



PRUKSA



ANNUAL REPORT 2018

PRUKSA HOLDING PUBLIC COMPANY LIMITED

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25 Years Anniversary of PrukSA Achievement

PRUKSA MILESTONES



- Establishment of PrukSA Real Estate Co., Ltd. (PS)
- First launch of PrukSA Townhouse



- First launch of Passorn Single-Detached House
- Listed in SET as a “Public Company”

PRUKSA REM



REM System Implementation



Establishment of “PrukSA Holding Public Company Limited” (PSH)



PrukSA Rebranding

1993

2004

2005

2007

2010

2014

2016

2017

2018

Establishment of PrukSA Precast Factory



First Launch of Condominium Project



Expansion Phase 2 of PrukSA Precast Factory



- First Construction of Vimut International Hospital
- Entering into premium market through “The Reserve” Project





CONSTRUCTION

Paying attention...Construction Technology and Production process

Being very precise with the quality and details. Precast is one of our products that reflects our quality as an innovator of construction technology.



INNOVATION

Paying attention...Construction Technology and Production process

Being very precise with the quality and details. Precast is one of our products that reflects our quality as an innovator of construction technology.



5 Pillars of Quality Roadmap



PRUKSA

PRODUCT DESIGN

Paying attention...Designing frequently used functions

This is to serve the customer's needs and requirements in terms of beauty, comfortable and practical functions.



SERVICE

Paying attention...Servicing Standard

There's a before and after sales service with specialized staffs.



COMMUNITY

Paying attention...Well community

Pruksa designs quality community for customer's to have healthy social and environment surroundings.



Financial Highlights

Financial highlights (Million Baht)

	2016	2017	2018
Assets	66,344	72,244	81,845
Liabilities	30,180	33,584	39,971
Equities	35,413	37,909	41,171
Non-Controlling interests	751	750	704
Revenue from sales of real estate	46,926	43,935	44,901
Total Revenue	47,173	44,113	45,071
Gross profit from sales of real estate	15,742	15,713	16,086
Selling and administration	8,153	8,537	8,430
Net profit	6,069	5,574	6,131
Profit attributable to owner of the company	5,940	5,456	6,022

Information per share

Paid up capital (Million Baht)	2,186	2,187	2,189
Paid up shares (Million Shares)	2,186	2,187	2,189
Book value per share (Baht)	16.2	17.3	18.8
Earning per share (Baht)	2.72	2.50	2.75
Dividend per share (performance year) ⁽¹⁾ (Baht)	-	2.09	1.55
Market price at year-end (Baht)	22.5	22.5	17.3
P/E (times)	8.3	9.0	6.3
P/BV (times)	1.4	1.3	0.9
Market cap (Million Baht)	49,182	49,203	37,861

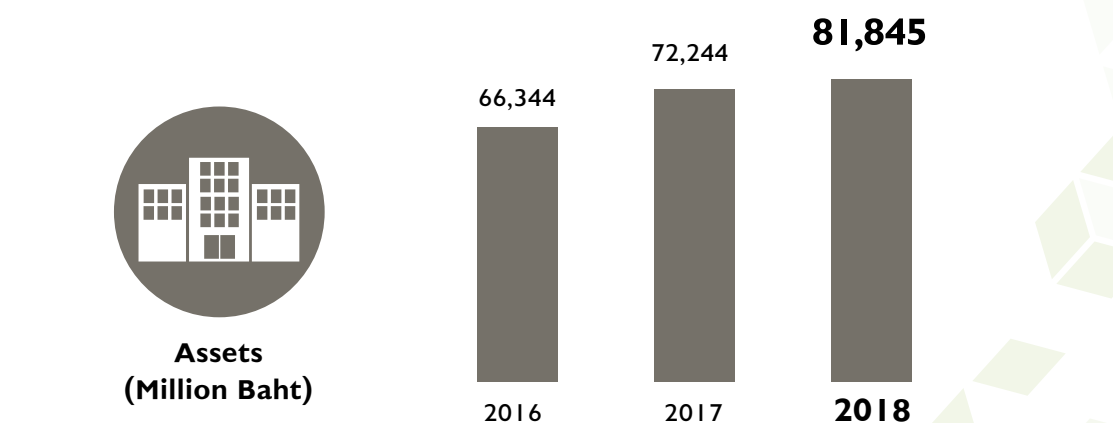
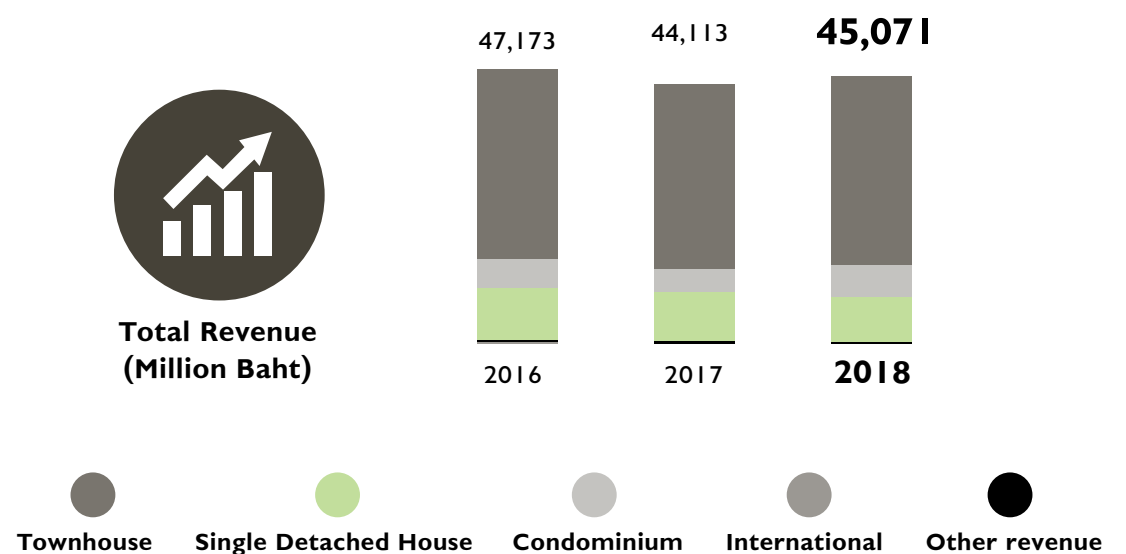
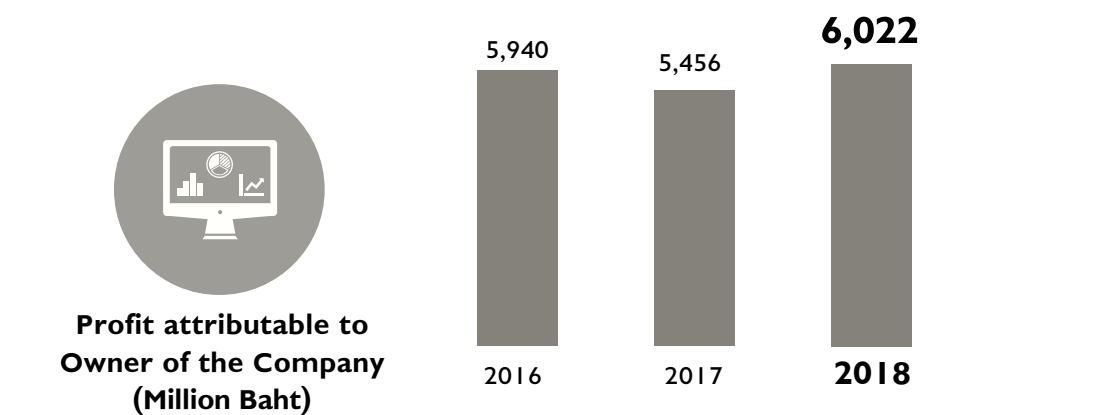
Key financial ratios

Average asset turnover (times)	0.72	0.64	0.58
Average ROA ⁽²⁾ (%)	11.9	10.6	10.2
Average ROE (%)	17.1	14.9	15.2
Gross profit margin ⁽³⁾ (%)	33.5	35.8	35.8
Net profit margin (%)	12.6	12.4	13.4
Cash and short term investments (Million Baht)	832	1,348	1,445
Net debt to equity (times)	0.83	0.89	0.97
Interest bearing debt (Million Baht)	19,898	24,300	27,100
Interest bearing debt to equity (times)	0.56	0.64	0.66
Net interest bearing debts to equity (times)	0.54	0.61	0.62

Note: ⁽¹⁾ The right to receive the said dividends is subject to approval by the 2019 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 and Chairman of Executive Committee

The year 2018 marks another amazing year as we celebrated Prukso 25th Anniversary. On December 24, 2018, HRH Princess Maha Chakri Sirindhorn graciously attended the opening ceremony of our Pearl Bangkok, an official Prukso Head Office Building. It was the greatest honor to our Board of Directors, executive team and employees.

Throughout 25 years of its business operation, Prukso took part in promoting employment, both directly and indirectly, by hiring over 100,000 job positions and also played a vital role in mobilizing and strengthening Thailand's economy while fulfilling its corporate social responsibilities in areas such as education and youths development, ethics and moral development, and finally social and environmental development by continuously upholding ethical standard, good corporate governance, transparency and fairness among every stakeholder group throughout these past years. These outstanding performances has allowed us to gain recognition from nationwide and worldwide leading corporations. The year 2018 marks one of our the most celebrated years as we have been presented with several honorary awards and recognitions from various organizations. This includes "Thai Chamber of Commerce Best Awards 2018", "Drive Awards 2018" under Finance Category, "SET Sustainability Awards 2018" for the 2nd year following "Outstanding Rising Star" Category won in the prior year and lastly "Thailand Sustainability Investment 2018 (THSI)" for the 3rd consecutive year. These awards are proofs of our success and commitment in running business under

corporate governance principles and with accountability toward the stakeholders, including offering chance for the society and local communities to take part in environmental care to promote sustainable growth.

Furthermore, we have witnessed continuous growth of our real estate business while our hospital and medical service center business maintains steady growth as the ongoing construction of Vimut Hospital is expected to be completed and opened in 2020. This new medical facility is expected to offer high standard medical services by a team of highly experienced professionals with aim to deliver excellent healthcare to help reduce illness as much as possible. On December 5, 2018, the first "Baan Mor Vimut" Clinic was officially opened under the philosophy of "Light, Smart, Heart-Felt". Located at Rangsit-Khlong 3, this clinic is a pilot project in providing treatment for general diseases and medical advices to the elderly residing in Rangsit-Khlong 3 which is a large community and where many Prukso projects are located.

Regarding 2019 business direction, we continue to follow our organizational targets by focusing on residential projects development, enlarging our customer base to every segment and continuously seeking new business opportunities to raise revenue. Apart from the mentioned hospital business, we also aim to build opportunities for the society and local community to participate in environmental care and promote sustainable growth.

Dr. Pisit Leeatham

Chairman of the Board of Directors

Mr. Thongma Vijitpongpan

Chairman of the Executive Committee and
Group Chief Executive Officer

Board of Directors



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 Ngamdeevilaisak

- Independent Director
- Member of the Audit Committee
- Member of the 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 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. Mrs. Supattra Paopiamsap

- Director
- Member of the Executive Committee



12. Mr. Piya Prayong

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



13. Mr. Prasert Taedullayasatit

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

Awards and Accolades



SET Sustainability Awards 2018

Outstanding Type from The Stock Exchange of Thailand for the 2nd consecutive year

Thailand Sustainability Investment (THSI) Award

From The Stock Exchange of Thailand for the 3rd consecutive year

Sustainability Report Award 2018

Recognition Sustainability Report Award 2018 organized by CSR Club, Thai Listed Companies Association for the 3rd consecutive year



Being selected to be in ESG100 Company Group 2018 (Environmental, Social and Governance: ESG)

From Thaipat Institute for the 2nd consecutive year

Thai Chamber of Commerce Best Awards 2018

From Anti-Corruption and Code of Conduct Promotion Committee, Thai Chamber of Commerce

Getting Scores of corporate governance assessment of listed companies in Thailand 2018

As excellence from Thai institute of Directors (IOD) for the 2nd consecutive year



Getting Scores of quality assessment of AGM 2018

Full 100 score from Thai Investor Association for the 2nd consecutive year

“Excellent” Energy Conservation Building Design Standard Certifying Label

From Ministry of Energy

International Arch of Europe Convention Award (IAE Award)”

As “Diamond Type” from Business Initiative Directions (B.I.D.)

DGNB First Mover Projects Award in Platinum Field for Sustainable Homes

From German Sustainable Building Council (DGNB: Deutsche Gesellschaft für Nachhaltiges Bauen e.V.)

MAT Award 2018 in Type of Bronze Award

In Real Estate and Construction Material Business Category from Marketing Association of Thailand

Drive Award 2018 in Finance Field

In finance field from MBA Alumni Association, Faculty of Commerce and Accountancy, Chulalongkorn University

Property Export Awards Thailand 2018 (PEAT 2018)

In the Field of Excellent Worthy High-Rise Condominium to Plum Condo Pinklao Station Project from National Institute Development Administration



Best Development Marketing Award

To Chapter One Eco Ratchada-Huaykwang as regional Winner from International Property Awards 2018 - 2019

BCI Top 10 Developer Awards 2018

To Chapter One Bangpo and Plum Condo Pinklao Station from BCI ASIA for the 8th consecutive year

Property Guru Thailand Property Awards 2018

To The Reserve Sathorn as Best Luxury Condo Development and Chapter One Eco Ratchada-Huaykwang as Best Affordable Condo Development from top property website such as DDproperty.com

Residential High-Rise Development Thailand

To The Reserve Phahol-Pradipat and Chapter One Eco Ratchada-Huaykwang as Development Marketing Thailand and Best Development Marketing Award from Asia Pacific Property Award 2018 - 2019

Thailand Tatler in the Field of Best Residential Award

To The Reserve 61 Hideaway from Thailand Tatler Magazine

Excellent Real Estate Project 2018

To Baan Prukha Thepharak-Muang Mai Project 2, Passorn Songprapa, and Plum Condo Chaeng Watthana from Research Data and Thai Real Estate Appraisal Center, Agency for Real Estate Affairs Co., Ltd.

Excellent Pilot Project in Occupational Safety, Health and Environment Award 2018

As Honorable mention award in provincial level to Prukha precast factory, Iumlookka from department of Labour Protection and Welfare

Eco Factory Award 2018

To Prukha precast factory, Navanakorn from Industrial Estate Authority of Thailand and The Federation of Thai Industries

Green industry level 3 Certificate

Green system to Prukha precast factory, Iumlookka and Prukha precast factory, Navanakorn from Ministry of Industry

ISO 9001: 2015 Quality Management System Standard Certificate

From Management System Certification Institute (MASCI)

BS OHSAS 18001 Occupational Health and Safety Management System Standard Certificate (for High-Rise Construction)

From Management System Certification Institute (MASCI)



Policy and Business Overview



History

On March 16, 2016, Prukha Holding Public Company Limited (“the Company”) was registered for public company establishment of Holding Company with initial registered capital of Bt10,000 to 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 Bt10,000 to Bt2,273,217,600 by issuing new common stocks totaling 2,273,207,600 stocks at par value of Bt1 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 The 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, Prukha Real Estate Public Company is the subsidiary of the Company that operates core business and generates main revenues from dividend acquired from shareholding in Prukha Real Estate Public Company Limited and its subsidiary and/or associated company which will be invested by the Company in the future.

The Company has executed the investment in hospital business and health service center through two subsidiaries including (1) Vimut Hospital Holding 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 2018, 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 “Prukha Holding Public Company Limited” was established to operate investment business and hold 98 percent of shares in Prukha Real Estate Public Company Limited through the tender process.
	<ul style="list-style-type: none"> Registered capital of Prukha Holding Public Company Limited was increased to Bt2,273,217,600 through issuance of new common stocks for 2,273,207,600 stocks at par value of Bt1 per stock.
2017	<ul style="list-style-type: none"> Vimutti Hospital Holding Company Limited and Vimutti International Hospital Company Limited as the subsidiaries of Prukha Holding Public Company Limited were registered to change their names to be Vimut Holding Hospital Company Limited and Vimut International Hospital Company Limited, respectively.
	<ul style="list-style-type: none"> The Company was awarded for SET Rising Star Sustainability Awards 2017 in the group of listed companies with market price value for 30,000 - 100,000 million Baht 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.

Year	Important Development
2017	<ul style="list-style-type: none"> 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.
	<ul style="list-style-type: none"> In 2017, Pruksa Real Estate Public Company Limited, the subsidiary of the Company, issued three tranches debenture with value of 9,500 million Baht.
2018	<ul style="list-style-type: none"> The Company was awarded for best company of Thailand economic driver “Drive Awards 2018”, in Finance program from MBA Chula Alumni Association. The award was considered from excellent financial performance and good corporate governance as well as attention to shareholders and partners.
	<ul style="list-style-type: none"> The Company signed MOU with department of medical service as “Academic cooperation of safe environment for senior” to collaborative research of new innovation with design and use of in-house material under concern on senior safety to minimize and avoid accidents occurred from various environments.
	<ul style="list-style-type: none"> The Company was granted for “The Thai Chamber of Commerce Business Ethics Standard Test Award 2018” from transparency in business operation, enabled information disclosure and audit, responsibility to customers and partners, fairness to related parties including social charity and aiming to encourage an excellent operation in organization.
	<ul style="list-style-type: none"> The Company was continuously awarded for sustainability of listed company for second year sequentially. In 2018, the Company was also continually awarded for Outstanding Sustainability Awards 2018 and Thailand Sustainability Investment 2018 (THSI) for the 3rd year.
	<ul style="list-style-type: none"> The Company was consecutively honorable for Recognition Sustainability Report Awards 2018 for the 3rd year.
	<ul style="list-style-type: none"> The Clinic named “Baan Mor Vimut” operated for general treatment and health consultant to residents in community area. This is a business expansion from Vimut Hospital by a launch of first pilot project at Rangsit Klong 3, Pathumthai Province, a large community area surrounding by numerous Pruksa projects.
	<ul style="list-style-type: none"> HRH Princess Maha Chakri Sirindhorn graciously attended the opening ceremony of our Pearl Bangkok, an official Pruksa Head Office Building. It was the greatest honor to our Board of Directors, executive team and employees.
	<ul style="list-style-type: none"> The Company increased of stakeholders in Pruksa Real Estate Public Company Limited as 0.33%, resulting to an increase of shareholder’s equity from 97.90% to 98.23%.
	<ul style="list-style-type: none"> The Company issued three tranches debenture with value of 5,500 million Baht.



Shareholding Structure of the Group of Companies

In execution under the business restructuring plan by Pruksha Real Estate Public Company Limited (“Pruksha”), the Company prepared a tender offer for purchasing the securities of Pruksha. Through tender process, the Company shall exchange its common stocks of identical category with Pruksha at the rate of 1 : 1. The rate herein is one common stock of the Pruksha per one common stock of the Company. After the tender process, the Company was able to acquire 98 percent of shareholding in Pruksha, allowing it to have paid-up capital equaling to Bt2,185,857,580 and common stocks totaling to 2,273,217,600 stocks at par value of Bt1 per stock after restructuring. In the meanwhile, warrants 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.

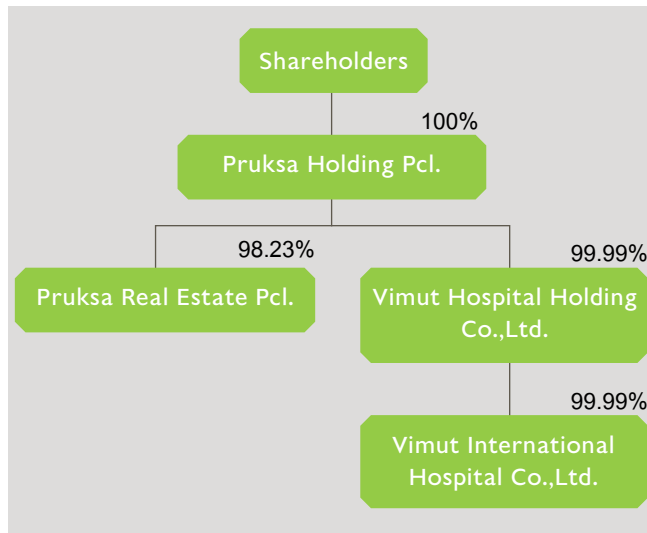
In the Company’s Annual General Meeting of Shareholders on April 27, 2017, the shareholders resolved the approval of decrease in the registered capital of the Company for Bt46,834,420 from Bt2,273,217,600 of existing registered

capital to be Bt 2,226,383,180 of new registered capital by cutting off the issued common stocks remained from support of the tender offer for purchasing the securities of Pruksha for 46,834,420 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 Bt2,186,796,580.

After the Company has been listed in The 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 The 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 March 31, 2017, the Company invested in Vimut Hospital Holding Company Limited, and (2) Vimut 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.

As on March 2018, The Company increased of stakeholders in Prukisa Real Estate Public Company Limited as 0.33% by cash of Bt97,311,140.10 resulting to an increase of shareholder's equity from 97.90% to 98.23%.



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 of 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 Prukisa 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 Prukisa which are the core business of the Company



At present, Prukisa 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



Nature of Business

Group of companies generated revenues from real estate business only. At December 31, 2018, 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 2016		Year 2017		Year 2018	
	Bt m	%	Bt m	%	Bt m	%
Townhouse (Thailand)	23,529	49.9	22,694	51.4	22,566	50.1
Single-detached house (Thailand)	9,413	20.0	9,159	20.8	8,924	19.8
Condominium (Thailand)	13,849	29.4	12,068	27.4	13,411	29.8
International	129	0.3	13	0.0	0	0.0
Total	46,920	99.5	43,935	99.6	44,901	99.6
Other revenue ⁽¹⁾	6	0.0	0	0.0	0	0.0
Revenue from sale of real estate	46,926	99.5	43,935	99.6	44,901	99.6
Other income	247	0.5	178	0.4	170	0.4
Total revenue	47,173	100.0	44,113	100.0	45,071	100.0

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



Existing projects of Prukisa , a subsidiary company as of December 2018, consisted of 187 projects classified by total value, sold and unsold value as follow:

Projects as of December 2018	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 Prukisa	38	14,649	28,759	7,068	13,485	455	1,034	7,523	14,519	7,126	14,240
Patio	10	1,953	8,089	599	2,369	170	654	769	3,023	1,184	5,067
Prukisa Lite	1	267	561	214	430	3	7	217	437	50	124
Prukisa Town	7	2,341	6,971	893	2,525	38	143	931	2,668	1,410	4,303
Prukisa Village	1	292	681	227	515	6	18	233	533	59	148
Prukisa Ville	41	11,176	30,722	4,490	11,586	430	1,293	4,920	12,880	6,256	17,842
The Connect	14	4,308	12,255	1,831	5,069	141	449	1,972	5,518	2,336	6,737
The Plant	1	367	1,721	310	1,401	7	38	317	1,439	50	283
Villette	1	390	993	196	466	4	10	200	476	190	517
Total TH	114	35,743	90,753	15,828	37,846	1,254	3,646	17,082	41,492	18,661	49,261
Passorn	16	3,912	20,634	1,948	8,448	176	1,069	2,124	9,516	1,788	11,118
Prukisa Village	10	2,984	11,233	1,231	4,566	109	421	1,340	4,987	1,644	6,246
The Palm	1	120	1,290	34	347	2	24	36	371	84	919
The Plant	12	2,690	11,072	1,074	4,243	141	618	1,215	4,861	1,475	6,211
Prukisa Town	3	718	2,879	154	642	2	12	156	654	562	2,225
Prukisa Nara	1	300	1,056	210	747	0	0	210	747	90	309
Total SDH	43	10,724	48,165	4,651	18,994	430	2,143	5,081	21,137	5,643	27,028
Plum Condo	9	14,590	23,059	6,901	9,987	2,265	3,746	9,166	13,733	5,424	9,326
Privacy	3	2,505	8,732	0	0	1,335	4,293	1,335	4,293	1,170	4,439
The Tree	8	3,957	12,127	1,523	4,313	1,880	5,537	3,403	9,850	554	2,277
Urbano	1	325	1,466	106	454	40	175	146	629	179	836
Total CD (Value)	21	21,377	45,383	8,530	14,754	5,520	13,750	14,050	28,505	7,327	16,879
Chapter One	4	3,133	11,182	635	1,843	1,943	6,458	2,578	8,301	555	2,881
The Reserve	5	850	11,368	0	0	525	6,946	525	6,946	325	4,422
Total Premium	9	3,983	22,550	635	1,843	2,468	13,404	3,103	15,247	880	7,303
Almost Closed							72	289			
Grand Total	187	71,827	206,851	29,644	73,437	9,744	33,233	39,316	106,381	32,511	100,470

Product and Service Attribute

Pruksa Holding PCL (“The Company”) operates the business of holding company that mainly generates revenue from shareholding in other companies that operate real estate business and hospital business. The Company earns main revenue from 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.

Business Group-Classified by Business Operation

1. Real Estate Business

Pruksa Real Estate PCL (“Pruksa”) 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, Pruksa started selling projects in upcountry such as Phra Nakhon Si Ayutthaya, Chonburi, Phuket, Khon Kaen, Chiang Mai, and Rayong. Furthermore, Pruksa expanded low rise and condominium products in high end market to increase market shares of premium segment, and to improve brand image for management clarity of each business group for sustainable and continuous growing business and maintenance of secure financial status.

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

Pruksa Real Estate Townhouse Business Group

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

Townhouse/Commercial Building	
Baan Pruksa	The Connect
Pruksa Ville	Patio

1.1 Pruksa Real Estate Townhouse Business

Pruksa Real Estate Townhouse 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 the customer group with low-middle income. Pruksa 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.

The proportion of Townhouse Business Group in townhouse and commercial building markets have been approximately 23% of total townhouse and commercial building market share. The revenue ratio has been about 50% of revenue from real estate.

Pruksa Real Estate Value Business Group

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

Single-Detached House	Condominium
The Palm	Ivy
Passorn	The Tree
The Plant	The Privacy
	Plum Condo

1.1 Single-Detached House

The price level for target group of Single-Detached House 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 2019.

The size of Single-Detached House market has been approximately 8% of total single-detached house and semi house market share. The revenue ratio of Value Business Group from Single-Detached House has been approximately 20% of revenue from real estate.

1.2 Condominium

Value Business Group has adjusted marketing strategy and revenue structure from foreseeing the rapid change of residence need in Bangkok Metropolitan Region together with change of public transportation system such as skytrain projects. This has resulted in considerable increase in residence needs of condominium since 2007 with target group of customers who earn low to 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 flood situation, people increasingly needed residences along the routes of skytrain construction, needed second houses 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 skytrain or future skytrain 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 electric train line.

The size of condominium market in Bangkok Metropolitan Region has been 6% of total condominium market share. The revenue ratio of Value Business Group from condominium has been approximately 26% of revenue from real estate.

Pruksha Real Estate Premium Business Group

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

High Rise (Condominium)
The Reserve
Chapter One

Pruksha Real Estate Premium Business Group develops premium projects particularly in Condominium Business Group 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 35% of total housing market value in Bangkok Metropolitan Region. With premium market potential, the growth of Prukha Real Estate Premium Business Group has been considered as the growth of new business that will drive future growth of Prukha. Even though, the first market entry has been commenced in 2017, eight new projects could be continuously launched and generated total presales of Business Group almost 7,000 million Baht or in the proportion of 13% of total presales of Prukha in 2018 whereas market share was estimated to be 2% of total presales of condominium market share in Bangkok Metropolitan and Region and total revenue recognition of Business Group was almost 2,000 million Baht in 2018. In the future, project launch has been planned and revenue has been recognized on continual basis.

Prukha 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 to cope 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.

Prukha Real Estate Premium Business Group develops premium projects particularly in high 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.

2. Hospital Business

With reference to information declared with the Stock Exchange of Thailand, the Board of Directors' Meeting of Prukha 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 Hospital Holding Company Limited ("Vimut Holding") 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 International") 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 International is in form of 250 Bed 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 International has estimated its total approximate investment for 4,900 million Baht being divided into 950 million Baht of land cost, and another 3,950 million Baht of construction cost, medical equipment and devices, and others. The operation commencement can be operated within 2020 according to the expectation.

Vimut International 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. The construction has been commenced in 2018. "Vimut Family" Clinic has been simultaneously opened for services in medical care of general disease, and health counseling for community inhabitants, as another business extended from Vimut Hospital. The pilot project has been launched for the first service in the region of Rangsit Klong 3, Pathum Thani Province.

Marketing and Competition

Real Estate Business

Marketing Policy

Pruksha Real Estate PCL (“Pruksha”) as the core company of Pruksha Holding PCL under Pruksha vision of “Number One in Thai Mind, Number One in the Market” has determined policies and strategies for image promotion of Pruksha brands and sales promotion as follows:

1. Rebranding Strategy of Pruksha Brand

In 2018, Greatest Pruksha rebranding has been performed by Pruksha through creation of campaign under the name of “**PRUKSA care...for the whole life**” in 25 years period of Pruksha. It has been rather than marketing campaign since it has been the execution according to vision of Mr. Thongma Vijitpongpan. The key of house building for living of other persons is derived from the spirit of desire to offer good thing and desire that the customer owns his/her house which is suitable for his/her purchasing power. The importance is good quality, happy and secure living, are transmitted to be Brand Purpose and fostered to be corporate culture from top executives to staffs in every level on will, devotion and care in every detail of working, and having duties and responsibilities of devotion for care in highest quality standard in all procedures. Therefore, this time of Pruksha rebranding **has not just been general communication works (Story Telling). However, it has been an emphasis on serious commencement through work procedures for transmitting to be communication works with consumer sincerity (Story Doing), and delivery of best house to all Thai people.**

Creation of trust on Pruksha brand in Trust Mark is started from Corporate Brand **by adjusting new logo** for memorizing and communicating the denotation of internal care toward outside. The heart of Pruksha people reflects Pruksha being with the following denotation.

- Leaf-overlapping leaf is internal care toward outside.
- P symbol is the heart of Pruksha people who intend to deliver best house to customer
- Green is new life creation and cheerful opportunity
- Grey is peacefulness and technological advancement



In part of product brands, **Product Brands of the Projects have been reduced and re-segmented** previously from 48 brands to be remained 13 brands for differentiation, resulting in satisfaction of every target group of customers with different life styles from brands.

48 BRANDS ➤ 13 BRANDS



In PrukSA rebranding, PrukSA has emphasized on commencement of serious act and communication through Roadmap of 5 Pillars of Quality Care as follows.



Pillar 1: CONSTRUCTION Care...for Construction and Manufacturing Technology starting from construction quality under our care in every detail whereas Precast is one thing reflecting quality issue and PrukSA is the pioneer and leader of the construction technology.

Pillar 2: INNOVATION. Care...for Innovation in Improved Quality of Life through commitment of PrukSA on ceaseless development of technologies such as Home Automation, Security System and Elder Care, Elder Innovation, etc.

Pillar 3: PRODUCT DESIGN. Care...for Utility Function Design for fulfillment of customer demand in term of attractiveness and utility, and increase in customer convenience.

Pillar 4: COMMUNITY. Care...for Livable Society through PrukSA design of quality society for good society and environment of the customer.

Pillar 5: SERVICE. Care...for standard service in every procedure through pre-sale and post-sale service by the expert officer who cares for every detail.

Trust of PrukSA image is created via **Brand Endorser** using **Mr. Toon-Athiwara Khongmalai** to communicate Brand Purpose due to the distinction of Mr. Toon in philosophy of life that commits, devotes and cares to do for other persons like philosophy of PrukSA working that commits, devotes and cares for customers. The story is transmitted through Internet film and music video of "Care", and experience sharing of Mr. Toon and Mr. Thongma Vijitpongpan through Exclusive Interview. Moreover, experiences and viewpoints on houses, and impression gained from PrukSA, are shared in testimonial customer feedback transmission strategy both of actual inhabitants and customers who are looking for buying residences.

Another major strategy of campaign in 2018 has been **Integrated Digital Media Communication** (Owned - Paid - Earned) for direct access to the group of target customers, starting from PrukSA website improvement, campaign communication for all digitals and platforms, use of the reliable Influencer, and development of contents on Facebook and IG.

2. Sales Promotion Strategy

According to competitive marketing situation in 2018, Pruksa therefore has attentively established sales promotion strategy in details under integration of the integration of best thing worth for acquisition by the customer concept with the year of Pruksa 25th anniversary celebration.

2.1 Pruksa 25th Year....The Great Celebration Campaign Promotion is the corporate promotion activity for the celebration of the 25th anniversary year, and giving gifts which are Honda jazz in return to 25 lucky persons for the customers who purchase Pruksa townhouse, single-detached house and condominium projects.

2.2 Big Sale Ever is the corporate promotion activity in offering best thing to customer prior to closing the year of 2018 with giveaways of big prizes, condominiums and other numerous prizes such as gold necklaces, and smart phones (Samsung Galaxy Note9).

According to accumulated marketing activities of Pruksa throughout 25 years, Pruksa remains always adhering to ongoing developments to deliver best houses to Thai people.

Market Situation and Competition Condition

Summary of residential market situation Thailand 2018

Transferred value from legal entity in Bangkok Metropolitan Region in 2018 was highly increased to 410,930 million Baht or growth of 34% from 2017. Condominium was the greatest increasing segment with value of 222,740 million Baht or growth of 38%. Single-detached house value was 104,201 million Baht or growth of 35% as well as townhouse with value of 74,756 million Baht or growth of 24%. An increase of transferred value in 2018 derived from more transferred units and increase of average selling price, especially in condominium and single-detached house.

Table 1 : Transferred value classified by product segment in Bangkok Metropolitan Region 2018 (Transferred value from legal entity Unit: million Baht)

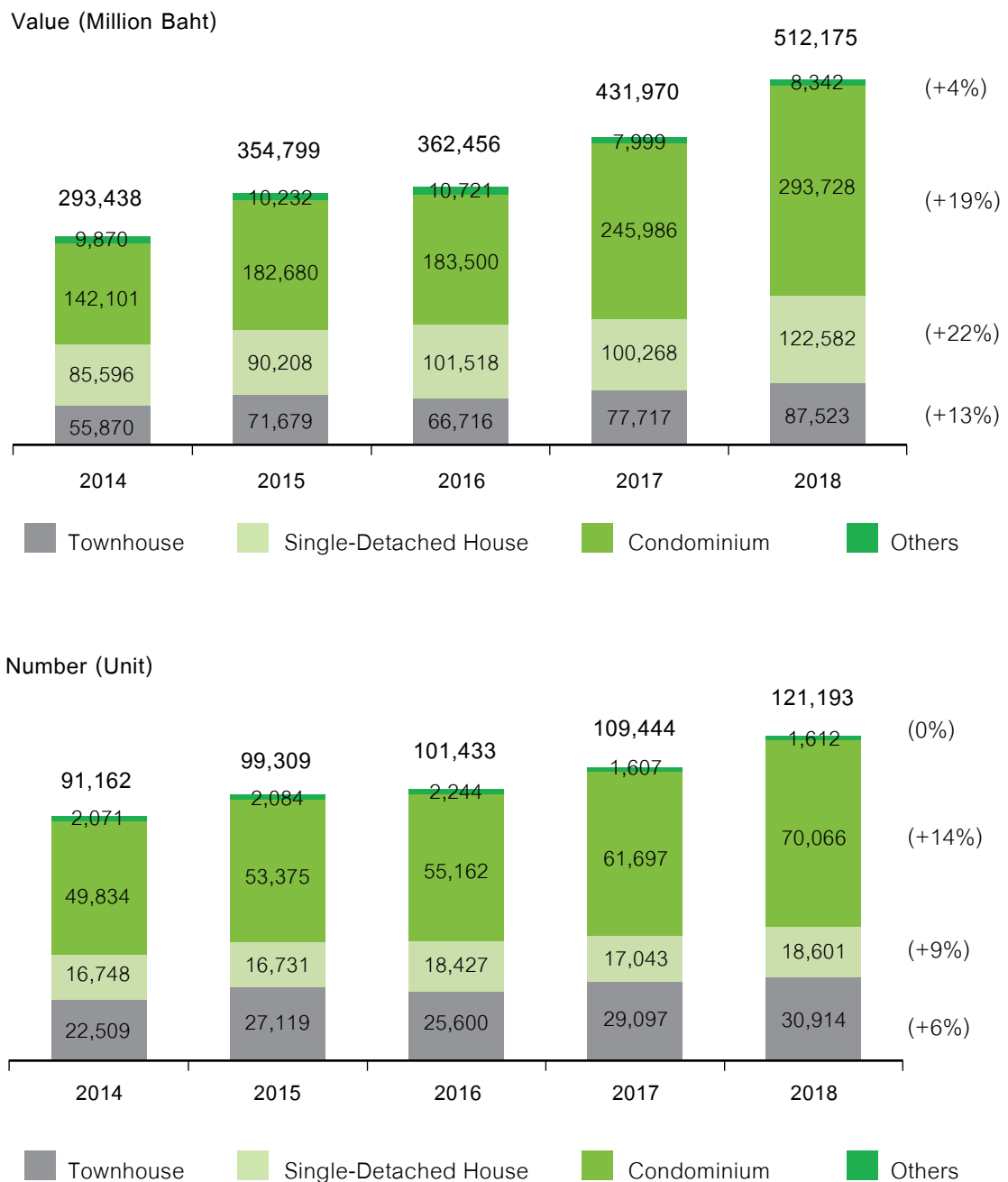
Year	Townhouse	Single-detached house (Including Semi)	Condominium	Commercial building	Total
2018	74,756	104,201	222,740	9,232	410,930
Percentage of growth rate (yoy)	24	35	38	15	34

Source: Real Estate Information Center, Government Housing Bank

Residential Market Situation in Bangkok Metropolitan Region

For 2018 overview, value of the residential market in Bangkok Metropolitan Region was 512,175 million Baht or growth of 18% under market growth in every product by 19% in condominium group, 22% in single-detached house and 13% in townhouse. It was deemed to be the year of high record value of new coming launched supply up to 555,984 million Baht. According to trend of 2019 as the year with negative factors of market pressure in various areas, resulting in high opportunity of low deceleration or expansion in market overview.

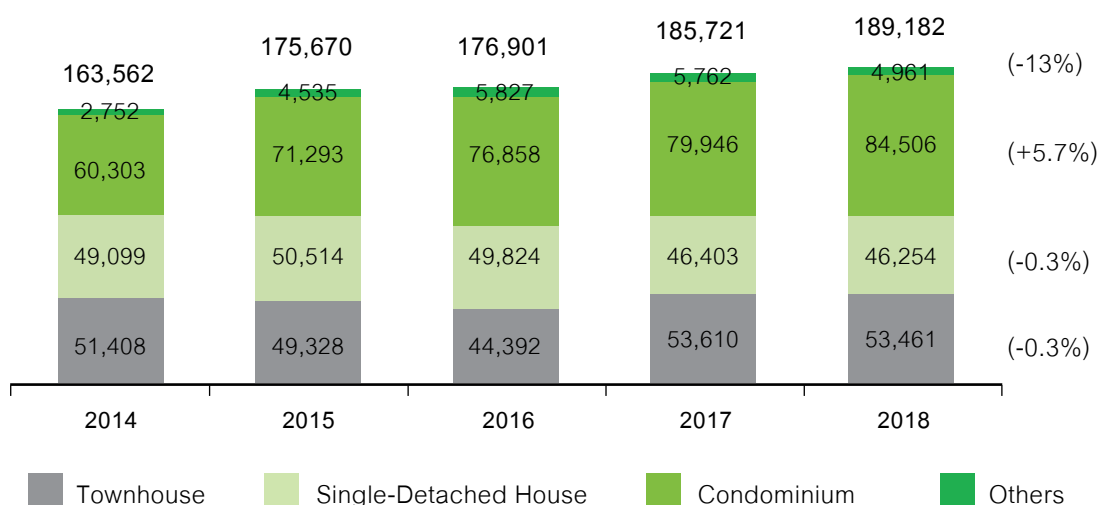
Diagram 1 : Value of residential market and number of unit sold in Bangkok Metropolitan Region during 2014 - 2018



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

The remaining units of unsold inventory of Bangkok Metropolitan Region market at the end of 2018 increased for 1.86% from prior year or 189,182 units, increasing for 3,461 units. If considering on classification, no increase in the remaining units of unsold inventory of low-rise residential market both in single-detached house and townhouse but increase particularly in condominium market in overview at around 5.7% and highly increase in some locations, could be observed.

Diagram 2 : Number of unsold inventory unit of residential market in Bangkok Metropolitan Region during 2014 - 2018

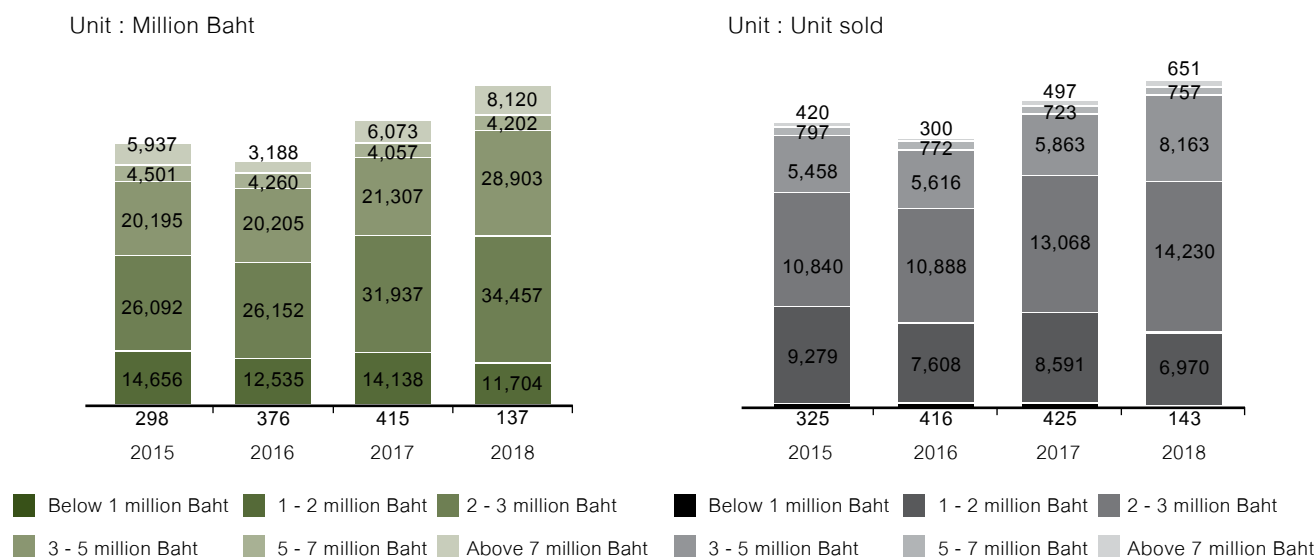


Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

Townhouse Market in Bangkok Metropolitan Region

The value of townhouse market in Bangkok Metropolitan Region in 2018 was 87,523 million Baht with increasing growth for 13% from 2017. 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 3 million Baht. In part of expansion of townhouse market in price level of 3 - 5 million Baht, it has been the segment of price level with highest growth at 35% when compared with 2017 with value of 28,903 million Baht.

Diagram 5-6 : Market value and presales (number of units) for townhouse in Bangkok Metropolitan Region during 2015 - 2018



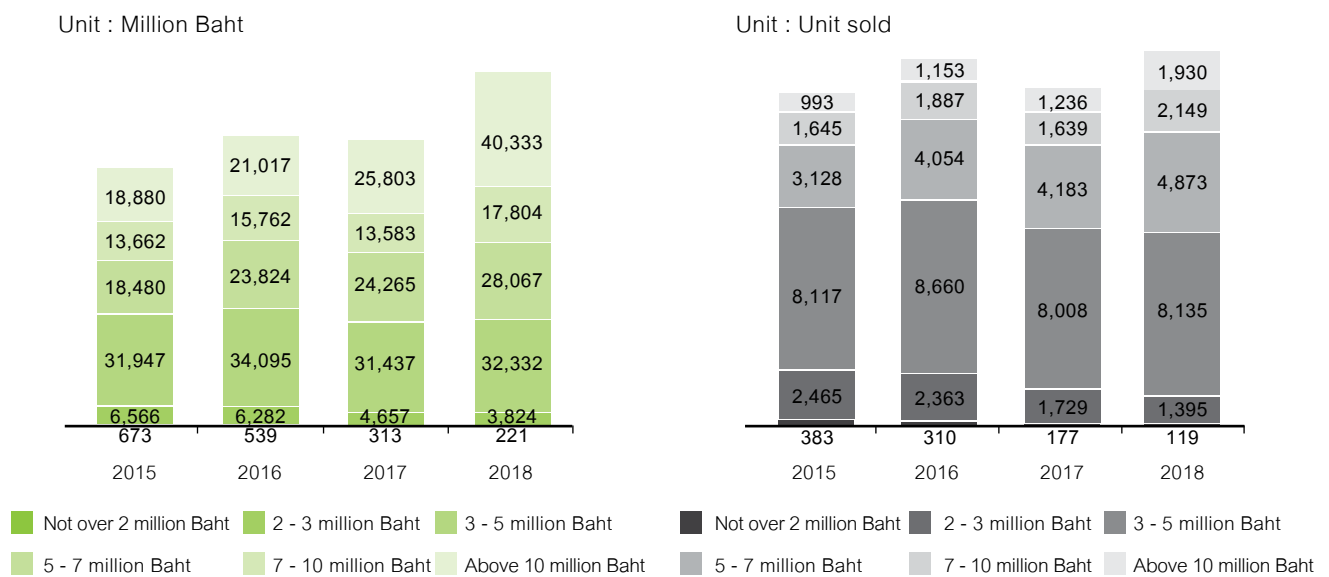
Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

When compared with average selling price in 2018, average selling price increased to be 3 million Baht (in 2017, average selling price was at 2.7 million Baht) due to increase in price of townhouse of the newly launched projects, and entry of the large developer to expand townhouse market in the price level of over 10 million Baht and more.

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

The value of single-detached house market (including semi-detached house) in Bangkok Metropolitan Region in 2018 was 122,582 million Baht, increasing for 22% from 2017 due to increase from the group of middle to high price level from 5 million Baht and more, a decrease in the segment of price level of below 2 million Baht, highest increase in price level of over than 10 million Baht for 56% and increase in price level of 7 - 10 million Baht for 31%, resulting in the highest proportion of the segment of price level of over than 10 million Baht.

Diagram 3-4 : Market value and presales (number of units) for single-detached house (including semi-detached house) in Bangkok Metropolitan Region during 2015 - 2018



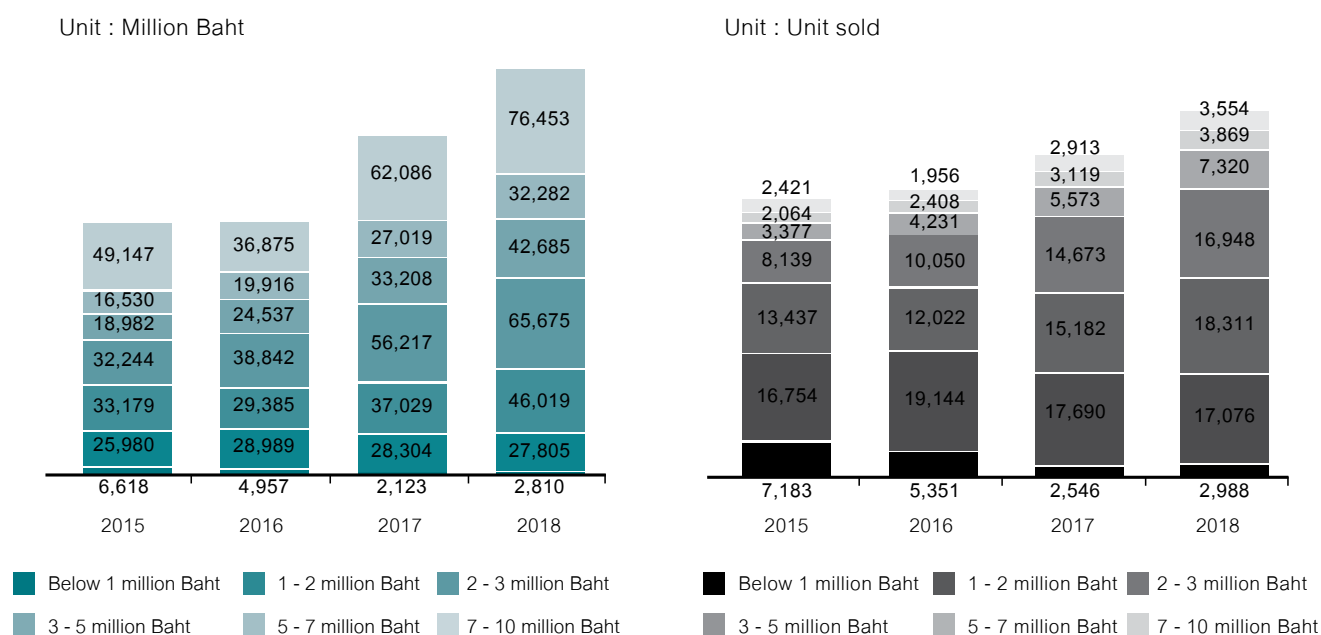
Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

When compared with average selling price in single-detached house and semi-detached house 2018, average selling price increased for 12% at 6.6 million Baht (in 2017, average price was at 5.9 million Baht) due to higher increase in price of the newly launched projects.

Condominium Market in Bangkok Metropolitan Region

In the consequence from 2017 in strategic adjustment of the entrepreneurs to develop condominium projects in order to support customer demand of middle to high end class in the locations of downtown, business center, luxury residential center and skytrain area, the year of 2018 has been considered as the year with highest newly launched project value up to 327,727 million Baht, resulting in increase in growth of the overall condominium market for 19% from 2017 with value of 293,728 million Baht. The market growth was almost in every price level particularly from price level of over 5 million Baht and more, except price level of below 2 million Baht with market deceleration.

Diagram 7-8 : Market value and presales (number of units) of condominium in Bangkok Metropolitan Region during 2015 - 2018



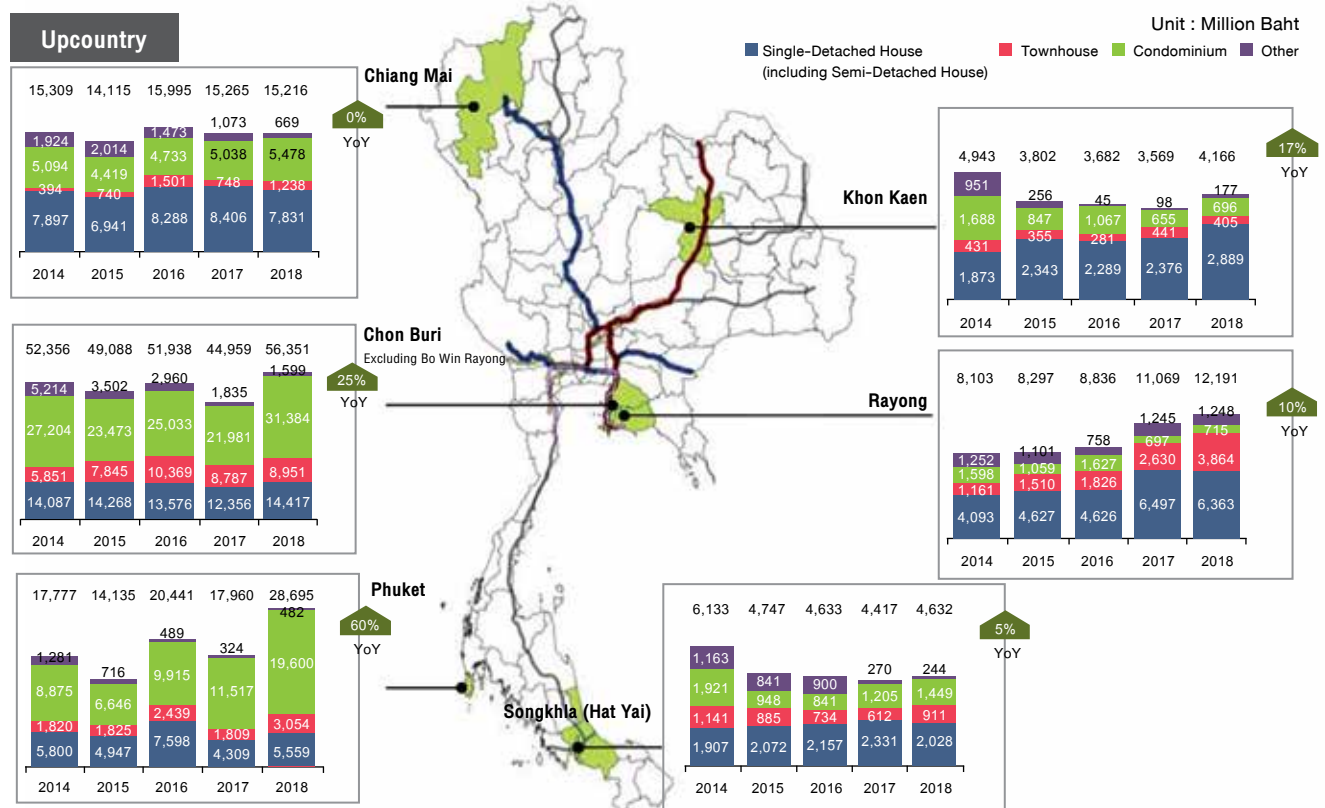
Source: New Business Development and Strategy Line, Pruksa Real Estate Public Company Limited

When compared with average selling price in 2018, average selling price increased for 5% at 4.2 million Baht (in 2017, average selling price was at 4.0 million Baht) since large number of luxury condominium projects were mostly launched at high price level.

Residential Market Situation in Upcountry

The overview of the residential market in 6 major provinces in 2018 increasingly expanded when compared with 2017 in main city market with growth particularly in EEC Group starting at Chon Buri with both low-rise and condominium market growth of 25%, Rayong with additional continuous market growth of 10% mainly from townhouse market, and tourism provinces, for instance, Phuket with high market growth up to 60% from increasing foreign investor group market, and Songkhla (Hat Yai) with market growth of 5%, in contrast to Chiang Mai with steady and no-expanding market.

Diagram 9: Value of residential market in 6 major provinces during 2014 - 2018



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

Trend of Real Estate Development Business for 2019

The following table is the summary of key economic indicators of Thailand in 2015 - 2019.

Significant Information of Thai Economy	2015	2016	2017	2018F	2019F
Growth Rate of Gross Domestic Product (YoY%)	2.8	3.2	3.9	4.2	3.5-4.5
Gross Domestic Product for the Current Year (Trillion Baht)	13.67	14.37	15.26	16.35	17.33
Average Inflation Rate (%)	-0.9	0.2	0.7	1.1	0.7-1.7
Policy Interest Rate (%)	1.50	1.50	1.50	1.50-1.75	1.75-2.00
1 Year-Term Bank Deposit Interest Rate in average of five big banks (%)	1.40	1.40	1.40	1.40	N.A.
Minimum Loan Rate (MLR) in average of five big banks (%)	6.68	6.43	6.32	6.28	N.A.
Average Baht Value (Baht per USD)	34.29	35.29	33.94	32.27	32.5-33.5
Forex Reserve (Billion USD)	156.5	171.9	202.6	203.2	N.A.

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

The expansion of Thai economy in 2018 was 4.2% consisting of the expansion in export value at 7.2%, private consumption and total investment at 4.7% and 3.6%, respectively, average general inflation rate at 1.1% and surplus current account at 6.4% of GDP.

The expansion of Thai economy in 2019 was anticipated to be 3.5 - 4.5% by The Office of the National Economics and Social Development Board under the important supporting supports consisting of the following.

- (1) Existing trend of household spending expansion in satisfactory and supporting criteria for continuous economic expansion.
- (2) Improvement of total investment through accelerating trend of government sector investment and continuous and satisfactory criteria of private sector investment expansion
- (3) Improvement of tourism sector
- (4) Expansion of world economy and trade volume that can support continuous expansion of export; and
- (5) Change in direction of trade, production and international investment

However, the expansion of export value of goods of 4.6%, private consumption and total investment of 4.2% and 5.1%, respectively, average general inflation rate in the interval of 0.7 - 1.7%, and surplus current account of 5.8% of GDP, were anticipated.

Thai economy supporting factors in 2019

1. Household spending has still tended to be expanded in satisfactory criteria and support continuous economic growth. In 2018, the expansion of household spending in high and accelerating criteria was consistent with improvement of income base in the economic system and improvement of income base, as well as reduction of unemployment rate to be in lowest level in eight quarters period. It was anticipated that the improvement has been supporting factor causing dynamic of household spending in satisfactory and supporting criteria for continuous economic growth in overview in 2019, particularly under low level of existing interest rate and inflation rate.
2. The satisfactory improvement of the investment according to the accelerating tendency of government sector investment with supporting factor from the increasing progress of the significant infrastructure investment projects that have entered into construction procedure,

and expansion in the satisfactory criteria of private sector investment with tendency of slow and continuous improvement according to the progress of government sector investment that has started to increasingly play the supporting role in expansion of private sector investment. It could be seen from private sector investment in term of construction in Quarter 3 of 2018, of which the recovery of growth and mobility of foreign production and investment base with supporting factor from increase in trade barrier measure among the countries with main economy, has been clearer.

3. According to the participation of the Government in solving tourism problems, the Government has solved the problems occurred in terms of increase in strictness of security measure of the tourists, and action of additional tourism supporting measure both in Chinese market and other main markets after combination with adaptation into normal condition of European tourists. It was anticipated that the number of tourists in overview will be recovered into normal state in the end period of the first quarter of 2019 and returned to significantly support economic growth in 2019.
4. The export has tended to be expanded in satisfactory criteria under support of the continuous economic growth despite of deflation tendency in 2018 according to the economic deflation of the important countries which are trade partners, particularly USA and China, and impact of trade barrier measure. However, in base case of no additional action of trade barrier measure announced by USA and China at the end of Quarter 3 of 2018, It was anticipated that in 2019, world economy and world trade volume will be expanded for 3.8% and 3.8%, respectively, as the growth level of world economy and trade volume that can also support the continuous growth of Thai export.
5. Change in direction of trade, production and international investment, action of trade barrier measure and countermeasure of main economic countries, resulting in deflation of world economy and trade volume, and affecting expansion of the developing countries that rely on export. However, in case where none of additional action of USA and China has been taken, It was anticipated that trade system can be adapted and positively affect Thai economy. The adaptation of international trade system and production chain will contribute to reduction of impact of trade barrier measure toward Thailand via deflation of the economy of USA and China and world economy in overview.

It has still been the significant opportunity for Thailand to drive the investment for enhancement of potential of long-term economic expansion particularly under progress of the important infrastructure investment project of the government sector in terms of communication and transportation, development of EEC zone and Special Border Economic Zone.

Risk factors that may affect Thai economy in 2019

1. World economy and monetary system has still exposed to risk of low fluctuation and expansion below forecast. The significant risk factors have consisted of (1) uncertainty of the measure of trade barrier between USA whereas more actions may be taken with China and various countries such as Euro Zone Group, and Japan, and trade agreement negotiation under the framework of USMCA and extension of countermeasure of China, possibly affecting low expansion below forecast in the economy of the country and business partners, world trade volume, overview of world economy, and Thailand export, (2) deflation of Chinese economy and risk of economic stability problem occurred from imbalance of economic system, and intensified with impact from trade barrier measure, and capital mobility and production base, (3) the significant economic stability problems in developing countries that may be increasingly progressive in the period of continuous increase in interest rate of USA among deflation of the world economy, (4) conflict in direction of policy implementation between Democrat and Republican Parties that may be the obstacle of solving the public debt ceiling problem, and may lead to temporary closing for operation of government agencies of USA, (5) risk that United Kingdom will fail to reach the agreement on negotiation for No Deal Brexit, (6) action plan of increase in government spending and budgetary deficit of Italy that may lead to decrease in trustworthiness of Italy government bond among the high level of public debts, possibly affecting confidence and unity of Euro Zone Group, and (7) fluctuation of oil price that has still dependent on the decision in production capacity of OPEC Group, and relief of oil import prohibition measure from Iran for eight countries, and unity of OPEC Group.
2. The quicker increase in the interest rate in world market that basic economic factor has affected economic recovery of the important countries, particularly under the condition of trade barrier measure implementation, possibly resulting in higher cost of production and inflation rate in USA above forecast, and increase in quantity of bonds in world market occurred from implementation of USA public finance deficit policy, decrease in the scale of balance sheet of the central bank of USA, and termination of entry to purchase assets of the European central banks, possibly resulting in quicker increase in interest rate of USA policies, and rate of return of bonds in USA and world market above forecast.
3. The recovery of number of tourists even in base case of anticipation on improvement and recovery of number of tourists from Russia, Europe and China into normal growth within Quarter 2 of 2019 has been delayed. However, the recovery of the number of tourists may be delayed particularly under situation of Ruble value depreciation, and deceleration of Chinese economy and Yuan depreciation.

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 in Thailand, the special supporting factors such as no higher quality, potential and internationally accepted medical personnel and hospital school and proper with reasonable medical care service charge when compared with foreign countries, etc. According to main target group for construction of the first hospital of the Company, Vimut International selects to focus on the potential group and the customer group which is expert by the Company from its experiences in real estate business. The said customer group is middle income customers which are the large group of populations, without necessity to rely on basic public health 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 located around the project, and this is both advantage and disadvantage. It is said that medical personnel are the key factor of success and they can be easily circulated from various hospitals to 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 advanced medical instruments, and good, appropriate and up-to-date information system, etc.

Product or Service Provision (All Products)

Real Estate Business

Land purchase

If Pruksha Real Estate PCL (“Pruksha”) 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, Pruksha will negotiate land purchase by direct purchasing land from the owner or agent of land for further development. Pruksha will compare land prices with appraisal value and/or market price to ensure that the purchasing land is not too expensive.

Construction Material

As Pruksha manages construction of the projects by itself, it purchases construction materials after purchase division receives details of construction materials required for using in the projects. Mostly, purchase division contacts each construction material manufacturer directly to check price of construction materials which will be purchased. Pruksha will get a higher discount due to purchase of construction materials in large volume. Upon agreement on quantity and price of construction materials with the manufacturers, Pruksha 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, Pruksha 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 Pruksha's reduction of risk in price fluctuation. Good relationship between Pruksha and construction material distributors causes Pruksha enable to order construction materials in required quantity without problem of construction material shortage. However, Pruksha 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 in searching major and minor trade partners effectively.

In addition, Pruksha 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.

Construction Contractor

Pruksha 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. Pruksha 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. Pruksha employs the contractor with specific expertise to be in charge of such works and controls construction by itself through sending Pruksha's employees which are engineer and foremen to inspect according to determined specification and standard. However, Pruksha supplies construction materials by itself so it can manage construction cost effectively.

Production Technology

Pruksha applies construction technology to support house construction. In part of townhouse and single-detached house, RC Load Bearing Wall Prefabrication or Precast Technology that is the application of the precast concrete load bearing wall structure system. In large and small condominium projects, Pruksha applies Fully Precast System which is its strength for constructing the entire building, and applies prefabricated bathroom innovation. 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.

Pruksha 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. Later, Pruksha 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.

Pruksa firstly implemented Fully Precast System and prefabricated bathroom for low rise construction in townhouse business group in every new project, and single-detached business group. The said system contributes to considerable reduction of construction duration with strong, attractive styled and good quality, and valuable products, resulting in creation of maximum customer satisfaction.

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 rules, procedures, regulations and guidelines of preparing environmental impact assessment report, issued by virtue of Promotion and Conservation of National Environmental Quality Act B.E.2535 (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 report 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, Pruksa shall prepare EIA Report in accordance with the law and such report shall be prepared by external experts.

Environmental Impact Assessment (EIA) Report shall be prepared by the external expert for all of Pruksa condominium projects and submitted such report to 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 the project from the period of construction and building opening for using, determine environmental control measure, and control operation in accordance with the criteria of Office of Natural Resources and Environment Policy and Planning and the senior professional level officer from the relevant government agencies.

In part of the Precast Concrete Factory, it is under control of Factory Act B.E. 2535 (1992) whereas Pruksa has set standard and method of emission control for waste, pollution or anything affecting environment as a result of the said factory business operation. Pruksa has formulated control measure in the mattes of environmental impacts to create confidence that Pruksa operates with environmental responsibility.



Three types of Pruk's pollution control measures include: (A) wastewater from concrete production process is controlled to flow into precipitation sump before stone and sand sorting for reusing. 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 the 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, Pruk 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, Pruk also measures sound loudness level both inside the factory and nearby community every year.

In 2014, Pruk constructed Pruk Precast Concrete Factory in Navanakorn was constructed to be the first Green Factory (Precast concrete Factory) of Thailand that applies environmentally-friendly production system for operation, consisting of (A) Management System of wastewater of Batch Plant and rinsing water in precast concrete element production process, as well as fresh concrete scraps, whereas the said water has high alkalinity value, causing environmental pollution. Pruk therefore 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; Dust Prevention and Elimination System was installed with dust collector, shuttering cleaner with dust collect, pallet cleaner with dust collector. Closed system batching plant (Tower plant) was selected for using, consisting of Conveyor carries stone, sand and cement in closed system to prevent diffusion of dust from stone, sand and concrete dust that may occur from production process; and (C) prevention and mitigation of noise impact in the factory and nearby community.

In 2015, Pruk 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 caring garden in the area of the factories to reduce electricity resource consumption, and to worthily consume water resource.

In 2016, Pruk Precast Factory in Lamlookka has applied Wastewater Management System with wastewater of Batching Plant, rinsed water in precast concrete production process, as well as fresh concrete scraps. Pruk 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, Pruk 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



has formulated the policy that the said project will be implemented in every new project.

In 2018, Prukso Precast Factory in Navanakorn was certified for Eco Factory from Water and Environment Institute for Sustainability, The Federation of Thai Industries. It is considered as the factory with good and safe management system, and worthwhile resource and energy consumption, causing minimum waste and beneficence with the surrounding society and stakeholders.

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.

However, Vimut International completed purchasing of such land and was approved for EIA Report and Permit for Construction of Hospital Building (39 BIS) from the authority.

Production Management

- Most materials are cement, stone, and steel that can be generally purchased from nationwide manufacturers and distributors. Since 2006 onwards, Prukso 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 Prukso all year long.
- There are approximately 2,500 labor contractors in the system of Prukso.
- Prukso 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 Prukso expansion according to future plan.

I. Construction Management - Townhouse

Prukso divides the construction management into two 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 Prukso.

- Quality Assurance Division performs duties to inspect quality of each constructed house to meet the specified standard.

In addition, Prukso'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, Prukso restructured internal management by transfer 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: From house designation of each project, 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 Prukso.

In constructing townhouse, Prukso divides construction works into production line. Each production line can construct approximately two-storey townhouses per month. In each project, there may be more than one production line depending on size of the project. Prukso



will send about 10 employees of Pruksha/production line to supervise construction works. Those employees consist of project manager as project managers who supervise the projects, 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 Pruksha to perform works which are minor details such as piling work, foundation work, building member installation work, roof work, architectural work, electricity and water supply works. However, Pruksha employs the specialized contractor and daily 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.

Pruksha 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 Pruksha's ability to manage construction works by itself as aforementioned, there is another important reason that Pruksha uses production technology that can reduce construction duration, resulting in cost and labor cost saving, and good quality elements. Pruksha applies technology of Cast-In Situ Load Bearing Wall Structure System for houses in Baan Pruksha Project and technology of precast load

bearing wall which is the technology applied by Pruksha for single-detached houses in construction in Pruksha Ville and The Connect Projects.

In the initial period of townhouse construction, Pruksha has applied construction technology using Cast-In Situ Load Bearing Wall Structure System which was purchased by Pruksha 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 Pruksha, Pruksha 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 could 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. Prukسا formulated the policy for entire adaptation of townhouse construction from Tunnel Technology construction to be Precast Technology with Prukسا, Prukسا Ville, The Connect, and Patio Projects.

House Construction Technology using *RC Load Bearing Wall Prefabrication or Precast Technology*. Please see additional details in topic of construction management - single-detached house.

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, Prukسا will allocate the officers 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, Prukسا shall send 30 - 40 employees of Prukسا to supervise construction works in each project and employ the specialized contractor and day laborers in the number deemed as appropriate by Prukسا for each project.

RC Load Bearing Wall Prefabrication Technology. Initially, Prukسا jointly cooperated with Asian Institute of Technology to use method 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, Prukسا constructed Precast Concrete Factory by purchasing such technology from Germany whereas Semi-Automated Pallet Circulating System is applied.



The said system is the latest production system in Thailand at that moment. Furthermore, this type of construction technology has been applied 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 piece of element in the factory before transportation for house assembly 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 without 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 the structure is prefabricated, and the resident will pay low insurance premium since the structure of the constructed houses is precast concrete structure with high fire-resistance, strength and durability. Prukسا has mutually studied and developed with AIT on the construction by this System until earthquake force can be resistant up to 7 Richter level.

In 2005, Prukسا 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 house 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, Prukسا 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, Prukسا 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 fulfill the increasing need of single detached houses.

In 2010, Pruksha acquired 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, the factories had to stop the 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. Market share of single detached house was acquired. Therefore, in the second half of the year, production capacity of

PCF1-PCF5 was used over 100%. Pruksha established a plan to construct PCF6 and PCF7 to support growth of the company according to its business plan and Pruksha then purchased 130 Rai of land in Navanakorn, Pathumthani Province.

In 2014, Pruksha constructed two new Pruksha Precast factories in Navanakorn consisting of PCF6 and PCF7 with investment fund of 2,300 million Baht. PCF6 produces precast concrete wall with production capacity of 480 units/month and the production was commenced 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 Pruksha Precast factory uses the world latest 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 reusing 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.



Pruksa 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. The production was started 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, Pruksa 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), called as Full Precast System, 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 under production capacity of 900 units/month.

In 2018, according to increasingly modification of Cast-In Situ Flat Slab of downstairs floor to be Full Precast System recast from 10% in 2017 to be 65% in 2018, the factory has required to alter production line of PCF1 to concurrently produce Product Ground Beam and Bearing Wall, House Wall and Townhouse Backyard Fence. The stair construction system for single-detached house has been altered from steel structure stair to be precast concrete stair, resulting in increase in the production of stair products of the single-detached house at PCF3 under production capacity of 900 units/month.

Table for Brief Summary of Precast Factory

Location	Factory	Production Process	Products	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 7,200 Pods
	PCF3	Pre-stressed Long Line System	Pre stressed Concrete Slab Stair Ground Beam	600,000 Sq.m.
	PCF4	Battery Mould 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.
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.



Risk Factors

Due to establishment of Prukha Holding Public Company Limited (“Company”) to operate business as holding company that mainly generates revenue from holding shares in other companies, 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 can be analyzed as per the following summary.

Risk from Core Business Operation of the Company

Risks as a Holding Company

As the incorporation objective of the Company is to mainly invest in other companies, its operating results are mostly derived from the operating results of the companies in which the Company makes investment. Hence, the decision on selecting the company for investment is highly crucial for operating results of the Company. At present, the Company has invested in two subsidiaries, including Prukha Real Estate Public Company Limited (“Prukha”), 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 Prukha Real Estate Public Company Limited and the affiliated company of Vimut Hospital. If the subsidiary earns satisfactory operating results, the Company is 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 incorporation objective of the Company is to mainly invest in other companies, besides the operating result of the Company that 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 Prukha 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 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 1 - 2 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 Prukha Real Estate Public Company Limited that operates real estate business with quite stable revenue, regular profit and continuous growing operating result. Prukha is the main 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

I.1) 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 project development is land broker, and the other channel is from the land owner who offers for sale to Prukha. 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 land purchase remains focus on transparent and fair process for land owner whether the source of land is derived from any methods or channels. In addition, Prukha has also determined preventive and eliminating measure of problems 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 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 raised in the aspect of width of right of way or public existence, or the aspect of the official prohibited rules, a separated team 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 be nonsalable 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 Pruksha can purchase quality land in appropriate period of time and number of plots so that Pruksha can generate revenues according to the determined business plan.

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

According to BOT's determination on the rule of credit supervision for housing loans and other loans related to housing loans (top-up) as macroprudential measure, the purpose is (1) to supervise the person who desires to purchase residence to be able to purchase house in reasonable price, (2) to improve the housing loan consideration standard of the financial institution, and (3) to be the preventive measure for supervision of systematic risk as per the following summary.

Type of Residences	LTV Ratio Ceiling	LTV Ratio for Calculation of Risk-Weighted Assets	Risk Weight (RW)
In the event of collateral with selling price of below 10 million Baht			
Housing Loan of the First Contract	≤ 100%	High-rise Residence ≤ 90% Low-rise Residence ≤ 95%	35%
		In the event of LTV ratio which is more than the aforesaid requirement	75%
Housing Loan of the Second Contract			35%
- Payment by installments for housing loan of the first contract for 3 years and more	≤ 90%	≤ 90%	
- Payment by installments for housing loan of the first contract for less than 3 years	≤ 80%	≤ 80%	
Housing Loan from the Third Contract onwards	≤ 70%	≤ 70%	
In the event of collateral with selling price from 10 million Baht and over			
Housing Loan of the First Contract or the Second Contract	≤ 80%	≤ 80%	35%
Housing Loan from the Third Contract onwards	≤ 70%	≤ 70%	35%

The aforesaid rule will start entering into force with the loan contract for housing purchase that is effective from 1 April 2019 onwards except the event of the sale contract before 15 October 2018 for abatement of impact on the person who has planned to purchase residence or paid by installments of down payment beforehand.

