural Resources and Environmental Policy and Planning for 9 projects as follows.

GRI 416-1



Material Management

GRI 301-1

Utilization of Materials in the Master Production Process in 2017

No.	Material	Quantity	Unit	Recyclable (%)	Non-recyclable (%)
1	Ready Mixed Concrete	286,537	CBM	0%	100%
2	Round bar	16,912,816	Kilogram	0%	100%
3	Grating	465,000	Kilogram	0%	100%
4	PC-Stand	878,642	Kilogram	0%	100%

Utilization of Recycled Materials

GRI 301-2, GRI 301-3



The target for concrete recycling to be reused at Prukso Precast Factory Lam Lukka and Prukso Precast Factory Navanakorn

Prukso Precast Factory Lam Lukka and Prukso Precast Factory Navanakorn have implemented the Recycling Concrete system which can separate stones, sand from fresh concrete scraps and cement-based slurry water to be reused in concrete production with the quality maintained according to the standards.

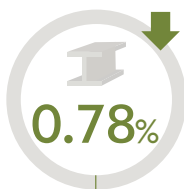
Comparison of data on Concrete Recycling 2016-2017

GRI 103-3

No.	Material	Prukso Precast Factory Lam Lukka		Prukso Precast Factory Navanakorn	
		2016	2017	2016	2017
1	Stones	0%	100%	100%	100%
2	Sand	0%	100%	100%	100%
3	Water	0%	100%	100%	100%



The quantity of recycled material in production process increased by 50%



Steel scrap from production decreased by 0.78%



Concrete scrap decreased by 0%

*Calculate in comparison between 2016 and 2017

Reused Materials

GRI 301-3



The target
in reusing
Transport Rack



Pruksa Precast Factory Lam Lukka and Pruksa Precast Factory Navanakorn have used Transport Rack to put in precast wall and precast concrete floor for transporting from the factories to project sites. After delivery, the Transport Rack will be used for the next transportation.

Comparison of data on material reuse 2016-2017

GRI 103-3

Material's name	Quantity	Unit	2016	2017
Transport Rack	1,752	Rack	100%	100%

Energy Utilization

GRI 102-12, GRI 302-1, GRI 302-4

In 2017, Pruksa Precast Factory Lam Lukka and Pruksa Precast Factory Navanakorn passed the registration for CFO Label (Carbon Footprint for Organization) as an organization that pays attention to and aware of the importance of conducting Carbon Footprint for Organization or CFO to reduce greenhouse gases emitted from various activities of the organization, e.g. fuel combustion, electricity utilization, waste management and transportation, etc.



Data on Energy Utilization of Pruksa Precast Factory, Navanakorn 2016 and 2017

GRI 103-3, GRI 305-4, GRI 305-6, GRI 305-7

Scope	Unit	2016	2017
1. Direct (Scope 1)	Ton-Co2	138	145
GRI 305-1			
2. Energy Indirect (Scope 2)	Ton-Co2	1,936	2,091
GRI 305-2			
3. Other Indirect (Scope 3)	Ton-Co2	4,263	6,347
GRI 305-3			

*Production volume in 2017 increased from 2016, amounting to an increase in cement cubic of 14,325.69 CBM or 18%

Data on Energy Utilization of Prukha Precast Factory, Lam Lukka 2016 and 2017

GRI 103-3, GRI 305-4, GRI 305-6, GRI 305-7

Scope	Unit	2016	2017
1. Direct (Scope 1) <i>GRI 305-1</i>	Ton-Co2	369	393
2. Energy Indirect (Scope 2) <i>GRI 305-2</i>	Ton-Co2	2,117	2,549
3. Other Indirect (Scope 3) <i>GRI 305-3</i>	Ton-Co2	4,348	4,826

* Production volume in 2017 increased from 2016, amounting to an increase in cement cubic of 31,582.95 CBM or 28%

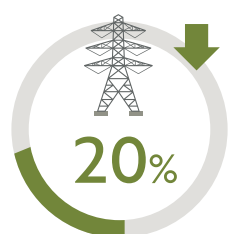
Energy Intensity in 2017 Classified by Types of Energy At Prukha Precast Factory Lam Lukka and Prukha Precast Factory Navanakorn

GRI 302-3, GRI 302-4, GRI 302-5

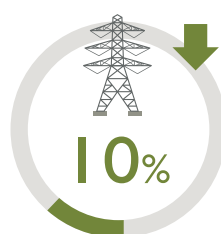
Types of Energy <i>GRI 302-2</i>	Lam Lukka	Navanakorn
Electrical energy	3,591,860 Kwh/y (100%)	4,396,770 Kwh/y (99.75%)
Solar energy	0%	0.25%

Target for reduction of electricity utilization in 2017 compared with 2016

GRI 302-4



Prukha Precast Factory
Navanakorn



Prukha Precast Factory
Lam Lukka

Reducing Electricity Use

Pruksa Precast Factory Lam Lukka and Pruksa Precast Factory Navanakorn had measured/compared the outcome before-after efficiently usage of electricity/energy (compared between 2016-2017)

GRI 103-3

Pruksa Precast Factory, Lam Lukka

No.	Activity to Reduce Electrical Energy Consumption <i>GRI 305-5</i>	ปี 2559 (Kwh/y)	ปี 2560 (Kwh/y)	พลังงานลดลง (Kwh/y)
1	Reducing electricity use by fixing Capacitor system	29,540	0	29,540
2	Reducing electricity use by fixing Power factor	694,502	204,042	490,460
3	LED 50 electric bulbs in PCF3 were replaced by LED light bulbs.	29,083	14,541	14,541

Pruksa Precast Factory, Navanakorn

No.	Activity to Reduce Electrical Energy Consumption <i>GRI 305-5</i>	2016 (Kwh/y)	2017 (Kwh/y)	Reduced Energy (Kwh/y)
1	Install Motion Sensor for toilets and offices	19,198	8,726	10,472
2	Find air pressure range that is proper to machine using in PCF6	0	6,944	0
3	Turn off the lights in auto areas, e.g. Side Shifter 1, back of oven	590,000	460,810	129,190
4	Replace light bulbs around factory road and Stock with LED light bulbs	17,106	7,000	10,106
5	Replace light bulbs inside Front Office with LED light bulbs	15,023	7,290	7,733
6	Save energy from air compressors	0	182,040	0
7	Install pull switches for office lighting system	53,760	13,440	40,320



**The target
in recycling “water”
from production
process for reusing**

Water Management

Prukso Precast Factory Lam Lukka and Prukso Precast Factory Navanakorn have the most efficient water management practice, in which;

- There are staff members to control, monitor, and check water usage.
- There is monthly report on water usage.
- There is recycling system to bring back water from production process for reuse.
- There is water diversion system to bring water from natural sources for using in production process.
- There is water purification plant to purify water from natural sources in the factory and use for concrete mixing together with water from recycling system.
- Reduce tap water use in plant watering by 100%.

Source of Water and Water Volume Used in Production Process

GRI 303-3

Source of Water GRI 303-1, GRI 303-2	Prukso Precast Factory Lam Lukka	Prukso Precast Factory Navanakorn
Tap water	35,094 CBM	43,617 CBM
Water from natural sources	50,457.64 CBM	-
Water from natural sources, ground water	-	-
Rainwater collected by the organization	-	-
Wastewater from production and bring back for reusing	11,297 CBM	11,672 CBM

Water Efficiency Compare between 2016 and 2017

GRI 103-3

No.	Target	2016 Reduced water expense (Baht)	2017 Reduced water expense (Baht)
1	There is Recycling system for bringing water from production process to reuse GRI 303-3	15,444	61,776
2	There is water diversion system to bring water from natural sources for using in production process	0	385,159

P.S. Water recycling system which renewed and circulated water from production stage enabled the company to reduce 2016's and 2017's expenses valued 15,444 baht and 61,776 baht respectively.

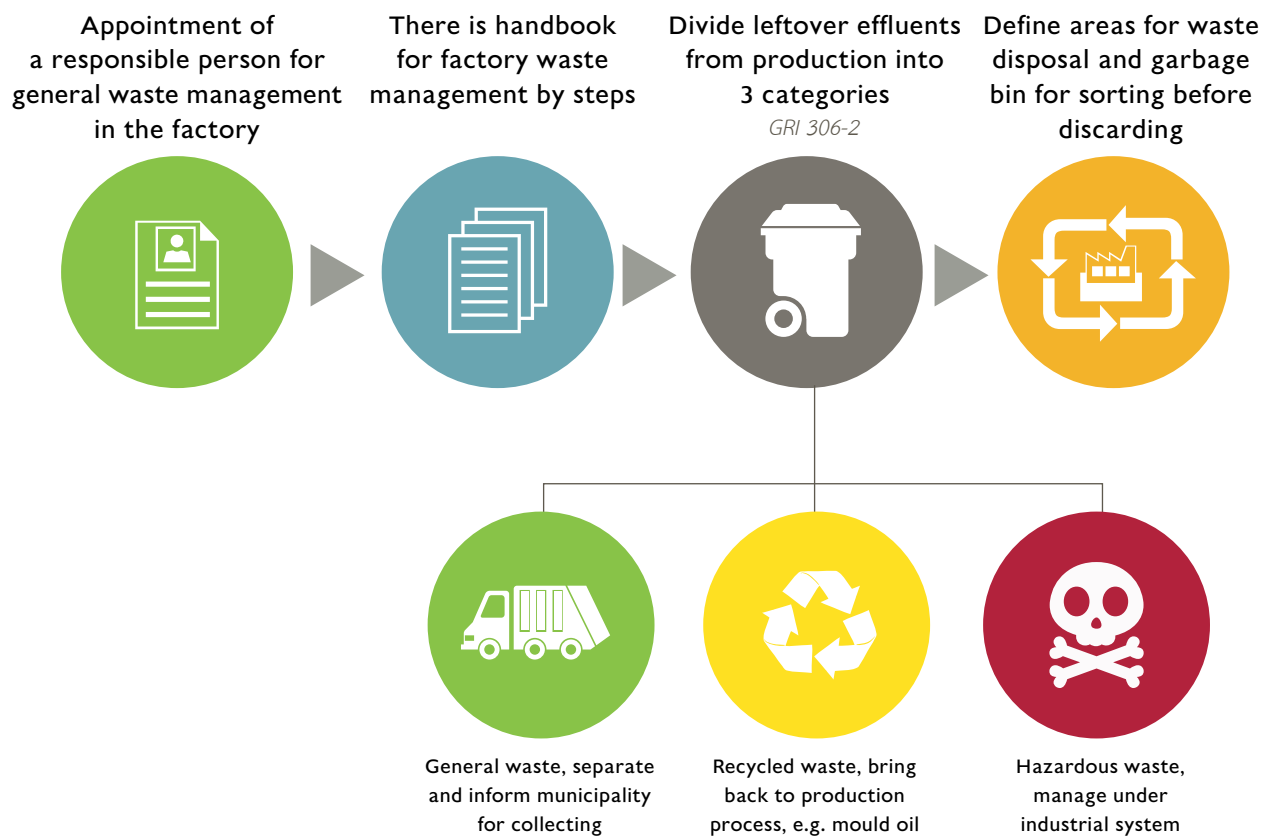
Wastewater Treatment

GRI 306-1

Prukso Precast Factory Lam Lukka and Prukso Precast Factory Navanakorn use anaerobic biological treatment process. Canteen wastewater will be put through oily wastewater treatment before disposal. Wastewater from public systems will be pumped back to a clarifier and with aeration system by fountain and solar turbine system before putting through filtration system for further reuse.

Disposal of Leftover Effluents from Production

Pruksa Precast Factory Lam Lukka and Pruksa Precast Factory Navanakorn implement the management system of leftover effluents from production as follows.



Pollution and/or Waste Prevention in 2017

GRI 103-3

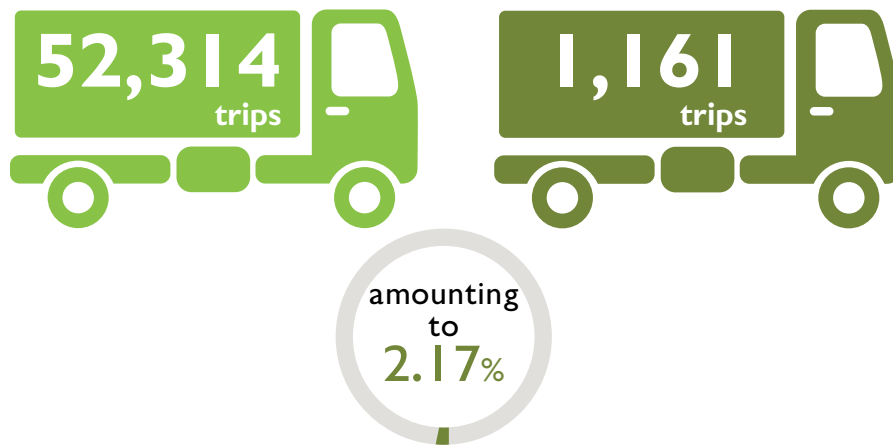
No.	Target	Pre-Improvement	Post-Improvement
1	Reduce the use of disposable plastic cups in factory area	0%	100%
2	Reduce the disposal of steel scrap	1.42 %	0.78 %
3	Reduce the use of plywood to reduce plywood scrap	1.46 %	0.3%
4	Reduce the use of black rubber to reduce its scrap	1.04%	0.1%
5	Reduce the quantity of concrete scrap	2%	1%

Reducing the Environmental Impacts of Transport

GRI 305-1

In **2017**, there were
transport for fully precast
concrete

decrease from **2016**



Prukso Precast Factory Lam Lukka and Prukso Precast Factory Navanakorn reduced the number of trips by increasing the weight of fully precast concrete to reduce environmental impacts of transport as follows.

GRI 103-3

Activity to reduce trip of transport <i>GRI 305-5</i>	Average loading weight 2016 (Ton)	Average loading weight 2017 (Ton)	% increase of loading weight per trip
Increase the numbers of “ready-made bathroom” from 3pod to 4pod per trip (Factory 2)	10.86	12.63	16%
Pack “precast beams” and “prefab concrete floor” together to reduce trip of transport (Factory 3)	11.29	12.20	8%
Transport “project parts” located in nearby areas in the same trip (Factory 4)	9.43	9.85	4%
Arrange STD Packing for the weight per trip of around 13.5 tons (Factory 5)	12.98	13.53	4%
Arrange STD Packing for the weight per trip of around 13.5 tons (Factory 6)	13.12	13.46	3%
Pack beams with floors to reduce trip of transport	12.27	13.03	6%
Total	12.41	12.89	4%

SOCIAL



Valued Labor Management

GRI 103-2

The Company attaches importance to fair treatments to all groups of labor as they are critical in the organization's success. Consequently, the Company is determined to create favorable work culture and environment, beginning with recruitment and hiring process. There is no discrimination against race, religion, color, gender, or physical disabilities such as the disabled. It will take into consideration the knowledge, skills and behaviors. The employment must be lawful and in compliance with government regulations and must not involve child labor and forced labor. This principle also applies to contractors' employees.



Remuneration and Welfare Management

GRI 102-35, GRI 102-36

Employee Remuneration

GRI 103-2, GRI 401-2, GRI 405-1

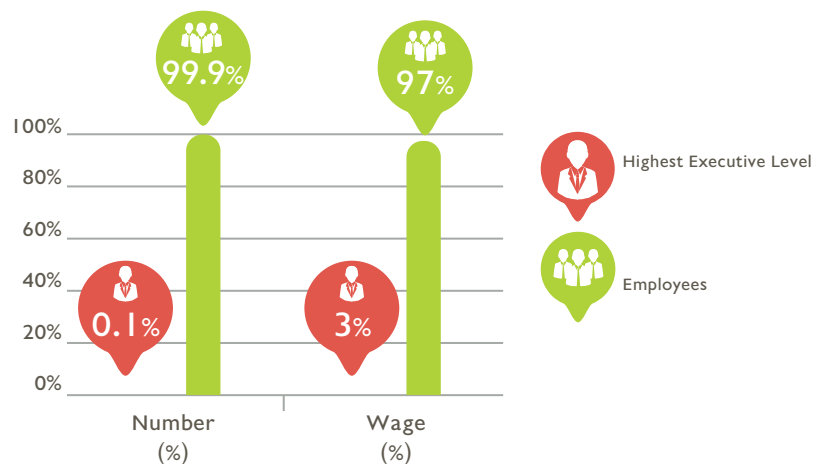
The Company's employees are compensated in the forms of salary, overtime allowance, bonus, and employer's contribution to the provident fund, etc. To incentivize employees to achieve their work objectives, the company employs the Balance Scorecard (BSC) and the Key Performance Indicator (KPI) frameworks as primary tools in performance-based compensation management and provides various welfares to strengthen the bond between the organization and employees. There are no differences between female and male employees in the consideration of basic salary and compensation as well as salary increase, annual bonus payment, performance-based reward, and commission, etc.

The Company's Wage VS Standard Wage

GRI 202-1

In setting up the wage for each level of new employees, the Company takes into account their educational background, work experience as well as skills needed for each job. In consideration of salary increase, the cost of living, and the performance of the organization and employees are taken into account. The wages for all positions are not lower than the minimum wage stipulated by the law.

