

SECTION 1

BUSINESS OPERATION

1. POLICY AND BUSINESS OVERVIEW

King Wai Group (Thailand) Public Company Limited (“the Company”) registered as a Public Limited Company on 1 June 1994. On 18 May 2016, KWT1499 (Thailand) Company Pte. Ltd. (“KWT1499”), which is a subsidiary of King Wai Group, became major shareholder of the Company with 100,000,000 shares in the Company, equivalent to 45.45%.

Following the change of major shareholder, the Company was renamed as King Wai Group (Thailand) Public Company Limited and changed ticker symbol to “KWG” on 20 June 2016.

Real estate development is the core business of KWG, which has the registered and paid-up capital of Baht 2.2 billion as of 31 December 2016.

KING WAI GROUP

King Wai Group is one of Hong Kong based, China’s well-known and most prolific property developers, with a successful corporate history of more than 30 years.

The founder, Dr. Chan King Wai, a member of the National Committee of CPPCC (全國政協委員) and founding Chairman of the Hong Kong China Chamber of Commerce (香港中國商會主席), has extensive network and experience in industrial, finance, international trade and real estate sectors.

In the early years, the group was dedicated to the investment in textile industry. In the late 1980s, Dr. Chan saw the great potential of future economic growth of China and shifted the focus to property development, which has subsequently contributed tremendously to the country, working to meet the needs of its citizens.

Since mid-1990s, King Wai Property Development Co., Ltd. had been established in Shanghai, growing from a burgeoning company into one of China’s forward-looking real estate developers.

The Group has then consistently maintained its position as a forward-thinking pioneer in the industry, developing a large part of properties in cities around Yangtze River Delta, Pearl River Delta and Bohai Sea Rim region thanks to its dedication and foresight.

Through the consistent efforts to improve living quality, the Group developed one of its flagship projects – the Shanghai King Wai City Oasis. The Shanghai King Wai Oasis project is a large-scale mixed-use ecological community with 1.8 million square meters of gross floor areas, dominated by residential masterpiece, retail shopping mall, hotel and other commercial spaces. It is accredited as "China’s first ecological residential role model" by the Ministry of Environmental Protection. The “King Wai City Oasis” brand is now expanded to various cities.

Today the King Wai Group has developed into a conglomerate with impressive and diverse range of businesses in Property Development, Financial Services, E-Commerce and many other investments throughout Asia and North America.

The Group has added to its portfolio of business interests on a global scale, investing in ventures related to its core businesses and associated industries.

With the belief “give back to society from which we take”, Chairman Dr. Chan has made many donations in education and community welfare on behalf of the Group, which deems donation an integral part and continues to support those less fortunate.

Since the founding, Dr. Chan believed, “Responsibility creates value, Mission inspires endeavor”. With this spirit, the Group maintains its focus on providing affordable luxury properties for real people through the development of buildings that are as accessible and exceptional as they are.

KWG is well known and respected in the market for delivering award-winning services across the residential developments. Our reach and capabilities are further reinforced by a strategic network of residential offices in Shanghai, along with long-standing partnerships, which help facilitate solutions for all projects from residential developments to community services.

Today, as a key phase of the development process, KWG’s approach begins with a unique blend of skills and expertise, coupled with the ability to optimize every opportunity. The Group is actively expanding its business by investing in financial services, cross-border supply chain sector at Qianhai Shenzhen and asset management business which is under development in Beijing.

The Group firmly believes our long term success is built on a strong sense of responsibility for our stakeholders and the larger community of which we are an integral part. The Group has long been supporting in various community services and is the sole sponsor for six consecutive years of “China International Credit and Risk Management Conference” organised by China Council for the Promotion of International Trade and American assurance credit and national commerce association, aiming to promote the development of China’s national credit system and the advancement of financial risks management. The Group is also the sole sponsor of the two annual “China Overseas Investment Summit” organised by Hong Kong China Chamber of Commerce, China National Committee and departments.

1.1. KWG’S BUSINESS OVERVIEW

KWG has two landed residential developments in Bangkok under the Villa Arcadia brand. Featured with modern architecture, tropical landscaping and quality finishing, Villa Arcadia Srinakarin and Villa Archadia Watcharapol are located within close proximity to major facilities and amenities, including shopping malls, hospitals and airports. The developments are well-connected to the central business district (CBD) via major transportation modes. Homebuyers of the properties include those from middle-and upper-middle market segments.