Low-rise residence has been low affected from such measure since most customers are the buyers of the first houses (housing loan of the first contract) for residential use as the actual first houses. High-rise residence has been somewhat affected for residence with price below 10 million Baht. High-end residence with price from 10 million Baht and more may not be much affected due to good financial position of the customer group whereas some of them make cash payment, and few number of requests for housing loans from the third contract onwards.

Pruksa has been prepared to support the impact from the BOT's measure of credit granting supervision of the commercial bank that will start entering into force with the loan contract for housing purchase that is effective from 1 April 2019, for instance, adjustment of down payment installment period to be longer, accelerated launch of the project, and distribution of products for more coverage of every group. In addition, Pruksa shall submit the application of loan approval to the bank for Pre-Approval when the customer expresses his/her intention to reserve residence and intends to request for borrowing of money so that risk of both customer and Pruksa will be reduced. Moreover, the considerable number of residences of Pruksa has been at variety of price ranges for selection by its customers. The customer can select cheaper residences to be consistent with regulation or policy of each commercial bank in each period of time.

Pruksa has currently established a team to monitor economy and adjust strategy to be consistent with changing situation from policy of each financial institution, and also applied information technology to support and facilitate customers for applying credit with the bank, and provide measure to support customers for early credit approval. The strategic partners are 13 commercial banks and government banks for selection by the customers of Pruksa to use their services.

1.3) Risk from high competition situation

At present, real estate development business has been highly competitive. This could be seen from the continuous launches of new projects by several real estate development companies and increasing entry of the new developers to capture market shares every year, affecting rapid increase in supply of real estate. Several large developers have evidentially adapted for enhancement of competitiveness by applying modern residential technology and innovation to drive business operation in order to create remarkableness and difference in residential development in the present era, and more fulfill the customer lifestyles of customers.

Pruksa is the large well-known residential developer in the market for long time in real estate development and accepted and trusted by the consumer group. Pruksa develops lands in various locations, matching lifestyles of various customer groups, and focuses on distribution of development in every price level, resulting in Pruksa's access to wider customer group. In addition, Pruksa has continuously developed construction quality by applying Real Estate Manufacturing (REM) innovation of house and construction quality control for house construction control. The contractor shall focus on only the construction works within his filed of skill and expertise. It is certain that house which is constructed by specialized workers 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 problems during construction prior to house inspection and acceptance by the customer. In addition, the occurred problems are analyzed to find causes and adjust construction process to be more efficient together with modern design of houses and project areas to be corresponding to the preference of new customer groups. For sales and marketing work, New Marketing Approach Strategy has been formulated as new mode of marketing for low-rise business group both of single-detached



house and townhouse under focus on use of digital media for rapid access to potential customer group, enabling to create a trend of perceptions up to the competitor's tricks. It was deemed to be very successful in the past. Moreover, New Channel of Selling has been initiated without limitation of mode of sales particularly via the existing channel that the Company's employees are used. Customer recommendation or word of mouth via Pruksa Member, and sales via professional agents are applied as one of channels for generation of more sales. All of the said elements are therefore jointly assembled to be the key that makes Pruksa houses quality and strong to satisfy the demands of all customer groups and all lifestyles, and to be trusted by the consumers until present.

1.4) Risk concerning construction cost and construction material shortage

Construction materials are considered as essential construction cost. The prices of main construction materials have been increased due to demand and supply, and world economic situation, affecting higher cost of production and cost of transportation, and higher cost of land. The aforesaid higher costs will result in higher cost of house and land accordingly. Pruksa may be unable to immediately increase selling price, or in the event that selling price can be increased 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.

Pruksa has applied the strategy of selecting the vendors of main construction materials from all major categories of construction materials through bidding method to ensure that Pruksa has fixed construction cost throughout the year. For prevention of material shortage particularly main essential materials, Pruksa formulates the policy on creation of strategic partners by defining clear cut procedures from selection, supervision, 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 sales for consideration on adjusting selling price or supplying alternative materials. According to the replacement of the policy of house construction upon customer reservation, with "Ready to move in", Pruksa can plan construction and material purchase in advance, for prevention of material shortage and fluctuation of construction cost.

1.5) 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 fields by several developers. Even Pruksa, it has also confronted with such 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.

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 of specialized contractors or labor contractors for construction in each part of work, such as foundation work, building element installation work, tiling work, roofing work, and painting work, etc. The construction is under supervision by Pruksa personnel. In condominium aspect, Pruksa began to hire turnkey contractors to carry out construction of high-rise buildings or condominiums since 2009, and forms the partnerships with the contractors that have outstanding and high quality performances for abatement of risk resulting from production capacity or construction expansion to support the skip growth of Pruksa business.

To reduce its reliance on workforce as well as the number of construction period, and to improve more quality of construction work, Pruksa has studied new innovation whether being the latest technology of the construction work management system or selection of materials or prefabricated composition such as prefabricated toilet.

1.6) Project from reliance on knowledgeable and specialized personnel in operation

Pruksa is the company that constructs houses with technology of prefabricated load bearing wall which is the latest construction system, requiring specialized and experienced personnel in specific fields such as business development team, product development team, designer, construction team, selling team, and marketing team. Pruksa designs the system to retain and stimulate those personnel

to have working expertise to ensure that the employees can efficiently perform their works and achieve the determined goals both in the current and future position.

Pruksa realizes on the factor of specialized personnel and preparation in coping with this risk by developing complete specialized personnel for all work sections, promoting transfer for development across the career to ensure that working can be replaced among them. Moreover, Pruksa determines the policy in relation to encouragement of career progress of the employees by giving the opportunity of equal growth to every employee under creation of career path instrument and system together with support system, building of self-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 Pruksa is to grant proper welfare and reward to these specialized personnel, resulting in the ability of Pruksa to abate 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 the Improvement Project, being the Change Agent, being 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 data acquisition from superior, mentor or from related person in working, observing other persons, peer reviewing, shadowing from expert, learning internet, or occasionally, the team meeting can be applied after mutual learning in working team. These methods are considered as learning from others.

- **10 Formal Learning.** It is the learning which is standard pattern familiar by us, such as learning from attending trainings and seminars whether classroom training, workshop training, attending trainings as determined by the Company and attending external trainings.

Succession Planning

The Company is prepared in the matter of Succession Planning for preparation of the person who will be the successor in the event of additional job vacancies, the event of business expansion and the event where key executive position is going to be vacant due to removal, resignation or retirement of the employee who works in that position. The monitoring of development progress, conclusion of development result, and review of development plan shall be performed once a year.

Future Leader Program

It is the program implemented by Pruksa for recruitment of Future Leader (Management Trainee) for selection of manager level executives of divisions that may be deficient in the future or is the skill which will be required in the future. The Program is opened for the graduate of master's degree and higher without limitation of program for application. The Program will select potential and high performance individual, create learning process and develop him/her to be prepared to be the corporate executive. Variety forms of the development system consist of classroom training, seminar, job coaching, and coaching from executives, as well as development through assignment of the important project of division. Throughout three years period, the mentor of the employee will advise and supervise to help him/her to be prepared to be in charge in executive position accordingly.

Pruksa Seedling Scholarship

It is the youth education support program of the Company for creation of strategic advantage against the business competitors in term of quality personnel recruitment through grant of scholarships since 2014 as per the following details.

- The students of Faculty of Engineering are granted for 10 scholarships per year in total.
- Each scholarship amounts 50,000 Baht per academic year for two academic years (Third Year and Fourth Year)
- On-the-job training in summer or cooperative education at Pruksa is provided to the students.

- After graduation, Prukسا will employ those scholars to be the Company's employees.

Until present, there have been total of 38 students who were granted for Prukسا Seedling Scholarships.

1.7) Risk from business operation under restricted laws

Prukسا Holding Public Company Limited ("Company") operates the business in the nature of Holding Company by holding shares in:

- a) Prukسا Real Estate Pcl. ("Prukسا") since 2016. The core business is real estate development, residential construction in type of townhouse, single-detached house, and condominium, for sales to general public; and
- b) Vimut Hospital Holding Co., Ltd. ("Vimut Holding"). The core business is to operate private hospital and clinic business by holding shares in Vimut International Hospital Co., Ltd. ("Vimut International").

In consistent business operation, Prukسا observes regulations of laws, rules, regulations and requirements of government agencies all the time. It is therefore confident that all types of Prukسا products are in line with laws, properly permitted by the related government agencies, and complies with advice or order of the government agencies or other clearinghouse organizations until being well acceptable by both customers and shareholders.

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

1.8) Risk from crisis affecting danger of the construction project

As core business of Prukسا is the residential construction in type of townhouse, single-detached house and condominium for sales, the important thing under concern in business operation is safety and accident that may occur in operation. Each accident occurrence will invaluablely affect the loss of both life and property. Nevertheless, Prukسا

considerably realizes and gives precedence to care of the employee's life and property safety by encouraging on building awareness on work safety through training of employees in all work sections of Prukسا particularly in part of the employees who work at construction project and the contractors. Prukسا arranges professional safety officers in each business group to randomly audit the operation for safety, supplies necessary safety equipment, and determines safety management standard covering low-rise construction of Prukسا. Prukسا has been accredited for Occupation Health and Safety Management System Standard OHSAS18001: 2007 in high-rise projects. Thus, it is assured of Prukسا international standard safety care.

In coping with the event of emergency or crisis, Prukسا has continuously developed risk management system adhering to international standard guideline of COSO and ERM Framework. The analysis of risks affecting goals under business plan will be analyzed, determination of the proper risk control measure and development of Business Continuity Management System (BCMs) are annually performed to cope with risk of important work process interruption. The analysis and simulation of contingent emergency situations in the project construction, and arrangement of rehearsal of Emergency Response Plan (ERP) together with Business Continuity Plan (BCP) to the employees who work at the construction projects, are performed for preparedness to support the contingent crisis. From all of these elements, it is assured of Prukسا's awareness and emphasis on life and property safety of the employees and related parties in working of all work sections, and preparedness to immediately cope with the contingent emergency and crisis.

1.9) Risk from information technology

Among a trend change at present, corporates encounter changes in various environment as an impact to corporate operations tremendously. Technology performs a potential role in corporate development, especially applying technology to corporate management for immediate changes and resulting in a decrease of damages or impacts that may happen. Moreover, access to technology by user affects to digital channel that has a vital role of home buying decision. Prukسا recognizes significant risks derived from such issues such as out of date of technology as a result in business competitions (Globalization), inefficiency of using software due to lack of knowledge of operational information technology systems, inefficiency of IT Literacy because of

using to complicated software, instability of network and server as impact to information retrieval from server, preparation of equipments which are not ready to support or develop IT Infrastructure, information safety and information management including a coping with cyber or social media attacks as impact to a damage of core business operation or cyber threat. In addition, Prukسا's information systems and operation have not been collected and prepared into automatic connection (Big Data). The analysis of information from database still has been performed by a lot of personnel.

In order to connect the overview of information system and corporate strategy to be linkage and conformity including ability to protect risk and damage from aforesaid issues, Prukسا therefore created Streamline Process and Digitization project with the purpose of support requirement in business procedure and design of information system considering to appropriate system integration, resulting in synchronization between procedure and database at adequate level for maximum potentiality. The procedure can be divided into two parts which consist of

- Firstly, opportunity exploration is the usage of new technology to enhance corporate reaching objectives. It is under the study of advantage and disadvantage and opportunity to apply with corporate environment
- Secondly, operation excellence is operation part which should be sustainably developed both front office and back office including data security management under the concentration on holistic management in form of IT base for information security so as to protect the secret of server and information.

Simultaneously, Prukسا has observed the said risks through key risk indicators (KRIs) and risk management plan in order to report to the Enterprise Risk Committee for perpetual acknowledgement according to the reporting period (twice a month). In addition, there have been a summary of significant risk issues in order to quarterly report to the Executive Committee. Due to preparation in coping with risk of system failure or inaccessibility as impact to business interruption, from 2017, Prukسا has set up a training of Disaster Recovery Plan (DRP) on annual basis for confidence of information security as above mentioned resulting to potential development for competitions and capability of continuous system improvement.

2. Hospital Business

In business operation of Vimut Hospital Project under Vimut International Hospital Co., Ltd. ("Vimut International"), various risk factors that may affect Vimut International's operation must be encountered. The following risk factors are just some significant aspects that may affect Vimut International and significantly causes investment risk. However, the specified risk factors were referred from current existing and future anticipated information that can be specified. In the future, risk factors may be newly emerged due to changing environmental factor of Vimut International, possibly affecting Vimut International's future business operation.

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

Vimut International has determined business plan and strategy of investment growth in hospital building construction with total investment value of 4.9 billion Baht. The construction has been commenced 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 International.

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

2.2) 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 be competitive with service expansion of the government hospitals, such as special clinic, possibly affecting attraction of Vimut International's customer base.

For enhancement of service efficiency and increase in competitiveness, Vimut International therefore has formulated strategies and business development plan in order to be leading hospital by investing in modern medical equipment and information technology system, study of the information from expert group in application of technology to upgrade facilities covering both in Clinical and Healthcare Facility Services for continuous quality development and expansion of medical care, and consideration on application of international quality accreditation system of Joint Commission International Accreditation (JCI) Institute from construction foundation in order to accentuate the will of being international standardized hospital. Nevertheless, today's hospital business situation has tended to well grow. Medical care has still been continuously demanded by the populations in the area. Vimut International may adjust business plan to be proper for business situation in each period of time so that it can support variety of service demands and convenient and rapid service access.

2.3) Risk from shortage of medical and nursing staffs

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

Vimut International 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 their graduation. Moreover, Vimut International also considers determining the appropriate rate of remuneration and welfare for competitiveness with other operators in private hospital business group, under prediction on reduction of negative impact from such risk factor.

Other risk factors

Risk from operation under control of the group of major shareholders

On January 2, 2019, the largest group of major shareholders is Vijitpongpun Group that holds shares in Prukha Holding Public Company Limited ("Company") for 1,651,285,370 shares or 75.45% of total paid-up capital of the Company. The group of major shareholders has still been able to control the resolution of the shareholders in the significant issues prescribed by law or regulation for majority voting of total votes of the shareholders who attend the meeting and have voting rights.

In addition, Mr. Thongma Vijitpongpun, a shareholder of the group of major shareholders of the Company, has held 1,314,009,986 shares or 60.04% 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 from impact of earnings per share dilution and control power dilution from exercise of right under warrant for capital increase of the Company

The Company has issued PSH-WF, PSH-WG warrants ("Warrant") to the directors and executives of the Company, Prukha and/or Prukha's subsidiary. If the right under the said warrant is exercised, the shareholders will be affected from earnings per share dilution and shareholding proportion dilution (control dilution) in the event where PSH-WF, PSH-WG 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	: Pruksha 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, Phayathai Sub-district, Phayathai District, Bangkok 10400
Company Registration No	: 0107559000052
Home Page	: http://www.psh.co.th
Telephone	: 0-2080-1739
Facsimile	: 0-2080-1700
Registered Capital (Baht)	: 2,226,383,180 Baht
Paid-Up Registered Capital (Baht)	: 2,188,504,922 Baht
Classification	: 2,188,504,922 Ordinary Shares at par value of Bt1 per Share

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

The Company's Name	: Pruksha 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, Phayathai Sub-district, Phayathai District, Bangkok 10400
Company Registration No.	: 0107548000307
Home Page	: http://www.pruksha.com
Telephone	: 0-2080-1735
Facsimile	: 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 Bt1 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, Phayathai 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.	: 0107548000307
Telephone	: 0-2080-1739
Facsimile	: 0-2080-1700
Homepage	: www.pruksa.com

2) Branch Office 1

PS Precast Factory (Lamlookka)

Factory's Location	: 54/1 Village No. 4, Lamlookka Road, Ladsawai Sub-district, Lamlookka District, Pathumthani Province
Type of Business	: Precast Concrete, Fence and 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, Phayathai 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, Phayathai 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, Phayathai Sub-district, Phayathai District, Bangkok 10400
Type of Business	: Real estate development
Telephone	: 0-2080-1739

7) Prukisa Overseas Company Limited (Subsidiary Company)

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

Type of Business : Stock Investment

Telephone : 0-2080-1739

8) Prukisa International Company Limited (Subsidiary Company)

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

Type of Business : International real estate development

Telephone : 0-2080-1739

9) Prukisa Overseas Service Company Limited (Subsidiary Company)

Head Office's Location : 1177 Pearl Bangkok Building, 23rd Floor, Phaholyothin Road,
Phayathai 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) Prukisa 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) Prukisa 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) Prukisa-Luxora Housing Private Limited (Joint Venture)

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

Type of Business : Real estate development in India

13) Prukisa 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) Prukisa-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, 17th Floor, Phaholyothin Road,
 Phayathai Sub-district, Phayathai District, Bangkok 10400
 Company Registration No. : 0105560030421
 Telephone : 0-2080-1739
 Facsimile : 0-2080-1700

17) Vimut International Hospital Company Limited

Head Office's Location : 1177 Pearl Bangkok Building, 17th Floor, Phaholyothin Road,
 Phayathai Sub-district, Phayathai District, Bangkok 10400
 Company Registration No. : 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 : Empire Tower, 50-51st 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, 2018, the Company's registered capital was Bt2,226,383,180 divided to be 2,226,383,180 ordinary shares at par value of Bt1 per share, and paid-up capital was Bt2,188,504,922 being divided to be 2,188,504,922 ordinary shares.

2. Shareholders

Name List of Major Shareholders

The Company's shareholders as of January 2, 2019 are as follows

No.	Name of Shareholder ⁽¹⁾	Shareholding	
		Number of Held Shares (Shares)	Shareholding Proportion (Percentage)
1.	Vijitpongpun Group	1,651,285,370	75.45
	Mr. Thongma Vijitpongpun	1,314,009,986	60.04
	Mrs. Tipsuda Vijitpongpun	85,000,000	3.88
	Miss Chanya Vijitpongpun	85,000,000	3.88
	Miss Malinee Vijitpongpun	85,000,000	3.88
	Mrs. Rattana Promsawad	42,423,183	1.94
	Mr. Jirathep Promsawad	13,000,000	0.59
	Miss Chantana Promsawad	13,000,000	0.59
	Mr. Chamlong Promsawad	12,700,000	0.58
	Mr. Soros Vijitpongpun	415,100	0.02
	Mr. Thavorn Vijitpongpun	294,500	0.01
	Miss Anchalee Vijitpongpun	286,601	0.01
	Mrs. Patcha Vijitpongpun	156,000	0.01
2.	Social Security Office	98,185,900	4.49
3.	Thai NVDR Company Limited	41,536,547	1.90
4.	STATE STREET EUROPE LIMITED	21,091,635	0.96
5.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	17,272,452	0.79
6.	Yuanta Securitites Thailand Company Limited	12,966,000	0.59
7.	Mr. Anucha Kitthanamongkolchai	12,950,000	0.59
8.	Registered K Master Pooled Fund	12,427,800	0.57
9.	EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	8,620,200	0.39
10.	Mr. Wanchak Kitthanamongkolchai	7,000,000	0.32
Total Top Ten		1,883,335,904	86.06
From Total Shares		2,188,504,922	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 (2009) 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 eleven major shareholders of the subsidiaries that engage in major business of the Company as of January 7, 2019 are as follow.

No.	Name of Shareholder	Shareholding	
		Number of Shares (Shares)	Shareholding Proportion (Percentage)
1.	Pruksa Holding Public Company Limited	2,193,104,190	98.23
2.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	19,496,100	0.87
3.	STATE STREET EUROPE LIMITED	3,235,200	0.14
4.	Mr. Prayooth Ueaywattana	3,060,000	0.14
5.	Pro Value Company Limited	1,329,900	0.06
6.	BNY MELLON NOMINEES LIMITED	1,063,290	0.05
7.	Mrs. Supaporn Jansereevitthaya	1,000,000	0.04
8.	Mr. Suchote Chanviphava	875,900	0.04
9.	Mr. Samit Kenganunsakul	585,400	0.03
10.	Ms. Wilawan Toopin	500,000	0.02
11.	Ms. Orana Asasuwan	500,000	0.02
	Total Top Eleven	2,224,749,980	99.64
	From Total Shares	2,232,682,000	100.00



4. Debenture

As of December 31, 2018 there was 5,500 million Baht outstanding issued by Pruksa Holding Public Company Limited which can be divided into one tranches as follows:

Name of Debentures of Pruksa Holding Public Company Limited	No. 1/2018 due 2021 and 2023
Type of debentures	Name registered debendure, unsuborinated, unsecured
Status	Unsecured and unsubordinated
Lead underwriter, Registrar and paying agent	Kasikorn Bank Plc
Par value	Bt1,000
Issue price/unit	Bt1,000
Issue size	5,500 million Baht
No. of debenture	5,500,000 units
Duration	3 years and 5 years from the issuing date
Issuing date	31 May 2018
Maturity date	Series 1: 31 May 2021
	Series 2: 31 May 2023
Coupon rate	Series 1: 2.37% per annum of 4,750 million Baht
	Series 2: 2.84% per annum of 750 million Baht
Coupon payment period	Semi annually
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 Ratiing by TRIS	A as issued on 27 April 2018

5. Issuance of Other Securities

The Company has issued the two series of warrants to directors and management of the Company, consisting of 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. The warrant 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 Prukisa Real Estate Public Company Limited ("Prukisa") 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 Prukisa 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 Prukisa Holding Public Company Limited to Shareholders

Performance Year	Net Profit from Consolidated Financial Statements (Bt m)	Net Profit attribution to the Holding Company (Bt m)	Earnings per Share (Consolidated Financial Statements)	Dividend per Share	Dividend Payout Ratio (%)	Dividend Payment Date
2018	6,130.78	6,022.37	2.75	1.55 ⁽¹⁾⁽²⁾	56	22 May 19
2017 ⁽³⁾	5,574.13	5,456.42	2.50	2.09	84	23 May 18

Remark:

- 1) Dividend payment from operating result for 2018 at Bt1.55 per share shall be subject to the approval of Annual General Meeting of Shareholders held on April 26, 2019
- 2) On September 7, 2018 interim dividend from operating result in the first six months period was paid at the rate of Bt0.55 per share
- 3) The Company has paid extra interim dividend at the rate of Bt0.80 per share on June 9, 2017 and Bt1.29 per share for fiscal year 2017

Dividend Payment Policy of the Subsidiaries/Associated Companies

Prukisa Real Estate Public Company Limited ("Prukisa") 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 Prukisa 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 Prukisa 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 Prukisa Real Estate Pcl. particularly in the event of payment from net profit of the business of Prukisa Real Estate Pcl. whereas Prukisa 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 Prukisa Real Estate Pcl. has no right to deduct withholding tax from such dividend.

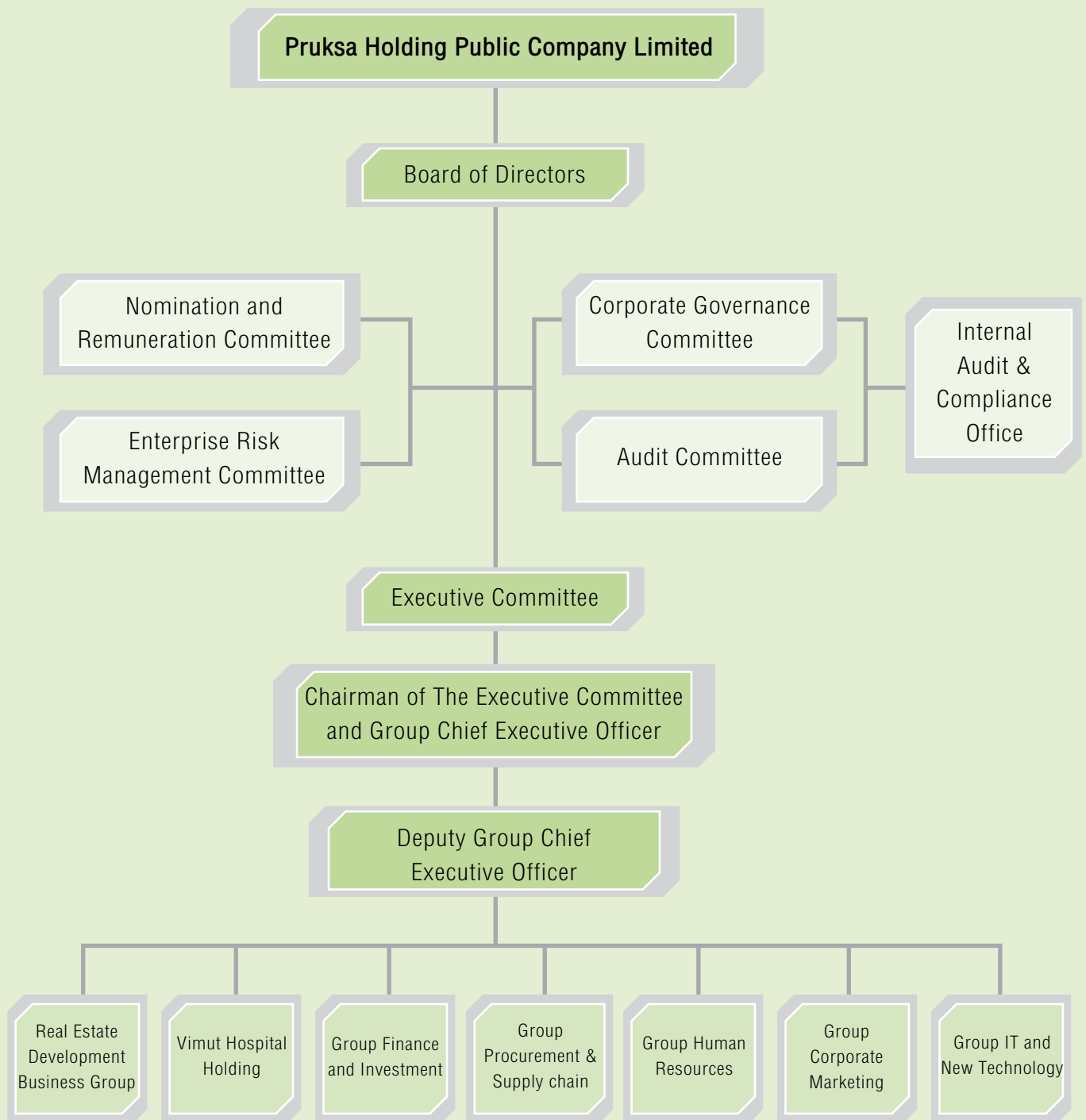


Management Structure



I. Management structure

Organizational structure of Prukسا Holding Public Company Limited ("the Company") as of December 31, 2018 can be shown as follow



2. The Board of Directors and Sub-Committees

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

2.1 The Board of Directors

According to the Articles of Association of the Company, it specifies that the Board of Directors shall consist of not less than five directors. Not less than one half of 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 28, 2018), with qualifications in accordance with Section 68 of Public Limited Companies Act B.E. 2535 (1992) and the related notifications of the Office of the Securities and Exchange Commission, consists of 13 members under the following name list:

Name	Position
1. Dr. Pisit Leeahtam	Chairman of the Board of Director and Independent Director
2. Mr. Thongma Vijitpongpan	Executive Vice Chairman of the Board of Directors
3. Dr. Piyasvasti Amranand	Independent Director
4. Mr. Adul Chandanachulaka	Independent Director
5. Mr. Weerachai Ngamdeevilaiak	Independent Director
6. Dr. Anusorn Sangnimnuan	Independent Director
7. Dr. Prasarn Trairatvorakul	Independent Director
8. Professor Piyamitr Sritara, MD	Independent Director
9. Mr. Wichian Mektrakarn	Director
10. Mrs. Rattana Promsawad	Director
11. Mrs. Supattra Paopiamsap ⁽¹⁾	Director
12. Mr. Piya Prayong	Director
13. Mr. Prasert Taedullayasatit	Director

Remark : ⁽¹⁾ Mrs. Supattra Paopiamsap has been appointed as director since 27 April 2018.

The 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 Vijitpongpan or. Mr. Prasert Taedullayasatit or Mrs. Rattana Promsawad, together with Mrs. Supattra Paopiamsap or Mr. Piya Prayong 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 the 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 of the Board 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, and reviewing to be consistent with the changing situations.
3. To consider the approval of business policies including visions, missions, 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 in 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 be 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 law relevant to the Securities and 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 laws relevant to the Securities and Exchange of Thailand, Notifications of the Capital Market Supervisory Board, including relevant notifications, regulations and/or rules of the 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 law relevant to the Securities and 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 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 consider the appointment and/or give consent on the appointment of top executives of the Company and its subsidiaries, and determine the scope of authorities and responsibilities of the Group Chief Executive Officer.
14. 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.
15. 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 able to 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.
16. To consider the determination of the organizational structure and management structure.
17. To consider the appointment of the Company Secretary as well as determination of the scope of authorities and responsibilities of the Company Secretary.
18. 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.
19. 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 monitor the efficiency of internal control system to be in line with the accepted standard, and establish document filing system whereas the accuracy of the information can be audited later.
20. 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.
21. 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).
22. 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.
23. 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.
24. To accurately, completely, properly, and timely execute the appropriate information dissemination and information disclosure to stakeholders, persons with conflict of interests and the related parties.
25. To request for professional opinion from external organization if it is necessary for appropriate decision support.
26. 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.
27. To formulate the framework of the information technology management policy and measure of information technology system security to be in line with the standard acceptable in the industry, and monitor, review and update to be consistent and appropriate for information technology risk.

28. To promote appropriate creation and application of innovation and technology for efficient business operation and resource consumption, and for mutual benefit of the Company's business, customers, business partners, related parties, society and environment.

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 Executive Vice Chairman of the Board, the duties of the said Executive 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 sub-authorization in the manner which will allow the Executive Committee, 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 (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, Executive 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 director may be elected to be the Executive 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 without 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 shares 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 controlling person of the Company, whereas the shareholding of the independent director's related parties 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 controlling person of the Company, its subsidiary, associated company, same-level subsidiary, juristic persons with potential conflict of interest, major shareholder or 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 director, executive, major shareholder, controlling person or person who is 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, 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 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 of the

Company, 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 property, transaction related to assets or services, or granting or receiving financial assistance by receiving or granting loan, guaranteeing, giving assets as debt collateral, including other similar acts that result in the liability of the Company or the party thereof to pay other party at the rate of 3% or more of net tangible asset or 20 million Baht or more, whichever 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, 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, major shareholder or controlling person belongs to, unless the said director is free from such characteristics for at least two years before being appointed.

6. Being a director who is not or has never been a provider of any professional service including legal advisory service or financial advisory service with the service fee thereof exceeding 2.0 million Baht per year from the Company, its subsidiary, associated company, juristic person with potential conflict, 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 in 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 in 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, major shareholder or controlling person in the form of collective decision.

2.2 The Audit Committee

As of December 31, 2018, the Company's Audit Committee consists of four members as follows.

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

Remark: ⁽¹⁾ Mr. Weerachai Ngamdeevilaiak is the person who possesses knowledge and experiences in accounting and finance

The 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

1. To review the Charter of the Audit Committee at least once a year and consider amendment in the aspect deemed necessary and appropriate.
2. To conduct reviews of financial reports of the Company and its subsidiaries, to ensure accuracy and integrity, and adequate information disclosure under coordination with the external auditor and the executive in charge in preparation both of quarterly and yearly financial reports.
3. To consider and give consent on changes in significant accounting principles or procedures as proposed by the Management of the Company.
4. To conduct reviews to ensure that the 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 Audit Division manager, and mutually convene the meeting with the head who manages internal audit without the presence of the Management for at least once a year.
5. To consider the independency of the Internal Audit Division and to give consent to the consideration of appointment, transfer and disemployment of the Head of Internal Audit Division or any other unit in charge in internal audit, and to consider the consent of annual budget, manpower rate and resources necessary for operation of Internal Audit Office, and the approval of annual audit budget, as well as to consider the approval, review and adjustment of significant internal audit plan.
6. To review Internal Audit Reports submitted to the Management and to review the Management's opinion toward the proposed and reported audit issues.
7. To have unrestricted access to the Management and employees and relevant information.
8. To mutually conduct reviews with relevant work units (such as Legal Division) to ensure that the Company complies with Securities and Exchange Law, requirements of the Stock Exchange of Thailand, and other laws relating to the Company's business, and to conduct reviews to ensure that its subsidiaries comply with the criteria prescribed in control policy and governance mechanism of the business invested by the Company.
9. To select and nominate to appoint independent persons to act as the Auditors of the Company and propose their remuneration, to attend the meeting with the Auditors without the Management's presence for at least once a year to acknowledge review result of quarterly financial statements, audit result of yearly financial statements, and to discuss about problems and obstacles that may be detected from the Auditors' operation.
10. To consider the connected transactions or transactions with potential conflict of interests for compliance with laws and requirements of the Stock Exchange of Thailand, and to consider the acquisition or disposal of the Company and its subsidiaries in accordance with laws and requirements of the Stock Exchange of Thailand as well as control policy and governance mechanism of the business invested by the Company in order to ensure that the said transactions are reasonable and most beneficial to the Company and its subsidiaries.
11. To prepare the Audit Committee's Report which shall be disclosed in the Company's Annual Report. The said report shall be affixed with the signature of the Chairman of the Audit Committee and shall at least contain the following information:
 - 11.1 Opinions regarding accuracy, completeness and integrity of financial reports of the Company and its subsidiaries.
 - 11.2 Opinions regarding the adequacy of the Internal Control System of the Company and its subsidiaries
 - 11.3 Opinions regarding compliance with Securities and Exchange Law, requirements of the Stock Exchange of Thailand or other laws related to the business of the Company and its subsidiaries.
 - 11.4 Opinions regarding the appropriateness 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 a law on the Securities and Exchange, 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 report the Board of Directors for improvement and correction within a timeframe considered appropriate by the Audit Committee.

16. To review the Company to ensure the effective consistency of anti-corruption process with the guideline of Compliance Unit.

Nomination of the Audit Committee

The Board of Directors shall appoint at least three Audit Committee members among independent directors of the Company who have met the qualifications stipulated by a law on Securities and Exchange, 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 The Enterprise Risk Management Committee

As of December 31, 2018, the Company's Enterprise Risk Management Committee consists of five members as follow:

Name	Position
1. Dr. Prasarn Trairatvorakul	Chairman of the 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 the Enterprise Risk Management Committee

The Secretary of the Enterprise Risk Management Committee is Miss Trithip Sivakrskul, in the position of Group Chief Financial Officer.

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

1. To define policy and framework of risk management, and enterprise risk management structure.
2. To acknowledge and give recommendations on policy, strategy and guideline of enterprise risk management.
3. To determine the guideline of enterprise risk assessment, and prepare continuous risk management reporting.
4. To specify and report significant risks (occurred and expected to occur), change and risk management plan, to the Board of Directors, by reporting risk assessment result and overall operation to reduce risk for regular acknowledgement 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 for consideration as quick as possible.
5. To be informed of significant risks and consider whether the risks are properly responded by the Management.
6. To review risk management plan of the Management, overall enterprise risk management process, and monitor and review enterprise risk management process and risk management result.
7. To carry forward the compliance with policy and guideline of enterprise risk management.
8. To continuously carry forward the development of personnel capacity, and creation of awareness on enterprise risk and control.
9. In the Meeting of the Enterprise Risk Management Committee, the representatives from operating lines of each organization shall be invited to propose the matters that are executed in accordance with the guideline of risk management.
10. To carry any other duties assigned by the Board of Directors.

2.4 The Corporate Governance Committee

As of December 31, 2018, the Company's Corporate Governance Committee consists of three members as follows:

Name	Position
1. Dr. Anusorn Sangnimnuan	Chairman of the Corporate Governance Committee
2. Mr. Adul 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 the Corporate Governance Committee

1. To formulate the main objective and target of the business for sustainability.
2. 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, Corporate Sustainable Development Policy, including any policies and practices that can help support the Company's operations on behalf of the leader who creates sustainable value to the business in compliance with the guideline of corporate governance to ensure transparency and fairness, and support sustainable growth of the Company.
3. To supervise and ensure that the aforementioned policies/practices in item (2) are executed by the Management for continuous development of the Company under innovation promotion and responsible business operation. The aforementioned policies/practices must be consistent and appropriate with the Company's business, including the recommendations of regulatory or relevant unit, and comparable with international standard.
4. To monitor, review and ensure that the various organizational work systems are consistent with the defined code of conduct and best practices.
5. To monitor and direct in the event that the Management and staff members fail to comply with the defined policies and practices.

6. To monitor and report organizational performance, support participation and communication with shareholders in accordance with Good Corporate Governance Policy and other relevant policies to the Board of Directors, stakeholders and external organizations as deemed appropriate.
7. To examine the investigation on complaint to request for fairness or breach of regulations, rules, and laws applied in the Company's business operation.
8. To perform any other duties assigned by the Board of Directors.

2.5 The Nomination and Remuneration Committee

As of December 31, 2018, the Company's Nomination and Remuneration Committee consists of five members as follows:

Name	Position
1. Mr. Weerachai Ngamdeevilaiak	Chairman of the Nomination and Remuneration Committee
2. Dr. Pisit Leehtam	Member
3. Dr. Anusorn Sangnimnuan	Member
4. Mr. Thongma Vijitpongpan	Member
5. Mr. Wichian Mektrakarn	Member

The Secretary of the Nomination and Remuneration Committee is Mr. Udomsak Yamnoon, in the position of Acting Group Chief Human Resources Officer.

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

1. To determine transparent and obvious nomination policy and criteria for the Board of Directors, Sub-Committee, Group Chief Executive Officer, Deputy Group Chief Executive Officer, Chief Officer and Managing Director (hereinafter referred to as "Top Executive") of the Company and its subsidiaries.
2. To nominate the Board of Directors, Sub-Committee, and top executives of the Company and its subsidiaries that have necessary knowledge, skills, experiences, and characteristics for drive of the Company toward targets, and propose to the Board of Directors for approval consideration, and/or propose the Shareholders' Meeting for approval request, whichever the case may be.
3. To determine remuneration policy and criteria for the Board of Directors, Sub-Committee, top executives of the Company and its subsidiaries, 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, and top executives of the Company and its subsidiaries to lead the Company's operation to meet both short-term and long-term targets.
5. To set up the appropriate criteria and methods for appraising the performance of the Board of Directors, Sub-Committee, top executives of the Company and its subsidiaries.
6. To consider and review the nomination and remuneration policies and criteria, and 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 prepare Succession Planning of top executives of the Company and its subsidiaries, and regularly and annually review such planning to ensure the preparedness of the successor for the Company's management to enable to continue the operations.
8. To supervise to ensure the continuous orientation of new director, and knowledge development for directors and top executives of the Company and its subsidiaries.
9. To perform any other duties assigned by the Board of Directors.

2.6 The Executive Committee

To ensure the maximum management efficiency of the Company's management 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 the 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, 2018, the Company's Executive Committee consists of nine members as follows:

Name	Position
1. Mr. Thongma Vijitpongpan	Chairman of the 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 Sivakriskul	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 the Executive Committee is Mr. Theeradej Kerdsamang, in the position of Group Chief Executive Officer, Prukha Real Estate-Townhouse Business Group, Prukha Real Estate Public Company Limited.

Scope of Powers, Duties and Responsibilities of the Executive Committee

- 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.
- 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.
- To consider and approve investment expenditure 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.
- To determine efficient organizational and management structure 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 Executive Officer or Managing Director of the Company to be the authorized person who acts on the Company's behalf in signing employment agreement.
- 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 and Strategy 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.
- 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 of 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 subsidiaries, or relevant laws, except where it is the approval of such transaction with normal business condition under clearly defined scope.

Nomination of Executive Committee Member

The Board of Directors shall appoint members of the 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 Securities and Exchange Commission. As of December 31, 2018, the Company's Executive Committee consists of six members as follows:

Name	Position
1. Mr. Thongma Vijitpongpan	Chairman of the 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. Nuttaporn Voonklinhom	Group Chief Technology Officer
6. Mr. Udomsak Yamnoon	Acting Group Chief Human Resources Officer

Remark : Executive (as defined by SEC) means Managing Director or the person (s) in the first fourth-executive levels descending 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 position in finance and accounting line in the Division Manager and higher or equivalent.

Scope of Powers, Duties and Responsibilities of Chairman of the 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 efficient organizational and management structure 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 the employment agreement.

4. To have power to consider and approve any capital expenditure or operating expenses, 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 20.0 million Baht 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 the 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 supervising the Meetings of Board of Directors and of Shareholders, 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, and promote corporate governance according to good governance standard. At present, the Board of Directors has appointed Mr. Paisarl Rumphon 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

1. To organize the Meetings of the Shareholders, of the Board of Directors and of Specific Committees in accordance with laws, the Company's Articles of Association, each Committee's Charter and Best Practices.
2. To inform the related executives about 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, and follow up the implementation to ensure correctness and continuity, and report the significant changes to the directors of the Company.
4. To take the minutes of the Shareholders' Meeting and the Board of Directors' Meeting and follow up the implementation of the resolutions of the Shareholders' Meeting and the Board of Directors' Meeting.
5. To supervise the disclosure and report of information under responsibility to the regulatory body in accordance with the compliance with laws, rule and policy of the Company's information disclosure.
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 Letter and Minutes of the Shareholders' Meeting invitation.
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 Capital Market Supervisory Board.



The Board & Management Profile



The Board & Management Profile

Dr. Pisit Leeahtam Age 68 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, 2018

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

as on January 2, 2019

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

Change (+/-)

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

Family Relationship Among the Executives

-

Education

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

Other Position(s)

(Listed Companies and Others)

Listed Companies

- Vice Chairman of the Board of Directors / Chairman of the Audit Committee - KGI Securities (Thailand) Public Company Limited
- Independent Director / Chairman of the Audit Committee - Tirathai Public Company Limited
- Independent Director / Chairman of the Audit Committee - Global Connections Public Company Limited
- Independent Director / Member of the Audit Committee - Textile Prestige Public Company Limited

Others

- Chairman - Thai Tank Terminal Company Limited
- Independent Director / Chairman of the Audit Committee - Muangthai Life Assurance Public Company Limited

- Independent Director - SHERA Public Company Limited
- 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

- 2005 - Jan 2018 Independent Director / Chairman of the Board of Directors Pruksa Real Estate Public Company Limited
- 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 PCL
- 1997 - 2001 Deputy Minister of Finance - Ministry of Finance
- 1995 - 1997 Executive Vice President, Head of Investment Banking Group - Bangkok Bank PCL
- 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

- Corporate Governance for Capital Market Intermediaries - CGI 2/2014, Thai Institute of Director (IOD)
- Directors Certification Program - DCP 18/2002, Thai Institute of Director (IOD)



Mr. Thongma Vijitpongpun Age 61 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 of January 1, 2018

- | | |
|-------------------|-----------------------------------|
| 1. I | : 60.0884% (1,314,009,986 Shares) |
| 2. Spouse | : 3.8870% (85,000,000 Shares) |
| 3. Minor Children | : None |

as of January 2, 2019

- | | |
|-------------------|-----------------------------------|
| 1. I | : 60.0414% (1,314,009,986 Shares) |
| 2. Spouse | : 3.8839% (85,000,000 Shares) |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|-----|
| 1. I | : - |
| 2. Spouse | : - |
| 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

- Director - Vimut Hospital Holding Company Limited
- Director - Vimutti Hospital Company Limited
- Director - Prukso Overseas Company Limited
- Director - Prukso International Company Limited

Work Experience

- | | |
|-------------------|--|
| • 2005 - Feb 2018 | Executive Vice Chairman of the Board of Directors, Chief Executive Officer - Prukso Real Estate Public Company Limited |
| • 1998 - 2005 | Kaysorn Restaurant Company Limited |
| • 1985 - 1987 | Siam Engineering Partnership |

Training

- Directors Certification Program - DCP 50/2004, Thai Institute of Director (IOD)
- Finance for Non-Finance Directors - FND 5/2003, Thai Institute of Director (IOD)

Dr. Piyasvasti Amranand Age 65 Years

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

(Started on April 29, 2016)



Shareholding

as of January 1, 2018

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

as of January 2, 2019

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

Change (+/-)

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

Family Relationship Among the Executives

-

Education

- Ph.D. Economics, London School of Economics, University of London, 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)

(Listing Companies and Others)

Listing Companies

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

Others

- 2010 - Present Chairman - Energy for Environment Foundation
- Mar 2018 - present Director - Kiroro Resort Holdings Company Limited (Japan)

Work Experience

- 2014 - Jul 2018 Chairman of the Board of Directors (Independent Director) - PTT Public Company Limited
- 2014 - Feb 2018 Independent Director - Pruksa Real Estate Public Company Limited
- 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

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



Mr. Adul Chandanachulaka Age 72 Years

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

(Started on April 29, 2016)

Shareholding

as of January 1, 2018

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

as of January 2, 2019

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

Change (+/-)

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

Work Experience

- 2005 - Jan 2018 Independent Director - Pruksa Real Estate Public Company Limited
- 2003 - 2004 Director - Siam Press Management Company Limited
- 2001 - 2002 Chairman of the Board of Directors - Siam Integrated Service Company Limited
Director - Dusit Sinthorn Company Limited
- 2000 - 2002 Director - Jalapraphan Cement Public Company Limited
- 1968 - 2002 Last Position: Executive Vice President - Siam Commercial Bank Public Company Limited

Family Relationship Among the Executives

- -

Education

- Bachelor Degree (Commerce and Accountancy), Chulalongkorn University

Other Position(s) (Listing Companies and Others)

Listing Companies

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

Others

- -

Training

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

Mr. Weerachai Ngamdeevilaisak Age 56 Years

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

(Started on April 29, 2016)



Shareholding as of January 1, 2018

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

as of January 2, 2019

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

Change (+/-)

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

Family Relationship Among the Executives

-

Education

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

Other Position(s)

(Listed Companies and Others)

Listed Companies

- Independent Director / Member of the Audit Committee / Member of Nomination and Remuneration Committee / Chairman of Risk Management Committee - Srisawad Corporation Public Company Limited
- Independent Director / Chairman of the Board of Directors / Chairman of the Audit Committee Alla Public Company Limited
- Independent Director / Chairman of the Audit Committee / Member of Nomination Remuneration and Governance Committee - SYN Mun Kong Insurance Public Company Limited

Others

- Independent Director / Chairman of the Audit Committee - Autocorp Holding Public Company Limited
- Director - Audit One Company Limited
- Director - F&A Solutions Company Limited
- Director - Smile P Company Limited
- Director - W&M Associate Company Limited
- Director - Mongkolpattawee Company Limited

Work Experience

- 2005 - Feb 2018 Independent Director - Pruksa Real Estate Public Company Limited
- 2003 - 2015 Director - Professional Outsourcing Solutions Company Limited
Director - Accounting & Business Advisory Company Limited
- 1999 - 2003 Executive Director - Arthur Andersen Thailand's Group of companies
- 1996 - 1999 Assistant Director - SGV-Na-Thalang Company Limited
- 1992 - 1996 Audit Manager - SGV-Na-Thalang Company Limited
- 1985 - 1992 Assistant Auditor - SGV-Na-Thalang Company Limited

Training

- Chartered Director Class - CDC 8/2014, Thai Institute of Director (IOD)
- Successful Formulation & Execution of Strategy - SFE 4/2009, Thai Institute of Director (IOD)
- Role of the Compensation Committee - RCC 3/2007, Thai Institute of Director (IOD)
- Finance for Non-Finance Director - FND 1/2001, Thai Institute of Director (IOD)
- Directors Certification Program - DCP 0/2000, Thai Institute of Director (IOD)



Dr. Anusorn Sangnimnuan Age 64 Years

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

(Started on April 29, 2016)

Shareholding

as of January 1, 2018

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

as of January 2, 2019

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

Change (+/-)

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

Family Relationship Among the Executives

-

Education

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

Other Position(s)

(Listing Companies and Others)

Listing Companies

- Independent Director - IRPC Public Company Limited
- Independent Director - B.Grimm Power Public Company Limited

Others

-

Work Experience

- 2014 - Feb 2018 Independent Director - Pruksa Real Estate Public Company Limited
- 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 Public Company Limited
- 2011 - 2012 Chairman - The Bangchak Solar Energy Company Limited
- 2011 - 2012 Chairman - The Ubon Bioethanol Company Limited

- 2008 - 2012 Chairman - The Bangchak Biofuel Company Limited
 - 2008 - 2011 Chairman - Thailand Business Council for Sustainable Development (TBCSD)
 - 2008 - 2011 Director - Thai Capital Market Organizations
 - 2007 - 2011 Director - Thai Listed Companies Association
 - 2006 - 2008 Member - The Legislative Assembly Commissioner and Secretary, Energy Committee
-

Training

- DCP Refresher Course - Re DCP 1/2008, Thai Institute of Directors (IOD)
 - Director Certification Program - DCP 62/2005, Thai Institute of Directors (IOD)
 - Director Accreditation Program - DAP 40/2005, Thai Institute of Directors (IOD)
 - Finance for Non - Finance Directors - FND 22/2005, Thai Institute of Directors (IOD)
 - Diploma, The Joint State-Private Sector Course, National Defence College (Class of 20th)
 - Leadership Program, Capital Market Academy (Class of 10th), The Stock Exchange of Thailand
 - Advanced Diploma, Public Administration and Public Law, King Prajadhipok's Institute
 - Public Director Certification Program, Public Director Institute (Class of 1st)
-



Dr. Prasarn Trairatvorakul Age 66 Years

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

(Started on April 29, 2016)

Shareholding (%)

as on January 1, 2018

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

as on January 2, 2019

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

Change (+/-)

- | | |
|-------------------|-----|
| 1. I | : - |
| 2. Spouse | : - |
| 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

- Chairman - Education Equity Fund
- Director - Siam Sindhorn Company Limited
- Director - CPB Equity Company Limited
- Director - Prince of Songkla University
- Distinguished Scholar, 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
- Chairman - Public Procurement Committee
- Chairman of the Council of Trustees and the Board of Directors - Thailand Development Research Institute (TDRI)
- Senior Advisor - CENTRAL Group
- Member, Property Management Committee - Chulalongkorn University
- Advisor - Board of Investment
- Advisor - Crown Property Bureau
- Member - National Anti-corruption Commission
- Member - Committee to Enhance Competitiveness of the Nation
- Member - State Enterprises Supervisory Board
- Executive Director - Thai Red Cross Society

Work Experience

- 2016 - Feb 2018 Independent Director - Pruksa Real Estate Public Company Limited
 - 2010 - 2015 Governor - Bank of Thailand
 - 2004 - 2010 President - KASIKORNBANK Public Company Limited
 - 1999 - 2003 Secretary- General - Securities and Exchange Commission of Thailand
-

Training

- Board Nomination and Compensation Program - BNCP 5/2018 / Thai Institute of Directors (IOD)
 - Ethical Leadership Program - ELP 2/2015 / Thai Institute of Directors (IOD)
 - Directors Certification Program - DCP 21/2002 / Thai Institute of Directors (IOD)
 - Role of the Chairman Program - RCP 2/2001 / Thai Institute of Directors (IOD)
 - Top Executives in the Energy Education Program, Batch 9 / Thailand Energy Academy
 - The National Defence Course for the Joint State-Private Sectors, Batch 15 / Thailand National Defence College.
-



**Professor Piyamitr Sritara, MD, FRCP,
FACP, FRCP(T). Age 60 Years**

Independent Director

(Started on February 16, 2017)

Shareholding

as on January 1, 2018

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

as on January 2, 2019

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

Change (+/-)

1. I	: -
2. Spouse	: -
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 - 2017 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
- 1988 Lecturer in Division of Cardiology, Ramathibodi Hospital
- 1990 - 1992 Cardiologist, Hammersmith Hospital
- 1983 - 1985 General Practitioner, Koh Samui Hospital, Surat thane

Training

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



Mr. Wichian Mektrakarn Age 64 Years

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

(Started on March 16, 2016)

Shareholding

as of January 1, 2018

- | | |
|-----------|--------|
| 1. I | : None |
| 2. Spouse | : None |
| 3. None | |

as of January 2, 2019

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

Change (+/-)

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

Family Relationship Among the Executives

-

Education

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

Other Position(s)

(Listing Companies and Others)

Listing Companies

- Director / Member of the Risk Management Committee - AAPICO Hitech Public Company Limited

Others

- Director - Vimut Hospital Holding Company Limited
- Chairman - Aira & Aiful Public Company Limited
- Director / Member of the Audit Committee - Thanachart Insurance Public Company Limited

Work Experience

- 2017 - Jul 2018 Chairman - CS Loxinfo Public Company Limited
- 2014 - Jan 2018 Director - Pruksa Real Estate Public Company Limited
- 2009 - Jun 2014 Chief Executive Officer - Advanced Info Service Public Company Limited
- 2006 - 2009 President - Advanced Info Service Public Company Limited

Training

- Ethical Leadership Program - ELP 12/2018, Thai Institute of Directors (IOD)
- Role of the Chairman Program - RCP 40/2017, Thai Institute of Directors (IOD)
- Board that Make a Different - BMD 3/2016, Thai Institute of Directors (IOD)
- Director Certification Program - DCP 107/2008, Thai Institute of Directors (IOD)
- 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
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Class 17, The College of Politics and Governance, King Prajadhipok's Institute

Mrs. Rattana Promsawad Age 57 Years

Authorized Director / Member of the Corporate Governance Committee

(Started on April 29, 2016)



Shareholding

as of January 1, 2018

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

as of January 2, 2019

- | | |
|-------------------|-------------------------------|
| 1. I | : 1.9385% (42,423,183 Shares) |
| 2. Spouse | : 0.5803% (12,700,000 Shares) |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|------------------|
| 1. I | : 201,721 Shares |
| 2. Spouse | : 200,000 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 of CEO Office - Prukha Real Estate Public Company Limited
- Director - Prukha Overseas Company Limited
- Director - Prukha International Company Limited
- Director - Kaysorn Construction Company Limited
- Director - Prukha India Housing Private Company Limited

Work Experience

- 2005 - Feb 2018 Director - Prukha Real Estate Public Company Limited
- 2003 - 2005 Finance Advisor - Prukha Real Estate Co., Ltd.
- 1998 - 2004 Director - Kaysorn Restaurant Co., Ltd. (stopped operating the business on January 28, 2005)
- 1993 - 2003 Finance Manager - Prukha Real Estate Co., Ltd.
- 1986 - 2001 Finance Manager - Siam Engineering Limited Partnership

Training

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



Mrs. Supattra Paopiamsap Age 55 Years

Authorized Director / Member of the Executive Committee / Deputy Group Chief Executive Officer

(Started on July 14, 2017)

Shareholding

as of January 1, 2018

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

as of January 2, 2019

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

Change (+/-)

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

Family Relationship Among the Executives

-

Education

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

Other Position (s)

(Listing Companies and Others)

Listing Companies

-

Others

- Director - Vimut Hospital Holding Company Limited

Work Experience

- 2017 - May 2018 Non-Executive Chairwoman - Unilever Group of Companies
- 2016 - 2018 President - Marketing Association of Thailand (MAT)

- 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

- 2018 Directors Certification Program - DCP 264/2018, Thai Institute of Directors (IOD)
- 2015 Leading Global Business, Harvard Business School USA
- 2014 Global CEO program, Asia Week: Singapore & Indonesia
- 2014 UL2020, Unilever Senior leadership - Purpose to Impact in Singapore & UK
- 2012 Global INSEAD Women Leadership in UK

Mr. Piya Prayong Age 49 Years

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

(Started on March 16, 2016)



Shareholding

as of January 1, 2018

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

as of January 2, 2019

- | | |
|-------------------|------------------------------|
| 1. I | : 0.0629% (1,375,518 Shares) |
| 2. Spouse | : 0.0037% (80,000 Shares) |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|-----------------|
| 1. I | : 11,516 Shares |
| 2. Spouse | : - |
| 3. Minor Children | : - |

Family Relationship Among the Executives

-

Education

- Bachelor Degree (Engineering), Kasetsart University

Other Position (s)

(Listed Companies and Others)

Listed Companies

-

Others

- Chairman of the Board of Directors / Chief Executive Officer, Prukha Real Estate, Value - Prukha Real Estate Public Company Limited
- Director - Kaysorn Construction Co., Ltd.

Work Experience

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

Training

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



Mr. Prasert Taedullayasatit Age 51 Years

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

(Started on April 27, 2017)

Shareholding

as of January 1, 2018

- | | |
|-------------------|---------------------|
| 1. I | : 0.0000% (1 Share) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

as of January 2, 2019

- | | |
|-------------------|----------------------|
| 1. I | : 0.0000% (43 Share) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|-------------|
| 1. I | : 42 Shares |
| 2. Spouse | : - |
| 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

- Executive Vice Chairman of the Board of Directors / Chief Executive Officer Prukso Real Estate, Premium - Prukso Real Estate Public Company Limited
- Honorary President and Advisor - Thai Condominium Association
- Director - The Committee on The Thai Chamber of commerce and Board of Trade Thailand

Work Experience

- 2016 - Jan 2017 Member of the Executive Committee / Member of the Corporate Risk Management Committee / President Premium Business - Prukso Real Estate Public Company Limited
- 2013 - 2016 Director / Managing Director Condominium Group 1 (MD) - Prukso Real Estate Public Company Limited
- 2010 - 2013 Director / Senior Executive Vice President / Chief Business Officer (CBO) - Prukso Real Estate Public Company Limited

- 2008 - 2009 Director / Senior Executive Vice President / Chief Operating Officer (COO) - Prukso Real Estate Public Company Limited
- 2007 - 2008 Director / Senior Executive Vice President / Chief Business Officer (CBO) - Prukso Real Estate Public Company Limited
- 2005 - 2007 Director / Executive Vice President (Marketing / Sales & Business Development) - Prukso 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 Company Limited
- 1993 - 1999 Marketing and Business Development Manager - Lalin Property Company Limited
- Director - The Committee of Real Estate Development on The Thai Chamber of commerce and Board of Trade Thailand
- Advisor - The Committee of Property Management, Thammasat University
- Director - Board of Directors of Housing Development office (Housing Development office, business unit of Bangkok Metropolitan administration)
- Vice President - Thai Appraisal Foundation

Other Experience

- 2015 - 2018 President - Thai Condominium Association
- 2015 - 2018 Director - Board of Directors Real Estate Information Center (REIC)
- Advisor - Chulalongkorn University Demonstration School Parents and Teachers Association
- Advisor - MBA Alumni Association Chulalongkorn University
- Advisor - Housing Business Association
- Director - The Committee of Real Estate Design and construction on The Thai Chamber of Commerce and Board of Trade Thailand

Training

- Directors Certification Program - DCP 56/2005, Thai Institute of Director (IOD)
- Director Accreditation Program - DAP 1/2003, Thai Institute of Director (IOD)
- Diploma, The National Defence Course Class 61, The National Defence College (NDC)
- 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 3), Institute of metropolitan development (Navamindradhiraj University) Public
- Economic Management for Executives Program - 5/2007, King Prajadhipok's Institute
- Property Management for Executives Program - RECU10, Faculty of Architecture, Chulalongkorn University



Ms. Trithip Sivakriskul Age 53 Years

Member of the Enterprise Risk Management Committee / Group Chief Financial Officer

(Started on September 1, 2017)

Shareholding

as of January 1, 2018

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

as of January 2, 2019

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

Change (+/-)

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

Other Position (s)

(Listing Companies and Others)

Listing Companies

- Independent Director / Member of the Audit Committee - Super Energy Corporation Public Company Limited
- Independent Director / Member of the Audit Committee - SISB Public Company Limited

Others

- Director - Pruksa Real Estate Public Company Limited
- Director - Vimut Hospital Holding Company Limited
- Director - Vimut International Hospital Company Limited
- Independent Director & Audit Committee - King Telecom Public Company Limited

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 School of Management Northwestern University, USA
- Bachelor of Business Administration (BBA), Finance Chulalongkorn University

Work Experience

- Apr 2016 - Aug 2017 Chief Financial Officer - Ek-Chai Distribution System Company Limited
- Dec 2011 - Mar 2016 Corporate Chief Financial Officer - Minor International Public Company Limited
- Jan - Oct 2011 Chief Financial Officer - Ratchburi Electricity Generating Public Company Limited
- Sep 2007 - Jan 2011 Executive Vice President, Corporate Business Planning - IRPC Public Company Limited

- 2006 - 2007 Director - Open Technology Company Limited
- 2006 - Sep 2007 Executive Vice President-Finance - IRPC Public Company Limited
- 2005 - 2011 Director - Super Block Public Company Limited
- 2003 - 2006 Working team of the plan administrator - Thai Petrochemical Public Company Limited
- 2001 - 2003 VP-Asset Management - Thai Asset Management Corporation
- 1997 - 2001 Partner - Deloitte Touche Tohmatsu Corporate Restructuring Company Limited
- 1994 - 1997 VP-Investment Banking - Peregrine Nithi Finance & Securities Company Limited

Others

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

Training

- Directors Certification Program - DCP 158/2012, Thai Institute of Directors (IOD)
 - Director Accreditation Program - DAP 31/2005, Thai Institute of Directors (IOD)
 - CFO in Practice: Certification Program, 8/2018, Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
 - 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 Age 56 Years

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

(Started on November 7, 2016)

Shareholding

as of January 1, 2018

- | | |
|-------------------|--------------------------|
| 1. I | : 0.0001% (2,555 Shares) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

as of January 2, 2019

- | | |
|-------------------|---------------------------|
| 1. I | : 0.0021% (46,213 Shares) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|-----------------|
| 1. I | : 43,658 Shares |
| 2. Spouse | : - |
| 3. Minor Children | : - |

Family Relationship Among the Executives

-

Education

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

Other Position (s) (Listing Companies and Others)

Listing Companies

-

Others

- Director - 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 Company Limited
- 2005 - 2008 Associate Director - Procter & Gamble Vietnam, Company Limited
- 2000 - 2005 Operations Manager - Procter & Gamble Manufacturing (Thailand) Company Limited
- 1997 - 2000 Operations Manager - Procter & Gamble Canada, Company Limited
- 1989 - 1997 Operations Manager - Procter & Gamble Manufacturing (Thailand) Company Limited

Training

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

Mr. Nuttaporn Voonklinhom Age 36 Years

Group Chief Technology Officer

(Started on November 1, 2018)



Shareholding

as of November 1, 2018

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

as of January 2, 2019

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

Change (+/-)

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

Family Relationship Among the Executives

- -

Education

- Bachelor of Science degree in Computer Engineering (BS CE), Ramkhamhaeng University
- Bachelor of Science degree in Computer Engineering (BS CE), Kasetsart University
- Diploma in Information Technology, NIIT, INDIA

Other Position (s)

(Listing Companies and Others)

Listing Companies

- -

Others

- President - Thai Digital Trade Association
- Advisory, China Technologies - Electronic Transactions Development Agency (ETDA)
- Advisory, People Development Programme - Thailand e-Business Centre (TeC)

Work Experience

- Jan 2018 - Chief Education Officer, China -
Oct 2018 Thailand e-Business Centre
- Sep 2016 - Vice President, Head of Innovation -
Mar 2018 Central Group Online,
(Central Group Companies)
- Aug 2015 - Vice President, Head of Online Business -
Aug 2016 Central Group Online,
(Central Group Companies)
- Feb 2014 - Co-Founder, Head of e-Commerce -
Oct 2015 CDiscount, SEA (Groupe Casino, FR)
- Aug 2013 - Director, Head of e-Commerce -
Oct 2015 Big C Supercenter PLC.
(Groupe Casino, FR)
- Aug 2013 - Co-Founder, CTO - Lazada Group, SEA
Oct 2013 (Rocket Internet, DE)

- Apr 2013 - Head of Customer Experience -
Jul 2013 Lazada Group, SEA (Rocket Internet, DE)
- Dec 2012 - Head of Operation & IT - Lazada Group,
Mar 2013 SEA (Rocket Internet, DE)
- Jul 2012 - Head of Operation - Lazada Group, SEA
Nov 2012 (Rocket Internet, DE)
- Mar 2012 - Head of IT - Lazada Group,
Jun 2012 TH-VN (Rocket Internet, DE)
- May 2011 - Senior Manager, E-Commerce Product -
Mar 2012 Ascend Company,
TH (True Corporation PLC.)
- Nov 2008 - User Operation Specialist - Facebook Inc,
Mar 2011 IN (Facebook Hyderabad Contract's)
- Dec 2006 - Software Engineering, Codejam -
Apr 2007 Google Inc, AU (Internship Contract's)
- Mar 2005 - Quality Engineering (Growth) -
Nov 2006 Hi5 Networks Inc, CA
- Jan 2004 - Senior Network Engineering -
Feb 2005 Orange SA, UK (Contract via True
Corporation PLC.)
- Jul 1999 - Service Engineering -
Dec 2003 Loxley Information Service, TH
- Apr 1998 - Internship, System Engineering -
Jul 1999 The Mall Group, TH

Training

- CEO Program, Alibaba (NASDAQ : BABA)
- Global Leadership Development Programme,
Amazon (NASDAQ : AMZN)
- Googler to Googler (G2G), Google (NASDAQ: GOOG)
- Executive Programme for Young Leadership,
Central Group of Companies
- Financial & Risk Control for C-Level,
CNOVA (NASDAQ: CNV)
- Lean Supply Chain by TMB, TMB (BKK: TMB)
- e-Trade Programme for Asia, UNCTAD (UN)
- Model United Nations for Thailand, UNESCAP (UN)

Mr. Udomsak Yamnoon Age 57 Years**Acting Group Chief Corporate Human Resource Officer / Member of the Executive Committee**

(Started on May 6, 2016)

**Shareholding****as of January 1, 2018**

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

as of January 2, 2019

- | | |
|-------------------|--------------------------|
| 1. I | : 0.0004% (9,623 Shares) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|----------------|
| 1. I | : 7,859 Shares |
| 2. Spouse | : - |
| 3. Minor Children | : - |

Family Relationship Among the Executives

-

Education

- Bachelor Degree (Political Science) 2nd class Honor, Thammasat University

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

-

Others

- Director - Pruksa Real Estate Public Company Limited

Work Experience

- 2015 - 2017 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. Premsak Vallikul Age 54 Years

Secretary of the Audit Committee

(Started on April 19, 2016)

Shareholding

as of January 1, 2018

- | | |
|-------------------|--------------------------|
| 1. I | : 0.0001% (1,249 Shares) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

as of January 2, 2019

- | | |
|-------------------|--------------------------|
| 1. I | : 0.0002% (3,297 Shares) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|----------------|
| 1. I | : 2,048 Shares |
| 2. Spouse | : - |
| 3. Minor Children | : - |

Family Relationship Among the Executives

-

Education

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

Other Position (s)

(Listing Companies and Others)

Listing 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 Rumphon Age 59 Years**Company Secretary**

(Started on April 19, 2016)

**Shareholding****as of January 1, 2018**

- | | |
|-------------------|------------------------|
| 1. I | : 0.0000% (982 Shares) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

as of January 2, 2019

- | | |
|-------------------|--------------------------|
| 1. I | : 0.0000% (2,575 Shares) |
| 2. Spouse | : None |
| 3. Minor Children | : None |

Change (+/-)

- | | |
|-------------------|----------------|
| 1. I | : 1,593 Shares |
| 2. Spouse | : - |
| 3. Minor Children | : - |

Family Relationship Among the Executives

-

Education

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

Other Position (s)
 (Listing Companies and Others)
Listing Companies

-

Others

- Company Secretary - Prukha Real Estate Public Company Limited

Work Experience

- 2009 - Present Company Secretary - Prukha Real Estate Public Company Limited
- 2008 - 2009 Senior Legal Manager / Company Secretary - Prukha 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

- CGR Workshop 3/2018, Thai Institute of Director (IOD)
- CGR Workshop 2017, Thai Institute of Director (IOD)
- Board Reporting Program - BRP 3/2010, Thai Institute of Director (IOD)
- Effective Minute Taking - EMT 13/2009, Thai Institute of Director (IOD)
- Company Secretary Program - CSP 27/2008, Thai Institute of Director (IOD)

Controlling Persons of the Company and its Subsidiaries (As of December 31, 2018)

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

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

⁽¹⁾ Mr. Wichian Mektrakarn and Mrs. Supattra Paopiamsap were appointed as director of Vimut Hospital Holding Co., Ltd. since January 25, 2018

⁽²⁾ Ms. Trithip Sivakrskul were appointed as Chairman of the Board of Directors of Vimut International Hospital Co., Ltd. since January 25, 2018

⁽³⁾ Mrs. Supattra Paopiamsap were appointed as director of the Company since April 27, 2018

Meeting Attendance of the Board and the Committees in 2017 and 2018

Name	The Board of Directors		The Audit Committee		The Enterprise Risk Management Committee		The Corporate Governance Committee		The Nomination and Remuneration Committee		The Executive Committee	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
1. Dr. Pisit Leeahtam	10/11	11/11	-	-	-	-	-	-	9/11	12/12	-	-
2. Mr. Thongma Vijitpongpun	9/11	10/11	-	-	-	-	-	-	10/11	11/12	11/11	8/9
3. Dr. Piyasvasti Amranand	11/11	10/11	12/12	12/12	-	-	-	-	-	-	-	-
4. Mr. Adul Chandanachulaka	10/11	11/11	12/12	12/12	-	-	7/7	8/8	-	-	-	-
5. Mr. Weerachai Ngamdeevilaiak	11/11	11/11	12/12	12/12	9/9	12/12	-	-	10/11	12/12	-	-
6. Dr. Anusorn Sangnimnuan	11/11	10/11	-	-	-	-	7/7	8/8	11/11	10/12	-	-
7. Dr. Prasarn Trairatvorakul	10/11	11/11	12/12	12/12	9/9	12/12	-	-	-	-	-	-
8. Professor Piyamitr Sritara, MD	11/11	9/9	-	-	-	-	-	-	-	-	-	-
9. Mr. Wichian Mektrakarn	11/11	11/11	-	-	-	-	-	-	11/11	12/12	11/11	9/9
10. Mrs. Rattana Promsawad	11/11	10/11	-	-	-	-	7/7	7/8	-	-	-	-
11. Mrs. Supattra Paopiamsap ⁽¹⁾	6/8	-	-	-	-	-	-	-	-	-	11/11	2/4
12. Mr. Piya Prayong	10/11	10/11	-	-	9/9	10/12	-	-	-	-	11/11	9/9
13. Mr. Prasert Taedullayasatit	11/11	8/8	-	-	9/9	10/12	-	-	-	-	10/11	8/9
14. Ms. Trithip Sivakrskul	-	-	-	-	9/9	4/4	-	-	-	-	11/11	2/2
15. Mr. Theeradej Kerdsamang	-	-	-	-	-	-	-	-	-	-	11/11	4/4
16. Mr. Porntep Suppataratarn	-	-	-	-	-	-	-	-	-	-	11/11	3/4
17. Mr. Udomsak Yamnoon	-	-	-	-	-	-	-	-	-	-	11/11	4/4

Remark: ⁽¹⁾ Mrs. Supattra Paopiamsap were appointed as director of the Company since April 27, 2018

Percentage of meeting attendance of the Board and individual director 2018

Overview of meeting attendance of the Board and all subgroups of directors	97.6%
- the Board of Directors	93.9%
- the Audit Committee	100.0%
- the Enterprise Risk Management Committee	100.0%
- the Corporate Governance Committee	100.0%
- the Nomination and Remuneration Committee	92.7%
- the Executive Committee	99.0%
Meeting attendance of the Board of Directors, subgroups of directors and individual director	All directors attended to the meetings not less than 75.0%

Report of the Board of Directors

Pruksa Holding Public Company Limited (“The Company”) operates its core business through holding company and strives to become one of Thailand’s leading firms by offering a wide range of business and service to fulfill the needs of modern lifestyle and comprehensively address customer demand. The Company is committed to assist customers in fulfilling their dreams by delivering happiness and modern living to every family member.

In 2018, the Company held the Board of Directors’ Meeting totaling 11 meetings and non-executive meeting comprising of only independent directors totaling 1 meeting to follow up on operational progress and discuss on key issues useful to the business operation of the Company, including conducting emergency planning for handling unexpected events in the case of economic crisis and investment planning in other types of business to generate additional income for the Company, promoting the adoption of innovation and technology to keep up with the rapid global changes, and continuously supporting personnel development. In the past year, key business operations carried out by the Company included the launch of 55 residential projects by Pruksa Real Estate Public Company Limited, a subsidiary company, and of which can be divided into 35 townhouse projects, 9 single-detached house projects, and 11 condominium projects.

By recognizing the importance of corporate governance, the Board of Directors therefore considered the adoption of Corporate Governance Code for Listed Companies 2017 as a guideline for corporate governance in a way that is aligned with the business direction of the Company. At the same time, Charter of Sub-Committees, Corporate Governance Policy, Code of Ethics, and Anti-Corruption Policy and related measures of the Company and subsidiary were also improved to ensure consistency with the adopted corporate governance principles.