Percentage of Wage: Highest Executive Level VS Employees



Percentage of Wage: Male vs Female

GRI 102-38

By Workplace and Band of Employees

GRI 202-1, GRI 401-2, GRI 405-2

ระดับพนักงาน	สถานที่ปฏิบัติงาน	สัดส่วนจำนวนคน (%)		สัดส่วนเงินเดือน (%)	
		หญิง	ชาย	หญิง	ชาย
Band 8	Headquarters	0%	100%	0%	100%
Band 7	Headquarters	0%	100%	0%	100%
Band 6	Precast Factory, Lam Lukka	0%	100%	0%	100%
	Headquarters	19%	81%	25%	75%
Band 5	Precast Factory, Navanakorn	0%	100%	0%	100%
	Precast Factory, Lam Lukka	0%	100%	0%	100%
	Headquarters	31%	69%	30%	70%
Band 4	Projects	3%	97%	3%	97%
	Precast Factory, Navanakorn	0%	100%	0%	100%
	Precast Factory, Lam Lukka	5%	95%	4%	96%
	Headquarters	44%	56%	41%	59%
Band 3	Projects	4%	96%	3%	97%
	Precast Factory, Navanakorn	13%	88%	9%	91%
	Precast Factory, Lam Lukka	11%	89%	10%	90%
	Headquarters	53%	47%	52%	48%
Band 2	Projects	48%	52%	43%	57%
	Precast Factory, Navanakorn	14%	86%	14%	86%
	Precast Factory, Lam Lukka	23%	77%	22%	78%
	Headquarters	60%	40%	58%	42%
Band 1	Projects	35%	65%	34%	66%
	Precast Factory, Navanakorn	18%	82%	18%	82%
	Precast Factory, Lam Lukka	15%	85%	14%	86%
	Headquarters	61%	39%	58%	42%
Band 0	Headquarters	0%	100%	0%	100%

Remarks: Permanent monthly employees (excluding Executive Monthly)



Employee Engagement in Remuneration Consideration

GRI 102-37

The Company pays annual bonus and considers salary increase in accordance with the KPIs. The target of the KPIs are mutually specified by the employees and their superiors. The assessment result is an important factor in the salary increase and bonus payment.

In addition, the Company also conducts the Engagement Survey to collect various aspects of opinions from employees, among which is the remuneration and welfare benefits. The information collected is one of the factors for specifying and improving of policies.

Percentage of Annual Remuneration

GRI 102-39

Employee remuneration is annually reviewed. The rate of remuneration increase depends on the economic condition and the Company's performance. For the year 2017, the Merit Increase is at the average of 5%.

Provident Fund

GRI 201-3

The Company's Provident Fund was registered on 21 February 2003 in conformity with the Provident Fund Act B.E. 2530 (1987) as part of TISCO Master Pooled Fund, a registered pooled provident fund. The aims are to promote savings and security for employees and their families, as well as to create tax benefits for employees. Savings in the provident fund depend on the level of contribution and working period of the employees.

The Company contributes 5-10% of the employees' salary to the fund and the employees are given options to contribute 5-15% of their salary to the fund (depending on the length of their working period.)

In 2017, the Company's minimum contribution to the provident fund calculated at 5-10% of salary by employees' working period totaled 125,547,411 baht. Allowance for provident fund withdrawal totaled 125,547,411 baht, sufficient for all employees eligible for provident fund withdrawal.

As of 2017, 2,712 employees have become members of the provident fund, equivalent to 84.7% of employees eligible for the provident fund membership. Employees joining the fund have options to contribution from the minimum of 5% but not more than 15% of their salary.

Contributions from Employees and the Company

Work period (starting from the first working day)	Contribution from employees (%)	Contribution from the Company (%)
Less than 1 year	5, 6, 7, 8, 10, 12, 15	5
1 < 3	6, 7, 8, 10, 12, 15	6
3 < 5	7, 8, 10, 12, 15	7
5 < 7	8, 10, 12, 15	8
over 7 years	10, 12, 15	10

Payment condition

- Payment is made when the employees resign from fund membership which occurs in 2 cases:
 - Employees resign from the job
 - Employees resign from membership (employees can never return as member of the fund)
- Percentage of accumulated contribution from employees and the Company depend on the length of working period.

Work period (starting from the first working day)	Contribution from employees (%)	Contribution from the Company (%)
Less than 1 year	100	0
1 < 3	100	25
3 < 5	100	50
5 < 7	100	75
over 7 years	100	100



Employee Welfares and Benefits

The Company provides welfare and benefits programs to its employees and their families since the first day of work. Employees in the same band will get equivalent welfares and benefits without discrimination against genders, ethnicities, ages, and religions. Welfares and benefits include life insurance and health insurances that also cover family members (spouse and two children). Daily workers are protected by life insurance policy with 100,000-baht limit for all cases of death. In addition, the company's employees receive other welfares including:

- Social Security Fund
- Annual leave
- Military service leave
- Maternity leave
GRI 401-3
- Uniform
- Financial aid in case of death
- Scholarship for descendants
- Welfare for housing purchase
- Fitness & Sport Club
- Compensation Fund in case of work-related illnesses/accidents
- Visiting gift in case of inpatient care
- Financial aid for funeral wreaths
- Gift for employee's wedding ceremony
- Policy to give monetary reward to employees with 10th and 20th years of work, etc.

Non-Discrimination Policy in Employment

GRI 103-2, GRI 402-1, GRI 405-1, GRI 406-1

The Company will uphold ethical principles in recruitment and selection of personnel for various positions fairly, taking into consideration the qualifications for each position, education, experience and other requirements necessary for the work. There will not be discrimination or exclusion based on race, religion, skin color, gender or physical disabilities, e.g. the Company has participated in the project for employment of persons with disabilities in business place under Section 35 consecutively as the second year.

In this regard, the Company will take into consideration the knowledge, ability and behavior. The employment must be lawful and in compliance with government regulations. In addition, the Company has defined the notice period in the conditions of employment, e.g. attendance, resignation. It is expressly stated in the employment contract that the Company or an employee may terminate the contract by giving prior notice to the other party not less than 30 days.

Policy and Guideline for Sub-contractors with the Risk of Using Child Labor

GRI 406-1, GRI 408-1, GRI 409-1

Even though the Company will not be direct employer of the contractors' employees, the Company has policy of using lawful labor, regardless of whether it is the employees of the Company, the contractors or sub-contractors. Child labor or forced labor, as well as migrant labor, will not be used. The Company has arranged labor checking system before working at project site every time. All parties concerned must act as follows.

Contractor

- Must use legal migrant workers, e.g. such employed migrant worker must have the employer's name correctly on the back of the pink card or work permit and with correct working area.
- Must not put migrant workers younger than 18 years old to work.
- Must do and take actions to employ legal labor, as well as the Company's policies, both presently applied and future applied policies.

Responsible Person of the Company

- The employee in the position of head of project or with related duty must attach importance to and monitor the labor use of contractors in the project to ensure that it is 100% lawful. Illegal labor must not be permitted to enter the project site definitely.
- All projects must prepare a complete list of labor of every contractor readily for presenting to public authority. The actual status of labor use in the project must be reported to the management of each business line for information and proper action.



Number of Employees of Prukha Holding Public Company Limited and its Affiliates

GRI 102-8

Unit : Person

	Executive		Full-time		Part-time		The Disabled		The Elderly (Up from 60 years old)		Total
	ชาย	หญิง	ชาย	หญิง	ชาย	หญิง	ชาย	หญิง	ชาย	หญิง	
Headquarters	86	66	191	284	3		2	1	1	2	636
Precast Factory, Navanakorn	4		52	10			1		1		68
Precast Factory, Lam Lukka	12	1	108	25				1	1		148
Townhouse Line	73	27	640	529				2	3		1,274
Detached House Line	53	10	390	297			1	1	1		753
Condo Line	32	24	99	120	1			1	1		278
Premium Group	11	15	23	48							97
CCC	13		102	27					1		143
PC	5		78	5							88
Hospital	3	2		2							7
Grand Total	292	145	1,683	1,347	4		4	6	9	2	3,492

Note: Data as of December 31, 2017

Number of Local Executives and Employees 2017

GRI 202-2

Unit : Person

Workplace	Local people	Executive GRI 202-2		Employee	
		Number	%	Number	%
Provincial projects (not included Bangkok)	137	1	0.73%	136	99.27%
Precast Factory Navanakorn	13	1	7.62%	12	92.38%
Precast Factory Lam Lukka	49	7	14.29%	42	85.71%
Total	199	9	4.52%	190	95.48%

Note: Data of employees who work in provinces other than Bangkok only

Number of New Employees Classified by Band and Male/Female, Compared between 2016-2017

Unit : Person

GRI 401-1

Type of Employee	Band	2016			2017		
		Male	Female	Total	Male	Female	Total
Monthly-rated full-time employee	0	146	38	184	0	0	0
	1	183	183	366	52	8	60
	2	57	25	82	85	102	187
	3	32	26	58	50	31	81
	4	10	3	13	21	13	34
	5	8	0	8	2	4	6
	6	0	0	0	1	1	2
	7	0	0	0	1	1	2
	8	0	0	0	0	1	1
Daily-rated full-time employee		134	98	232	8	9	17
Temporary employee		1	1	2	6	0	6
Grand Total		571	374	945	226	170	396

Number of Employees Retired, Classified by Band and Male/Female, Compared between 2016-2017

Unit : Person

GRI 401-1

Type of Employee	Band	2016			2017		
		Male	Female	Total	Male	Female	Total
Monthly-rated full-time employee	0	1	0	1	1	0	1
	1	124	32	156	101	35	136
	2	139	103	242	126	123	249
	3	46	22	68	69	25	94
	4	17	18	35	31	29	60
	5	16	2	18	5	4	9
	6	5	1	6	5	0	5
	7	1	0	1	2	0	2
	8	0	0	0	1	0	1
Daily-rated full-time employee		156	107	263	217	244	461
Temporary employee		5	3	8	8	2	10
Grand Total		510	288	798	566	462	1,028

Occupational Health, Safety, and Workplace Environment

GRI 102-11, GRI 103-2

Occupational Health, Safety, and Workplace Environment Policy



Pruksa Real Estate PCL, a subsidiary of Pruksa Holding PCL, promotes safety for employees to prevent accidents, injuries, and sickness from work, and controls potential danger related to the Company's business operations by way of devising safety, occupational health and working environment policy as a guideline for practices that is communicated to all levels of employees as follows:

- The Company regards that work safety is a priority responsibility of all employees in all levels and they must strictly comply with the regulations for their own and others' safety.
- The Company has strong intention of operating the business properly in compliance with the laws and occupational health and safety provisions.
- The Company organizes the training to provide knowledge, skill and capability in terms of occupational health and safety for employees, as well as constantly strengthen their conscious minds and those of people involved.
- The Company provides support on budget and resources, such as personnel, protective equipment and other resources to be sufficiently and appropriately available, and retention of good health and sanitation. In addition, the Company takes good care of all employees and prevents them from the accidents and diseases from their work.
- The Company monitors and reviews its operations related to occupational health and safety for continuous improvement.

The Company has strictly adhered to the international safety standard by applying the occupational health and safety management system until it has been received certification of OHSAS 18001:2007 and TIS 18001:2554 standards, which are international standards for condominium construction process. In 2016, the Company introduced the Safety Certify Program which is a safety standard certification system developed by the Company in order that every project can use the same safety standard properly according to managerial and legal principles. The projects meeting all required assessment criteria will duly receive certificates, and the system has now been executed in the Company's horizontal projects. Thus, it is a reflection of the Company's emphasis on safety with a thorough control system, covering the construction of single-detached houses, townhouses, and condominiums.

GRI 102-12

The safety standard applied to the Company's operation resulted in 2,500,000 work safe hours without accident which is the best statistic since the establishment of the Company until the present. In this regard, chief executives issued a letter of appreciation to employees.

Regarding the employees' quality of life, the Company specified the same accommodation standard for employees working in all construction projects with complete provision of infrastructure, recreation corner and safety system, as well as emergency call center system.



Work Practices on Occupational Health, Safety, and Workplace Environment

In order to ensure effective operations in terms of safety and occupational health that comprehensively cover the required standards, the following policy and practices have been regulated.

1. The policy on safety, occupational health and environment of vertical construction is to determine work practice standards on safety for vertical working, and also enforced on the Company's employees, contractors, project supervisors, consultants and other related parties.
2. The policy on safety, occupational health and environment of horizontal construction is to determine work practice standards on safety for vertical working, and also enforced on the Company's employees, contractors, project supervisors, consultants and other related parties.
3. The policy on accidents at work is to determine work practice standards when accidents occur at work. The accident report and investigation must be executed and corrective measures must be taken to prevent recurrence of accidents in the future.
4. The policy on personal protective equipment (PPE) is to determine the same standard of personal protective equipment of the Company that covers all relevant activities in operations.
5. Safety regulations for project construction contractors are the documents attached to the TOR, specifying practical regulations of occupational health and safety for the Company's contractors to abide by.
6. Safety management plan of the project serves as the occupational health and safety manual for each particular project.
7. The evaluation and safety certification of horizontal position is the operational safety standard in horizontal construction projects.
8. Safety regulations for horizontal position are work practice standards for contractors for the purpose of horizontal safety.
9. The Company's announcement on safety measures of high-danger working, relating to the electricity and machinery, is the safety control measures of high-danger working.
10. The standard of temporary electrical cabinet for construction projects is the same standard of electrical cabinet used by every project of the Company.



Safety Regulations in Work Operations

GRI 403-3, GRI 403-4

The Company has exercised appropriate control systems in high-risk activities; hot work, high work, confined space and other work, with clear working regulations. Currently, there are 42 sets of regulations covering a wide array of activities with constant work inspection and clear inspection reports as follows:

1. Safety Regulations for Utilization of Personal Protective Equipment (PPE)
2. Safety Regulations for Maids
3. Safety Regulations for Prevention of Fire
4. Safety Regulations for Working at Height
5. Safety Regulations for Working in Confined Space
6. Safety Regulations for Prevention of Fall
7. Safety Regulations for Working with High Temperature
8. Safety Regulations for Using Passenger Elevators
9. Safety Regulations for Working with Electrical Equipment
10. Safety Regulations for Lifting and Moving Objects (Office)
11. Safety Regulations for Walkway Management
12. Safety Regulations for Traffic Control
13. Safety Regulations for Controlling Automobiles
14. Safety Regulations for Using Scaffolds
15. Safety Regulations for Footing Works
16. Safety Regulations for Using Caissons
17. Safety Regulations for Using Pile Driving
18. Safety Regulations for Using Bored Pile
19. Safety Regulations for Installation of Electrical Devices
20. Safety Regulations for Working with Belts, Chains and Slings
21. Safety Regulations for Working with Mobile Cranes
22. Safety Regulations for Working with Hoists
23. Safety Regulations for Working with Hazardous Chemicals
24. Safety Regulations for Noise Control
25. Safety Regulations for Dust Control
26. Safety Regulations for Hazardous Waste Control
27. Safety Regulations for Road Control in Construction Sites
28. Safety Regulations for Installation of Steel Structure
29. Safety Regulations for Working with Wood Cutter
30. Safety Regulations for Demolition Work
31. Safety Regulations for Drilling Work (Bored Pile)
32. Safety Regulations for Using Vibro Machine
33. Safety Regulations for Installation of Tower Crane
34. Safety Regulations for Installation of Precast
35. Safety Regulations for Working with Radiation

36. Safety Regulations for Using Computer (Office)
37. Regulations for Addictive Substance and Alcohol Control (Office)
38. Safety Regulations for Fire Incidents on High Buildings (Office)
39. Safety Regulations for Prevention of Earthquake for High Buildings (Office)
40. Safety Regulations for Using Photocopiers (Office)
41. Safety Regulations for Prevention of Tsunami
42. Safety Regulations for Working in the Office

Occupational Health and Safety Operations

GRI 403-3, GRI 403-4

- Risk Assessment in different activities of the organization to control and prevent potential risks from causing harmful impact on health, diseases and employees' mental health.
- Assessment of compliance with laws and regulations of occupational health and safety.
- Implementation of Safety Defect Found and Fixed system which reports unsafe working environment with corrective actions taken for construction projects.
- Incorporation of BO&F (Behavior Observation & Feedback) which is a system used for inspecting unsafe working behavior.
- Execution of safety performance system to monitor safety performance of horizontal construction projects to see a trend in safety.
- Appointment of personnel to provide knowledge on safety in each construction project via Q&S Ambassador.
- Arrangement of standardized labor camp in compliance with law as the same standard in every construction project which also serves as a model project for the study visit of external bodies.
- Development of regulations and knowledge on safety and working standards which have been translated into 4 languages for foreign labor to understand.
- Organization of community relations activities with the communities adjacent to the project to build up their good attitudes and provide them with support and assistance.
- Inspection of machinery, equipment and devices for the safety of life and property.
- Occupational health and safety communication via several channels, such as SMS, E-mail and bulletin board, to all employees and related parties.
- Provision of training courses for employees to understand correct operational principles and proper wearing of protective equipment from the start of operation, and to review the matter on a continuous basis.
- Implementation of emergency response drills in order to ensure employees' readiness and understanding of working procedures, methods of notification and coordination, as well as roles and duties in case of incidents.
- Inspection of employees' work execution to ensure that they are coherent with the Company's prescribed standards. Disciplinary actions will be taken in case of violation.
- Detailed investigation of every incident in order to identify root causes of such incidents and take the right action to control and prevent the incident recurrence.