Additionally, KWG holds a 28.36% stake in an office development, Jewellery Centre Building, located at the fringe of Bangkok’s CBD.

The Company also holds more than 50% share in six property development companies which include:

- Thai-Kami Company Limited
- Gold Star Property Company Limited
- Top Property Company Limited
- Cornerstone Realty Company Limited

- KWG Explore Limited¹
- NVV Development Company Limited²

1.2. SIGNIFICANT EVENTS IN YEAR 2016

May

The liquidation of subsidiaries: Utayan Property Development Co., Ltd., Utayan Real Estate Development Co., Ltd., and Utayan Urban Development Co., Ltd. completed registration on 12 May 2016 and Utayan Town Development Co., Ltd. completed registration on 13 May 2016.

Keppel Land Limited completed the sale and transfer of 100,000,000 shares in the Company to KWT1499 (Thailand) Company Pte. Ltd. as a result, KWT1499 has become a major shareholder of the Company (45.45%).

- Mr Ng Ooi Hooi resigned as Chairman of the Board and the Executive Committee
- Mr King Wai Chan was appointed as Chairman of the Board and the Executive Committee.
- Mr Antonio Hang Tat Chan) was appointed as Vice Chairman
- Mr Oh Weng Soon resigned as Managing Director
- Mr Yupeng Huang was appointed as Chief Executive Officer
- Mr Yupeng Huang was appointed as Director replace Madam Melissa Tan Siew Ngok who resigned as Director
- Mr Antonio Hang Tat Chan) was appointed as Director replace Mr Lim Kei Hin) who resigned as Director
- Mr Boonyong Yongcharoenrat was appointed as Director replace Mr Oh Weng Soon who resigned as Director

¹ KWG Explore Limited was renamed from Utayan Realty Company Limited on 11 October 2016.

² KWG acquires shares and being a major shareholder on 15 December 2016.

June

- The Company's name was changed from Keppel Thai Properties Public Company Limited to King Wai Group (Thailand) Public Company Limited
- The Securities symbol was changed from "KTP" to "KWG"

Mr Hang Lee Chan and Mr Shaosan Zheng were appointed as Directors

1.3. INVESTMENT POLICY

The Company is focused on investments within the property sector to be in line with our main business of property development for sale. Besides current subsidiaries and associate companies, we will consider further property investments when opportune.

1.4. VISION

To be the pioneering property developer that provides world-class, sustainable and innovative products and services.

1.5. MISSION

We commit to creating values and maximizing long-term sustainable returns while being mindful of our overall responsibilities.

1.6. SLOGAN

Responsibility creates value, Mission inspires endeavor.

1.7. CORE VALUES

Responsibility: We are responsible for our actions and understand their impact on others. We respect local culture, community and heritage and will strive to uphold the highest standards of corporate governance, ethics and environmental policy.

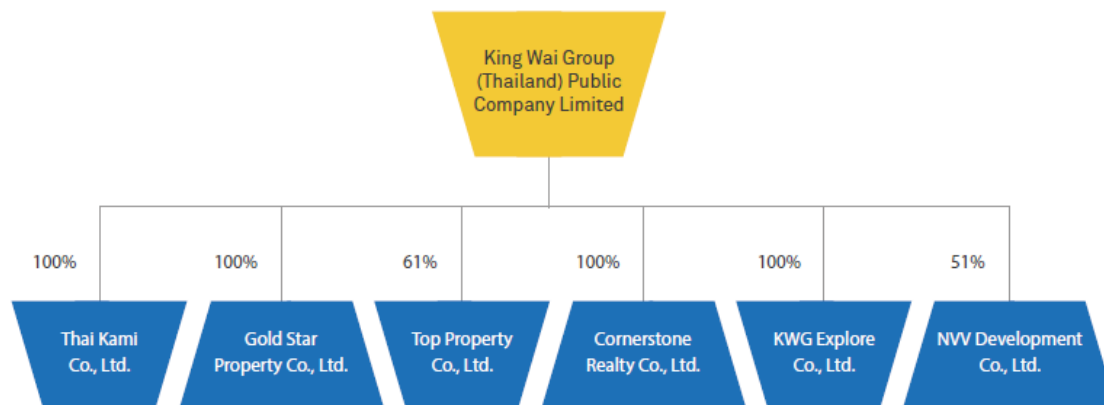
Quality: We strive for professional excellence to the highest standards possible to deliver supreme quality products and services.