With continuous efforts to operate its business with balance by maintaining outstanding financial performance while continuously performing responsibility toward the stakeholders, the society and the environment and upholding corporate governance and compliance and excellent ESG performance to achieve sustainable growth, the Company was therefore accredited with numerous awards and recognitions as follow:

Awards Relating to Business Performance of the Company and Subsidiary

1. BCI Top 10 Developer Awards 2018 for the 8th consecutive year
 - Chapter One Bangpo
 - Plum Condo Pinklao Station
2. BEC Awards 2018 for “Best” category presented by the Ministry of Energy
 - Chapter One ECO Ratchada - Huaykwang
3. Certification of Standard from Property Export Awards Thailand 2018 (PEAT 2018) for Best Affordable High Rise Condominium
 - Plum Condo Central Station
4. ISO 9001 : 2015 Certification for Quality Management System from MASCI since 2001 which is an international standard for quality excellence and of which the Company has continuously gained accreditation until present day ISO 9001 Version 2015.
5. BS OHSAS 18001 Certification for Occupational Health and Safety (High-Rise Building) from MASCI which aims to reduce and control risks exposed to personnel and related parties and of which the Company has continuously gained accreditation until present day BS OHSAS 18001 Version 2007.
6. Property Guru Thailand Property Awards 2018
 - The Reserve Sathorn for “Best Luxury Condo Development”
 - Chapter One ECO Ratchada - Huaykwang for “Best Affordable Condo Development”
7. International Property Award from Asia Pacific Property Award 2018 - 2019
 - The Reserve Phahol-Pradipat which won “Residential High - Rise Development Thailand Award” by receiving the highest scores and was selected to represent Thailand at the International Property Awards 2018 - 2019 held in London, England.
 - Chapter One ECO Ratchada - Huaykwang which won “Development Marketing Thailand Award” and “Best Development Marketing Award”.

8. International Property Award from International Property Awards 2018 - 2019 held in London, England
 - Chapter One ECO Ratchada - Huaykwang which was selected as "Regional Winner" for "Best Development Marketing Asia Pacific" based on project overview, quality of construction, interior and exterior architecture and project facilities.
 9. Thailand Tatler Best Residential Award presented by Thailand Tatler Magazine
 - The Reserve 61 Hideaway by Pruksa which is the one and only real estate company in Thailand to be presented with this award.
 10. MAT Award 2018 by receiving "Bronze Award" from Marketing Association of Thailand under real estate and construction material business category thanks to the highlighting "Pruksa Care...For Life" marketing campaign inspired by brand purpose which reflects corporate culture that focuses on delivering quality home to customers.
 11. DGNB First Mover Projects Award under "Platinum for Sustainable Homes" category which is the highest standard category offered by German Sustainable Building Council (DGNB: Deutsche Gesellschaft für Nachhaltiges Bauen e.V.), making Pruksa one of the first five companies in Thailand to be presented with this award due to its adoption of construction technology and process that can help to reduce the consumption of natural resources by using alternative energy in the construction of "Pruksa Plus House" at The Plant Estique Phattanakarn.
3. SET Sustainability Awards 2018 for the 2nd consecutive year from "Rising Star" to "Outstanding" level from the Stock Exchange of Thailand.
 4. Thailand Sustainability Investment (THSI) for the 3rd consecutive year from the Stock Exchange of Thailand.
 5. Sustainability Report Award 2018 under "Recognition" category for the 3rd consecutive year from CSR Club, Thai Listed Companies Association, The Securities and Exchange Commission, and Thaipat Institute.
 6. Thai Chamber of Commerce Best Awards 2018 from Anti-Corruption and Ethics Promotion Board, Thai Chamber of Commerce.
 7. Listed as ESG100 Company 2018 (Environmental, Social and Governance: ESG) for the 3rd consecutive year by Thaipat Institute.

The Company's operating results in the past year reflected not only continuous hardwork and commitment of every director, executive and employee in striving to promote strong and sustainable business growth but also their efforts to generate excellent income for the Company in the long term to raise confidence among the shareholders and stakeholders. Lastly, the Company would like to thank you every shareholder, customer, business partner, financial institution, public and private organization, employee and all related parties for their support and shall continuously operate our business with aim to deliver the defined business plans and targets on the basis of caution, transparency, good ethics and responsibly toward all stakeholders, the community, society and environment to ensure sustainable growth of the Company.

Awards Relating to Corporate Governance, Sustainability and Social and Environmental Responsibility

1. Received 100 full scores in the quality assessment of the Annual General Meeting (AGM) from 2017 - 2018 from Thai Investors Association.

(Pruksa Real Estate Public Company Limited, which is a subsidiary company, received 100 full scores for four consecutive years from 2013 - 2016 before withdrawn from the Stock Exchange of Thailand)
2. Corporate Governance of Thai Listed Companies 2018 attaining 'Excellent' levels of recognition, or over 90 scores, from 2017 - 2018 from Thai Institute of Directors (IOD).



(Dr. Pisit Leeahtam)

Chairman of the Board of Directors

18 January 2019

Report of the Executive Committee

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

1. Property development business by holding company such as real estate development for sale by Pruksa Real Estate Public Company Limited which the Company holds 98.23%.
2. Recurring income business.

The Executive Committee shall regulate business operations of the Company and subsidiaries to ensure compliance with the defined operational targets and the best interests of every shareholder and stakeholder as follows:

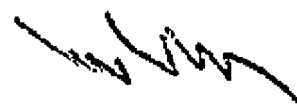
- (1) Sustain Pruksa #1 Leadership in Real Estate
- (2) Establish Pruksa as Trust Mark
- (3) Explore New Growth Engine
- (4) Improve Efficiency & Profitability

(5) Digitizing Pruksa through technology integration in every process

(6) Future Proof Organization & One Pruksa Culture

In 2018, the Executive Committee held eleven meetings and reported operational performance to the Board of Directors on quarterly basis. Key operations included an operational management as result to net profit with value of 6,022 million Baht or growth by 10.37% comparing to the prior year, a decrease of repair & maintenance requests by 9.89%, a reduction of aging inventory more than six months by 44% in every product segment and an achievement of Pruksa rebranding.

Lastly, the Executive Committee shall continue to manage and regulate business operation of the Company responsibly, cautiously, and honestly while maintaining compliance with legal requirements and corporate governance principles to further ensure stability and sustainability of the Company.



(Mr. Thongma Vijitpongpun)

Chairman of Group Chief Executive Officer

26 December 2018

Report of the Nomination and Remuneration Committee

The current set of the Nomination and Remuneration Committee consists of Mr. Weerachai Ngamdeevilaisak as the Chairman of the Board, Dr. Pisit Leeahtam, Mr. Thongma Vijitpongpan, Mr. Wichian Mektrakarn, and Dr. Anusorn Sangnimnuan as 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 Charter of the Nomination and Remuneration Committee.

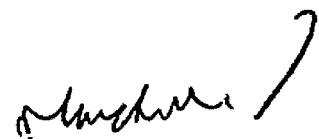
In selection and nomination of the qualified person's name list to be the directors and Chief Executive Officer, the Nomination and Remuneration Committee has considered by taking into account their good qualification, knowledge, competency, background and work experience with leadership, wide vision, virtue and ethics and capability to devote adequate time to be beneficial to the Company's business operation. Moreover, the Company's director nomination has also taken into consideration the diversity of the Board's structure. Board Skill Matrix has been prepared to define the qualifications of the directors required for nomination under consideration from deficient necessary skills 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 part of new director nomination. The transparent process has ensured the shareholder's confidence. The current Board of Directors has consisted of a total of thirteen members including seven independent directors, one non-executive director and five executive directors. The profile information of each member has been shown 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 work with the Company and motivate them for functionality to achieve target under defined strategies of the Company. The shareholders can be confident from the transparent process. The remuneration information of each member has been shown in this Annual Report under topic of the Director and Executive's Remuneration.

In 2018, the Nomination and Remuneration Committee convened total of eleven meetings to function as follows.

1. Nomination of the proper qualified persons as the director position and function in considering the director's remuneration and proposing to the Board of Directors' Meeting before proposing to the Shareholders' Meeting for consideration and approval.
2. 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
3. Determination of the continuous procedure and process for systematic management in continuous succession planning for the key director and executive positions, covering the detail of procedure, criteria and method, and in the way of development plan for director and executive officer, delegation of duty to the director and/or accepted competent person to give counsel and advice and assist the executive who possesses achievement and potential under mentoring system so that there will be continual task successor for the Company's business operation sustainability in the future accordingly.



(Mr. Weerachai Ngamdeevilaisak)

Chairman of the Nomination and
Remuneration Committee

31 January 2019

Report of the Corporate Governance Committee

As per the Board of Prukha Holding Public Company Limited, the Corporate Governance Committee consists of Dr. Anusorn Saengnimnuan as the Chairman of the Corporate Governance Committee, and Mr. Adul Chandanachulaka and Mrs. Rattana Promsawad as members of the Corporate Governance Committee.

In 2018, the Corporate Governance Committee held seven meetings to follow up on the implementation of corporate governance plan. Details can be summarized as follow:

1. Rights of Shareholders

- The Company submitted letters of invitation along with related meeting documents, both in Thai and English, to the shareholders of Thai and foreign nationals at least 21 days in advance of the date of shareholders' meeting and published these information on the Company's website at <http://www.psh.co.th> at least 30 days in advance of the meeting date.
- The Company allowed the shareholders to submit enquiries before the date of shareholders' meeting starting from September 17, 2018.

The Company organized site visit activities for the shareholders two times. The first time was a site visit at Prukha Precast Plant (Nawanakorn) on July 26, 2018 and the second time was a site visit at Prukha Real Estate Project on October 12, 2018, allowing the shareholders to gain knowledge on the Company's business operation, production technology and process, and construction including the chance to visit Prukha's Head Office, or the Pearl Bangkok Tower, and other plants.

2. Anti-Corruption Policy and Measure and Code of Ethics

- First revision of Corporate Governance Policy including second revision of Anti-Corruption Policy and Measures and Code of Ethics.

3. Trainings, Activities and Public Relations for Promotion of Good Corporate Governance Culture

- Organizing corporate governance trainings for new employees.
- Organizing trainings and online assessment for executives and current employees.

- Organizing CG DAY 2018 under the concept of "Prukha People...Think Good, Do Good" which aims to encourage the executives and employees to do good things, both at work and at home, in accordance with corporate governance principles.
 - Organizing employee site visit to raise awareness on the importance of corporate governance and anti-corruptions.
 - Organizing a discussion forum on project governance and lessons learned from customer complaints and investigations for project officers.
 - Organizing training on waste water treatment system management to ensure employees and related parties have knowledge on waste water treatment system management and ensure compliance with legal requirements.
 - Organizing training on investigation strategies so that related parties can apply the knowledge and techniques learned to ensure the most efficient investigation is carried out.
 - Organizing a trip for the executives and employees to visit Anti-Corruption Museum.
 - The executives and employees joined activities and keynote speaker session on "Business Ethics for Sustainable Thai Business Foundation" at Thai Chamber of Commerce Best Award 2018.
 - The executives and employees attended International Anti-Corruption Day 2018.
 - The Company in collaboration with Media and Communication Studies Department, Mahidol University International College created a video presentation in celebration of 3rd year anniversary of the establishment of Anti-Corruption Museum.
 - Publicizing Code of Ethics and Corporate Governance, including related case studies, whistleblowing, anti-corruptions, and other related activities via EC News, digital signage, X-stand, Screen Desktop, etc.
- ### 4. Anti-Corruption
- Encouraging business partners to join Thailand's Private Sector Collective Action against Corruption (CAC) and CAC SME Certification Program to support

anti-corruption and prevention of bribery among the private sector and encouraging business partners to take a stand against corruptions.

- Communicating with agents, partners and financial institutions regarding the Company's No Gift Policy by asking them to refrain from giving any gifts, rewards and money or any other forms of benefit to the executives or employees of the Company during New Year or any other festive seasons to maintain transparency and prevention of corruptions or bribery offered to superordinates, co-workers, trade partners, suppliers, government agencies and external organizations in compliance with legal requirements and corporate governance principles for public companies having responsibility toward the society and related parties.
- Emphasizing on the Company's No Gift Policy.

By continuously adhering to business ethics, corporate governance principles and responsibility toward the stakeholders, the Company was presented with several corporate governance awards in the year 2018 namely:

- Thai Chamber of Commerce Best Awards 2018
- "Very Good" 2018 CGR Assessment of listed companies.

Social and Environmental Aspect By upholding its key policies in maintaining sustainable business growth throughout the past year, the Company was presented with three awards from the Stock Exchange of Thailand including:

- SET Sustainability Awards 2018 under Outstanding Category for company having market cap ranging between 30,000 - 100,000 million baht.
- Thailand Sustainability Investment (THIS) for the 3rd consecutive year
- Sustainability Report Awards 2018 under Recognition Category for the 3rd consecutive year
- Listed on ESG100 2018 Universe by Thaipat Institute

for the 3rd consecutive year due to outstanding environmental, social and corporate governance performance, marking public recognition for the Company's outstanding sustainable development. In addition, the Company fully disclosed its information on economic, social, environmental and corporate governance performance in compliance with Global Reporting Initiative (GRI) requirements and Sustainable Development Goals while continuously creating "shared value with the society".

Key operation plans for the year 2019 for maintaining good corporate governance can be summarized as follow:

Apart from the above mentioned activities, the Company shall continuously carry out corporate governance activities namely organizing corporate governance training for new employees, organizing online training and assessment for executives and current employees, organizing site visits to raise awareness on the importance of corporate governance and anti-corruption among the employees, encouraging executives and employees to disclose information on their relationship with partners, initiating campaigns and publicizing the Company's No Gift Policy, including organizing CG Day Activity to build confidence among the shareholders and stakeholders that all business operations of the Company and its subsidiaries are carried out on the basis of transparency, fairness and without any forms of corruption. Also, the Company plans to organize internal and external activities for promoting business ethics within the organization, such as visiting Anti-Corruption Museum and The Office of The National Anti-Corruption Commission, to encourage all members of the Company to take part in the prevention and suppression of corruption and further upholding morality, ethics and honesty.



(Dr. Anusorn Saengnimnuan)

Chairman of the Corporate Governance Committee

4 January 2019

Report of the Enterprise Risk Management Committee

Pruksa Holding Public Company Limited recognizes the importance of risk management toward achieving short-term and long-term corporate goals to ensure sustainable business growth particularly under the dynamically changing environment. The Company's Enterprise Risk Management Committee is made up a total of five members. Three members are members of the Board and two members are independent directors and members of the Audit Committee. The Chairman of the Enterprise Risk Management Committee is Dr. Prasarn Trairatvorakul. The meetings of the Enterprise Risk Management Committee is held once every two months to ensure all risk management operations are executed within the scope of power and responsibilities assigned by the Board and that risk management report has been submitted to the Board on regular basis.

In 2018, the Enterprise Risk Management Committee held a total of nine meetings and submitted risk management report to the Board on quarterly basis. The Company's key enterprise risk management operations can be summarized as follow:

- **Giving suggestions on the determination of policy, strategy and guideline relating to enterprise risk management**
 1. Considering on key risks and guideline for determining key risk indicator and risk management measures for the year 2019 for monitoring potential risks assessed by the Enterprise Risk Management Committee and top management, including following up on the progress of the executed risk management plan to minimize impact on business operations of Pruksa Group.
 2. Considering on the improvement of enterprise risk assessment criteria by ensuring that it covers all seven aspects of potential risks and impacts including finance, product handover, reputation/image, laws and regulations, employee, work process and safety. These criteria shall be used as a tool for assessing and prioritizing potential risks to ensure appropriate and efficient risk management.
 3. Proposing risk management guideline on business continuity management system of Pruksa Group by taking into account the importance of maintaining business continuity of Pruksa Group during emergency situations to ensure continuity of delivery of products and services to customers and business partners. The Enterprise Risk Management Committee supported the development

of business continuity management plan at enterprise and business unit levels, including arranging practice schedule for emergency on annual basis and supporting system development for acquiring ISO 22301 certification on business continuity management standard.

- **Auditing risk management plan of management Department and Overall Enterprise Risk Management Process**

Giving opinions on the appropriateness of risk management plan and key risk indicator (KRI) that can notify the Company in advance in case of any potential risks to ensure that the formulated risk management plan is in line with current situation such as land acquisition risk, procurement risk, etc. Hence, Risk and Control Self Assessment (RCSA) was performed and construction safety was emphasized by setting up measures or guidelines for raising work safety awareness and instilling safety mindset among every employee of Pruksa Group and business partner, including considering new risks and providing useful advice such as risks relating to changes of land utilization (color chart) in Bangkok and Metropolitan Region, risks relating to property market expansion to Chinese customer group, risks relating to information technology, etc., all of which must be taken into account in determining long-term strategy.

- **Reporting risk management performance to the Board and the Audit Committee**

Reports on the performance of Sub-committees and that of the Enterprise Risk Management Committee were included as part of regular agenda of the Board of Directors' Meeting on quarterly basis, totaling four times in one year. Risk management performance was reported to the Board by the Chairman of the Enterprise Risk Management Committee and to the Audit Committee by the Secretary of the Enterprise Risk Management Committee on regular basis.

The Enterprise Risk Management Committee shall make sure that the Company has in place measures to manage and maintain all risks at appropriate level, including supporting the development of global standard risk management system within Pruksa Group to sustainably uphold the best interests of the shareholders and stakeholders.


(Dr. Prasarn Trairatvorakul)

Chairman of the Enterprise Risk
Management Committee
28 December 2018

Remuneration for Directors and Executives

I. Monetary Remuneration

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

The 2018 Annual General Meeting of Shareholders held on Thursday April 27, 2018 has determined remuneration and other special benefits for 2018 of the Board of Directors, the Audit Committee, the Enterprise Risk Management Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Executive Committee, in the amount of not exceeding Baht 30,000,000 and bonus for directors from operating results of 2018 in the percentage rate between 0.3 - 0.5 of amount equivalent to dividend declared for payment, depending on the determined Key Performance Indicator. Remuneration for directors shall be paid particularly to the said independent directors and non-executive directors who hold the office in the Board of Directors. The non-executive directors who are entitled to receive remuneration shall not be the representatives of the shareholders. Other directors shall not receive remuneration. The details of remuneration for independent directors and non-executive directors are as follows.

Name/Position	2018		2017	
	Remuneration	Bonus ⁽¹⁾	Remuneration	Bonus ⁽²⁾
1. Dr. Pisit Leeahtam Chairman of the Board, Member of the Nomination and Remuneration Committee, Independent Director	4,160,000	2,013,655	4,320,000	2,628,443
	6,173,655		6,948,443	
2. Mr. Weerachai Ngamdeevilaisak Independent Director, Member of the Audit Committee, Member of the Enterprise Risk Management Committee, Chairman of the Nomination and Remuneration Committee	3,260,000	986,437	3,480,000	1,371,879
	4,246,437		4,851,879	
3. Mr. Adul Chandanachulaka Independent Director, Member of the Audit Committee, Member of the Corporate Governance Committee	2,680,000	586,437	2,720,000	1,109,629
	3,266,437		3,829,629	
4. Dr. Piyasvasti Amranand Independent Director, Chairman of the Audit Committee	2,640,000	646,437	2,640,000	1,069,629
	3,286,437		3,709,629	
5. Mr. Wichian Mektrakarn Director, Executive Director, Member of the Nomination and Remuneration Committee	2,720,000	966,437	2,760,000	1,509,629
	3,686,437		4,269,629	
6. Dr. Anusorn Sangnimnuan Independent Director, Chairman of the Corporate Governance Committee and Member of the Nomination and Remuneration Committee	2,590,000	826,437	2,600,000	1,229,629
	3,416,437		3,829,629	
7. Dr. Prasarn Trairatvorakul Independent Director, Member of the Audit Committee, Chairman of the Enterprise Risk Management Committee	2,850,000	686,437	3,000,000	1,149,629
	3,536,437		4,149,629	
8. Prof. Piyamitr Sritara, MD Independent Director	1,800,000	566,437	1,569,643	894,37
	2,366,437		2,464,020	
Total	22,700,000	7,278,711	23,089,643	10,962,843
	29,978,711		34,052,486	

Remark : ⁽¹⁾ The Company shall pay bonus for directors twice a year, being divided into performance of the first half of the year that shall be paid in September, and performance of the second half of the year shall be paid in April in the following year. Total amount reported in this year excludes bonus of the second half of the year 2018.

⁽²⁾ Bonus for directors for performance of the first half of the year and performance of the second half of the year

1.2 Remuneration for Executive Directors and Executives

The Company paid remuneration for the executives of the Company as per the following details.

Type of Remuneration	2018		2017	
	Number (Persons)	Amount (Baht)	Number (Persons)	Amount (Baht)
Salary / Wage	6	52,043,106	2	6,800,000
Bonus ⁽¹⁾	6	13,786,423	2	2,649,886
Saving of Provident Fund	6	3,112,655	2	-
Other Incomes	6	6,397,513	2	2,000
Total	6	75,339,697	2	9,451,886

Remark : ⁽¹⁾ The Company shall pay bonus twice a year. The performance of the first half of the year shall be paid in July and performance of the second half of the year shall be paid in January in the following year. Total amount reported in the year includes incomes in January of the following year.

1.3 Other Remuneration (if any)

Non-monetary remuneration is in form of Warrant allocated to the directors and executives of the Company and/or its subsidiaries. In 2013, the General Meeting of Shareholders resolved to approve the sixth issuance and offering for sale of Warrant to the directors and executives of the Company and/or its subsidiaries (PSH-WF) for 11,933,900 units at exercise ratio of one unit per one ordinary share. In 2015, the General Meeting of Shareholders resolved to approve the seventh issuance and offering for sale of Warrant to the directors and executives of the Company and/or its subsidiaries (PSH-WG) for 15,000,000 units at exercise ratio of one unit per one ordinary share. Both batches of Warrant can be exercised for right four times a year from 8.30 hrs. to 15.30 hrs. of the last working day of February, May, August, and November of each year, except the last exercise of right that right can be exercised within expiry date of warrants allocated by the Company to two executives (the executives herein mean the Managing Director or the person(s) holding the position in the first fourth-top executive levels from the President downward, including every person holding the position equivalent to the one holding the position at the fourth executive level, and also including the person holding the managerial level in accounting and finance line in the Division Manager or equivalent). They were allocated for Warrants in total of 306,515 units (PSH-WF for 39,515 units, PSH-WG for 267,000 units), and in 2018, the directors and executives of the Company exercised the right of warrant as follows.

Name	Allocated Warrant (Units)		Warrants Requested for Exercise of Right in 2018 (Units)	
	PSH-WF	PSH-WG	PSH-WF	PSH-WG
1. Mr. Thongma Vijitpongpan	-	-	-	-
2. Mrs. Supattra Paopiamsap	-	-	-	-
3. Miss Trithip Sivakrskul	-	-	-	-
4. Mr. Porntep Supparatarn	39,515	201,600	39,515	-
5. Mr. Udomsak Yamnoon	-	65,400	-	-
6. Mr. Natthaporn Voonklinhom	-	-	-	-
Total	39,515	267,000	39,515	-

2. Personnel

2.1 Number of Employees

On December 31, 2018, there have been just two employees of the Company to operate in part of internal audit and the Company Secretary.

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

As of December 31,	2018	2017
Total Number of Employees (Persons)	2	2

Remark: The Company has utilized key personnel from Prukisa Real Estate Public Company Limited.

2.3 Major Labor Disputes in the Past Three Years

- None-

2.4 Remuneration for Employees

Due to the Company's utilization of key personnel of Prukisa Real Estate Public Company Limited, there has been none of remuneration for employees. However, the Company has established provident fund in 2016 pursuant to Provident Fund Act B.E. 2530 (1987) and has contributed 5 - 10% of the employee's salary into provident fund (by calculating based on service years of each employee). The employees can select to pay their savings into fund in the initial rate of 5% to the highest rate of not exceeding 15% of the employee's salary.

Service Years (counted from employment date)	Saving Rate of Employee Portion	Contribution Rate of the Company Portion
Less than 1 year	5, 6, 7, 8, 10, 12, 15%	5%
From 1 year but not more than 3 years	6, 7, 8, 10, 12, 15%	6%
From 3 years but not more than 5 years	7, 8, 10, 12, 15%	7%
From 5 years but not more than 7 years	8, 10, 12, 15%	8%
From 7 years and more	10, 12, 15%	10%

2.5 Employee Development Policy

The Company's Nomination Committee shall select personnel and execute internal training and deliver the personnel of the Company and its subsidiaries for external trainings in order to develop working competency, and promote the employees to have virtue and ethics in honest working and keep the Company's information as confidential.



Corporate Governance



I. Policy for Corporate Governance and Code of Business Conduct

Pruksa Holding Public Company Limited (“the Company”) registered for establishment as public limited company on March 16, 2016. The Company entered to be listed 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 Corporate Governance Code for Listed Companies Year 2012 of the Stock Exchange of Thailand, Corporate Governance Code for Listed Companies Year 2017 (“CG Code”) issued by the Office of the Securities and Exchange Commission, and the criteria of ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard). The Company is farsighted that the business operation under CG Code is the management system that brings about fairness and transparency and enables to generate return, increase long-term value to the shareholders, create confidence to all parties of stakeholders, and support and promote competitiveness of the Company for growth, leading to sustainable development. However, the Company's clear corporate sustainability management in 2018 included the following.

1. The Board of Directors reviewed and updated 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 Corporate Governance Code for Listed Companies Year 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, Charter of the Board of Directors and Sub-Committees to be up-to-date and consistent with both short-term and long-term operational plan and strategies of the Company.

2. Organized training of Good Corporate Governance, Code of Business Conduct, Pruksa Ethics, and Anti-Corruption, to the existing operating employees, and new entrant employees from employment commencement. All employees must pass training and

pass the examination in such courses, and affix the signatures for acknowledgement, and adhere to strict compliance by counting as if the part of “Work Regulation of the Company”, that indicates Good Governance Code, and transparency of the Company's business operation under concern on shareholders, customers, employees and all parties of the stakeholders.

3. Continuously communicated the employees for acknowledgement and awareness on significance of good governance and anti-corruption via channels, such as Employee Communication (“EC News”), Employee Line, Digital Signage, including collection of data, knowledge and activities relating CG Division via Google Site developed by the Division. The employees can access information via Link, QR Code and Public Relations News.
4. Communicate the issues and problems of corruption and punishment to the employees and executives as case studies both in prevention and deterrence for non-misconduct by the employees against code of conduct.
5. Organize testing of CG Course to create awareness on code of conduct and good governance to the executives and employees at least once a year.
6. Organized the field trip activity for the executives and employees at Anti-Corruption Museum on June 29, 2018.
7. Organized activity for the employees to be the audiences of the special speech's title of “Code of Conduct as the Sustainable Thai Business Foundation” in the event of Outstanding Honorable Certificate of the Thai Chamber of Commerce 2018 “Code of Conduct Contributes to Smartness of Thai businesses”
8. Delivered the Company's representative to attend the event of Anti- Corruption Day 2018 on December 7, 2018.





9. Organized the talk on the project monitoring and supervision, lesson learnt visualizing from complaints and fact investigation, for the project officers, by knowledge lecture, and talk in various topics, for instance, Code of Conduct & Working, Lessons learnt visualizing from Complaints & Investigation, knowledge of construction monitoring and supervision based on drawings applied for permission, summary and recording of wastewater treatment system result, installation of advertising signboard, working scope and duty for risk protection and control (Three Line of Defense).
10. Organized Training Course of Wastewater Treatment System Management so that the employees on duty in the projects and related parties can acquire knowledge of wastewater treatment system management and properly perform as required by laws.
11. Organized Training Course of Fact Investigation and Inquiry Strategy for application of investigation knowledge and technique for highest efficiency of investigation.
12. Organized the talk in Prukso CG Day, and contest of "Prukso..care for virtue and benevolence" achievement on November 29 and 30, 2018 to promote and initiate the concept of virtue and good governance care in working, whereas the directors, executives and employees on duty whether in Head Office, Precast Prukso Factories and Projects were satisfactorily cooperative.



13. Organized Site Visit Activity to provide knowledge in the constructing projects so that the operators of the projects from the level of Foreman Site Engineer and administrator for acknowledgement and proper practice in accordance with good governance, relevant rules and regulations, and laws of the project management.
14. Organized the activity of the shareholder visit at "Prukso Precast Factory" (Nawanakorn), and Plum Condo Chaeng Watthana on July 26, 2018, and Passorn Songprapa Single-Detached House Project on October 12, 2018, to give the shareholders the opportunity to acknowledge the Company's business operation information in accordance with fair, transparent, accountable information disclosure policy under Corporate Governance Code so that the shareholders can be informed of production process and procedure of precast panels and use of precast panels in the projects of the Company to create the confidence of production process and quality of Prukso houses.



15. Joined to sign Memorandum of Understanding of "Cooperation Project in Production and Development of Vocational Education Manpower" with Office of the Vocational Education Commission under the objective of production and development of manpower to have knowledge and expert in construction work. The Company and the Office of the Vocational Education Commission have jointly arranged Dual Vocational Training Curriculum for the students in consistency with the government policy and personnel demand of construction industry 4.0, that allow the students to learn and reinforce on-the-job training experiences at the Company's factories.



16. Publicized No Gift Policy by letter to the entrepreneurs, business partners, brokers, financial institutions, and related agencies, and established X-Stand in the entrance area of the Building, and continuously publicized through Digital Signage Channel and other channels from the end of December 2018 to the mid of January 2019.



17. The Company schedules the annual meeting date of the Board of Directors, Sub-Committees and Annual General Meeting of Shareholders in advance every year, organizes the Board of Directors' Meeting more than six times per year, and delivers meeting documentations to directors at least seven days in advance prior to meeting date. In 2018, the Company organized the Board of Directors' Meeting for eleven meetings in total, and the directors of the whole Board attended the Board of Directors' Meeting more than 80% of total Board of Directors' Meetings organized in previous year. The meeting attendance proportion of each director was not less than 75% of the meetings in the whole year.

Mr. Thongma Vijitpongpun, 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, efficient 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 2018 under the following details.

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

1. Quality Assessment Result for 2018 Annual General Meeting ("AGM") whereas the Company continuously earned full 100 scores of assessment score from Thai Investors Association from 2017 - 2018. (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 The Stock Exchange of Thailand.)
2. "Excellent" Corporate Governance Evaluation Report of Thai Listed Companies 2018 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 the Stock Exchange of Thailand.)

3. SET Sustainability Awards 2018 for two consecutive years whereas in 2018, the Company has been upgraded from Rising Star Type to be Outstanding Type from The Stock Exchange of Thailand
4. Thailand Sustainability Investment (THSI) Award for the third consecutive year from The Stock Exchange of Thailand
5. Recognition Sustainability Report Award 2018 for the third consecutive year from CSR Club, Thai Listed Companies Association, Office of the Securities and Exchange Commission, and Thaipat Institute
6. Outstanding Honorable Certificate Award of Thai Chamber of Commerce 2018 from Anti-Corruption and Code of Conduct Promotion Committee, Thai Chamber of Commerce
7. Being Selected to be in the Group of ESG100 Company 2018 (Environmental, Social and Governance: ESG) for the second consecutive year from Thaipat Institute.
6. PropertyGuru Thailand Property Awards 2018
 - The Reserve Sathorn Project was granted for Best Luxury Condo Development Awards
 - Chapter One Eco Ratchada-Huaykwang" Project was granted for Best Affordable Condo Development Awards
7. International Quality Guarantee Award in the Event of Asia Pacific Property Award 2018 - 2019
 - The Reserve Phahol-Pradipat Project was granted for Residential High - Rise Development Thailand Award. The Project was selected as the representative of Thailand to participate in world stage contest in the event of International Property Awards 2018 - 2019 at London, England
 - Chapter One Eco Ratchada-Huaykwang Project was granted for Development Marketing Thailand and Best Development Marketing Award.

Awards Related to Business Operation of the Company

1. BCI Top 10 Developer Awards 2018 for the eighth consecutive year from BCI ASIA
 - Chapter One Bangpo Project
 - Plum Condo Pinklao Station Project
2. "Excellent" Energy Conservation Building Design Standard Certifying Label Awards from Ministry of Energy
 - Chapter One Eco Ratchada-Huaykwang Project
3. Project Standard Certificate of Property Export Awards Thailand 2018 (PEAT 2018) in Field of Excellent Worthiness High-Rise Condominium
 - Plum Condo Central Station Project
4. ISO 9001 : 2015 Quality Management System Standard Certificate from Management System Certification Institute (MASCI) since 2001 which is the international standard which has been emphasized by the global business organizations whereas the Company has been continuously certified for ISO 9001 Version 2015 Standard until present.
5. BS OHSAS 18001 Occupational Health and Safety Management System Standard Certificate (for High-Rise Construction) from Management System Certification Institute (MASCI) under the goal of abatement and control of hazardous risks of the employees and related parties whereas the Company has been continuously certified for BS OHSAS 18001 Version 2007 Standard until present.
8. World Stage Quality Guarantee Award in the Event of International Property Awards 2018 - 2019 at London, England
 - "Chapter One Eco Ratchada-Huaykwang" Project is the Regional Winner in Best Development Marketing Asia Pacific Award from the project overview, construction quality, internal and external architecture, and project facilities
9. Thailand Tatler in the Field of Best Residential Award from Thailand Tatler Magazine
 - The Reserve 61 Hideaway by Pruksha as the first and single real estate company of Thailand that has been granted for this Award.
10. MAT Award 2018 in Type of Bronze Award in Real Estate and Construction Material Business Category from Marketing Association of Thailand from top marketing campaign of "Pruksha care...for the whole life" having starting point from Brand Purpose that is deeply transmitted to Corporate Culture in care of quality house delivery to customer
11. DGNB First Mover Projects Award in Platinum Field for Sustainable Homes which is the highest standard of the Institute from the Institute that oversees evaluation of green building of Germany, German Sustainable Building Council (DGNB: Deutsche Gesellschaft für Nachhaltiges Bauen e.V.) whereas Pruksha has been one of top five awarded organizations of Thailand due to the application of construction technology and process that contributes to reduction of natural resource consumption, and use of alternative energy for construction of prototype house of "Pruksha Plus House" at The Plant Estique Pattanakarn Project

12. Diamond International Arch of Europe Convention Award (IAE Award) from Business Initiative Directions (B.I.D.)
13. "Drive Award 2018" in Finance Field from MBA Alumni Association, Faculty of Commerce and Accountancy, Chulalongkorn University
14. Excellent Real Estate Project 2018 Award for Baan Prukha Thepharak-Muang Mai Project 2, Passorn Songprapa, and Plum Condo Chaeng Watthana from Research Data and Thai Real Estate Appraisal Center, Agency for Real Estate Affairs Co., Ltd.
15. Honorable Mention Provincial Safety Model Establishment Award in Safety, Occupational Health, and Working Environment for Prukha Precast Factory, Lamlookka from Department of Labour Protection and Welfare
16. ECO Factory 2018 Award for Prukha Precast Factory, Nawanakorn, from Industrial Estate Authority of Thailand and the Federation of Thai Industries
 - Prukha Precast Factory, Nawanakorn
17. Green Industry Certificate for Green System Level 3 for Prukha Precast Factory - Lamlookka, and Prukha Precast Factory - Nawanakorn, from Ministry of Industry

Nevertheless, the content of 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", Employee Communication News ("EC News"), Public Relations Media Box, Digital Signage System, Public Relations 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 "Investor Relations" 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 matters 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, the Corporate Governance Committee, the 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 at 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 employment commencement, and contain Prukha 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 to ensure that the employees have true knowledge, understanding and practical 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 his/her service period with the Company for clearer understanding.

Moreover, Corporate Governance Division of the Company arranged the study of the organizational employees on online lesson and did the test of “Ethics Reinforcement for Working Transparency 2018” Course. The objective of this course is to be the guideline for the directors, executives and employees in all levels to be aware of function with consciousness of functional integrity adherence without corruption or wrongful functional exploitation. 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 public relations channels of the Company as well as collecting related information, knowledge, and activities of CG Division via Google Site prepared by the Division whereas the employees can access the information via Link, QR Code and public relations news.
- (4) Communicate the aspects of corruption problem and punishment to the executives and employees as case studies both in prevention and deterrence for non-misconduct by the employees against code of conduct.

1.2 Corporate Vision, Mission, Culture and Value of the Company

The Board of Directors participates in determining corporate vision, mission, culture, strategy and value of the Company both in short-term and long-term for advancement and trust of the Company and sustainable value creation of the business, under review in every accounting year so that the executives and employees shall have the same direction of goal as acceptable standard of every related party in consistency 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 “Pruksa 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 recruitment of the female director for more diversity of the board structure.

The Board of Directors (as on January 1, 2019) consists of thirteen members including eleven males and two females in the range of 40 - 60 years of age for six persons and in the range of over than 60 years of age for seven persons as follows.

1. Independent director and non-executive director for eight 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 one-third of the entire Board 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. Five executive directors (who participate in management) are as follows.

(3.1) Mr. Thongma Vijitpongpan

(3.2) Mrs. Supattra Paopiamsap

(3.3) Mr. Piya Prayong

(3.4) Mr. Prasert Taedullayasatit

(3.5) 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 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 Duties and Responsibilities 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 interest 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 the 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 2018, 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 the meeting of other special agenda as follows.

Meeting of the Board of Directors (No./Date)	Meeting of the Executive Committee (No./Date)	Meeting of the Audit Committee (No./Date)	Meeting of the Nomination and Remuneration Committee (No./Date)	Meeting of the Enterprise Risk Management Committee (No./Date)	Meeting of the Corporate Governance Committee (No./Date)
1. 18 Jan 2019	1. 16 Jan 2019	1. 17 Jan 2019	1. 18 Jan 2019	1. 17 Jan 2019	1. 24 Jan 2019
2. 21 Feb 2019	2. 13 Feb 2019	2. 18 Feb 2019	2. 21 Feb 2019	2. 20 Mar 2019	2. 18 Apr 2019
3. 21 Mar 2019	3. 13 Mar 2019	3. 13 Mar 2019	3. 21 Mar 2019	3. 10 May 2019	3. 18 Jul 2019
4. 13 May 2019	4. 10 Apr 2019	4. 11 Apr 2019	4. 13 May 2019	4. 24 Jul 2019	4. 31 Oct 2019
5. 13 Jun 2019	5. 22 May 2019	5. 10 May 2019	5. 13 Jun 2019	5. 18 Sep 2019	-
6. 11 Jul 2019	6. 19 Jun 2019	6. 12 Jun 2019	6. 11 Jul 2019	6. 8 Nov 2019	-
7. 9 Aug 2019	7. 10 Jul 2019	7. 10 Jul 2019	7. 19 Sep 2019	-	-
8. 19 Sep 2019	8. 14 Aug 2019	8. 8 Aug 2019	8. 17 Oct 2019	-	-
9. 17 Oct 2019	9. 11 Sep 2019	9. 12 Sep 2019	9. 11 Nov 2019	-	-
10. 11 Nov 2019	10. 16 Oct 2019	10. 10 Oct 2019	10. 19 Dec 2019	-	-
11. 19 Dec 2019	11. 20 Nov 2019	11. 8 Nov 2019	-	-	-
-	12. 11 Dec 2019	12. 12 Dec 2019	-	-	-
Annual General Meeting of Shareholders for 2019 will be held on April 26, 2019.					

Remark: 1. Non-Executive Directors' Meeting will be held on December 19, 2019.

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
- (2) Continual issues from previous meeting
- (3) Issues for consideration/approval
- (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
- (5) Consideration and determination of director's remuneration
- (6) 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 formulated 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 2018, 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 total Board of Directors' Meetings held in last year, and each director attended the Meeting in the proportion of 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 without 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 2018).

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. 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 a 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 2018.)

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 2018,

the Board mutually considered the plan of annual strategic planning for 2019 - 2023 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 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 so that the Board of Directors can have chance to monitor the operating results of the Sub-Committees and Management 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 Pruksa Real Estate-Value Business Group
 - : Report of Pruksa Real Estate-Townhouse Business Group
 - : Report of Pruksa 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, particularly in part related to financial target and plans to be in line with the determined strategies.

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 to share the obligation of the Board of Directors, such as the Enterprise Risk Management Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Executive Committee.

1.9.1 The Audit Committee

The duties of the Audit Committee are to review to ensure the Company's preparation of appropriate and adequate

financial reports, give consent on the change in the significant accounting principles or accounting practice, have proper and effective internal control and internal audit system, and consideration on the independence of Internal Audit Division, as well as give consent on consideration on the appointment, removal and dismissal of the Head of Internal Audit Division 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 remuneration of the auditor shall be considered. In addition, the Charter shall be reviewed 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 The Enterprise Risk Management Committee

The duties of the 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 The 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, Deputy Group Chief Executive Officer, Chief Executive 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 The 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 code of conduct and best 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 The 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 efficient 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 the Audit Committee, Charter of the Enterprise Risk Management Committee, Charter of the Nomination and Remuneration Committee, Charter of the Corporate Governance Committee, and Charter of the Executive Committee. The content in the Charter shall be classified into different sections, 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.

Moreover, the review and update shall be scheduled for at least once a year to cover the changing aspects. In last 2018, the Board of Directors considered and reviewed the adoption of Corporate Governance Code for Listed Companies 2017 as guideline to be consistent with the guideline of the Company's business operation, as well as updated the Charter of the Board of Directors and Sub-Committees, to be consistent with the said Corporate Governance Code.

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

- (1) The orientation of every newly appointed director has been determined by the Company under objective that the newly appointed director shall have knowledge and understanding on the business information of the Company, and roles and responsibilities of the director in accordance with laws and international standard criteria of good corporate governance, for preparedness of the director to function, and support efficient 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 projects.

(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 of Pruksha Real Estate-Value Business Group, Chief Executive Officer of Pruksha Real Estate-Townhouse Business Group, and Chief Executive Officer of Pruksha Real Estate-Premium Business Group, etc.

In last 2018, the Company elected one new entrant director that is Mrs. Surattana Jeeracheeweeekul.

Moreover, the Board of Directors also establishes 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, The Stock Exchange of Thailand, Office of the Securities and Exchange Commission, and other courses organized by government and private agencies, as well as field study and visit such as the construction project of the Company at the projects, field study and visit at Precast Factory. 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 efficiently perform duties and govern the Company's business.

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

No.	Name	Position	Training/Seminar Courses	Institution
1	Dr. Pisit Leeahtam	Chairman of the Board / Member of the Nomination and Remuneration Committee / Independent Director	1. Corporate Governance for Capital Market Intermediaries - CGI, Class 2/2014 2. Director Certification Program - DCP, Class 18/2002	Thai Institute of Directors
2	Mr. Thongma Vijitpongpan	Authorized Signatory Director / Executive Vice Chairman of the Board of Directors / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee / Group Chief Executive Officer	1. Director Certification Program - DCP, Class 50/2014 2. Finance for Non-Finance Directors - FND, Class 5/2013	Thai Institute of Directors
3	Dr. Piyasvasti Amranand	Independent Director / Chairman of the Audit Committee	Director Accreditation Program - DAP, Class 35/2005	Thai Institute of Directors
4	Mr. Adul Chandanachulaka	Independent Director / Member of the Audit Committee / Member of the Corporate Governance	1. Role of the Compensation Committee - RCC, Class 3/2007 2. Audit Committee Program - ACP, Class 7/2005 3. Director Accreditation Program - DAP, Class 5/2003	Thai Institute of Directors
5	Mr. Weerachai Ngamdeevilaisak	Independent Director / Member of the Audit Committee / Member of the Enterprise Risk Management Committee / Chairman of the Nomination and Remuneration Committee	1. Chartered Director Class - CDC, Class 8/2014 2. Successful Formulation & Execution of Strategy, Class 4/2009 3. Role of the Compensation Committee - RCC, Class 3/2007 4. Finance for Non-Finance Director - FND, Class 1/2001 5. Director Certification Program - DCP, Class 0/2000	Thai Institute of Directors

No.	Name	Position	Training/Seminar Courses	Institution
6	Dr. Anusorn Sangnimnuan	Independent Director / Chairman of the Corporate Governance Committee / Member of the Nomination and Remuneration Committee	1. DCP Refresher Course - Re DCP 1/2008 2. Director Certification Program - DCP, Class 62/2005 3. Director Accredited Program - DAP, Class 40/2005 4. Finance for Non-Finance Directors - FND 22/2005 5. Academic Degree of National Defence College, The Joint State - Private Sector Course 6. Certificate of Top Executive Course, Class 10 7. Diploma Course in Public Administration and Public Limited Companies Law, Class 5 8. Course of Corporate Governance for Director and Top Executive of State Enterprise and Public Organization, Class 1	1. Thai Institute of Directors 2. Thai Institute of Directors 3. Thai Institute of Directors 4. Thai Institute of Directors 5. National Defence College of Thailand (NDC 20) 6. Capital Market Academy, The Stock Exchange of Thailand (CMA 10) 7. King Prajadhipok's Institute (KPI 5) 8. Public Director Institute (PDI)
7	Dr. Prasarn Trairatvorakul	Independent Director / Member of the Audit Committee / Chairman of the Enterprise Risk Management Committee	1. Board Nomination and Compensation Program - BNCP 5/2018 2. Ethical Leadership Program - ELP 2/2015 3. Directors Certification Program - DCP, Class 21/2002 4. Role of the Chairman Program - RCP, Class 2/2001	1. Thai Institute of Directors 2. Thai Institute of Directors 3. Thai Institute of Directors 4. Thai Institute of Directors

No.	Name	Position	Training/Seminar Courses	Institution
			5. Role of the Board of Directors of Listed Companies in Abatement of Corporate Risk in Cyber Threat, Challenge and Solution 6. National Defence College, The Joint State - Private Sector (PorRorOr.) Course, Class 15 7. Senior Executive Program in Energy Science (TEA), Class 9	5. Office of the Securities and Exchange Commission 6. National Defence College of Thailand 7. Thai Energy Academy
8	Prof. Piyamitr Sritara, MD	Independent Director	Director Certification Program - DCP, Class 244/2017	Thai Institute of Directors
9	Mr. Wichian Mektrakarn	Director / Executive Director / Member of the Nomination and Remuneration Committee	1. Ethical Leadership Program - ELP 12/2018 2. Role of the Chairman Program - RCP, Class 40/2017 3. Board that Make a Difference - BMD, Class 3/2016 4. Director Certification Program - DCP, Class 107/2008 5. Advanced Technical in Microwave 6. Mini MBA for Shinawatra Executives 7. Advanced Executive Program 8. Certificate of "Senior Executive" Course, Class 8 (CMA 8) 9. Politics and Government in Democracy for Senior Management Course, Class 17	1. Thai Institute of Directors 2. Thai Institute of Directors 3. Thai Institute of Directors 4. Thai Institute of Directors 5. California State University-Northridge 6. Chulalongkorn University 7. Kellogg School of Management, Northwestern University, USA 8. Capital Market Academy, The Stock Exchange of Thailand 9. King Prajadhipok's Institute (PorPorRor. 17)
10	Mrs. Rattana Promsawad	Authorized Signatory Director / Member of the Corporate Governance Committee	Director Certification Program - DCP, Class 52/2004	Thai Institute of Directors

No.	Name	Position	Training/Seminar Courses	Institution
11	Mrs. Supattra Paopiamsap	Authorized Signatory Director /Executive Director / Deputy Group Chief Executive Officer	Director Certification Program - DCP 264/2018	Thai Institute of Directors
12	Mr. Piya Prayong	Authorized Signatory Director /Executive Director / Member of the Enterprise Risk Management Committee	1. Risk Management Program For Corporate Leader - RCL, Class 8/2017 2. Director Certification Program - DCP, Class 59/2005 3. Senior Executive Course (CMA, Class 25/2017)	1. Thai Institute of Directors 2. Thai Institute of Directors 3. Capital Market Academy
13	Mr. Prasert Taedullayasatit	Authorized Signatory Director /Executive Director / Member of the Enterprise Risk Management Committee	1. Director Certification Program - DCP, Class 56/2005 2. Director Accreditation Program - DAP, Class 1/2003 3. Advanced Security Management Course, Class 8 4. Senior Executive Course, Class 21 5. Top Executive in Urban Development Management Course (Mahanakorn, Class 3) 6. Advanced Certificate Course in Public Economics Management for Top Executives, Class 5/2006 7. Real Estate Executive Course, Class 10 (RECU 10) 8. Diploma, The National Defence Course Class 61	1. Thai Institute of Directors 2. Thai Institute of Directors 3. The Association of National Defence College of Thailand Under The Royal Patronage of His Majesty the King 4. Capital Market Academy 5. Institute of Metropolitan Development, Navamindradhiraj University 6. King Prajadhipok's Institute 7. Faculty of Architecture, Chulalongkorn University 8. The National Defence College (NDC)

Record of Course Training Attendance or Seminar Activity Participation by the Board of Directors in 2018

In last 2018, three directors of the Company attended the course trainings or participated in seminar activities to accumulate operating knowledge as follows.

Name	Position	Training/Seminar Courses	Institution
1. Dr. Prasarn Trairatvorakul	Independent Director / Member of the Audit Committee / Chairman of the Enterprise Risk Management Committee	Board Nomination and Compensation Program - BNCP 5/2018	Thai Institute of Directors
2. Mr. Wichian Mektrakarn	Director / Executive Director, and Member of the Nomination and Remuneration Committee	Ethical Leadership Program - ELP 12/2018	Thai Institute of Directors
3. Mrs. Supattra Paopiamsap	Authorized Signatory Director / Executive Director / Deputy Group Chief Executive Officer	Director Certification Program - DCP 264/2018	Thai Institute of Directors

1.13 Training of Courses Related to Director Function

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

- (1) Director Certification Program (DCP) for 11 persons
- (2) Director Accreditation Program (DAP) for 4 persons
- (3) Audit Committee Program (ACP) for 1 person
- (4) Role of the Compensation Committee (RCC) for 2 persons
- (5) Board Nomination and Compensation Program (BNCP) for 1 person
- (6) Successful Formulation & Execution of Strategy for 1 person
- (7) Finance for Non-Finance Directors (FND) for 3 persons
- (8) Ethical Leadership Program (ELP) for 2 persons
- (9) Chartered Director Class (CDC) for 1 person
- (10) Corporate Governance for Capital Market Intermediaries (CGI) for 1 person
- (11) The Role of Chairman (RCP) for 2 persons
- (12) Board that Make a Difference (BMD) for 1 person
- (13) Risk Management Program for Corporate Leader (RCL) for 1 person

- (14) Role of the Board of Directors of the Listed Company in Corporate Risk Abatement in Cyber Threat, Challenge and Solution 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 Treadway Commission) is applied for improvement and development together with framework and guideline of Enterprise 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 extensively companywide 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 all early warning sign and abnormal systems. The Board of Directors or the Audit Committee remarked 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 remarked the opinion towards 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 the Audit Committee”).

1.17 Guideline of the Company’s Key Risk Management

The duty of the Company’s 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 Meeting of the Enterprise Risk Management Committee, 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 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 Division

The Company established Compliance Division 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 related parties.

- (2) To arrange the structure and process of the 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 Division

The Board of Directors has established Internal Audit Division whereas Mr. Premsak Wallikul, holding the position of the Secretary of the Audit Committee as Head of Internal Audit (For more details, see Section “The Board & Management Profile”). For working independence of the internal audit division to ensure efficient and independent function, 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, 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 2018, and Section “Report of the 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 related parties both in business organization level and in personnel level of the Company, and determining the policy and guideline of best 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 be in conflict with interest and direct function.
- (3) The employee shall not be a partner or shareholder with decision making power or an executive in the business with the competitive or same nature of the

business as the Company's business. However, in case that 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 interest or cause conflict of business with the Company, he/she shall notify his/her superior 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/herself and time to the Company's business. In case of necessity to perform other task for earning more income 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 maximize 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).

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 laws, objectives, 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 operation 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, as well as review for consistency with the changing situation.
- (3) To consider the approval of the business policies as well as visions, missions, targets, operational plans, business strategies and annual budgets of the Company and its subsidiaries; and monitor and supervise the Management's management and administration to be efficient 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 on 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 Board, as well as relevant Notification, 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 Board as well as Notification of Regulation and/or Rule of the Stock Exchange of Thailand.
 - (10) To consider appointment or alteration of the executive director by selecting from the director or executive of the Company or the outsider; and determine scope of powers, duties and responsibilities of the executive director.
 - (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/or give consent on appointment of the top executives of the Company and its subsidiaries, and determine the scope of powers, duties and responsibilities of Group Chief Executive Officer.
 - (14) 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.
 - (15) To appoint any other person to operate the Company's business under control of the Board of Directors or may authorize the said person to 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 allows the said Executive Committee, Group Chief Executive Officer and Sub-Committees to 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.
 - (16) To consider determination of the organization structure and management structure.
 - (17) To consider appointment of the Company Secretary, and determination of the scope of duties and responsibilities of the Company Secretary.
 - (18) 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.
 - (19) To execute in order to ensure that the Company and its subsidiaries shall have appropriate and efficient accounting system, reliable financial reporting and adequate and appropriate internal control system and internal audit system in accordance with the accepted standard, and filing system whereas the information accuracy can be verified later.
 - (20) To consider approval of risk management policy to be extensively companywide, and govern to have risk management process to reduce impact on the business of the Company and its subsidiaries appropriately.
 - (21) 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 Board and/or the relevant Notification, Regulation and/or Rule of the Stock Exchange of Thailand.

- (22) 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 Board 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.
- (23) 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.
- (24) To completely, properly and duly disseminate and disclose the appropriate information to the stakeholder, the person with conflict of interests and the related parties.
- (25) To request for professional opinion from external organization if it is necessary to support the appropriate decision making.
- (26) To govern the subsidiaries as if a unit of the Company and control the subsidiaries to strictly comply with the regulation of the subsidiaries.
- (27) To determine the framework of information technology management policy and information system security system measure in accordance with the accepted industrial standards, and monitor, review and update to be consistent and appropriate for information technology risk.
- (28) To promote appropriate creation and application of innovation and technology for business operation, efficient resource consumption, and mutual benefits for the Company's business, customers, business partners, related parties, society and environment.

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 utilize the result in 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 year, the Company Secretary Section and Sub-Committee's Secretary Section of Sub-Committees such as the Audit Committee, the Enterprise Risk Management Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee and the Executive Committee, shall deliver Performance Appraisal Form for the Board of Directors (the whole Board and individual person) and Sub-Committees to appraise annual performance.
- 2. After each member of the Board of Directors (the whole Board and individual person) and of 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 person) and of 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 person) and Sub-Committees to be part of remuneration payment for the directors/committee members of the Company.

Criteria of Performance Appraisal

- (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 Topics of Performance Appraisal for the Board of Directors (the Whole Board and Individual Person) and Sub-Committees consist of the following:

- Structure and qualification of the Board of Directors
- Roles/duties and responsibilities of the Board of Directors
- The Board of Directors' Meeting
- Self-development of the directors and executives
- Communication and coordination between Sub-Committees and the Board of Directors
- Function 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 2018 at 90.30% and was in Very Good-Excellent criteria.
2. The Board of Directors (individual person) earned the score of appraisal result in 2018 at 89.96% and was in Very Good-Excellent criteria.
3. The Executive Committee earned the score of appraisal result in 2018 at 91.39% and was in Very Good Excellent criteria.
4. The Audit Committee earned the score of appraisal result in 2018 at 98.16% and was in Very Good-Excellent criteria.
5. The Enterprise Risk Management Committee earned the score of appraisal result in 2018 at 89.76% and was in Very Good-Excellent criteria.

6. The Nomination and Remuneration Committee earned the score of appraisal result in 2018 at 89.00% and was in Very Good-Excellent criteria.

7. The Corporate Governance Committee earned the score of appraisal result in 2018 at 99.52% and was in Very Good-Excellent criteria.

1.24 Preparation of Development Plan for the Board of Directors

The directors are continuously trained and developed at the incurred expense of the Company in order to support the directors to efficiently function and govern the Company. The Company shall survey the training need from each director so that the result shall be used in preparing training and knowledge development program to be suitable for the need of each person. Various forms of such program may consist of internal and external study training, visiting of the Group of Companies' businesses, knowledge sharing among the directors or among the directors and executives, 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 Pruksha 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) The Nomination and Remuneration Committee shall appraise the performance of Group Chief Executive Officer 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 six persons equaling to 75,339,697 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 (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 such as Warrant (ESOP), and Employee Joint Investment Program (EJIP) (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 two non-executive directors (independent director) with the Company's business-related working experience (real estate development business and hospital business) have 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 the Office of Securities and Exchange Commission and the Stock Exchange of Thailand

The policy of the Board of Directors is to properly operate the business in accordance with laws, articles of association of the Company, 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

The Company's transparent criteria and policy for selection of director and top executive in case where the director and the top executive of the Company are vacant, 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 for 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.

In 2018, the 2018 Annual Generating Meeting of Shareholders held on April 27, 2018, resolved to appoint **Mrs. Supattra Paopiamsap** as the new entrant director of the Company since her knowledge, competency and experiences in marketing can considerably support the Company's works.

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

1.35 Remuneration for Directors and Executives

The Company defines 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, gratuity of the director (bonus), 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 determines 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 which are useful for the Company's operation whether being related to the Company's business, such as management strategy, investment in other businesses to generate the Company's revenues, and sustainable growth guideline, or other interested issues. In last 2018, a Meeting of Non-Executive Directors was held on November 12, 2018.

1.37 Director in Juristic Person or other divisions by top executive

The top executive of the Company shall not hold the director office in juristic person or other agencies which are non-business group, unless approval from the Nomination and Remuneration Committee in case by case.

1.38 Director Office Holding in Listed Company by the Director

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 suggestions 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), and details of the 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 Operational Governance of subsidiaries and associated companies

The Board of Directors of the Company which is the Holding Company, governs the operation of the subsidiaries and associated companies to maintain the Company's interests as follows.

- (1) Deliver the person approved by the Board of Directors to be the Company's representative to hold the director or executive office in its subsidiary and associated company in the shareholding proportion.
- (2) Monitor and supervise through the representative director and executive, and policy established by the parent company.
- (3) Consider the significant issues such as strategy, business plan, capital increase, capital decrease, dissolution of the company, and significant policies.
- (4) Determine the presentation of quarterly overall operation of the subsidiaries and associated companies for acknowledgement of the Board of Directors in the Board of Directors' Meeting, and monitor overall operation by the Management, Executive Committee and the Board of Directors.
- (5) Supervise the subsidiaries and associated companies to comply with the relevant rules of the governing agencies, such as performing related party transaction, acquisition and disposition of assets, adequate and timely disclosure of information; and supervise to ensure the proper preparation of accounting and financial report in accordance with the prescribed relevant laws and Generally Accepted Accounting Standards.
- (6) Promote the subsidiaries and associated companies to apply the Principle of Good Corporate Governance.

- (7) Audit by Internal Audit Division to ensure that the determined internal control system is adequately appropriate and circumspect.

Major Shareholder Agreement

The Company has not entered into any agreements between the Company, and major shareholders, or other shareholders in managing the Company and its subsidiaries.

1.44 Appointment of Company Secretary

The Board of Directors has appointed Mr. Paisarl Rampan to hold Company Secretary Office. The said Company Secretary possesses direct educational background in law and performs the duty in giving advice on laws and rules required for acknowledgement by the Board of Directors, supporting the maximum efficient function of the Board of Directors for the Company, shareholders and all related parties, and overseeing 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 seminar, field trip, and training and seminar, etc., and coordinating 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 & 2018

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

- (1) Mr. Paisarl Rampun
Pruksa Holding Public Company Limited
No. 1177, Pearl Bangkok Building, 24th Floor,
Phaholyothin Road, Phayathai Sub-district,
Phayathai District, Bangkok 10800
- (2) Tel. 02-0801739 Ext. 48010 / Fax. 02-0801700
- (3) E-mail : paisarl_r@pruksa.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 The Stock Exchange of Thailand on December 1, 2016 under its commitment to business operation with honesty and transparency and without involvement in corruption.

The Company's policy is to conduct campaign to ensure anti-corruption of the employees and executives 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 perform complaint/whistleblowing/justice request.

The Company is farsighted that the employees take part in helping driving the organization, the complaining/whistleblowing employee who can prove shall be therefore 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 commitment 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 2018, the Board of Directors, executives and employees did not commit the breach of fraud or breach of ethics (penalty) or any acts that violated 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 profit and 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 creating obstacle in giving shareholder the opportunity to enable to intercommunicate. 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 establishes 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 the Executive Committee, the Audit Committee, the Enterprise Risk Management Committee, the Nomination and Remuneration Committee, and the 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 that are institutional investors to attend the Shareholders' Meeting of the Company. The Company's policy is as follows:

- (1) Not 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 2018, the Company held the Annual General Meeting of Shareholders on Friday April 27th, 2018 at 10.00 hrs. at Chattra Ballroom 2-3, 2th Floor, Siam Kempinski Hotel, Address No. 991/9, Rama I Road, Pathum Wan Sub-district, Pathum Wan District, Bangkok. 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

to facilitate 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 in consistency 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 in order 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 2018, the Company's proportion of free float shares has been 28.42%.

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

The Company establishes 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 2018 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 September 5, 2017 to December 31, 2018; and announced to the Stock Exchange of Thailand and disseminated 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 remain delivering queries to the Company before the meeting date, the Company is ready for hearing 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 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 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 allow the 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.

Moreover, the Company facilitates the interested shareholders who are unable to attend the meeting by arranging video broadcast of the Meeting via internet (Live via YouTube) to publicize to the shareholders and investors who are absent for the Meeting so that they can follow up the Meeting for transparency of vote counting in the Meeting and transparently and properly supervise the shareholders in accordance with laws and regulations of the Company.

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 acts as the Chairman of 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
	2018 (Annual General) Meeting of Shareholders
1. Dr. Pisit Leeahtam	1/1
2. Mr. Thongma Vijitpongpun	1/1
3. Mr. Weerachai Ngamdeevilaisak	1/1
4. Mr. Abdul Chandanachulaka	1/1
5. Dr. Piyasvasti Amranand	1/1
6. Dr. Prasarn Trairatvorakul	1/1
7. Dr. Anusorn Sangnimnuan	1/1
8. Prof. Piyamitr Sritara, MD	1/1
9. Mr. Wichian Mektrakarn	1/1
10. Mr. Piya Prayong	1/1
11. Mr. Prasert Taedullayasatit	1/1
12. Mrs. Rattana Promsawad	1/1
13. Mrs. Supattra Paopiamsap*	1/1

Remark: * Mrs. Supattra Paopiamsap has been appointed as the director and effective since April 27, 2018.

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 the 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 a 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 perform another casting 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 resolutions 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 latest 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 ratio 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 General Meeting of Shareholders shall appoint and determine remuneration for the Company's auditor. The Audit Committee shall consider and select the auditor and determine audit fee, and propose to the Board of Directors for proposing to the General Meeting of Shareholders to consider approving the appointment and determination of audit fee. Nevertheless, the Company establishes the policy for auditor selection by allowing the leading audit firm to render international service in offering auditing work to the Audit Committee for consideration and selection, and

arrange the circulation of the auditor to be consistent with the Notification of the Capital Market Supervisory Board. It is to say that if the existing auditor performs duty in reviewing or auditing, and expressing opinions towards the Company's financial statements for five consecutive accounting years.

Nevertheless, the Company which is the audit firm and auditor shall be independent and have none of any relationship or gain and loss with the Company, subsidiaries, executives, major shareholders or related parties with such person.

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 both direct and indirect disadvantageous act 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 2018, 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 September 5, 2017 to December 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/evidence 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 (seven) 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 (twenty one) days in advance prior to the Shareholders' Meeting to allow the shareholders have period of time 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 2018, the Company delivered Meeting Invitation Letter together with meeting documentation both in Thai language and English language (unabridged edition) to the shareholders 22 (twenty two) days in advance. The Company delivered Meeting Invitation Letter together with meeting documentation on April 5, 2018 and held Annual General Meeting of Shareholders on April 27, 2018.

The Company shall publicize the appointment of the Shareholders' Meeting in any issue of Thai daily newspaper not less than 3 (three) days and disseminate in the Company's website at www.psh.co.th both in Thai and English languages (unabridged edition) at least 30 (thirty) days in advance prior to meeting date. The Company disseminated on March 27, 2018 and held the Annual General Meeting of Shareholders on April 27, 2018 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 2018, 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 Prevention 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 November 29 - 30, 2018 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 is 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 holding of the Company's securities within 30 (thirty) days from the appointed date, report the change in securities holding every time of purchase, sale, transfer or transfer acceptance of securities within 3 (three) working days, and regularly report the Board of Directors for acknowledgement on a quarterly basis. The Company formulates as strict policy in the matter of prohibiting the director and executive of the Company to purchase and sell shares using inside information. In last 2018, 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 Entering

In case where the connected transaction is entered 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 entering into transaction, the Company formulates the policy for disclosure of information about name and relationship of the connected person, detail and reason of entering into transaction, 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 2018, 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 entered into connected transactions in the nature that may have conflict of interests. Upon consideration on the level of transaction entering either being revenue or expense, it will be below 25 (twenty five) percent without exception. In addition, the Company did not breach the Criteria of Asset Purchase and Sale at all.

3.6 Connected Transaction Entering in 2018

In last 2018, the Company entered into four transactions with connected parties (For more details, see Section "Related Party Transactions").

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

In last 2018, the Company did not purchase and sell asset in term 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 (one) 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 (Sustainability Report) under the framework of Global Reporting Initiative (GRI) in 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 reports of the Company's actual 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.

Reinforcement of Good Shareholder Relationship

In 2018, the Company organized shareholder visit activity at "Pruksa Precast Factory" (Nawanakorn) and Plum Condo Chaengwattana Project on July 26, 2018, and Passorn Songprapa Single-Detached House Project on October 12, 2018, in order to give the shareholders the opportunity to acknowledge business operation information of the Company in accordance with fair, transparent and verifiable information disclosure policy under Corporate Governance Code. In addition, the shareholders can be informed of production process of precast panels and use of precast panels in the Company's projects to create confidence in production process and quality of Pruksa houses.

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, the consideration shall be taken 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 and maintaining working environment to be 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 the employee's 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/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 information 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 Resource Division 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 agencies 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 endless development and extension. The learning center or Website of Pruksha Academy is established by the Company with objective to upgrade the employee's 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 self-development so that they can be responsible for higher roles and duties.

In last 2018, 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 19 hours per person in average, classifying into female employees for 20 hours per person in average and male employees for 18 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	<ol style="list-style-type: none"> Orientation of new employee by teaching on: <ul style="list-style-type: none"> Introduction of organization, executives and Pruksha Business Knowledge, Leadership, employee welfare Good Corporate Governance, Anti-Corruption Pruksha Ethic, Code of Business Conduct Anti-Corruption Performance Assessment System CSR Application of ESS and MSS System Corporate IT System Work Safety for General Construction
2. Existing Operating Employee	Career Group-Based Subject Category	<ol style="list-style-type: none"> Personality Development for Standard Improvement of Salesperson (Personality for Success) Well-Being Brain for Positive Thinking Life (Mindset) Consultative Selling Skill (Tele-Prospecting & Face to Face) Market insight, market trend REM concept, pre-cast system, FAQ Construction Innovation

Type of Employee	Subject Category	Title of Course
2. Existing Operating Employee	Career Group-Based Subject Category	7. House Inspection and Acceptance, Ownership Transfer, After Sales Service, Juristic Person Establishment, and Law Relating to Basic Project Development 8. Knowledge of OCPB and Selling Work for Compliant Abatement 9. Feng Shui for House Selling 10. Real Estate Investment 11. Effective Sales Management Technique 12. System Module-Based CRM System 13. Application of VQ App. and CRM System 14. Positive Thinking Minded Service, and Complaint Countermeasure 15. Digital in Action 16. BIM02 - BIM/REVIT Architect for Beginner (BIM/REVIT AR for Beginner) 17. BIM02A - BIM/REVIT Architect and Application Software for User (BIM/REVIT AR in Practice) 18. BIM03 - BIM/REVIT Structure for Beginner (BIM/REVIT ST for Beginner) 19. BIM10 Introduction to BIM/REVIT and Navisworks 20. BIM20 Introduction to Revit Plug-in Development 21. Top10 Defects : Corrective Method for 10 Defects for TH, SDH, Condo 22. Construction Planning & Tracking 23. Product & Service (Job Role) 24. Business Intelligence (BI) Report 25. CIA Review: Past 1 (Internal Audit Basics) 26. Daily Management 27. Daily Management for Coaching 28. GEN02 - Virtual Image Retouch with Software Lumions 29. Pruksa Innovation Technology for Sale Team 30. Pruksa Professional Sales Training Course 31. Strategy of Fact Investigation and Inquiry 32. Process for Receiving Complaint and Customer Problem Notification, and Application of CS System 33. Pool Construction

Type of Employee	Subject Category	Title of Course
	Leadership Development Subject Category	<ol style="list-style-type: none"> 1. Pruksa Leadership Development Program 1 is the development course for Manager and Vice President-level executives under the topics of Breeding Pruksa Value, Influence People, Building Teamwork, Developing Talent and Problem Solving & Decision Making, as topics of Leadership Competency of the Company 2. Pruksa Leadership Development Program 2 is the development course for Manager and Vice President level executives under the topics of Entrepreneurship Mindset, Strategic Planning, Creative & Innovative Thinking, Leading Change and Integration, as topics of Leadership Competency of the Company 3. Change Agent
	Quality and Safety Subject Category	<ol style="list-style-type: none"> 1. Understanding & Transition from ISO9001 to ISO Version 2015 2. Basic Fire Extinguishment Training 3. Executive Level Safety Officer 4. Supervisor Level Safety Officer 5. Technique Level Safety Officer 6. First Aid (CPR) 7. Signal Man for Crane Operator, Controller and Mobile Rigger 8. Strengthening Partnership for Precast Construction Contractors 9. Inspection and Certification of Electric System Safety according to Law
	Personal Development & Management Subject Category	<ol style="list-style-type: none"> 1. Real Estate Development Knowledge (Mini MRE) for 96 Hours 2. Time Management 3. Presentation Essentials for Directing to the Point of Audience 4. Complete Integration of Savings 5. Train the trainer 6. Engagement Workshop 7. Performance Management & Coaching & Feedback 8. The First Time Management for New Supervisor 9. Law and How to Sell to Prevent Complaint or Legal Proceedings 10. Step towards Professional Mentoring

Type of Employee	Subject Category	Title of Course
	Information Technology Category	<ol style="list-style-type: none"> 1. MS Excel 2016 - Intermediate Level 2. MS Excel 2016 for Data Analysis 3. Application of Power Point Program for Work Presentation 4. Bank Matching & Online Approval 5. Application of Ariba System 6. Property Management System

(For more details, see "Sustainability 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 informed of related news according to reasonable occasion as much as possible.

2.6 The Company shall give its employees the opportunity to have communication, suggestion and complaint channel 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 their 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 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 the way of Pruksha Holding can be recruited since the Company believes that these things will cause success in the previous period of more than 20 years.
- (3) Training system according to annual training plan under the training courses consisting of both theory and field practice, culture building and systematic coaching by the supervisor, new employee mentoring program, development of work assignment form that the employee can perform field practice, and availability of operating framework 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. In 2018, the Company screened the person who will replace in the position of upper management level under specified plan.

- (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 in order to build motivation of self-development, and appropriate and efficient planning/determination of career growth. The strength and point which must be developed by the employee shall be considered and taken to determine 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 takes place 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 efficient 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, or 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 to be 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 agencies, 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 on 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 of each person which is violated.

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 efficient communication or complaint channels about the quality of products and services round the clock via www.psh.co.th and Pruksa Contact Center 1739.
- (4) 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 dishonest 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 in case where the 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.

Business Partner Search, Purchasing, Procurement and Treatment

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 term of payment.

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 counter 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 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 Conduct in Operation 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 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 employeee.
- : The business partner shall not employ child labor with age below criteria as required by law, and shall protect the labor as required by law in all respects.
- : The business partner shall properly, fairly, and 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 longer time than the requirement of law. If overtime is necessary, 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 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.

Business Partner Development

For delivery of quality products and services to customers, the Company has contacted to request for collaboration from the specialists for workforce training to the contractors, consisting of paint work, waterpipe work, ceiling work, aluminum installation work, etc. so that its workforce can have knowledge and understanding in working process, resulting in improved working standard of workforce, and reduction of occurred defect quantity. In 2017 - 2018, total number of trained workforce was 1,413 persons.

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) Chairman of the Audit Committee
 - (3) Group Chief Executive Officer
- : **By post**
Corporate Communication Department
 Pruksa Holding Public Company Limited
 Pearl Bangkok Building, 24th Floor, No. 1177,
 Phaholyothin Road, Phayathai Sub-district,
 Phayathai District, 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, Phayathai Sub-district,
 Phayathai District, Bangkok 10400
- : **By phone:** 1739
- : **By website:** www.psh.co.th Topic "Complaint, Whistleblowing, Fairness Request and Anti-Corruption)
- : **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 Baht 30,000 (Thirty Thousand Baht) per case together with a Certificate of Merit from 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 on 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 for non-default of debt payment, and strict compliance with the specified creditor's condition as follows.