- ## Safety in Utilization of Raw Materials, Materials, Equipment and Chemicals

- ## Structure of Occupational Health and Safety Management System

The organizational chart for the Safety Department is structured as follows:

- SHE Committee** (at the top right, connected to MDPC by a dashed line)
- MDPC** (top center)
 - PPL** (Professional Level)
 - Safety Officer (Professional Level)
 - Factory
 - PPN** (Professional Level)
 - Safety Officer (Professional Level)
 - Factory
 - Erec.** (Professional Level)
 - Safety Officer (Professional Level)
 - PC Erec.
 - CCC** (Construction)
 - Construction
 - Project Construction
 - Safety Officer (Technical Level)
 - Safety Officer (Professional Level) per project
- MDTH1**
 - Safety Officer (Professional Level)
 - PK1
 - PK1
 - PK1
 - PK1
 - Safety Officer (Technical Level)
- MDTH2**
 - Safety Officer (Professional Level)
 - PKV1
 - PKV2
 - UPC2
 - SD3
 - Safety Officer (Technical Level)
- MDS DH**
 - Safety Officer (Professional Level)
 - PS1
 - PS2
 - PS3
 - PT
 - PV
 - Safety Officer (Technical Level)
- MDC DG1**
 - Safety Officer (Professional Level)
 - CD1
 - CD4
 - PMC
 - CM
 - Contractor
 - Safety Officer (Professional Level) per project (Contractor/CCC)
 - Safety Officer (Technical Level)
- MDC DG2**
 - Safety Officer (Professional Level)
 - CD3
 - CD5
 - CD6
 - PMC
 - CM
 - Contractor
 - Safety Officer (Professional Level) per project (Contractor/CCC)
 - Safety Officer (Technical Level)
- MDPLR**
 - Safety Officer (Professional Level)
 - PMC
 - CM
 - Contractor
 - Safety Officer (Professional Level) per project (Contractor/CCC)
 - Safety Officer (Technical Level)
- MDPHR**
 - Safety Officer (Professional Level)
 - PMC
 - CM
 - Contractor
 - Safety Officer (Professional Level) per project (Contractor/CCC)
 - Safety Officer (Technical Level)

The Structure of Occupational Health and Safety Management System Consists of:

- Chief executives of each function (MD)
- Safety, Occupational Health and Working Environment Committee
- Safety Officer (Managerial Level)
- Safety Officer (Technical Level)
- Safety Officer (Supervisory Level)
- Safety Officer (Professional Level)

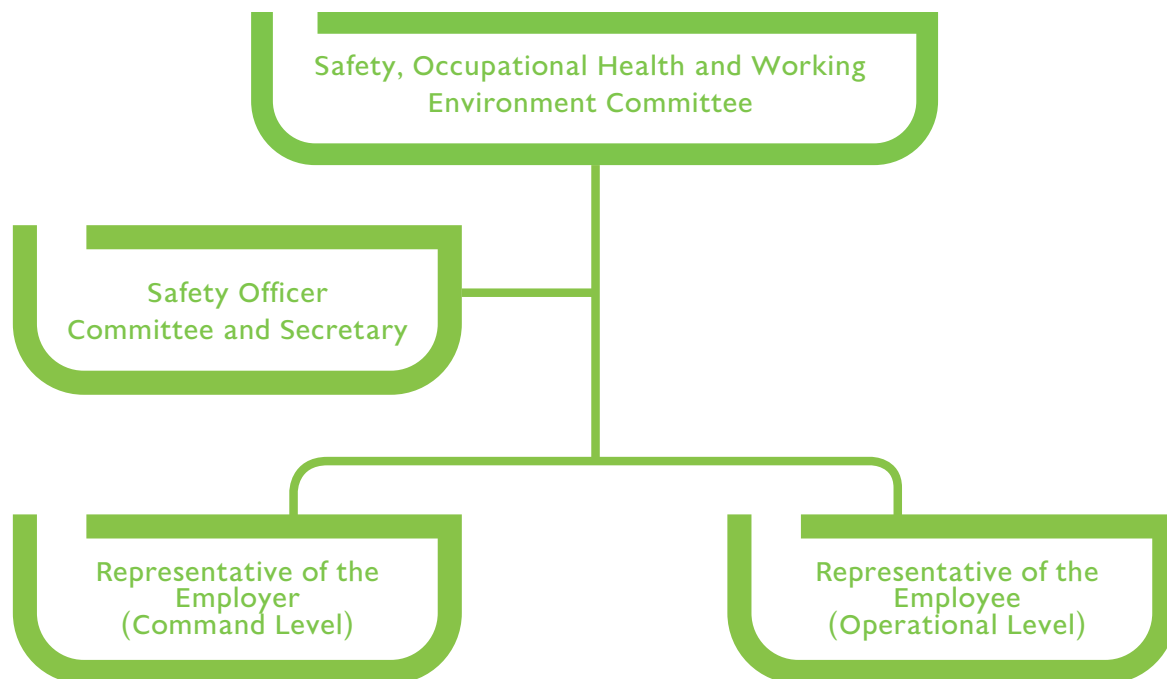
Chief Executives of Each Function (MD)


Chief executives who are responsible for supervising occupational health and safety regulate the operations of occupational health and safety of their function with the following major duties.

- Announce the safety policy and execution plan for the function to abide by.
- Supervise and in charge of safety and occupational health matters.
- Drive the safety policy and execution plan.
- Specify KPIs in occupational health performance.
- Push forward compliance with the Company's regulations of safety.
- Consider the investigation of accidents to identify corrective action for the function.
- Be accountable for legal obligation in safety and occupational health matters in case of compliance failure after inspection.

Safety, Occupational Health and Working Environment Committee

GRI 408-1





The Company has established the Occupational Health, Safety, and Workplace Environment Committee by means of appointment (command level) and election by the organizational members (operational level). The Committee consists of 13 members to ensure effective operations of safety, occupational health and working environment with the following duties and responsibilities.

1. Consider the policy and execution plan of work-related and non-work-related safety in order to prevent and minimize accidents, danger, illness or disturbance caused by the operation or unsafe working environment and submit to the executives.
2. Report and give advice on measures or corrective actions conforming to the law with regard to safety at work and work safety standard to the executives to ensure safety for employees, contractors and outsiders operating in the Company's workplace or entering the Company's workplace for particular services.
3. Promote and support the Company's work safety activities.
4. Consider work safety regulations and manuals as well as safety standard of workplace, and submit to the executives.
5. Conduct a survey of work safety operation and check the Company's accident statistics at least once a month.
6. Review and consider the training program of work safety and duties and responsibilities for safety of employees and personnel of all levels to submit their opinions to the executives.
7. Arrange the reporting system of unsafe working condition as the duties of employees of all levels to put into practice.
8. Follow up on the progress of the matters submitted to the executives.
9. Report the annual operating performance, and identify problems and recommendation on the Committee members' performance after one year of service and submit to the executives.
10. Evaluate the Company's work safety performance.
11. Work on safety issues of other tasks as assigned by the executives.

Safety Officer (Managerial Level)

The Company determined that all vice presidents (VP), project managers (PM) and project engineers (PE) must be trained as safety officers (managerial level) in order to regulate the occupational health and safety management system in their function with the following duties.

- Drive the safety policy and execution plan to the projects.
- Specify KPIs in occupational health performance.
- Push forward compliance with the Company's regulations of safety.
- Consider the investigation of accidents to identify corrective action for the function.
- Evaluate Behavior Observation & Feedback (BO&F) every time of site visit.

Safety Officer (Technical Level)

The Company determined that all project employees of engineering level (SE) must be trained as safety officers (technical level) in order to regulate the occupational health and safety in construction projects with the following duties.

- Examine and evaluate the project safety on a weekly basis.
- Analyze and indicate the danger of each activity in the project.
- Specify work process and safety measures.
- Coordinate with the areas adjacent to the project for community relations activities.
- Evaluate Behavior Observation & Feedback (BO&F) once a day.
- Collect safety statistics of the project.

Safety Officer (Supervisory Level)

The Company determined that all project employees of supervisory level (FM) must be trained as safety officers (supervisory level) in order to regulate the occupational health and safety in construction projects with the following duties.

- Control workers to perform the tasks accurately with safety.
- Promote the wearing of personal protective equipment (PPE) in construction projects.
- Examine working condition, machinery, devices and equipment to be in safe condition.
- Evaluate Behavior Observation & Feedback (BO&F) once a day.
- Notify project engineers of unsafe incidents and emergency.

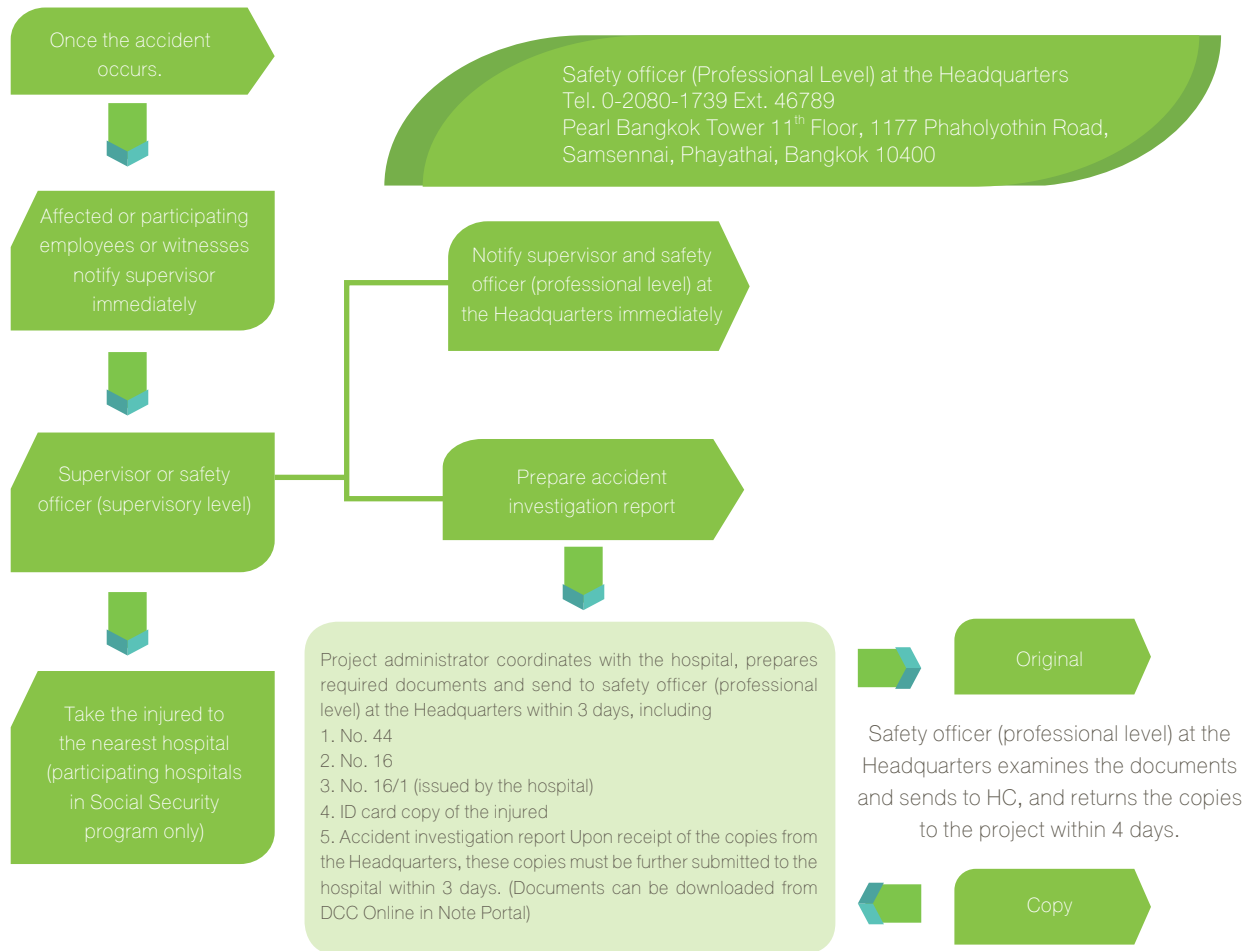
Safety Officer (Professional Level)

The Company determined that there must be safety officers of professional level in the function in order to regulate the occupational health and safety in various functions with the following duties.

- Push forward the strategy and policy on occupational health and safety in the functions.
- Examine and evaluate the safety in various projects and follow up on corrective action against insecurity.
- Examine and evaluate the performance of safety officers of different levels, consisting of managerial level, supervisory level and technical level.
- Search for danger and assess the occupational health risks in the function, and determine preventive measures.
- Provide knowledge on occupation health and safety for all functions.
- Investigate causes of accident and submit corrective action and preventive guideline to MD.
- Coordinate with the central safety team of occupational health and safety.
- Collect accident statistics in the function.
- Report directly to MD.



Standard Protocols for Occupational Health and Safety in Case of Accidents in the Company



Training for Raising Awareness of Safety and Occupational Health

In order to raise awareness and consciousness for employees, the Company organized 6 training courses in safety and occupational health in 2017, with a total of 54 classes to ensure that employees and related persons are equipped with knowledge of safety and how to work without any accident and illness from work. The training center registered with the Ministry of Labor, so the participants who passed the training would receive certificates. The organized training courses were as follows:

1. Consciousness of Safety at Work
2. Safety Officer (Supervisory Level)
3. Safety Officer (Managerial Level)
4. Safety Officer (Technical Level)
5. Safety, Occupational Health and Working Environment Committee
6. Basic Firefighting

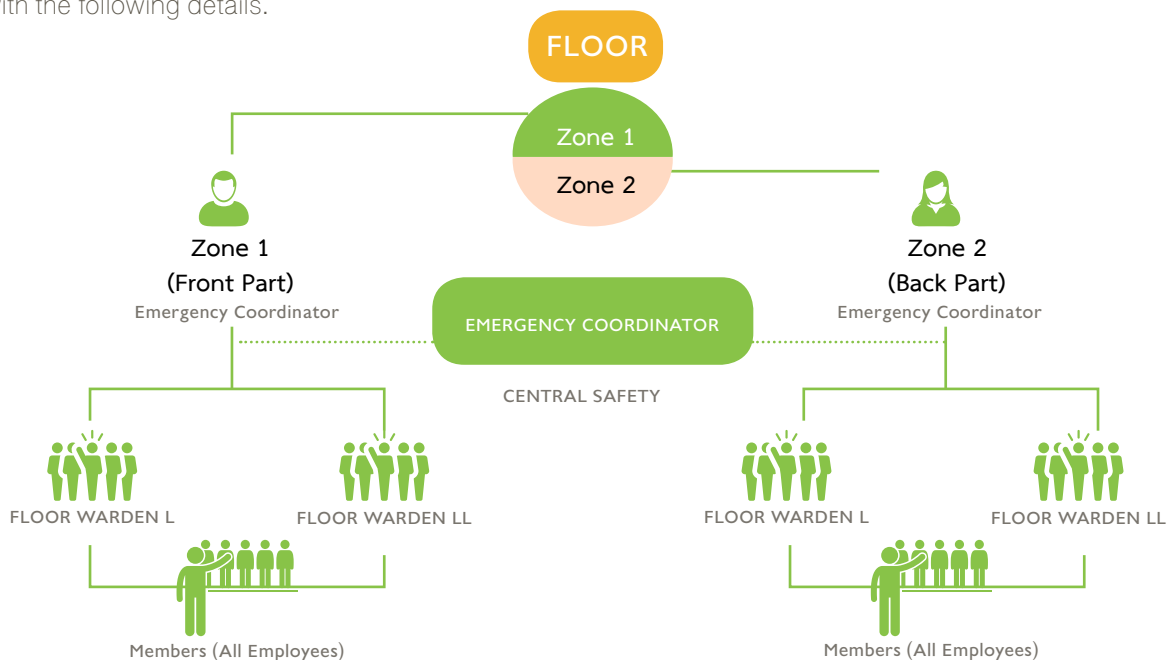
Risk Prevention of Fatal Illness from Work

The Company has placed importance on health care for employees by arranging for qualified doctors from a leading hospital to provide an annual health check-up for employees of all levels, both operational employees and executives. In addition, the risk reduction for potential illnesses and accidents from work is the Company's major policy of employee care; the Company thus determined appropriate care measures covering all working conditions of employees as follows:

- The Company evaluated the impact on health based on risk factors of the employees' working activities.
- As the employees working at the construction sites and in the factories might be affected by dust particles and loud noise that are risks of respiratory diseases, the Company arranged health check-up for employees prior to the start of employment, provided masks to prevent the danger caused by dust particles and first-aid kit, etc.

Fire Prevention and Extinguishing Plan

In 2017, the Company's employees have passed the training course on basic firefighting at 54%, which is higher than that stipulated by law. Then the Company has moved its workplace to the new one at Pearl Bangkok, and restructured fire evacuation team on each floor to be consistent with the building condition with the following details.