Sustainability: We are a responsible institution who makes a difference by building and supporting sustainable communities and environment. We strive for providing sustainable growth and profitable returns.

Creativity: We emphasize on continually enhancing our products, services and also our cultures by embracing innovation and encouraging the pursuit of new opportunities.

1.8. INVESTMENT STRUCTURE

as at 31 December 2016



2. NATURE OF BUSINESS

Revenue of King Wai Group (Thailand) Public Company Limited (“KWG”) and its subsidiaries as at 31 December 2016

Revenue (Million Baht)								
Product Line / Business Group	Operated by	% Shares held by KWG	2016	%	2015	%	2014	%
Lease and Services of Office space	KWG	-	40.82	7.09	39.16	12.20	36.87	10.21
Sale of land and houses	Thai-Kami	100	266.30	46.24	242.82	75.62	247.06	68.42
	Gold Star	100	21.30	3.70	25.31	7.88	31.69	8.78
	Cornerstone	100					17.52	4.85
	Top Property	61					12.98	3.59
Others	-	-	247.49	42.97	4.5	4.14	14.96	1.07
Total	-	-	575.91	100.0	311.79	100.00	361.08	100.00

Note: Details of revenue of KWG and its subsidiaries are disclosed in the Company’s Financial Statements

2.1. BUSINESS OPERATIONS OF THE COMPANY AND ITS SUBSIDIARIES

KWG and its subsidiaries are in the main business of property development of homes for sale as well as the leasing of a commercial building.

2.1.1. Property development for sale

VILLA ARCADIA SRINAKARIN

Comprising 365 detached houses within a gated community, Villa Arcadia Srinakarin is situated close to the Suvarnabhumi International Airport. It is well-connected to the central business district (CBD) via the highway and the Karnchanapisek Outer Ring Road. The development enjoys convenient access to amenities such as prestigious international schools, hospitals and shopping centres which are located in its vicinity. New community mall was recently established in December 2016 which increases the flourishing of the vicinity. The new Yellow monorail line, expected to commence operations in 2020, will further enhance the commute between Villa Arcadia Srinakarin and the CBD.

Phase One, comprising 209 units, is 98.5% sold as at 28 February 2017. Phase Two comprises 156 houses, is about 58.9% sold as at 28 February 2017.

VILLA ARCADIA WATCHARAPOL

Villa Arcadia Watcharapol is single detached house project. Well-connected by the Ram Intra-Art Narong Expressway and Karnchanapisek Outer Ring Road, the development is about a 30-minute drive from the CBD. Six-lane road, Phahonyothin-Rattanakosin Sompotch, completed in 2015 further connects the development to east and west of Bangkok. The vicinity where Villa Arcadia Watcharapol is located is well-known for its variety of food and beverage outlets. Moreover well-known schools and hospitals are located in the vicinity.

Future transportation enhancements planned include the addition of the new Green skytrain line which is expected to commence operations in 2018 as well as the new Gray monorail line which is on the process of EIA. The Green skytrain line will provide easier access to the CBD area of Sukhumvit as well as for those heading further east to Samutprakarn Province. The addition of the Gray monorail line will further improve accessibility from the CBD to the Chaopraya River.

About 60.0% of the 45 launched units have been sold as at 28 February 2017.

2.1.2. Other operations

JEWELLERY CENTRE BUILDING

Jewellery Centre Building, a 34-storey commercial building, is located at the fringe of the Bangkok's Central Business District (CBD) along Nares Road, Sipraya Sub-district, Bangrak District, Bangkok. It is located in walking distance to a subway station and a sky train station.

The building was about 90.6% leased out as at 28 February 2017.

2.2. MARKET ANALYSIS

KWG conducts regular market research to keep abreast of market trends. The Company collects primary and secondary data of

- Economy data of Thailand, Region and World
- Real Estate Market data
- Strategies of competitors and performances
- Any other indicators for market trend
- Other related information

KWG monitors the market for any changes via reports by established and reliable real estate analysis companies, actual and forecasted indicative data from the government and other reliable sources. KWG also collects data from our own survey on the competitors which we keep us update on the competition.