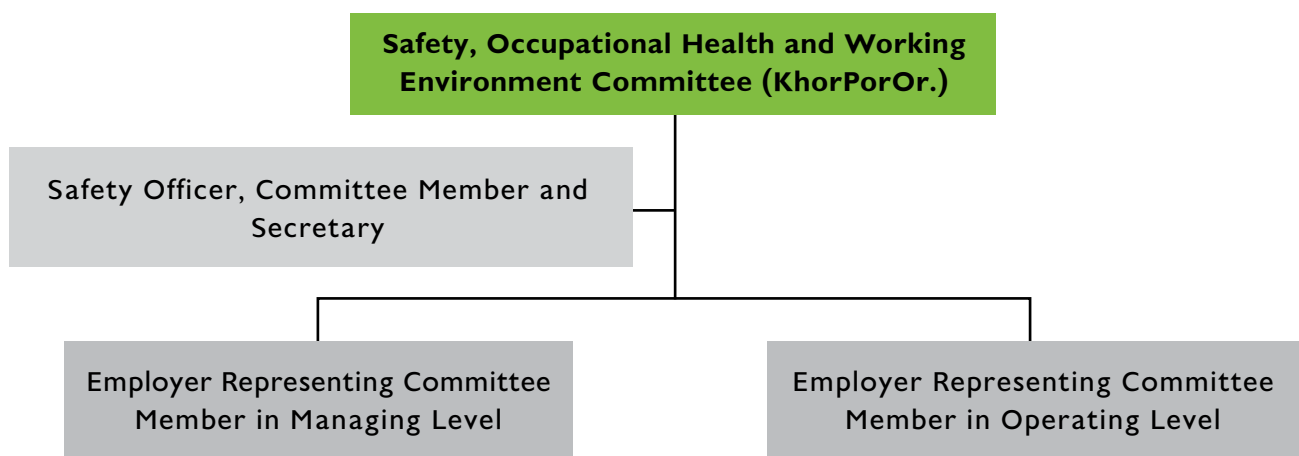
- (1) To duly pay back debt to the creditor according to specified condition without default of debt payment.
- (2) In repaying debt, loan, interest and responsibility in security or guarantee, the Company shall strictly adhere to the agreed contract or conditions.
- (3) Upon important circumstance that may significantly affect financial position, the Company shall manage capital by notifying the creditor for mutual finding preventive or corrective method in order to avoid damage.
- (4) To strictly comply with the conditions specified by the creditor.
- (7) To prevent accident and control the operation as well as control the emission of waste to be within the criteria of standard value.
- (8) To rapidly and efficiently 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.

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 for promoting 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 for sustainable growth creation by applying the Company's specialization to create sustainable economic value for the organization and society and observing as the organizational 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 through 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.
- Besides implementation of CSR In Process, the Company has also implemented CSR After Process to mutually create 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 Scholarship
 - Seedling Scholarship
 - Pruksa Innovation Learning Center
 - 2B-KMUT : Civil Camp Promotion
 - Thai Youth Cooperation and Development toward Construction Industry 4.0 Era Project in Collaboration with Office of the Vocational Education Commission
 - Pearl Bangkok Building area support for exhibition of the student's architectural achievements
 - Participation of top executive to be the guest speaker to disseminate knowledge of real estate business operation to educational institutions and business organizations.
 2. Virtue and Ethics
 - Pruksa Full of Happiness and Delight from Benefaction Project
 - Dharma...Creates Happiness Project
 3. Society and Environment
 - Pruksa Volunteer Mind in Blood Donation Project
 - Job Creation and Career Creation for People with Disabilities Project
 - Community Goods Support for Sustainable Income Generation Project
 - 60+ Earth Hour 2018 Project
 - Pruksa Community Care Project : Solar System and Solar Cell Paddle Wheel for Community
 - Pruksa Reforestation in People's Heart under the King's Philosophy

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 standards) so that the reporting shall cover economy, society and environment to promote concrete and clear sustainable development that meets sustainable development target (For more details, see Section “Social Responsibility” and in “Sustainability Report” in Section “Participation in Sustainable Community and Social Development”).

Safety, Hygiene and Environment : The Company established Safety, Occupational Health and Working Environment Committee (KhorPorOr.) derived from appointment (managing level) from election of the organizational members (operating level) in total of 25 persons to efficiently implement safety, occupational health, and working environment under below details.



Roles, Duties and Responsibilities

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| <p>(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.</p> <p>(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.</p> <p>(3) To promote and support work safety activities of the Company.</p> <p>(4) To consider regulation and manual of work safety as well as work safety standard of the establishment to be proposed to the executives.</p> <p>(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.</p> | <p>(6) To consider training project or plan related to work safety, 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.</p> <p>(7) To systemize dangerous working condition reporting system to be the duty of all employees in all levels for practice.</p> <p>(8) To follow up the progress result in the issue proposed to the executives.</p> <p>(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.</p> <p>(10) To appraise operating result in work safety of the Company.</p> <p>(11) To perform work in other areas of work safety as assigned by the executives.</p> |
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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 supporting the implementation of the Company's activities together with compliance with safety law and other relevant requirements, for example, preparation of environmental impact assessment report for impact analysis and assessment, 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, and 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 the 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, 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 2018, the Company has applied Safety Management Performance in all eight areas, as occupational health and safety management system established for single-detached house and townhouse projects, under work safety standard which is same and proper standard in accordance with the principle of management and law. Therefore, it can be seen that the Company emphasizes on safety through controlling process of all work sections for single-detached house, townhouse and condominium.

In respect to the employee quality of life, the Company formulates the same accommodation standard for the employees who perform construction works in the project at every sites of all projects, and arranges complete basic public utility systems, recreation corner, and safety system, including contingent emergency response system. In this year, the Company has started the educational opportunity creation project for children in collaboration with a nonprofit organization (Unicef) in educational promotion to the children of the business partner's workforce in construction camps to have the opportunity of basic education and social equality.



In respect to creation of safety awareness to employees and business partners, the Company has trained the employees and business partners to enhance skill, knowledge and competency in occupational health and work safety in construction work which is high risk work, so that they can properly and safely perform works for reduction of contingent loss in the future.



In respect to danger prevention from high risk work, the Company has designed working materials and equipment that can prevent danger for the operators, such as design of temporary electrical cabinet in construction work. The said temporary electric cabinet consists of automatic circuit breaker to prevent electrocuting, electric shock, over current, for work safety of the employees who perform electricity-related work by extension for use in mode of Power Plug.



In respect to rehearsal of emergency response, the Company has organized basic fire Extinguishment training and basic life support more than 50% of all employees. The Company has established Business Continuity Plan (BCP) under frequent rehearsal for risk mitigation. In case of emergency incidence, the employees can correctly and properly comply with the procedure to ensure the Company's continuity of business operation.



Work Rule for Safety, Occupational Health and Working Environment

For efficient operation of occupational health and safety, and complete working coverage according to standard and compliance in conformity 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
It 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.

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| <p>7. Evaluation and Assurance of Low-Rise Safety Certification Standard</p> <p>It is the operating standard and guideline of safety system in low-rise construction project.</p> <p>8. Regulation of Low-Rise Safety Measure</p> <p>It is the work standard and procedure for the low-rise safety of the contractor.</p> <p>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 working.</p> <p>10. Standard of Temporary Electrical Cabinet in Construction Project is the standard of electrical cabinet in the Company for application of the same standard in all projects.</p> <p>11. Announcement of the Safety, Occupational Health and Working Environment Committee (KhorPorOr.) on Iron Rule of Safety</p> <p>It is the announcement to be operating standard for high risk work.</p> <p>12. Work Safety Policy for Contractor</p> <p>It is the policy for work standard of the contractor that performs work in the Company.</p> | <p>10. Safety Regulation for Lifting and Movement of Objects (Office)</p> <p>11. Safety Regulation for Footpath Management</p> <p>12. Safety Regulation for Traffic Control</p> <p>13. Safety Regulation for Motor Vehicle Control</p> <p>14. Safety Regulation for Use of Girder</p> <p>15. Safety Regulation for Footing Working</p> <p>16. Safety Regulation for Working Using Caissons</p> <p>17. Safety Regulation for Working Using Pile Driving</p> <p>18. Safety Regulation for Working Using Bored Pile</p> <p>19. Safety Regulation for Electrical Device Installation</p> <p>20. Safety Regulation for Belt, Chain and Sling Operation</p> <p>21. Safety Regulation for Mobile Crane Operation</p> <p>22. Safety Regulation for Hoists Operation</p> <p>23. Safety Regulation for Hazardous Chemical Operation</p> <p>24. Safety Regulation for Noise Control</p> <p>25. Safety Regulation for Dust Control</p> <p>26. Safety Regulation for Hazardous Waste Control</p> <p>27. Safety Regulation for Internal Construction Site Road Control</p> |
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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.

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| <p>1. Safety Regulation for PPE Wearing</p> <p>2. Safety Regulation for Housekeeper Working</p> <p>3. Safety Regulation for Fire Protection</p> <p>4. Safety Regulation for High Working</p> <p>5. Safety Regulation for Working in Confined Space</p> <p>6. Safety Regulation for Hole Falling Protection</p> <p>7. Safety Regulation for Hot Working</p> <p>8. Safety Regulation for Use of Passenger Elevator</p> <p>9. Safety Regulation for Electrical Tool Operation</p> | <p>28. Safety Regulation for Steel Structure Installation</p> <p>29. Safety Regulation for Wood Cutting Machine Operation</p> <p>30. Safety Regulation for Removal</p> <p>31. Safety Regulation for Excavation (Piling)</p> <p>32. Safety Regulation for Working Using Vibro Machine</p> <p>33. Safety Regulation for Tower Crane Installation</p> <p>34. Safety Regulation for Precast Installation</p> <p>35. Safety Regulation for Radiation Working</p> <p>36. Safety Regulation for Computer Application (Office)</p> <p>37. Safety Regulation for Narcotic and Alcohol Control (Office)</p> <p>38. Safety Regulation for High Building Fire Event (Office)</p> <p>39. Safety Regulation for Earthquake Protection on High Building (Office)</p> <p>40. Safety Regulation for Use of Photocopier (Office)</p> <p>41. Safety Regulation for Tsunami Protection</p> <p>42. Safety Regulation for Office Working</p> |
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Operation of Occupational Health, Safety and Environment

1. The Company assesses risks of the organizational activities to control, prevent contingent risk not to cause physical harms, diseases and mental status of the employee.
2. The Company assesses the conformity with occupational health, safety and environmental laws and other requirements.
3. The Company applies Safety Defect Found and Fixed System as dangerous working environment report system and correction in the construction sites.
4. The Company applies BO&F (Behavior Observation & Feedback) System to be the dangerous working behavior examination system.
5. The Company applies eight fields of Safety Management 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 on-the-job training in construction sites.
7. The Company arranges the visual training for the employees via OPL (One Point Lesson) media.
8. The Company regularly inspects work using Site Walk by project manager as the inspection leader.
9. The Company arranges meeting of safety issue every month to solve safety problem in construction sites.
10. The Company prepares standard worker camp to be proper according to law in similar standard pattern in every construction project, and to be model project for field study from external agencies.
11. The Company prepares regulation and knowledge of safety and work standard which are translated in four languages for understanding of foreign workforce.
12. The Company establishes community relations with nearby area of the project for good attitude toward the community and community support and assistance.
13. The Company arranges inspection on usability preparedness of machineries, equipment and tools for life and property safety.
14. 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.
15. The Company provides training and knowledge to the employees for acknowledgement of the proper principle of working in different nature of works, wearing of protective equipment in correct way from work commencement, and continuous review.
16. The Company arranges the rehearsal of emergency response in contingent situations for employee practice in order to understand operating procedure, notification method, coordination method and roles and duties.
17. The Company audits the employee working to be in line with the standard prescribed by the Company and if the employee violates, there will be disciplinary penalty.
18. The Company investigates the occurred accidents every time to find actual cause of that incidence and enters to exactly control for recurrence prevention.
19. The Company reviews management by top executive to ensure that occupational, safety and environmental management system is proper, adequate and effective.
20. The Company provides knowledge to the employees using Safety Talk for the employees who work in the project and prepares training need based on risk exposed activities to cover all activities.
21. The Company regularly arranges the external agency to conduct narcotic examination on the employees and contractors for criminal risk prevention according to law.
22. The Company measures environment both in the office and the project to monitor working environment to be proper for the employees.
23. The Company coordinates the hospital to deliver the employee for treatment once encountering with accident or sickness.
24. The Company gives precedence and pays attention to waste water quality management for land subdivision project for residence or for commercial operation under supervision and responsibility. The operation is supervised and mentored to prepare record of details and report of operating results of wastewater treatment system in accordance with legal provision in Section 80 of Promotion and Conservation of National Environmental Quality Act B.E. 2535 (1992).
25. The Company provides knowledge in recording information statistics showing operating results of waste water treatment system (ThorSor.1) and

reporting the summary of operating results of waste water treatment system (ThorSor.2) with the employees and the contractors from the external agencies for proper working capability.

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 2018, for enhancement of awareness and consciousness creation for the employees, the Company organized 7 courses of safety and occupational trainings for 37 training classes in total to ensure that the employees and related parties acquire 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
7. Cardio Pulmonary Resuscitation (CPR)

In addition, the Company also provides knowledge, awareness, and consciousness creation in environmental area through trainings conducted by external agencies, such as recording information statistics showing operating results of waste water treatment system (ThorSor.1) and reporting summary of operating results of waste water treatment system (ThorSor.2) for the employees and the

contractors for proper operating capability for 1 course in total of 5 training classes.

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 - 2018

The Company engages in the core business as Holding Company by holding shares in other companies, and has invested in Prukha 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 - 2018 of Prukha 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	2018
Head Office								
Injury Rate (IR)	Male	0	0	0	0	0	0	0
	Female	0.12	0.053	0	0	0	0.036	0
Occupational Disease Rate (ODR)	Male	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0
Leave Day Rate (LDR)	Male	0	0	0	0	0	0	0
	Female	0.12	0.213	0	0	0	0	0
Absence Rate (AR)	Male	0	0	0	0	0	0	0
	Female	1,612.90	2,272.73	0	0	0	0	0
Number of Occupational Deceased	Male	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0
Construction Line								
Injury Rate (IR)	Male	0.07	0.465	0.421	0.330	0.732	0.299	0.661
	Female	0.01	0.058	0.030	0.147	0	0.075	0.066
Occupational Disease Rate (ODR)	Male	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0
Leave Day Rate (LDR)	Male	1.12	4.938	2.345	0.550	6.809	0.485	2.050
	Female	0	0.087	0.902	2.458	0	0.112	1.984
Absence Rate (AR)	Male	60,925.50	96,590.91	44,318.18	8,522.73	105,681.82	7,386	17,614
	Female	0	1,704.55	17,045.45	38,068.18	0	1,705	17,045
Number of Occupational Deceased	Male	1	2	2	2	1	3	5
	Female	0	0	0	0	0	1	0
Pruksa Precast Factory								
Injury Rate (IR)	Male	1.2	0.768	1.056	0.640	0.270	0	0
	Female	0.22	0	0.132	0.160	0.270	0.258	0
Occupational Disease Rate (ODR)	Male	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0
Leave Day Rate (LDR)	Male	5.46	1.537	3.828	1.760	0.405	0	0
	Female	0.33	2,273.73	1.320	0	5	0.26	0
Absence Rate (AR)	Male	26,881.72	7,954.55	16,477.27	6,250.00	852.27	0	0.292
	Female	0	0	5,682	0	11,364	568	0
Number of Occupational Deceased	Male	0	1	1	0	0	0	0
	Female	0	1	1	0	0	0	0

From statistical data in 2018, the decreasing accidental tendency in Office and the increasing accidental tendency in Construction Line could be seen. However, if considering in overview, it could be seen that accident tended to be decreased more than previous year a bit. In part of final section which is Precast work, the accidental tendency decreased more than previous year.

Above table is part of the key information in preparing development plan under commitment of accident occurrence minimization to be zero accident, and developing occupational quality of life of the employees which is always attentive and emphasized by the Company.

4.2 Policy and Practical Guideline for Efficient 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 2018, Prukha Precast Factory, Nawanakorn and Prukha 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, assessment 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 efficient 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, Prukha 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 efficient 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 maintaining the structural strength 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 Board of Directors' Meeting in replacement of use of document files to reduce 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) **Giving and receiving gift, present or other benefit**
 - a. The director, executive, employee and his/her family member is prohibited to give and receive gift, present or other benefit to the business partner, business representative, or party related to the Company's business, as well as superior, subordinate and colleague.

- b. Gift, present or other benefit can be given to customer, business partner, business representative or party related to the Company's business in the event where there is the Company's logo, or in the event of sales promotion, business relationship creation, or in the occasion of congratulation and gratitude expression, hospitality, sorrow expression, assistance provision as the matter of courtesy which is observed in the society.

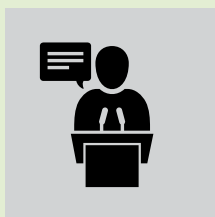
(2) Entertainment/Entertainment Acceptance

The entertainment/entertainment acceptance is prohibited in the event of the form with intention to influence, affect business decision or support political activity, in conflict with regulation, within the scope of bribery, unless being the entertainment for contact to acquaint, provide knowledge, share knowledge and experience, and the entertainment due to function as appropriate and not excessively extravagant.

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.

Land Selection Process consists of:



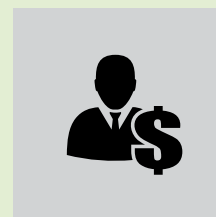
Land Registration Acceptance
Prove the identification of broker and land owner who holds the title



Land Screening
Separate land according to developing area of the Company



Land Potential Assessment
Analyze marketing and competitive state, physical aspect, and laws related to real estate development



Price Negotiation and Condition Negotiate
Negotiate with the land owner who holds title whereas condition and price is mutually agreed between the buyer (the Company) and the seller.



Land Proposal for Consideration
Propose at least 3 - 5 plots of lands per proposal of the said plot of land purchase to the Land Procurement Committee, Board of Management, the Executive Committee, and the Board of Directors, for consideration and approval according to power by considering from project value.

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 Prukisa Real Estate Public Company Limited which is the subsidiary of Prukisa Holding Public Company Limited with behavior indicating corruption and breach of good governance against land purchase and sale of Prukisa Company

Definition of self-conduct of land owner, broker and employee with behavior indicating corruption and breach of good governance against land purchase and sale of Prukisa

- (1) Addition of land price to be increased from the price required for sale by the land owner
- (2) Increase in 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 Prukisa to the outsider
- (5) Concealment of fact of the land plot
- (6) Provision or use of false information related to land plot to Prukisa
- (7) Arrogation of Prukisa's name for use in contact with the land owner
- (8) Offer of bribery and quid pro quo to the executives and employees of Prukisa
- (9) The involvement of the employee with the land owner or broker in any aforesaid clause shall be regarded by Prukisa Company as severe offence and malfeasance.
- (10) Other operation indicating corruption and breach of good governance against land purchase and sale of Prukisa

Objective

- (1) To be recognized that Prukisa does not support the business operation with the land owner and broker with behavior indicating corruption and breach of

good governance against land purchase and sale of Prukisa.

- (2) To be recognized by the executives and employees on behavior and act indicating corruption and breach of good governance against land purchase and sale of Prukisa.
- (3) To be recognized by the executives and employees on the practical guideline upon detection of behavior and act indicating corruption and breach of good 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 good governance against land purchase and sale of Prukisa, Prukisa therefore formulates the policy/measure for blacklist of land owner and broker with behavior indicating corruption and breach of good governance against land purchase and sale of Prukisa 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 Prukisa 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 Prukisa does not support the business operation with the land owner and/or broker with behavior indicating corruption and breach of good governance against land purchase and sale of Prukisa.
- (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 Prukisa for acknowledgement if the behavior indicating corruption and breach of good governance of the land owner, broker and employee as specified in this policy via the following whistle-blowing channels of Prukisa is detected.
 - Website : www.psh.co.th (topic of complaint/whistle blowing/fairness request, anti-corruption)
 - E-mail : cg@prukisa.com
 - Line : Line ID : pruksacg
 - Post : deliver to Group - CEO or the Chairman of the Audit Committee of Prukisa Holding Public Company Limited, Pearl Bangkok Building, 24th Floor, No. 1177 Phaholyothin Road, Phayathai 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 Prukisa damage from land purchase and sale of Prukisa, the Land Procurement Committee can comment to Personnel Department 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 Prukisa'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 consist of educating knowledge via E-mail, Intranet, Digital, Signate, EC News of the Company, Performing annual CG test, and training/VDO show for recognition by the new employees in orientation day, and monitoring and evaluation on implementation

of the said policy. The Company's executive and employee opinions on anti-corruption shall be surveyed for application as guideline of improvement, monitoring and evaluation of the implementation of the anti-corruption policy to be improved.

4.8 Corruption Risk Assessment Process

The Company was listed 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 2018, the 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 acknowledgement.

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 employment 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 Division in formulation of governance and management plan for contingent risks.

Moreover, in 2017, the Company promulgated three issues of anti-corruption policy to be guideline for function of the directors, executives and employees with good consciousness and without corruption or wrongful exploitation 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 trained by the Company about the knowledge in topic of Pruksha code of conduct, policy and practical guideline for anti-corruption, starting from working commencement with the Company in order to prevent internal corruption. After training arrangement for educating knowledge to the employees, the Company also communicates and publicizes in announcements relating to Code of Business Conduct Manual, rule of whistleblowing, procedure of complaint on fraud and corruption, anti-corruption measure, rule of giving and receiving gift, present, entertainment or other benefit, news in case of dishonest working and punishment. The information is publicized in form of video via Digital Signage and disseminate via Website, Screen Desktop Employee Communication (EC News) and X-Stand inside the Company.

The Company always promotes and educates knowledge to the employees as follows.

- (1) To conduct the Pruksha Ethic Training for new employee and everyone who must attend the training and pass the requirement of such course, and must acknowledge in Code of Conduct Manual which has been distributed on the first day of employment as the Company's employee.
- (2) To conduct Site Visit Training for the employee and educate knowledge in the constructing site for recognition and proper compliance with good governance and laws by the operators in the site from the level of Foreman Site Engineer and administrative officer.
- (3) To organize talk of site governance, and draw lesson learnt from complaints and fact investigation for the site officers, perform knowledge lecture, and organize talks in various topics such as code of conduct and working, Lesson learnt from Complaints & Investigation, construction governance knowledge under drawing applied for permission, conclusion and recording of waste water treatment system, and advertising signboard, and work scope and duty for prevention and control of risks (Three Line of Defense).
- (4) To annually conduct the test for CG course, in order to create awareness of code of conduct and good governance for executives and employees once a year.

- (5) To annually organize CG Day at Head Office, Precast Factory at Lamlookka and Nawanakorn.
- (6) To communicate with the executives and employees on the issue 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 Pruksha 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 undergraduates, students and interested organizations at Precast Factory.

Pruksha Academy that takes particular responsibility in training and seminar organizes trainings/seminars and 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 2018, the Company organized the environment issue-related training courses/seminars by educating knowledge, and creating awareness in environment, and training conducted by the external agencies, such as recording information statistics showing operating results of waste water treatment system (ThorSor.1) and reporting the summary of operating results of waste water treatment system (ThorSor.2), for the employees and the contractors for proper working capability, etc.

(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
- (2) Chairman of the Audit Committee
- (3) Group Chief Executive Officer
- (4) Superior

- : **By Post**

Corporate Communication Department

Prukha Holding Public Company Limited
 Pearl Bangkok Building, 24th Floor, No. 1177,
 Phaholyothin Road, Phayathai Sub-district,
 Phayathai District, 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, Phayathai Sub-district,
 Phayathai District, Bangkok 10400

: **By Phone: 1739**

: **By Website:** www.psh.co.th (Topic "Complaint, Whistleblowing, Fairness Request")

: Line ID: @pruksacg

: E-mail: cg@prukha.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 Department to take action 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 Department or the unit that performs the same duty but is called in other name to process

and screen information, or assign the Investigation Committee to process and screen information. The Investigation Committee shall be appointed from the Corporate Governance Committee in case by case.

(3) Action Measure

- The complaint receiver shall propose 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 Group Chief Executive Officer and/or the Audit Committee and/or the 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 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 2018, the Company did not execute in violation of Labor, Employment, Consumer, Trade Competition and Environment Laws.

4.15 Oversight by Governance Agency

In last 2018, 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 Division 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 whereas 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 for services 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 by 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 formulated the policy for limitation of number of office years of independent directors to be 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 make the director to understand more on 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.
2. 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.
3. 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. At present, the independent directors of the Company have been entirely male but each of them are sensitive and all-around in his viewpoints, under confirmation on the ability of revenue and profit generation to the Company. Moreover, two female directors has been the members of the current Board of Directors.
4. The Enterprise Risk Management Committee of the Company is not the director level for the whole committee	The 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 have 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 directors but they are regarded as specialists with high competency that contributes to support working of this Committee, leading the Company towards setting goal in the future.

5.2 Adaptation of Corporate Governance Code for Listed Companies 2017

The Company commits to manage by adhering to Corporate Governance Code for transparent, efficient and accountability toward all parties of stakeholders. The Board of Directors has realized on roles and duties under Corporate Governance Code for listed companies 2017 ("CG Code") issued by the Office of the Securities and Exchange Commission, and reviewed in comparison with Practice of CG Code with the policy, and practical guideline of corporate governance of the Company, and proposed to the Corporate Governance Committee, the Audit Committee and the Board of Directors. In overview, the Board of Directors has understood, and the Company's policy and practical guideline are consistent with Principles of CG Code. In addition, the update of Corporate Governance Policy, and Charter of the Board of Directors, and Sub-Committees have been resolved to be consistent with Principles of CG Code. The issues of which the Company have not yet complied and will be considered for further proper adaptation as follows.

Principles under CG Code	Reason or Alternative Measure of the Company
The appropriate number of directors is not less than five persons and should not be more than twelve persons (Principle 3.1.2).	The Company has had thirteen directors and the Company has been under the period of investment expansion into other businesses. It is necessary for director diversity in term of qualification, knowledge, and specific competency to be proper and adequate for business expansion.

5.3 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

Pruksa Holdig 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

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

Value

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.

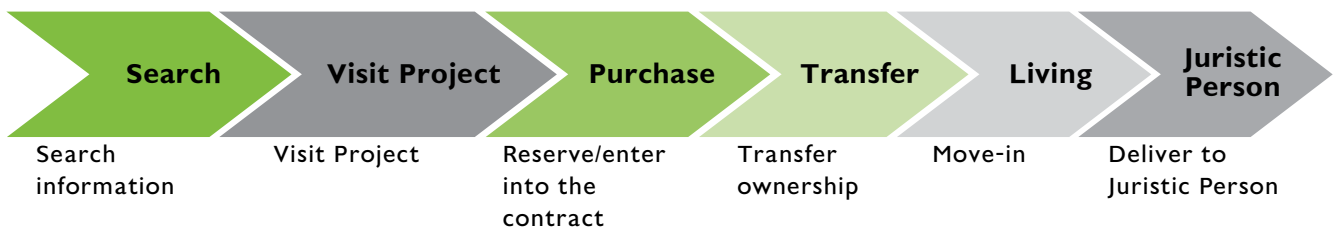
5.4 Financial Position and Overall Operation

(For more details, see Section "Management Discussion and Analysis and Performance")

5.5 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. Corporate Customer Relationships Management Department is the department that manages data collection of the customers in each communication process of the customers with the Company. Automatic satisfaction evaluation process in each important procedure is developed and evaluation result is reported to the executives and related parties for acknowledgement in real time basis, in order to ensure analysis and improvement planning for more rapidity and efficiency on demand fulfillment and good customer relationship creation.

With Pruksa vision aiming for being the number one brand in customer mind in residence real estate business, Pruksa therefore gives considerable precedence to management for customer satisfaction whereas the customer is very important stakeholder. Customer satisfaction is evaluated in five core procedures from project visit by customer, ownership transfer, to service after management delivery to juristic person as follows.



Procedure	Evaluation Method
1. Satisfaction on information service and project visit	Customer can evaluate satisfaction via automatic delivery of E-Mail or SMS after project visit by customer for one day. In case where the customer does not evaluate via E-Mail and SMS within specified period, Contact Center will contact the customer for customer evaluation accordingly.
2. Customer satisfaction on ownership transfer	Customer can evaluate satisfaction via automatic delivery of E-Mail or SMS after ownership transfer date for one day. In case where the customer does not evaluate via E-Mail and SMS within specified period, Contact Center will contact the customer for customer evaluation accordingly.
3. Customer satisfaction after ownership transfer for three months	Customer can evaluate satisfaction via automatic delivery of E-Mail or SMS after ownership transfer date for three months. In case where the customer does not evaluate via E-Mail and SMS within specified period, Contact Center will contact the customer for customer evaluation accordingly.
4. Customer satisfaction on repair service and quality	Contact Center contacts customer for satisfaction evaluation after completion of repair or problem solving of the officer as notified by the customer.
5. Satisfaction on customer care after delivery of management to Juristic Person	The customer and Juristic Person Committee evaluate satisfaction via any channel of E-Mail or SMS or Contact Center after establishment of Juristic Person, or acceptance of the delivery of public utility from Prukisa, and will conduct continuous evaluation in the third year and the fifth year.

Organizational Overview

From overall operation in 2018, the finding indicated that the current overall customer satisfaction score was at 87.04%, being higher than the score of overall customer satisfaction of 84.78% in 2017 and increasing for 2.26%. The said increase was due to improvement of work process and targeting on increasing evaluation result through use of customer satisfaction result in previous year.

Development of Products and Services

In last 2018, quality of products and services has been developed for more customer satisfaction particularly in post-ownership transfer period as follows.

- 1) Development of After Sales Project Management Team. The customers who have moved in for residing were inquired and advised for services to build good customer relationship. Public relations letters were 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 of the project and Pruksha. In addition, Responsibility Standard and Outsource Training were determined to enhance working efficiency, and proposed 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 Pruksha 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".)

5.6 Nature of Business and Competition Condition

(For more details, see Section "Nature of Business" in Topic "Market Situation and Competition Condition".)

5.7 Structure of Business Group

(For more details, see Section "Shareholding Structure of the group of companies".)

5.8 Key Risk in Business Operation

(For more details, see Section "Risk Factors".)

5.9 Dividend Payment Policy

(For more details, see Section "Dividend Payment Policy".)

5.10 Whistleblowing Policy for Offence

(For more details, see Section "Complaint".)

5.11 The Board Profile

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

5.12 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".)

5.13 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 allocated to the directors and executives of the Company and/or its subsidiaries (Employee Stock Option Program (ESOP), Employee Joint Investment Program (EJIP), and Savings of Provident Fund.

(For more details, see Section "Remuneration for Directors and Executives".)

5.14 Policy and Criteria for Remuneration Payment to Top Executives

The Company formulates the policy and criteria for remuneration payment to 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 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 Group Chief Executive Officer and top executives.
- (2) The Nomination and Remuneration Committee considers and evaluates 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".)

5.15 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 2018".)

5.16 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".)

5.17 Disclosure of Related Party Transaction Performing Information

(For more details, see Section "Equitable Treatment of Shareholders on Connected Transaction and Related Party Transaction Performing".)

5.18 Policy for Requirement of the Director and First Four Executives (Top Level) for Disclosure/Reporting of Purchase and 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 securities holding and the Company's share purchase and sale of oneself, his/her spouse and underage child to the Board of Directors' Meeting for acknowledgement.

5.19 Change in the Company's Shareholding by Directors and Top Executives

Unit : Shares

Name	Position	In 2017 Outstanding Shares as at December 30, 2017	In 2018 Outstanding Shares as at December 30, 2018	Increase/ Decrease during the Year
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 Ngamdeevilaiak	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	43	42
11. Mr. Piya Prayong	Director	1,364,002	1,375,518	11,516
12. Mrs. Rattana Promsawad	Director	42,221,462	42,423,183	201,721
13. Mrs. Supattra Paopiamsap*	Director	-	-	-

Unit : Shares

Name	Position	In 2017 Outstanding Shares as at December 30, 2017	In 2018 Outstanding Shares as at December 30, 2018	Increase/ Decrease during the Year
14. Miss Trithip Sivakriskul	Group Chief Financial Officer	-	-	-
15. Mr. Porntep Suppataratarn	Group Chief Procurement & Supply Chain Officer	2,555	46,213	43,658
16. Mr. Nutthaporn Woonklinhom**	Group Chief Technology Officer	-	-	-
17. Mr. Udomsak Yamnoon	Acting Group Chief Human Resources Officer	1,764	9,623	7,859

Remark : For more details of the shareholding of the spouse and underage children, see Section "The Board and Management Profile".

* Mrs. Supattra Paopiamsap was appointed as director and it is effective from April 27, 2018.

** Mr. Nutthaporn Woonklinhom was appointed as Group Chief Technology Officer since November 1, 2018.

*** Mr. Adul Chandanachulaka resigned from directorship due to retirement as prescribed in the Charter since January 1, 2019.

5.20 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.

5.21 Policy for Significant Related Party 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 given consent 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 not to operate in conflict with the Announcement of the Board of Governors of the Stock Exchange of Thailand, other relevant laws, and Corporate Governance Code.

In last 2018, the Company performed transactions with the connected parties (For more details, see Section "Connected Transactions in 2018").

5.22 Financial Statements of the Company

The Company is farsighted that for creation of confidence on the Company's transparency and creation of reliance 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.

5.23 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 The Stock Exchange of Thailand prior to Annual General Meeting of Shareholders in advance at least 30 days according to Corporate Governance Code. 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.

5.24 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 Fee").

5.25 Policy for Establishment of Investor Relations Division

The Company established and assigned Investor Relations Division 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 The Stock Exchange of Thailand for dissemination on website www.set.or.th, and report information to the Office of the 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 those interested. In 2018, 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 those interested.
- 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 information 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 2018, there were 34 Company Visits, 6 Conference Calls and 6 Site Visits in total.

- Met 28 institutional investors from total for 3 roadshows
- Performed press conference to mass media for 5 times whereas around 60 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 The 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 2018, the Company joined 3 domestic 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 share 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 information 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 Division 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. Premsak 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 factors to minimize risks 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 Enterprise Risk Management Committee shall suggest governance guideline and/or policy related to the significant risks.

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, and 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 affixed 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.

2. 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 to 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 to 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 assigns its staff 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 The 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 the Securities and Exchange Commission 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 the Securities and Exchange Commission 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, executive and person who hold the position in accounting or finance line, person in charge in operation, auditor, officer, 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 aforesaid 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 Information

For orderly compliance with policy, the Company formulates the preventive measure of computer system and data 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.

3. Audit Fee

Audit Fee

Pruksa Holding Public Company Limited ("the Company") and its subsidiaries paid annual audit fee of 2018 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	2018	2017	2016* (after corporate restructuring)
Audit fee for the Company	1,200,000	1,100,000	500,000
Audit fee for the subsidiaries in Thailand	3,900,000	3,680,000	3,880,000
Audit fee for the subsidiaries in foreign countries**	-	514,478	1,140,922
Other expenses	202,700	198,000	133,000
Total	5,302,700	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 other service charges as follows.

1. KPMG Phoomchai Auditing Company Limited

Unit : Baht

Transaction	2018	2017	2016*
Audit Report as per BOI requirements	535,000	535,000	535,000

*Year 2016 for comparison

2. AKPMG Phoomchai Business Consultant Company Limited

Unit : Baht

Items	2018	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 accrued liability 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. KPMG Phoomchai Tax Agency Company Limited

Unit : Baht	2018	2017	2016*
Preparation fee of the Company's contract	4,535,500	1,741,000	-

* 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.

4. 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.



Corporate Social Responsibility



Pruksa Holding Public Company Limited and its subsidiaries commit on business operations in a manner which ensures stable growth and highest satisfaction among every group of stakeholders, and also give precedence to business operation under CSR in process which is the responsibility toward community, society and environment, and good governance both 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 value and develop the society in various dimensions and create participation with all segments for quality of life improvement of people in the communities and society to have better lives. They are also participative as part of drive toward Sustainable Development Goals (SDG) in national and international levels for the third consecutive years.

In 2018, Pruksa Holding and its subsidiaries therefore have divided the care of community, society and environment through activities into three areas consisting of youth education and development area, ethics and virtue area, and society and environment area, that are linked with sustainable development target as follows.

I. Youth Education and Development

• “Pruksa Scholarship” Project for the 17th Year

Pruksa has promoted educational opportunity to the children of the employees through grant of education fund of “Pruksa Scholarship” for the 17th consecutive year in primary education, secondary education, and vocational education levels with good academic record for total of 122 scholarships in total amount of education fund of Bt 846,000.

• Pruksa Innovation Learning Center Project for the 9th Year

Pruksa Holding Public Company Limited and its subsidiaries have promoted the students from educational institutions in higher education and vocational education nationwide for learning of innovation and technology of house construction from professional engineers through Pruksa Innovation Learning Center Project which has been organized for the 9th year. In 2018, the 627 visitors from various educational institutions consisting of Chulalongkorn University, King Mongkut’s University of Technology Thonburi, Rajamangala University of Technology Rattanakosin, Mahanakorn University of Technology, Rajamangala University of Technology Phra Nakhon, Phranakhon Rajabhat University and Assumption University visited Pruksa precast panel production technology and innovation of industrial system quality

house construction (Pruksa REM). Moreover, Thailand Post Company Limited and Somboon Advance Technology Public Company Limited participated in sharing of knowledge and experience in corporate innovation management for application of acquired knowledge in development and extension of innovation of each organization to be more efficient. It is regarded as drive of the national economy toward sustainable development.

• “Pruksa Seedling Scholarship” Project for the 5th Year

Pruksa Holding Public Company Limited and its subsidiaries have promoted education of the youths to be quality graduates by grant of “Pruksa Seedling Scholarship” to the third year students in Department of Civil Engineering, Faculty of Engineering, for nine scholarships of 100,000 Baht each, totaling to scholarship amount of Bt 900,000. The scholars have been given the opportunity of on-the-job training for learning and real work experience with the Company’s profession.

• Thai Youth Cooperation and Development toward Construction Industry 4.0 Era Project in Collaboration with Office of the Vocational Education Commission

Pruksa Holding Public Company Limited and its subsidiaries countersigned in Memorandum of Understanding (MOU) with the Vocational Education Commission, Ministry of Education in “Thai Youth Cooperation and Development toward Construction Industry 4.0 Era Project” to mutually produce and develop vocational students to have knowledge and proficiency into construction industry quarter in 4.0 era through promotion of knowledge and experience from on-the-job training at Pruksa Precast Factory that manufactures precast concrete for use in house construction applying the world equivalent standardized technology.

• 2B-KMUTT : Civil Camp Promotion Project for the 10th Year

Pruksa Holding Public Company Limited and its subsidiaries promoted organizing 2B-KMUTT: Civil Camp of King Mongkut’s University of Technology Thonburi for the tenth consecutive year to give the opportunity of field learning and experience in real estate business to the nationwide students in high school education level, who are interested to continue their study in higher education level so that those learning and experience will be the information prior to decision on entrance selection for continuous study in higher education level. This is the preparedness of the youths to be professional into real estate business quarter accordingly.

- **Area Support for Exhibition of Student Achievements**

Pruksa Holding Public Company Limited and its subsidiaries promoted learn beyond classroom to the students of Faculty of Architecture, King Mongkut's Institute of Technology Ladkrabang, to exhibit architectural achievements under the concept of Reflection: Arch KMITL at the area of Exhibition Hall, Pearl Bangkok Building at free of charge.

- **Real Estate Business Knowledge Sharing**

The top executive of Pruksa Holding Public Company Limited and its subsidiaries invited guest speaker to share knowledge and experience in operation of real estate business with leading educational institutions and business organizations such as King Mongkut's University of Technology Thonburi and the Engineering Institute of Thailand, etc., to be the part of the mutual organizational development into the sustainable innovative organization.

2. Ethics and Virtue

Pruksa Holding Public Company Limited and its subsidiaries organized ethics and virtue promotion activities to the personnel in the Company and surrounding communities to promote everyone in the society to live with peace, justice, and non-social discrimination, for instance:

- **Full of Happiness and Delight from Benefaction in the Occasion of Beginning Buddhist Lent Day Project for the 6th Year**

Pruksa Holding Public Company Limited and its subsidiaries organized "Full of Happiness and Delight from Benefaction in the Occasion of Beginning Buddhist Lent Day" for the sixth consecutive year, to encourage the executives and the employees to spend their leisure time for usefulness by participating in making merit in offering lent candle, giving money and cleaning religious place in the occasion of Beginning Buddhist Lent Day at Wat Pho Klon in Ang Thong Province. The participants were 50 persons.

- **Dharma...Creates Happiness Project for the 5th Year**

Pruksa Holding Public Company Limited and its subsidiaries cooperated with TCT Company Limited and Phayathai District Office, to organize "Dharma...Create Happiness" Project for the fifth consecutive years, to encourage the executives, employees and people in the area of Phayathai District, to join in making merit and giving food offerings to Buddhist monks in the important religious days, and listening to sermon from the monks who came from temples so that dharmic principle and teaching can be adopted with working and daily living for happiness and non-exploitation against other persons. The activity participants were around 300 persons.

- **Knowledge Sharing in Ethics and Virtue**

Mr. Thongma Vijitpongpun was invited by CP All Public Company Limited to participate in giving a dharma lecture under the topic of "life can be destined." In the Project, we brought the temple to be at 7-11 in C.P. Tower Building to share dharmic principle and teaching for application of general people in conscious and happy working and daily way of life. The interested audiences were around 500 persons.

- **Activity of Water-Pouring Ceremony to Ask for Blessing from the Executives in the Occasion of Songkran Day 2018**

Pruksa Holding Public Company Limited and its subsidiaries have promoted the creation of attachment and commitment between the executives and employees in the organization by organizing "water-pouring ceremony to ask blessing from the executives" activity in the occasion of Songkran Day 2018, and participated as the organization that promotes the activity of good Thai tradition conservation.

3. Society and Environment

- **Pruksa Volunteer Mind in Blood Donation Project for the 11th Year**

Pruksa Holding Public Company Limited and its subsidiaries join hands with National Blood Centre, Thai Red Cross Society, and TCT Company Limited, to organize "Pruksa Volunteer Mind in Blood Donation Project" for the eleventh consecutive year, to encourage the executives, employees and general people to jointly and regularly donate blood every three months for adequacy in use of blood for use in immediate treating and aiding patients. In 2018, the interested participants of blood donation were 776 persons which were estimated for 319,100 CC of blood volume, enabling to aid up to 2,328 patients.

- **Job Creation and Career Creation for People with Disabilities Project for the 5th Year**

Pruksa Holding Public Company Limited and its subsidiaries have joined with Social Innovation Foundation, Ministry of Labour, and Ministry of Social Development and Human Security, to promote "Job Creation and Career Creation for People with Disabilities Project" for employment, income earning and self-reliance. In 2018, the Company promoted the employment of people with disabilities to work with the Company for eight positions and work in the Non-Government Organization nearby their houses (Khon Kaen Province area) for 25 positions, totaling to 33 positions.

- **Community Goods Support for Sustainable Income Generation Project for the 2nd Year**

Pruksa Holding Public Company Limited and its subsidiaries joined with Thai Pat Institute to support the purchase of community goods as snack foods in the corporate activities.

In 2018, the Company created job and created income for communities with OTOP goods standard for Bt 51,430, and also jointly supported the distribution area of goods and services, and donation receiving, to the organizations, foundations and community enterprises, such as Suan Kaew Foundation, Social Health Enterprise (SHE), The Mirror Foundation, Junkapak Store by The Chaipattana Foundation, House of Grace Child, and AmHelp (Pa Ju), etc., in order to assist the social underprivileged for income-earning and self-reliance.

- **60+ Earth Hour 2018 Project**

Pruksa Holding Public Company Limited and its subsidiaries joined as network member of “60+ Earth Hour 2018” Project with Bangkok Metropolis, Foundation for Environmental Education for Sustainable Development (Thailand), and WWF Thailand, to campaign for mutual turning off the unnecessary electricity by the employees and customers for one hour, and being the part that helps Thailand reduce carbon dioxide content of 1,026 tons or electricity bill value of Bt 7,863,635, together with other network members.

- **Pruksa Community Care for the 2nd Year**

Pruksa Holding Public Company Limited and its subsidiaries jointly cared for quality of life of the communities around the projects through Pruksa Community Care Project for the second consecutive year. In 2018, solar system and solar cell paddle wheel were invested and installed in the community in the area where the Project of the Company is located in Rangsit Khlong 3 community area in value of Bt 4,000,000 and over in order to supervise and restore ecosystem of water in canal to have good condition, resulting in good health of the people in the community. However, the application of solar energy system also contributes to reduction of electrical energy consumption volume for 4,725 kW and reduction of greenhouse gas emission for 2.75 tons.

- **Pruksa Reforestation in People’s Heart under the King’s Philosophy**

Pruksa Holding Public Company Limited and its subsidiaries joined with TCT Company Limited to promote conservation

and restoration of the forest ecosystem by giving money of Bt 240,000 to Bangkok Metropolis for reforestation of 800 trees per rai. They also joined with Bangkhunthian District Office to bring 60 management and employees to participate in reforest mangroves at Mangrove Forest Area at Bangkhunthian under “Pruksa Reforestation in People’s Heart under the King’s Philosophy” Project in order to contribute to adsorb carbon dioxide for 2.75 tons per year, and also contribute to conserve natural habitations and biodiversity for sustainable existence.

- **Happy Home Project**

Pruksa Holding Public Company Limited and its subsidiaries joined with Paolo Hospital to organize Free Physical Examination Project in order to educate health care knowledge by the nutritionist and anti-aging formula frozen drink making method to the customers of seven Baan Pruksa Projects to be sustainably healthy in the areas of Bangkok, Pathum Thani, Samut Prakan, and Nonthaburi Province. This activity was participated by 530 persons.

- **Thong Fah Store Project**

Pruksa Holding Public Company Limited and its subsidiaries joined with Office of Commercial Affairs Nonthaburi to organize “Thong Fah Store” Project in order to support total of 1,350 customers of five Baan Pruksa Projects in the areas of Bangkok, Pathum Thani, Samut Prakan, and Nonthaburi Province, to purchase quality consumer goods in special price for alleviation of household expenditure and promotion of good quality of life and livelihood.

Activity Organizing Budget Support for Educational Institutions, Government Agencies, Business Organizations and Foundations

In 2018, Pruksa Holding Public Company Limited and its subsidiaries supported budget to educational institutions, government agencies, business organizations, and foundations to carry out activities which are useful for community, society, and environment. The support was classified into three areas consisting of youth education and development area, Ethics and Virtue, society and environment area, in total of 189 projects for Bt8,706,438.90.

Youth Education and Development Area	Ethics and Virtue	Society and Environment Area
7 agencies	48 agencies	134 agencies
687,900 Baht	1,390,250 Baht	6,628,288.90 Baht

However, the Company has prepared Sustainability Report for Year 2018. You can study additional information at website of the Company www.psh.co.th.



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 Treadway Commission) which are environmental 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. 1/2019 on January 18, 2019. 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. All five elements of the internal control of the Company and its subsidiaries can be summarized as follows:

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 2018, 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 annual basis to encourage the directors, top executives, and employees to participate in CG activities and that to completely understand the importance of good governance and transparency of the business operation of the Company and its subsidiaries under concern on shareholders, customers, employees and all stakeholders.

Risk Assessment

The Company has the Enterprise 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 in order for the Management to realize the importance of risk management and how it will help the Company to achieve its short and long sustainable growth under resilient circumstances. The Internal Audit Division shall report to the Enterprise Risk Management Committee on the quarterly basis regarding new risk assessment, the implementation of corporate risk assessment, policy, strategy as well as risk management procedure, and plan. In addition, the Company has utilized risk and internal control guideline of Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) for the business operation through Risk Control Self Assessment: RCSA to make sure that the Company internal control is sufficient. Moreover, the Company has developed Business Continuity Management System: BCMs by implementing the simulation of fire and emergency situations and how to promptly deal with such circumstances.

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 2018, 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 and 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 in monthly basis.

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 process 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 2018 was EY Corporate Services Limited and Pricewaterhouse- Coopers ABAS Ltd.

2. Opinion of the Auditor

KPMG Phoomchai Audit Ltd., the auditor of Pruksa, audited financial statements for the year ended on December 31, 2018 of Pruksa and reported that all the information disclosed was sufficient, and none of material adjusting entry requiring correction or improvement according to Generally Accepted Accounting Standards and none of significant issues regarding regulation were found.



Related Party Transaction



In 2018, the Company performed four related party transactions as 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 TCT Company Limited (shares are held by Mr. Thongma Vijitpongpun)	Director of the Company and Shareholder of the Company	The Company and the Group of the Company has leased space in Pearl Bangkok Building for 19,125 square meter which is owned by TCT Company Limited to be the office building.	159.3	Lease and Service Agreement of 19,125 square meter area, was effective from November 2017 to October 31, 2020. Such rental and service fees are at the rates comparable to market rates and under conditions that are indifferent from what are entered by the Company with the third party. The rate of rental and service fee was compared with the rates of which the Company has leased with other lessor.
Transaction No. 2 TCT Company Limited (shares are held by Mr. Thongma Vijitpongpun)	Director of the Company and Shareholder of the Company	Vimut International Hospital Company Limited paid preparation fee of Environment Report and fee of request for building construction drawing.	2.3	Vimut International Hospital Company Limited paid preparation fee of Environment Report and fee of request for building construction drawing to TCT Company Limited of which shares are held Mr. Thongma Vijitpongpun. 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. 3 Vimutti Hospital Company Limited of which shares are held by TCT Company Limited (ultimate shareholder is Mr. Thongma Vijitpongpun)	Director of the Company and Shareholder of the Company	Vimut International Hospital Company Limited paid cost of Conceptual Design of Façade of the hospital building.	2.2	Vimut International Hospital Company Limited paid cost of Conceptual Design of Façade of the hospital building to Vimut Hospital Company Limited of which shares are held by TCT Company Limited (the ultimate shareholder is Mr. Thongma Vijitpongpun) 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.

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 TCT Company Limited (shares are held by Mr. Thongma Vijitpongpun)	Director of the Company and Shareholder of the Company	The Group of Prukso Companies such as Prukso Real Estate Public Company Limited, Phanalee Estate Company Limited, Putthachart Estate Company Limited, and Kasorn Construction Company Limited, paid interior design service fee of the Pearl Bangkok office building.	4.4	The Group of Prukso Companies such as Prukso Real Estate Public Company Limited, Phanalee Estate Company Limited, Putthachart Estate Company Limited, and Kasorn Construction Company Limited, paid interior design service fee of the Pearl Bangkok office building, to TCT Company Limited of which shares are held by Mr. Thongma Vijitpongpun. 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.

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 remark the 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 ordinary 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 remark the 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 such 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 being audited or reviewed by the Company's auditor.

Policy or Trend of Future Related Party Transactions

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 under 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 party 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 party, it shall be in line with Securities and Exchange Act B.E. 2535 (1992) (and amendment). Moreover, the Company shall prepare a summary report for the size of transaction above Bt3,000,000 (three million Baht only) or transaction with total value above Bt20,000,000 (twenty million Baht only) which are performed by any director, executive or related party 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 interest transfer.

In entering into connected transaction or related party transaction of the Company or other subsidiaries, the Company shall strictly execute to be in line with the criteria

of the 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 remark the 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 value appraiser to remark the 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.





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 2018 (consolidated financial statements) as follows:

Comparison performance of the Company for year ended 31 December 2018 and 2017

Unit: million baht

Statement of comprehensive income	31 Dec 2018	%	31 Dec 2017	%	Increase/ (Decrease)	%YoY
Revenue from sale of real estate	44,901	99.6	43,935	99.6	966	2.2
Other income	170	0.4	178	0.4	(8)	(4.6)
Total Revenue	45,071	100.0	44,113	100.0	958	2.2
Cost of real estate sales	28,815	64.2	28,222	64.2	593	2.1
Gross profit	16,256	36.2	15,891	36.2	365	2.3
Selling and Administrative expenses	8,430	18.7	8,537	19.4	(106)	(1.2)
Selling expenses	4,396	9.8	4,351	9.9	45	1.0
Administrative expenses	4,034	9.0	4,186	9.5	(151)	(3.6)
Profit before finance cost and income tax expense	7,826	17.4	7,354	16.7	471	6.4
Financial cost	139	0.3	197	0.4	(59)	(29.6)
Profit and loss from Joint Venture	0	0.0	0	0.0	0	20.7
Profit before income tax expense	7,686	17.1	7,157	16.2	530	7.4
Income tax expense	1,556	3.5	1,582	3.6	(27)	(1.7)
Profit for the period	6,131	13.6	5,574	12.6	557	10.0
Non-controlling interests	108	0.2	118	0.3	(9)	(7.9)
Owners of the Company	6,022	13.4	5,456	12.4	566	10.4

Remark: Percentage in statement of comprehensive income derived from total income, while percentage of cost of real estate sales and gross profit related to revenue from sale of real estate.

Revenue

For 2018, the Company generated total revenue of Baht 45,071 million, comprised of Baht 44,901 million from the sale of real estate and Baht 170 million from other revenue.

For 2018, revenue from real estate business was Baht 44,901 million, an increase of Baht 966 million or increased 2.2% yoy. Revenue mainly increased from condo segment at Baht 1,343 million or increased 11.1% yoy due to new condo transfers from Plum Condo Central Station Phase II, Plum Condo Changwattana Phase III, Plum Condo Pinklao Station, Plum Condo Ramkhamhaeng Station and Chapter One Eco Ratchada Huaykwang. While revenue from townhouse segment was Baht 22,566 million, a decrease of Baht 129 million or decreased 0.6% yoy and revenue from single detached segment was Baht 8,924 million, a decrease of Baht 235 million or decreased 2.6% yoy. The international segment revenue also declined as the Company has already transferred its 100% ownership in 2017 and is not planning to open any new international project further.

Cost of real estate sales

For 2018, the Company reported cost of real estate sales of Baht 28,815 million or 64.2% of revenue from real estate compared to Baht 28,222 million or 64.2% of revenue from real estate in 2017. The cost of real estate sales ratio maintained at the same rate of last year reflected in good management of cost efficiency.

Gross profit margin from sale of real estate by product segment

For 2018, the Company reported gross profit margin of the townhouse segment of 34.7%, followed by the single-detached house at 33.5% and 39.6% for the condominium segment. The gross profit margin of condominium segment improved compared to last year.

Selling & Administrative expenses

For 2018, the Company reported selling expenses of Baht 4,396 million, an increase of Baht 45 million or increased 1.0% from 2017, mainly from an increase in sale office & mock-up expenses of Baht 10 million due to 11 new project launches and an increase in special business tax expenses of Baht 30 million due to more transfers.

The administrative expenses were Baht 4,034 million, a decrease of Baht 151 million or decreased 3.6% from 2017, mainly from a decrease of Baht 141 million in legal case expenses and Baht 64 million in professional fee while the new office rental expenses increased Baht 76 million from the new office relocation, including software and hardware maintenance expenses for enhancement of IT system.

Financing cost

For 2018, the Company reported financing cost of Baht 139 million, a decrease of Baht 59 million from 2017, due to the lower of average cost of fund.

As of 31 December 2018, interest bearing debt to equity ratio was 0.66 times and interest bearing debt less cash ending to equity ratio was 0.62 times, resulting from the effective debt management of the Company and its subsidiaries.

Net profit

For 2018, net profit of the Company was Baht 6,022 million or 13.4% of total revenue, compared to net profit of Baht 5,456 million or 12.4% of total revenue for 2017, an increase of Baht 566 million or increased 10.4% yoy, mostly came from revenue improvement and lower of selling & administrative expenses, reflected in better cost efficiency management.

Report of Responsibilities for the Financial Statements of the Board of Directors

The Board of Directors of Pruksa Holding Public Company Limited (“Company”) takes responsibilities of the financial statements and consolidated financial statements including financial information presented in Annual Report. The said financial statements are prepared in accordance with Generally Accepted Accounting Standards, with appropriate accounting policies applied on a consistent basis. Significant information 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 control 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.

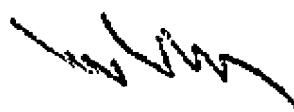
The Board of Directors appointed the Audit Committee consisting of independent directors to effectively govern financial statements and assess internal control system to ensure that the correct, complete, adequate and timely accounting data recording, and to prevent fraud or irregular operation. The 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 control 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, 2018.



Dr. Pisit Leeahtam

Chairman of the Board of Directors



Mr. Thongma Vijitpongpan

Chairman of the Executive Committee
and Group Chief Executive Officer

Report of the Audit Committee

The Audit Committee of Pruksa Holding Public Company Limited (“the Company”) consists of independent directors who are expert and experienced in management. During 2018, there were four members of the Audit Committee as follows: Dr. Piyasvasti Amranand as Chairman of the Audit Committee, Dr. Prasarn Trairatvorakul, Mr. Adul Chandanachulaka and Mr. Weerachai Ngamdeevilasak 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 manage the business according to the policies of the Company in accurate, complete and standardized manner.

In Year 2018, 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 2018 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 presence of 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 2018.

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 information in financial statements.

2. **Review of Practice 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 The 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 information.

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 The Stock Exchange of Thailand, and other important laws related to core business of the Company whereas the Internal Audit Division is entrusted to determine as main aspect required for auditing. At present, the Company has assigned Compliance Division to perform duty in supervising the operation of Divisions to govern the operation according to the relevant rules. 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 Securities and Exchange Commission, Thailand, considered internal audit result report according to the approved audit plan, and considered audit result report of the external consulting firm which was hired 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 mistake of the internal control system.

However, the Audit Committee has underline to ensure the realization of the Company on the significance of building the consciousness of internal control to be occurred in the organization in the matter of operating control and compliance using Three Lines of Defense and Control Self Assessment for acknowledgement of the employees on their roles and duties, and awareness of their responsibilities toward creation of the internal control system of the organization to be efficient.

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, Risk Management Division regularly and quarterly reported operating results of risk management to the Audit Committee. In 2018, the Company executed in various issues such as following up and monitoring the newly emerged risk, determination of key risks in enterprise level, formulation of policies, strategies, and guidelines of enterprise risk management, preparation of Risk Mitigation Plan. In addition, the Company has also applied the principle and concept related to the framework of internal control of Committee of Sponsoring Organizations of the Thredway Commission ("COSO") with the organizational operation through Risk Control

Self-Assessment (RCSA) to assess the adequacy and continuous compliance with internal control system. The process owner shall assess and improve internal control of its Division or operation under the determined work plan. In addition, Business Continuity Management System (BCMs) has been developed by arranging rehearsal of emergency action plan and testing communication under simulation, fire event at Head Office for preparedness to cope with the contingent emergency.

The Company held the joint meetings between the Audit Committee and the Enterprise Risk Management Committee for more effective coordination between Internal Audit Division and Risk Management Division.

The Audit Committee therefore deemed that the Company has proper and adequate internal control and risk management system.

5. **Governance of Internal Audit.** The Audit Committee governs works of Internal Audit Division covering the main tasks, scope of operations, scope of duties and responsibilities, independence in audit operation, and structuring the organization and manpower. The Audit Committee verified and approved annual internal audit plan for 2018 prepared according to the risk assessment result in the Company's Divisions, determination of quality development plan in audit and development of knowledge, skill and expertise of the internal audit personnel. Nevertheless, data analytic has been applied as verifying tool for large number of information in annual internal audit plan for 2018 to ensure the rapid and accuracy in specifying the problem issues.

In addition, the Company performed self-assessment in the matter of Quality Assessment Review (QAR) on quality of internal auditing operation by the Company's Internal Audit Division according to Quality Assessment Manual for the Internal Audit Activity for 2017 of Internal Audit Foundation and IIA Global for acknowledgement on what must be developed and quality must be improved to upgrade internal works according to international standard.

The Audit Committee commented that the operation of Internal Audit Division 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 by committing to ethics and principle of corporate governance. In 2018, 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) from Thai Institute of Directors (IOD), assessed for CGR Assessment for 2018 of Thai Listed Companies (LC) in "Very Good" level from Thai Institute of Directors (IOD) and Thai Chamber of Commerce Best Awards 2018 in Code of Conduct. All of the aforesaid awards have been resulted from the determination of obvious policies by the Company for concrete application of anti-corruption policy by the directors of the Company, executives, and employees, continuous formulation of anti-internal corruption prevention measure, and containing 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 the 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 2018, 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 the Charter should be updated in the matter of duties and responsibilities of the Audit Committee covering duty of reviewing related to anti-corruption measure in order to be consistent with good corporate governance policy for listed companies in 2018. This ensured the ability of Audit Committee to effectively perform its duties under the requirement of The 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 2018.** The Audit Committee considered selecting and nominating for appointing the auditor, and determining annual remuneration of the auditor for 2018 by considering from operational performance, independence and code of conduct from review of the auditor's qualification under concern on the Notification of The Securities and Exchange Commission, Thailand and The 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 2018 for another consecutive term.

In 2018, 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 January 17, 2019.

On behalf of the Audit Committee



Dr. Piyasvasti Amranand

Chairman of the Audit Committee

January 17, 2019

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 2018, 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 2018 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 (f) and 6 of the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>Real estate projects under development of the Group are measured at the lower of their cost and their net realisable values. The determination of the estimated net realisable values of these real estate projects under development is dependent upon the Group's estimations of future selling prices and estimated cost to complete.</p> <p>Such uncertainty in these estimates impact the assessment of the carrying value of real estate projects under development, which the Group's estimations of future selling prices are dependent on market conditions and the estimated cost to complete are subject to a number of variables including market conditions in respect of materials and sub-contractor cost and construction issues.</p> <p>The real estate projects under development involves significant judgment by management in making these estimates, which depends on many factors and various assumptions and is a significant balance in the consolidated financial statements, therefore this is an area of focus in my audit.</p>	<p>The audit procedures in this area included:</p> <ul style="list-style-type: none"> - inquiry of the management to understand and assess the process of the estimation of net realisable value of real estate projects under development and perform testing the Group's controls relating to the approval of setting selling price and budget costs, updating selling price and reviewing of cost estimates. - evaluating the appropriateness of the Group's estimated selling prices by comparing sales estimates to sales made to date and real estate price trend information. - evaluating the reasonableness of the estimated cost to complete by comparing the cost estimates to the actual costs and supporting documents. - assess 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.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

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

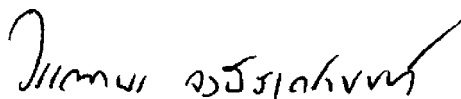
Independent Auditor's Report

- 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
21 February 2019

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2018	2017	2018	2017
Assets					
				(in Baht)	
Current assets					
Cash and cash equivalents	5	1,444,556,125	1,347,534,970	19,049,263	29,165,687
Other receivables from subsidiary	4	-	-	106,979,043	37,205,749
Short-term loans and accrued interest income - subsidiaries	4	-	-	6,659,531,219	1,482,222,294
Real estate projects under development	6, 13	71,960,098,823	63,791,078,880	-	-
Deposits for purchase of land		1,568,625,194	622,483,624	-	-
Advance payment for goods		302,431,530	266,581,858	321	293,314
Other current assets		391,859,071	200,600,265	941,862	3,225,649
Total current assets		75,667,570,743	66,228,279,597	6,786,501,708	1,552,112,693
Non-current assets					
Investments in subsidiaries	7	-	-	35,620,695,717	35,523,384,576
Investments in joint ventures	8	107,540,634	107,540,634	-	-
Investment properties	9	706,219,482	640,607,687	-	-
Property, plant and equipment	10, 13	4,739,070,028	4,633,055,874	129,409	132,501
Intangible assets	11	345,679,961	333,600,728	1,603,164	1,788,164
Deferred tax assets	12	55,164,733	52,014,136	-	-
Other non-current assets	4	223,874,495	248,592,104	1,258,812	1,488,954
Total non-current assets		6,177,549,333	6,015,411,163	35,623,687,102	35,526,794,195
Total assets		81,845,120,076	72,243,690,760	42,410,188,810	37,078,906,888

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	
Liabilities and equity	Note	2018	2017	2018	2017
(in Baht)					
Current liabilities					
Short-term loans from financial institutions	13	5,600,000,000	2,800,000,000	-	-
Trade accounts payable	14	2,283,753,446	2,378,809,879	-	-
Payables for purchase of land		2,754,498,008	1,697,872,385	-	-
Short-term loans - subsidiary	4	-	-	240	724,952
Current portion of long-term debentures	13	6,400,000,000	6,000,000,000	-	-
Customers' deposits		2,688,995,073	1,061,925,502	-	-
Current tax payable		671,960,289	296,513,484	2,722,227	-
Other current liabilities	4, 15	3,974,488,654	3,403,790,670	41,614,355	18,981,442
Total current liabilities		24,373,695,470	17,638,911,920	44,336,822	19,706,394
Non-current liabilities					
Long-term loan from financial institution	13	500,000,000	-	500,000,000	-
Long-term debentures	13	14,600,000,000	15,500,000,000	5,500,000,000	-
Non-current provisions for employee benefits	16	423,603,109	374,400,184	3,637,612	626,500
Provision for litigation and claims	32	73,337,913	70,835,308	-	-
Total non-current liabilities		15,596,941,022	15,945,235,492	6,003,637,612	626,500
Total liabilities		39,970,636,492	33,584,147,412	6,047,974,434	20,332,894

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	
		2018	2017	2018	2017
Liabilities and equity					
<i>Equity</i>					
Share capital	17				
Authorised share capital		2,226,383,180	2,226,383,180	2,226,383,180	2,226,383,180
Issued and paid-up share capital		2,188,504,922	2,186,796,580	2,188,504,922	2,186,796,580
Premium on ordinary shares	17	1,872,580,809	1,819,142,676	32,420,281,342	32,366,843,209
Warrants	18	4,576,792	31,911,459	4,576,792	31,911,459
Retained earnings					
Appropriated					
Legal reserve	19	223,730,753	223,730,753	222,638,318	222,638,318
Unappropriated		36,959,532,071	33,694,950,661	1,526,213,002	2,250,384,428
Other components of equity	19	(77,978,226)	(47,441,915)	-	-
Equity attributable to owners of the parent		41,170,947,121	37,909,090,214	36,362,214,376	37,058,573,994
Non-controlling interests		703,536,463	750,453,134	-	-
Total equity		41,874,483,584	38,659,543,348	36,362,214,376	37,058,573,994
Total liabilities and equity		81,845,120,076	72,243,690,760	42,410,188,810	37,078,906,888

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

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
Revenues					
Revenue from sales of real estate	20	44,900,702,742	43,934,799,376	-	-
Dividend income	4, 7	-	-	1,995,724,813	5,508,335,902
Other income	4	169,816,155	178,095,670	289,859,856	71,770,124
Total revenues		45,070,518,897	44,112,895,046	2,285,584,669	5,580,106,026
Expenses					
Cost of sales of real estate		28,814,573,030	28,221,940,659	-	-
Distribution costs	21, 35	4,395,931,821	4,351,055,080	-	-
Administrative expenses	4, 22, 35	4,034,461,404	4,185,643,954	133,667,842	71,306,418
Finance costs	4, 25	138,847,755	197,350,224	90,747,621	798,046
Total expenses		37,383,814,010	36,955,989,917	224,415,463	72,104,464
Share of loss of joint ventures		(419,792)	(347,770)	-	-
Profit before income tax expense	20	7,686,285,095	7,156,557,359	2,061,169,206	5,508,001,562
Tax expense	26	(1,555,502,472)	(1,582,429,221)	(5,939,325)	-
Profit for the year		6,130,782,623	5,574,128,138	2,055,229,881	5,508,001,562

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

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		(30,925,892)	6,663,481	-	-
Losses on remeasuring available-for-sale investments		-	(53,625)	-	-
Total items that will be reclassified subsequently to profit or loss		(30,925,892)	6,609,856	-	-
<i>Item that will not be reclassified to profit or loss</i>					
Losses on remeasurements of defined benefit plans		-	(11,976,186)	-	-
Total item that will not be reclassified to profit or loss		-	(11,976,186)	-	-
Other comprehensive expense for the year, net of tax	26	(30,925,892)	(5,366,330)	-	-
Total comprehensive income for the year		6,099,856,731	5,568,761,808	2,055,229,881	5,508,001,562
Profit attributable to:					
Owners of the parent		6,022,370,217	5,456,416,101	2,055,229,881	5,508,001,562
Non-controlling interests		108,412,406	117,712,037	-	-
Profit for the year		6,130,782,623	5,574,128,138	2,055,229,881	5,508,001,562
Total comprehensive income attributable to:					
Owners of the parent		5,991,833,906	5,451,249,369	2,055,229,881	5,508,001,562
Non-controlling interests		108,022,825	117,512,439	-	-
Total comprehensive income for the year		6,099,856,731	5,568,761,808	2,055,229,881	5,508,001,562
Earnings per share <i>(in Baht)</i>					
Basic earnings per share	28	2.75	2.50	0.94	2.52
Diluted earnings per share	28	2.75	2.50	0.94	2.52

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

Statement of changes in equity

Year ended 31 December 2018

Balance at 1 January 2018

Transactions with owners, recorded directly in equity

Contributions by and distributions to owners of the parent

Dividends to owners of the Company

Warrants exercised

Total contributions by and distributions to owners of the parent

Changes in ownership interests in subsidiary

Acquisition of non-controlling interests without
a change in control

a change in control

Total changes in ownership interests in subsidiary

Total transactions with owners, recorded directly in equity

Comprehensive income for the year

Profit

Other comprehensive income

Total comprehensive income for the year

Balance at 31 December 2018

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

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

		Separate financial statements					
		Retained earnings					
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated	Total equity
Note							
(in Baht)							
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							
29	Dividends to owners of the Company	-	-	-	-	(2,995,863,955)	(2,995,863,955)
17, 18	Warrants exercised	939,000	29,306,190	(14,958,270)	-	-	15,286,920
18	Share-based payment transaction	-	-	53,798,851	-	-	53,798,851
18	Cancellation of warrants	-	-	(6,929,122)	-	-	(6,929,122)
Total transactions with owners, recorded directly in equity		939,000	29,306,190	31,911,459	-	(2,995,863,955)	(2,933,707,306)
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
19	Transfer to legal reserve	-	-	-	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 changes in equity

		Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Retained earnings	
		Note				(in Baht)	
Year ended 31 December 2018							
Balance at 1 January 2018			2,186,796,580	32,366,843,209	31,911,459	222,638,318	2,250,384,428
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Dividends to owners of the Company	29	-	-	-	-	-	(2,779,401,307)
Warrants exercised	17, 18	1,708,342	53,438,133	(27,334,667)	-	-	27,811,808
Total transactions with owners, recorded directly in equity		1,708,342	53,438,133	(27,334,667)	-	(2,779,401,307)	(2,751,589,499)
Comprehensive income for the year							
Profit		-	-	-	-	2,055,229,881	2,055,229,881
Total comprehensive income for the year		-	-	-	-	2,055,229,881	2,055,229,881
Balance at 31 December 2018		2,188,504,922	32,420,281,342	4,576,792	222,638,318	1,526,213,002	36,362,214,376

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 31 December	
	2018	2017	2018	2017
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	6,130,782,623	5,574,128,138	2,055,229,881	5,508,001,562
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	1,555,502,472	1,582,429,221	5,939,325	-
Finance costs	138,847,755	197,350,224	90,747,621	798,046
Depreciation and amortisation	497,311,417	467,331,414	227,710	63,652
Interest income	-	-	(189,799,592)	(57,482,802)
Losses on real estate projects under development devaluation	902,608	5,155,613	-	-
Reversal of impairment losses on property, plant and 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 from disposal of plant and equipment	645,451	18,388,236	-	-
Loss from disposal of intangible assets	39,475	-	-	-
Gain on disposal of investment properties	-	(6,407,448)	-	-
Dividend income from subsidiary	-	-	(1,995,724,813)	(5,508,335,902)
Currency translation differences	(38,657,365)	8,578,849	-	-
Provisions for employees benefits	49,202,925	69,893,689	3,011,112	626,500
Share-based payment	-	25,438,693	-	-
Provision for litigation and claims	4,420,118	106,338,087	-	-
Gain on disposal of current investments	-	(70,314)	-	-
Share of loss of joint ventures	419,792	347,770	-	-
Reversal of share of loss of joint ventures	(419,792)	(347,770)	-	-
	8,338,997,479	8,019,252,248	(30,368,756)	(56,328,944)
<i>Changes in operating assets and liabilities</i>				
Other receivables from subsidiary	-	-	(69,773,295)	(37,205,749)
Real estate projects under development	(7,638,998,693)	(3,785,167,777)	-	-
Deposits for purchase of land	(946,141,570)	36,729,032	-	-
Advance payment for goods	(35,849,672)	(70,563,831)	292,993	(293,314)
Other current assets	(191,258,806)	2,465,400	2,283,787	(2,378,662)
Other non-current assets	24,717,609	(52,385,368)	230,142	(1,488,954)
Other payables - subsidiary	-	-	-	(39,592,323)
Trade accounts payable - others	(95,056,433)	383,679,625	-	-
Payables for purchase of land	1,056,625,623	(1,951,847,427)	-	-
Customers' deposits	1,627,069,571	251,530,148	-	-
Other current liabilities	562,493,770	363,579,590	10,895,926	18,597,267
Provision for litigation and claims paid	(1,917,513)	(36,825,019)	-	-
Net cash generated from (used in) operating	2,700,681,365	3,160,446,621	(86,439,203)	(118,690,679)
Tax paid	(1,175,474,791)	(1,769,631,122)	(3,217,098)	-
Net cash from (used in) operating activities	1,525,206,574	1,390,815,499	(89,656,301)	(118,690,679)

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

Pruksa Holding Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2018	2017	2018	2017
		(in Baht)			
Cash flows from investing activities					
Acquisition of property, plant and equipment		(551,570,045)	(1,404,886,616)	(39,618)	(134,317)
Proceeds from sale of plant and equipment		21,980,095	18,017,876	-	-
Acquisition of intangible assets		(66,888,113)	(57,798,970)	-	(1,850,000)
Proceeds from sale of intangible assets		33,939	-	-	-
Proceeds from sale of investment properties		-	7,828,800	-	-
Dividends received from subsidiary		-	-	1,995,724,813	5,508,335,902
Short-term loans to subsidiaries	4	-	-	(7,834,965,653)	(4,362,975,000)
Proceeds from repayment of short-term loans to subsidiaries	4	-	-	2,653,155,748	2,941,606,545
Interest received		-	-	194,300,572	43,498,692
Acquisition of current investments		-	(56,941,202)	-	-
Proceeds from sale of current investments		-	303,334,890	-	-
Increase in investment in subsidiary	7	-	-	-	(999,999,977)
Net cash from (used in) investing activities		(596,444,124)	(1,190,445,222)	(2,991,824,138)	3,128,481,845
Cash flows from financing activities					
Interest paid		(746,824,800)	(741,694,656)	(79,010,634)	(798,046)
Proceeds from issue of ordinary shares		27,811,808	15,286,920	27,811,808	15,286,920
Dividends paid to owners of the Company	29	(2,779,401,307)	(2,995,863,955)	(2,779,401,307)	(2,995,863,955)
Dividends paid to non-controlling interests		(36,015,856)	(118,023,088)	-	-
Proceeds from short-term loans from subsidiary	4	-	-	3,948,638	23,358,128
Repayment of short-term loans from subsidiary	4	-	-	(4,673,350)	(22,633,176)
Increase in short-term loans from financial institutions, net		2,800,000,000	902,049,982	-	-
Proceeds from long-term loans from financial institution		500,000,000	-	500,000,000	-
Proceeds from long-term debentures		5,500,000,000	9,500,000,000	5,500,000,000	-
Repayment of long-term debentures		(6,000,000,000)	(6,000,000,000)	-	-
Acquisition of non-controlling interest	7	(97,311,140)	-	(97,311,140)	-
Net cash from (used in) financing activities		(831,741,295)	561,755,203	3,071,364,015	(2,980,650,129)
Net increase (decrease) in cash and cash equivalents		97,021,155	762,125,480	(10,116,424)	29,141,037
Cash and cash equivalents at 1 January		1,347,534,970	585,409,490	29,165,687	24,650
Cash and cash equivalents at 31 December	5	1,444,556,125	1,347,534,970	19,049,263	29,165,687
Non-cash transactions:					
Increase (decrease) in equipment payable, net		18,202,095	(10,100,775)	-	-
Transfer of investment properties from real estate projects under development, net		(65,611,795)	(391,022,668)	-	-
Transfer of property, plant and equipment from real estate projects under development, net		(1,443,511)	-	-	-
Transfer of warrants from subsidiary		-	-	-	(46,869,782)

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 2018

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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 21 February 2019.