1. Emergency commander has the following duties.

- Make decision on evacuation in case of emergency.
- Notify floor wardens and team members (employees) to evacuate to fire exit.

2. Floor warden I has the following duties.

- Follow the order of emergency commander.
- Provide members (employees) with knowledge of evacuation in case of emergency.
- Lead team members (employees) to evacuate to fire exit by holding emergency leader flag to the assembly point.
- Count the members' name list at the assembly point to check whether anyone is stuck in the building.
- Report the results to emergency commander and safety agencies.

3. Floor warden II has the following duties.

- Report the results to emergency commander and safety agencies.
- Provide members (employees) with knowledge of evacuation in case of emergency.

4. Team members have the following duties.

- Strictly comply with emergency evacuation procedures.
- Evacuate to assembly point.
- Report to floor wardens.

Qualifications of Floor Warden I and II

1. Capable of extinguishing primary fires (passed the training course on basic firefighting).
2. Capable of helping the injured team members (passed the training courses on first aid and basic rescue).

The Company organized fire evacuation drills on each floor to ensure that employees are acquainted with the place, emergency response system, fire exit, and well prepared for responding to potential emergency. In addition, the video is produced to enable employees and the Company's visitors to understand and follow the procedure.



The Company has devised the Fire Prevention and Extinguishing Plan Comprising



Safety Measures in case of Emergency

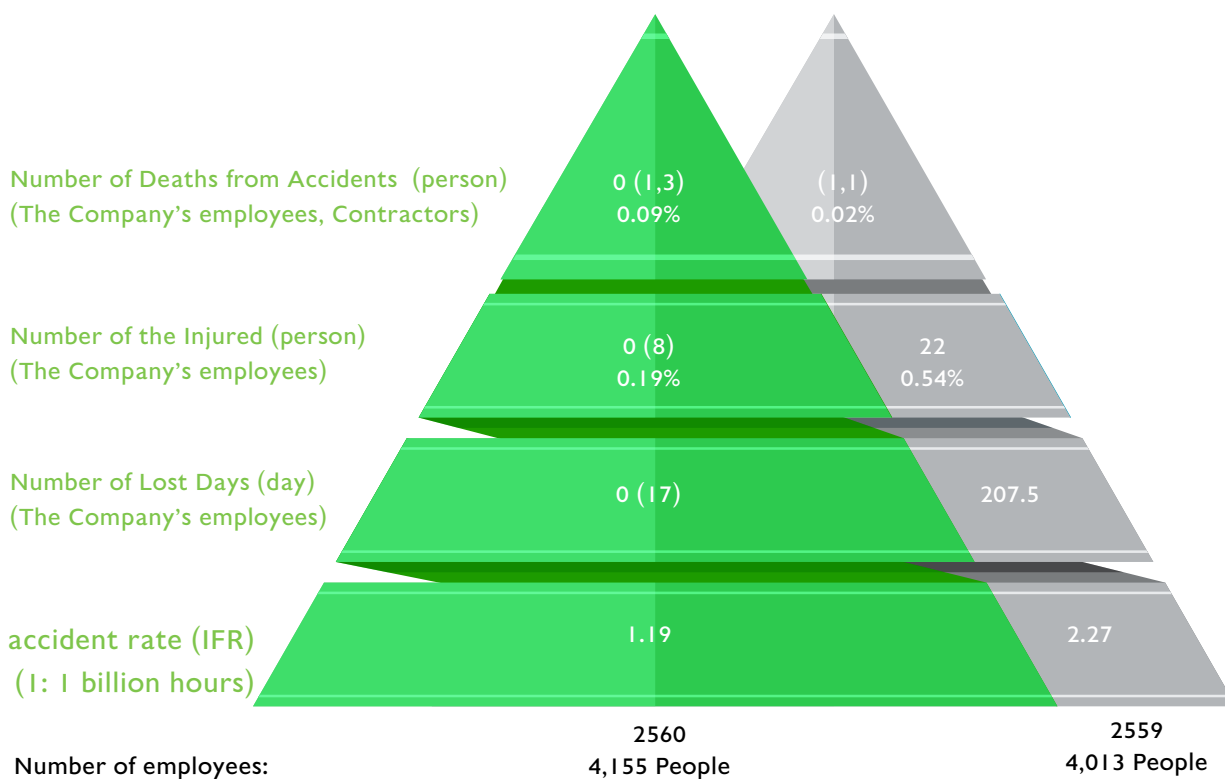
1. Installation of CFC-free fire extinguishers at intervals of 20 square meters and in the places where they can be easily brought out for use, with clear symbols for convenient use in case of fire.
2. Provision of emergency lighting system and emergency exit sign.
3. Provision of spare flashlights installed at every emergency exit.
4. Provision of safety signs in different areas.
5. Allocation of proper fire exits for employees to evacuate conveniently in case of fire incidents.
6. Installation of automatic smoke/fire alarms in all rooms if possible.
7. Installation of proper fire extinguishers in the areas where chemicals and/or fuel are stored.
8. Installation of no smoking sign or fire prohibition sign in the areas where chemicals and/or fuel are stored.
9. Electric wires used in offices or fuel storage areas must be insulated as required by international electrical standard.
10. Regular inspection of emergency equipment.
11. Assignment of evacuation team leaders to different areas in case of emergency.
12. Organization of basic firefighting training course on a monthly basis to enable employees to use the equipment properly for emergency response.
13. Arrangement of emergency response, first aid and fire evacuation drills on an annual basis.

The Company has integrated the accident statistics of each year as an essential input in preparing the development plan with the aim of achieving zero accident and to improve employees' quality of working life which the Company always pay attention to and places emphasis on.

Statistics of Accidents from Work Operations in 2013-2017

GRI 403-2

From the statistical data in 2017, it can be seen that the overall image of injury rate decreased, and the absence rate dropped when compared to the rate in 2016.



Employee Development and Career Path

GRI 103-2

Employee Development

The Company determines to develop staff members' potential and capacity on a continual basis so that they can efficiently perform their duties and achieve the set goals in their current position as well as in the future. In this regard, the 70:20:10 development approach is utilized; meaning that:

70 Experiential Learning:

The experiential learning is a development derived from actual job operating and problem solving both in daily works as well as in additional assignments or new projects. Employees need to learn and diversify their skills in order to be successful. For examples, being a project leader in innovation or improvement project, supporting the change agent and being a team leader in finding solution to problems, etc.

20 Learning from Others:

This is a development gained from around the workplace such as team leader coaching; getting feedback from supervisor, coach or peers; observing; peer reviewing; expert shadowing; learning from the Internet; or sharing knowledge through team meeting.

10 Formal Learning:

This is a standard type of learning we are familiar with, i.e. trainings and workshops, training courses as stipulated by the company, both in-house and public trainings.

From the 70:20:10 development model, each year, the Training and Development Division sets up development methods for each group of employees including:

1. Training Plan
2. Individual Development Plan
3. Leadership Competency Development
4. Executive Coaching



I. Training Plan

Each year, a training plan is scheduled with courses on six areas of necessary skills and knowledge, covering all groups of employees.

I

On-Boarding Programs

New staff members will learn to adapt to organizational culture. While some new employees have different organizational background and some are newly graduates, familiarization with the organization is thus the first and essential step in working with the Company. The Five-Day Staff Member Orientation Course comprises the following curriculum:

- Employee Orientation (Vision, Mission, Organization Chart, Welfares, etc.)
- Work Safety
- Prukسا Technology
- Basic Knowledge on Prukسا Construction Technology
- Foundation Course on Property Development Supply Chain
- Key Performance Indicator (KPI)
- Corporate Social Responsibility (CSR)
- Corporate IT System
- How to use Employee Self Service and Manager Self Service.

In addition, a mentor from within the new employee's unit will be assigned to nurture the new employee during the first four months of employment. In order for the new staff member to familiarize with the organization, the mentor will also assist and give advice on various matters apart from works.

2

Career Group Programs

Training in each career group entails the following examples:

- Installation Work Standard
- Real Estate Manufacturing Approach in Construction
- Project Budget Management
- Sales Skill Development
- Customer Service Skill Development
- Foreman Skill Development
- Home Care Service Skill Development
- Digital Marketing
- Construction Management



3

Quality & Safety Programs

As required by law, courses on quality and safety are such as:

- Safety Officer in Supervisory Level
- Safety Officer in Managerial Level
- Safety Officer in Technical Level
- ISO Version 2015 for management
- Transition from OHSAS to ISO45001



4

Leadership & Management Programs

For all supervisor and executive levels, the trainings are focused on the development of their career path, for example:

- Property Project Management
- Performance Dialogue & Creative Feedback
- Prukso Leadership Program

Courses in this section are in line with the 10 Leadership Competency attributes stipulated by the Company. In 2016, Phase 1 of the Leadership Development Program was held. The program continued in 2017 to ensure that all executives have attended the program. The Phase 2 of the Program will be conducted in 2018 in conformity with the 10 Leadership Competency attributes.



5

Personal Development Programs

For self-development, staff members may seek additional knowledge, apart from career-related knowledge, as follows:

- Time Management
- Presentation Eessentials
- Project Management
- Finance for Non Finance
- Positive and Logical Thinking
- The First Time Management
- Train The Trainer
- Positive Thinking for Service Excellence
- Project Management

6

Information Technology Programs

Courses on necessary software applications:

- Advance Excel
- Microsoft Project
- CRM on Tablet
- Building Information Modeling (BIM)
- Budget Approval Request through SAP

2. Individual Development Plan

GRI 404-2

In 2017, in a bid to provide equal opportunity in self-development among all staff members, both in the current and in the future, under the Company's policy on self-development promotion, all employees are assigned to prepare an Individual Development Plan. In doing so, all related personnel are designated with responsive responsibilities in IDP as follows:



Employees

Employees need to aware and be responsible for their own development. They must be constantly enthusiastic in learning and development as planned. Progress report must be submitted to and advice sought from supervisors.



Supervisors

Encourage and support staff members to find their own development method while giving advice and consult through a bi-monthly discussion with the staff member so that the development is achieved as planned



Human Capital Unit

Create tools or systems for the implementation of the individual develop plan, and educate and support employees in their trainings.

Individual Development Process (IDP)

- 1. Data Collecting:** Staff members and supervisors discuss and exchange information to find mutual understanding on staff members' past performance in order to find the strength and weakness where development is needed. The assigned goals of staff members are also reviewed in the discussion.
- 2. Creating and approving of IDP:** Staff members clearly express their preference on current and future careers in a bid to define the goal and development direction, using the 70:20:10 Model under the Company's stipulated system.
- 3. IDP Implementation:** Implementing the IDP as planned is the staff members key duty while supervisors provide advice and guidelines through the bi-monthly discussion.
- 4. Monitoring and Conclusion:** Staff members and supervisors cooperate in using skills for fast learning applied from easy to difficult issues.

3. Leadership Competency Development


GRI 103-2

One of the strategies for a sustainable growth, the Leadership Competency Development, is embraced by Pruksa Holding PCL. The Leadership Competency is initiated by the Human Capital Unit as a tool for all employees' leadership competency development which will be benefits for both in human resource development and business management.

The Company's Leadership Competency scheme entails three main groups:

- 1. Pruksa Culture and Values** – Foundation of culture and values embraced by all staff members:
 - Pruksa Culture & Values
 - Corporate Governance
 - Holding Accountability
- 2. Leading People** – Competency in motivating, encouraging and developing subordinates.
 - Influencing and Motivating Others
 - Developing People
 - Teamwork
- 3. Leading Performance** – Competency in management of one's tasks as well as teamwork's tasks to achievement.
 - Problem Solving
 - Growth Strategy Planning
 - Create Value and Innovation
 - Leading Change





Apart from publicizing the 10 leadership competency attributes through various channels such as Pruksa Daily News, LINE Application, executive meetings and seminars, leadership competency trainings, e-learning, and etc., the Human Capital Unit also undertakes the leadership competency assessment of executives and managerial level employees using its own designed 360 Degree Leadership Competency Assessment Form (self, supervisor, subordinate, and peer assessment). The objective is to promote self-awareness in leadership competency among employees for a better development. The leadership competency assessment is a year-round activity, the result of which will be used for individual development planning, succession planning, promotion, and merit increase.

4. Executive Coaching

GRI 102-27

For executive positions such as assistant director, managing director, and president, the Company pays essential attention on coaching by hiring expert and experienced consultant to provide the One-on-One Executive Coaching for these positions. At the duration of about six months, the coaching takes about 12 hours. At the end of the program, the result will be submitted to Human Capital Executives for bettering the strength of each executive.

The executive coaching has the objectives in enhancing and widening concepts and perceptions through the coach's questions, as well as providing tools and guidelines for executives to be the coach to increase team's capacity and efficiency.

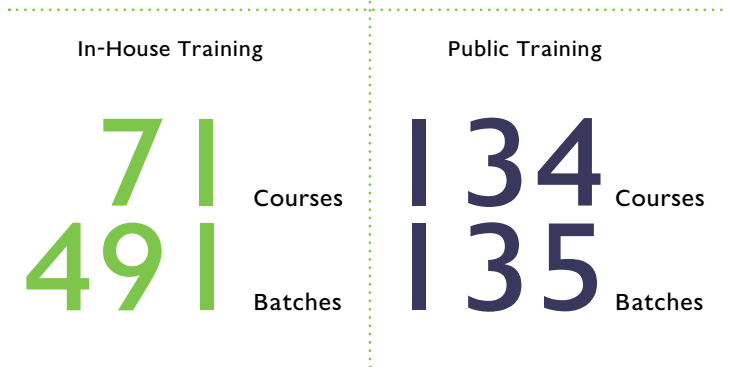
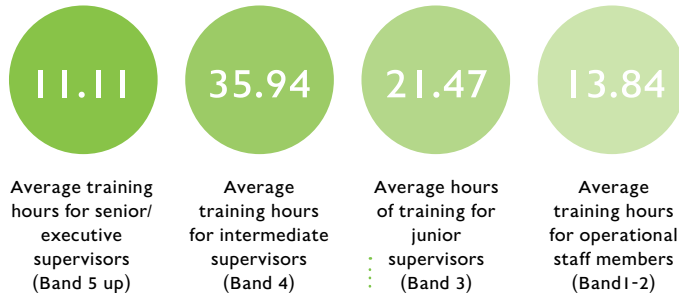
During 2017, 31 executives have passed the One-on-One Executive Coaching program. In addition to coaching, the Company's overall strategies in development concept and attitude are focused through mentoring. The Board of Directors are the mentors for executive positions of assistant managing director, director, and president. Six mentoring sessions are organized each year (one at every other month).

Training and Development in 2017

In 2017, 71 in-house training courses were conducted for 491 batches of staff members meanwhile there were 34 public training courses attended by 135 batches of staff members. The average number of staff attending the courses each month was 52 batches, totaling to 626 batches for the whole year. Training courses were provided for operational staff members, junior supervisors, intermediate supervisors, and top executives covering all areas of operations. An average satisfaction rate for in-house training was 93.91% and the budget of 22 million baht was allocated for human resource development activities.

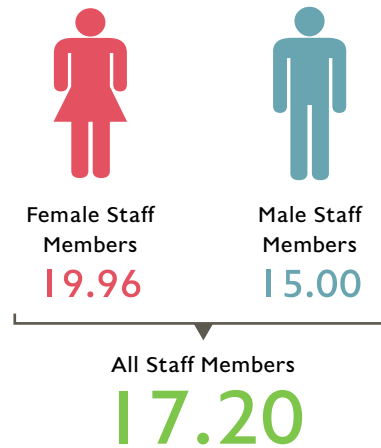
Training Record by Level (Hours/person/year)

GRI 404-1



Staff members' Training Record by Gender (Hours/person/year)

GRI 404-1



Career Development

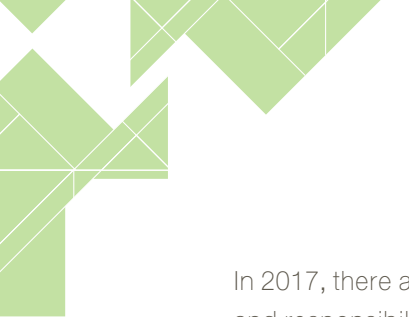
GRI 103-2

The Company opens for equal opportunities in career development through the use of tools and career path system added with supporting system so that employees are prompt for career growth in parallel with the growth of the organization, i.e. succession planning, promotion, talent management, Leadership Opportunity Matching (LOM), leadership competency, and People Development Committee: PDC.

People Development Committee: PDC

With emphasis on people development, Pruksha Holding PCL has designated the People Development Committees: PDCs at company level and business unit level. The committees are responsible for capacity and potential management and development for executives and employees respectively.

People development plans and strategies specified by the committees are in compliance with the Company's vision, mission, and strategies. The committees are also empowered for consideration and approval of all personnel related activities, i.e. manpower planning, nomination and recruitment, capacity building, succession planning, promotion, talent management, remuneration and welfare management, labor-relations, and organizational engagement.



In 2017, there are one company level committee and 10 business unit level committees with different roles and responsibilities as prescribed here below.