1 General 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, Phayathai, Phayathai, Bangkok.

The Company was listed on the Stock Exchange of Thailand in November 2016.

The Company’s major shareholder during the financial year was Vijitpongpun family (75.40% shareholding).

The principal activity of the Company is investing. The principal activity of the Group is real estate development. Details of the Company’s subsidiaries and joint ventures as at 31 December 2018 and 2017 are given in notes 7 and 8.

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 2018. 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.

In addition to the above new and revised TFRS, the FAP has issued a number of new and revised TFRS which are not yet effective for current periods. The Group has not early adopted these standards in preparing these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 34.

(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 (m)

(c) Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency.

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(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.

Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities within the year ending 31 December 2019 is included in the following notes:

Note 6	Determining the value of real estate projects under development; and
Note 16	Measurement of defined benefit obligations: key actuarial assumptions.

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.

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Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 9 - Investment properties;
- Note 18 - Warrants; and
- Note 30 - Financial instruments.

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 combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognises assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder’s equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

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.

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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 rate 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 exchange rates 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.

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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) *Derivatives*

Derivatives are used to manage exposure to foreign exchange risk arising from investment activities. Derivatives are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Hedge of exchange rates

The Group has a policy to mitigate the foreign exchange risk by entering into forward exchange contracts covering foreign currency monetary transactions. In this regard, all monetary transactions are translated to the functional currency at the rates prevailing at the reporting date, adjusted by net receivables/payables arising from the related forward exchange contracts and the remaining deferred forward premium/discount. The related forward premium/discount is recorded as income/expense over the forward contract term. The amortised forward premium/discount and gains/losses on the forward exchange contracts covering foreign currency monetary transactions are offset against the related exchange losses or gains on the foreign currency monetary transactions being hedged.

(d) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments.

(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 development projects comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding real estate development projects are capitalised, on a specific identification basis, as part of the cost of the property until the completion of development.

The cost of construction materials is calculated using the moving-weighted average cost principle.

The cost of sample houses and real estate projects under development are 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.

Pruksa Holding Public Company Limited and its Subsidiaries

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For the year ended 31 December 2018

(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 profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

The fair value of financial instruments classified as available-for-sale 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.

(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.

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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 improvements	5 - 10	years
Buildings and decorations	2 - 30	years
Machinery and equipment	3 - 20	years
Furniture, fixtures and office equipment	3, 5	years
Public utilities	20	years
Transportation equipment	5	years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets

Software licenses

Software licenses that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

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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.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

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.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

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.

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(n) *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.

(o) *Provisions*

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(p) *Revenue*

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and 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.

Real estate development projects

When the contract meets the criteria for a sale of goods, or if control and significant risks and rewards of ownership of the work in progress are transferred to the buyer at a single time, for example at completion or delivery, revenue is recognised when the criteria described above for sales of goods and services are met.

Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

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Notes to the financial statements

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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 profit or loss as they accrue.

(q) 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 periods of time to be prepared for its intended use or sale.

(r) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(s) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

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For the year ended 31 December 2018

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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) *Earnings per share*

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(u) *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 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.

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Relationships with subsidiaries and joint ventures are described in notes 7 and 8. 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.	Thailand	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 / interest expense	MLR, MLR-2% and 4%
Dividend income	The declared amount
Management income	Agreed prices
Management fee	Agreed prices
Rental and service charges	Agreed prices
Purchase of lands	Agreed prices

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Subsidiaries				
Interest income	-	-	189.80	36.98
Dividend income	-	-	1,995.72	5,508.34
Management income	-	-	99.98	34.77
Interest expense	-	-	-	0.56
Management fee	-	-	-	1.31
Other related parties				
Rental and service charges	159.37	57.62	5.13	0.82
Purchase of lands	-	950.00	-	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	232.63	218.29	75.34	9.45
Post-retirement benefits	8.11	4.48	1.93	-
Share-based payments	-	5.18	-	-
Total key management personnel compensation	240.74	227.95	77.27	9.45

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For the year ended 31 December 2018

Balances as at 31 December with related parties were as follows:

			Separate financial statements	
	2018	2017	2018	2017
			<i>(in million Baht)</i>	
<i>Other receivables from subsidiary</i>				
Pruksa Real Estate Public Co., Ltd.			106.98	37.21
	Interest rate		Separate financial statements	
	2018	2017	2018	2017
			<i>(in million Baht)</i>	
<i>Short-term loans to subsidiaries</i>				
Pruksa Real Estate Public Co., Ltd.	4.2	4.2	6,300.05	1,458.24
Vimut Hospital Holding Co., Ltd.	4.2	4.2	350.00	10.00
			6,650.05	1,468.24
<i>Accrued interest income - subsidiaries</i>				
Pruksa Real Estate Public Co., Ltd.			2.29	13.92
Vimut Hospital Holding Co., Ltd.			7.19	0.06
			9.48	13.98
<i>Total short-term loans and accrued interest income - subsidiaries</i>			6,659.53	1,482.22

Movements during the years ended 31 December of short-term loans to subsidiaries were as follows:

			Separate financial statements	
	2018	2017	2018	2017
			<i>(in million Baht)</i>	
At 1 January			1,468.24	-
Increase			7,834.97	4,409.84
Decrease			(2,653.16)	(2,941.60)
At 31 December			6,650.05	1,468.24

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
			<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.	42.64	46.11	1.26	1.26

	Interest rate		Separate financial statements	
	2018	2017	2018	2017
			<i>(in million Baht)</i>	
<i>Short-term loans from subsidiary</i>				
Pruksa Real Estate Public Co., Ltd.	-	4.2	-	0.72

Pruksa Holding Public Company Limited and its Subsidiaries

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For the year ended 31 December 2018

Movements during the years ended 31 December of short-term loans from subsidiary were as follows:

	Separate financial statements	
	2018	2017
	<i>(in million Baht)</i>	
At 1 January	0.72	-
Increase	3.95	23.36
Decrease	(4.67)	(22.64)
At 31 December	-	0.72

	Consolidated financial statements	
	2018	2017
	<i>(in million Baht)</i>	
Accrued rental expense - other related party (presents under other current liabilities) T C T Co., Ltd.	11.39	26.18

Significant agreements with related parties

- (a) 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. According to the agreements, the rental and service charges were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Office building operating leases				
Within one year	159.60	158.16	4.61	4.45
After one year but within five years	116.65	290.20	3.36	8.21
Total	276.25	448.36	7.97	12.66

- (b) The subsidiaries had partly registered land servitude accumulative value as at 31 December 2018 of Baht 1,902.0 million (2017: Baht 1,769.9 million), which is subject to servitudes and restrictions to the projects of the Group for construction of the utilities of the projects with no time limit. During the year ended 31 December 2018, the subsidiaries have registered land servitude and ceded land for the public interest amounting to Baht 174.0 million (2017: Baht 718.5 million), and for which the subsidiaries have received compensation of Baht 175.7 million (2017: Baht 725.6 million).
- (c) The Company had borrowing agreements to grant loans to its subsidiaries with loan lines totalling Baht 9,800 million and had borrowing agreement to borrow from a subsidiary with loan line totalling Baht 500 million, with interest rate at MLR-2% per annum and are repayable on demand.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Cash on hand	4	19	-	-
Cash at banks - current accounts	75	77	8	28
Cash at banks - savings accounts	515	266	11	1
Cash at banks - fixed deposits	91	102	-	-
Cheques on hand	753	880	-	-
Others	7	3	-	-
Total	1,445	1,347	19	29

6 Real estate projects under development

	Consolidated financial statements	
Note	2018	2017
	<i>(in million Baht)</i>	
Construction materials	589	677
Sample houses	1,411	1,302
Projects under development		
- land	36,258	30,353
- land improvements	1,846	1,473
- construction cost	5,961	4,114
- public utilities	2,609	2,233
- overhead costs	2,556	2,279
- interest costs	842	723
	50,072	41,175
Land, and land and houses for sale	10,014	11,743
Land held for development	9,980	8,999
Total	72,066	63,896
Less losses on real estate projects under development devaluation	(106)	(105)
Net	71,960	63,791
Finance costs capitalised during the year	25 598	564
Rates of interest capitalised (% per annum)	2.44	2.95
Write-down to net realisable value	1	5

	Consolidated financial statements	
	2018	2017
	<i>(projects)</i>	
Number of projects under development		
Townhouse	146	140
Single house	42	51
Twin house	28	10
Condominium	21	20
Total projects	237	221

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

Real estate projects under development (land and structure thereon) are used as collateral for credit facilities from banks (see note 13 to the financial statements).

7 Investments in subsidiaries

	Separate financial statements	
	2018	2017
	<i>(in million Baht)</i>	
At 1 January	35,523	34,523
Acquisitions	98	1,000
At 31 December	35,621	35,523

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

Investments in subsidiaries as at 31 December 2018 and 2017, and dividend income from those investments for the years then ended, were as follows:

Name of subsidiary	Type of business	Country of incorporation	Separate financial statements					
			Ownership interest (%)		Paid-up capital		Cost method	
			2018	2017	2018	2017	2018	2017
							(in million Baht)	
Direct subsidiaries								
Pruksa Real Estate Public Co., Ltd.	Sale of real estate	Thailand	98.23	97.90	2,232.7	2,232.7	34,620.7	34,523.4
Vimut Hospital Holding Co., Ltd.*	Investment	Thailand	99.99	99.99	1,000.0	1,000.0	1,000.0	1,000.0
Dividend income								
							2018	2017
							1,995.7	5,508.3
Indirect subsidiaries (hold by subsidiaries)								
Kaysorn Construction Co., Ltd.	Services, management, home decoration and construction	Thailand	100.00	100.00	100.0	100.0	-	-
Purthachart 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	9.8	-	-
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	-	-
Thanatep Engineering and Construction Company Limited****	Construction	Thailand	51.00	51.00	5.0	5.0	-	-

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

Name of subsidiary	Type of business	Country of incorporation	Separate financial statements			
			Ownership interest	Paid-up capital	Cost method	Dividend income
			2018 2017 (%)	2018 2017	2018 2017 (in million Baht)	2018 2017
Vimut International Hospital Co., Ltd.	Operating of hospitals, clinics and place of examination and treatment	Thailand	99.99	998.0	-	-
Total					35,620.7 35,523.4	1,995.7 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 2018, the Company indirectly held 100% of shares in Pruksa Vietnam Company Limited because the co-investor hasn't paid for the shares.

*** - Pruksa Oversea Service Company Limited has registered for dissolution with the Ministry of Commerce on 4 October 2017 and it is in liquidation process.

**** - Thanatep Engineering and Construction Company Limited has registered for dissolution with the Ministry of Commerce on 25 August 2015 and it is in liquidation process.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

Acquisitions of non-controlling interests

In March 2018, the Group acquired an additional 0.33% interest in Pruksa Real Estate Public Company Limited for Baht 97.31 million in cash, increasing its ownership from 97.90% to 98.23%. The carrying amount of Pruksa Real Estate Public Company Limited's net assets in the Group's financial statements on the date of the acquisition was Baht 36,254.29 million. The Group recognised a decrease in non-controlling interests of Baht 118.92 million, an increase in retained earnings of Baht 21.61 million attributable to owners of the Group of Baht 97.31 million of changes in the Group's ownership interest in Pruksa Real Estate Public Company Limited.

8 Investments in joint ventures

	Consolidated financial statements	
	2018	2017
	<i>(in million Baht)</i>	
Joint ventures		
At 1 January	108	108
At 31 December	108	108

During the year ended 31 December 2018 and 2017, there were no acquisitions and disposals of investments in joint ventures.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

Investments in joint ventures as at 31 December 2018 and 2017, 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	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<i>Joint ventures - indirect shareholding by a subsidiary</i>											
Pruksa HDC	Property development and construction	80.00	80.00	129.6	129.6	129.6	129.6	108.0	108.0	-	-
Housing Private Limited											
Pruksa - Luxora	Property development and construction	50.00	50.00	0.3	0.3	0.3	0.3	-	108.0	-	-
Housing Private Limited											
Total						129.9	129.9	108.0	108.0	-	-

The joint venture agreements provide 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

Notes to the financial statements

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9 Investment properties

	Consolidated financial statements <i>(in million Baht)</i>
<i>Cost</i>	
At 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 and 1 January 2018	788
Transfer from real estate projects under development	115
Transfer to real estate projects under development	(13)
At 31 December 2018	890
<i>Impairment losses</i>	
At 1 January 2017	153
Decrease	(6)
At 31 December 2017 and 1 January 2018	147
Increase	37
At 31 December 2018	184
<i>Net book value</i>	
At 1 January 2017	245
At 31 December 2017 and 1 January 2018	641
At 31 December 2018	706

The fair value of investment properties as at 31 December 2018 of Baht 741.6 million (2017: Baht 682.0 million), was determined by independent professional valuers, at market values. Input used in the fair value measurement is consisted of the quoted prices of comparable assets in the similar location. The fair value measurement for investment properties has been categorised as a Level 3 fair values.

The Group's investment properties comprise land held for which there is no specific intention to use in the future, and land for rent.

Pruksa Holding Public Company Limited and its Subsidiaries

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For the year ended 31 December 2018

10 Property, plant and equipment

	Consolidated financial statements					
	Land and land improvements	Buildings and decorations	Machinery and equipment	Furniture, fixtures and office equipment	Public utilities	Transportation equipment
						Assets under construction and installation
						Total
<i>(in million Baht)</i>						
Cost						
At 1 January 2017	846	1,699	2,851	351	17	39
Additions	950	16	75	61	-	48
Transfers	5	108	27	42	-	279
Disposals	(4)	(52)	(121)	(92)	-	(182)
At 31 December 2017 and 1 January 2018	1,797	1,771	2,832	362	17	37
Additions	2	25	96	57	-	1
Transfers	6	36	55	14	-	-
Disposals	-	(8)	(108)	(25)	-	(9)
At 31 December 2018	1,805	1,824	2,875	408	17	29
						426
						7,384
Accumulated depreciation and impairment losses						
At 1 January 2017	16	511	1,324	269	17	31
Depreciation charge for the year	4	101	260	40	-	3
Disposals	-	(52)	(105)	(86)	-	(5)
At 31 December 2017 and 1 January 2018	20	560	1,479	223	17	29
Depreciation charge for the year	5	128	251	55	-	3
Disposals	-	(4)	(88)	(23)	-	(8)
Reversal of impairment losses	-	(2)	-	-	-	-
At 31 December 2018	25	682	1,642	255	17	24
						-
						2,645

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Notes to the financial statements

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	Consolidated financial statements					
	Land and land improvements	Buildings and decorations	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 2017						
Owned assets	830	1,188	1,527	82	-	8
At 31 December 2017 and 1 January 2018						
Owned assets	1,777	1,211	1,353	139	-	8
At 31 December 2018						
Owned assets	1,780	1,142	1,233	153	-	5

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2018 amounted to Baht 704 million (2017: Baht 561 million).

Collateral

At 31 December 2018, the Group's property, plant and equipment with a net book value of Baht 1,196 million (2017: Baht 1,267 million) are used as collateral for credit facilities with banks (see note 13 to the financial statements).

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

11 Intangible assets

	Consolidated financial statements Software licenses	Separate financial statements Software licenses
	<i>(in million Baht)</i>	
Cost		
At 1 January 2017	578	-
Additions	59	2
At 31 December 2017 and 1 January 2018	637	2
Additions	66	-
Transfers	1	-
At 31 December 2018	704	2
Accumulated amortisation		
At 1 January 2017	244	-
Amortisation charge for the year	59	-
At 31 December 2017 and 1 January 2018	303	-
Amortisation charge for the year	55	-
At 31 December 2018	358	-
Net book value		
At 1 January 2017	334	-
At 31 December 2017 and 1 January 2018	334	2
At 31 December 2018	346	2

12 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Total	162	148	(107)	(96)
Set off of tax	(107)	(96)	107	96
Net deferred tax assets	55	52	-	-

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

Movements in total deferred tax assets and liability during the years were as follows:

	Consolidated financial statements (Charged) / Credited to (Note 26)			
	As at 1 January 2018	Profit or loss	Other comprehensive income	As at 31 December 2018
		(in million Baht)		
Deferred tax assets				
Real estate projects under development	4	-	-	4
Investment properties	28	7	-	35
Property, plant and equipment	23	(10)	-	13
Non-current provisions for employee benefits	65	8	-	73
Provision for litigation and claims	14	1	-	15
Foreign currency translation for foreign operations	12	-	8	20
Others	2	-	-	2
Total	148	6	8	162
Deferred tax liability				
Property, plant and equipment	(96)	(11)	-	(107)
Total	(96)	(11)	-	(107)
Net	52	(5)	8	55

	Consolidated financial statements (Charged) / Credited to (Note 26)			
	As at 1 January 2017	Profit or loss	Other comprehensive income	As at 31 December 2017

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

13 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Current				
Short-term loans from financial institutions				
Secured	2,200	1,160	-	-
Unsecured	3,400	1,640	-	-
Current portion of long-term debentures				
Unsecured	6,400	6,000	-	-
Total current interest-bearing liabilities	12,000	8,800	-	-
Non-current				
Long-term loan from financial institution				
Secured	500	-	500	-
Long-term debentures				
Unsecured	14,600	15,500	5,500	-
Total non-current interest-bearing liabilities	15,100	15,500	6,000	-
Total	27,100	24,300	6,000	-

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Within one year	12,000	8,800	-	-
After one year but within five years	14,950	15,500	5,850	-
After five years	150	-	150	-
Total	27,100	24,300	6,000	-

As at 31 December 2018, the Group had unutilised credit facilities totalling Baht 17,777 million, US Dollars 4 million (equivalent to Baht 130 million) and Indian Rupee 65 million (equivalent to Baht 32 million) (2017: Baht 23,892 million, US Dollars 4 million (equivalent to Baht 131 million) and Indian Rupee 65 million (equivalent to Baht 35 million)).

Credit facilities of the Group that used assets as collateral as at 31 December 2018 were as follows:

- Loan lines from banks of Baht 2,200 million (2017: Baht 1,197 million) for the Group.
- Bank overdraft lines of Baht 50 million (2017: Baht 50 million) for the Group.
- Letter of guarantee lines of Baht 5,911 million, US Dollars 4 million (equivalent to Baht 130 million) and Indian Rupee 65 million (equivalent to Baht 32 million) (2017: Baht 5,911 million, US Dollars 4 million (equivalent to Baht 131 million) and Indian Rupee 65 million (equivalent to Baht 35 million)) for the Group.

Pruksa Holding Public Company Limited and its Subsidiaries Notes to the financial statements

For the year ended 31 December 2018

- (d) Promissory note lines from bank of Baht 8,222 million (2017: Baht 10,856 million) for the Group.
- (d) Other credit facilities of Baht 605 million (2017: Baht 605 million) for the Group.

Credit facilities were secured on the following assets at carrying value:

	Consolidated financial statements	
	2018	2017
	<i>(in million Baht)</i>	
Property, plant and equipment	1,196	1,267
Real estate projects under development (land and properties)	2,181	3,305
Total	3,377	4,572

In addition, some part of subsidiaries' credit facilities are guaranteed by Pruksa Real Estate Public Company Limited.

Loans from financial institutions

Short-term loans

As at 31 December 2018, loans from financial institutions bear interest at rates 1.95% - 2.55% per annum (2017: 1.62% - 1.65% per annum).

Long-term loan

In the second quarter of 2018, the Company had loan agreement with a financial institution for the loan lines totalling Baht 500 million with interest rate at MLR-3.2% per annum. The principal repayment of the loan is started from November 2020 to May 2025. The loan is guaranteed by Pruksa Real Estate Public Company Limited.

The aforesaid loan contains restrictions on interest-bearing liabilities to equity ratio and others.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

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Debentures

As at 31 December 2018 and 2017, all debentures of the Group were issued by the Company and Pruksa Real Estate Public Company Limited and were unsubordinated and unsecured with face value of Baht 1,000 per unit. At shareholders' meetings of the Group, the shareholders approved the issuance and offer for sale of debt securities as follows:

Type of debenture	Interest			Maturity date	Consolidated financial statements			
	Interest rate (% per annum)	payment due	Term		Units		Amount	
					2018 (million units)	2017 (million units)	2018 (in million Baht)	2017 (in million Baht)
No. 1/2013								
Set 2	4.09%	every 3 months	5 years	May 2013	-	3.00	-	3,000
No. 2/2014								
Set 2	3.90%	every 3 months	3 years 6 months	September 2014	-	2.00	-	2,000
No. 1/2015								
Set 1	2.68%	every 3 months	3 years 6 months	May 2015	-	1.00	-	1,000
Set 2	3.23%	every 3 months	5 years	May 2015	2.00	2.00	2,000	2,000
No. 1/2016								
Set 1	2.05%	every 3 months	3 years	March 2016	2.30	2.30	2,300	2,300
Set 2	2.08%	every 3 months	3 years 6 months	March 2016	1.70	1.70	1,700	1,700
No. 1/2017								
Set 1	2.63%	every 3 months	2 years 10 months	February 2017	2.40	2.40	2,400	2,400
Set 2	2.85%	every 3 months	3 years 6 months	February 2017	2.60	2.60	2,600	2,600
No. 2/2017								
Set 1	2.64%	every 6 months	3 years 5 months	June 2017	2.50	2.50	2,500	2,500
No. 3/2017								
Set 1	2.27%	every 6 months	3 years 6 months	September 2017	2.00	2.00	2,000	2,000
No. 1/2018*								
Set 1	2.37%	every 6 months	3 years	May 2018	4.75	-	4,750	-
Set 2	2.84%	every 6 months	5 years	May 2018	0.75	-	750	-
Total					21.00	21.50	21,000	21,500
Less current portion of long-term debentures					(6.40)	(6.00)	(6,400)	(6,000)
Unsubordinated and unsecured debentures - net of current portion					14.60	15.50	14,600	15,500

Pruksa Holding Public Company Limited and its Subsidiaries

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Type of debenture	Interest rate (% per annum)	Interest payment due	Term	Issuance date	Maturity date	Separate financial statements		
						Units	Amount	
						2018 (million units)	2017 (million units)	2017 (in million Baht)
No. 1/2018*								
Set 1	2.37%	every 6 months	3 years	May 2018	May 2021	4.75	-	-
Set 2	2.84%	every 6 months	5 years	May 2018	May 2023	0.75	-	-
Total						5.50	-	5,500

*

At the annual general meeting of the shareholders of the Company held on 27 April 2018, the shareholders approved the issuance and offer for sale of debt securities to support future expansion of Pruksa Real Estate Public Company Limited in the aggregate principal amount of not exceeding Baht 20,000 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 2018, the Company issued debenture no. 1/2018 amounting to Baht 5,500 million.

Pruksa Holding Public Company Limited and its Subsidiaries

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For the year ended 31 December 2018

Movements during the years ended 31 December of debentures were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
At 1 January	21,500	18,000	-	-
Issue during the year	5,500	9,500	5,500	-
Repayment during the year	(6,000)	(6,000)	-	-
At 31 December	21,000	21,500	5,500	-

14 Trade accounts payable

	Consolidated financial statements	
	2018	2017
	<i>(in million Baht)</i>	
Other parties	2,284	2,379
Total	2,284	2,379

15 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Accrued for real estate projects under development	1,011	789	-	-
Accrued for public utilities	1,022	919	-	-
Accrued bonus	321	355	15	15
Retention payable	734	510	-	-
Accrued interest expense	63	73	12	-
Accrued withholding tax	64	57	2	1
Others	759	701	13	3
Total	3,974	3,404	42	19

16 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Statement of financial position				
Non-current provisions for:				
Post-employment benefits				
Defined benefit plan	392	344	4	1
Other long-term employee benefits	32	30	-	-
Total	424	374	4	1

Defined benefit plan

The Group and the Company 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.

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The defined benefit plans expose the Group to actuarial risks, such as longevity risk and interest rate risk.

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
At 1 January	374	290	1	-
Included in profit or loss:				
Current service cost	50	68	4	1
Interest on obligation	8	10	-	-
	58	78	4	1
Included in other comprehensive income				
Actuarial loss	-	15	-	-
Other				
Benefit paid	(8)	(9)	(1)	-
At 31 December	424	374	4	1

On 13 December 2018, the National Legislative Assembly passed a bill amending the Labor Protection Act to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group will amend its retirement plan in the period in which the amendment will have become law and is announced in the Royal Gazette. As a result of this change, the provision for retirement benefits as at that future period end as well as past service cost recognised during that period in the consolidated and the separate financial statements is estimated to increase by an amount of approximately Baht 82 million and Baht 6 million, respectively.

Actuarial losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Demographic assumptions	-	2	-	-
Financial assumptions	-	38	-	-
Experience adjustment	-	(25)	-	-
Total	-	15	-	-

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Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate (%)	1.41 - 4.15	1.41 - 4.15	1.41 - 4.15	1.41 - 4.15
Future salary growth (%)	5, 6, 8 and 9	5, 6, 8 and 9	5, 6, 8 and 9	5, 6, 8 and 9
Employee turnover (%)	0, 6, 7, 11 and 17	0, 6, 7, 11 and 17	0, 6, 7, 11 and 17	0, 6, 7, 11 and 17

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2018, the weighted-average duration of the defined benefit obligation was 18 years (2017: 18 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		Separate financial statements	
	(in million Baht)			
31 December 2018	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(42)	50	-	-
Future salary growth (1% movement)	50	(43)	1	(1)
Employee turnover (20% movement)	(46)	57	-	-
31 December 2017				
Discount rate (1% movement)	(38)	44	-	-
Future salary growth (1% movement)	42	(36)	-	-
Employee turnover (20% movement)	(35)	44	-	-

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.

17 Share capital

	Par value per share (in Baht)	2018		2017	
		Number	Amount (million shares / in million Baht)	Number	Amount
Authorised					
At 1 January					
- ordinary shares	1	2,226	2,226	2,273	2,273
Reduction of ordinary shares	1	-	-	(47)	(47)
At 31 December					
- ordinary shares	1	2,226	2,226	2,226	2,226

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For the year ended 31 December 2018

	Par value per share (in Baht)	2018		2017	
		Number	Amount (million shares / in million Baht)	Number	Amount
Issued and paid-up					
At 1 January					
- ordinary shares	1	2,187	2,187	2,186	2,186
Issue of ordinary shares	1	2	2	1	1
At 31 December					
- ordinary shares	1	2,189	2,189	2,187	2,187

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.

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.

Issue of ordinary shares

During the years ended 31 December 2018 and 2017, holders of warrants exercised their option to purchase ordinary shares of the Company as follows:

	Exercise price per share (in Baht)	Separate financial statements	
		2018 (in million units)	2017
PS-WF	16.28	1.7	0.9
Total		1.7	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.

18 Warrants

PS-WE

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 Public Company Limited's management) and management of Pruksa Real Estate Public Company Limited and/or its subsidiaries
Issued and allotted as at 31 December 2018	4,838,447 units (actual units granted)
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 28.19 per share

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Description	Details
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.
Grant date	25 February 2014

PS-WF

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 Public Company Limited's management) and management of Pruksa Real Estate Public Company Limited and/or its subsidiaries
Issued and allotted as at 31 December 2018	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.
Grant date	13 February 2015

PS-WG

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 Public Company Limited's management) and management of Pruksa Real Estate Public Company Limited and/or its subsidiaries
Issued and allotted as at 31 December 2018	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, 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.
Grant date	17 February 2016

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Movements during the years ended 31 December 2018 and 2017 of the units of warrants were as follows:

	Consolidated / 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)
Cancellation of warrants	(2.8)	-	-	(2.8)
At 31 December 2017	-	1.8	12.7	14.5
At 1 January 2018	-	1.8	12.7	14.5
Warrants exercised during the year	-	(1.7)	-	(1.7)
Cancellation of warrants of resigned employees	-	-	(0.2)	(0.2)
At 31 December 2018	-	0.1	12.5	12.6

Movements during the years ended 31 December 2018 and 2017 of the fair value of warrants were as follows:

	Consolidated / 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 year	-	32.4	-	32.4
Warrants exercised during the year	-	(15.0)	-	(15.0)
Cancellation of warrants	(6.9)	-	-	(6.9)
At 31 December 2017	-	31.9	-	31.9
At 1 January 2018	-	31.9	-	31.9
Warrants exercised during the year	-	(27.3)	-	(27.3)
At 31 December 2018	-	4.6	-	4.6

- * 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 reduction in Pruksa Real Estate's authorised share capital by means of cancelling ordinary shares which were reserved to accommodate the exercise of warrants issued for directors and management of Pruksa Real Estate and/or its subsidiaries (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 the directors and management of Pruksa Real Estate and/or its subsidiaries, in order to replace warrants of Pruksa Real Estate which was canceled due to restructuring plan. Pruksa Real Estate had notified employees of changes in the rights to purchase ordinary shares in 2017.

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19 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.

20 Segment information

There are 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	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
External revenue	12,526	11,691	8,263	8,897	10,701	11,266	3,382	5,415	8,169	4,799	43,041	42,068	1,860	1,867	44,901	43,935
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	3,362	2,772	3,362	2,772
Other revenue	8	12	13	14	7	22	23	3	76	51	127	102	19	13	146	115
Total segment revenues	12,534	11,703	8,276	8,911	10,708	11,288	3,405	5,418	8,245	4,850	43,168	42,170	5,241	4,652	48,409	46,822
Segment profit (loss) before income tax	2,593	2,308	1,209	1,557	1,717	1,898	343	837	2,220	818	8,082	7,418	(479)	80	7,603	7,498
Segment assets as at 31 December	13,873	11,096	14,061	13,887	17,909	17,477	8,709	6,534	9,448	8,513	64,000	57,507	13,854	10,994	77,854	68,501

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Reconciliations of reportable segment revenues, profit or loss and assets

	2018 (in million Baht)	2017
Revenues		
Total revenue from reportable segments	43,168	42,170
Other revenue	5,241	4,652
	48,409	46,822
Elimination of inter-segment revenue	(3,362)	(2,772)
Unallocated amounts	24	63
Consolidated revenues	45,071	44,113
Profit or loss		
Total profit before income tax for reportable segments	8,082	7,418
Other profit (loss)	(479)	80
	7,603	7,498
Elimination of inter-segment profits	221	(9)
Unallocated amounts	(138)	(332)
Consolidated profit before income tax	7,686	7,157
Assets		
Total assets for reportable segments	64,000	57,507
Other assets	13,854	10,994
	77,854	68,501
Unallocated amounts	3,991	3,743
Consolidated total assets	81,845	72,244

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	
	2018	2017	2018	2017
	(in million Baht)			
Thailand	45,071	44,100	6,178	6,005
India	-	13	-	10
Total	45,071	44,113	6,178	6,015

21 Distribution costs

	Consolidated financial statements	
	2018	2017
	(in million Baht)	
Advertising expenses	1,336	1,399
Transfer expenses	1,788	1,758
Sales promotion	1,202	1,094
Public relation expenses	70	100
Total	4,396	4,351

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22 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Employee benefit expenses	2,520	2,501	85	19
Professional fee	154	219	3	4
Rental fee	348	272	5	1
Depreciation and amortisation	128	117	-	-
Others	884	1,077	41	47
Total	4,034	4,186	134	71

23 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Salaries and wages	1,875	1,935	53	7
Defined contribution plan	133	126	4	1
Others - bonus and welfare	1,260	1,251	28	5
Total	3,268	3,312	85	13

Defined contribution plan

The defined contribution plan comprises provident fund established by the Group for its 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.

24 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
		<i>(in million Baht)</i>			
Changes in land, land and houses for sale, sample houses and projects under development		(7,277)	(3,827)	-	-
Raw materials and consumables used		24,126	20,612	-	-
Employee benefit expenses	23	3,268	3,312	85	13
Depreciation and amortisation	10, 11	497	467	-	-

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25 Finance costs

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
		<i>(in million Baht)</i>			
Interest expense					
Related parties	4	-	-	-	1
Financial institutions		737	761	91	-
Total interest expense		<u>737</u>	<u>761</u>	<u>91</u>	<u>1</u>
Less amounts included in the cost of qualifying assets:					
- real estate projects under development	6	(598)	(564)	-	-
Net		<u>139</u>	<u>197</u>	<u>91</u>	<u>1</u>

26 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
		<i>(in million Baht)</i>			
Current tax expense					
Current year		1,549	1,555	6	-
Under provided in prior years		2	6	-	-
		<u>1,551</u>	<u>1,561</u>	<u>6</u>	<u>-</u>
Deferred tax expense					
Movements in temporary differences	12	5	21	-	-
		<u>5</u>	<u>21</u>	<u>-</u>	<u>-</u>
Total income tax expense		<u>1,556</u>	<u>1,582</u>	<u>6</u>	<u>-</u>

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	Before tax	2018 Tax (expense) benefit	Net of tax	Before tax	2017 Tax (expense) benefit	Net of tax
			<i>(in million Baht)</i>			
Foreign currency translation differences for foreign operations	(39)	8	(31)	9	(2)	7
Defined benefit plan actuarial losses	-	-	-	(15)	3	(12)
Total	<u>(39)</u>	<u>8</u>	<u>(31)</u>	<u>(6)</u>	<u>1</u>	<u>(5)</u>

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Reconciliation of effective tax rate

Consolidated financial statements				
	2018		2017	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		7,686		7,157
Income tax using the Thai corporation tax rate	20	1,537	20	1,431
Effect of different tax rates in foreign jurisdictions		-		1
Income not subject to tax		(18)		(6)
Expenses not deductible for tax purposes		14		64
Elimination in consolidation		27		92
Under provided in prior years		2		6
Double tax deductible expenses		(6)		(6)
Total	20	1,556	22	1,582

Separate financial statements				
	2018		2017	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		2,061		5,508
Income tax using the Thai corporation tax rate	20	412	20	1,102
Income not subject to tax		(399)		(1,102)
Expenses not deductible for tax purposes		1		-
Recognition of previously unrecognised tax losses		(8)		-
Total	-	6	-	-

27 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 must comply with certain terms and conditions prescribed in the promotional certificates.

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28 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2018 and 2017 were based on the profit 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	
	2018	2017	2018	2017
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	6,022.37	5,456.42	2,055.23	5,508.00
Number of ordinary shares outstanding at 1 January	2,186.80	2,185.86	2,186.80	2,185.86
Effect of shares issued on 28 February 2017	-	0.74	-	0.74
Effect of shares issued on 31 May 2017	-	0.03	-	0.03
Effect of shares issued on 28 February 2018	1.44	-	1.44	-
Weighted average number of ordinary shares outstanding (basic)	2,188.24	2,186.63	2,188.24	2,186.63
Basic earnings per share (in Baht)	2.75	2.50	0.94	2.52

Diluted earnings 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 2018 and 2017, which are PS-WF and PS-WG projects because the Company's warrant's exercise price per unit was higher than the average market price for the year.

29 Dividend

At the Board of Directors' meeting held on 9 August 2018, the Board of Directors approved the appropriation of interim dividend of Baht 0.55 per share, amounting to Baht 1,203.68 million. The dividend was paid to shareholders on 7 September 2018.

At the annual general meeting of the shareholders of the Company held on 27 April 2018, the shareholders approved dividend payment at the rate of Baht 2.09 per share, amounting to Baht 4,571.59 million, of which Baht 0.80 per share was paid as an interim dividend on 9 June 2017 and Baht 0.57 per share on 8 September 2017. Therefore, the remaining dividend to be paid is Baht 0.72 per share, amounting to Baht 1,575.72 million. The dividend was paid to shareholders on 23 May 2018.

At the Board of Directors' meeting held on 12 May 2017, the Board of Directors approved the appropriation of interim dividend of Baht 0.80 per share, amounting to Baht 1,749.39 million. The dividend was paid to shareholders on 9 June 2017.

At the Board of Directors' meeting held on 11 August 2017, the Board of Directors approved the appropriation of interim dividend of Baht 0.57 per share, amounting to Baht 1,246.47 million. The dividend was paid to shareholders on 8 September 2017.

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30 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 derivatives 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 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 (see note 13). The Group does not use derivatives to manage exposure to fluctuations in interest rates on specific borrowings, as interest rate from borrowings is in accordance with market interest rates.

Foreign currency risk

The Group monitors its foreign currency risk as appropriate. Management believes that the Group has minimal currency exchange rate risk.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currency:

	Consolidated financial statements	
	2018	2017
	<i>(in million Baht)</i>	
Indian Rupee		
Cash and cash equivalents	92	104
Gross balance sheet exposure	92	104

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.

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Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statements		Separate financial statements	
	Carrying amount	Fair value (Level 3)	Carrying amount	Fair value (Level 3)
	<i>(in million Baht)</i>			
31 December 2018				
Debentures	21,000	21,006	5,500	5,472
Long-term loan from financial institution	500	490	500	490
31 December 2017				
Debentures	21,500	21,763	-	-

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 fair values of financial assets and liabilities, except as mentioned above, is taken to approximate the carrying values because of the nearly to maturity.

31 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Operating leases				
Within one year	186	88	-	-
After one year but within five years	55	40	-	-
Total	241	128	-	-
Other commitments				
Land purchasing agreements	8,356	6,016	-	-
Development and construction agreements	257	351	-	-
Services and professional consulting agreements	145	69	1	-
Total	8,758	6,436	1	-

Others

As at 31 December 2018;

- The Group had commitment for letters of guarantee issued by certain local banks totalling Baht 9,048 million (2017: Baht 8,118 million).
- A subsidiary had commitment with the banks as a guarantor of overdraft lines of Baht 115 million (2017: Baht 115 million), letters of guarantee lines of Baht 8,592 million (2017: Baht 8,621 million), promissory note lines of Baht 8,377 million (2017: Baht 10,945 million) and other credit facilities of Baht 770 million (2017: Baht 770 million) of the subsidiaries in the Group.

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32 Contingent liability

At 31 December 2018, the Group have been sued by other companies and persons in cases of alleged violation of agreements, prosecution claims and other cases totalling Baht 353 million (2017: Baht 304 million). Presently, the cases are being considered by the court. However, the Group has set aside provision of Baht 73 million (2017: Baht 71 million) in the consolidated statement of financial position for liabilities that may arise as a result of these cases, based on the opinion of their management and legal department.

33 Events after the reporting period

At the Board of Directors' meeting held on 21 February 2019, the Board of Directors approved dividend payment at the rate of Baht 1.55 per share, amounting to Baht 3,392.18 million, of which Baht 0.55 per share was paid as an interim dividend on 9 August 2018. Therefore, the remaining dividend to be paid is Baht 1.00 per share, amounting to Baht 2,188.50 million. In order that those topics depend on the resolution of Annual General Meeting of the Shareholders of the Company on 26 April 2019.

34 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which are relevant to the Group's operations are expected to have an impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

* TFRS - Financial instruments standards

(a) TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

During the year, the Group initially assessed the potential impact of adopting and initially applying TFRS 15 on the financial statements. Based on its assessment, the Group does not expect to have significant impact to the recognition criteria for its existing revenue arrangements.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the consolidated and separate financial statements.

Pruksa Holding Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2018

35 Reclassification of accounts

Certain accounts in the consolidated statement of comprehensive income for the year ended 31 December 2017, which are included in the 2018 financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2018 financial statements as follows:

	2017		
	Consolidated financial statements		
	Before reclass.	Reclass. (in million Baht)	After reclass.
Consolidated statement of comprehensive income			
Distribution costs	4,383	(32)	4,351
Administrative expenses	4,154	32	4,186
		<u>-</u>	

The reclassifications have been made because in the opinion of the management, the new classification is more appropriate to the Group's business.



PRUKSA



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Call Center
1739



www.psh.co.th





PRUKSA

25th

ANNIVERSARY



Sustainability Report 2018

PrukSA Holding Public Company Limited

Voice from Stakeholders

Staff

Thank you for giving a disable man
a secure job and a better life.

Customer

I've had bad experiences with the
flooring at my previous house.
After seeing the innovation at Prukسا
especially the flooring technology,
it's very smooth!

Business Partner Counter Partner

Prukسا has consecutively develop,
take care and prioritize the working
with partners - Making the co-ordination
process very effective.

Creditor

Thank you Prukسا
We never worried about any debts issue
with Prukسا because Prukسا is
very punctual (on time) and very accessible.

Social and Community

Thank you Prukسا for always taking care of the environment and
community even though the project is completed.





HEART TO HOME

AT **PRUKSA**,
“**HOME**” IS WHAT
WE WANT EVERYONE TO HAVE

Because...Home is the happiest place of live
Because.. Home is life's investment
Home is place filled with happiness,
warmth and worry free. Therefore, it is PrukSA's
responsibility and pride to dedicate and ensure the
best quality product for the customer. Moreover,
being a leader in developing innovation and technology
consecutively to strive for the best has always been
the top priority along with delivering happiness
and well-being to Thai people

ALONG WITH PROVIDING POSITIVE
OPPORTUNITY FOR SOCIETY AND
COMMUNITY AND TAKING CARE OF
THE ENVIRONMENT

Corporate Social Responsibility Policy

Pruksa Holding Public Company Limited and its subsidiaries operate business with firm aims of achieving sustainable growth along with providing highest satisfaction to all the stakeholders. The company's obligations towards society emphasizes on development of education, youth, society, environment together with enhancing ethics and morality. The Company has developed Corporate Social Responsibility (CSR) and Anti-Corruption policies with eight core principles as stated below;

- Fair Business Operations
- Anti-Corruption practices
- Respect for human rights
- Fair treatment of labor
- Responsibility to consumers
- Caring for the environment
- Cooperation on community and social development
- Enhance Innovation and diffusion of Innovation those acquired from business operations

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

GRI 102-14

2018 has been one of the most memorable year for Pruksha Holding Public Company Limited- a year we celebrated our 25th anniversary. On December 24th, 2018 we had our grand opening of our new headquarter called 'Pearl Bangkok'. We were blessed with Princess Maha Chakri Sirindhor's presence and grace who has personally perform the grand opening ceremony. It is indeed a day we all at Pruksha would cherish and forever be thankful for.

For the past 25 years, Pruksha has always been maintaining and operating business with wisdom and ethics. We mainly focus on creating awareness and importance of good governance practices as well as anti-corruption practices to our people- namely, the directors, executive officers and staffs. Moreover, we also encourage our executives and staffs to have an open relationship with suppliers and customers, a "Say no to Gifts" campaign as well as organizing a "CG Day" where all our shareholders are invited to participate and rest assured with our strategy and business plans that we, Pruksha, holds on firmly towards our goals with transparency, fair business operations and good governance practices. Correspondingly, collaboration with other agencies that promotes the similar concept are in our action plan as well. For example, Anti-corruption Museum by Office of the National Anti-Corruption Commission. Pruksha, ultimately would eventually become a part of the society that educates, protects and prevents bad governance while supporting good governance with ethics and honesty.

Pruksha strives and firmly aims to be a top Thai diversified property company that delivers end-to-end modern urban lifestyles to customers together with establishing a sustainable and happy society under the sufficiency economy and sustainable development wisdom.

On the economic aspects, we have encouraged both direct and indirect of 100,000 employments which results in strengthening the Thai's economy. In addition, apart from being in the real estate and property development business, hospital and health care center are also being developed side by side. As of now, Vimut Hospital, carries the vision of providing excellence healthcare services with professional doctors with one firm objective that is to eliminate chances of people getting unwell as much as possible. The hospital is currently under construction process and would be fully operating by year 2020. The first branch "BAAN MHOR VIMUT" a healthcare clinic was launched on successfully with the concept of "Light Smart Heart-Felt". This clinic is located at Rangsit-Klong 3 near by urban area with many of Pruksa's development projects.

We, Pruksa, strongly feel connected as a part of society which holds responsibilities towards facilitating and developing a sustainable society and environment. Holding on to that responsibilities, the company came up with many projects that serve the community, society and environment continuously. We made it our policy towards corporate social responsibility in order to establish the framework for the boards, executives and staffs to take it as priority. Also, in 2018, Pruksa, has been acknowledge with many awards for our hard and dedicating work. For example, Outstanding ethics award from The Thai Chamber of Commerce as well as Drive Awards 2018 award in Finance category. Also, continuously for the second year we received the SET Sustainability Awards in the Outstanding category where we received the Rising star award in 2017. From Thailand sustainability Investment 2018 (THSI), we received the sustainable stock award for the third time continuously. These awards indicate our dedication towards good governance and fair business towards all of our stakeholders.

Finally, Pruksa strives and firmly aims to be a top Thai diversified property company that delivers end-to-end modern urban lifestyles to customers together with establishing a sustainable and happy society under the sufficiency economy and sustainable development.



Thongma Vijitpongpun.
Executive Vice Chairman of
the Board of Directors and
Group Chief Executive Officer

Awards and Achievement



Mrs. Supattra Paopiamsap,
Deputy Group Chief Executive Officer
at Prukso Holding Public Company Limited
**Received an honorable award of
“Women’s Exemplified Award 2018”**
under Business Market and Social Development
category Best Practice Award 2018



**SET Sustainability Awards 2018
(Outstanding)**
From the Stock Exchange of Thailand
For the second consecutive year



**Thailand Sustainability Investment
(THSI) 2018**
For the third consecutive year
From the Stock Exchange of Thailand



**Sustainability Report Award 2018
(Recognition)**
For the third consecutive year
From CSR Club, Thai Listed Companies
Association

**Selected and listed in the
ESG100 Company 2018**

For the second consecutive year
From Thaipat Institute



**Thai Chamber of Commerce
Best Awards 2018**

From Anti-corruption Committee,
Thai Chamber of Commerce



**Corporate Governance of Thai Listed
Companies 2018**

attaining “Excellent” levels of recognition
For the second consecutive year
From Thai Institute of Directors Association



**Received 100 full scores in the quality
assessment of the Annual General
Shareholder Meeting (AGM)**

For the second consecutive year
From Thai Investors Association





Building Energy Code Award 2018 (BEC)

attaining “Excellent” level of recognition
From Ministry of Energy



International Arch of Europe Convention Award (IAE Award)

Category: Diamond
From Business Initiative Directions (B.I.D.)



DGNB First Mover Projects Award

under the category Platinum for
Sustainable Homes
From German Sustainable Building Council
(DGNB : Deutsche Gesellschaft für
Nachhaltiges Bauen e.V.)



Bronze Award from MAT Award 2018

for Real Estate Category
From Marketing Association of Thailand



Drive Award 2018

for Finance From MBA Chula Alumni
Association, Chulalongkorn Business School

Property Export Awards Thailand 2018 (PEAT 2018)

Under Best Affordable High Rise
Condominium Category
For Plum Condo Central Station Project
From National Institute of Development
Administration



Best Development Marketing Asia Pacific (Regional Winner)

For the Chapter One ECO
Ratchada - Huaikwang Project
From International Property Awards 2018-2019



BCI Top 10 Developer Awards 2018

For Chapter One Shine Bangpo and Plum Condo
Pinklao Station Project
For the Eight Consecutive year
From BCI ASIA



Property Guru Thailand Property Awards 2018

Under Best Luxury Condo Development Category
for The Reserve Sathorn Project and Best Affordable
Condo Development Category for Chapter One
ECO Ratchada - Huaikwang Project
From Thailand's top real estate
website DDproperty.com





**Residential High-Rise Development
Thailand Awards**
for The Reserve Phahol - Pradipat Project
**Development Marketing Thailand
and Best Development Marketing awards**
for Chapter One ECO Ratchada - Huaikwang
From Asia Pacific Property Award 2018-2019



**Best Residential Award from
Thailand Tatler Award**
for the The Reserve 61 Hideaway Project
From Thailand Tatler Magazine



Thailand Property Best Buy Award 2018
for Baan Pruksa Thepharak-Mueang Mai Project 2,
Passorn Songprapa Project and Plum Condo
Chaengwattana Project
By Agency for Real Estate Affairs (AREA)



**Thailand Labour Management Excellence
Award 2018**
For PRUKSA Precast Concrete Factory Lamlukka
From Department of Labour Protection
and Welfare

ECO Factory Award 2018

For Prukha Precast Concrete Factory Navanakorn
From Industrial Estate Authority of Thailand and
The Federation of Thai Industries

GRI 102-12



Certificate of Green Industry - Level 3 (Green system)

For Prukha Precast Factory, Lam Lukka and
Prukha Precast Factory, Navanakorn
From Ministry of Industry

GRI 102-12



Certification of ISO 9001 : 2015, Quality Management System

From Management System Certification Institute
(Thailand) (MASCI)

GRI 102-12



Certification of Occupational Health and Safety Assessment Series BS OHSAS 18001

From Management System Certification Institute
(Thailand) (MASCI)

GRI 102-12



Involvement in Sustainable Development Network

GRI 102-13

The Company supports and drives the sustainable policies through collaborating with the government together with other organizations for the betterment of sustainable development practices. As followings;

- A member of Thailand's Private Sector Collective Action Coalition Against Corruption: CAC with the aim to solve the corruption issue through establishing Zero Tolerance on any form of corruption Policy as well as Anti-Corruption and Bribery policy and procedures which are compulsory for every stakeholders of the company
- The Company, as a network partner in supporting and empowering of providing jobs for person with disabilities under the 35 Act. Together with Social Innovation Foundation, Thai Health Promotion Foundation, Ministry of Labour and Ministry of Social Development and Human Security (MSDHS) for the second consecutive year.
- As a network partner for supporting standardizing the education system under the project called "Dual Vocational Training (DVT)" together with the Office of Vocational Education Commission, Ministry of Education (MOE) for the second consecutive year.
- The company, being the network partners with Thaipat Institute for "Community-Friendly Business operation for the second consecutive year. That is by supporting the community through purchasing their goods/products for serving as snacks in the company's activities which is a sustainable approach for generating income for the community members.
- The Company, Prukso, in collaboration with the Department of Medical Services (DMS) under the Ministry of Public Health (MOPH) co-jointly developed an academic research on building and providing the sufficient and safe environment for elderly people. That is by innovating, designing and selecting proper materials which is most suitable for them. The aim is to decrease the injuries and accidents caused by insufficient and improper environment. Knowledge center with proper standards and safety for elderly people has demonstrated at Lerdsin Hospital for doctors, nurses, in-terns, patients as well as the relatives to receive more knowledge and best practices. Moreover, the center also provides information regarding proper preparation for elderly patients for rehabilitation after discharging from the hospital.
- The Company joins the CSR Club under the Thai Listed Companies Association (TLCA) to facilitate and promote the organization development process with social responsibility towards Sustainable Development.
- The Company's Chief Executive Officer (CEO) presents as a member of Advisory board at The Thai Real Estate Association (TREA).
- The Company's Chief Executive Officer (CEO) serves as a vice president for academic affairs and Government Relation for Nonthaburi Real Estate Association.
- The Company's Executive serves as an advisor to Chiang Mai Real Estate Association.



About Pukha Holding

Pukha Holding Business Overview

GRI 102-2

Pukha Holding Public Company Limited (The Company) registered as a public company on March 16th, 2016 in order to operate business which main income stream comes from dividend of being a holding company to other subsidiaries. The company registered with initially capital of 10,000 Baht. After the first Extraordinary General Meeting (EGM) 1/2016 the committee concluded to increase the registered capital from 10,000 Baht to 2,273,217,600 Baht by issuing 2,273,207,600 new shares (1 Share values at 1 Baht). That is to underlie the tender offer as well as rights of warrants for purchasing Company's ordinary shares and to get along with the increased capital of The Company. The Company successfully traded in The Stock Exchange of Thailand for the first time on December 1st, 2016 under the "PSH" name.

The Company's core business is developing real estate for trading. The Company intends to hold the 75 percent of the company's asset for the core business which is real estate development. After the re-structuring of The Company, there will be a subsidiary company called Pukha Real Estate Public Company Limited operating the core business. Thus, The Company's main income stream are the dividend generated from shares own in the Pukha Real Estate Public Company Limited along with other subsidiaries and potential joint venture partner in the future.

The Company's policy emphasizes on diversifying the investments as well as obtaining new business opportunities rather than real estate for household. That is to lead The Company towards a sustainable growth with recurring income. Therefore, The Company approved investments in Medical (Hospital) and Healthcare sectors. The Company operates through two subsidiaries those are first, The Vimut Hospital Holding Company Limited which will merely focus on investment into other potential companies. Second, the Vimut International Hospital Company Limited which its business includes private hospital, healthcare and retreats. At the moment, this company is undergoing construction process and would be launching in the upcoming year 2020. Thus, the main revenue and income stream of The Company in 2018 would be mainly from real estate sectors.

History

GRI 102-10

2016	<ul style="list-style-type: none"> Registered a holding company under the name "Pruksa Holding Public Company Limited" holding shares in "Pruksa Real Estate Public Company Limited" by performing a tender offer of ninety eight percent of Pruksa Real Estate Public Company Limited. The company has increased its capital to 2,273,217,600 by issuing 2,273,207,600 new shares (1 Share values at 1 Baht)
2017	<ul style="list-style-type: none"> Vimut Hospital Holding Company Limited and Vimut International Hospital Company Limited both subsidiaries of the Pruksa Holding PCL changed their registered name respectively to Vimut Hospital Holding Company Limited and Vimut International Hospital Company Limited. Received SET Sustainability Awards 2017 under the Rising Star category for the company with 30,000 - 100,000 million Baht asset. This is to honor the company as registered company that is outstanding towards sustainable development. Also, received the Thailand Sustainability Investment Award (THSI) for a "Sustainable share" for the second consecutive year. This is to honor the company with business operation that takes care all of the stakeholders. Becoming a member of anti-corruption project and received a certificate that indicates a membership as a private sector in anti-corruption campaign. Also, organized a campaign called "We Pruksa say no to corruption" in order to create awareness and encouragement for all Pruksa people to work with transparency and work ethics. Pruksa Real Estate PCL has issued 3 sets of corporate bonds value of nine thousand and five hundred million Baht.
2018	<ul style="list-style-type: none"> Received the "Drive Awards 2018" under the Finance category from the MBA Chula Alumni Association, Chulalongkorn Business School by the excellent performance with good governance along with taking good care of shareholders and business partners. Signed an agreement with Department of Medical Services (DMS) under the Ministry of Public Health (MOPH) in an academic research on building and providing the sufficient and safe environment for elderly people with the aim to decrease the injuries and accidents caused by insufficient and improper environment. Received the Thai Chamber of Commerce Best Awards 2018 by Thai Chamber of Commerce. By being a company that operates with transparency, accessibility to information and responsibility towards the customers and business partners. Also, operating business with fairness to all the stakeholders along with corporate social responsibility programs and good governance practice within the company. Received the Sustainability Awards 2018 (for the second consecutive year) as an Outstanding company and the Thailand Sustainability Investment 2018 (THSI) award for the third consecutive year. Received the Sustainability Report Awards 2018 (for the third consecutive year) under the Recognition category. Launching of "BAAN MHOR VIMUT", a clinic which is open for general treatment and consultation for patients within the community. It is an outreach business from Vimut Hospital. The first pilot clinic is at Rangsit Klong 3, Pathumthani Province which is considered to be a big community with many Pruksa's projects. Princess Maha Chakri Sirindhor's presence and grace who has personally perform the grand opening ceremony of our new headquarter called 'Pearl Bangkok'. It is indeed a day we all at Pruksa would cherish and forever be thankful for.



Vision

Pruksa Holding aims to be the Top Thai diversified property company that delivers end-to-end modern urban lifestyles to customers.



Mission

Pruksa Holding is determine to fulfill customers dreams by delivering happiness and modern lifestyle for the entire family.



Business Goal and Strategy

1. Expanding the core real estate business for trading and diversifying customers target groups.
2. Expanding the real estate business internationally.
3. Strengthening supporting businesses in relation with real estate business to establish firm brand value and customers satisfaction.
4. Expanding investment towards recurring income business.
5. Strive to be an excellent and professional company with sustainable growth.



Core Value



Customer Focus

Determine, discover and understand in order to deliver the requirements of all customer groups with valuable home and impressive services.



Creative Innovation

Innovating and creating superior products and services beyond customer's expectations.



Collaboration

Deliver satisfaction results for customers with a teamwork attitude and mindset.



Discipline

Being Discipline and punctual in delivering quality results within the time-frame.



Ethics

What we think, we say and we take actions with fairness and transparency for the benefits of the customers and involved parties.

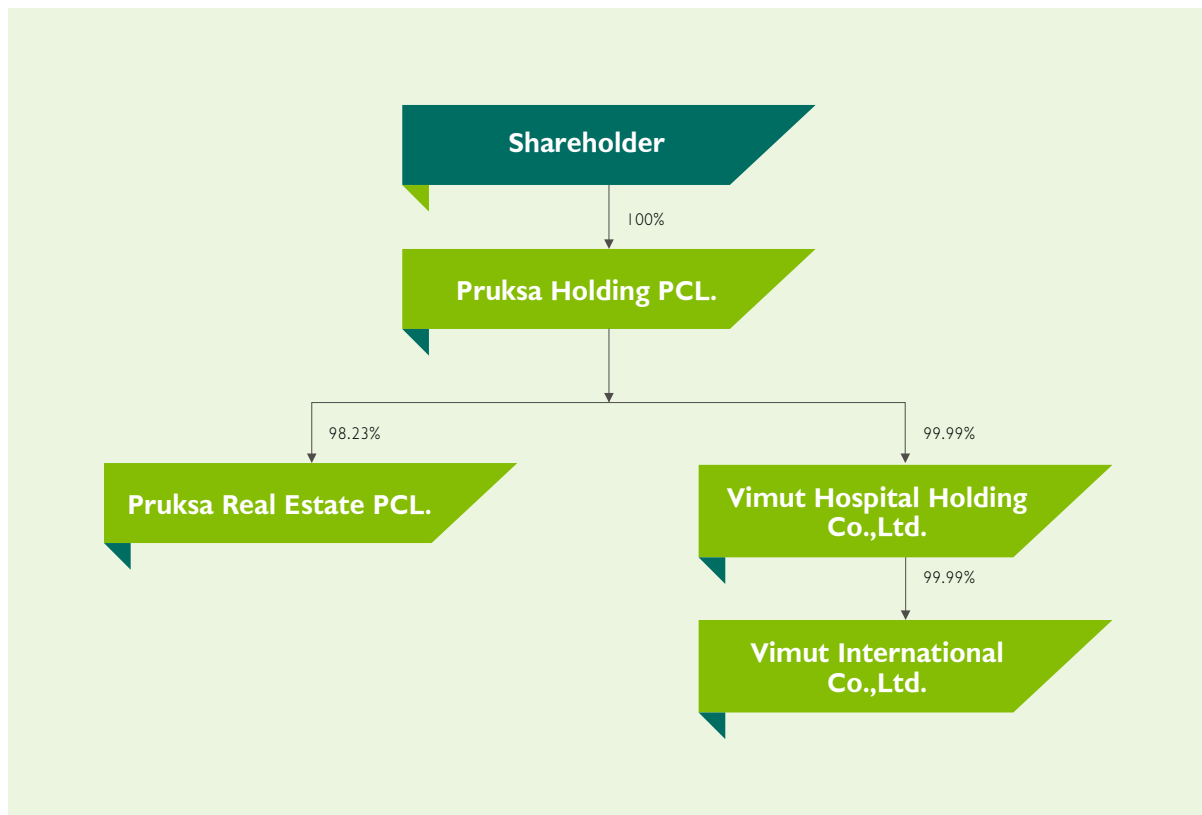


Pruksa's Organization Culture

I am compassionate and heartfully ready to facilitate the requirements of my customers
I am mindful and aware of what my customers need
I am thoughtful, aware and discreet of the work process
I am concrete in delivering results to my customers
My customers are happy, I am happy, I am proud of my results

Shareholder Structure of Pruksa Holding PCL.

GRI 102-45





Corporate Governance

Pruksa Holding strictly follows good governance practices which are in alignment with the international standard called Corporate Governance Code for Listed Companies (CG Code) issued by the Securities and Exchange Commission, Thailand as well as ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard). The Company firmly believes that by following good governance practices and keeping up to the scorecard would result in fairness, transparent and long-term values adding within the system. Also, this would build strong fundamental and trust within The Company's stakeholders which ultimately leads to a sustainable growth of The Company.

The board members of Pruksa Holding have continuously revised the certain policies The Company's Good Governance those are; Business Code of Conduct for Directors, Executives and staffs, Anti-Corruption policy of the company and its subsidiaries, Board's and sub-committee charter with the aim to achieve its goal of being the listed company with good governance practices in 2018.

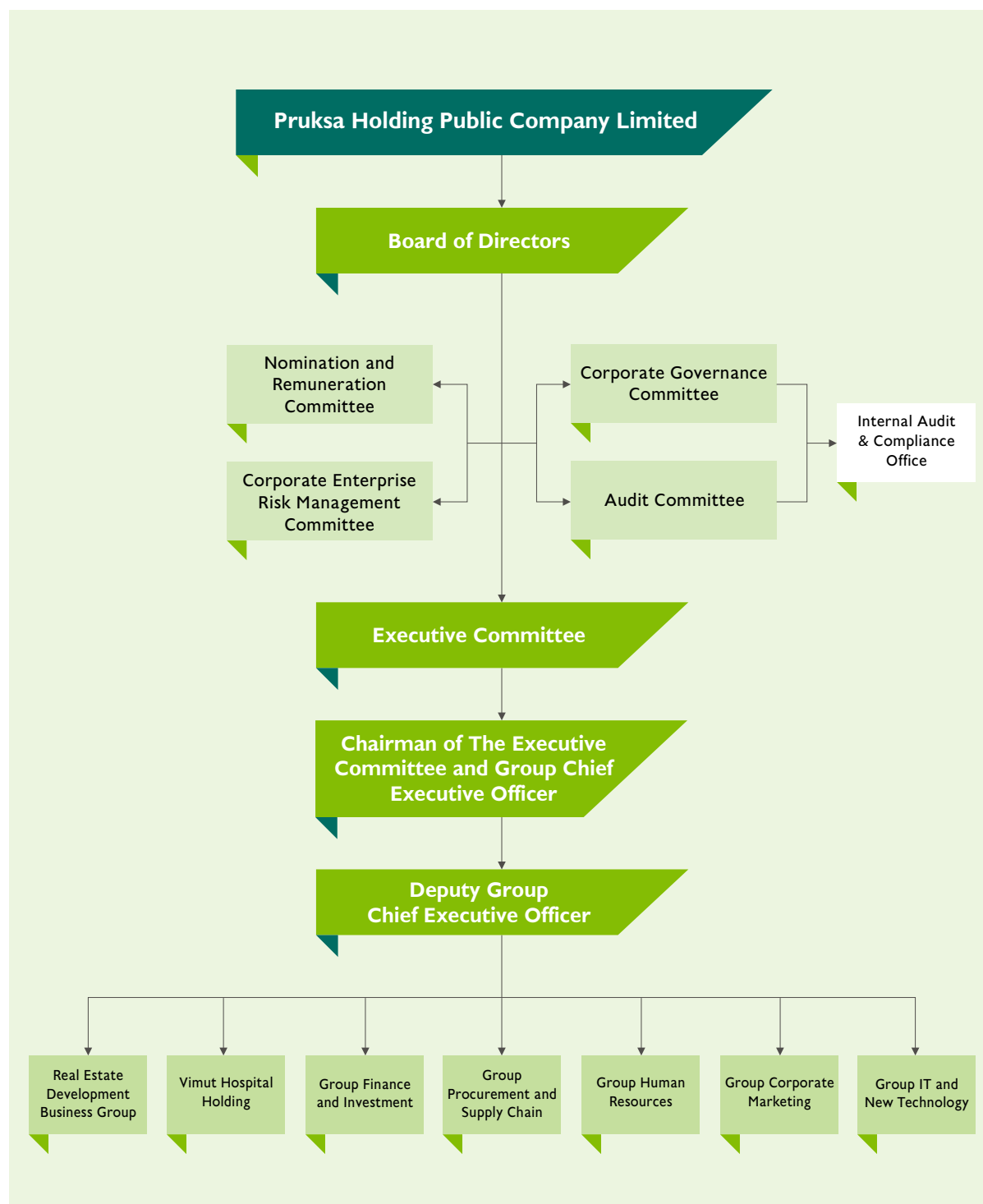
In order to support the code of ethics and good governance, The Company usually revises all the policies in order to reach both short- and long-term company's strategic plans.

The Company organizes training and knowledge management session regarding good governance, business ethics and anti-corruption for the current and new staffs. It is compulsory that all the staffs must go through the training, pass the examination and sign an acknowledgement contract and firmly follow good governance practices as regulations of the company.

The Company foresee the importance of creating awareness and importance of good governance, anti-corruption and fraud within the company by communicating and exercising punishment to those committed the crime as an example. The Company uses many channels to reach out such as Pruksa News, Line@ for staffs and Digital Signage to keep track for good governance and staffs behaviors.

Corporate Governance Structure

GRI 102-18



Data from December 31st, 2018

Responsible Committees for Sustainability Operations

GRI 102-18

Company performs sustainability management in all dimensions including economic, social, environment and good governance practices. By considering the variable changes factors from both within and outside and the monitoring daily operations that serves the sustainable development mission, therefore, allows The Company to be able to handle any kind of sudden changes/risks. This practice serves as an immune to the system which results in blooming and stronger foundation for The Company. The Corporate Governance committees are subjected to the following responsibilities;

Roles and Responsibilities of The Corporate Governance Committee

1. Consider, revise and present all the policies to obtain Board members approval. Those policies include Good Governance practices, Business Ethics, Corporate Social Responsibility, Responsibility towards environment, The Company's Sustainable development and many other policies that facilitates the sustainable growth with fairness of The Company.
2. Advise and monitor the implementation of the policies from above (1.) by the management team. The implemented policies must be in alignment with The Company's current situation, business, international standard and advises from involved authorities.
3. Track and monitor the system flow within The Company to meet the Good Governance practices code of conducts.
4. Follow up and take charge in case of failure to perform by management and staffs
5. Pursue and report The Company's performances as per policies to the Board members both internal and external (as requested).
6. Take up any other responsibilities assigned by the Board members.

Business Ethics

GRI 102-16

The Company emphasizes and strictly follow Good Governance practices by circulating and communicating through "Good Governance Business Practices of Pruksa Holding PCL and its subsidiaries manual for boards, executives and staff members. This manual indicates protocols such as The Company's rules and regulations, shareholder management, customer relation management, staff management as well as recruiting and selecting and managing contractors and suppliers. Moreover, the manual also includes managing competitors, confidentiality on internal and external data/information, internal audit, political involvement, social and environment responsibility, safety management, hygiene and sanitation, proper working environment, financial control and management, international business management, role and responsibility, complaint and anti-corruption practices. This manual serves as the law that all involved parties must respect and follow strictly. This is to ensure that The Company strives towards good governance practices with all the stakeholders in mind.

1. Non-Discrimination Policy

Employee

The Company ensures that the equality policy is applied firmly for all the staffs. Staffs are treated with honor and respect with confidentiality protection of their rights and privacy regarding their personal information; biography, health reports, employment record to any third parties. The information would be permitted to used legally or for common benefits. The Company welcomes any complaints regarding improper practices or any related issue from the staffs. As for recruiting and selecting business partners/suppliers, The Company is confident in being transparent and fair.

Apart from equality that provides fair opportunities for staffs within, The Company is also aware of human rights and fairness in recruiting and treating business partners and suppliers by ensuring that the bidding, auction or any competitions are fair with equal rights. Each of the partners are not allowed to break the law or disrespect the human right such as child labor.

Shareholders

- Deliver honesty with resolving all the operations with carefulness and fairness for the benefits of the shareholders
- Constantly submitting the facts and figures of overall operation, financial, accounts and other related reports.
- Genuinely reporting the shareholders regarding the The Company's trends and future perspectives both positive and negative with relevant information.
- Misusing the information (which is not publicly announced) for personal benefit or any kind of act that can threaten The Company are not allowed.
- The Company must treat each and every shareholders equally and fairly in the shareholders meeting.

Partners/Suppliers/Contractors

The Company's intention is to recruit for standard and qualified products under the following circumstances.

- Fair Competition with equal information for all competitors.
- Provide standard criteria and requirements for evaluating and selecting partners.
- Firmly assign the partner to practice and follow laws, human rights with responsibility towards social and environment.
- The Company will perform proper management and tracking system to make sure all the partners are performing and operating up to the contract and to prevent any frauds during the operation.
- The Company must be exercise payment punctuality under mutual agreed conditions.
- Examine and Evaluate the partners for sustainable business development.

The Company is determined to develop and maintain good relationship with partners especially those accomplishing the standard and requirements; product quality, good services, trust worthy, as well as knowledge sharing to enhance each other's potential towards a better standard.

2. Confidentiality of Information

- The Company is aware of the importance of the confidentiality of data and information, therefore certain methods and operations are specifically designed to assure the safety.
- The Company holds all records of executives, staffs, business partners, customers and trading information confidentially. The information would only be provided legally to authorized authority, for trial or approved by board members.
- In hiring new employee with former employee of competitors or government employee records, the company would perform investigation regarding that person's confidentiality agreement with previous employer for safety reasons.

Moreover, the company also exercises the rule and regulation for employees with 7 disciplines and punishment stating “discipline and ethical using computer or internet and discipline of being enemy of the company” are subjected to highest disciplinary punishment.

- Staffs are not allowed to use colleague's or any other staff member's user name or password to log in into the system. Unless the username and password are shared within the unit.
- Staffs are not allowed to log in the system which is restricted with confidentiality purpose. Even though the user name and password are given with the permission from authorized person.
- Staffs are not allowed to share internal information with any other staff members or use it for personal matters/benefits.
- Staffs are not allowed to disclose confidential information such as financial and accounting, project budget/cost, knowledge techniques or business deals of The Company to outsiders unless given written permission from The Company.
- Staffs are not allowed to share trading, business issues with outsiders (apart from competition or public)

3. Antitrust / Anticompetitive Practices

The Company strives to be the top in real estate business with sustainable development growth. Under fair and good governance practices, The Company supports ethical and fair competitive. By not support all kinds of monopolizing or monetizing approaches. The Company aims to be fair and disregard any dishonest methods.

The Company's behavior towards the competitors are as followings;

- Being a good competitor by following the law.
- Do not seek for competitor's information in a dishonest way.
- Do not accuse or cause disgrace to the competitors.
- Do not engage in any kind of deals or contracts that can illogically deprive the competitors

4. Usage of Internal Information for Trading/Dealing (Insider Trading / Dealing)

The Company intends to be a good representative of the shareholders - keeping in mind that the shareholders are business owners, therefore, in operating the business, it is essential to keep the shareholders satisfied with The Company's performances. That is be developing and ensuring the growth of both business and value in long term aspect as well as creating positive dividend, transparency and credibility for shareholders.

- Operating business with honesty by taking precautions with every step along with being fair to all the shareholders for the benefit of the whole. Also, creating business value in the long term
- Submitting The Company's performance report including financial, accounting, and other relevant information based on facts and figures to the shareholders consecutively.
- Reporting equally to the shareholders regarding The Company's future both positive and negative perspectives with supporting evidences.
- The Company will not seek for its own benefits by using any internal information or taking any actions that could defame or create disputes for The Company.
- The Company must treat each shareholder equally in the shareholders meeting
- The Company must follow good governance practice, with ethical and responsibility towards all stakeholders as well as respecting the shareholders rights.



Pruksa Holding Sustainability Development



Sustainable Development Strategy

The Company (Pruksa Holding PCL) is firm and clear with its business strategy for sustainability business operations. The strategy has been implemented and practiced within The Company earnestly. The strategic Initiatives are set as the followings;

Portfolio Management

With the objective to manage business growth along with risk management of each product's category according to the real estate market trend. This is for Pruksa to be able to adapt and flow with the economic conditions.

Excellence Service & Product Quality

With the objective to enhance the product and service quality which is an essential key factor for the sustainable growth of Pruksa.

Strengthen Partnership

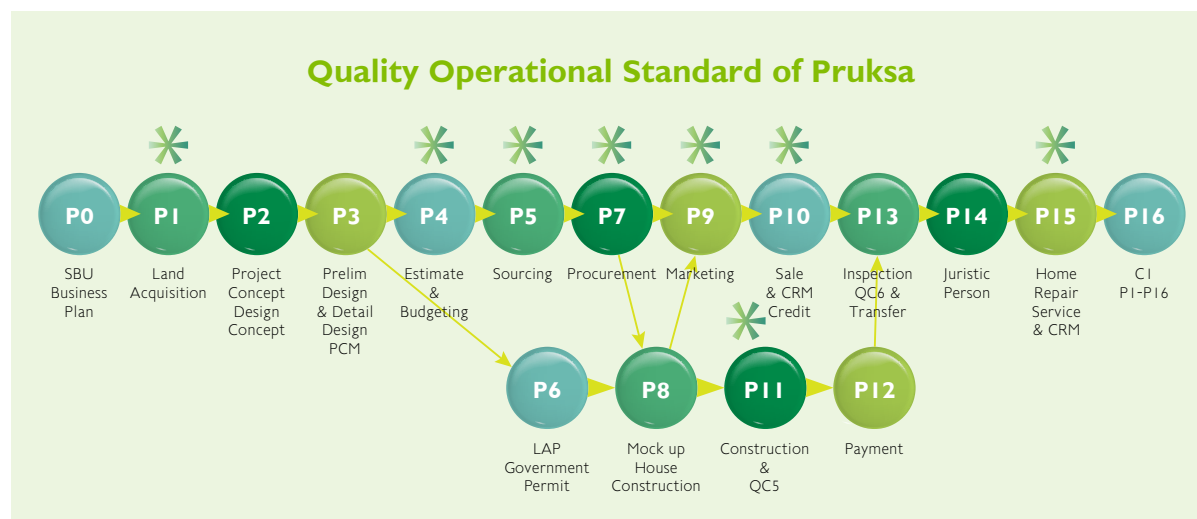
With the objective to develop the potential and capability of the contractors who are the important alliance as well as business partner to be able to grow together with Pruksa.

The 2018's Strategy implementation guidelines include assigning roles and responsibility to the top management those unit/operation involved in the strategy above along with setting the Key Performance Index (KPI) starting from Corporate, Top Management until Operation KPI. The KPI is set in order to track, trace and ensure that the strategy and mission has been implemented successfully with acceptable result. The KPI indicated the 90 percent with Positive Impact for The Company in Strengthen contractors while the complains from customer has decreased 10 percent.

Sustainable Business Approach

GRI 102-9

The Company determines to be the top real estate company in Thailand with diversified business and service in order to respond to current lifestyle and requirement of the customers. Consistent with The Company's policy that emphasize on "Paying attention" in constructing good and qualified products for the customers, therefore, The Company intends to maintain the operation system that covers the complete supply chain with standards called Process (Process :P) beginning from initial Process (P0) to final Process (P16). This is the core operation of The Company.



Remark * The supporting operations are Human Resources, Corporate Secretary, IT and Good Governance development.

Explanation of Standard Workflow Process starting from P0 to P16

Working Process	Details of Quality Operation
P0	SBU Business Plan : Project Feasibility Study 1
	Study and examine the Potential Land's Market and Financial Feasibility study as per The Company's standard.
P1*	Land Acquisition: Negotiation on Land Purchase for Project Feasibility Study 2 and Land Purchase approval
	<p>The Company's land acquisition process focuses entirely on potential land plots that could generate value to the residents. The chosen potential land plots are those from willing to sell customers not by any types of forces, without any illegal case and must be transparent. There will be representative from The Company representing in each plots throughout the process to ensure everything is done according to The Company's standard, rules and regulations.</p> <p>Also, purchasing the land plots surrounding the project area is also in The Company's plan. In order to ensure that the surrounding communities do not get disturbed or affected by the construction, transportation of materials and any other movements. If the roads are damaged during the process, The Company intends to repair and improve the condition of the area.</p>

Working Process	Details of Quality Operation
	<p>The land acquisition/purchasing process are divided into 8 sub-steps (P0-P8) which will be subjected to the Boards and the stakeholders (People involved both internal - Company's employees and external- Land owners, Agents) for mutual understanding and proper execution.</p>
P2	Project Concept Design Concept : Project Concept and Project Feasibility Study 3
	<p>Right after The Company acquires the land for project development, the design team would take over the next process. Those are project concept design and layout, infrastructure, as well as ensuring the concept delivers pleasant concept. Moreover, the layout of the house is designed according to the landscape architect principles and the land allocation law. This is to optimize the project with quality, positivity and low maintenance requirement.</p>
P3	Prelim Design & Detail Design PCM : Designer Recruitment and Housing Design
	<p>The Housing Design emphasizes on comprehensive functions for quality living as well as raw materials selection those are suitable, worthy, durable and easy to maintain with best quality. Also, designing a proper wastewater management, water drainage and treatment system are designed based on sanitary principle. Along with provide manual for users to ease up their lifestyles and protect the environment at the same time.</p>
P4*	Estimate & Budgeting : Estimated Project Price (Median) Project Budget for Project Feasibility Study 4
	<p>Price estimation is performed per project designing and budgeting. This process is divided into 6 sub-processes (P1-P6) which will be subjected to the Boards and the stakeholders (People involved both internal - Company's employees and external-designers) for mutual understanding and proper execution.</p>
P5*	Sourcing : Seeking and selecting Contractors
	<p>Selecting contractors or suppliers those meet the housing designing and requirement as well as The Company's standard with good before and after sales services. With proper Biding or E-Auction process, would ensure the transparency and reasonable price. For contractors or suppliers with good performance and potential, would be considered for the future projects.</p> <p>This process is divided into 9 sub-processes which will be subjected to the Boards and the stakeholders (People involved both internal - Company's employees and external- contractors, shops) for mutual understanding and proper execution.</p>

Working Process	Details of Quality Operation
P6	Government Permit : Request for permission
	The Company's request for permission is strictly exercised according to the government's law and regulation.
P7*	Procurement : Auction and Hiring of Material suppliers
	Auction is taken place for the hiring process of material suppliers. This is to make sure that The Company gets the best supplier who can deliver qualified products with reasonable price and excellent services.
P8	Mock up House Construction : Sale office and Mock up house construction
	The initial process begins with soil filling, infrastructure and mock-up house construction. The process must follow the project pipeline firmly with no threats to the surrounding environment. There will be assigned project manager in charge of the project as well as towards the surrounding community.
P9*	Marketing : Marketing
	The usage of Media in the project marketing would be down according to the law and consumer's law. The Company has a team that will examine the data and information before disseminating the words publicly. Also, making sure that advertising boards do not disturb or create nuisance for the community.
P10*	Sale & CRM Credit : Sale and Consultation on House Purchasing and Housing Loan for Customers and CRM service
	The information/data provided to the customer will be based on fact and figures that would be a fundamental for decision making process. In addition, The Company intent to facilitate the customer for the housing load by partnering with financial institutes in order to maximize the benefits for the customer. Moreover, sales can be done through agents both in and outside the country along with providing consultation for customers with financial issues with Win Back project. Also, development of the CRM Database to increase the sales are also in the plan.
P11*	Construction & Quality Control : Project's Infrastructure Construction and Quality control
	During the construction, The Company will perform carefully with minimum effects on the surrounding communities such as nuisance noise, water drainage and dust from the construction process. However, the dust would be lesser than in general due to The Company's modern construction technique using precast sheet (prefabricated reinforced concrete). Each precast sheet is inspected thoroughly resulting in reducing pollutants both direct and indirectly emitted from construction and transportation (greenhouse gas) as well as reducing disposal/waste within the project. This process ensures the premium quality of the house before handing over to the customer.

Working Process	Details of Quality Operation
P12	Payment : Payment for Contractors (according to project process)
	The payment is approved based on actual work progress. The terms and conditions would be delivered to the contractors for mutual understanding.
P13	Inspection Quality Control & Transfer: User Acceptance Examine (handover) and Transfer of Ownership
	The customer will perform the inspection and acceptance. With the quality and standard operated by The Company consecutively, the corrections/errors are subjected to decrease.
P14	Juristic Person : Property Management and Juristic Person Management
	For the housing estate management, The Company employs a specific agency to take care of the public utilities as well as services; lighting system, water drainage, project cleanliness and sanity, roads, parks and security process. The agency will operate starting from before-first moving in, during residency and transfer of management responsibility to the juristic person. Especially for the security purposes, The Company gives most importance to by selecting qualified security companies and constantly monitors their performances. This has reduced the number of insecurity issues within the project significantly.
P15*	After Sales Service and Building good Customers Relationship: After Sale House Repair Management and CRM
	The Company clearly states the Repair and Maintenance Service which strictly complies with the Service Level Agreement (SLA) which comprises of both quality and timing aspects. Each and every repair service request must be recorded in the system - stored as operation data and information for the related parties to and for better services. While as, the process of before-during-after repair service would be taken care of by the customer service team in order to provide constant update and maintain good relationship between both parties and receive feedback/evaluation. The evaluation would be reported to The Company's executive for further improvement. This process has reached the utmost customer's satisfaction.
P16	Continuous Improvement Process and Supply Chain (Revert to P1-P16)
	Revising and enhancing each working process consecutively is what we do to ensure that the customer would receive the best quality and result from The Company. To make sure we keep improving, certain activities have taken place such as Innovation Awards, Improvement Awards by Innovation Center and Continuous Improvement (CI) and Quality Assurance (QA) team.

Important Issues for Sustainable Development

The Company has specified the essential issues regarding the Sustainable Development those are first, considering information from stakeholder participation (Stakeholder Inclusiveness). Second, Business plan, strategy, risk factor and Sustainable Development Goals (SDGs) and Third, advice and suggestions from The Stock Exchange of Thailand in the submission of a sustainability assessment for the SET Sustainability Awards 2018. For various information, the company has Applied principles for defining report content GRI standards, which material issues selection Process as detailed below.

Principle of important issue selection (Materiality)

GRI 102-49, GRI 102-46

1. Identify The Company's Stakeholder (Identification)

The Company follows the procedures of GRI Standard including Sustainability Context, Materiality, Completeness and Stakeholder Inclusiveness. Moreover, the potential important issues from internal sources (Goals and Business plan) as well as external sources (Evaluation and decision of the stakeholder) also issues emerging from economic, social, environment and the changes of the global trends according to the Sustainable Development Goals (SDGs) are taken into account in order to evaluate, select and identify as the important issue for The Company.

2. Prioritization

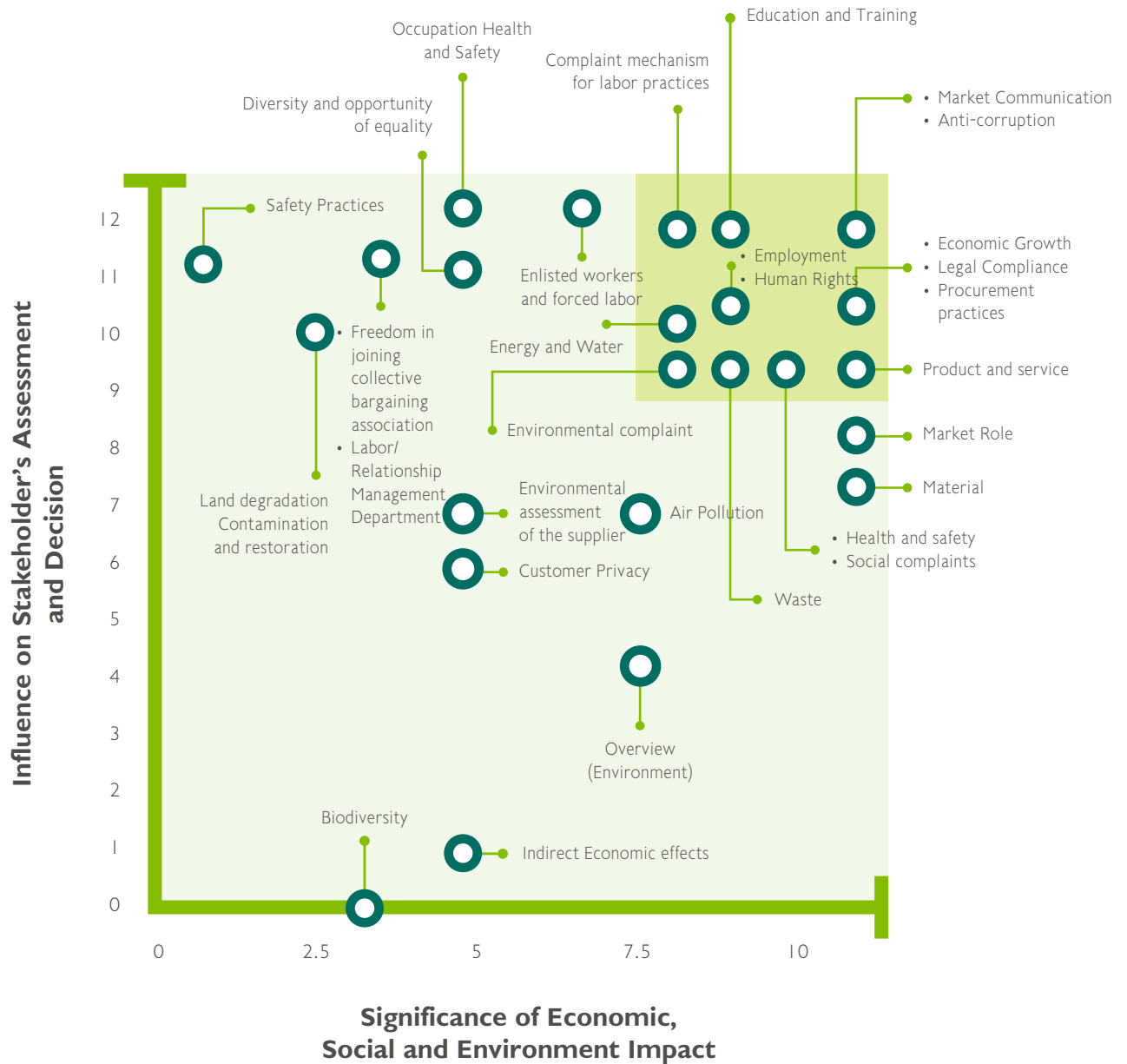
The Company would Prioritize and evaluate the Materiality towards Sustainable Development by identifying and determining the important issues especially those related to the effect and expectation of the shareholder as well as the sustainable development growth trends in the real estate and construction area. Then, each issue would be given score according to the level of importance in the Materiality Matrix indicating vertically - The influence level towards evaluation and decision making of shareholders and horizontally - The significant level of economic, social and environment effect.

3. Validation

GRI 102-32

The important issues for Sustainable Development of Pruksa Holding PCL have been identified with approval from the executives from 15 fields including 3 from economic, 3 from environment and 9 from social issues as shown below.

Graph indicating the important issues towards Pruksa Holding PCL Sustainability Development



Written Report on Important Issues towards Sustainable Development

GRI 102-46

Important Issue towards Sustainable Development GRI 102-47	Effect towards Stakeholder		Report Agenda	Page
	Internal	External		
Economic				
1. Economic Growth	Executive/ Staff	Shareholder, Creditor, Business Partner, Counter partner	Economic Growth	45
2. Purchase		Business Partner, Counter partner	Purchasing Plan	48
3. Product and Service		Customer, Business Partner, Counter partner	Product and Service	56
Environment				
4. Energy and Water		Social and Community, Customer	Energy and Water Management	76
5. Waste		Social and Community, Customer	Waste Management	85
6. Environmental Complaints		Social and Community, Customer	Management Procedures towards Environmental complaints	138
Social				
7. Anti-Corruption	Executive/ Staff	Business Partner, Counter Partner	Anti- Corruption	87
8. Employment	Executive/ Staff		Employment	95
9. Labor Complaints	Executive/ Staff		Management procedures towards Labor complaints	98
10. Human Rights	Executive/ Staff	Business Partner, Counter Partner	Respecting Human Rights	99
11. Knowledge Management and Training	Executive/ Staff		Enhancing the potential and career path growth	100
12. Health and Safety		Customer	Health and Safety	109
13. Marketing Communication		Customer	Marketing Communication	121
14. Legal Compliance	Executive/ Staff	Business Partner, Counter Partner, Creditor, Customer	Legal Compliance	123
15. Social Complaints		Social and Community	Management Procedures towards Social Complaints	138

Risk Management

GRI 102-11, GRI 102-12

Keeping uncertain and volatile Global economy along with various severe risk factors in consideration, Pruksa Holding PCL is aware that Risk management is very essential for achieving The Company's goal as well as creating values for The Company and its stakeholders; shareholders, community, society and other related parties. Therefore, Risk management and evaluation is tied with strategy planning by including uncertain factors both internal and external that could affect the business. The Company is always seeking for business opportunities that could lead towards sustainable growth and development.

The Company consecutively develop the Risk management system according to the international standard COSO and Enterprise Risk Management Framework. The Company performs annual evaluation for Risk factors that directly and indirectly effect the business plan while setting procedures appropriate risk control. As a matter of fact, The Company tends to integrate the risk management process into the organization's work process by developing Risk Control Self-Assessment: RCSA with the aim to determine and evaluate designed risk control. That is by allowing the process owner to take charge of the evaluation and performance within their control area in order to understand and minimize the risk that could delay any operation. In addition, The Company also develop the Business Continuity Management System: BCMS to deal with any disruption that might take place referred by the ISO 22301:2012 standard. By circulating the risk management plan within The Company leads to unity of understanding and tracking and reporting the practices to the risk management committee, auditing committee and board committee for development of better risk management strategy.

In addition, The Company also follows the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) initiated by the Thai Institute of Directors Association (IOD). In 2018, The Company performed the risk from corruption for Real estate and Hospital group.

The company provides analysis and risk assessment along with risk management plan for both short- and long-term business operation, including 4 aspects as following.

I. Strategic Risk

Risk Factor	Management	Result
1) Being a company that operates through being a shareholder in other company	Set up specialize committee and report to the executives regarding the investment in the subsidiary company with investment feasibility study.	<ul style="list-style-type: none"> - Year 2016, established Pruksa Holding PCL - Year 2017, established Vimut Hospital Holding CL and Vimut International CL

Risk Factor	Management	Result
2) Changes in the credit policy of commercial banks	<ul style="list-style-type: none"> Extending the down payment period and earlier project sales. Also, expanding the products to cover more customer groups Apply for Pre-Approval from the banks when the customer shows interest in taking loans in order to minimize the risk for both customer and The Company. In order to comply with Bank's policy, The Company provide various options with lower price for the customer to choose. 	Bank Rejection less than 6 percent
3) Competition Intensity	Developing the land and project (with various price and budget) in many areas that response well to the various customer groups.	Launching of 55 new projects in 2018
4) Increased construction cost and limited construction materials	<ul style="list-style-type: none"> Selecting core suppliers by bidding for stable cost throughout the year Build alliance partner by setting certain patters; selection, service, evaluation and clear working process. Organize monthly report of cost changing as well as calculate the effect towards the sale cost. This is to determine the action taken; changing in price or using substitute materials Implementing Ready to move in policy instead of constructing the house after the confirmation from the customer. This is to facilitate the construction plan 	The sale cost (COGs) in 2018 is at 64.2 percent which is within The Company's scale.

2. Operational Risk

Risk Factor	Management	Result
1) Delaying of the Hospital construction from the planned timeline.	<ul style="list-style-type: none"> Hire designer and consultant with specialty and experiences in building and management hospital construction for proper time management. Consider creating insurance policy during the beginning of the initial building construction for risk management purpose. Consider the conditions in the Main Contractor by setting penalty for not delivering within the timeline. Penalty must be paid by the contractor for not complying with the contract. 	The construction is according to the project plan for Project Launch in Q3, 2020.

Risk Factor	Management	Result
2) Problem in Construction Quality Control (to meet the standard)	<ul style="list-style-type: none"> • Increase the contractor's standard and adjust the work quality and efficiency rate • Speed up and minimizing the repairing work jobs 	Top 10 Defect : The average DPU monthly drop 5 percent from the previous year (YTD December, 2018)
3) Safety within the Construction Project	<ul style="list-style-type: none"> • Set proper working standard at high risk area and make sure everyone follow the procedure strictly in every projects. • The responsible person for each project assigned rightfully by law must evaluate the standards and safety of the equipment. • Assign a person who is responsible for monitoring and evaluating the performances of the contractors 	Renewal of Occupational Health and Safety Assessment Series (OHSAS 18001:2007)
4) Labor shortage	Innovating a horizontal construction method. That is by constructing with Precast Concrete Panel which is easy to implement in all project areas.	Meets the 100 percent of the Horizontal Fully Precast for new projects.
5) Lack of Consecutive Human Development	<ul style="list-style-type: none"> • Develop human resources through promoting cross working for cross career development • Set policy related to supporting and encouraging staffs career path. Provide opportunity for capable and potential staffs to have proper career growth. By developing tools and systems that help enhance their potential for both personal and career growth. 	From the Engagement Survey under the Learning & Development category shows an improvement of 2.8 percentage from 71 scores in 2017 to 73 scores in 2018

3. Financial Risk

Risk Factor	Management	Result
<ul style="list-style-type: none"> • Ability to pay dividend depends on the dividend received from the subsidiaries company 	The subsidiaries under the Vimut Hospital can't pay back dividend yet because it's still in the investment and construction stage. It would take about 2 - 3 years until the final construction and beginning of the operation. Therefore, the dividend now would be from Pruksha Real Estate PCL group only (with certain growth, expansion and stable performance from the subsidiaries)	No less than 50 percent of the net profit from PSH after deducting the reserved fund (by law)

4. Compliance Risk

Risk Factor	Management	Result
<ul style="list-style-type: none"> Operating business which is enforced under strict law 	<ul style="list-style-type: none"> Follow the law, rule, standard and policy stated by the related Authorities and receive legal permission that is accepted by law, shareholders and business partners. Use Good governance practice to maintain The Company's and shareholders benefits. 	<p>Damages from being sued or complaints related to permission granted from the authorities (Penalty per case: More than 1 year in prison, fine more than 100,001 Baht or both) The Record is clean in year 2017.</p>

As for emergency cases precaution, The Company assigned the BCM coordinator in each unit to be the center of information such as staff's operational tasks, important phone numbers, substitute workplace as well as any annual major changes.

The Company is well aware of the importance in consecutively development of risk management system in alignment with the supply chain management along with following the international management standard procedures to be ready for any uncertain circumstances that could happen in the future including threat to The Company's existence. Therefore, in 2018, the committee has prepared the Business Continuity plan for emergency case as followings;

Business Continuity Plan : BCP

- 1. The Head Quarter (HQ)** must practice the Incident Response Team-Head Office : IRT-HO (case of emergency) to understand the procedure and evaluate the communication and performances under a mock situation; Fire safety training annually at the HQ with core executive and back up members of altogether 25 people.
- 2. The project which is undergoing study**, development, evaluation for emergency case at the construction sites with Emergency Response Plan: ERP in alignment with Business Continuity Plan: BCP. This project aims to create awareness and readiness for the site works to be prepared for any emergency situation. According to the 2018 plan, participating in the selected projects from the resolution of The committee of Safety, Occupational Health and Work Environment as a representative of the subsidiary group to participate in 9 projects with 140 people including executives, staffs and contractors joining in.

Moreover, The Company also has plan for developing and enhancing the risk management strategy to meet the international standard of ISO 22301:2012 under the Precast Concrete Factory criteria with the goal to create trust within all stakeholders.

Emerging Risk

In the meantime, The Company is also aware of the new emerging risk that could strongly affect or even create new business opportunities. The Company evaluate the potential Emerging Risk as indicated in the table below.

Risk Factor	Management
<ul style="list-style-type: none"> Changes in the policy New Town Planning Act. that would effect The Company's land purchasing decision as well as the town house, single house and condominium market. 	<p>The Company follows up with the new condition and policy to purchase the land as well as ask for legal rights/documents. Also, The Company would take possibilities of New Town Planning Act. changes into account before purchasing any land.</p>
<ul style="list-style-type: none"> Risk from Loan To Value (LTV) act and Land and Buildings Tax Bill 	<p>Present, the Strategy and New Business Development (SBD) unit is responsible of analyzing and strategizing for the upcoming challenges.</p>

Promoting Risk Management Culture within The Company

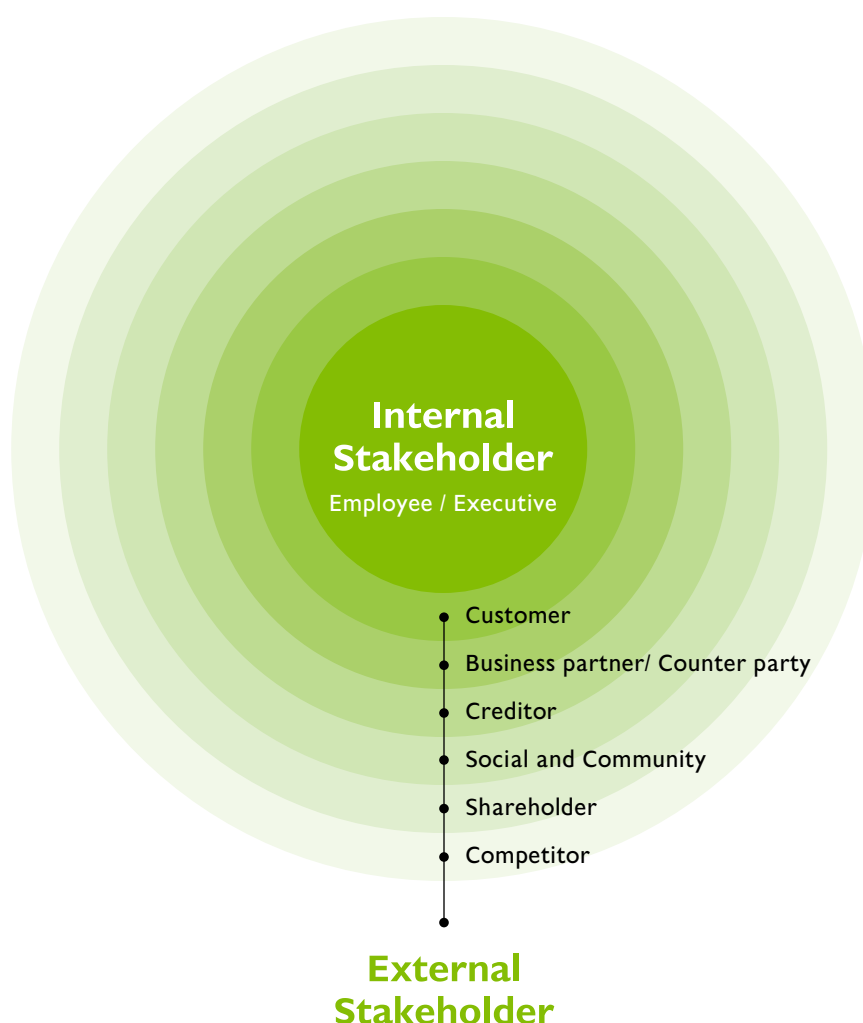
The Company gives significantly importance to the Risk Management Culture within The Company because it is what everyone in the company including executives, board members and staffs must work strictly together in order to create a strong risk management culture. By following roadmap designed by the Risk management committee along with advises given from them. In addition, certain knowledge and information related to risk management, emergency preparation and business continuity is communicated within through Risk Portal platform.

Moreover in 2018, to create awareness and understanding on the issue, certain trainings have been planned for the staffs from Headquarters in which 1 was organized successfully and will be carried on in the future for the project staffs and Pre-cast factory staffs as well.

Stakeholders of Pruksa Holding

GRI 102-40, GRI 102-42

The Company gives importance and respect to all the stakeholders - those considered as people who have influence over The Company's operation. Therefore, certain units have been assigned responsibilities to take care of the stakeholders and make sure they are well taken care of. Moreover, The Company also established company's code of ethics that must be followed as well as prioritizing the importance of each stakeholders according to the effect and expectation from The Company including positive, negative, direct and indirect aspects. Also, equitable treatment of shareholders, responding to stakeholder expectation as well as communication channels are taken into account as shown below.



Treatment and Respond towards Stakeholder

Stakeholder GRI 102-42	Communication Channel GRI 102-43	Expectation and Responses towards Stakeholder GRI 102-44	Treatment towards Stakeholder GRI 102-44
Employee/ Executive	<ol style="list-style-type: none"> 1. Pruksa News : Public Relation (PR) news delivered to employee once a day. 2. Digital Signage : PR channel through screen located in front of the lift to share the updates and news to the people in The Company 3. Line@ : <ul style="list-style-type: none"> • Pruksa Engagement to engage and communicate about in house activity • pruksacg to complain about corruption within The Company GRI 102-41 4. E-mail : cg@pruksa.com 5. Meeting and organizing events for the executives to meet up with the staffs; New year party 	<ol style="list-style-type: none"> 1. Compensation; wedding gifts, education of spouses, visit gift (hospitalized), subsidy fund (natural disaster), wreath allowance for funeral (for staff's family member) 2. Health and accident insurance; annual health checks up for staffs, group health insurance and group accident insurance. Staffs at the same Band would receive the same benefits without any gender, race, age and religion discrimination. 3. Housing welfare, special discount rate for house, town house or condominium purchasing from The Company's project 4. Funds; provident fund to help collect money and create sustainable living. This fund is up to the willingness of the staffs and their ages. The contribution rate (of the company) is ranged from 5 to 10 percentage of social security fund and compensation fund (in case of illness or accident) 5. Other benefits; commission, scholarship for spouses, fitness and sport club, supporting monthly telephone bill, uniform cost (Suit), reward (financial) for staffs who complete 10 and 20 years of service, annual holidays, taking formal leave for military purpose, child labor leave, birthday gifts etc. 	<ol style="list-style-type: none"> 1. The Company will hire right person for the right job with fairness by referring to the qualification; academic background, experiences and others those are relevant to the job position without any discrimination towards age, gender, sex, race or religion 2. The Company exercises compensation policy which is in alignment with the short and long term company's operation plan. That is by taking annual profit generated capacity with Balanced Scorecard 3. Management of Employee welfare; provided fund, housing welfare, social security fund, fitness and sport club, compensation fund for illness/ accident from work, greeting items (in case hospitalized), subsidy fund from natural disaster and wreath allowance for funeral 4. The Company is responsible of taking care of the working environment. To make it safe for life/asset of the employee at all time. Also, strictly follow the labor law. 5. The Company has policy in human resource development by enhancing their capacity and ability along with their career path.

Stakeholder GRI 102-42	Communication Channel GRI 102-43	Expectation and Responses towards Stakeholder GRI 102-44	Treatment towards Stakeholder GRI 102-44
			6. The Company has certain ways of performing human rights management; recruiting, the company will follow the code of ethics and be fair without being discriminated in race, religion, skin color or gender. But instead would determine the performance individually. Also, child labor, enlisted labor or forced labor are not favored.
Customer	1. Telephone : Prukسا Contact Center 1739 2. Website : www.prukسا.com 3. Website : https://member.prukسا.com/ 4. Prukسا Live Chat through www.prukسا.com 5. Facebook : Prukسا Family Club 6. Letter to the president; President of the Group Management, Audit committee.	1. Prepare Visual Questionnaire in collecting information through electronics devices and collecting data through CRM process which is developed for customer database purpose. 2. Organize activity that enhance the relationship with the customer; Prukسا Member by receiving income through inviting friends to buy The Company's Product. 3. Receive benefits from activity, product and services from brand name shops according to the customer's life style. 4. Carry on research and development (R&D) of the products to fit customer's demand. 5. Build trust and confidence in keeping customer's data with effective database management.	1. Gathering all the information gained from Touch Point into one central place to have a Customer single view within The Company. So that the customers can be served with exceptional product and service. 2. Building strong and good relationship for both short and long-term customers by creating projects that lead to customer satisfaction, trust and words of mouth. 3. Allocate benefits, activity, product and service that serves the value for the betterment, comfortable and perfect lifestyle for customer. 4. Create modern customer database system with accuracy that can communicate certain activity, benefits with the customer effectively 5. Maintain customer information and confidentiality. The Company will not use the data for its own benefit or any actions against the law except it is requested by the legal authority.

Stakeholder GRI 102-42	Communication Channel GRI 102-43	Expectation and Responses towards Stakeholder GRI 102-44	Treatment towards Stakeholder GRI 102-44
Business Partner/ Counter party	1. Telephone : Pruksa Contact Center 1739 2. Website : www.pruksa.com/whistleblowing-disclosure 3. E-mail : cg@pruksa.com 4. Line@ : pruksacg 5. Letter to the president; President of the Group Management, Audit committee.	1. Fair competition (equal information) 2. Standard and requirement for recruiting and selecting business partner/counter party 3. Prepare legal and proper contract 4. Prepare traceability system to ensure that everything is operated under written agreements and to prevent scam, corruption and fraud. 5. On time payment as per agreed in the contract with business partner/counter party 6. Organize Supplier CG's Day to invite business partner to join in the anti-corruption campaign and perform good governance practices.	1. The Company opens and welcomes all partners, suppliers, sellers, vendors (which would be referred as business partners) for a fair, transparent and honest bidding process. 2. The Company is determined to maintain good and sustainable relationship with the trust worthy partners/ counter party those with clear approach regarding product service quality. 3. The Company is very strict regarding Anti-bribery policy. None of the executives or staff can accept bribery from any business partners or counter party both directly or indirectly 4. Give out notice to the agents, business partner, counter party and financial institute stating that The Company practice the no gift policy and do not accept any kind of sponsorship (financially) 5. Do not get involved with any procurements with business partner or deal in any contract having any personal relationship; family, relatives o 6. Do not use any business information for personal matters

Stakeholder GRI 102-42	Communication Channel GRI 102-43	Expectation and Responses towards Stakeholder GRI 102-44	Treatment towards Stakeholder GRI 102-44
Creditor	<ol style="list-style-type: none"> 1. Telephone : Prukسا Contact Center 1739 2. Website : www.prukسا.com 3. Facebook : Prukسا Family Club 4. Line@ : pruksacg 5. Email : cc@prukسا.com 6. Letter to the president; President of the Group Management, Audit committee. 	<ol style="list-style-type: none"> 1. Repay loan/dept to the creditor on time as per negotiated. 2. Strictly follow all the conditions requested by the creditor. 	<ol style="list-style-type: none"> 1. The Company issues clear policy and procedures related to creditors especially guarantee conditions, capital management and default payment with trading partners or financial institute by not allowing default payment at all. 2. In repayment of loan, interest and responsibility of collateral, The Company will follow the written contract and its condition as per agreed. 3. With certain situations that can impact the financial stability, The Company will announce the capital management to the creditor in order to avoid any risk or damage that might occur.
Social and Community	<ol style="list-style-type: none"> 1. Telephone : Prukسا Contact Center 1739 2. Website : www.prukسا.com/whistleblowing-disclosure 3. E-Mail : csr@prukسا.com 4. Letter to the president; President of the Group Management, Audit committee. 	<ol style="list-style-type: none"> 1. Carry the Customer Social Responsibility (CSR in process); hiring disable employee project and local community's product supporting project. 2. Perform the CSR outside the process (CSF After Process) to co-create social sustainability in 3 dimensions; Education and youth development dimension; Prukسا Innovation Learning Center, etc. Social and Environment dimension; Prukسا Volunteer project, Blood donation project, etc. Moral and ethical aspect; Dhamma and happiness project, etc. 3. Prepare the sustainable report according to the international standard; Global Reporting Initiative (GRI Standard) 4. Support and join in the activity related to social and community development along with other partners; Prukسا Community Care, switching off light 60+ EARTH HOUR, etc. 	<p>The Company consecutively carries out activity for social and community by issuing responsibility policy (approved by the board members) that must be acknowledged and followed: The policy includes 8 principles.</p> <ol style="list-style-type: none"> 1. Operating business with fairness 2. Anti-corruption practice 3. Respecting Human Rights 4. Fair labor treatment 5. Responsibility towards customers 6. Taking care of environment 7. Social and Community development 8. Innovate and Diffusion of Innovation obtained from social, environment and stakeholders responsibility operation.

Stakeholder GRI 102-42	Communication Channel GRI 102-43	Expectation and Responses towards Stakeholder GRI 102-44	Treatment towards Stakeholder GRI 102-44
Shareholder	<ol style="list-style-type: none"> 1. Annual General Meeting (AGM) 2. The Company's Annual Report 3. The Company's Sustainable Report 4. Website : www.psh.co.th Investor Relationship Management 5. Letter to the president; President of the Group Management, Audit committee. 	<ol style="list-style-type: none"> 1. Organizing Annual General Meeting (AGM) according to AGM checklist 2. Organize meeting in Bangkok or Headquarter centers - to make it easier for all the shareholders to join in the meeting. 3. Receiving Advanced registration for the shareholder meeting to avoid any kind of miscommunication or problems. 4. There is no limit to the opportunity of shareholders to study the company's information. 5. There is a policy which allows the shareholder to include new agenda in the meeting, present the committee and ask the questions prior to the shareholder meeting The Company has established clear channels and process for transparency and fairness by informing the message to all the shareholders. The process is also published in The Company's website 6. The Company doesn't have any add-in agenda policy without prior notice. 7. Provide Revenue stamp on the letter of authorization form for the authorized person without any charge. This is to facilitate the shareholder 	<ol style="list-style-type: none"> 1. Operate duty with honesty with careful decision-making process for the benefits and fairness of the shareholder as a whole. 2. Report the current status performance of The Company including financial performance, accounting and other relevant information. 3. Report fairly to the shareholder regarding The Company's future trend both positive and negative perspectives based on relevant fact and figure. 4. Do not seek for personal benefits by using any confidential information of The Company or take any actions that could lead to conflicts. 5. The Company must manage each shareholder equally in the shareholder meeting.
Competitor	<ol style="list-style-type: none"> 1. Telephone : Pruksa Contact Center 1739 2. E-mail : cg@pruksa.com 3. Line@ : pruksacg 4. Letter to the president; President of the Group Management, Audit committee. 	<ol style="list-style-type: none"> 1. Perform under good competition practice 2. Do not seek for competitor's business/trading secrets illegally/inappropriately 3. Do not accuse or destroy the competitors fame and name 4. Do not get engage in any kind of deals/ contracts thought would result in eliminating the competitors unfairly. 	<ol style="list-style-type: none"> 1. Encourage free trade and fair competition policy. Do not monopolize or forced any kind of trading. 2. Do not support any kind of competition that leads to illegal or immoral practices



ECONOMIC



Pruksa Holding Sustainability 2018

Economic Operation

GRI 103-1, GRI 103-2



Pruksa Holding PCL main business is operating as a Holding Company - in other words, being a shareholder and receiving main income as dividend from the subsidiaries companies as well as potential investing companies in the future.

The Company has a policy that focuses on investment diversification as well as in search for new business opportunities vary from residential real estate business. That is to encourage a sustainable growth along with recurring income. Therefore, the investments for Hospital Business (Medical) and Health Service center are approved which are under construction at the moment. However, the main revenue (income) and business performance is mainly from the real estate business.

Economic Detail GRI 201-1	2018 Unit : Million THB GRI 103-3
Revenues	45,071
Operating costs	28,815
Employee wages and benefits	3,268
Payments to providers of capital	2,779
Payments to government	3,339
Community investments	21
Economic value retained	6,849

Remark : Money paid to the state consists of corporate income tax of 1,551 Million Baht, Specific Business Tax of 1,487 Million Baht and Transfer fee of 301 Million Baht make a total of 3,339 Million Baht

Source : Annual financial statements 2018 and Annual performance report 2018

2018 Business Performance

I. Real Estate Business Overview

- The Company's income is 44,901 Million Baht which is increased by 966 Million Baht or 2.2 percent compared with the previous year.
 - The increased income is mainly from Condominium marking 1,343 Million Baht or 11.1 percent increased. Because there were many projects with ownership transfer.
 - The income from townhouse is decreased by 129 Million Baht or by 0.6 percent.
 - The income from single house is decreased by 235 Million Baht or by 2.6 percent
 - The income from foreign projects decreased by 13 Million Baht due to completion of 100 percent ownership transfer in 2017 and there are no new projects in current plan.
- The Company's net profit for 2018 is 6,131 Million Baht or 13.6 percent of total income. The net profit is divided into two groups. First the profit to the company of 6,022 Million Baht and the profit of non-controlling interests of 108 Million Baht.

Total 55 Projects Launched in 2018

GRI 103-3



Town House

35 Projects



Single Detached House

9 Projects



Condominium

7 Projects



Premium (Condominium)

4 Projects

Project Launched in 2018



Baan Pruksa
Lam Luk Ka-Wongwaen



Passorn
Songprapa



The Tree
Dindaeng-Ratchaprarop



The Reserve 61 Hideaway

2. Vimut International Hospital CL

Vimut International Hospital launches the “BAAN MHOR VIMUT”, a clinic which is open for general treatment and consultation for patients within the community including health checkup, diabetes treatment, physical therapy and visiting the patients at home for following up process. It is an outreach business from Vimut Hospital. The first pilot clinic is at Rangsit Klong 3, Pathumthani Province which is considered to be a big community with many Pruksa's projects. In 2018, there were 484 people using the service and free health check up for 128 people.

BAAN MHOR VIMUT uses the “Light Smart Heart-felt” approach.

- **Light:** We believe that each individual has the right to get equal health treatment. Therefore, we are determined to provide standard services to everyone by being easy to access; location, service and price
- **Smart:** Our doctors are expertise and specializes in family medicine. Meaning, our doctor would be able to take care of the people's overall health including genetics, behavior, way of life and surrounding environment. This is to provide the best medical service. Because, we don't want the patient to waste time and money unnecessary.
- **Heart-felt:** You are our family. Therefore, we care very much about you by being very precise on each and every detail about you. So that you can be confident when you come to us and feel Vimut is your home.



Accounting policy for corporate income tax

The annual income tax expenses include current income tax and Deferred income tax acknowledging the profit and lost except those related to combined business or those report direct to shareholders or others.

- **Current Income Tax**

Tax that is expected to be paid or received by calculated from annual taxable profit or loss using the announced tax rate or expected to be effective at the day of report as well as tax adjustments relating to the previous year

- **Deferred Income Tax**

Recorded by calculating from temporary differences between the book value of assets and liabilities and the amount used for tax purpose

Deferred Income Tax will not be acknowledged when differences occur such as recognition of assets or liabilities for the first time which is a non-business transaction and the transaction does not affect accounting or tax losses. Also, the difference between investments in subsidiaries and joint ventures, if possible, will not be reversed in the near future.

Measurement of Deferred tax

Deferred Tax is measured by Tax rates that are expected to be used and temporary differences when there is a reverse of using the announced tax rate or expected tax rate on the day of report. It must reflect the tax effect in a way indicating how the company expects to receive benefit from asset or pay debts according to book value at the deadline of the report day.

Determination of the value of current tax and deferred tax

The Company must be concerned of the impacts of tax uncertainty that might result in paying a higher tax and interest. The Company has set appropriate accrued income tax for the use of future by evaluating certain factors as well as law and experience from the past.

The evaluation is based on estimations and assumptions. It might involve future decision making. However, new information received might result in changes in the decision but it must be based on the accrued income tax. Changes in deferred tax will surely affect the current tax at time of changes.

Deferred tax assets and deferred tax liabilities can be offset when the entity has the legal right to deduct the current tax assets from the current tax liability and the income tax. It would be evaluated by the same or different tax collection units. For different tax units, the company intends to pay the debt and tax assets of the current period with the net amount or intend to return assets and pay debts at the same time.

Deferred tax asset would be recorded when there's possibilities that the profit for paying tax would be enough to use and benefit from the temporary differences. Deferred tax assets are reviewed at the day of report and will be reduced to the extent that the tax benefits are likely to be used.

In conclusion, The Company proceed with payment of corporate income tax and other related according to the requirements of the Revenue Department, both domestically and internationally.



The Company's Procurement

GRI 103-1, GRI 103-2

The company emphasizes on procurement strategies as well as supply chain management of quality product and services. That is by setting risk management system covering environment, social and good governance practices in order to have the management planned accordingly by following the rule and regulation, standard and quality to prevent and reduce risk that can occur in terms of quality, quantity, ownership transfer and service. To ensure the trust from the stakeholders regarding the company's operation and management, the company prepares the pruksa - supplier sustainable code of conduct for business partners and pruksa purchaser code of conduct for employees. The code of conduct must be followed strictly. The contents within the code of conduct are scope of practices under rule and law, business and ethics, human rights, safety of health and environment following these 4 things.

Value of Money

Business partner and employee of The Company must consider cost, quality and potential impacts that might happen from the procurement from current and future market. Therefore, comparison must be made and researches about market, finance, technology and environment must be done. Which means the lowest cost might not always be the right choice but rather choice with relevant Value Score as criteria to select potential business partner.

Integrity & Transparency

Business partner and employee of The Company must follow through the procurement process with transparency and fairness by allowing competitors the opportunity to compete openly. Qualification and capability must be taken into consideration when selecting the business partner. Along with providing the chance for stakeholders, specialist or assign person from The Company to gain access to sufficient information equally. Thus, the result of selection must be reported to the executives or the assigned committee.

Efficiency and Effectiveness

The Company's employee must be very keen on the procurement system which means being very aware and careful of the current market trend and the importance and benefit of analysis and operation planning to select the best choice. Also, evaluation regarding the procurement system must be done monthly, quarterly and annually in order to help improve and correct and error occurred.

Accountability

The Company's employee must have responsibility towards ethical standards as well professional ethics and rightness. Utilizing power and authority effectively with quality and responsibility towards the result of any operation is a must. Also, evaluating from the observant of all stakeholders related to procurement system would be taken into account as well.

Procurement 4.0

GRI 103-2

Presently, the procurement management and supply chain management are utilizing the Thailand 4.0 as a benchmark to develop the improvement of the Project known as Procurement 4.0. With the aim to adapt and implement the strategy that could lead to a sustainable procurement system which directly effect the operation of The Company. The procurements are listed below.

PROCUREMENT 1.0

- **Tactical Buying**
Effective and measurable Procurement operation

PROCUREMENT 2.0

- **Optimized Sourcing**
Implementing the cost management system by adapting the TCO system as well as Systematically enhancing procurement capability.

PROCUREMENT 3.0

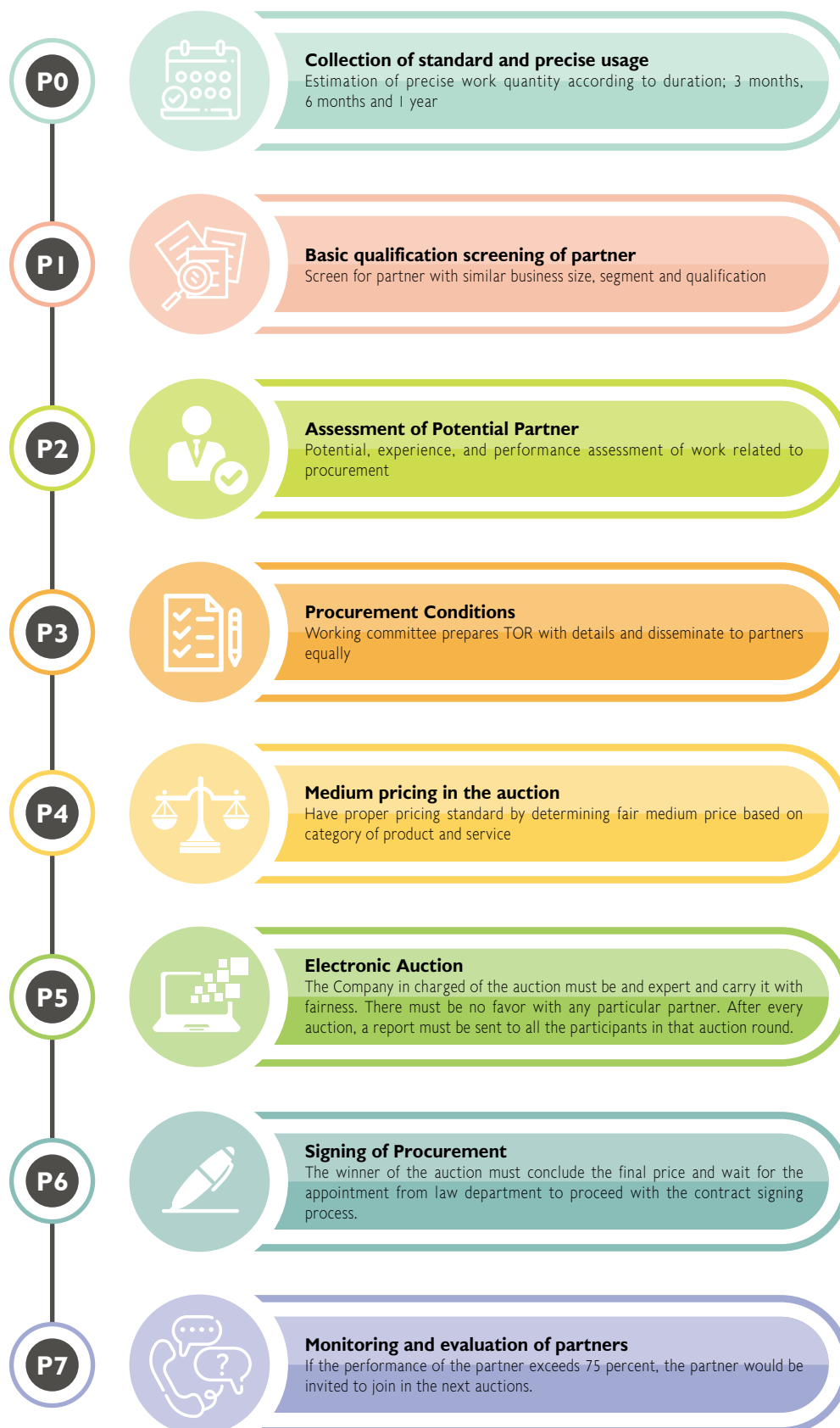
- **Strategic Procurement**
Appropriate strategy and procurement system for each field of work.

PROCUREMENT 4.0

- **Value Chain Integration**
Create cost, material and business management advantage in order to increase The Company's profitability.

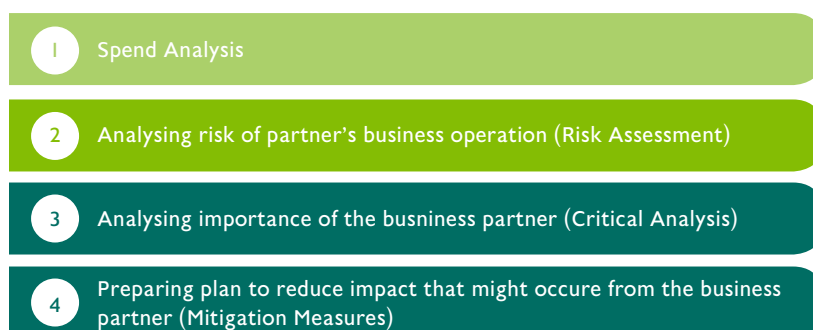
Pruksa's Procurement System (P0-P7)

GRI 103-2



Risk Assessment of Supplier

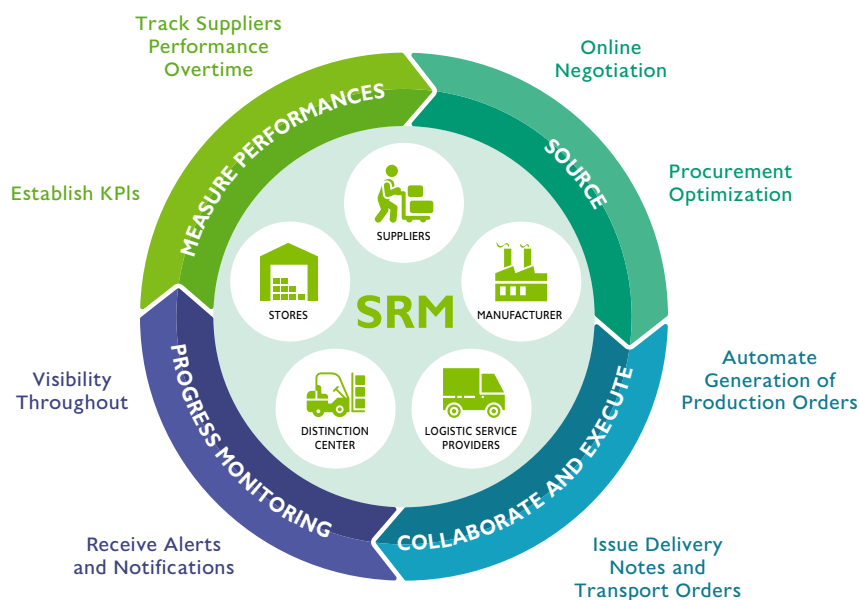
The Company is aware of the environmental, social and good governance practices impacts from the business partners by analyzing the partner's risk and business critical as shown below.



Supplier Management

GRI 103-2

The Company sets up measures to manage partners with the aim to have them work up to the standard required as well as respond to the increased product demands, achieving goal while maintaining the quality of product and services as well as maintaining good relationship between the business partner and The Company. In addition, create awareness and understanding towards The Company's sustainable stand point for the business partner is significant.



The Company has a set of standards for business partner selection, assessment and evaluation by emphasizing on fairness, transparency, business stability and trustability of the partners along with positive responses to the demand and requirement of The Company. The list includes;

- Establishing partner registration (Approved Vendor List : AVL / Qualified Vendor List : QVL) to select the most potential partner
- Using questionnaire (Request For Information : RFI) and initial performance evaluation (Pre-Qualification Form) in evaluating the partners with their readiness in production, transportation, environmental and healthy safety, industrial standard. Most of all, the business partner must be able to operate up to the sustainable development plan of The Company. This is to ensure that the selected business partner is trustworthy with positive potential to do business with.

Partner registration or approved vendor list process is done by Registration Committee, Partners and Working Groups for Registration Partners. Moreover, in terms of risk management in delivering the product, The Company has set the Term of Reference (TOR) clearly that the business partner must follow thoroughly as per signed contract which is subjected to law enforcement especially risk related work; safety, health and environment. Alongside, the contractor risk evaluation (CONTRACTOR MANAGEMENT) will be done to determine the quality of each supplier. If any fails to meet the requirement would not pass through the selection process.

Supplier Relationship Management

The Company is aware that it should treat business partners with fair treatment based on fairness for both sides. Therefore, The Company gives out sufficient information, correct report, operate as dealt, negotiate if there's any problem and avoid any kind of conflict that might occur. The procedures taken are as follow;

1. The company and employee must respect the confidentiality of the information received from the suppliers; price list, patent, production plan and product information. The information can be used only when received permission.
2. The employee must call for price examination, price and quality comparison, check on each remarks or condition to make sure that the competition is fair especially must not call for "Covert Auctions" which is considered a fraud. It is done by exposing the first supplier's price to the second supplier so that the second one can re-price and compete with the first supplier.
3. The Employee must maintain good relationship with business partner equally, not giving favor to any special one, do not ask for any kind of benefits, money or compensation directly and indirectly.
4. The Employee must behave equally to all suppliers and must be fair to all. For example, sending out information at the same time.
5. The employee must be transparent in inviting the supplier to join in the project (Transparency in Criteria of Invitation to Tender) This is to be fair with everybody.
6. The Employee must perform with Transparency in Evaluating Bids and must be able to clarify the Transparency in Evaluating the Successful Supplier.
7. The employee must protect The Company's confidential information while dealing business with partners or suppliers strictly. While as keeping the information obtained from them confidentially is a must.
8. Follow through conditions requested by the business partner firmly and inform when it can't be done in advance to find out the best solution together.
9. The Company will not take advantage of the business partner in no matter what cases. The Company will consider the risk that might happen in terms of Company's image and opinions from external audience as well.
10. The employee in charge must prepare and provide correct, sufficient, complete information to the business partners with transparency and fairness.
11. The employee must receive the opinion, feedback and suggestion for further improvement.
12. Negotiating based on business relationship must be fair with evidence for both sides.

Pruksa organizes Pruksa Roadshow - Inviting partners for sustainable growth together



Pruksa enhances the relationship with partners by organizing Pruksa Roadshow for with the aim to create an opportunity for the partners to meet with the team. Also, to exchange ideas and appreciate the partners for giving Pruksa the honor of working and growing together.

Supplier Audit & Assessment

GRI 103-2

The Company evaluates and assests the business partners to determine the risk, determine corrective plan and evaluate the conditions after co-operately utilizing the plan by keeping quality, quantity, production safety and transferring safety in mind. In addition, minimum requirements according to labor laws, environmental law, and other standards such as ISO 9001, ISO 14001, OHSAS 18001 must be followed.

Integrated Efficiency & Sustainable Supply Chain Process Strategy Steps

Selection of Partner



Screening of Partner



Partner's Category

Business Framework

Business Value

Supplier Relation Management

Partner's Category



High Value business group



Similar business group



Operation process

Selection Process

Analysis of SIPOC

Planning for SRM Operation

Analyze and Improve

Audit and Improve

Prepare standard manual

Purchaser Code of Conduct

The Company's Employee must obey and operate according to the following code of conduct strictly.

1. Employee must consider business interests.
2. Employee must Listen to comments from colleagues and those involved.
3. Employee must make procurement without disgust in order to create value for the expenses that have been paid
4. Employee must seek knowledge about materials, technology, market situations and production processes
5. Employee must trade with honesty and sincerity
6. Employee must welcome both internal and external partners politely
7. Employee must accept and respect their obligations and others
8. Employees must avoid unfair operations
9. Employees must consult and help buyers

Employees must cooperate with all units

- **Conflicts of Interest**
- **Treatment of Insider Information**
- **Social and environmental responsibility**
- **Internal Customer Relationship Management**
- **Principle of Performance**
- **Communication**

Supplier Sustainable Code of Conduct

GRI 103-2

Pruksa Holding is determined to operate business with fairness, good governance practices as well as obeying the law along with taking care and supporting the betterness of social and environment to create balance within all dimensions with sustainable growth. Moreover, sharing and supporting the use of this policy with business partner is also done with the aim to create good business practice culture. Thereofre, to create mutual understanding, The Company has prepared the "Sustainable Partners' practices" for the partners to follow. If any partner misses the practice, it will be proceeded with as seen appropriate - By considering the impact and damage that will occur later

Supplier Sustainable Code of Conduct includes

1. Business Code of Conduct
2. Ethics in human rights and labor
3. Health and environmental safety
4. Ethics and legal compliance
5. Risk Awareness
6. The Penalty Provision

Sustainable Partners' practices procedure:

GRI 103-2

Pruksa organizes a special forum to enhance the sustainable construction quality and partners

Pruksa organized a meeting with contractor to ensure the willing to upgrade the construction quality. The Company organized a special forum called "Strengthened Partnership" for single house and special forum on "Pruksa Townhouse Growing Together" for townhouse with over 400 participants. (GRI 103-3)





Product and Service

GRI 103-I

With a firm aspiration of caring and creating ultimate satisfaction for the customer in mind, The Company consecutively gives importance to the Research and Development (R&D) part in order to deliver the best quality product and service according to the customer requirement and expectation. That is done by doing survey and analyze the Consumer insight in each segmentation. Moreover, exploring the housing project throughout the country (Thailand) is also done to obtain customer's demands in terms of location and price and later use this information for the new developing projects. Next, following and respecting the law, rules and regulation as well as standards requirements with good governance, safety and impact towards the customer are taking into serious consideration. The Company, thus, select the best qualified standard material to be used in the projects; material with Thai Industrial Standard (TIS) or material certified from the supplier's country with low Volatile Organic Chemical (VOC) towards users as well as selecting the pile, steel, cement etc. must be meet the standard requirement by TIS. In addition, selection of materials such as roof tiles must not contain asbestos, laminate flooring and furniture must be health friendly and designing must be according to the Allocation Act. law and Building Control Act.

The Company uses new innovations and apply in the Supply Chain Management Process with the aim to increase capacity and overall business competitive advantage to meet the vision of Sustainable business growth with Good Governance practice and eventually become number one brand (Top of Mind Brand) in customer's heart. Nevertheless, it is not a one man's job in order to create innovation and be practical about utilizing it. Executives done to operation staff/employee must be involved in the process.

The Company is appointed a corporate strategy called "Pruksa Bllom Initiative" with the aim to direct all the business and supporting business operation towards the same goal. That is by connecting, searching, supporting and encouraging the utilization of innovation from both internal and external sources those are evaluated to be given value added and practical for certain areas. Such as problem soloving, increasing construction effectiveness, value adding the current product to meet international standard, maintain and expand business growth to capture more market shares of the Company. Also, reaching out to new customer target market with higher creativity and innovation group by developing the product to fit in the current trend and lifestyle according to 4 Consumer Mega Trends including Green Revolution, Digital Lifestyle, Aging/Health Society and Safety Concern. The Company must be able to respond to lifestyle and demand of the customer by creating High value-added products. For example, Process Innovation, Service Innovation and Product Innovation. Moreover, encouraging all departments to be involved in the innovation development through certain activities; Pruksa Innovation Awards, Pruksa Power Team Awards which has launched since 2016. By providing awards as funding to use the innovation with the business which eventually leads The Company to become the Creative Innovation Organization, more of Closed Innovation including 5 categories; Product and Service Quality, Efficiency Operation, Branding, Drive New S-Curve and Architectural Product Design. In the competition, there will be judge/committee evaluating and judging systematically according to the CEN-TS 16555-1:2013 international standard.

Moreover, The Company is also up receiving external innovation or called "Open Innovation" by adapting to best fit the product. This is by creating business partnerships with suppliers, knowledge institutions, expertise, specialist both local and international level to make this product a long term partnership.

It can be said that social innovation has benefit the people of the community as well. The innovation and development that covers all aspects and dimensions allow The Company to deliver a house with international standard, beautiful with quality and value added in terms of Value For Money, Emotional Value, Functional Value, Value of Time. This leads to customer's satisfaction, happiness and proud to be the owner of such house. Also, gives a good image of the brand that cares for the environment with CSR In process including R&D, designing, production, ownership transfer and CSR After Process that involves employee and external parties; customer, business partner and community to take part in developing a sustainable society together. The most important part of doing business is not only about the any particular product or service. It's about the "Creativity" behind each product and service that add values. Therefore, The Company has always been emphasizing on "Caring about the customers" by creating shared value that benefits everybody not only The Company. This is how Sustainable growth can happen.

Innovation Enhancement in 3 Dimensions

GRI 103-2



I. Process Innovation

It is the beginning of creation through innovation process

- Bring in and utilize production technology (Automation) known as Precast Concrete from Germany.
- Innovation of Supply Chain Management includes selecting the land, negotiate the price, feasibility study and design according to the target audience.
- Develop 3D Designing called BIM (Building Information Model) integrating database through SAP system to price estimation, Precast production, purchase and construction management.
- Develop the construction system called REM (Real Estate Manufacturing) which is an adaptive industrial production level to house production known as Mass Customized with in process quality control in each and every step (Quality Built-in Process) resulting in 30 - 50 percent increase in construction effectiveness. In 2017, The Company received Certificate from International Star Quality Award 2017 in the quality and innovation category from BID, Switzerland.



2. Service Innovation

- Collaborating with government authority by signing MOU with Metropolitan Waterworks Authority and Metropolitan Electricity Authority. This helped reducing cost and provide better service for customer.
- Using Tablet for ownership transfer.
- Better Living Service is a service that provides advices and introducing contractors to the customers and public for any renovation matters.
- Contact Center 1739 A service to receive any complaints or suggestions. Also, have CS Center as a center of tracking and follow up for quality repair service
- Update information of product and service through www.pruksa.com with online services for appointment booking or reserving house.
- Pruksa Application on mobile services.
- Organizing activities; customer relationship programs.
- Provide knowledge and introduction to juristic person management, standard and responsibility. Also, training outsource to increase work effectiveness.



3. Product Innovation

Developing product towards world class such as

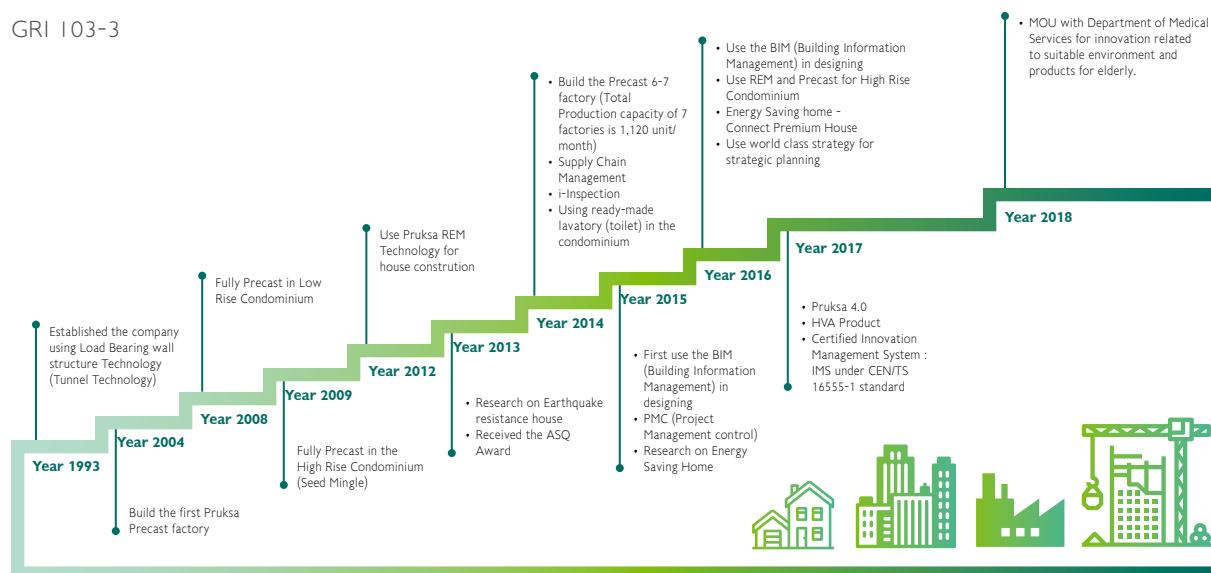
- Business Partnership alliance with suppliers or education institutes to do research and development for better product quality, fit the customer requirement and appropriate price for example, designed sanitary ware, storage cupboard, finished stairs, Ready-made door window frames, Hidden water tank pump, various Light wall, trash bin and improving ready-made toilet construction.
- Building house that can stand against earthquake
- Building Pruksa Plus House according to 4 consumer Mega Trends by using environmentally friendly material, elderly friendly concept and reduce energy consumption. At The Plant Estique Pattanakarn 38 project received the Green building certification from DGNB, Germany (German Sustainable Council) stated Sustainable Building Certified, platinum level.
- Organized PRUKSA-CHULA: ARchitectural Innovation SynTax, ARIST consecutively since 2017. There are competitions of students from School of Architect, Chulalongkorn University on Low-rise residential architecture and High-rise residential architecture design with the aim to bring in new innovative ideas for the business.

The Company is aware that “Innovation” is the key driven factor towards success. Therefore, Innovation Management System: IMS was set since 2017 and received the certified innovation system (CEN-TS16555-1:2013) by Masci. This confirms that The Company has certain knowledge and capability towards innovation be it project, service, process, company’s structure and new business innovation. The IMS plays significant roles;

- Growth Movement with revenue and profit from innovation.
- Leads to new idea/creativity and bringing in new values to The Company.
- Help in value estimation based on understanding of demand of potential future market.
- Identify and minimize risk.
- Encourage creativity and organization learning process.
- Value creation with innovation partners.
- Motivate the employee engagement and support team work.
- Motivate leadership skill for innovation and strategy
- Prepare innovation accomplishment plans.
- Support and drive innovation process
- Innovation management system evaluation
- Innovation management system development
- Innovation Management techniques.

Innovation Creation Result Year 1993 - 2018

GRI 103-3



Year 1993	Utilize new technology known as Cast-Institute Load Bearing Wall Structure-Tunnel Technology for town house.
Year 2004	Initial the technology of RC Load Bearing Wall Prefabrication for single house and town house (some category) by using Precast Concrete Factory which is a product of Semi-automated carousel System for Bearing Wall for house.

Year 2005	Develop and utilize the Fixed Mould system at the second Factory by producing Fence and Parapet where at present is changed to Precast bathroom factory (concrete). The third factory produces precast Slab & Special Elements as well as Bearing Wall for house. The forth Factory produces Bearing Wall for Condominium and Townhouse Façade.
Year 2010	Develop and expend the fifth factory as Fully automated carousel system as Carousel Plant with the maximum production capacity in the world for precast production used in automatic machine with computer system controlling; Shuttering Robot, Automated Mesh Plant or Automatic concrete pouring machine. This is the best machine and technology in the world with qualified standards - Bearing Wall for house.
Year 2013	The Company expanded its investment and built the Prukha Precast Factory with Fully Automated carousel System as Carousel Plant with the highest production capacity globally located Klong1, Klong Luang, Pathum Thani nearby 130 rai of industrial estate area.
Year 2017	<p>The Company emphasize on creating High value added Product under the Concept Prukha 4.0 which would generate value and raise the quality standard of the housing project with Prukha Quality Standard with interior design under the campaign called "Invisible Care...Even you can't see it, we won't overlook it."</p> <p>Adapting and using the solar (roof) system for electricity and using it with the public utility within the projects especially with the waste water management system has helped lower down the cost as well as result in the water drainage system meeting the law and standard set by the authority and protecting the environment at the same time.</p> <p>Signing MOU with Department of Alternative Energy Development and Energy Conservation, Ministry of Energy for building designing for energy conservation according to the Building Energy Code (BEC)</p>
Year 2018	<p>The Company gives most interests in Internet of thing (IOT). For customers in all groups/category must receive a better service and comfort level. Social Innovation is also in line by signing MOU with governmental authority such as;</p> <ol style="list-style-type: none"> 1. Signed MOU with Provincial Electricity for service advancement; solar roof top or providing relevant information. 2. Signed MOU with Department of Medical Services for innovation related to suitable environment and products for elderly. To provide knowledge and information to local people regarding suitable and safe surroundings and environment for the elderly with scientific proof (research) in order to build residential area for the elderly age society in the upcoming future in Thailand.

In 2018, The Company emphasized on Internet of Things in response to the digital trend for all customer groups. Also, giving importance towards the social innovation by signing more Memorandum of Understanding (MOU) with government agencies such as

Pruksa join hands with partners in creating an innovation society for sustainable growth together



1. Signing MOU with Provincial Electricity Authority for service development projects; Using alternative energy; solar roof top and providing information of the customer for their benefits.

2. Signing MOU with Department of Medical Services for academic collaboration regarding safe environment for elderly people. The objective is to provide knowledge for the people and present the safe environment for elderly people with scientific research. As Thailand is moving towards aging society, this could help reduce the accident occurred by inappropriate surround/ living environment for elderly. Also, knowledge about rehabilitation after discharged from the hospital is also to be shared.



Pruksa sharing Innovation knowledge for sustainable growth together



Sharing knowledge and experience to the public; Thailand Post Company Limited and Somboon Advance Technology Public Company Limited altogether 140 people for them to learn and adapt it with their business innovation.