People Development Committee – Company Level

1. Specify human resource management policy and principle to ensure appropriate and efficient utilization and development of human resource, in conformity with the Company's strategies.
2. Specify and improve company organization structure for divisional level and above.
3. Specify policy relating to career path, jobs relocation and rotation to enable the development responsive to business requirement.
4. Set up and regularly review the succession plan and policy.
5. Specify designation, promotion, and promotion management policies.
6. Specify policy on performance development and management as well as performance assessment format to ensure that works are performed in compliance with the Company's policies and strategies.
7. Managerial level performance assessment, and consideration of reward for outstanding performance and achievement.
8. Consideration of performance assessment result, in case staff member's performance is below standard, and capacity and behavior are inappropriate for the position held.
9. Specify discipline policy and procedure, and corrective measures in case of abuse of authority by executives.
10. Specify employee development policies and plans regarding capacity, leadership development, training and educational promotion.
11. Specify policy and revision of welfare and remuneration including motivation payment, bonus, or other kinds of reward.
12. Specify policy and procedure on staff member engagement to cultivate ties with the Company.
13. Specify and manage personnel-related budget.
14. Report on the committee's performance to the Nomination and Remuneration Committee.
15. Other activities on human resource policy and management as deemed appropriate.

People Development Committee – Business Unit Level

1. Supervise and control of staff member management from operational level to vice president level.
2. Implement human capital management policy and principle specified by the company level PDC i.e. enrolling and fostering new staff members; performance development and management; annual performance assessment; welfare, reward and remuneration; career development planning; promotion; development and training; leadership development for executives; organizational culture implanting; creating a development- and performance-friendly environment for employees; responsibility and disciplinary promotion; and capacity-building and maintaining of employees with satisfactory performance and potential; etc.
3. Apply the best practice human capital management tool in personnel development activities.

4. Study and analyze human capital management in own boundary, and identify the development issues for discussion in the meeting, in order to create the committee's development plan.
5. If there are any problems in the implementation of human capital management policy, improvement of the policy or its implementation direction can be proposed to the company-level PDC.
6. Other activities on human capital management as deemed appropriate.

Promotion

Each year, the Company allocates quota for employee promotion subject to budget and growth of the business. In 2017, 579 staff members were promoted which was a quota appropriate to the total number of staff. With the expansion and growth of business, employees will likewise be promoted for career growth and security. In addition to the promotion, the Company has many other career development schemes for staff members.

Leadership Opportunity Matching (LOM)

In order to facilitate future business expansion, employees are set to have constant career growth opportunities through the use of methods and tools. The Leadership Opportunity Matching or LOM that enables a systematic and regulated human capital management was developed with significant objectives in staff member recruitment, career planning, capacity building for leadership competency, performance improvement, and employee maintaining and engagement.

The Company has developed the LOM since 2016 or two years ago. It is planned to be continuously implemented as it yields a fruitful outcome accepted by all staff members. With the LOM, executives can access to information on employee potentiality and performance assessment which enables the career development planning decision; meanwhile staff members have a more accessible career growth.

LOM will be implemented in 4 major cases as follows:

1. When there is a vacant position.
2. When there is a promotion.
3. When there is a need to plan for career development for the talent, successors, new executives (who have completed six months of employment), and for employee engagement.
4. When staff members have poor performance.

In 2017, LOM has been implemented for 70 executives and employees, which is 69% of the 101 targeted executives. It is planned to be 100% complete within 2018.





Succession Planning

Succession Planning is a process for preparation of a person to fill a vacant position which may arise from retirement, relocation, or resignation, or for a new position, in compliance with future direction of the organization. The person is called “Successor”.

Objectives of succession planning are:

- To develop employees in knowledge, skills, and capacity for future position;
- To ensure a clearer career path; and
- To foster the promotion of employees which is an encouragement and moral support, and a “Promote from Within” strategy.

Succession Planning Process

1. Human Capital Unit identifies important positions requiring succession plans from major positions expected to be vacant due to relocation, resignation, or retirement of staff holding such positions.
2. Human Capital Unit together with original affiliation and SBU/BU search for successors by considering staff members’ past 3-year performance grade, competency, attribute, scores from the 360 Leadership Competency Assessment, age, duration serving in company, duration in the position, number of years left before retirement.
3. Human Capital Unit assembles profile of the nominees and presents to the committee for consideration. After that, individual development plan will be produced. Supervisor of the nominee will be informed in order to adjust the plan as appropriate.
4. Monitoring and evaluation of the plan as well as revision will be made once a year.
5. Human Capital Unit produces and keep individual development plan as the nominee profile for each individual work unit. The succession plan will be reviewed once a year.

In 2017, Succession Plans have been made for 54 important positions, equals to 100% of the MD/C-Level and Executive Vice President level.

GRI 102-27

Talent Management

Talent means a group of knowledgeable, talented, and high potential employees with excellent performance and good leadership competency who should be given special attention regarding career development and promotion.

Pruksa Holding PCL undertakes the talent nomination and assignment from officer level to vice president level. Two categories of the talent are as follows.

1. High Potential (HIPO) is a group of talent with outstanding personal attribute and leadership competency. This group has a potential to grow up to EVP/MD level or equivalent depending on his/her serving duration and age.
2. Boosted Talent is a group of talent with excellent personal attribute and leadership competency. This group has a potential to receive intense career development scheme to increase their capacity.

The Company's talent assignment criteria and process are fair, transparent, and traceable. Employees eligible to be nominated must have passed disciplinary criteria whose performance assessment during the past three years range from good to excellence level. The employee's leadership competency assessment must be at the score range as stipulated by the Company.

Talent assignment process is undertaken in February each year. The Human Capital Unit is responsible for compiling profile of employees passing preliminary criteria and submitting to original affiliation for evaluation. List of nominees will be presented to the People Development Committee (PDC) for approval. The talent will receive intense individual development program for capacity increase through the individual development plan which is co-produced by the employee's supervisor and the Human Capital Unit. The plan will be implemented and evaluated on a continual basis.

In 2017, the Company has assigned and nurtured 100% of talent groups from officer level to vice president level.

GRI 404-3



Respect for Human Rights

GRI 103-2, GRI 412-1, GRI 412-3

The Company upholds the equal opportunities policy of which it will treat its employees with dignity and respect, including right to privacy and freedom of expression, which must be protected against infringement from using, disclosing or transferring personal data, such as biography, medical record, work record or other personal data to unrelated third parties that may cause damages to the owner of information or other persons, except they are done as part of duty performed in good faith, or under legal requirements or for public benefits. If an employee receives unfair treatment or suffers violation of rights, the Company gives him/her an opportunity to lodge a complaint to give employees an assurance that their personal rights will not be violated.

With regard to recruitment and employment, the Company uses equality of opportunities approach in selection people for work without discrimination against race, religion, color skin, gender or physical disabilities, such as the disabled. In 2017, the Company employed 13 persons with disabilities to work for the Company and supported those who could not travel to work at the Company to be employed by working in administrative agency or doing public works near their domicile to which the Company would pay them their wages.

In addition to equality and equal opportunities within the organization, the Company is aware of and attaches importance to human rights in respect of equality in procurement, sourcing and treatment of trade partners and counterparties, with competition based on equal information. Trade partners and counterparties must not violate human rights or conduct any illegal activities, e.g. use of child labor, etc.

Contribution to the Communities, Societies and Environment

GRI 103-2

In addition to its determination to operate business for sustainable growth with maximum satisfaction to all stakeholders, the Company also attaches importance to corporate social responsibility, both for the part that directly related to its business process (CSR in Process) and contribution to communities and societies that are beyond its business process (CSR after Process). This is to create the value of social development in various dimensions, as well as participation by every sector, to push, extend, and build on the results for improvement of the quality of life throughout the country, and also as a part in driving towards Sustainable Development Goals 2030.

Consequently, the Company divides its contribution to communities, societies, and environment into 3 key areas.



**Education and Youth
Development**



**Religion, Arts
and Culture**



**Society and
Environment**

I. Education and Youth Development

“Pruksa Scholarship” 16th consecutive Year

The Company provides academic scholarships to children of customers, employees, schools located around its project sites, from the levels of elementary, secondary, vocational and higher education, all over the country, in order to give educational opportunity to promise students with financial problem. The Company has provided 517 scholarships, totaling more than Baht3.8 million.



“Dual Vocational Training” Program

The Company, in collaboration with the Office of the Vocational Education Commission (OVEC), Ministry of Education, encouraged and gave support for vocational youth to obtain opportunity in learning and practicing in a profession in business place, so that they can really work after completing their education. The Company has given opportunity for 9 second year students in high vocational program from Thanyaburi Technical College to practice in the profession at Pruksha Precast Factory, Lam Lukka, for 1 year. In addition, each student received a free scholarship of Baht15,000, given without any conditions, totaling Baht135,000.



“TONKLA Scholarship” Program

The Company gave scholarships to third year students in Civil Engineering Department, Faculty of Engineering, throughout the country. The scholarships were given continuously until completing the study in the fourth year. In addition, to promote and support the graduates to be a quality person who can really work, they were given the opportunity to do an internship with the Company. During the internship, everyone received allowance, amounting to 17 scholarships, totaling Baht850,000.



Real Estate Knowledge Sharing

The top executives of the Company were guest speakers to share their knowledge and experience in real estate business to educational institutions and leading business organizations, such as Thammasat University, Rajamangala University of Technology Krungthep, Shinawatra University, and the Engineering Institute of Thailand, etc.



Pruksa Precast Factory Learning Center Program

The Company opened up for visiting and learning about Pruksa Precast technology, as well as to share knowledge in precast production process, benefit of innovation in construction industry, e.g. construction quality control for standardization by computer at Pruksa Precast Factory, Navanakorn, and erecting of precast at project sites, as a source of learning beyond the classroom. There was participation by more than 700 students from educational institutions all over the country of 11 organizations, i.e. Chulalongkorn University, Chiang Mai University, Thammasat University, Khon Kaen University, Silpakorn University, Assumption University, and King Mongkut's University of Technology Thonburi, etc. It is a preparation to become a graduate with desirable characteristics.



Young Civil Engineer Camp (2B-KMUTT: Civil Camp, 9th year)

The Company, in cooperation with King Mongkut's University of Technology Thonburi, gave higher secondary students all over the country who are interested in pursuing their study in civil engineering the opportunity to learn and have experience about real estate business for their information before making decision to study in university. This will be a way to develop personnel with quality and efficiency to Thailand real estate business in the future.



“Pruksa...Pursuing the Dream for Learning to Labor Camp”

GRI 102-12, GRI 203-2

The Company, in collaboration with Kids Home Development Network Foundation, a network of UNICEF, organized “Pruksa Pursuing the Dream for Learning to Labor Camp” program, to provide knowledge about the basic rights and services in educational and health areas to children of foreign labor that is the Company’s counterparty and lives in labor camp at Baan Pruksa Prime Rangsit-Klong 3 and other labor camps in the nearby projects, totaling 11 camps. In addition, it had found 5 schools that could accept children of foreign labor to pursue their study in order to eliminate the child labor problem and for safety to children in labor camps, in accordance with the policy in supporting the child friendly workplaces program in collaboration with the United Nations’ Children Fund (UNICEF), Save the Children, and United Nations Global Compact. It is a pilot project in which the Company encouraged and pushed children of foreign labor to get basic education in schools as general children, as well as to give parents the knowledge about basic welfare entitled to them, in order to improve the quality of life, which will be a motivation for them to build quality houses for customers.



2. Religion, Arts and Culture

The Company encouraged its executives, employees, customers to inherit beautiful culture and traditions on religious holy days, as well as to promote religious activities of every religion without discrimination through various activities as follows.

- The Board of Directors, executives and employees jointly hosted the merit-making ceremony, laid wreathes, paid their respects and attended the lying-in-state in remembrance of His Majesty King Bhumibol Adulyadej at the Dusit Maha Prasat Throne Hall, the Grand Palace.
- The Company's executives and employees joined in the "merit-making and alms giving ceremony for auspicious New Year" and listened to sermon for more happiness in working; "the water pouring and blessing from executives" during Songkran festival and listened to Dharma talks to get some good tips as a guide in leading one's life and working.



- The employees and customers in the Company's projects joined the activity of "merit making and alms giving" regularly on religious holy days.
- The 19th "Dharma for Happiness" Project: The Company encouraged its executives, employees and their families to participate in Dharma practice courses at various Dharma retreats, so that they can adapt the Buddha's teachings in their life and work.
- "Merit Making Activity on Buddhist Lent", to encourage executives and employees to participate in the Buddhist Lent Candle Offering activity and cleaning the temple at Wat Boon Mongkol, Bang Phae District, Ratchaburi Province.
- The Company's executives, employees and communities around Prukha Precast Factory Lam Lukka jointly organized the "off-season robe offering ceremony" at Wat Klang Khlong Si, in order to renovate the old temple so that it can be used for meditation and Dharma learning.

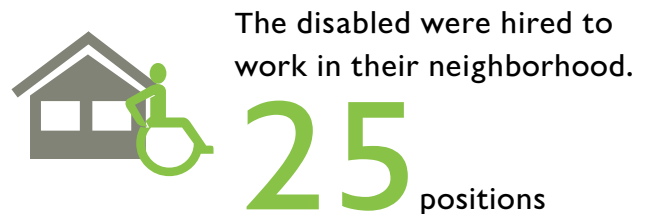
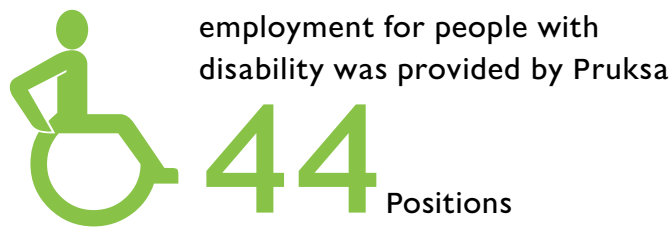


3. Society and Environment

New Dimension of Career Creation for the Disables

GRI 203-2

The company, in collaboration with the Social Innovation Foundation, Thai Health Promotion Foundation (ThaiHealth), socially employed and gave support for the career for the disabled in 2017 in accordance with Sections 33 and 35 of the Persons with Disabilities Empowerment Act, which is to promote disabled persons all over the country to obtain the opportunity to become self-reliant with dignity. In this regard, the company employed 13 disabled persons to work at the company and employed 25 disabled persons to work in the communities near their homes in Khon Kaen as a support for them to earn income and have better quality of life.



You Run You Share 2017

The Company organized charity run at Vachirabenjatas Park (Suan Rot Fai) to launch a campaign to promote good health for its customers and the general public by exercise. In addition, it made a donation of Baht100,000 to the Foundation for the Welfare of the Crippled under the Royal Patronage of H.R.H. the Princess Mother, for development of the quality of life of disabled children.



15th Pruksa Caring 2017



Over
2,100
people were interested
for health check-up.



Over
900 women
were screened to
detect breast and
cervical cancer



500 of the elderly were advised on
proper health maintenance in line with advancing age.

The Company arranged free medical checkup and “Good Health....Happy Life” activity by physicians and experts from leading hospital for customers and nearby communities to promote good health, both physically and mentally, for everyone, every gender and age. There were 20 programs with more than 2,100 participants. More than 900 women received breast cancer screening and cervical cancer screening. In addition, more than 500 elderly people received advice about how to take care of their physical health proper to their age, as well as mental health, for a happy life. They also received hand exercise balls and resistance band for proper self-exercise.



Pruksa Community Care 2017 Project

The Company conducted surveys of communities nearby its project sites, ranging from townhouse, detached house and condominium, in order to jointly find solutions to various problems with the leaders and people in the communities, as well as to support and promote learning under sufficiency economy philosophy according to His Majesty King Bhumibol Adulyadej's initiative for sustainable development and growth. The projects were piloted in 3 areas, namely;



“Thai Chiro Trigger: Office Syndrome Physical Therapy” at Din Daeng Flat Community

GRI 201-1, GRI 203-2

The Company, in collaboration with Social Health Enterprise, organized free health care activity for people in Din Daeng Flat community when they felt tired and achy from work. More than 200 interested people participated in the activity. The Company sponsored the activity and gave Baht55,000 to Social Health Enterprise for community and social development, and also as a support for hill tribe youth to earn income and deforestation prevention under Royal Initiative.



Sufficiency Economy Learning Center, Sam Yaek Bang Khu Rat School And Sufficiency Economy Learning Center, Watmoolee (Nanthawimol) School

GRI 201-1, GRI 203-2

The Company, in collaboration with Sam Yaek Bang Khu Rat School and Watmoolee (Nanthawimol) School, built Sufficiency Economy Learning Center under Royal Initiative, amounting to Baht300,000, for students and nearby communities to have source of learning and practicing agricultural skills under sufficiency economy philosophy. The produces were used as lunch for students, to reduce expenses and generate income for students and schools with sustainability.



Pruksa's Volunteer and Blood Donation Activity, 10th year

The Company, in collaboration with the Thai Red Cross Society, persuaded its executives, employees, and the general public to donate blood for the National Blood Center, Thai Red Cross Society, as a help for patients in need. The activity was arranged 4 times per year. There were 603 blood donors with the blood volume of 241,200 CC.



Community-Friendly Business Operation

GRI 201-1, GRI 203-2, GRI 204-1

The Company, in collaboration with Thaipat Institute, provided support for community goods by purchasing them for serving as snacks in its activities, which is a sustainable way of income generating. It is also to change the communities from being “recipients” of help to be “suppliers” in the supply chain of the Company.



Support for Border Patrol Police Schools in Remote Area

The Company’s executives and employees jointly donated money and school equipment, toys, and necessities to Border Patrol Police Company 372, Mae Sot District, Tak Province, as an education support for 22 Border Patrol Police Schools in remote area.



Donation of Old Calendars to the Blind

The Company's executives and employees donated old calendars to Education Technology for the Blind in Pakkret District to make Braille alphabets learning media for the blind.



Sandalwood Flowers Making for H.M. King Rama 9

The Company's executives, employees and customers jointly made 2,900 sandalwood flowers for offering in the Royal Cremation of His Majesty King Bhumibol Adulyadej.



“National Children’s Day” Activity, communities nearby Prukso Precast Factory

Prukso Precast Factory, Lam Lukka, organized “Children’s Day 2017” activity to bring happiness, joy, as well as giving presents, gifts and educational equipment to young people living in Soi Samakki Community, Lam Lukka District, Pathum Thani Province, which is located near Prukso Precast Factory, Lam Lukka.



“Prukso Green Society”

The Company’s executives, employees and contractors (counterparties), Prukso Precast Factory, Lam Lukka, jointly built green society by growing plants in the factory for good environment.



Budgets Provided as a Support in Various Activities of Educational Institutions, Administrative Agencies, Business Organizations and Foundations

GRI 201-I



Education and
Youth Development

297

Organizations

6,589,000
Baht



Religion, Arts
and Culture

17

Organizations

469,797
Baht



Society and
Environment

449

Organizations

50,040,213
Baht

The Company provided budgets to educational institutions, administrative agencies, business organizations and foundations for conducting activities that are useful to communities, societies and environment. They are categorized into 3 areas, i.e. education and youth development, religion, arts and culture, society and environment. In 2017, the Company provided support for 763 organizations, amounting to Baht57,099,010. The outstanding projects that greatly benefit the society are;

- Provided 60,000 bottles of drinking water for the Royal Cremation Ceremony of His Majesty King Bhumibol Adulyadej.
- Granted Baht1,000,000 to the First Region Provincial Police's Wife Club on occasion of the National Children's Day, as well as giving presents to children with special needs and general children who are children of polices, for 2 consecutive years. In addition, it joined in the opening of Sonjai Rak library at Provincial Police Region 1 in order to help polices' children have a daily happy life and with better quality of life. It is also to build morale for policemen who perform their duties well and sacrifice for public peace.
- Made contribution of Baht500,000 as help for flood victims in the South through "OPM Disaster Relief Fund".
- Made contribution of Baht300,000 for "Step by Step" project, to buy medical equipment for 11 hospitals throughout the country.
- Made contribution of Baht300,000 to Rajavithi Running Club, as a support for organizing "Rajavithi Run for Health".



Management of Complaints Related to Social and Environmental Impacts

GRI 102-21, GRI 102-92, GRI 103-2

The Company always strives to improve project quality and realizes the importance of sustainable growth alongside surrounding societies and communities. A variety of communication channels covering different lifestyles are available to stakeholders as follows:



In 2017, a total of 755 complaint items related to social and environmental concerns were reported. The Company has complaint management and tracking procedures that commence from recording of complaints to complaint resolution. Analysis on causes of the complaint items are also performed in order for the Company to formulate preventive measures.

Information on Complaint Items Concerning Social and Environmental Impacts in 2017

GRI 103-3, GRI 413-2

No.	Identified Effect	Items
1	Damage on surrounding residence/area	282
2	Noise pollution	168
3	Air pollution	100
4	Traffic problem	94
5	Waste problem	17
6	Water pollution	12
7	Others	82
Total		755

Approaches to The Management of Community, Social and Environmental Impacts in 2017

GRI 102-11, GRI 103-2, GRI 413-1

Deeply aware of being a part of society, the Company places great value on surrounding communities, societies and the environment, and makes relentless efforts to achieve social and environmental development in a sustainable manner. Social responsibility policies are therefore set to serve as an operational framework and to ensure that the business is conducted with responsibility toward the communities, societies and the environment as detailed below.

1. Having a policy to conduct business with an aim to promote economy and society by way of conservation taking into account the state of the environment with strict adherence to applicable environmental laws and rules.
2. Developing a Corporate Social Responsibility (CSR) policy as a business strategy to create sustainable growth in response to the Sustainable Development Goals (SDGs). This is achieved by exercising the Company's business expertise to obtain sustainable economic value for both the organization and society simultaneously. Such a policy has been used as a practice guideline throughout the organization.
3. Promoting social and environmental consciousness and responsibility among employees.
4. Paying respect to the tradition and culture in each locality where the Company operates.
5. Engaging in initiatives that enhance the society, communities and the environment on a regular basis to promote a better quality of life of the people in communities in which the Company is located. They include activities carried out independently by the Company and those in cooperation with the communities as well as public and private agencies.
6. Collaborating with the surrounding communities in which the Company operates on various activities as appropriate.
7. Implementing measures to prevent accidents and put operations under control including the discharge of waste in accordance with the standard score criterion.
8. Providing rapid and effective response to incidents that affect the environment, communities, life and property caused by the Company's operations by fully cooperating with government officials and relevant agencies.



Examples of Sustainable Approaches Toward the Management of Community, Social and Environmental Impacts

GRI 103-3, GRI 414-2, GRI 416-2

Solution to water pollution in the area of Khlong Sam Sub-district, Pathum Thani Province

GRI 304-1, GRI 304-2, GRI 413-2

The Khlong Sam Subdistrict area is the location of a total of 23 development projects of the Company, some of which were transferred to the juristic person while some were still under the Company's management. However, the wastewater treatment system maintenance and management of ones already transferred to the juristic person were not up to standard as a result of the following problems:

1. Wastewater treatment facilities were damaged and under-maintained due to lack of operating budget.
2. The juristic persons did not activate the wastewater treatment system to avoid high electricity bills, which was one of the causes for the damage to the facilities.



Problem-solving approach

In collaboration with the Royal Irrigation Department (North Rangsit Irrigation and Maintenance Project), Khlong Sam Subdistrict Administrative Organization (SAO), the juristic person and housing estates in the areas, the Company examined the damage on the wastewater treatment system and repaired the treatment pond to its normal state. Additionally, a measure to reduce the burden of electricity expense was introduced by installing a solar panel for the treatment system at each project and a solar powered aerator to add oxygen into the water of each project's frontal canal. The aerator was later given to the Khlong Sam Subdistrict Administrative Organization for use in the Khlong Sam area.

Impact of construction work: Plant Natura Trend (Pin Klao-Phuttamonthon Sai 5) and The Gallery (Setthakit – Sakhon Kasem) projects

GRI 413-2

Both projects underwent land reclamation which made their roads higher than the roads of neighboring communities. As a result, rain poured into the projects' nearby houses during the rainy season, causing damage to neighbors' property and daily living.

Problem-solving approach

The Company investigated this issue and constructed a retaining wall and a drainage well. This was to direct the flow of water into the well to avoid flooding in the future. An equipment to accelerate water drainage was also installed to prevent standing water.

The Company also explored and solved the problems of the affected nearby houses, such as fixing doors, leveling concrete floors and providing relief. Government officials (SAO officials) were invited to take part in the observation, healing and improvement of the affected people's living condition.

Consequently, the neighboring communities were satisfied with the outcomes with no further conflict being raised, and had a high opinion of both projects afterwards.

Impact of construction work: Passorn Prestige Jatuchot-Watcharaphon (Soi Jatuchot 6) project

GRI 413-2

Vehicles carrying construction materials to the project site shared the transportation route with the community members and affected their daily living. Large and heavy dump trucks generated vibrations and damaged buildings and roads while debris and soil fell from them could cause traffic trouble and accidents.

Problem-solving approach

The Company arranged its representatives to look into the matter and set the speed limit. The road was also cleaned to ensure that it was in good order.

Besides, the Company investigated the damage and improved the road condition (concrete pavement) for better traffic flows. The community was, in consequence, satisfied with the improved quality of public utility which made their trips more comfortable.



Impact of construction work on community: Plum Condo Bang Yai Station project

GRI 413-2

The neighboring community was concerned about the impacts arising from construction activities. There were also complaints about the impact of construction dust and noise that occurred periodically.

Problem-solving approach

The Company coordinated with community leaders and arranged an appointment to discuss and clarified the matter for better understanding before the construction began. This has been carried out in conjunction with building community relations while providing constant care for the community and follow-ups. After the meeting, the Company conducted a survey of nearby houses that may have been affected by the project construction so as to inspect and offer instant repair assistance to those affected by construction activities.

Moreover, a briefing meeting and monitoring were conducted with contractors and other parties involved in the construction while installing a score measuring tool according to EIA standards to keep away potential effects from these activities.

In the community satisfaction evaluation after conflicts were resolved, no further complaints were filed by the nearby community of over 100 houses. However, there were 1-2 households requesting continuing care for the damaged parts which were not caused by the project construction. The Company did not deny their requests completely and provided service in doable areas.

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Responsibility on Products and Services

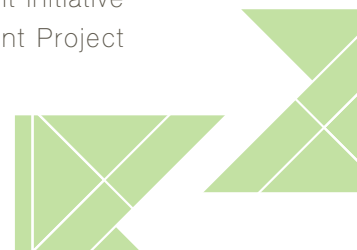
GRI 103-2, GRI 203-1, GRI 417-1

It has always been the Company's resolution to satisfy the customers, so the Company always places importance on research and development activities in order to deliver accommodations that fully satisfy customers' needs in the most effective ways. In this regard, the Company's Consumer and Market Intelligence Department and Innovation Center have collaboratively conducted survey, research and analysis regarding the consumer insight of each customer segment, as well as surveyed all the real estate projects throughout the country to understand more deeply the customers' demands in terms of types of housing, location, and price level so that the Company can utilize the outcomes of this survey as an input for further development of new projects.

Prukso Holding PCL is always determined to place emphasis on compliance to regulations, laws and product standards under the principle of good corporate governance, with major considerations to safety, occupational health and potential impact on customers' health. In this regard, the Company selects raw materials whose quality have been certified, for example, products with a TIS certification or products that have been certified by the distributing countries, materials emitting substances that are not harmful to users' health (low VOC) as required by the standard, such as foundation piles, steel or cement with TIS labels, roof tiles with no asbestos mixture, laminate floor and furniture, and building designs in compliance with the regulations of Real Estate Development Act and Construction Act, etc.

The Company has applied innovative features to improve every aspect of the Company's supply chain management process, which is known as Prukso Creative Innovation Intelligence, to increase organizational capabilities and ultimately strengthen business competitive advantages. In order to build and sustain innovation, it is impossible for any one individual to do it on one's own, and therefore cooperation and engagement are required from top executives all the way to operational employees, governed by the prescription of organizational strategic plan and business directions both in the core business areas and supporting functions to reach the goal in the same direction or what is known as connecting and development (C&D). The Company has developed short-term and long-term roadmaps to utilize innovation as a means to solve problems, enhance the effectiveness of construction process in order to improve the quality of existing products to be more internationally standardized, maintain and expand the business to cover a larger portion of the market share in the future, and further develop the business to satisfy the demands of new customer groups with the key focus on creating high value-added features suitable for each product group.

The Company has formulated a strategy called Prukso Strategic Initiatives to drive the organization by the latest innovation from the employees' participation with cooperation of the executives of high, middle and primary level and staff members, create new business innovations, and serve all customers' needs and sustainable growth, including Process Innovation, Service Innovation and Product Innovation. The Company encourages the employees in every function to participate in development initiative via several activities, for example, Small Group Activity (SGA), Continuous Improvement Project (CI Project), Best Practice, and Show and Share activity, etc.



In the year 2016-2017, the Company initiated an Innovation Award contest to encourage all employees to participate and work in a cross-functional approach which engages processes across the Company's supply chain to create values for customers. The prize allocated for this contest accounted for 1% of the revenue in order to stimulate corporate culture that values creative innovation organization.

GRI 203-1

Pruksa Innovation Awards 2017

GRI 203-1

The Pruksa Innovation Awards 2017 is part of an award series held annually since 2008, to encourage management and employees to foster ownership in developing quality of work, and to work towards becoming a creative innovation organization in all aspects. The Pruksa Innovation Awards is divided into 3 award types:

1. Create Value Award : an individual effort
2. Improvement Award : a team effort aiming for gradual development
3. Innovation Award : a cross-functional team effort aiming for radical changes and improvements

The Pruksa Innovation Awards 2017 is divided into 4 categories:

- **Product Innovation:** A new product dissimilar to existing products that answers to the changing needs of current customers
- **Process Innovation:** An improvement upon existing internal processes to encourage work flow, improve efficiency and quality, reduce overlapped efforts, costs, time, to keep up with modern business practices.
- **Service Innovation:** A new service that answers to the changing needs of current customers
- **New Business:** A new product or service, or an extension of the existing business, that creates a new revenue stream for the Company.

There are both internal and external judging committees such as National Innovation Agency, Thailand Productivity Institute, Asian Agency, International Organization for Standardization (ISO) and etc. which collaboratively judged and presented awards to the winner, runners-up and others who took part in each competition.



Pruksa Innovation Awards 2017 Entries submitted by employees



Create Value Award



Improvement Award



Innovation Award

Create Value Award 2017 Winner

Innovation name: Improvements on the business planning validation process of revenue projection adjustments to increase business administration capacity

Innovation details: The innovation aims to provide management with project revenue risk analysis so see if there is risk of revenue that cannot be recognized by the end of the year, and whether or not the recognizable revenue matches that projected in the business plan. If there is a gap between the plan and the risk-free revenue, the information helps management decide on an action plan to address the issue accordingly.



Improvement Award Winner

Category: Product Improvement

Innovation name: Loft Unit, Maximize your space

Innovation details: Under the legal requirements concerning FAR (Floor Area Ratio) and rising land prices, many land lots are not suitable to be developed to compete in the market. This obstructed land acquisition and business continuity. To answer to these limitations, a new outlook on building development is needed to create a product differentiation, additional living space and added value for customers and their needs.



Category: Process Improvement

Innovation name: Flashing Sleeve

Innovation details: Improvements on work process and product to reduce problem of water leakage from grout work around balcony riser pipe and floor drain. A flashing sleeve, used instead of a block out, can be embedded into the pre-cast wall unit directly from the PrukSA Precast factory.



Innovation Award Winner

Category: Product Innovation

Innovation name: Innovative small home design

Innovation details: A new design for small homes with space restrictions tackles the issues of space, utility and price, resulting in a home that has both indoor living space and outdoor space. This is a product that creates value for both the customer and the Company.



Category: Process Innovation

Innovation name: LISA Business Intelligence

Innovation details: Land is one of the key issues in real estate. Having an analytical system which can determine reasonably-priced prime locations from a pool of big data can create immense value for the Company and help sustain growth. LISA (Land Intelligent Strategic Analytics) was developed to provide complete analysis of land and location to answer to the Company's strategic and business development goals.



Category: Service Innovation

Innovation name: Credit Sure 4.0

Innovation details: Credit Sure 4.0 is a service that helps new customers to find the most suitable loan offered by financial institutes via an intelligent data system. According to condition 14, cooperation between the Company and the banks through the Bank Matching & Bank Online Approval System, lead to a significant amount of credit refusals, valued at several billion baht, decreasing property transfer time and increasing the Company's revenue accordingly, even in the early stages of implementation.



Category: New Business

Innovation name: New Biz Season I

Innovation details: According to the team's idea: not only Pruksa sells houses, but we also provide happiness and quality of life. This new business idea aims to create a new, recurring income for the Company and happiness for the customers by initiating a corporate deal by signing an MOU with partner convenient store chains. New sales revenue greatly increased by having convenience stores located within the projects vicinity, and new corporate deals with other types of business are to be considered in the future.





The PrukSA Innovation Awards is part of the Company's innovation management system, which is at the forefront of the Company's continued efforts. In 2017, PrukSA was awarded the innovation management standard certificate (CEN/TS 16555-1) by an ISO awarding institution. PrukSA's innovation management system is an important tool to answer to client's needs, create new business opportunities and find new markets, generate growth and income from innovation, decrease product lead time, costs, and risks involved in innovating. It also encourages efficiency and effectiveness of the Company as an innovation hub, increase the Company's competitiveness and receptiveness to new business models and ideas. PrukSA is also able to be socially responsible through the use of innovation: creating a local community network, and using local wisdom for product development. Innovation enables the Company to make informed decisions to face today's challenges and changes. PrukSA is the first real estate company in Thailand to be awarded the CEN/TS 16555-1 certificate.

Three Aspects of Innovation Development

I. Process Creative Innovation

GRI 417-1

is the original source of creation via several innovative processes.



- Incorporation of precast concrete production technology from Germany which utilizes the advanced automation system in production process.



- Utilization of supply chain management process in land acquisition, price negotiation, project feasibility study and product design to satisfy the needs of each customer segment.



- Improvement of the design process to be in a three-dimensional format, known as BIM (Building Information Model), which links the database via SAP system to the reproduction and price valuation, precast sheet production, purchasing, and construction management to be in line with the construction processes.