Standards and quality in innovation management of Pruksa

For Innovation Management, The Company has received the certificated for innovation management system (CEN/TS 16555-1) by the Director of Management System Certification Institute (MASCI) for Real estate Innovation Management at Pruksa Innovation AWARDS on February 4th, 2018 at the Head quarter of the institute where Pruksa was the first in real estate business in Thailand who received this honor. The Innovation Management system (CEN/TS 16555-1) is an important tool that helps drive the Company towards excellence operation, increase business opportunity, growth and revenue from innovation, save time in production line, save cost, reduce innovation risk, improve efficiency, effectiveness and capacity of The Company, increase competitiveness, meeting the customer's demand and requirement as well as innovative social responsibility; building network community, local product innovation or enhance decision making skills when face with risk or challenge.



HOUSE CONSTRUCTION INNOVATION FOR A SUSTAINABLE QUALITY LIFE (Pruksa Quality Standard)

Pruksa has always been caring and giving importance for the customer's quality of life. Because purchasing a house is a big investment of life. Pruksa intends to develop the quality and standard by being innovative and creative with 4 new trends of the modern lifestyle.



SMART HOME



SAFETY HOME



GREEN HOME



HEALTHY HOME



SMART HOME

With Building Information Modeling system, 3D designing with Computer for effectiveness and Home Automation control, that is controlled by remote control or mobile phone; switching on/off electricity.



SMART FUNCTION

1. Multi-Function Bathroom with 2 functional lavatory that can be used simultaneously between toilet and shower as well as wash basin at the same time.
2. Energy Master bedroom with a master bedroom at the front bay with WIC along with connecting door separating the lavatory.
3. Bedroom/ multiroom at floor 1



SMART HOME AUTOMATION

Indicates the modern lifestyle. For example, controlling the electric appliances at home through application on mobile phone.

4. Electric Home Intelligent. A solution to provide comfort and safety for the asset. An energy safer through internet system.



SMART NETWORK

5. Lan wiring system at fiber optic system point



GRI 416-1

SAFETY HOME

With Precast Innovation and selection a standard material.



1. Kitchen & Yard

Add the stake to the length of the house for the fence behind the house. Also, adding an inclined fence for backyard extension to prevent any subsidence of the extension



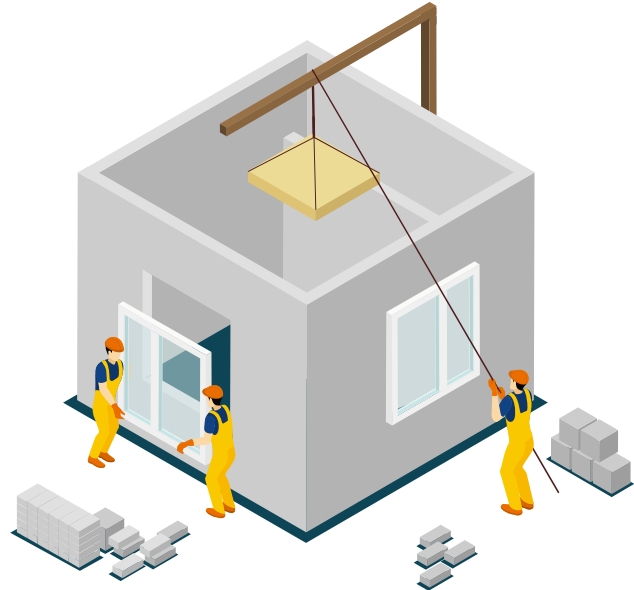
2. Concrete Stair

Use the precast ladder system from the factory which is strong, durable and good quality



3. Concrete Wall

The precast concrete wall is used for its strong and durable characteristics. The installation is up to the standard with wall Load-bearing system which increase spaces for the house



GREEN HOME

Designed as environmentally friendly concept with solar roof system, finished ceiling (heat detect), energy saving, finished wall that helps reduce dust and pollution, frames made of comparable wood and synthetic materials that help reducing the natural damage.



1. Natural Air Flow

With eaves that helps with ventilation and heat flow



2. Panoramic Bay Window

Large panes with corner mirrors which is open for natural light



3. Enlarge Door

With large entrance door, open for natural light, spacious and energy saving



4. LED Lighting

With LED lighting bulb that helps save energy and reduces heat



5. Active Airflow

Fan ventilation in the lavatory



6. Natural Lighting

Translucent Ceiling and eaves with natural light at staircase



GRI 416-1

HEALTHY HOME

From the lay out of the house with good ventilation system, using paint which is unarm to the health, clean and sanitize toilet as well as designs to make full use of space.

• Innovation system (High Value Added)

Developing for value adding under the HVA (High Value Added) is a product value adding for the benefits of the customers; quality and function and mindset that serves the unique group; health conscious and environmental lovers.



Pruksha
Fresh Air System



Air Ventilation
system



Skylight ceiling



LED Lighting
system



CCTV Main Road



Solar Cell



Add stake at the
backyard



Smart Camera



Smart Control



Bike Lane



Vertical Garden

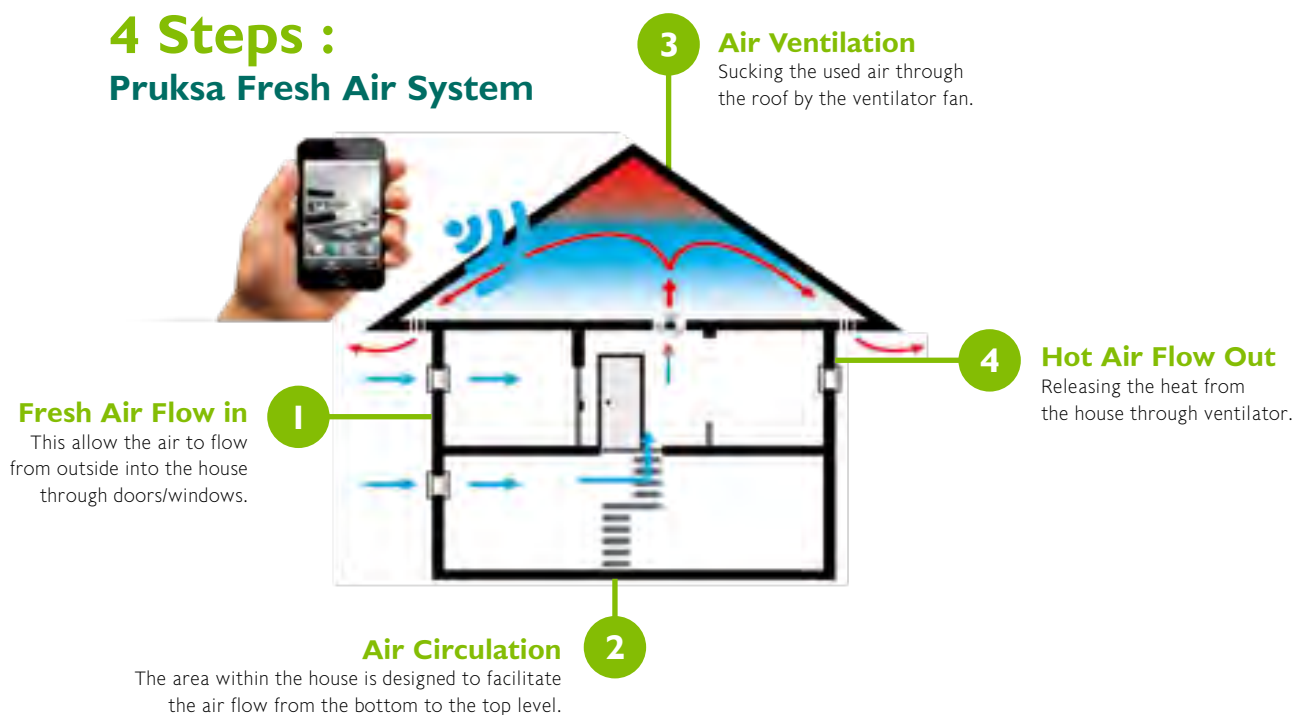


Multipurpose
ramp

• Innovation Pruksha Fresh Air System

1. Change from hot and humid house to cool house with new air ventilation innovation within the house and roof hall that helps transfer heat effectively from the house. Also, helps in reducing the temperature and helps save energy.
2. Help in ventilation, reduce air pollution, suffocation and humid which is the cause of allergy.

4 Steps : Pruksha Fresh Air System



- **Pruksa cares for sustainable Community and society**

Pruksa would like the customer to have good community and trustable society. Therefore, Pruksa designs quality society by followings.



Solar Cell

Using solar energy to help save the environment.



Jogging Track

Special park for exercise/work out.



Bike Lane

For cycle riders.



CCTV

To enhance and ensure the safety by having it installed at main road, sub-main road and main gate.



Double Security Gate

For safety purpose.



Fast Lane & Easy Pass

To differentiate the customer and guest.

Example: Project with outstanding Innovation 2018

Baan Prukha Lam Luk Ka - Wongwaen

Prukha has a caring house concept which is fit for all ages in the family. It emphasize on easy to use, walk, big kitchen and Home Automation system. Those Projects are



HOME AUTOMATION



- Light Switch
- Non-slip floor



- Lamp sensor system
- Non-slip handle with shower rod
- Shower Seat
- Longitudinal drainage rails separating wet and dry area
- Strong Washbasin counter
- Even Floor, prevent tripping





CONCEPT LIVING & SMART HOME



SMART HOME

- Home Automation System
- Touch Switch
- Smart Plug
- Smart Locker



GREEN HOME

- Facility With Solar Cell System Club House, Main Gate & Waste Water Treatment (Club, Entrance, Wastewater treatment pond)
- LED Lighting (LED lighting bulb that helps save energy)



SAFETY HOME

- Security system (Cabling system)
- Smoke Detector (Smoke detector, fire alarm system)
- Passorn Smart Security



HEALTHY HOME

- Ventilation system (Lavatory ventilation fan, ventilation fan at 3rd floor staircase)
- Elder care design (Special design for elder at bedroom downstairs)

The Tree Dindaeng - Ratchaprarop



First Outstanding innovation

Noise and dust prevention system by Acoustical Architectural Method and Landscape elements: Designed with steps of using element that prevents and protect 5 layers of noise and dust before reaching the building by selecting trees and bushes that help prevents noise and dust. Making it a quality place to live in.

Second Outstanding innovation

Smart Access using Bluetooth system: Using Bluetooth signal and card from gate barrier from in front of the project through the entrance gate that access to the project for security and safety purposes.

Third Outstanding innovation

Vehicle counting system: To count the vacant parking space and provide the information on the board of the project



SMART

- Smart Access; Bluetooth
- Smart Locker
- Smart UNIT; IOT Bluetooth
- Smart Parking



GREEN

- Vertical Green Wall
- All LED Lighting
- Monitor Sensor Lighting



HEALTHY

- Acoustical Architectural Method
- Sound Proofing working Space
- Green walking trail



SAFETY

- Smart Access; Bluetooth
- Smart UNIT; IOT Bluetooth
- Wall Panel (room to room) depth 20 cm.



ENVIRONMENTAL



Environmental Operation

GRI 103-1

The main business for Prukha Holding is Prukha Real Estate PCL which is a subsidiary company that operates within the real estate business scope including town house, single house and condominium both at Bangkok and nearby areas as well as in other provinces. Moreover, there are Prukha Precast factory Lam Lukka and Prukha Precast factory Nava Nakhon at Pathumthani province which produce precast concrete parts that helps in reducing the effects and pollutions to the environment from construction process. Also, in Vimut Hospital Holding construction process is very much aware of the importance of environmental impacts. Nevertheless, the project received the Environmental Impact Assessment (EIA) and permission of hospital construction (no.39) officially. The hospital would be ready to operate in 2020 onwards.

Environmental operation guidelines

GRI 103-2

1. Cooperate and follow the environmental rules and regulations.
2. Segregate waste before disposal.
3. Control and manage the waste water quality from production system.
4. Save and conserve energy related to production system by inspecting and managing systematically.
5. Effective resource management by recycling and reusing by utilizing alternative energy to reduce the Greenhouse Gas emission.
6. Support the environmental projects and activities by collaborating with government, private and local community sectors.
7. Create and provide good life quality for the employees.



Environmental Impact Protection for Residential projects

GRI 103-1, GRI 103-2, GRI 307-1

Pruksa prepares the Environmental Impact Assessment: EIA Report for the Office of Natural Resources and Environmental Policy and Planning (ONEP) following the Promotion and Conservation of National Environmental Quality Act, B.E. 2535 which sets for Company that have allocated land for living or for commercial purposes from 500 plots or more than 100 rai must undergo the EIA report. The report would be used as evidence in the permission granting process including prior, during construction and project operation. The impacts cover 4 aspects those are;

- **Physical Environment**

Air Quality, Air Pollution, Noise, Disturbance, Soil Erosion, Water Quality etc.

- **Biological Environment**

Waste water management system, Urban social ecology

- **Human Value**

Used water, waster water, water drainage, flood prevention, waste management, electrical power system, fire prevention

- **Quality of Life**

Impacts towards health, society, health and safety

In 2018, The Company has prepared the Environmental Impact Assessment: EIA report with specializes in 7 projects as followings;

GRI 103-3



Town House

Pruksa Ville

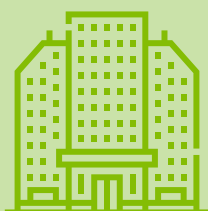
Thalang - Thepkasatti (Ban Phru Somphan)



Single Detached House

THE PLANT

Thepkasatti - Thalang



Condominium

- **CHAPTER**

Thonglor 25

- **CHAPTER ONE FLOW**

Bangpo

- **THE TREE**

Huamark

- **THE TREE**

Dindaeng - Ratchaprarop

- **PLUM CONDO**

Ramkhamhaeng Station



THE PLANT
Thepkrasatti - Thalang



Pruksa Ville
Thalang- Thepkrasatti (Ban Phru Somphan)



CHAPTER
Thonglor 25



CHAPTER ONE FLOW
Bangpo



THE TREE
Huamark



THE TREE
Dindaeng - Ratchaprarop



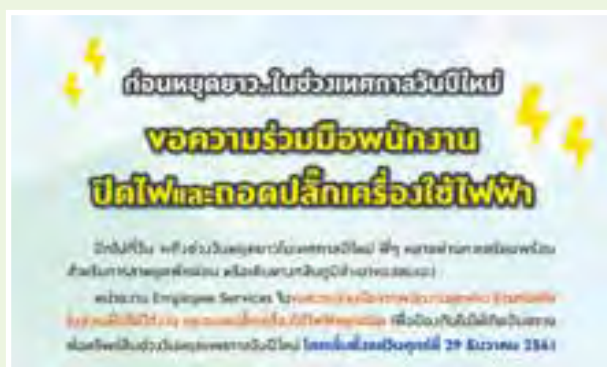
PLUM CONDO
Ramkhamhaeng Station

Environmental Management Engagement within The Company

In 2018, The Company's campaign on environmental management engagement for the employees is called "Smart Efficiency" by utilizing proper and appropriate resources for their tasks. The Company has cut down unnecessary costs from the following projects

1. Setting areas for light usage (on and off). The Company's office is more of the Mobile Office which means there is no permanent/full time employee. The company would paint different color at the switch indicating to open only when there is people working daily at 8.00 am onwards.
2. Asking and requesting participation from employees to help switch off lights after each meeting. This is to create awareness and good behavior.
3. Switch off lights at noon time(afternoon break) Campaign. Employees mainly leave the office during the break. So there is no point to leave light on.
4. The Company increases the quality of napkins for toilet use. Even though the cost is higher but using a better-quality napkin would reduce the quantity and the usage.
5. Using Reused paper campaign in xeroxing or printing. Also, checking the file before printing is also encouraged. Moreover, changing the paper from 80 grams to 70 grams and reducing office utensils are also done.
6. Requesting the employees to be aware of the electrical suppliers during the long holidays by shutting down and switching off the devices for safety and energy conservation purposes.

Internal Communication : E-News and Line





Environmental Management at Prukso Precast factory, Lam Luk Ka and Prukso Precast factory, Navanakhon

GRI 103-1

In 2018, Prukso Precast factory, Navanakhon received an “Eco Factory” Award from Industrial Estate Authority of Thailand and The Federation of Thai Industries by being a factory that operates according to the standard of material, water, air pollution, Green House Gas emission, transportation and logistics, chemical and hazardous, health and safety, green supply chain, green and biodiversity Management as well as generating income for the community and living effectively together with harmony.



Biodiversity

GRI 103-2

At the same time, Prukso Precast factory, Lam Luk Ka and Prukso Precast factory, Navanakhon give importance towards the biodiversity. That is by adding more green area to balance out the surroundings. The Company plans to increase more diversity by adding more trees, species, species in earthen pond annually at least 2 projects per year while adding at least 10 percent green area within The Company. Moreover, evaluation on impacts towards environment and nearby community from production and other activities must be done in order to plan for precaution.

Each year, The Company would evaluate the air quality of the surrounding/nearby community to ensure the people that the factory didn't create any air pollution. In 2018, the air quality assessment outside the factory and the neighborhood - AC House 2, 4 areas, resulted in average 0.030 mg/m³ comparing to the standard level at 0.33 mg/m³

Effective Energy and Water Management

In 2018, Pruksa Precast Factory, Lam Luk Ka and Pruksa Precast Factory, Navanakhon has power, water and transportation management by using alternative energy and operate activity that reduce environmental impacts.

Electric power usage comparing with Cement Cubic Meter Volume

GRI 103-2, GRI 103-3, GRI 302-1



10%

Goal Reduce the electric power usage by 10 percent at least comparing with cement cubic meter volume

Data Collection Site	Year 2017		Year 2018		% reduced electric power usage comparing with cement cubic meter volume GRI 103-3, GRI 302-3
	Cement (Cubic Meter)	Electric power usage (Megajoule) GRI 302-3	Cement (Cubic Meter)	Electric power usage (Megajoule) GRI 302-3	
1. Pruksa Precast Factory, Lam Luk Ka	144,310.06	15,828,372.00	195,138.08	17,918,928.00	22.0%
2. Pruksa Precast Factory, Navanakhon	150,179.65	12,944,340.00	172,300.49	12,814,560.00	15.7%

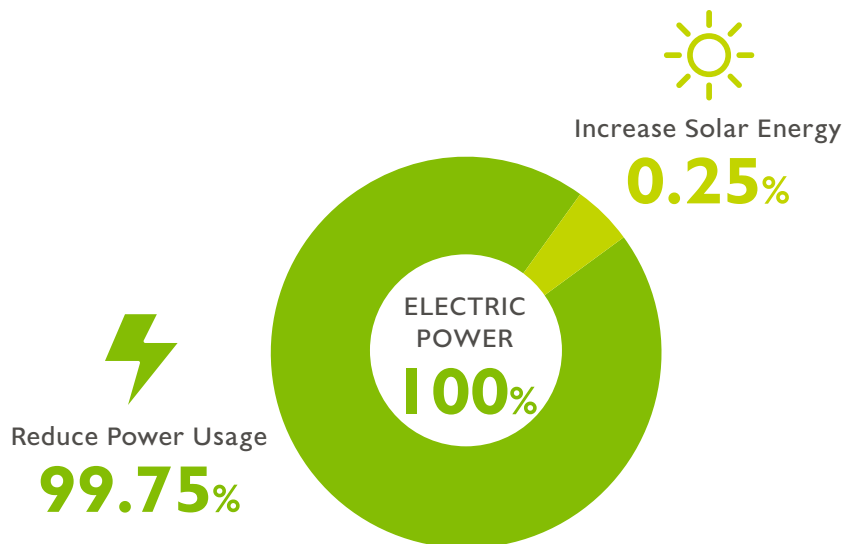
Remark :

- Pruksa Precast Factory, Lam Luk Ka has 22.0 percent reduced electric power usage comparing with cement cubic meter volume which is 35.2 percent increased
- Pruksa Precast Factory, Navanakhon has 15.7 percent reduced electric power usage comparing with cement cubic meter volume which is 14.7 percent increased

Solar Energy Usage

In 2018, Prukha Precast Lumlukka and Navan Nakhon factories have been using solar cell 0.25 percent instead of electric power which use 99.75 percent. The solar cell energy has been used in the following operations

1. Aerator using Solar Cell
2. Water pump for health garden using Solar cell
3. Street light pole Logistic Hub using Solar cell



Comparison of Solar Energy Consumption between Year 2017 - 2018

Activity/ Visiting Site	Solar Cell Usage (Kwh/y)	
	Year 2017	Year 2018
1. Aerator using solar cell at Prukha Precast Factory, Lam Luk Ka	0%	0.01% (From total annual electric usage, Year 2018 = 4,977,480 kWh/y)
2. Aerator, water pump for health garden, street light pole at Prukha Precast Factory, Navanakhon	0.25% (From total annual electric usage, Year 2017 =3,595,650.00 kWh/y)	0.25% (From total annual electric usage, Year 2018 =3,559,600.00 kWh/y)

By using the solar cell in certain activities have help reduced the unnecessary electric power usage for both Prukha Precast factory at Lam Luk Ka and Prukha Precast factory, Navanakhon.

Effective Electric power Consumption Reduction Operation of 2 Factories

GRI 302-4

Pruksa Precast Factory, Navanakhon

No.	Electric power Consumption Reduction Activity	Electric power usage in 2017 (Megajoule)	Electric power usage in 2018 (Megajoule)	Electric power Consumption Reduction (Megajoule)	% Electric power Consumption Reduction
1	Changing tube within the factory from PCF6 to LED	1,119,744.00	466,560.00	653,184.00	58.33%
2	Office lighting PCF6 : LED	135,302.40	83,980.80	51,321.60	37.93%
3	Street lighting PPN : LED	198,443.52	68,428.80	130,014.72	65.52%
4	Changing yard light from Stock PCF6,7 to LED	155,520.00	93,312.00	62,208.00	40.00%
5	Air Conditioner : Time management	3,289,453.20	2,970,194.40	319,258.80	9.71%
	Total	4,898,463.12	3,682,476.00	1,215,987.12	24.82%

Pruksa Precast Factory, Lam Luk Ka

No.	Electric power Consumption Reduction Activity	Electric power usage in 2017 (Megajoule)	Electric power usage in 2018 (Megajoule)	Electric power Consumption Reduction (Megajoule)	% Electric power Consumption Reduction
1	Changing LED 200 W at PCF3 from 50 to 124 tubes (from altogether 164 tubes)	200,160.00	146,880.00	53,280.00	26.62%
2	Establish Solar cell lamp 100 Watt at Yard PCF3 20 tubes more	31,104.00	0	31,104.00	100.00%
3	Solar water turbine for water quality treatment	2,520.00	0	2,520.00	100.00%
4	Changing tubes from Metal halide 400 W to LED 150 W at PCF1 in total 42 tubes	529,804.80	198,676.80	331,128.00	62.50%
5	Changing street lamp of 200 W to LED of 100 W in total 36 tubes	113,529.60	56,764.80	56,764.80	50.00%
6	Changing lamp High mast from 1000 W to LED 400 W in total 16 tubes	248,832.00	99,532.80	149,299.20	60.00%
	Total	1,125,950.40	501,854.40	624,096.00	55.43%

Reducing energy use from efficient transportation

Pruksa Precast Factory, Lam Luk Ka and Pruksa Precast Factory, Navanakhon have been reducing the number of transit vehicles by increasing weight per transportation but will not exceed the law. This is to reduce the diesel consumption which is the main cause of Carbon Dioxide gas release to the environment.

In 2018, the weight per round could be increased by 1.53 percent and reduced 1.52 percent transit. This performance meets the annual goal of reducing at least 1.5 percent reduction of number of transit vehicle usage.



1.5%

The performance meets the target of 1.5 percent reduction in transit round.

No	Transportation Activities	Average standard transportation weight (Ton)	Average standard transportation weight (Ton)	% weight increased per transit	Remark
1	PCF2 Factory Increased toilet transit from 3pod to 4 pod per transit	11.94	12.31	3.14%	
2	PCF3 Factory Combined transportation for beam and floor work	13.00	12.33	-5.17%	Products submit to condo are large but with less weight
3	PCF4 Factory Sending work to nearby area	10.00	9.22	-7.85%	
4	PCF5 Factory Set Standard packing for 13.5 ton weight per transit	13.00	12.82	-1.37%	
5	PCF6 Factory Set Standard packing for 13.5 ton weight per transit	13.00	13.53	4.08%	
6	PCF7 Factory Combined transportation for beam and floor work	13.00	13.45	3.45%	
	Total	12.41	12.60	1.53%	

Remark : In 2018, the total transportation rate is 860,808 tons. The average standard weight per transit is 12.41 ton while the average weight per transit in 2018 is 12.60 ton. The reduced transit is calculated as below

- If using average weight per standard : $860,808 \text{ tons} / 12.41 \text{ tons} = 69,364 \text{ rounds}$
- If using average weight in year 2018 : $860,808 \text{ tons} / 12.60 \text{ tons} = 68,322 \text{ rounds}$
- In conclusion, 2018 increased weight per transit increases 1.53 percent which would reduce the transit rounds to 1,042 rounds which is 1.52 percent.

GRI 103-3

Management of the risks caused climate change

Prukha Precast factory, Lam Luk Ka and Prukha Precast factory, Navanakhon have reduced the Greenhouse Gas: GHGs emission from changes in materials, process and business operation. The goal is to lessen down the GHGs emission in Scope 1-3 to 10 percent from Year 2017 as followings.

- Reduce to GHGs emission in Scope 1 by reducing the Fork Lift usage in order to reduce the diesel usage.
- Reduce to GHGs emission in Scope 2 by reducing electric power usage.
- Reduce to GHGs emission in Scope 3 by reducing the number of precast transits.

Prukha Precast factory, Navanakhon

Reduced the GHGs emission in all 3 scopes at 26 percent.

In 2018, the Cement Cubic Meter Volume increased 14.3 percent from 2017 (172,300.49 cubic meter) as target.



Decreased
26%

Scope	Unit	Year 2016	Year 2017	Year 2018	GHGs reduction per cement cubic meter volume (Ton CO2eq)
1. Direct (Scope 1) GRI 305-1	Ton - Co2	138	146.0	133.0	22%
2. Energy indirect (Scope 2) GRI 305-2	Ton - Co2	1,936	2,093.0	2,073.0	15%
3. Other indirect (Scope 3) GRI 305-3	Ton - Co2	4,263	6,347.0	6,581.0	11%

Prukha Precast factory, Lam Luk Ka

Reduced the GHGs emission in all 3 scopes at 21 percent.

In 2018, the Cement Cubic Meter Volume increased 35.2 percent from 2017 (195,138.08 cubic meter) as target.



Decreased
21%

Scope	Unit	Year 2016	Year 2017	Year 2018	GHGs reduction per cement cubic meter volume (Ton CO2eq)
1. Direct (Scope 1) GRI 305-1	Ton - Co2	369	393	308	42%
2. Energy indirect (Scope 2) GRI 305-2	Ton - Co2	2,117	2,549	3,006	13%
3. Other indirect (Scope 3) GRI 305-3	Ton - Co2	4,348	4,826	6,043	7%

Management of effective water

Pruksa Precast factory Lamlukka and Pruksa Precast factory Nava Nakhon have the following effective water management.



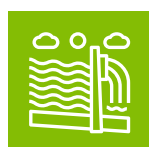
1. Have inspector inspecting, controlling, tracking and evaluating water usage.



2. Prepare monthly water usage report.



3. Recycling water system.



4. Use Water diversion system from natural resources for operating process.



5. Have Water filter plant to use the water from natural resources to use with concrete mixture along with water from recycling process.



6. Reduce using 100 percent tap water for watering trees

Goal GRI 103-2	Year 2018 performance GRI 103-3
<ul style="list-style-type: none"> Natural water usage instead of tap water increased 30 percent from 2017 	<p>Pruksa Precast factory Lam Luk Ka has Drainage system around the factory and Natural water storage pond with total use of 34.6 percent for production, watering trees, cleaning road. It is increased from 2017 and saved 157,181,04 Baht/year cost from using tap water.</p> <p>Pruksa Precast factory Navanakhon has earthen pond dig at health park to store the natural water. Then the automatic pumping system is installed to drain the water from the earthen pond and use in the production process and Sprinkler is installed to water the trees. This meets the goal and is 52 percent increased from 2017 with saving the tap water cost of 200,286.9 Baht/year.</p>
<ul style="list-style-type: none"> Rotation of wastewater from the production process for 100 percent Reused 	<p>Pruksa Precast factory Lam Luk Ka and Pruksa Precast factory Navanakhon have recycling process that could segregate the water from fresh concrete and 100 percent reuse the water for production that meets the required standard.</p>

Usage of Natural source of water instead of tap water

GRI 303-I

Data Collection Site	Quantity of water used from natural source instead of pipe water The target increased by 30 percent				
	Year 2017 (Unit)	Year 2018 (Unit)	Natural water source usage (Unit)	% natural water source usage (Raindrop)	Reduced tap water cost (Baht)
Prukso Precast Factory, Lam Luk Ka	13,761.17	18,524.24	4,763.07	34.6%	157,181.04
Prukso Precast Factory, Navanakhon	11,671.5	17,740.8	6,069.3	52%	200,286.9

Rotation of wastewater from the production process to be Reused

GRI 303-3

Data Collection Site	Amount of wastewater rotation from the production process to be Reused 100 percent target			
	Year 2017		Year 2018	
	Quantity (Unit)	%	Quantity (Unit)	%
Prukso Precast factory, Lam Luk Ka	1 1,639.33	100%	15,247.45	100%
Prukso Precast Factory, Navanakhon	1,872.0	100%	3,548.16	100%

Remark : The waste water from both the factories are not recycled only reused.

Waste water Management

GRI 103-2

Prukso Precast factory Lam Luk Ka and Prukso Precast factory Navanakhon use the waste water management system that is anaerobic biological system. The waste water from the canteen will go through the Waste water treatment system with grease trap before releasing it into public. As for waste water from public systems, the factory will pump it back into the pond and fill the air with fountain and solar turbine system then move on to the filtered system and then it is ready to use.

Material Management

In 2018, Prukso Precast Concrete Factory's goal is to reduce the use of cement at least minimum 1 percent per concrete queue. In addition, the factory follows the environmentally friendly materials and using replacement chemicals with lesser reactions than the Chemicals that are toxic to the environment policy.

Material Name	Prukso Precast Factory, Lam Luk Ka		Prukso Precast Factory, Navanakhon	
	Year 2017	Year 2018	Year 2017	Year 2018
Reduce the use of cement	-	-	1.0%	1.4%

Recycle (Recirculation)

- Main Material Recycle (Rock and Sand) to be reused in the production process 100%**

Prukso Precast Factory, Lam Luk Ka and Prukso Precast Factory, Navanakhon operates the Recycling Concrete system within the factory. This system helps in segregating the components from fresh concrete; rock and sand for the recycling process and reuse in the production process while keeping up with the standard. In 2018, The main material recycle process was 100 percent successful with no waste.

No.	Material Name	Prukso Precast Factory, Lam Luk Ka		Prukso Precast Factory, Navanakhon	
		Year 2017	Year 2018	Year 2017	Year 2018
1	Rock	100%	100%	100%	100%
2	Sand	100%	100%	100%	100%

- Recycling Rubrick Oil in 100 percent Production Process**

Prukso Precast Factory, Navanakhon recycles the rubric oil by Pipe installation Pump from the oil tray under the machine to the storage tank and circulate back to reuse in the new production process at 100 percent successful rate with any waste from Rubrick oil

Material Name	Year 2017	Year 2018
1,000 Litres Rubrick oil	80%	100%

- **Recycling Mould Steel Materail in at least 95 percent Production process**

Pruksa Precast Factory, Lam Luk Ka and Pruksa Precast Factory, Navanakhon have a temporary Block Out changes from disposed plywood and black rubber to Mould Steel which can be used longer. In 2018, the factory could increase up to 95 percent Mould Steel used in production process as planned.

Material Name	Percentage (%) of Iron Mould rotation for reusing			
	Pruksa Precast Factory, Lam Luk Ka		Pruksa Precast Factory, Navanakhon	
	Year 2017	Year 2018	Year 2017	Year 2018
Mould Steel	80%	95%	80%	95%

- **Recycling Transport Rack in 100 percent Production Process**

Pruksa Precast Factory, Lam Luk Ka and Pruksa Precast Factory, Navanakhon use Transport Rack to pack the precast wall and finished floor and deliver from the factory to the project sites. When the goods are delivered, the Transport Rack would be 100 percent reused in the next process.

Material Name	Transport Rack rotation for reusing			
	Quantity of Goods (Unit: Rack)		% Reuse/Recycle	
	Year 2017	Year 2018	Year 2017	Year 2018
Transport Rack	1,752	3,511	100%	100%

Waste Management

In 2018, Pruksa Precast Factory, Lam Luk Ka and Pruksa Precast Factory, Navanakorn has been performing and completing a 100 percent Hazardous waste management and Recycle Waste Management according to the industrial standard system

Waste Management along production process

GRI 103-2



Waste Management

GRI 103-3, GRI 306-2

No	Waste Category	Quantity	Unit Category	Waste	Waste Management	Waste management according to industrial system	
						Year 2017	Year 2018
1	Hazardous and contaminated waste	2,000	Kg.	Hazardous /dangerous	The authorized unit will transport the waste to dispose/ burn with high heat.	-	100%
2	Remnant or Iron	180,000	Kg.	Recycle	The authorized unit will Purchase/sort and resell	80%	100%
3	Silicone cylinder	1,000	Kg.	Recycle	The authorized unit will Purchase/sort and resell	-	100%
4	Old hydraulic oil	600	Kg.	Recycle	The authorized unit will purchase to make substitutes	-	100%
5	Paper	2,000	Kg.	Recycle	The authorized unit will Purchase/sort and resell	-	100%



SOCIAL



Community and Social Care

Pruksa Holding is determined to have a sustainable growth by providing highest satisfaction for all stakeholders along with being responsible towards the society. Therefore, policy regarding social responsibility and anti-corruption have been set to operate business with fairness and transparency together with taking care of all stakeholders of The Company.

Anti-corruption

GRI 103-2, GRI 103-3



The Importance of Anti-corruption towards Pruksa Holding PCL

GRI 103-1

The Company realize that corruption is a great challenge that could bring trouble and is a great challenge towards economic development of the nation. Anti-corruption is an act of crime which leads to unfair business practice. This would generate negative impacts in terms of business ethics, competitiveness as well as being unacceptable at both local and global levels which leads to lack of confidences for the stakeholders. Therefore, The Company follows the anti-corruption law of Thailand and establish important policy in business operations of not receiving any gifts, support and unethical person or group both direct and indirectly.

The Company has evaluated the impact of anti-corruption from assessing the major risks of the real estate business group and hospital business groups from both internal departments as well as the external organization. The Company has established a control system to prevent corruption and to reduce the impact that may be caused by corruption.

Major risks that are assessed as corruption

GRI 205-1

Pruksa Holding evaluates risk related to corruption and can be divided into 2 business groups those are real estate business group and hospital business group. These 2 groups make a hundred percent of the business. The controlling system that prevents corruption risks are as followings.

Significant Risk	Explanation GRI 103-1	Anti-corruption controlling system
Real Estate Business		
Risk from bribing for permission for Land allocation and development in real estate projects	Pruksa Real Estate PCL operates real estate business which needs to get permission for land allocation for construction of any project from governmental agencies; Land office, Provincial land. This could lead to risk in bringing for permission.	<ul style="list-style-type: none"> All the operation process within the Company must be present of committees including executive specialize in land and land development, business, financial, law and Government regulations for risk control.

Significant Risk	Explanation GRI 103-1	Anti-corruption controlling system
Risk from bribing for requesting permission to proceed with the construction of buildings/buildings	In real estate business development for housing purpose, certain documents and permission must be allowed by the governmental authorities; requesting permission to build, Requesting to open a building Including the issuance of ownership documents for condominium units, such as district offices, land offices, branches or local authorities Which may be at risk of being asked or offering bribes In order to facilitate the operation.	<ul style="list-style-type: none"> • Establish clear policies/measures against corruption and communication throughout the organization. • Define departments and the clear responsible person in the process of applying for permission or contact with government agencies. • Hiring outsource to manage management in requesting permission to replace the company.
Risk of bribery In the registration of foreign workers and welfare care	Shortages of labor in the construction industry really affects real estate business. To prevent illegal employment Including the contractor, The company must coordinate with the governmental authority; Social Security Office, Department of Skill Development, Embassies according to the nationality of foreign workers, Department of Labor Protection and Welfare Including the Royal Thai Police and the Department of Local Administration which may be at risk of being asked Or offering bribes In order to facilitate the operation	<ul style="list-style-type: none"> • Issuance of announcements from senior management to control the employment of illegal workers • There are measures to control foreign workers by using the QR Code system to scan the foreign workers' documents to ensure they are legally registered only then they will be able to work on the project in order to prevent illegal foreign workers • Establishing Human Resource (Foreign Worker) and Determined to have a professional safety officer in every project of each SBU for tracking and evaluation purposes of illegal practices • Procurement and frame of work is set clearly in the Term of Reference: TOR regarding foreign workers. As for safety, this is to control the contractors bringing in foreign workers must follow the TOR as well.

Significant Risk	Explanation GRI 103-1	Anti-corruption controlling system
Hospital Business		
Risk of bribery In requesting construction permission (According to Section 39) Hospital building of the hospital business	The Company is now in the middle of building hospital business which is extra-large buildings under supervision Building Control Act and the Ministry of Public Health also it must Receive a license to operate a sanatorium And a license to operate a sanatorium as stated in the law which may be at risk of being asked or offering bribes In order to facilitate the operation	<ul style="list-style-type: none"> • The company has implemented a policy. And anti-corruption measures of Pruksa Holding Public Company Limited and its subsidiaries. It is to show the intention to comply with the laws of Thailand In anti-corruption and for the employees and stakeholders acknowledge • Requiring the working group to supervise and control construction By defining a work plan And meeting to monitor progress at the Steering Committee meeting • There is a job profile of the personnel that will have the main duty to coordinate with government agencies even Affiliated under a specific business department • Hiring outsource with expertise to prepare the EIA report for the hospital building and to coordinate with the related. governmental authority with the aim to reduce risk of anti-corruption practice
Risk of bribery in filing an application for consideration of the EIA report of the hospital building	In extra-large building construction, The Company must prepare the EIA Report and submit it to the special committee along with permission to operate/construct the building which may be at risk of being asked or offering bribes In order to facilitate the operation	
Risk of bribery in requesting to submit a plan for the establishment of a hospital that accepts overnight patients	Operation of a private hospital business must submit an application to approve the establishment plan as well as plans to establish a hospital that accepts overnight patients. To provide the Health Business Service Center Department of Health Service Support, Ministry of Public Health for Consideration before construction. Also, applying for hospital operations. Therefore, there may be a risk of offering bribes or requested To facilitate the operation to be more convenient and faster	

Internal Communication and Training regarding Anti-Corruption policy and procedure

GRI 205-2

- Pruksa Ethics Course Training (Ethic) to create Anti-corruption mindset and understanding for new employee on the orientation day. All employee must go through and pass this course with written ratification. In 2018, there were in total of 397 participants in this program.
- Creating an evaluation of CG course to create ethical and good governance awareness for executive and employee at least once a year. In 2018, The Company organized test/evaluation about strengthening ethics for transparency in work
- Organizing CG Day annually by inviting The Company's board members to deliver a lecture on "Building CG culture within the organization" and "Good governance and sustainable development". Also, within the CG day there will be a contest on good government practices where executive and employee would submit the results of operations to participate in the contest for both individual and team types. This surely enhance the awareness and consciousness of anti-corruption within the human resource of The Company.



- Communicate with the employee and have them acknowledge of the importance of good governance and anti-corruption through various channels of The Company consecutively.
- Communication of corruption issues within the organization and penalties for executives and employees as a case study to raise awareness of good conscience in anti-corruption. Also, it is both to prevent employees from behaving unethically
- Organize a project governance seminar and extracting lessons from complaints and investigations for project officials. There are many lectures delivered; Ethics and working, Lesson learnt from complaints and investigation, Knowledge of construction supervision according to the permission request, Summary and recording of wastewater treatment systems and billboards as well as framework to prevent and control risks (Three Line of Defense).
- Training about fact investigation for the involved person to use the knowledge and techniques in the investigation in order to maximize the effectiveness of the investigation
- Site Visit activity to provide knowledge on the construction site and projects so that everyone from foreman, site engineer until administration employee to know and operate accordingly.



- Organize an excursion program visiting Anti-Corruption Museum.

Executive and employee participate in the forum regarding “Ethics and morality-fundamental of Thailand’s sustainable business growth” in the Thai Chamber of Commerce Best Awards 2018.



- Executive and staff joining in the international Anti-Corruption Day 2018.



- The Company in partnership with faculty of communication arts in media and communication, International College, Mahidol University prepared and delivered the new version of museum introduction and guideline for the Anti-Corruption Museum third anniversary.

Supporting and promoting external authorities to join the anti-corruption network

- Apart from being a member of CAC-Thailand's Private Sector Collective Action Coalition Against Corruption, The Company holds a status as a Change Agent in supporting and promoting small and medium enterprises business partners to join the CAC-SME Executive Briefing. This forum is especially for the SME to have the important knowledge of SME certification process which will serve as a tool for SME to operate with transparency in alignment with anti-corruption practice that big company operates. The Company would select the best potential company that meets all the requirement and standard to do business with. There were altogether 18 companies that join in the forum and 3 have sent back interests to join our Company.



- Declare the “No Gift Policy” clearly to the executive, employee, broker, business partner and financial institutes through communication channels both in and outside The Company; Screen Desktop, Digital Signage, Roll Up, letter (postal) including not receiving and funding from the financial institutes.

- Announce to the business partner and broker regarding the complaining channel through appendix, tender document. And for Land presentation method, land registration agreement, land purchase regulations under good governance conditions.



The company is certified as a member of CAC-Thailand's Private Sector Collective Action Coalition Against Corruption. The company was given this certification because of the clear stated anti-corruption policy as well as procedures to prevent internal corruption according to CAC guidelines.


Corruption Clue and Complaints Reporting Channel

The Company provides special channel for receiving corruption clue and complaints in order to hear from executive, employee, customer and business partner. The Company is willing to be fair with all the involved parties and protect the privacy of the source of information. All the complaints would be reported confidentially to the board members, director, chief executive office, chief group executive office, chairman of the corporate governance committee and chairman of the audit committee.










Moreover, award is set for those those who participate in reporting clue/complaint of the corruption which is an act of anti-corruption would be honored with certification and acknowledgement from the High-level executives of the company.



Corruption Clue and Complaints Reporting Channel

- 
www.psh.co.th / www.pruksa.com
 Subject: "Complaint / Clue report / Request for justice"
- 
cg@pruksa.com
- 
[@pruksacg](#)
- 
 Telephone : 0 2080 1739 ext 48611, 0 84 555 2364
- 
 Pruksa Holding PCL Head-quarter
 1177 Pearl Bangkok Building Floor 23,
 Phaholyothin Road Phaya Thai Bangkok 10400

Monitor and Management process for good governance practice in 2018 (P0-P8)

P0	P1	P2	P3	P4	P5	P6	P7	P8
								
Receive complaints/ Categorize the information	Initial Investigation	Fact Investigation	Discipline judgement	Penalty	Communicate	Compensation -Prosecution	Report to the Corporate Governance Committee and the Audit Committee	Close Case

The Company examines the status of the Directors of senior management in Public Limited company as well other registered company excluding Pruksa Holding PCL and its subsidiaries. In 2018, 47 high-level directors and executives reported their status.

Moreover, an investigation on 516 employee regarding the relationship of the employee with the company's business partners database stated that

- 500 Employee declares no relationship with the business partners and no involvement that might cause Col
- 9 employees are suspected to be having relationship with business partners and might be involved in process that can cause Col
- 7 employees is confirmed to have relationship with business partners and involved in Col

Remark: Col or Potential Conflict of Interest is conflict of interest between employee with The Company's supplier/business partners.

Corruption Incident in 2018

Corruption Incident in 2018	Expected Incident (Target)	No. of Incident occurred GRI 205-3
In Total, Year 2018 (From all sources or clues and complaints both with evidence and without)	0	27
No. of incident with anti-corruption management practice (From the initial consideration that there is information/ evidence, committee would be set to investigate facts)	0	22
No. of incident where employee is fired due to corruption (After the investigation done by the investigating committee, if the employee is found guilty, penalty and punishment would be exercised)	0	6
No. of incident that is legal case or involved with corruption issue	0	0
No. of incident that have been conducted in accordance with the anti-corruption practices and monopoly laws GRI 206-1	0	0
No. of incident that contract with business partners are cancelled or not renewed due to corruption	0	0

Remark : The number of corruption incident includes all complaints from all sources both with evidence and without. Therefore, the incident numbers presented for investigation and penalties is far lesser than the complaints received.



Employment

GRI 103-1

The Company follows ethical codes and fairness for employment process. The Company respects each individual and would decide based on qualifications; educational background, experience and relevant criteria for any employment. Discrimination against gender, age, race, religion, skin color or any form of physical defects are not practiced here. Therefore, to select the best candidate for each vacancy, no less than 3 people are called in for the interview. In 2018, 3,173 people were employed.



3,173 people

Total employment
in 2018

GRI 103-3



Policy and Guidelines for screening and inspecting contractors and subcontractors those are vulnerable to child labor

GRI 103-2, GRI 409-1

Even though The Company is not the direct employer of the contractor's workers, The Company enforces the legal policy and follow the law enforcement equally for The Company's direct workers, contractor's workers, subcontractors' workers. Also, there will be no child labor, forced labor or illegal foreign workers. The followings are The Company's rules and regulations for entering and exiting the project site.

1. Prohibiting the use of illegal foreign workers

- The Project must not allow illegal foreign workers working within the project at all. Illegal foreign workers are those absence with work permit, no substitute for temporary work permit, no permit to increase area paper or having the permit but with wrong employer/category.
- The Project must use the Site Tracking Worker system to scan the QR Code of the workers before and after entering the site. And only allow those who passed the tracking system to work in the project.

2. Labor (Worker) Inspection, In and out of the project site.

- Workers must present themselves with the worker's identification card issued by The Company for scanning for entering and leaving the project's site.
- The Security officer must scan the worker's identification card at the entry and exit of every labor. Only those who pass the system would be allowed in the project.
- Foreign workers. The Security officer must not allow those will illegal permits, expired permits paper work or those who identified by QR Code as "Expired" or "Not allowed in the project" to enter the site.
- Thai workers In case of Thai workers without work permit paper from the company or identified by QR Code as "Expired" or "Not allowed in the project" can still be permitted to enter and exit the project site. However, the security officers must check and record the identification care information and submit the report to the Project's Engineer. If case of the worker is needed more than 1 week in the project site, the Project's Engineer must contact the Human Resource (HR) department to issue the QR Code for the worker. Before issuing the QR Code, that person must be evaluated with proper documents.

Employment Information

Employment of Pruksa Holding PCL and subsidiaries

GRI 102-8

Field of Work	No. of Employment
Office of the Chief Executive Officer	31
Office of Chief Executive Officer, Pruksa Real Estate Value Business Group	185
Condominium Business Group 1	117
Condominium Business Group 2	143
Single House Division	641
Office of Chief Executive Officer, Pruksa Real Estate Townhouse Business Group	191
Town House Business Group 1	547
Town House Business Group 2	458
Office of Chief Executive Officer, Pruksa Real Estate Premium Business Group	38
High premium business group	73
Vimut Hospital Holding Business Group	3
Group Finance	179
Procurement Division, group supply chain and Pruksa Precast factory	438
Human Resources Group (Including law and secretariat office)	61
Corporate Marketing Group	35
Group Technology Group	33
Grand Total	3,173

Data from December 27th, 2018

New Employment according to Band and Gender

Employee Type GRI 102-8	Band	Year 2018		
		Male	Female	Total
Permanent Employee	0	0	0	0
	1	80	0	80
	2	90	113	203
	3	62	28	90
	4	12	18	30
	5	3	7	10
	6	1	0	1
	7	0	0	0
	8	0	0	0
Daily Employee	-	0	0	0
Temporary Employee	-	0	1	1
Grand Total		248	167	415

Employee resignation statistics

Relinquish of Employment according to Band and Gender

Employee Type GRI 102-8	Band	Year 2018		
		Male	Female	Total
Permanent Employee	0	1	0	1
	1	98	31	129
	2	149	146	295
	3	80	42	122
	4	31	24	55
	5	12	6	18
	6	5	0	5
	7	0	0	0
	8	0	0	0
Daily Employee	-	97	16	113
Temporary Employee	-	1	3	4
Grand Total		474	268	742

Employment and Lay-off

The Company believes that all the workers are representatives and image of The Company. Therefore, there will be no lay-off unless those who commits serious disciplinary action according to the rules and regulations of The Company. The Company will operate all actions with transparency, fairness and law enforcement.

Employee Compensation and Welfare Management

GRI 401-2

The Company's employee would receive salary, over-time payment, bonus, provided fund according to the qualification, specialties and abilities without any discrimination against race, gender, disability or social status. In order to create motivation, The Company uses Balance Scorecard (BSC) and Key Performance Index (KPI) as tools to manage and evaluate the performances. In addition, The Company also provides certain compensation and welfare in order to create and maintain sustainable and good relationship with the employee.

Management system for Labor Practices Complaint



The Company openly provides communication channels for labor practices complaints in order to receive direct feedbacks or complaints from the executives and staffs. The Company is ready to listen and provide fairness and justice to everyone. Moreover, The Company would also protect the employee who has written the complaint according to the labor law. All the complaint issues must be reported to the Managing Director (Chairman of the Board) of The Company, Chief Executive Officer, Group Chief Executive Office, Chairman of the Corporate Governance Committee as well as Chairman of the Audit Committee for their acknowledgement. The information is strictly confidential.

Labor Practices Complaint Channels



www.psh.co.th / www.pruksa.com Title: "Complaints / inform / request for justice"



cg@pruksa.com



@pruksacg












Telephone : 0 2080 1739 ext 48611, 0 84 555 2364



Pruksa Holding PCL Head-quarter
1177 Pearl Bangkok Building Floor 23,
Phaholyothin Road Phaya Thai Bangkok 10400

Tracking and management system for labor practices complaints in 2018 (P0-P8)

P0	P1	P2	P3	P4	P5	P6	P7	P8
								
Receive complaints/ Categorize the information	Initial Investigation	Fact Investigation	Discipline judgement	Penalty	Communicate	Compensation -Prosecution	Report to the Corporate Governance Committee and the Audit Committee	Close Case

The performance of Management system for labor practices complaints

In 2018, there were no complaints regarding labor practices or charges against The Company.

Human Rights Operation Management



GRI 103-1

The Company operates according to the Human Rights Policy that covers all affected groups; staff, children, female, elderly, disable, business traders and foreign workers. That is to minimum the Risks to operations that could violate human rights both at Pruksa's direct business and its related parties in the business chain.

Management Strategy

GRI 103-2

The Company follows the Equality and equal opportunity policy. That is by treating the staffs with respect, dignity while the right to personal freedom is protected from any abuse or misused including disclosure or data transfer of personal information; biography, medical report, work record or other personal information to any outside sources that could cause damage to the personal. Unless the act is performed under obliged duty or according to the law. If the staff experiences any kind of personal violation or inequality, The Company provides channel and opportunity to complaint so in order to ensure that The Company takes this matter very strictly.

Performance Tracking

The Company has a Complaints Handling and Management working team which is subjected to update the cases during the monthly meeting. The monthly meeting will take care of any cases including human rights complaints. (If present)

Human Rights Performance

GRI 103-3

In 2018, The Company received zero (none) human rights complaints within the staff, children, female, disable, business traders and foreign workers group.

Employment of people with disabilities

GRI 412-3

Operation : The Company operates according to the Empowerment of Persons With Disabilities Act by employing disable employees for five consecutive years.



31 people
In 2018, The Company employs and empower altogether employees with disabilities total value 3,956,681 Baht



6 people
Working at The Company



25 people
Working at the public benefit organization nearby their home for two consecutive years at Khon Kaen province

Potential Development and Career Path

GRI 103-1

Employee is one of the most significant resources of The Company. It is the key driven factor that drives The Company towards its mission and objectives. Therefore, providing training and skills along with developing good mindset, attitude and performance would push towards sustainable growth for both The Company and individuals. Also, in preparation for any changes that might occur in the present or the future, The Company has prepared employee training and development plans aligning with its core strategies.

Employee training and development

GRI 103-2

The Company surveys and analyzes the requirement for each employee groups in order to develop human resources development plan. The plan is determined to develop their potential and capability consecutively to meet an effective performances and desired results both in present and future. The Company's development model is 70:20:10 as indicated below.

- **70 Experiential Learning**

This model based on developing working experiences including problem solving skills daily or new assign projects. This will lead to new learning process and skills to complete the assign work; being the Project Leader for innovation project, or improvement Project or even being a Change Agent/ Team Leader in problem solving project.

- **20 Learning from others**

This model is based on obtaining knowledge and experiences from surrounding environment. For example; receiving coaching and feedback from leader, mentor or team. Moreover, observing, peer reviewing, shadowing an expert, learning from internet or even from team meeting can also be good sources of knowledge and skill development.

- **10 Formal Learning**

This model is based on a standard learning process which is attending formal trainings and workshops both internal and external programs.

From the 70:20:10 Model, the Training and development unit has set the knowledge enhancement tools or employee development according to the employee groups as stated below.

GRI 404-2

1. Training Plan
2. Individual Development Plan
3. Leadership Competency
4. Executive Coaching

I. Training Plan

Annually, there will be Training Plan categorized by skills and important knowledge for working including 6 main subjects for all employee groups those are

1) Fundamental Knowledge for new employee

This includes foundation and basic knowledge for new employee to get to understand The Company and get along with its culture. Adapting to new work place is very important, it is the first step of joining The Company's journey. The Company has a 4 days training program for new employee including the following topics.

- Orientation (Vision, Mission, Organizational structure, Leadership Competency, Benefits and welfare, etc.)
- Performance Evaluation system
- Ethics and Corporate Social Responsibility (CSR)
- Corporate IT System
- Utilizing Employee Self-service, Manager Self-service
- Construction and safety

2) Self-development and management

This is aim to enhance self-knowledge and skill for both executives and employees including

- Real estate development knowledge (Mini MRE)
- Time Management
- Presentation Essentials
- Project Management
- Saving
- The First Time Management
- Train The Trainer, etc.

3) Leadership Development

This is mainly to develop and enhance leadership skills such as

- Pruksha Leadership Development Program
- Performance Dialogue
- Change Agent Development

All the programs under this model have been designed to align with Pruksha Leadership Competency (10 of them) by organizing Leadership development Program in the first phase in 2016 and continued in 2017 and 2018 to make sure all the executives joined. In the second phase, 2018, Leadership Development Program was continued as well.

4) Information Technology

This is to provide skills for computer usage.

- Advance Excel
- Advance Power Point
- Application VQ and CRM system
- Building Information Modeling (BIM)

5) Quality Control and Safety

This model provides quality control enhancement and management knowledge including knowledge as required by law for the people to know.

- Safety Officer, supervisor
- Safety Officer, executive
- Safety Officer, Technical
- Understanding & Transition from ISO9001 to ISO Version 2015
- Basic firefighting training
- First Aid training; CPR

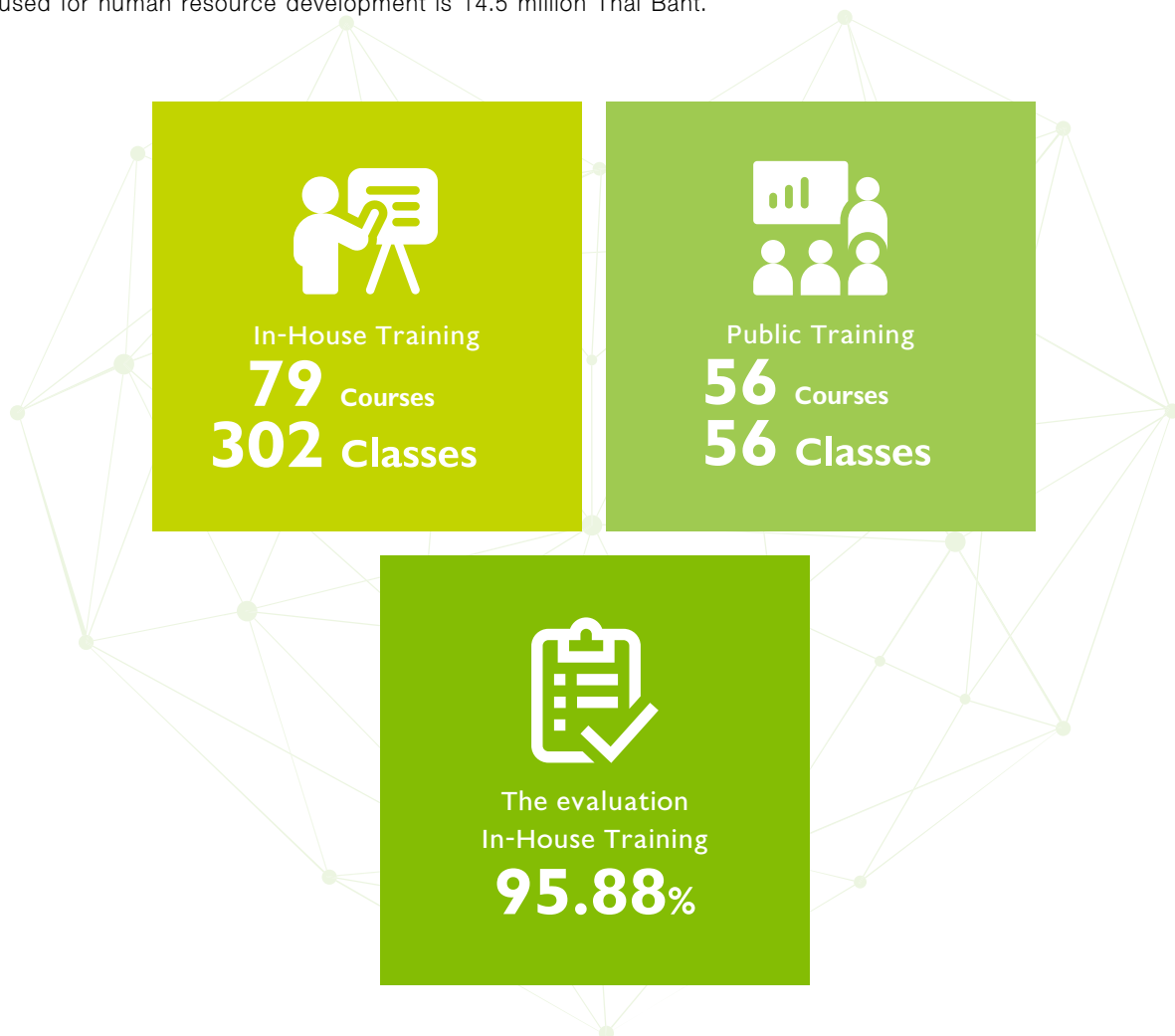
6) Occupation Group

This is designed to develop each group according to their requirement.

- Personal for Success
- Mindset
- Consultative Selling Skill (Tele-prospecting & Face to Face)
- Feng Shui for living
- Effective Sales Management Technique
- Digital Marketing
- Using VQ Application and CRM system
- Positive thinking and service, managing complaints
- BIM02-BIM/REVIT Architect for beginner (BIM/REVIT AR for Beginner)
- Construction Innovation
- Top 10 Defect for FM, SE
- Construction Planning & Tracking
- Product & Service (Job Role)
- Daily Performance Management

GRI 103-3

In 2018, The Company organized altogether 79 training programs which is 302 batches. Also, 56 external public training (56 batches) which is in average 30 batches per month, annually 350 batches. The trainings include executives and staff level. The evaluation for In-House Training rates at 95.88 percent. The budget used for human resource development is 14.5 million Thai Baht.



Training and Development Plan, Year 2018

GRI 404-I

Training Information of employee by level	(Hr./person/year)
Average training hours of operational staff (Band1-2)	15.60
Average training hours of Primary level supervisor (Band 3)	18.12
Average training hours of Middle level supervisor (Band 4)	36.93
Average training hours of High level supervisor (Band 5 up)	25.49

Training Information of employee by gender	(Hr./person/year)
Average training hours of all employee	19.00
Average training hours of female employee	20.00
Average training hours of male employee	18.00

Training Information	No. of Training Program
In-House Training	79
Public Training	56

2. Individual Development Plan

Since 2016 until now, The Company has always been supportive regarding the employee's potential development. The plan includes having each employee preparing their Individual Development Plan with their supervisor to be more accurate on the plan and to be precise on which trainings, coaching, short courses to attend. In 2018, there were 3,135 employees out of total 3,265 employees who prepared IDP. (GRI 404-2)

People included in IDP Planning and their responsibility are;



Employee

Employee is the most significant person for analyzing the strength and opportunity for potential enhancement, planning, executing as well as reporting to the supervisor.



Supervisor

Supervisor's role is the encourage and support by providing opportunity and consultation so that the IDP would work best. Also, meeting up with the individual every two months is a must for the supervisor.



Human Resource (HR) Development Department

The HR department is responsible for preparing tools or system that would support the IDP. Also, providing knowledge and support to the individual throughout the plan.

3. Leadership Competency

Leadership skill is one of the most important skills that would drive The Company forward sustainably. That is why the HR department has set the “Leadership Competency” as a framework for individual to keep up with. This will result in developing both human and work management as it's said “Effective Results with human potential enhancement”

Leadership Competency consists of 3 main groups. Those are

- 1) Prukسا Culture and Values
This is The Company's culture and basic foundation that all employees must follow.
- 2) Leading People
This is the capability of encouraging, motivating and leading the team
- 3) Leading Performance
This is the ability to management personal and team work in meeting the target. All three groups have 10 Leadership Competency as below

Group 1: Prukسا Culture and Values

- Prukسا Culture & Values
- Good Corporate Governance practice
- Holding Accountability

Group 2: Leading People

- Influencing and Motivating Others
- Developing People
- Teamwork

Group 3: Leading Performance

- Problem Solving
- Growth Strategy Planning
- Create Value and Innovation
- Leading Change

Leadership development and its competency plans are usually communicated through various channels such as Prukسا Daily news, line application, executive meeting, executive training, leadership training as well as e-learning. The HR department also performs the leadership evaluation at executive and management level using 360 degree tool (self, supervisor, subordinate and team evaluation). The objective for this tool is to create leadership awareness as well as enhancing it. The evaluation can be done throughout the year and will be used for Individual Development Plan, Succession Planning, Promotion and Salary Increasing.

4. Executive Coaching

Executive management development includes vice managing director, managing director and chief executive officer. The Company believes that Coaching is a significant tool therefore, Executive Coaching: One on One for 6 months in total of 12 hours is set. Before coaching, the coach would receive requirements from the supervisor of coachee as a framework for desired result. After each coaching session, coach would submit the result and summarize the result after the completion of 12 hours session. The result would help the supervisor in terms of self-development. The result would also be sent to the top management of human resource development for further improvement.

The objective is to enhance self-awareness, mindset and perspective through powerful question from coaching session as we as providing tools for executive management to become the coach for the team for effective and productive performance.

In 2018, The Company organized Executive Coaching: One on One for 26 top executives' people from 34 top executives and will continue 10 more in 2019. The Company as a whole. Therefore, mentoring session between the board of directors (as mentors) and executive management level (mentee) is organized quarterly each year.

Top Executives Performance Evaluation

The Company has structured salary review and compensation system that is subjected to the performances as followings;

1. Annual salary reviews

The Company's core rules for the salary reviews in 2018 has divided the budget into two main parts. First, no less than 70 percent would be used to calculate the salary review based on the annual performance evaluation subjectively. Second, the other 30 percent would be used to reviewed for the executives and staffs on special basis.

2. Variable payment

Incentive compensation for executives is also an important task of The Company. The goal is to let the executives receive the variable payment of 40 to 50 percent of the annual compensation according to individual performance. This is to create awareness and conscious of being an entrepreneur and as a stakeholder of The Company that would receive the same result as The Company's performance. As for the calculation, The Company has prepared it according to the objective of the incentives as following.

- 1) **Bonus:** The Company pays bonus every half year (6 months) to executives as well as employees while as the amount varies up to the profit generated by each business units. Next, The Company would allocate the bonus budget by using the 6 months KPIs evaluation from level of work, department level and personal level.
- 2) **Management Incentive** would be given to assistant Managing Director and above (apart from bonus). Each of the executives would be given KPIs to follow for compensation with human resource development committee in charged. Short term KPI would be determined by performances required of that level of work. While long term KPI would be based on continuity and sustainable growth of business performance.

Analysis and potential development of executive and employee

In 2018, The Company has analyzed and developed the executive and employee potential and performance by using KPI (Key performance index) making it a total of 100 percent. The Company set plan and process for performance evaluation starting from Key Performance Indicators- KPIs which is transferred down from the corporate level to personal level along with performance tracking, evaluation and development of personal and team according to these responsibilities below.

1. Employee

- Operate and carry out the mission with responsibility to meet the standard required by The Company.
- Be responsible with self-development and potential enhancement for better performances

2. Leader

- Manage teams' work and performances by providing mission that is in alignment with The Company's plan.
- Assign workplans to operation level while supporting effective mindset and behavior that would result in meeting the index/score according to The Company's requirement.
- Develop the employee's result within the team by using knowledge, skills, coaching, assigning work as well as training.

3. Human Resources Department

Provide Knowledge and equip appropriate tools for executive and employee to use it for the performance management which is aligned to The Company's goal.

Determining the Key Performance Index and Performance Evaluation

It is divided into two rounds

- First half of the year: First six months evaluation (January to June)
- Second half of the year: Last six months evaluation (July to December)

Annual Grading

There is an annual evaluation of The Company by giving scores and grades as followings.

Grade AA	means Excellent
Grade A	means Exceed Expectation (more than expectation)
Grade B	means Meet Expectation (as expectation)
Grade C	means Below Expectation (below than expectation)
Grade D	means Need Improvement

Scores for annual grading

It includes two parts

- 1) Individual KPIs Score: Average 2 KPIs scores at 80 percent
- 2) Personal Competency: Scores are given by the leader from zero to hundred (0-100) with 20 percent portion. These two parts are done together.

Annual grading are done once in a year. The leader will communicate about the annual grade as well the annual salary review with the team along with discussing and sharing about career development and personal improvement. The employee management are done as followings.

Talent Management

Talent refers to employee with knowledge and skill with high potential as well as an excellent work performance and leadership skills. The Company acknowledge their career path growth and special enhancement supports given. Talent is divided into 2 groups.

1. High Potential (HIPO) are those with special unique characteristic or an outstanding personality with potential to grow to EVP/MD or equivalent level under proper time, age and experience.
2. Boosted Talent are those with unique characteristic and high leadership skills. Also with the potential to be developed into an expertise in their field of work in order to enhance their performance and effectiveness.

The excellent performances of the last 3 years would be taken into consideration along with required leadership competency score by The Company.

The selection process would be done annually in the month of February. Talent of The Company would be given opportunities to be highly trained to expand their capabilities. The development plans, operating and tracking would be discussed among the leader and the human resource development department for a sustainable talent development.

Employee's Performance Evaluation

The Company has designed the salary review by integrating it with the performance same as used with the executive. The evaluation would then be used to determine the salary review and bonus.

Moreover, The Company set plan and process for performance evaluation starting from Key Performance Indicators- KPIs which is transferred down from the corporate level to personal level along with performance tracking, evaluation and development of personal and team as same as the executive.

Career Growth Support

Each individual has their own hidden potential. When given the opportunity to polish and train consecutively, the results would be seen better and more effective. Training or development doesn't have to mean learning within a classroom only. It could be from excursion, reading, attending seminar or learning/taking the leader as an example. Benefits gained from the training are as followings.

1. Employee would be aware of their potential, strength points and weak points that must be developed.
2. Utilizing the knowledge to value add the skills and capabilities to complete the jobs in hand as expected by the leader.
3. Promotion in the field of work. The career growth plan is also to be prepared.
4. Opportunity of becoming a successor when the position is vacant.
5. Receives updates, new information and experiences daily to improve the daily work and mindset; work related to AI or new innovation projects.
6. Opportunity to train and work beyond the normal daily routine; being assigned with special projects to learn about project and human management.

The Company tends to develop process and tool for more effective Career Development Review. The objective is to provide the opportunity for the employee and leader to co-jointly plan for a career growth plan and enhancing potential according to the requirement of both individual and The Company.

In 2018, There are in total of 117 career development review for Talent and Successor.

GRI 404-3



117 people
of those enhanced in
their career path

Career path development uses "Triangle Model" which is a coordination between three parts together namely employee, leader and The Company.

1. Employee: Indicates personal development requirement by stating the interests, motivation and self-expectation to the leader in order to help each other plan for the development plan as well as prepare for higher responsibility tasks.
2. Leader: Acknowledge the requirement of the employee and The Company. Provide consultation, help employee in determining the objective of work as well as provide the learning opportunity for the employee to develop and become expertise.
3. The Company: Set plan and encourage potential development of the employee and make sure it aligns with The Company's business growth plan.

Career Development Operation

Human Resource development department plays a significant role in Career Development Review. By creating tools and communicating to the executive and employee to make them understand the real objective of the operation and can operate successfully. The operation process are as below.



From 2019 onwards, The Company has plans to expand the career development review plan to employee at all levels not only talent or successor. That is to take care and prepare the employee's readiness for the future career growth.

Employee's Benefits from receiving potential and career path development

1. Opportunity to develop necessary skills for present and future.
2. Ready for growing to a higher level.
3. Better work performance until selected as talent or successor of The Company.
4. Given more opportunities; offered a higher position, special compensation, price if the employee has sustainable performances.

Employee Engagement

GRI 103-2

The Company annually evaluate the engagement employee has with it by using the Pruksa Employee Engagement Survey. The survey's role is to determine and evaluate the employee's opinions on certain matters; compensation and welfare, working environment as well as employment conditions that might change according to the circumstances which allows more flexibility for both company and employee. The Company would bring the information obtained from the evaluation and use it to improve certain related policies for the betterment of the employee. The Pruksa Employee engagement survey includes 9 following categories;

- | | |
|---|---------------------------------|
| 1. Employee Engagement Index | 6. Performance Excellence Index |
| 2. Learning and Development | 7. Career Management |
| 3. Management Quality and Communication | 8. Quality of Work life |
| 4. Job Design and Empowerment | 9. Compensation and Benefits |
| 5. Company Identity | |

Summary of employee engagement survey results for The Company

- The average score of employee engagement in 2017 is 68 percent while in 2018 is 71 percent indicating an increase of 4.4 percent
- The executives are aware of the importance and encouraging the employee engagement by being a part of the process. Thus, this played a significant part of shifting the average score towards the positive side.



The survey illustrates that the employee engagement for The Company is at the average of **71%**

GRI 103-3

The Company communicates the results of the survey (Report Survey) to the executives and staffs through the communication channels. Each units are assigned to use the report in improving their 2019 plans.

Health and Safety

GRI 103-1



Pruksa Real Estate PCL - a subsidiary company of Pruksa Holding PCL operates and supports the well being and safety for the employee by preventing accident and sickness in the workplace. Also, controls anything which is considered unsafety or threat to the business operation by setting f Safety, Occupational Health and Work Environment policy as a framework for everyone in The Company to follow.

Safety, Occupational Health and Work Environment Health

GRI 103-2

- The Company believes that safety is one of the top priorities and responsibilities towards the employee and it is a must to receive the same commitment and coordination to work according to the rules and regulations set for safety purposes along with The Company.
- The Company is determined to operate business according to the law and safety inquiry.
- The Company organizes trainings to enhance the knowledge regarding health and safety as well as create awareness for everyone to see and understand the importance of it.
- The Company supports budget and resources; human resources, tools and equipment as well other requirements that would keep the employee safe and healthy as well as keeping the hygiene of the working environment as a precaution to any kind of accident or health hazard.
- The Company would follow up and evaluate the health and safety performances in order to keep it improving.

GRI 102-12

Pruksa, follows the international safety standard strictly by adapting and utilizing the health and safety system in The Company until received OHSAS 18001:2007 as well as TIS 18001:2554 international standard for Condominium construction.

GRI 103-3

In 2018, The Company used the Safety Management Performance covering 8 dimensions which is a health and safety management system for single house and town house with the same standard required by the law. This clearly shows that safety issue is not compromised in This Company whether is it single, town house of condominium



In terms of creating awareness regarding safety for employee and business trader, The company organized trainings about health and safety at work place with high risks for them. So that they can have the right information and knowledge to operate their business in the right manner for a risk-free future. Without any safety issues of accidents.



In terms of danger in high risk jobs prevention, The Company has designed utilities that could prevent any kind of danger or accidents that might occur with the user such as temporary electrical cabinets in construction work with automatic power cut-off to prevent electric current, short circuit or overload as well as using power plug. This is to enhance the safety for those working with electrical field.



In preparation for handling emergency cases, The Company also organized fire fighting and first aid trainings for more than half of the total employee. Moreover, The Company has Business Continuity Planning (BCP) which includes the training for emergency cases in order to train the people to understand what to do, how to react and to follow the process thoroughly.

Work Regulation for Safety, Occupational Health and Work Environment Health

GRI 103-2, GRI 403-7

In order for the safety, occupational health and work environment health operation to reach the most effective performance, work regulation is set as framework to be followed as operational policy as followings;

1. The Safety, occupational and work environmental health for high rise construction work regulation applies the same for The Company, contractor, foreman, consultant and other related parties.
2. The Safety, occupational and work environmental health for horizontal construction work regulation applies the same for The Company, contractor, foreman, consultant and other related parties.
3. Operational policy related to accident at work place is set to be followed if any accident takes place within The company. The flow is to inform, report, investigate the accident and prevent the repeating of the same accident in the future.
4. The personal protection equipment policy is set to follow the Standard personal protective equipment (PPE) to standardize the whole company.
5. The regulation for Safety measures for project construction contractors is a contract document with (TOR) by Specify regulations regarding safety and health that the contractors must follow.
6. Project Safety Management Plan is a manual and guideline for project management.
7. Evaluation and Standard safety certify for horizontal is the safety standard for horizontal construction project.
8. Regulations for horizontal safety procedure a standard operating method for contractors for horizontal safety.
9. The Company's announcement regarding procedures for safety operations that are highly dangerous about electricity and machinery is a procedure to control high-risk work/operation.
10. Temporary electrical cabinet standards in construction projects is the standard electrical cabinet in the company which every project must follow.
11. The announcement from Committee of Occupational Safety, Health and Work Environment of the Workplace regarding safety steel rules is declared as a standard of operation for high-risk jobs.
12. Work place Safety policy for contractor is a standard policy for all contractors that work for The Company.

Operational control for safety

GRI 403-3, GRI 403-4

The Company has controls over all the high risk activities including hot work, high work, confined space and other related work with firm rule and regulation. At present, there are in total 42 category of business activities of The Company. However, regular test and evaluation is performed with clear report on each evaluation. The list is as following;

1. Safety regulations regarding using PPE
2. Safety regulations regarding house keeper safety
3. Safety regulations regarding fire prevention
4. Safety regulations regarding working at high risk work
5. Safety regulations regarding working at confined space
6. Safety regulations regarding falling prevention
7. Safety regulations regarding working with heat
8. Safety regulations regarding using lift
9. Safety regulations regarding working with power (electrical) equipment
10. Safety regulations regarding lifting and moving things in the office
11. Safety regulations regarding walking ally
12. Safety regulations regarding traffic control
13. Safety regulations regarding automotive control
14. Safety regulations regarding scaffolding
15. Safety regulations regarding work using Footing
16. Safety regulations regarding work using Casisoons
17. Safety regulations regarding work using Pile Driving
18. Safety regulations regarding work using Bored Pile
19. Safety regulations regarding Electrical equipment installation
20. Safety regulations regarding Working with chain sling belts
21. Safety regulations regarding working with Mobile Crane
22. Safety regulations regarding working with Hoists
23. Safety regulations regarding working with dangerous chemical (hazardous)
24. Safety regulations regarding noise control
25. Safety regulations regarding dust control
26. Safety regulations regarding toxic waste control
27. Safety regulations regarding Road control in construction areas
28. Safety regulations regarding Steel structure installation
29. Safety regulations regarding Working with wood cutting machines
30. Safety regulations regarding Demolition
31. Safety regulations regarding Drilling work
32. Safety regulations regarding working with Vibro
33. Safety regulations regarding Tower Crane installation
34. Safety regulations regarding Precast Installation
35. Safety regulations regarding working with radiation
36. Safety regulations regarding using computer (Office)
37. Safety regulations regarding Drug and Alcohol Control (Office)
38. Safety regulations regarding event of a high-rise building on fire (Office)
39. Safety regulations regarding Earthquake prevention on high-rise buildings (Office)

40. Safety regulations regarding using copy machine (Office)
41. Safety regulations regarding Tsunami prevention
42. Safety regulations regarding working in the Office

Occupational health and safety operations

- The Company performs risk evaluation in each activity within The Company in order to control and prevent risk that might occur; health, mental or physical.
- The Company evaluates the alignment of health and safety policy with the law.
- The Company implements Safety Defect Found and Fixed system to report the working environment status. If it is unsafe, then correction must be done immediately.
- The Company utilizes (Behavior Observation & Feedback) system which is to inspect risk behavior.
- The Company utilizes Safety Management Performance system controlling 8 dimensions to track the safety performances of horizontal construction and to make sure its safety trend.
- The Company appoints specialize people to transfer and share knowledge regarding safety issue at construction site.
- The Company organize training through photo called OPL (One Point Lesson)
- The Company consecutively evaluate the performance by doing Site Walk lead by the project manager.
- The Company holds safety meeting monthly to update and detect any issues and come up with precaution plans.
- The Company prepare camping area for the workers according to the law and is standardized at every project. Also, being an example of best practices for external parties to learn from.
- The Company prepares knowledge regarding rule and regulation, safety, working standard and other relevant information into 4 language so foreigners can understand.
- The Company organizes social responsibility program with the neighboring in order to maintain good relationship, create mutual understanding as well as supporting them.
- The Company evaluates the availability of machinery, equipment, tools to ensure safety for life and property.
- The Company communicates regarding health and safety within the organization through various channels; SMS, E-Mail, PR Board with employee and related parties.
- The Company organizes trainings regarding the principle and practices of using equipment from beginning until the end of process.
- The Company has emergency cases management practices in order to prepare for any challenge that might take place. And for the people to understand the flow of the process; reporting, coordinating as well as their roles and responsibilities during that unfortunate event.
- The Company evaluates the employee performances and make sure it is up to the standard written. If not, penalty would be given.
- The Company investigates every incident that take place in order to find out the core problem and handle it with care so that it won't repeat again.
- The Company's executive would revise the policy and management that take place in order to ensure that health and safety performance are effective, sufficient and efficient.
- The Company practices Safety Talk at the project operations as well as Training Need along the process with risk and through the process.
- The Company investigate for drug usage within the employee and contractor by using external authority consecutively in order to prevent crime risk and to obey the law.
- The Company measure and evaluate surrounding environment both within and outside the project to make sure it is safe and healthy for the workers.
- The Company coordinates/ is alliance with the hospital for any emergency or health cases.

Example: Standard camp area at construction site



Use of raw materials, equipment and chemicals Safety

- The Company select safe raw material which is not dangerous for the customer or the workers; selecting raw material and furniture without Volatile Organic Chemicals (VOCs) such as Formaldehyde.
- The Company controls the storage of chemical used by separating each type of chemical substances and providing Safety Data Sheet (SDS) of each chemical compound with clear prescription and name written at each of it following the law and The Company's standard and regulation.
- The Company performs Audit Supplier in order to evaluate the standard of raw material from supplier and make sure it's up to the standard and requirement.

Building Awareness on Health and Safety training

In 2018, The Company organized altogether 7 health and safety trainings programs in total of 37 classes in order to raise awareness of the safety and health issue. Also, the aim was to deliver knowledge and best practice to eliminate risk; physical, mental and accident at work place by external party those authorized by Ministry of Labor. The participant would receive certificate after attending the program. The training programs are as followings;



Work safety
consciousness

425 people



Safety Officer
for Supervisor Level

66 people



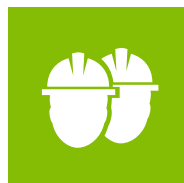
Safety Officer
for Executive Level

40 people



Safety Office
for Technician Level

23 people



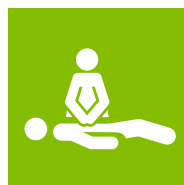
The Committee of Safety,
Occupational Health and
Work Environment

2 people



Emergency response plan;
fire fighting

174 people

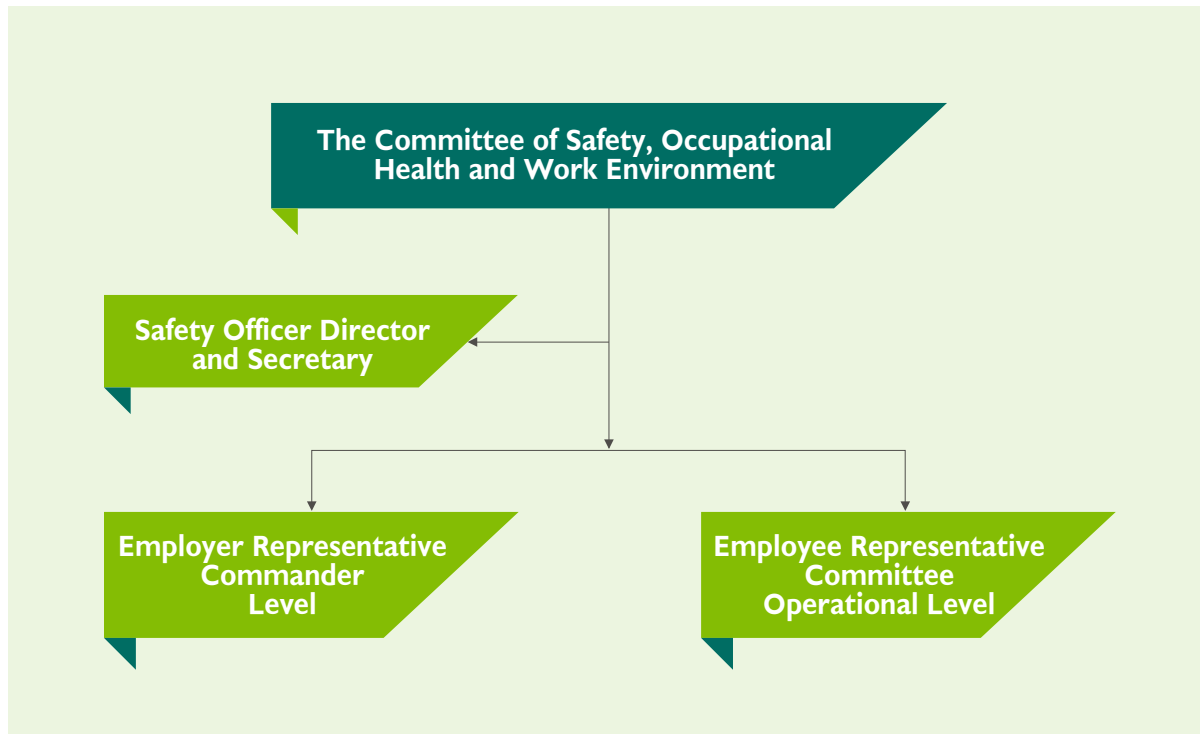


First aid and Cardio Pulmonary
Resuscitation (CPR)

89 people

The Committee of Safety, Occupational Health and Work Environment

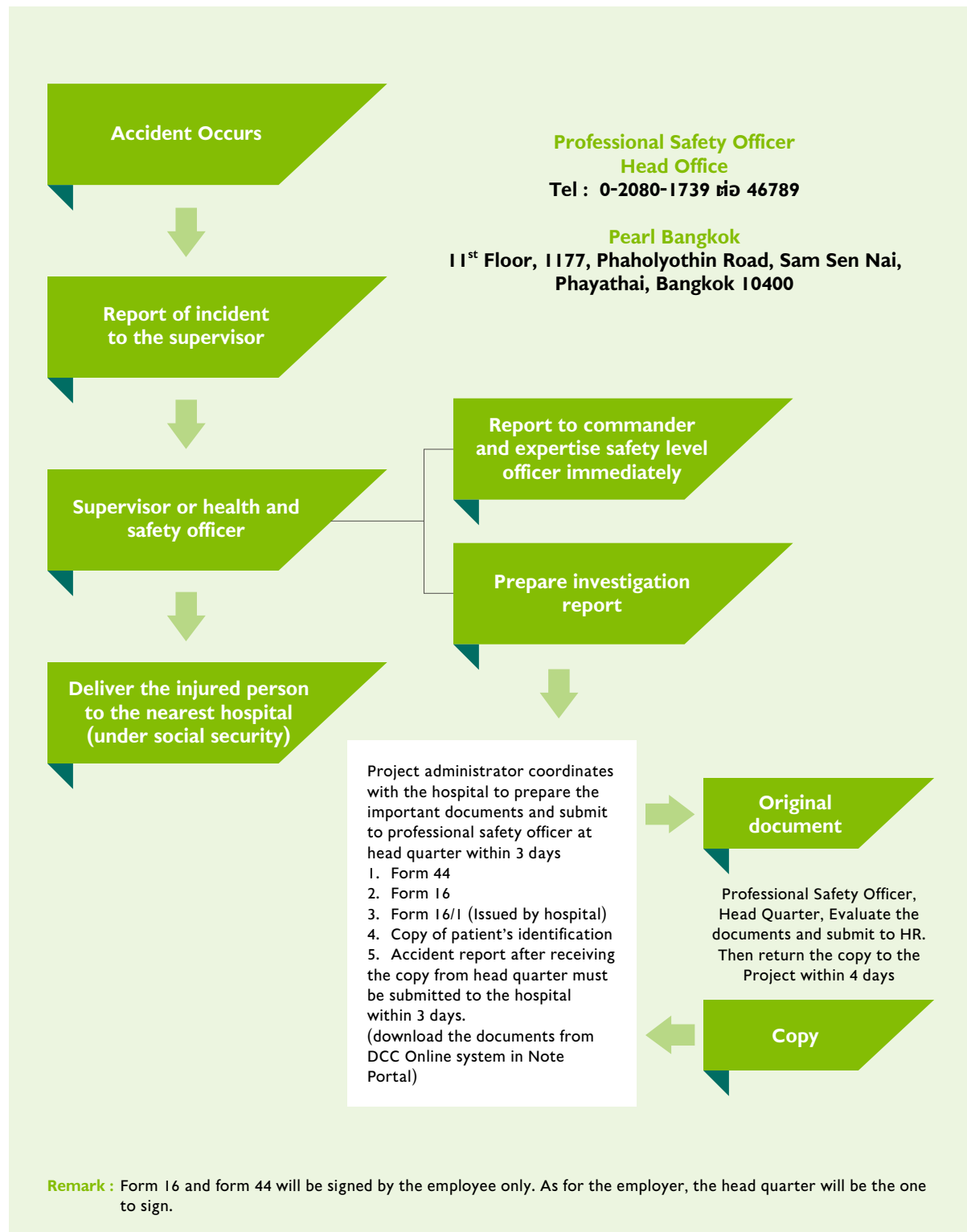
GRI 403-I



The Company establishes the committee of safety, occupational health and work environment from appointing (Commander level) and from the election from the member (Operational level) altogether 25 people. This is to ensure that all health and safety operation is effective by the following role and responsibility.

1. Consider the policy and safety plan within the work place including external safety in order to prevent any kind of accidents, health, nuisance, or unsafety reports to the executive.
2. Report and recommend procedures to use for improving the health and safety plan at work place as well as the safety standard for a safe and healthy work place for executives, employee, contractors and external parties that work within the project area.
3. Support all safety activity at work place of The Company.
4. Consider the framework and manual regarding health and safety at work place including safety standard at work place to present to the executives.
5. Explore the safety procedures and accident statistics within The Company at least once a month.
6. Consider the project or training plans regarding the safety at work including the training plan or about the responsibility for each individual and present it to the executives.
7. Lay down fundamental of reporting any unsafety condition that must be followed by everyone.
8. Follow up and report to the executive.
9. Prepare the report the annual report including problems, challenges and advices in the performance of the committee of Safety, Occupational Health and Work Environment and submit it to the executive.
10. Evaluate the safety performance of The Company
11. Operate with safety mindset as assigned by the executive.

Operation when incidence occurs regarding occupational health and safety in the company



Principle of Occupational Diseases Prevention

GRI 403-3

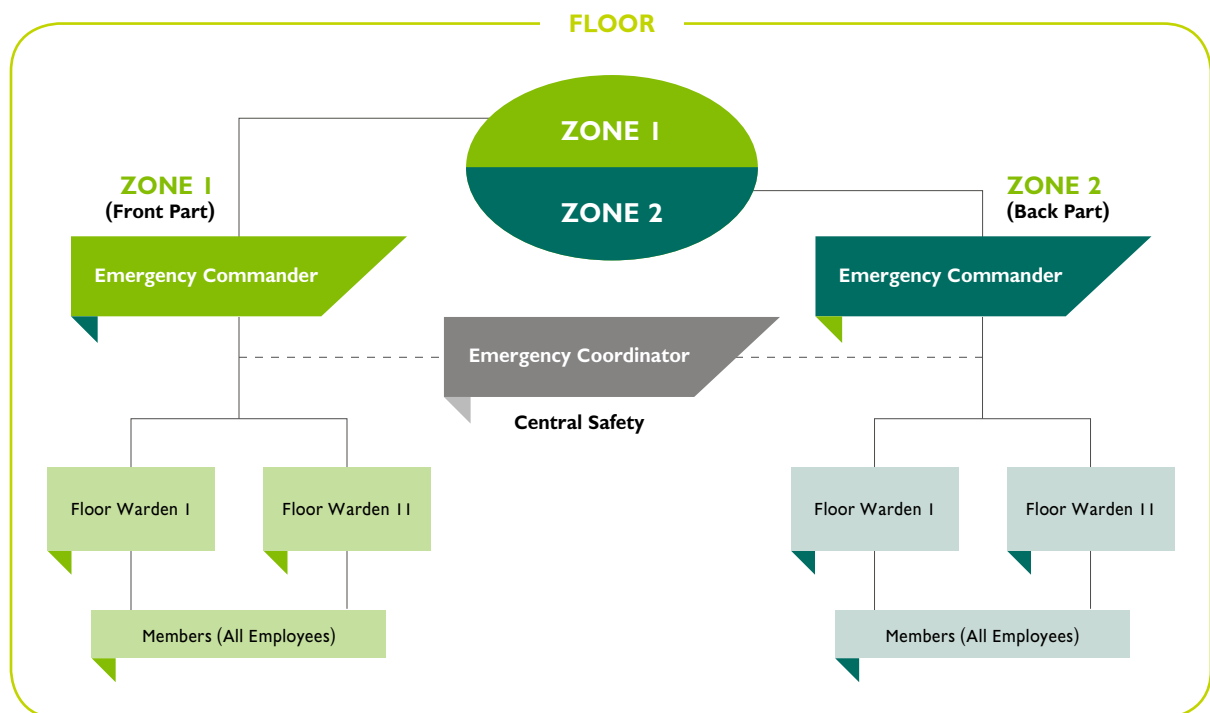
The Company give ultimate importance towards taking good care of the employee's health. Therefore, annual checkup by trusted hospital and medical team is prepared for all the staffs in company both operational and management level. Moreover, reducing risk of disease and accident at work place is a main policy to take care of the employee. That is why appropriate procedures that covers all working condition such as

- The Company evaluation on health impact and the risk from daily activities.
- The construction site, factory worker that might get effected from dust, noise pollution that might create health hazard; respiratory system. The Company usually do a health checkup before the start of the project, prepare masks and first aid equipment.

Fire Prevention and Succession Plan

GRI 103-2

In 2017, there are 54 percent of The Company's employee has passed through the training which is higher than the requirement by law. The Company moved the operational plant to the new building, Pearl Bangkok and had to go through restructuring the fire fighting plan on each floor to suit the new building as the following.

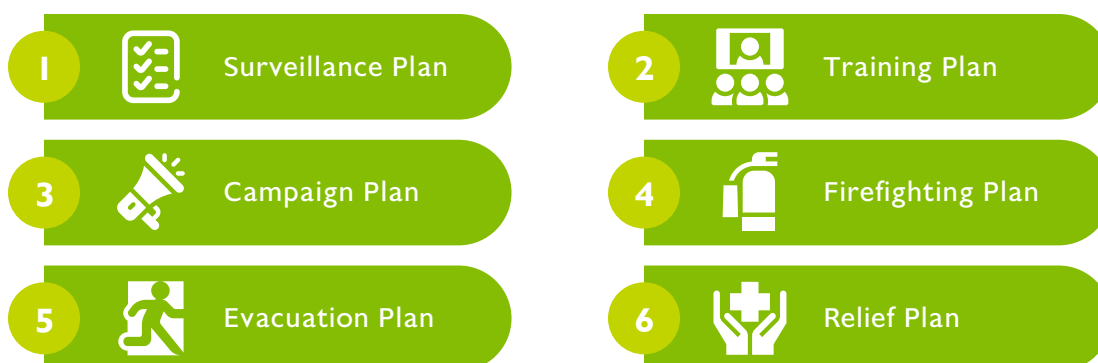


1. Emergency Commander is responsible for
 - Decision maker in case of any emergency
 - Inform the team leader and employee to evacuate through fire exit
2. Floor warden I is responsible for
 - Following the emergency commander orders
 - Give knowledge to member (employee) regarding emergency evacuation situation
 - Be the leader of employee and lead them through Fire Exit by holding a fire flag to the assembly area
 - Count the names and make sure everybody is safe
 - Report the evacuation report to the commander and safety authority
3. Floor warden II is responsible for
 - Reporting to the floor commander and safety authority
 - Give knowledge to member (employee) regarding emergency evacuation situation
4. Team Member is responsible for
 - Follow up with the evacuation plan strictly
 - Evacuate to the assembly area
 - Report to the Leader of the evacuation team

Characteristic of the Team Leader 1 and 2

1. Capability to stop the initial fire fighting (passed the basic training)
2. Ability to support the team member from initial injury (passed the first aid and live saving training)

The Company has performed the fire fighting preparation practices with the aim to prepare the employee in case of emergency. To let them know what to do and where to go in such cases. The team leader, executive must be trained to understand the responsibility, be aware of the construction of the building and understand how all the safety system work. The fire fighting preparation plan consists of



Emergency safety procedures

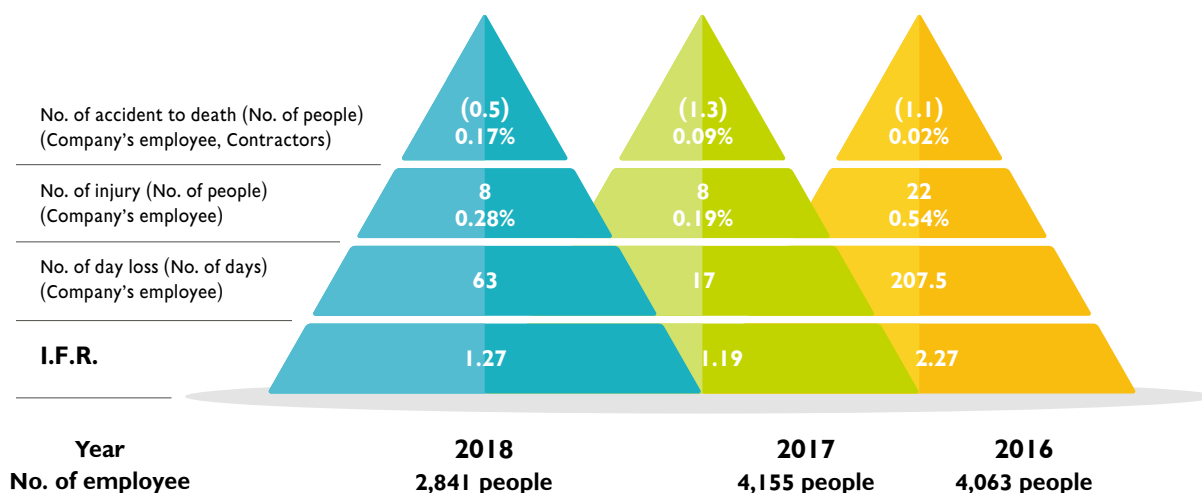
GRI 403-7

1. Install fire extinguisher every 20 square meter without CFC at appropriate area which is easy to access in time of necessity.
2. Install emergency light and emergency exit sign
3. Prepare Backup flashlight at emergency exit
4. Prepare Safety Sign at exit point
5. Prepare proper fire exit access point for the fire fighters to operate effectively
6. Prepare and install fire alarm/smoke
7. Install proper fire extinguisher where chemicals and / or fuel are stored
8. Install a no-smoking or no-fire use sign where chemical/ fuel are stored.
9. Electrical wires used in the office and in the fuel storage facility Is an electrical wire insulated according to international electrical standard.
10. Consecutively test the equipment
11. Prepare evacuation leader at points in case of emergency
12. Organize monthly fire fighting training to create awareness and familiarity with the process and equipment
13. Organize emergency case rehearsal as well as first aid and evacuation practice annually

The Company has been collecting accident statistic annually as a developing plan to achieve Zero Accident goal. This is to ensure that the quality of life is what matters to The Company most.

Accident at work place Statistic 2016 - 2018

GRI 103-3, GRI 403-2, GRI 403-9



Marketing Communication

Pruksa Real Estate PCL (Pruksa) is an advisor to Pruksa Holding PCL together holding a vision of “Being number one in Thai people’s heart and in the market” with policies and strategies aiming to build Pruksa’s Brand image as well as Sales Promotion.

I. Strategies to promote the image of the brand of Pruksa

In 2018, Pruksa has been undergoing the Rebranding Campaign called “Pruksa...Heart to Home”. This was one of the biggest phenomena in 25 years of Pruksa because it is more than a marketing campaign. This rebranding campaign was designed and followed Mr. Thongma Vijitpongpan’s vision stating the key to build a home for someone else to live in starts from a willing heart with good intention for the customers to have their own suitable quality house that bring happiness and harmony. This vision has transformed into a Brand Purpose and became The Company’s culture from the executives to the staff’s levels to work hard, dedicate, be precise on each and every detail and responsible for meeting the quality and standards. Therefore, this Rebranding is not just about Story Telling, but more about taking actions in each and every step-in order to deliver the quality product and service for Thai people sincerely. At Pruksa we call this Rebranding “Story Doing”.

Building Pruksa’s brand means building a Trust Mark. The process begins from Corporate Brand logo’s adjustment. The new logo must be deliver a message that Pruksa is considerate and cares about the customers from inside-out with all our hearts. The logo emphasizes these meanings.



Logotype

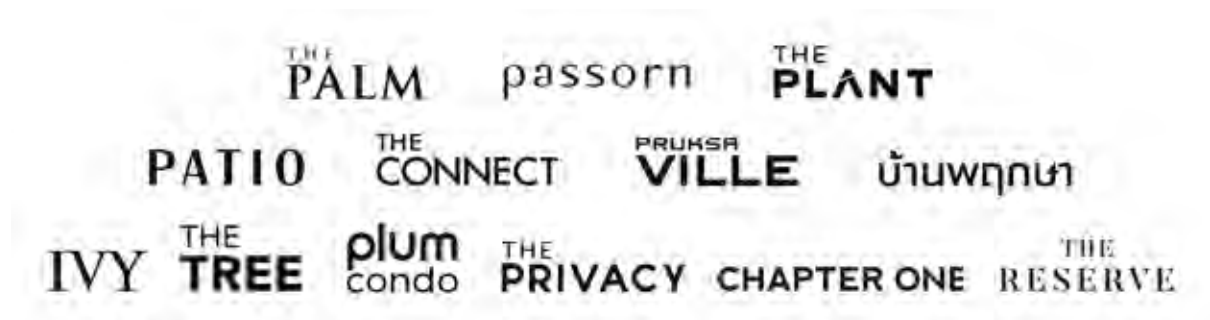
Overlapping leaves symbolizes carness from the inside-out
The symbol P symbolizes the heart of Pruksa people with commitment to deliver the best house quality for the customer

Color

Green color symbolizes new and positive beginning
Grey color symbolizes the coolness and innovation of technology

While Product Brand has been going through Product Brand Segmentation process resulting from 48 Brands to 13 Brands. This is to create differences and ensure that all customers lifestyles are taken into account in order to deliver excellence products and services.

48 BRANDS ► 13 BRANDS



The Rebranding of Prukسا by “Story Doing” concept communicates through the 5 Pillars of Quality Roadmap those are;



Ensuring the brand image through Brand Endorser by having Mr. Athiwara Khongmalai (Toon) communicating the Brand Purpose for Prukسا. We selected him because of his life's philosophy, dedication and contribution to the people which is similar with Prukسا. We also dedicate and care for our customers. Internet film, music video (Sai Jai; paying attention song) as well as an exclusive interview of Mr. Athiwara (Toon) and Mr. Thongma Vijitpongpan, testimonial from customers are used to communicate the message and ensure the Brand purpose of Prukسا.

Another strategy is through the 2018 campaign “Communicating through digital platform” Owned - paid - Earned” to reach out the target customers. Beginning with adjusting the website, using influencer as well as content marketing/communicating on certain platforms; Facebook, IG

2. Sales Promotion Strategy

In 2018 the competition rate was very high. Therefore, Prukسا has issued sales promotion strategy by bringing out the best for the customers in celebration with Prukسا's 25th anniversary.

- 2.1 Promotion campaign - Prukسا 25th Year...The Great Celebration. It's a corporate promotion for the 25th anniversary gift back to 25 lucky customers by giving Honda Jazz Car for customers who buys the Prukسا's project; town house, single house or condominium.
- 2.2 Big Sale Ever. It's the best corporate offer for the customer's in 2018 year end by giving out big rewards; condominiums, gold chain, Samsung galaxy note9, etc.

From the 25 years of marketing activities, Prukسا will keep on performing sustainable development to deliver the best house quality for Thai people forever.

Delivering product and service along with communicating the product and service information for the customer

GRI 417-1, GRI 417-3



GRI 103-1

Pruksa gives importance to the customers since the very first day of communication until the delivery of the quality product and service day. In order to ensure customer's satisfaction, Customer Service department is responsible for the followings;

GRI 103-2

1. Scheduling and meeting with the customer for house inspection and delivery
2. House Inspection by the customer
3. Inform the company for any errors or problems identified during house inspection. The Company will inspect and fix and prepare the repair report once completed to the customer and wait until the customer signs the paper. Deliver the key, house registration form, insurance form, water meters, electricity meters and house manual to the customer as a well wisher and welcoming to their new happy and safe house.

With very much consecutive attention and dedication towards our marketing communication strategy, campaign or process, in 2018 there were no complaints related to public relations and advertisement to the company at all. (GRI 103-3)

Legal Compliance

GRI 103-1, GRI 103-2, GRI 307-1



Pruksa controls and operates the business by following the law, rules and regulations. In addition, The Company is very precised that the executives and staffs have good knowledge regarding Real Estate business and law in order to prevent any illegal operations and prevent all kinds of suits/complaints. Therefore, The Company's goal is to organize knowledge training on "Law related to real estate business and entrepreneur" as followings;

- **The Land Development Act.** For Example: Land Development Act, B.E. 2000, Condominium Act, B.E. 1979, and Promotion and Conservation of National Environmental Quality Act, B.E. 1992
- **Consumer Protection Act.** For Example: Consumer Protection Act, B.E. 1979
- **Law related to Media and Advertising;** Ministerial Regulation No. 5 (B.E. 1991) following the Consumer Protection Act, B.E. 1979 (Provide or give as prizes by gambling or by any means. In the trade or business career under the law on gambling, Ministerial Regulation No. 7 (B.E. 1995), Consumer Protection Act, B.E. 1979 (Message Advertisement on apartment or land with building)

In 2018, The Company has organized the training twice under "How to do effective advertisement legally" and workshop on creating legal advertisement. Altogether there were 80 participants from executives and staffs level joining in the training. With this training, The Company received zero complaints from the customers or from the Office of The Consumer Protection Board regarding illegal advertisement or unfairness advertisement issues. (GRI 103-3, GRI 419-1)



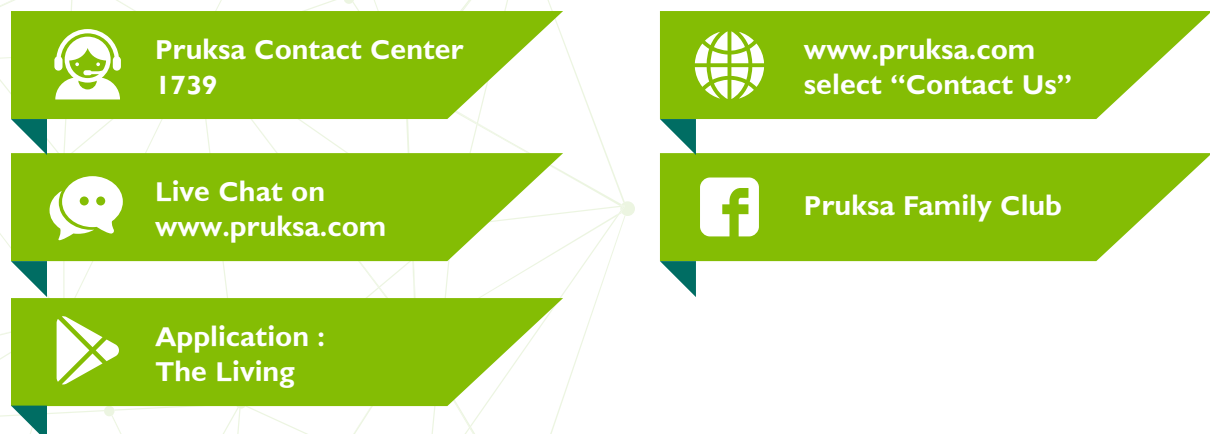
Customer Relationship Management and Responsibility

GRI 103-2

The Company's vision is determined to become number one brand of the real estate business in customers heart. To strive for that vision, The Company has come up with the "Pruksa...Heart to Home" strategy to emphasize on giving importance and managing the customer's satisfaction. Because, customer is one of the most important stakeholders of the business. The Corporate Customer Relationship Management unit is established with given responsibilities of planning strategies, plans, and operations for customer relationship management. The relationship management plan is to go through crucial steps according to the customer journey framework.



The Company prepares several channels ready for customer and public to reach out as followings.



Goal

The Company is aware of the significance of managing good relationship with the customer in each and every step along the journey. Beginning with customers those are interested in the projects which is the first contact point with The Company. Therefore, The Company must be prepared and respond back with high quality of product and service along the Customer Journey to achieve and create good impression for the customer.

Moreover, The Company also launched the “Pruksa Member” project which is mainly about creating good relationship with each customer groups; Old, new or interested customers. This project would help enhance the confidence level as well as generate income and benefits for those who help spread words of mouth of the project to bring in new customer.

The Company has set goals in Customer Relationship Management as followings;

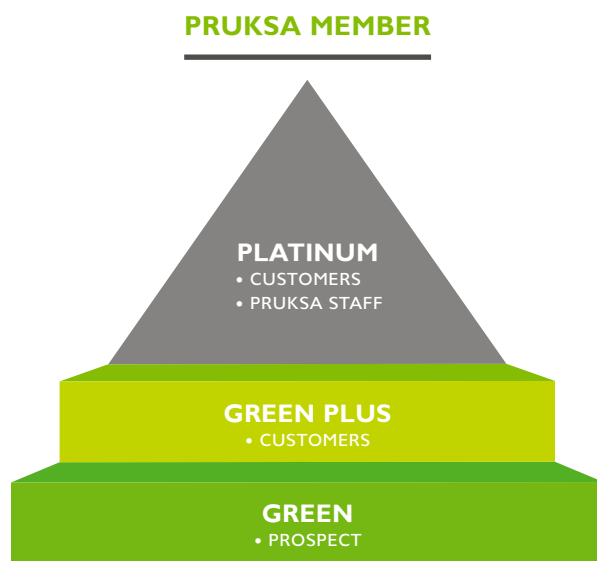
- Increased of Customer's Satisfaction score of 10 percent from average score of 84.78% from Year 2017.
- 10,000 increased members for Pruksa Member.

Throughout the 2018 year, The Company gives most importance to the Customer Relationship Management: CRM by improving the CRM system and get it ready for the Company's structures and strategies while completing the Customer Journey with no errors. Moreover, collecting customer data and integrating the data with the systems within The Company to create the “Customer Centric” that would generate a better understanding of the customers by having a “Customer Single View” is also being done. Lastly, using data from CRM to improve and upgrade the working/operational process within each unit for better effectiveness is also in the plan.

By using the customer's satisfaction evaluation from the previous year and analysing it step by step would lead to improvement of product and service that would ultimately increase the customer's satisfaction rate. That is by setting clear goal and strategy with executive staff advices, key responsibility person, responsible units, tracking and monthly reporting to the executive member. For example;

Customer satisfaction along the customer's journey (From site visiting to purchasing) development plan

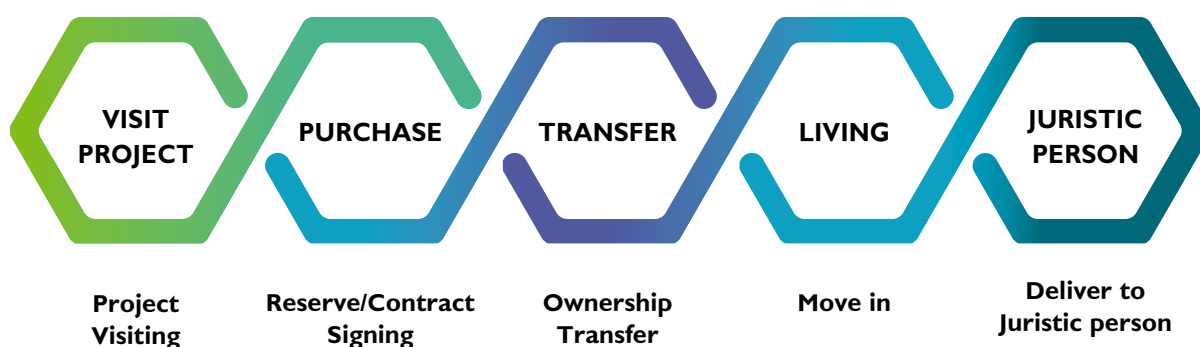
- **This is done by developing a Visual Questionnaire Application** to collect and evaluate the data in order to perform the Personalized Product Suggestion for the customer. This process enhances the service as well as shortening the time of repeating questions with the customers in case of suggesting other projects and increase sales opportunity as well.



- **The Pruksa Member Project** is a customer relationship creating project. Pruksa Member is categorized into 3 groups; Green, Green Plus and Platinum for management purposes. The member would receive 2 special benefits. First, the points collected from suggesting The Company's project to potential customers which will begin in 2019. Second, the member will get special benefits and discounts (according to the category) from partners shops. The membership in 2018 is planned at 10,000 members.

Customer satisfaction along the customer's journey (After ownership transfer) development plan

- **Zero Defect Project** is set to develop and improve the product and service. Also it is one of the projects that The Company really gives importance to because it directly relates to customer satisfaction. By collecting the Top 10 Defect complaints from the previous year, analyze, plan and set objectives of improving the project starting from designing, material selection, vendor selection, training and operation in order to manage the customer's complaints effectively.
- **Pruksa Member Project** by providing special benefits, discounts or services from shops, brand names as well as other activities that customer can choose to join or use as wish.
- **Developing The Company's data base consecutively** in order to reach out and communicate to the customer effectively both online and offline channels; Short Messages (SMS), E-mail, post or social media.
- **Customer Satisfaction** : Altogether there are 5 steps in evaluating the customer satisfaction starting from Project Visit, ownership transfer and after sales service with juristic person as shown below.



The evaluation is done through automated CRM system according to each step. The evaluation would then be submitted to the customer through E-mail or SMS or Pruksa Contact Center 1739. The score from the evaluation would be kept in the system allowing the executives and related person to have access to the Real time information through Business Intelligence (BI). Each department can then apply and use the information to improve their business operation and decision making process.

From 2018, the average satisfaction score is at 87.04 percent which has increased 2.26 percent comparing with 2017 at 84.78 percent. Even though the result didn't hit the goal, but this shows great improvement. The average score in after sales service shows significant improvement which is relevant with the operation development plan in 2018. As a matter of fact, the number of Pruksa Member is 12,498 memberships which is 24.98 percent higher than the target which is 10,000 memberships.

GRI 103-3



Satisfaction score is
84.78%



The number of Pruksa Member is
12,498

Participation with Community and Society

GRI 103-1

Pruksa emphasizes on being responsible towards community, social, environment with good governance business practices both in terms of Customer Relationship in Process and after Process. The Company aims to build values, engagement with stakeholders and uplifting the quality of life for the people in the community while performing towards the global Sustainable Development Goals: SDGs for the third consecutive year.

In 2018, The Company and its subsidiaries have been operating and taking care of the community, social and environment through various projects, mainly 3 areas. Those are Education and youth development, Ethics and morality, Social and environment all integrated towards sustainable development.

GRI 103-2

I. Education and Youth Development



- **Pruksa Scholarship, 17th year**

GRI 103-3

Pruksa has been supporting the education for the staff's children by giving out education scholarship called "Pruksa Scholarship" consecutively for seventeen years. The eligible students are from primary, secondary, vocational levels with good study reports. Altogether 122 scholarships about 846,000 Thai Baht.



- **Pruksa Innovation Learning Center, 9th year**

GRI 103-3

Pruksa encourages students from university and vocational institutes to learn about new innovation and technology of building a house from professional engineers through “Pruksa Innovation Learning Center”. This project has been on for 9 consecutive years. In 2018, there were altogether 627 visitors from various institutes such as Chulalongkorn University, King Mongkut's University of Technology Thonburi, Rajamangala University of Technology Rattanakosin, Mahanakorn University of Technology, Rajamangala University of Technology Phra Nakhon, Phranakhon Rajabhat University and Assumption University visiting the Precast technology as well as the industrial standard construction innovation (Pruksa REM). Moreover, Thailand Post CL and Somboon Advance Technology PCL have joined in knowledge and experiences sharing regarding innovation management within organization with the aim to create and value add the company to be more effective that would result in a sustainable development of the country.



- **Ton Kla Pruksha Scholarship, 5th year**

GRI 103-3

Pruksha supports the education of the youth by providing ‘Ton Kla Pruksha Scholarship’ for the third year students in civil engineering field, Faculty of Engineering altogether 9 scholarships with 100,000 Baht per scholarship (In total 900,000 Baht). Also, The Company provides opportunities by accepting students for training programs in order to let them work with the real experienced professionals.



- **Thai Youth Development towards construction industry 4.0 together with Office of the Vocational Education Commission**

Pruksha signs the MOU with the office of vocational education commission, Ministry of Education for the “Thai Youth Development towards construction industry 4.0” project in order to prepare and develop the students to have expertise in the 4.0 era. That is by facilitating their knowledge and experiences through trainings programs at Pruksha Precast Factory with the innovation that is up to the global standard.



- **Youth civil engineering camp 2B-KMUTT: Civil Camp, 10th year**

Pruksa has been supporting the youth civil engineering camp 2B-KMUTT for King Mongkut's University of Technology Thonburi for 10 consecutive years. This project is to provide opportunity for 71 students those interested in the civil engineering to actually get to know and experience the real estate business. The students can later use this experience as their reference to decide their future studies. This project helps shape the youth to be a professional in the real estate business.



- **Supporting Exhibition space for Student's presentation**

Pruksa supports the learning outside the classroom (excursion) for students from Faculty of Architecture, King Mongkut's Institute of Technology Ladkrabang by providing the space for them to exhibit their work under the concept "Reflection: Arch KMITL at the Exhibition Hall, Pearl Bangkok Building. (Free of Charge)



- **Sharing knowledge about Real Estate business**

The Company's executive occasionally give talks (as a guest speaker) regarding knowledge and experiences in real estate business for educational institutes as well as other industries for example, King Mongkut's University of Technology Thonburi, Engineering Institute of Thailand, etc.



2. Ethics and Morality

Pruksa organizes activities that support the ethics and morality for the people in The Company as well as the community. The project aims to help people live in harmony, honesty without any discrimination. For example;

- **Imm boon Imm Jai (Filled with merits and heartfelt), 6th year**

Pruksa has been organizing "Imm boon Imm Jai (Filled with merits and heartfelt)" Project for the sixth consecutive year. This is to support the executives and staffs to make full use of the time effectively by offering candles to the temple, making merits together, cleaning the temple on the The Buddhist Lent Day at Pho Klon Temple, Ang Thong Province with 50 participants.



- **Dhamma...Saang Sukh (Dhamma builds happiness), 5th year**

Pruksa in alliance with TCT CL and Phaya Thai District Office has co-jointly organized “Dhamma Saang Sukh” consecutively for 5 years. This project is to bring together executives, staffs and locals at the Phaya Thai district joining in the Buddhists important ceremony and listening to the dhamma (preach) from the monks which can be utilized in their daily personal and professional lives. There were 300 participants in this project.



- **Knowledge sharing on Ethics and Morality**

Mr. Thongma Vijitpongpun was invited by the CP All PCL to give a talk on “Destined Life (Shiwit Likhit Dai)” under the “Bringing temple into seven eleven at C.P. Tower” project. The aim is to share dhamma to people and for them to apply it in their daily lives with harmony and happiness. There were about 500 participants in this project.



- **Pour water on the hands of revered elders and ask for blessing on Songkran Festival 2018**

Pruksa encourages good relationship and love between executives and staffs within The Company by organizing “Pour water on the hands of revered elders” on 2018 Songkran day while preserving the beautiful and meaningful Thai traditional cultures.



3. Social and Environment

- **Pruksa Blood Donation, 11st year**

GRI 103-3

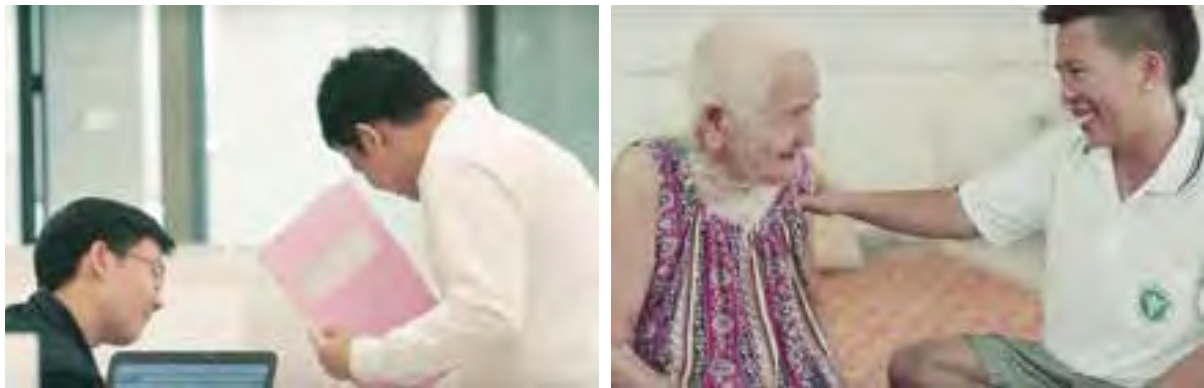
Pruksa along with Nation Blood Center under The Thai Red Cross Society and TCT CL organize “Pruksa Volunteering Project: Blood Donation” for 11 years consecutively. This project is to support the executives, staffs along with local people to join in blood donation every three months in order to help the needs. In 2018, we had 776 volunteers about 319,100 cc of blood donation that could help 2,328 sick people.



- **Creating Jobs for disable people, 5th year**

GRI 103-3

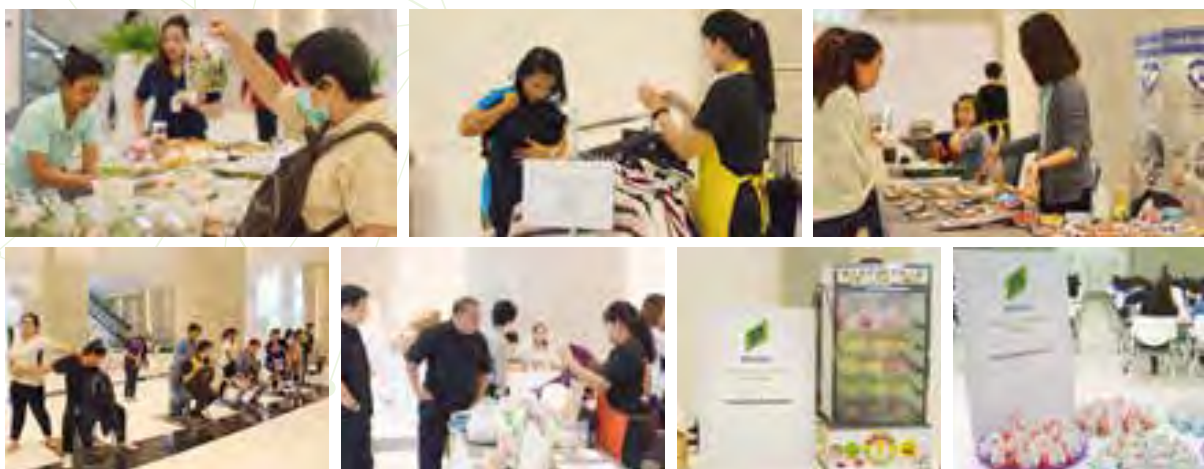
Pruksa in alliance with Social Innovation Foundation, Ministry of Labor and Ministry of Social Development and Human Security joined in creating and supporting jobs for disable people and for them to be able to live sufficiently. In 2018, The Company hired 6 disable people in The Company and 25 more for working at public benefit organization near their home (At Khon Kaen province). Altogether The Company hired 31 disable people.



- **Supporting local community products and create sustainable income, 2nd year**

GRI 103-3, GRI 204-1

Pruksa together with Thaipat Institute support the local community by buying their products as snacks for their activities. In 2018, the Company created good income of 51,430 Baht for the community with OTOP standard. Moreover, by supporting venues for the locals to sell, trade, donate for the foundation, organization and Small and Micro Community Enterprise such as Suankaew Foundation, Social Health Enterprise (SHE), The Mirror Foundation, Chan kab phak under the Chaipattana Foundation, By Grace Foundation, AmHelp (Friends of stray dogs) etc. - The Company also helps the social disadvantaged people to earn a living.



- **60+ Earth Hour 2018**

GRI 103-3

Pruksa is an alliance in the 60+ Earth hour 2018 Project with Bangkok, Foundation for Environmental Education for Sustainable Development (Thailand) and WWF (Thailand) campaign. The campaign is to encourage the staffs and customers to switch off the unused light for 1 hour which plays a big part in reducing 1,026 tonnes of Carbondyoxide or about 7,863,635 Baht (electricity value) along with other alliances.



- **Pruksa Community Care, 2nd year**

GRI 103-3

Pruksa takes care of the well being and welfare of the surrounding community through Pruksa Community care project (second consecutive year). In 2018, The Company invested about 4,000,000 Baht in Solar cell system and Solar Water Turbine system for the local community within The company's project (around Khlong 3) in order to develop the waste management system and enhance the water quality that would eventually effect the well being of the human in the community. The operation (Solar Cell system) has reduced the electricity usage to 4,725 Kilowattts and reduced 2.75 tonnes the green house gas emission.



- **Pruksa Forest Plantation following the King's wisdom**

GRI 103-3

Pruksa in alliance with TCT Co., Ltd. supports the Conservation and restoration of forest ecosystems by sponsoring (funding) 240,000 Baht for Bangkok to plant 800 tonnes of trees (1 rai). Also working together with Bang Khun Thian District Office, by bringing 60 executives and staffs members to join in mangrove plantation at Bang Khun Thian mangrove area under the Forest Plantation following the King's wisdom project. This project itself can help in 2.75 tonnes of carbondyoxide absorbtion per year and also conserving natural habitats and ecosystem.



- **Happy Home Project**

Pruksa in alliance with Paolo Hospital together launch a free health check up and giving knowledge from nutritionist regarding living a healthy life, anti-aging blended drinks for Pruksa's customer good health. Altogether there are 7 projects covering Bangkok, Pathum Thani, Samut Prakan and Nonthaburi provinces with about 530 participants.



- **Blue Flag Project**

Pruksa together with Office of Commercial Affairs Nonthaburi organize “Blue Flag Project” in order to support customers about 1,350 people from 5 Pruksa’s projects including Bangkok, Pathum Thani, Samut Prakan and Nonthaburi to purchase quality goods with special price. This is to support and help with the cost of living as well as promoting better health and living for the customers.



Supporting Budget for activities from Educational Institution, Government agencies, Business organizations and various foundations

In 2018, The Company has supported and sponsored Educational Institution, Government agencies, Business organizations and various foundations for their activities that benefit the community, society and environment. The supporting budget is divided into 3 areas: Education and youth development, Ethics and Morality, Social and Environment altogether 189 projects reaching 8,706,438.90 Baht.



7 Institutions
687,900 Baht



48 Institutions
1,390,250 Baht

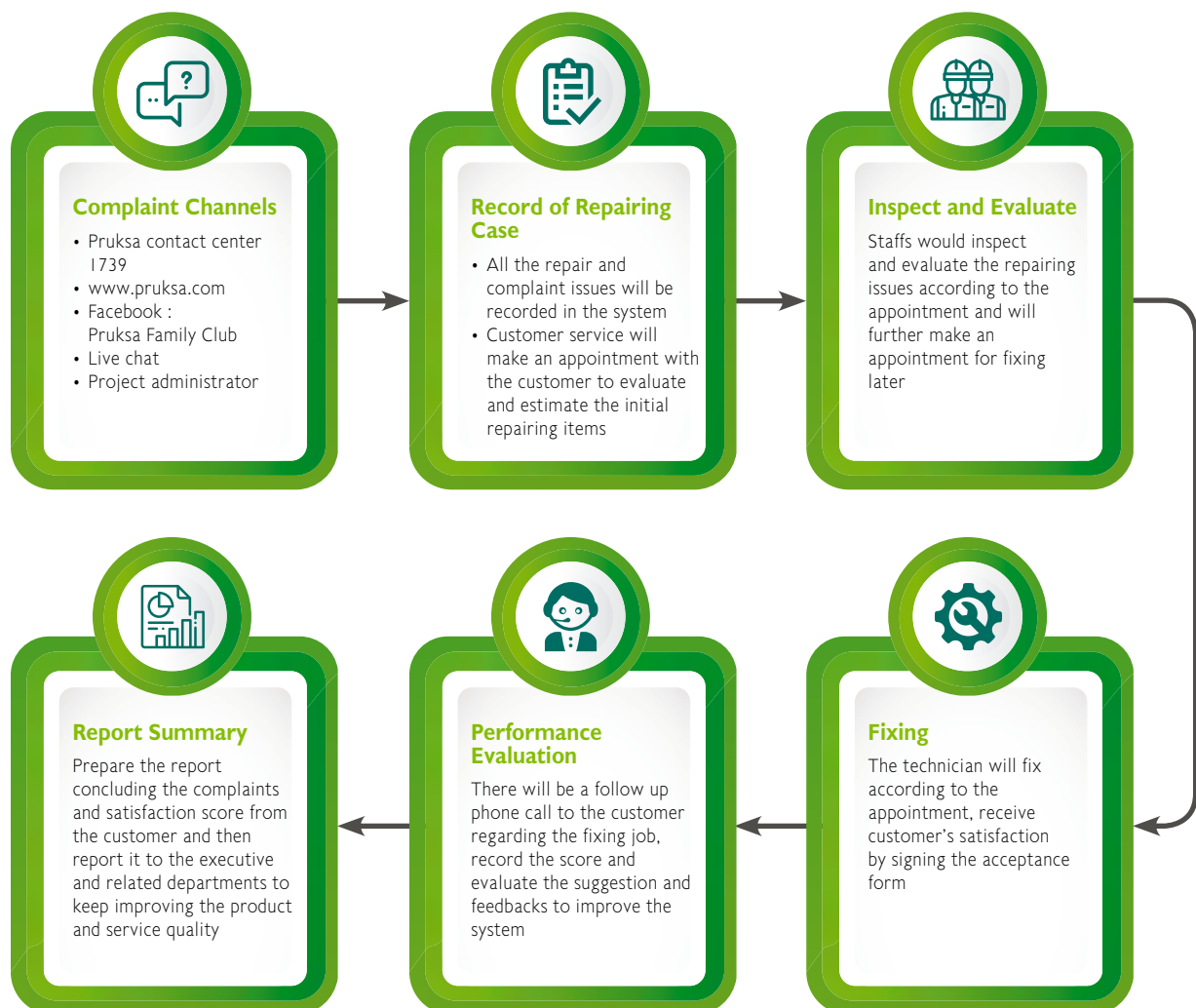


134 Institutions
6,628,288.90 Baht

Management of Social and Environmental Impacts Complaints

Pruksa has been developing residential project consecutively as well as being aware and giving importance to the sustainable growth of social and environment neighborhoods. The Company has prepared certain communication channels to facilitate the stakeholders for any inquiries, complaints and suggestions. Social and Environmental Impacts Complaints Management.

GRI 103-2



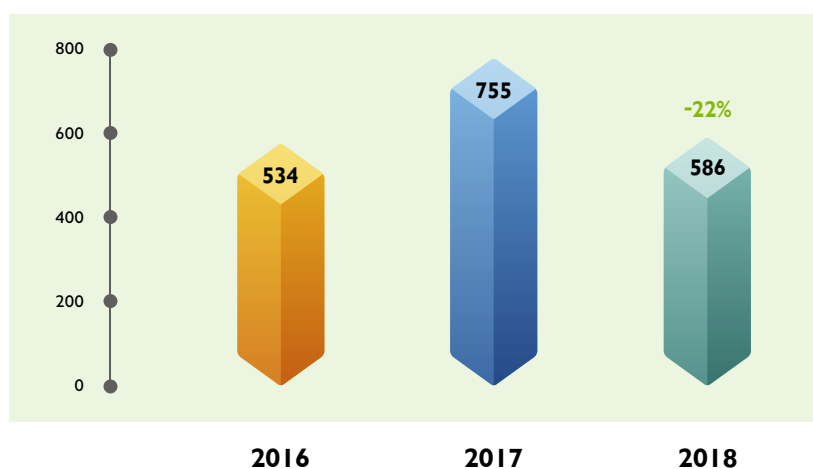
In 2018, there were 586 inquiries related to social and environmental impacts. Each and every inquiry would have to go through the management process, analyzing the cause and effect, tracking from beginning till the end in order to prevent future problems. The complaints rate has dropped 22 percent comparing with 2017.

Data related to social and environmental impacts in 2018

GRI 413-I

No	Impact	Issues
1	Surrounding areas are effected/damaged	226
2	Noise pollution	153
3	Air pollution	62
4	Traffic problems	79
5	Waste (garbage) and construction waste	45
6	Water pollution	21
	Total	586

Information Related to Social and Environmental Impact 2016-2018



In 2018, the complaints decreased **22%**
comparing to 2017

Case Study

Operating Solar Cell for waste water management for sustainable environment for the community

GRI 413-1, GRI 413-2

Prukso launched and operated the solar cell system at the wastewater treatment plant in order to control and monitor the waste water and reduce the problem emerging from the community. The causes are;

1. The Defective water treatment system with no maintenance due to lack of operating budget
2. High load current problem in which the juristic person does not activate the wastewater treatment system and causing it to depreciate/damage.

Solution

In order to ensure and create trust for the customer and community, also being a role model in energy conservation and environmentally friendly company, The Company has taken certain actions to help solve the problems as followings.

1. Establish solar cell at the wastewater treatment plant in 15 projects
2. Establish solar water turbine system at Klong 3 are, Pathumthani province.

The budget is about Four million Thai Baht.

From the above operations result in better water quality and reduce the electricity bill up to 35 percent as well as reducing the Public maintenance costs; central electric charge, security charge, waste collection charge, etc.



Appendix

About this Sustainability Report

Background

GRI 102-50, GRI 102-52, GRI 102-54

Pruksa Holding PCL has been presenting the annual sustainability report and this year marks the third consecutive year. The report covers The Company's performances in economic, social, environment and good governance practices from January 1st until 31st December 2018. This report has been prepared in accordance with the GRI Standards: Core option. Moreover, The Company integrates the performances with the Sustainable Development Goals: SDGs in order to ensure the commitment towards sustainable development together with all stakeholders. Finally, the report includes the executive summary of the interviews from stakeholders responses towards Pruksa Holding PCL as well.

Boundaries of the Report

GRI 102-45

This report represents the performances in economic, social, environment and good governance practices of Pruksa Holding PCL and its subsidiaries including Pruksa Real Estate PCL and Vimut Hospital Holding CL operating in Thailand only within January 1st until December 31st, 2018. The performance indicators in economic, social, environment and good governance would only cover for Pruksa Real Estate PCL because Vimut Hospital Holding CL is currently under strategic and business planning phase and would be able to starting operating in year 2020.

Report Credibility

GRI 102-56

This sustainability report has been revised and analyzed by executives in each field of work. The contents have been revised with proper fact and figures covering all important aspects that matters to the company's sustainable development progress. Moreover, this report has been evaluated the performances and key performances index by the Third Party with expertise in order to ensure the credibility and transparency according to the Global Reporting Initiative: GRI standards as indicated in the following pages 142-143, 144

Inquiry and suggestion

GRI 102-53

For more inquiry or suggestion related to this report, kindly contact

Corporate Social Responsibility (CSR) Department
Pruksa Holding PCL
Email : csr@pruksa.com
Telephone 0 2080 1739





Assurance Statement

To Pruksa Holding PCL on the Sustainability Report 2018

Pruksa Holding PCL or PSH requested Thai Pat Institute (the Foundation for Thailand Rural Reconstruction Movement under Royal Patronage) to carry out an assurance engagement response to the Sustainability Report 2018.

Criteria for report preparation

- The Global Reporting Initiative (GRI) Sustainability Reporting Standards: 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 '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 2018 of PSH for the year ended 31 December 2018.

Limitation

The assurance engagement checks only the final content received, not the content in the final layout format.

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 2018 of PSH.
- Analyzed information on performance provided in the Sustainability Report 2018 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 2018 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.

Materiality: The report clearly illustrates its reporting process and the linkage between material aspects and their relevant disclosures.

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).

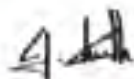
To shape future sustainability reporting in according to the GRI Sustainability Reporting Standards, we have made the following suggestions:

- In General Standard Disclosures, collective bargaining agreements shall indicate percentage of employees covered by collective bargaining agreements.
- In Specific Standard Disclosures, the management approach and explanation boundary of material topics shall state clearly and precisely indicated which topics are covered by each disclosure, including how the organization manages the topics, the management approach components (Policies, Commitments, etc.), and evaluation of management approach.
- Performance Disclosure on Emission shall include base year of calculation, source of the emission factors and the global warming potential (GWP) rates, standards, methodologies, assumptions, and/or calculation tools used.
- Performance Disclosure on Energy shall include total fuel consumption from renewable/non-renewable sources within the organization.
- Performance Disclosure on Reduction of Energy Consumption shall include basis for calculating reductions in energy consumption, standards, methodologies, assumptions, and/or calculation tools used.
- Performance Disclosure on Water shall include total volume of water withdrawn, standards, methodologies, and assumptions used.
- Performance Disclosure on Anti-Corruption shall include 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 indicate benefits provided to full-time employees that are not provided to temporary or part-time employees (life assurance, health care, disability and invalidity coverage, etc.) and percentage of total employees by gender/employee category who received a regular performance and career development review.
- Performance on Customer Health and Safety shall indicate percentage of significant product and service categories which are assessed health and safety impacts.
- Performance Disclosure on Marketing and Labeling shall clearly state, adequate and align with its content of the topic requirements.

Competencies and Experiences

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.

For Thaipat Institute



By Chansith Yodpruedtikarn

Bangkok
5 March 2019



AA1000
Assurance Provider
Level 2

GRI Content Index



GRI 102-55

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

For the SDG Mapping Service, GRI Services reviewed that the disclosures included in the content index are appropriately mapped against the SDGs.

GRI Standard	Disclosure	Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
GRI 101: Foundation 2016				
GRI 102 : General Disclosures 2016				
	Organizational Profile			
	102-1 Name of the organization	1		
	102-2 Activities, brands, products, and services	15		
	102-3 Location of headquarters	Back Cover		
	102-4 Location of operations	Back Cover		
	102-5 Ownership and legal form	18		
	102-6 Markets served	15		
	102-7 Scale of the organization	18		
	102-8 Information on employees and other workers	96, 97		Goal 8: Decent work and economic growth
	102-9 Supply chain	26		
	102-10 Significant changes to the organization and its supply chain	16		
	102-11 Precautionary Principle or approach	33		
	102-12 External initiatives	13, 33, 109		
	102-13 Membership of associations	14		
	Strategy			
	102-14 Statement from senior decision-maker	6		
	Ethics and integrity			
	102-16 Values, principles, standards, and norms of behavior	17, 21		Goal 16: Peace, justice and strong institutions

GRI Standard	Disclosure	Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	Governance			
	102-18 Governance structure	20, 21		
	102-32 Highest governance body's role in sustainability reporting	30, 141		
	Stakeholder engagement			
	102-40 List of stakeholder groups	38		
	102-41 Collective bargaining agreements	39		Goal 8: Decent work and economic growth
	102-42 Identifying and selecting stakeholders	38, 39		
	102-43 Approach to stakeholder engagement	39		
	102-44 Key topics and concerns raised	39		
	Reporting practice			
	102-45 Entities included in the consolidated financial statements	18, 141		
	102-46 Defining report content and topic Boundaries	30, 32		
	102-47 List of material topics	32		
	102-48 Restatements of information	No. restatements		
	102-49 Changes in reporting	30		
	102-50 Reporting period	141 Yearly		
	102-51 Date of most recent report	141 1 January - 31 December 2017		
	102-52 Reporting cycle	141 1 January - 31 December 2018		
	102-53 Contact point for questions regarding the report	141		
	102-54 Claims of reporting in accordance with the GRI Standards	141 This report has been prepared in accordance with the GRI Standard Core option		

GRI Standard	Disclosure		Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	102-55	GRI content index	144-153		
	102-56	External assurance	142-143		
Material Topics 2018					
GRI 200 Economic Standards Series					
	Economic Performance				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	45		
	103-2	The management approach and its components	45		Goal 5: Gender equality Goal 8: Decent work and economic growth
	103-3	Evaluation of the management approach	45, 47		
	GRI 201 : Economic Performance 2016				
	201-1	Direct economic value generated and distributed	45		Goal 2: Zero hunger Goal 5: Gender equality Goal 7: Affordable and clean energy Goal 8: Decent work and economic growth Goal 9: Industry, Innovation, and Infrastructure
	Procurement Practices				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	48		
	103-2	The management approach and its components	48, 49, 50, 51, 53, 54, 55		
	103-3	Evaluation of the management approach	55		
	GRI 204 : Procurement Practices 2016				
	204-1	Proportion of spending on local suppliers	134		Goal 12: Responsible consumption and production
	Anti-corruption				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	87		

GRI Standard	Disclosure		Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	103-2	The management approach and its components	87		
	103-3	Evaluation of the management approach	87		
	GRI 205 : Anti-corruption 2016				
	205-1	Operations assessed for risks related to corruption	87		Goal 16: Peace, justice and strong institutions
	205-2	Communication and training about anti-corruption policies and procedures	90		Goal 16: Peace, justice and strong institutions
	205-3	Confirmed incidents of corruption and actions taken	94		Goal 16: Peace, justice and strong institutions
GRI 300 Environmental Standards Series					
	Energy				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	76		
	103-2	The management approach and its components	76, 78		
	103-3	Evaluation of the management approach	76, 78, 79		
	GRI 302 : Energy 2016				
	302-1	Energy consumption within the organization	76		Goal 7: Affordable and clean energy Goal 8: Decent work and economic growth Goal 12: Responsible consumption and production Goal 13: Climate action
	302-2	Energy consumption outside of the organization	76		Goal 7: Affordable and clean energy Goal 8: Decent work and economic growth Goal 12: Responsible consumption and production Goal 13: Climate action

GRI Standard	Disclosure		Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	302-3	Energy intensity	76		Goal 7: Affordable and clean energy Goal 8: Decent work and economic growth Goal 12: Responsible consumption and production Goal 13: Climate action
	302-4	Reduction of energy consumption	78		Goal 7: Affordable and clean energy Goal 8: Decent work and economic growth Goal 12: Responsible consumption and production Goal 13: Climate action
	Water And Effluents				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	71, 75, 76, 81		
	103-2	The management approach and its components	71, 75, 76, 81		
	103-3	Evaluation of the management approach	76, 81		
	GRI 303 : Water and Effluents 2018				
	303-1	Interactions with water as a shared resource	82		Goal 6: Clean water and sanitation
	303-2	Management of water discharge-related impacts	72		Goal 6: Clean water and sanitation
	303-3	Water withdrawal	81, 82		Goal 6: Clean water and sanitation Goal 12: Responsible consumption and production
	Environmental Compliance				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	72		
	103-2	The management approach and its components	72		
	103-3	Evaluation of the management approach	72		

GRI Standard	Disclosure	Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	GRI 307 : Environmental Compliance 2016			
	307-1 Non-compliance with environmental laws and regulations	72, 123 Don't have situation the non-compliance with environmental laws and regulations		Goal 16: Peace, justice and strong institutions
GRI 400 Social Standards Series				
	Employment			
	GRI 103 : Management Approach 2016			
	103-1 Explanation of the material topic and its Boundary	95		
	103-2 The management approach and its components	95, 109		
	103-3 Evaluation of the management approach	95, 109		
	GRI 401 : Employment 2016			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	98		Goal 8: Decent work and economic growth
	Training and Education			
	GRI 103 : Management Approach 2016			
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	103-2 The management approach and its components	100		
	103-3 Evaluation of the management approach	102		
	GRI 404 : Training and Education 2016			
	404-1 Average hours of training per year per employee	103		Goal 4: Quality education Goal 5: Gender equality Goal 8: Decent work and economic growth
	404-2 Programs for upgrading employee skills and transition assistance programs	100, 103		Goal 8: Decent work and economic growth

GRI Standard	Disclosure		Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	404-3	Percentage of employees receiving regular performance and career development reviews	107		Goal 5: Gender equality Goal 8: Decent work and economic growth
	Forced or Compulsory Labor				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	95		
	103-2	The management approach and its components	95-96		
	103-3	Evaluation of the management approach	54		
	GRI 409 : Forced or Compulsory Labor 2016				
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	95		Goal 8: Decent work and economic growth
	Human Rights Assessment				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	99		
	103-2	The management approach and its components	99		
	103-3	Evaluation of the management approach	99		
	GRI 412 : Human Rights Assessment 2016				
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	99		
	Local Communities				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	127		

GRI Standard	Disclosure		Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	103-2	The management approach and its components	127, 138		Goal 1: No poverty
	103-3	Evaluation of the management approach	127, 128, 129 133, 134, 135, 136		
	GRI 413 : Local Communities 2016				
	413-1	Operations with local community engagement, impact assessments, and development programs	139, 140		
	413-2	Operations with significant actual and potential negative impacts on local communities	140		Goal 1: No poverty Goal 2: Zero hunger
	Customer Health and Safety				
	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	56		
	103-2	The management approach and its components	57-58		
	103-3	Evaluation of the management approach	59		
	GRI 416 : Customer Health and Safety 2016				
	416-1	Assessment of the health and safety impacts of product and service categories	64, 65		
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	GRI 103 : Management Approach 2016				
	103-1	Explanation of the material topic and its Boundary	123		
	103-2	The management approach and its components	123, 124		
	103-3	Evaluation of the management approach	123, 126		

GRI Standard	Disclosure	Page Number/ Direct Answer	Omission	Sustainable Development Goals (SDGs)
	GRI 417 : Marketing and Labeling 2016			
	417-1	Requirements for product and service information and labeling	123	
	417-3	Incidents of non-compliance concerning marketing communications	123	
	Socioeconomic Compliance			
	GRI 103 : Management Approach 2016			
	103-1	Explanation of the material topic and its Boundary	123	
	103-2	The management approach and its components	123	
	103-3	Evaluation of the management approach	123	
	GRI 419 : Socioeconomic Compliance 2016			
	419-1	Non-compliance with laws and regulations in the social and economic area	123	

Reader's Evaluation “Sustainability Report 2018”

1. Which group do you belong to ?

- | | |
|---|---|
| <input type="checkbox"/> Shareholder/Investor | <input type="checkbox"/> Employee/Executives Prukha Holding PCL |
| <input type="checkbox"/> Customer | <input type="checkbox"/> Government Authority |
| <input type="checkbox"/> Business Partner/Counter Partner | <input type="checkbox"/> Press/Media |
| <input type="checkbox"/> Society/Community | <input type="checkbox"/> Student |
| <input type="checkbox"/> Others | |

2. From where did you get the “Sustainability Report 2018” ?

- ☐ Annual General Meeting of The Shareholders (AGM)
- ☐ Website www.psh.co.th
- ☐ Stock Exchange of Thailand www.set.or.th
- ☐ Others

3. With what purposes do you read the “Sustainability Report 2018” ?

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4. Satisfaction towards the “Sustainability Report 2018” ?

- | | | |
|--|------------------------------------|---------------------------------------|
| 4.1 Easy to understand | <input type="checkbox"/> Satisfied | <input type="checkbox"/> Dissatisfied |
| 4.2 The content covers your interested topics | <input type="checkbox"/> Satisfied | <input type="checkbox"/> Dissatisfied |
| 4.3 Credibility of the report | <input type="checkbox"/> Satisfied | <input type="checkbox"/> Dissatisfied |
| 4.4 The report/presentation is nicely designed | <input type="checkbox"/> Satisfied | <input type="checkbox"/> Dissatisfied |
| 4.5 Overall satisfaction | <input type="checkbox"/> Satisfied | <input type="checkbox"/> Dissatisfied |

5 Please let us know your comments/feedbacks/suggestions for improving our next “Sustainability Report 2018” ?

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Kindly submit the form through mail or email at



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**Thank you very much for your kind participation.
Your opinions and feedback would be a great help and support for
our Sustainability Report improvement.**



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**Sustainability Report
2018**



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