- Development of the REM construction system (Real Estate Manufacturing) which utilizes the industrial manufacturing methodology to produce accommodations in a mass customization approach, with an inspection and quality control system in every stage (Quality Built-in Process) during the construction process (In process Quality Control). This has increased the construction effectiveness by 30-50% and, in 2017, the Company received International Star Quality Award 2017 Certificate in excellence and innovation aspects from BID Institute, Switzerland.

2. Service Creative Innovation

GRI 417-1



- Cooperation with relevant government offices such as signing MOUs with Metropolitan Waterworks Authority and Metropolitan Electricity Authority that enables reduced expenditure and speedy service for customers.



- Improvement of the house inspection system by using tablets.



- Incorporation of Better Living Service; the information service that suggests contractors for customers and the general public in case they would like to have their houses renovated.



- Contact Center 1739; the channel for receiving complaints and giving repair services with the arrangement of CS Center to coordinate inspection and maintenance appointments to suit customers' convenience. Work quality Inspection is also included in this service.



- Information/news service and other services provided via www.pruksa.com and online service for accommodation reservations and appointment making.



- Pruksa Application for information service via mobile phone to increase customers' convenience.



- Arrangement of activities to build up good relationships with customers.



- Provision of knowledge and advice on the juristic person management, as well as prescription of responsibility standard and training for outsourced service providers to improve working efficiency.

3. Product Innovation

GRI 417-1

Improvement of products to be of world-class standard, including



- Collaboration with business alliances; suppliers or educational institutes, on research and improvement of product quality to be of better standard and suit customers' needs under reasonable price, such as, sanitary ware designed with lockers, prefabricated stairs, prefabricated window and door frames, water tanks, light walls of different formats, instant garbage bins and prefabricated restrooms.



- Development of House construction that can withstand the tension of earthquakes.



- Construction of a model house 'Prukso Plus House' in compliance with 4 Consumer Mega Trends, focusing on the use of environment-friendly materials, consideration of the elderly and reduction of energy consumption at the Plant Estique, Pattanakarn 38, which has been certified green building in Platinum Level of Sustainable Building Certification by DGNB Institute, Germany (German Sustainable Building Council).



- Arrangement of PRUKSA-CHULA: ARchitectural Innovation SynTax, ARIST project in 2017, featuring the contest for students of Faculty of Architecture, Chulalongkorn University to propose their architectural ideas for horizontal and vertical accommodations in order to apply new ideas for further business development in the future.

In addition, the Company increases innovation potential from external sources, known as Open Innovation, to utilize with the products. The emphasis is on the creation of business alliances; with manufacturers of construction materials, educational institutes, and academic professionals and specialists both in Thailand and overseas, to jointly develop the products and form long-term partnership.

Over the past 20 years, the Company has been focusing on incorporating innovative approaches to support the development of the Company's various processes to be more comprehensive in order to materialize the Company's vision to become a top ten real estate brand in Asia with sustainable business growth based on continuous and stable growth together with good governance, and ultimately become the 'Top of Mind Brand' for the customers.

The Company is aware that innovation is the key driving the organization to success. The innovation management system is then created to strengthen innovation capabilities of the organization, including innovation in products, services, processes, organizational design and new business formats. The systemized innovation management contributes to the following benefits.

- Increasing growth with revenue and profits derived from innovation.
- Bring about new ideas and create new value of the organization.
- Help anticipate the value from good understanding of requirements and possibility of new markets in the future.
- Help search and reduce risks.
- Stimulate the collection of creative thinking and the organization's learning.
- Make value from innovative cooperation with suppliers.
- Stimulate the participation of employees and support group work and working cooperation in all activities on a continuous basis in compliance with the organization's context.
- Stimulate the leadership condition for innovation and strategy.
- Make a plan for innovation success.
- Have innovation driving and promoting factors
- Evaluation of innovation management system practices
- Improvement of innovation management system
- Have innovation management techniques

Continuous House Construction Technology Development

GRI 417-1

The Company develops and creates innovation in every stage and manufactures internationally-standardized products with high quality of service in order to create value for money, emotional value, functional value, and value of time, and ultimately maximum satisfaction of customers. Also, the Company is aware of environmental conservation by way of executing 'CSR in Process' activity in every business procedure, comprising research and development, design, production, delivery and services, as well as 'CSR after Process', which engages customers and suppliers to help the society and communities in various aspects.



Safe and Durable House



Hygiene-Oriented and Comfortable House for Everyone Including Elderly Residents

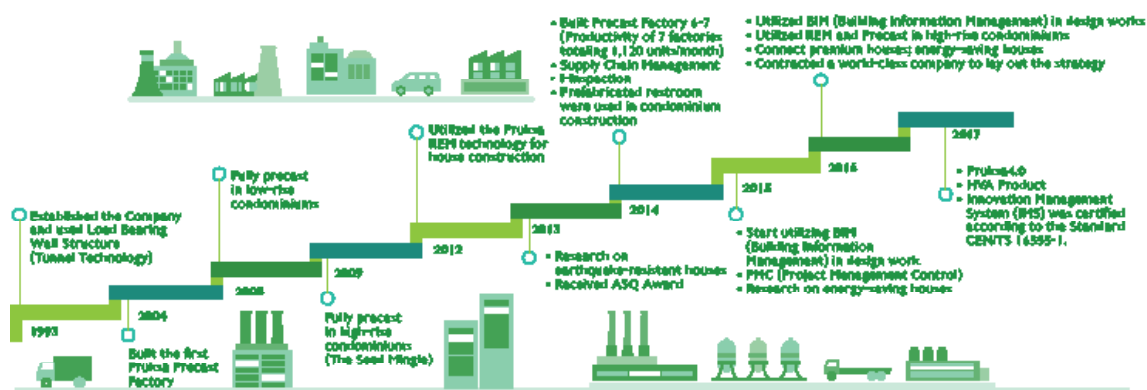


Energy-Saving House



Modern House with Technology for More Convenience

Furthermore, the buildings have been designed to be able to withstand the earthquake both horizontally and vertically, which have been certified by the Asian Institute of Technology (AIT) for customers' safety. The emphasis is also placed on the Company's innovation development aiming to be integrated with the products to respond to sustainable consumption pattern, covering 4 Consumer Mega Trends; safe and durable house, hygiene-oriented and comfortable house for everyone including elderly residents, energy-saving house and modern house with technology for more convenience.



Continuous Construction Technology Development Pruksa

GRI 203-1

- | | |
|-------------|--|
| 1993 | Introduced the cast-instituted load bearing wall structure-tunnel technology for townhouses |
| 2004 | Introduced the RC load bearing wall prefabrication for some categories of single-detached house and townhouse, with the construction of a precast concrete factory, starting from the semi-automated carousel system to manufacture bearing walls for houses. |
| 2005 | Developed and introduced fixed mold system in the manufacturing process at Factory 2 to produce fences and parapet. This factory is currently modified to produce prefabricated restrooms (concrete). Factory 3 is mainly used for the production of prefabricated reinforced concrete floors, slabs and special elements, and bearing walls for houses. Bearing walls for condominiums and townhouse facade are produced at Factory 4. |
| 2010 | Improved the system and expanded Factory 5 to be a precast factory with a fully-automated carousel system which is a carousel plant having the highest production capacity in the world. In manufacturing prefabricated reinforced concrete wall, an automated machine and computer control system are used in every procedure, for example, shuttering robot, automated mesh plant and automated concrete paver machine, etc. which are the most modern machinery and technology in the world, yielding standardized and high quality concrete sheets used for manufacturing bearing walls for houses. |
| 2013 | The Company expanded Pruksa Precast Factory with a fully-automated carousel system which is a carousel plant having the highest production capacity in the world. In manufacturing prefabricated reinforced concrete wall, an automated machine and computer control system are used in every procedure. The factory is located in Khlong Nueng Sub-district, Khlong Luang District, Pathumthani, close to Navanakorn Industrial Estate on the land space of 130 rais. |
| 2017 | <ul style="list-style-type: none"> The Company emphasized the development of high value added product under Pruksa 4.0 concept, which creates house value and quality to upgrade the living standard by using Pruksa Quality Standard, and makes the difference under the campaign "Invisible Care...you will not see, but we never overlooked." Solar roof was installed to generate electric current for use with the project's central public utilities, especially with wastewater treatment system that helps save electricity, and enable the project's wastewater drainage to the public drainage to comply with the law while also conserve the environment. |

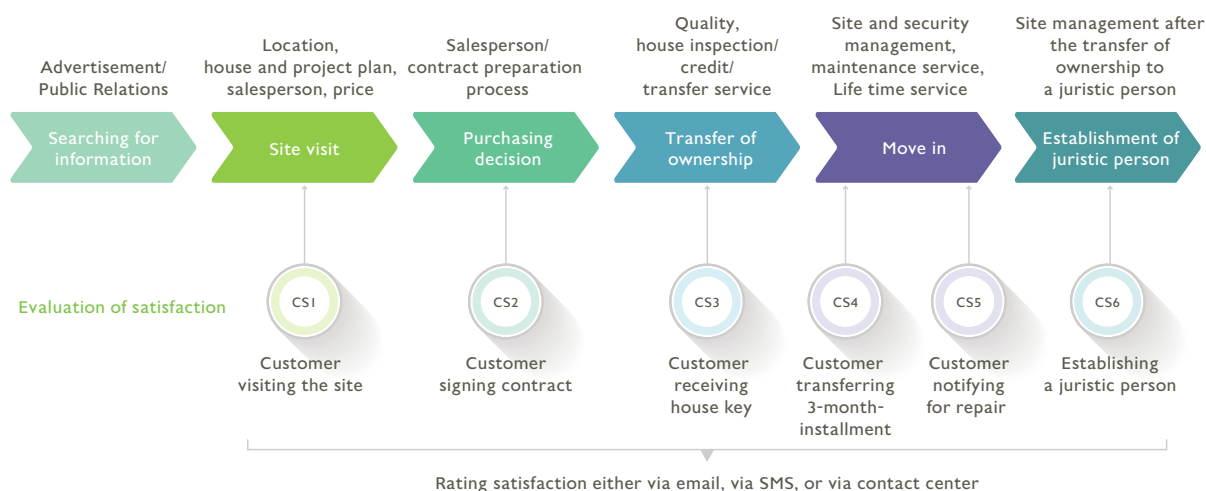
Customer Satisfaction Management

GRI 103-2, GRI 417-1

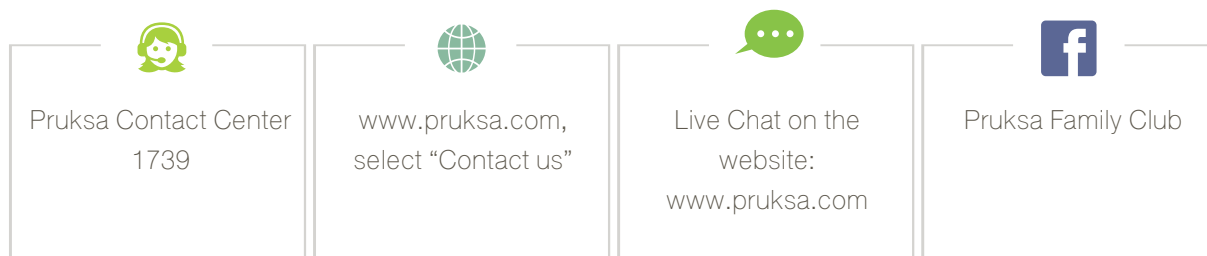
The Company puts customer satisfaction at the core of its business management. Customer satisfaction is evaluated in every touch point: from initial contact for project information all the way to services following the transfer of property management obligations to the juristic person as follows:

Consumer Touch Point

GRI 103-3



Contact or complaint channels regarding the quality of products and services



Other channels that are used to measure customer satisfaction and gain better access to them comprise email and SMS. Customer Relationship Management (CRM) system has been developed for achieving automatic evaluation results whenever customers interact with the Company, which are reliable and accurate, leading to improvement of the customer service quality. An automatic score processing system has also been used which provide real-time satisfaction scores at all times, enabling each unit to use the results to boost their operational efficiency.

Detailed Satisfaction Evaluation in Each Touch Point

GRI 103-3

Stage	Evaluation Method
1. Satisfaction in information service and site visit	Customers rate their satisfaction via email, via SMS, or via Contact Center 1739 one day after visiting the site.
2. Satisfaction in salesperson's service provision regarding the reservation and contract preparation process	Customers rate their satisfaction via email, via SMS, or via Contact Center 1739 one day after making reservation and/or signing sales contract.
3. Satisfaction in transfer of ownership process and house delivery	Customers rate their satisfaction via email, via SMS, or via Contact Center 1739 one day after ownership transfer.
4. Satisfaction in the living condition three months after ownership transfer	Customers rate their satisfaction via email, via SMS, or via Contact Center 1739 three months after ownership transfer.
5. Satisfaction in submission of maintenance requests and complaints	Customers rate their satisfaction via email, via SMS, or via Contact Center 1739 after technicians already fixed the problems notified by customers.
6. Satisfaction in transfer of ownership to the village committee or the juristic person	Customers and the village or condominium juristic person committee rate their satisfaction via email, via SMS, or via Contact Center 1739 after the appointment of the juristic person or receipt of the projects' public utilities. The evaluation is to be carried out continuously in the 3rd, 5th, 7th and 10th year after ownership transfer.

In 2017, several approaches were carried out to improve the quality of products and services for enhanced customer satisfaction, particularly after the transfer of ownership as follows:

GRI 103-3

1. Developing the projects' after-sales management team by monitoring services and offering suggestions to customers who already moved in to build good relationships with them. Newsletter has been published regularly to update on the use of common areas and utilities in order to create a livable community. In addition, CRM activities were carried out within each project to foster strong relationships between the project and its residents.

2. Improving repair notification service by setting up the Customer Service Center to coordinate appointments for inspection and repair services at the customers' convenience. This newly established unit also arranged with technicians to perform work as scheduled, checked their work with homeowners to ensure the satisfying quality, and had the unsatisfied work fixed immediately. In addition, the Company insisted that contractors recruited experienced workers for repair service. These contractors were also assessed by relevant units for improvement and development purposes while engaging quality contractors in working with the Company's projects on a continuous basis.

3. Enhancing service provision after the establishment of a juristic person (for horizontal developments) or the 1st General Meeting (for condominiums) by offering advice to the committee regarding the juristic person management. Four yearly key activities were organized to maintain good relationships in the projects and Pruksha Real Estate. Furthermore, the responsibility standards were set while the outsource training was arranged to increase operational efficiency before presenting such matters to the committee.

Customer Satisfaction

GRI 103-3

The Company is determined to maximize customer satisfaction and places an emphasis on continuous research and development (R&D) to ensure that its residences always respond to customer demand. The Corporate Customer Relationship Management engages in the management of customer-related information, which is used in business planning aiming to meet customer needs and maintain good customer relationships. The Company also has the Innovation Center and hires external experts to conduct R&D and analyze area-based customer preference along with the potential of project locations in terms of public utilities. Such analysis gives an insight into consumers' demand in the residential market as well as sought-after house design, location and price range, allowing the Company to continuously develop and improve its products and services.



Additionally, the customers' satisfaction rating can be classified into two phases as follows:

- Finding initial information to transfer of ownership = 89.42%, which is 9.08% lower than that of 2016
- After transfer of ownership = 79.77%, which is 0.7% higher than that of 2016



Sustainable Network Participation

GRI 102-13

The Company supports in driving the sustainability policy beneficial for the economics, the society and the environment, together with public sector, private sector, and people sector, in the following activities:

- Collaborating with the Department of Alternative Energy Development and Efficiency, Ministry of Energy in the network for promotion of energy conservation building design which aims at energy saving and efficiency building design according to standards and criteria.
- Joining “The Child-friendly Business Practices Project” in cooperation with the UNICEF, Save the Children, and United Nation’s Global Compact together with other public and private organizations. Cooperating with Thai Pat Institute in organizing a workshop on child-friendly business practices for executives and employees in related jobs.
- Collaborating with the Kid’s Home Development Foundation, a UNICEF alliance, in the child-friendly business practices by initiating “Pruksa’s Educational Opportunity in Labor Camps Project” aiming at providing the labor children with basic rights and services on education and health. The Project covers the labors of the Company’s business partners in 11 labor camps in the Baan Pruksa Prime Rangsit-Khlong 3 Project and nearby camps. In a bid to eliminate child labor problem and promote child safety in labor camps in accordance with the Child-friendly Business Practices Project allied with the UNICEF, Save the Children, and United Nation’s Global Compact, the Company also helps to find educational institutes that accept migrant labor children for these children.
- Networking in the “Bilateral Cooperation in Workplace Project” to promote educational standard in collaboration with the Office of Vocational Education Commission, Ministry of Education with an aim to internationally standardize Thai vocational education and prepare our people for the AEC.
- Being an alliance with the Aged-friendly Business network in collaboration with Thai Pat Institute and the Department of Older Persons, Ministry of Social Development and Human Security.
- Collaborating with the Ministry of Labor and the Ministry of Social Development and Human Security in the promotion of disabled employment according to Section 35 of the Project for “Join forces in employment of 10,000 positions for the disabled” initiated by the Social Innovation Foundation and the Thai Health Promotion Foundation.

- Networking in Promotion of the Community-friendly Business in collaboration with Thai Pat Institute by using community food products as snacks in the organization's events in order to create income for communities and transform communities from "receiver" of aids to "provider" of products in the Company's supply chain.
- Being a member of Thailand's Private Sector Collective Action Coalition Against Corruption or CAC to solve the corruption problems by stipulating policies and guidelines against receiving and offering of bribery and all kinds of corruption that are strictly followed by executives and employees around the organization.
- Being a member of The Thai Listed Companies Association's CSR Club to drive the social responsible management toward a sustainable development.
- Being a member of the Thai Condominium Association. The Association is chaired by the Company's high ranking executive.
- The Company's high ranking executive is an advisor in the Thai Real Estate Association.





Independent Assurance Statement

To Prukha Holding PCL on the Sustainability Report 2017

GRI 102-56

Prukha Holding PCL or PSH requested Thaipat Institute (the Foundation for Thailand Rural Reconstruction Movement under Royal Patronage) to carry out an assurance engagement response to the Sustainability Report 2017

Criteria for report preparation

- The GRI Sustainability Reporting Standards, in accordance with the 'Core' option.

Criteria for assurance standards

- The AA1000 Assurance Standard (AA1000AS 2008)

Addressee

The intended users of this assurance statement are the management of PSH and its associated stakeholders.

Scope of Assurance

The scope of this assurance engagement based on Type 1, AccountAbility Principles: evaluation of adherence to the AA1000 AccountAbility Principles and to The GRI Sustainability Reporting Standards, in accordance with the 'Core' option. The scope of this assurance engagement does not provide conclusions on the reliability of the performance information.

Disclosures Covered

The assurance engagement is based on information that is publicly disclosed on the Sustainability Report 2017 of PSH for the year ended 31 December 2017.

Methodology

We carried out Type 1 moderate assurance in accordance with AA1000AS. The Type 1 engagement requires us to report on the nature and extent of adherence to AA1000 APS. To achieve moderate level assurance, we have used the criteria in AA1000AS to evaluate adherence to

AA1000APS. We undertook the following procedures:

- Reviewed the policies, practices, management systems and processes and performance information to be included within the Sustainability Report 2017 of PSH
- Analyzed information on performance provided in the Sustainability Report 2017 of PSH as a source of evidence to evaluate adherence to the principles and guidelines
- Inquired the processes PSH undertaken to adhere to the principles of inclusivity, materiality and responsiveness
- Assessed the extent to which PSH has applied the GRI Sustainability Reporting Standards including the Reporting Principles.
- Provided observations/recommendations to PSH in accordance with the Scope of Assurance based on defined criteria

Findings and Conclusions

- Based on the scope of assurance using the AA1000AS (2008), we conclude that PSH has applied processes and procedures that adhere with the principles of inclusivity, materiality and responsiveness as set out in the AA1000APS (2008); and
- Based on the scope of assurance using the GRI Sustainability Reporting Standards, we conclude that PSH has followed Reporting Principle and Standard Disclosures in a reasonable and balanced presentation of information and consideration of underlying processes for preparing the report

Observations and Recommendations

Nothing came to our attention which caused us to believe that the Sustainability Report 2017 of PSH did not adhere to the Principles. To improve future reporting of Sustainability in accordance with AA1000APS, we have made following observations:

Inclusivity: The report shows several means to engage and obtain stakeholder's interests and expectations as well as rationales behind its stakeholder identification process. However, it is recommended that results of its action and the linkage between actions and relevant content disclosures should be relatively addressed including the processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics.

Materiality: The report clearly illustrates its reporting process and the linkage between material topics and their relevant disclosures. However, PSH shall elaborate how company applied the reporting principles.

Responsiveness: PSH demonstrates its intensive responses through material topics which consist of their management approaches and disclosures. However, PSH should determine targets and timelines with S.M.A.R.T. concept (Specific, Measurable, Achievable, Relevant, and Time Bound).

To shape future sustainability reporting in according to the GRI Sustainability Reporting Standards, we have made the following suggestions:

- In General Disclosures, the committees responsible for decision-making on economic, environmental, and social topics shall be clearly indicated.
- In Specific Standard Disclosures, the management approach and explanation boundary of material topics shall be clearly and precisely indicated, including the management approach components (Policies, Commitments, etc.), and evaluation of management approach.
- Performance Disclosure on Anti-Corruption shall include total number/percentage of operations assessed for risks related to corruption, numbers and percentages of higher executives, employees, and business partners who receive communications/training of anti-corruption policies and procedures. Those engagements should be performed, and documented as evidence-based processes.
- Performance Disclosure on Employment shall include total number and rate of new employee/employee turnover by age group and region.

- Performance Disclosure on Occupational Health and Safety shall indicate types of injury and occupational disease rate (ODR).
- Performance Disclosure on Local community shall indicate percentage of operations with implemented local community engagement, impact assessments, and/or development programs.
- Performance Disclosure on Training and Education shall indicate Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.
- In Performance Disclosure on Marketing and Labeling, the requirements for product and service information and labeling shall be clearly described.

Competencies and Independence

Thaipat Institute is a public organization established in 1999 with its roles in researching, training, and consulting in corporate responsibility and sustainability practices. Thaipat Institute is an AA1000AS (2008) Licensed Providers granted by AccountAbility, the creator and proprietor of the AA1000 Assurance Standard. Thaipat Institute has become the GRI training partner to provide certified training programs in Thailand since 2013, and joined the GRI Data Partners program in 2016. Our team has the relevant professional and technical competencies and experience in corporate responsibility and sustainability for several years. During FY2017, we did not provide any services to PSH that could conflict with the independence of this work.

For Thaipat Institute



By Vorranut Piantam

Bangkok
28 March 2018



GRI CONTENT INDEX

GRI 102-55



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	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	74, 75	Goal 8: Decent work and economic growth (Earnings, wages and benefits)
	401-3	Parental leave	78	Goal 5: Gender equality (Parental leave) Goal 8: Decent work and economic growth (Parental leave)
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GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	13, 14, 15-16, 82	
	103-2	The management approach and its components	82, 83, 90	
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GRI 403 : Occupational Health and Safety 2016	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	94	Goal 3 : Good health and well-being (Occupational health and safety) Goal 8: Decent work and economic growth (Occupational health and safety)
	403-3	Workers with high incidence or high risk of diseases related to their occupation	84, 85	Goal 3 : Good health and well-being (Occupational health and safety) Goal 8: Decent work and economic growth (Occupational health and safety)
	403-4	Health and safety topics covered in formal agreements with trade unions	84, 85	Goal 8: Decent work and economic growth (Occupational health and safety)
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GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	13, 14, 15-16, 95	
	103-2	The management approach and its components	95	Goal 1 : No poverty (Economic inclusion) Goal 5: Gender equality (Economic inclusion) Goal 8: Decent work and economic growth (Economic inclusion) Goal 16: Peace justice and strong institutions (Grievance mechanisms)
	103-3	Evaluation of the management approach	100	
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	101	Goal 4: Quality education (Employee training and education) Goal 5: Gender equality (Gender equality) Goal 8: Decent work and economic growth (Employee training and education)
	404-2	Programs for upgrading employee skills and transition assistance programs	98	Goal 8: Decent work and economic growth (Employee training and education)
	404-3	Percentage of employees receiving regular performance and career development reviews	105	Goal 5: Gender equality (Gender equality) Goal 8: Decent work and economic growth (Employee training and education)

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	103-2	The management approach and its components	123		Goal 16: Peace justice and strong institutions (Grievance mechanisms)
	103-3	Evaluation of the management approach	122, 124-126		
GRI 413 : Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	123-126		
	413-2	Operations with significant actual and potential negative impacts on local communities	122, 124, 125, 126		Goal 1 : End poverty (Availability of products and services for those on low incomes) Goal 2 : End hunger (Access to land)
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GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	13, 14, 15-16, 127		
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	103-3	Evaluation of the management approach	139		
GRI 417 : Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	127, 134, 135, 136, 137		Goal 12: Responsible consumption production (Product and service information and labeling) Goal 16: Peace justice and strong institutions (Compliance with laws and regulations)
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GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	5, 23, 116, 117, 118, 121		Goal 2 : End hunger (Infrastructure investments) Goal 5: Gender equality (Infrastructure investments) Goal 7: Affordable and clean energy (Infrastructure investments) Goal 8: Decent work and economic growth (Economic performance) Goal 9: Industry innovation infrastructure (Infrastructure investments) Goal 9: Industry innovation infrastructure (Research and development)
	201-3	Defined benefit plan obligations and other retirement plans	76-77		
GRI 202 : Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	74, 75		Goal 1 : No poverty (Earnings, wages and benefits) Goal 5 : Gender equality (Equal remuneration for women and men) Goal 8: Decent work and economic growth (Earnings, wages and benefits)
	202-2	Proportion of senior management hired from the local community	80		Goal 8: Decent work and economic growth (Employment)

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GRI 203 : Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	5, 23, 127, 128-133, 138		Goals 2 : End hunger (Infrastructure investments) Goal 5: Gender equality (Infrastructure investments) Goal 7: Affordable and clean energy (Infrastructure investments) Goal 9: Industry innovation infrastructure (Infrastructure investments) Goal 11: Sustainable cities and communities (Infrastructure investments)
	203-2	Significant indirect economic impacts	5, 31, 112, 114, 116, 117, 118		Goal 1 : No poverty (Availability of products and services for those on low incomes) Goal 1 : No poverty (Economic development in areas of high poverty) Goal 2 : End hunger (Changing the productivity of organizations, sectors, or the whole economy) Goal 3 : Good health and well-being (Access to medicines) Goal 8: Decent work and economic growth (Changing the productivity of organizations, sectors, or the whole economy) Goal 8: Decent work and economic growth (Indirect impact on job creation) Goal 8: Decent work and economic growth (Jobs supported in the supply chain)
GRI 204 : Procurement Practices 2016	204-1	Proportion of spending on local suppliers	118		Goal 12: Responsible consumption production (Procurement practices)
GRI 206 : Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	61		Goal 16: Peace justice and strong institutions (Compliance with laws and regulations)
GRI 301 : Materials 2016	301-1	Materials used by weight or volume	65		Goal 8: Decent work and economic growth (Materials efficiency) Goal 12: Responsible consumption production (Materials efficiency/recycling)
	301-2	Recycled input materials used	65		Goal 8: Decent work and economic growth (Materials efficiency) Goal 12: Responsible consumption production (Materials efficiency/recycling)
	301-3	Reclaimed products and their packaging materials	65, 66		Goal 8: Decent work and economic growth (Resource efficiency of products and services) Goal 12: Responsible consumption production (Resource efficiency of products and services)



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	302-2 Energy consumption outside of the organization	67		Goal 7: Affordable and clean energy (Energy efficiency) Goal 7: Affordable and clean energy (Renewable energy) Goal 8: Decent work and economic growth (Energy efficiency) Goal 12: Responsible consumption production (Energy efficiency) Goal 12: Responsible consumption production (Transport) Goal 13: Climate action (Energy efficiency)
	302-3 Energy intensity	67		Goal 7: Affordable and clean energy (Energy efficiency) Goal 8: Decent work and economic growth (Energy efficiency) Goal 12: Responsible consumption production (Energy efficiency) Goal 13: Climate action (Energy efficiency)
	302-4 Reduction of energy consumption	66, 67		Goal 7: Affordable and clean energy (Energy efficiency) Goal 8: Decent work and economic growth (Energy efficiency) Goal 12: Responsible consumption production (Energy efficiency) Goal 13: Climate action (Energy efficiency)
	302-5 Reductions in energy requirements of products and services	67		Goal 7: Affordable and clean energy (Energy efficiency) Goal 8: Decent work and economic growth (Energy efficiency) Goal 12: Responsible consumption production (Energy efficiency) Goal 13: Climate action (Energy efficiency)

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	303-2	Water sources significantly affected by withdrawal of water	69		Goal 6 : Clean water and sanitation (Sustainable water withdrawals)
	303-3	Water recycled and reused	69		Goal 6 : Clean water and sanitation (Water efficiency) Goal 6 : Clean water and sanitation (Water recycling and reuse) Goal 8: Decent work and economic growth (Water efficiency) Goal 12: Responsible consumption production (Water efficiency)
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	124		Goal 6 : Clean water and sanitation (Water-related ecosystems and biodiversity)
	304-2	Significant impacts of activities, products, and services on biodiversity	124		Goal 6 : Clean water and sanitation (Water-related ecosystems and biodiversity)
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG emissions	66, 67, 71		Goal 3 : Good health and well-being (Air quality) Goal 12: Responsible consumption production (Air quality) Goal 12: Responsible consumption production (Transport) Goal 13: Climate action (GHG emissions)
	305-2	Energy indirect (Scope 2) GHG emissions	66, 67		Goal 3 : Good health and well-being (Air quality) Goal 12: Responsible consumption production (Air quality) Goal 12: Responsible consumption production (Transport) Goal 13: Climate action (GHG emissions)
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	305-4	GHG emissions intensity	66, 67		Goal 13: Climate action (GHG emissions)
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	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	66, 67		Goal 3 : Good health and well-being (Air quality) Goal 12: Responsible consumption production (Air quality) Goal 13: Climate action (GHG emissions)

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	306-2	Waste by type and disposal method	70	Goal 3 : Good health and well-being (Spills) Goal 6 : Clean water and sanitation (Waste) Goal 6 : Clean water and sanitation (Water-related ecosystems and biodiversity) Goal 12: Responsible consumption production (Waste)
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GRI 308 : Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	44, 50	
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GRI 402 : Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	79	Goal 8: Decent work and economic growth (Labor/management relations)
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	74, 79	Goal 5: Gender equality (Gender equality) Goal 5: Gender equality (Women in leadership) Goal 8: Decent work and economic growth (Diversity and equal opportunity)
	405-2	Ratio of basic salary and remuneration of women to men	75	Goal 5 : Gender equality (Equal remuneration for women and men) Goal 8: Decent work and economic growth (Equal remuneration for women and men) Goal 10: Reduced inequalities (Equal remuneration for women and men)
GRI 406 : Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	79	Goal 5: Gender equality (Non-discrimination) Goal 8: Decent work and economic growth (Non-discrimination) Goal 16: Peace justice and strong institutions (Non-discrimination)
GRI 407 : Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	31, 40, 47	Goal 8: Decent work and economic growth (Freedom of association and collective bargaining)
GRI 408 : Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	43, 50, 79, 87	Goal 8: Decent work and economic growth (Abolition of child labor) Goal 16: Peace justice and strong institutions (Abolition of child labor)
GRI 409 : Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	79	Goal 8: Decent work and economic growth (Elimination of forced or compulsory labor)

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GRI 412 : Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	49, 106	
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GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	45, 49	Goal 5 : Gender equality (Workplace violence and harassment) Goal 8: Decent work and economic growth (Labor practices in the supply chain) Goal 16: Peace justice and strong institutions (Workplace violence and harassment)
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GRI 415 : Public Policy 2016	415-1	Political contributions	2	Goal 16: Peace justice and strong institutions (Abolition of child labor)
GRI 416 : Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	64, 136	
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Sustainability Report Reader Questionnaire 2017

1. Which of these groups best describe you?

- | | |
|---|--|
| <input type="checkbox"/> Shareholder / Investor | <input type="checkbox"/> Pruksa Holding Public Company Limited employee / management |
| <input type="checkbox"/> Customer | <input type="checkbox"/> Government official |
| <input type="checkbox"/> Business partner | <input type="checkbox"/> Press |
| <input type="checkbox"/> Local community / public | <input type="checkbox"/> Student |
| <input type="checkbox"/> Others | |

2. How did you access this sustainability report?

- | | |
|---|--|
| <input type="checkbox"/> Annual general meeting | <input type="checkbox"/> Website (www.psh.co.th) |
| <input type="checkbox"/> Website (www.pruksa.com) | <input type="checkbox"/> Stock Exchange of Thailand or www.set.or.th |
| <input type="checkbox"/> Others | |

3. The reason you read this sustainability report.

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4. How would you rate this sustainability report on these aspects?

- | | | |
|-------------------------------|---------------------------------------|---|
| 4.1 Comprehensiveness | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Unsatisfactory |
| 4.2 Scope of content | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Unsatisfactory |
| 4.3 Credibility | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Unsatisfactory |
| 4.4 Layout and graphic design | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Unsatisfactory |
| 4.5 Overall impression | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Unsatisfactory |

5. How would you rate each chapter based on its content?





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|--|------------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 5.1 Corporate social responsibility policy | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |
| 5.2 Message from Executive Vice Chairman of the Board of Directors and Group Chief Executive Officer | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |
| 5.3 Pruksa's pride | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |
| 5.4 About Pruksa Holding | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |
| 5.5 About the sustainability report 2017 | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |
| 5.6 Economic operations | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |
| 5.7 Environmental operations | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |
| 5.8 Corporate social responsibility efforts | <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Fair | <input type="checkbox"/> Poor |

6. Other comments you might have on this sustainability report.

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You can send the questionnaire in 3 ways

		
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Thank you for your time and cooperation.

Your feedback is highly appreciated and will help us to improve our future reports.



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