The Company has identified and defined market opportunities and issues through regular analyses. The Company has detailed action plans in place which it will implement when opportune.

2.2.1. Thailand Economy

2016 Thailand's economy was fluctuated. The global economy continued to be stagnant in 2016 which impacted on the slowdown of export of Thailand. Private investment was slow down. Thailand's economy relied on private and government investment, and private consumption to support economy in 2016. Due to government's measure to curb illegitimate tour operators, tourism sector slowed down in 4Q2016 and is expected to recover in 2017.

In 2016, Thailand's government issued stimulus package at the end of 2016 to boost private spending. With government's support, mass transits continued to expand in Bangkok and vicinities as planned.

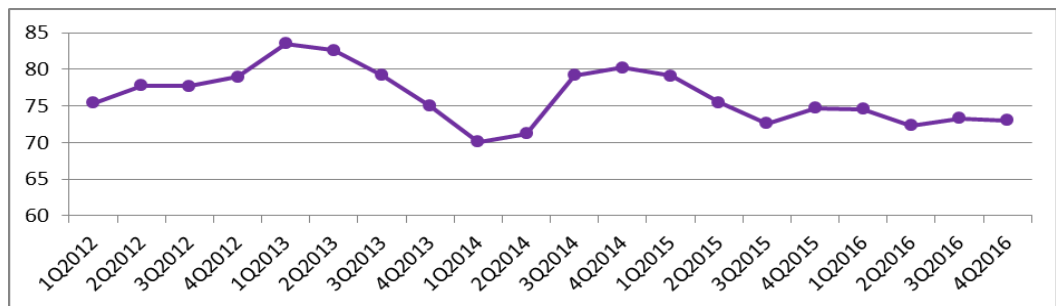
Thailand Economic Data

% Growth Year on Year	2015	2016	2017(F)
Gross Domestic Product (GDP)	2.8	3.2	3.2
Inflation rate	-0.9	0.2	1.5
Private Consumption	2.1	3.1	2.6
Export of Good and Service	-5.6	-0.6	0.0

Source: Bank of Thailand and forecasted by the Thai Fiscal Policy Office and the Economist Intelligence Unit

Consumer confidence Index

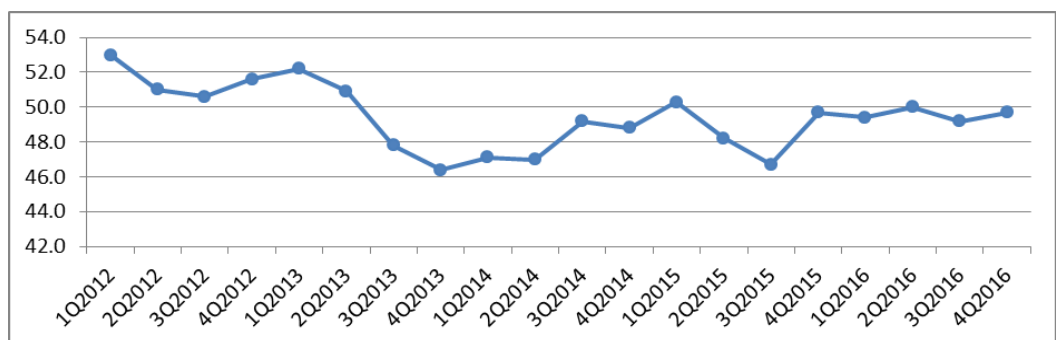
	2Q2012	4Q2012	2Q2013	4Q2013	2Q2014	4Q2014	2Q2015	4Q2015	2Q2016	4Q2016
Consumer Confidence Index	77.8	79.0	82.6	75.0	71.2	80.2	75.5	74.7	72.3	73.0



Source: University of Thai Chamber of Commerce, Thailand

Business Sentiment Index

	2Q2012	4Q2012	2Q2013	4Q2013	2Q2014	4Q2014	2Q2015	4Q2015	2Q2016	4Q2016
Business Sentiment Index	51.0	51.6	50.9	46.4	47.0	48.8	48.2	49.7	50.0	49.7



Source: Bank of Thailand

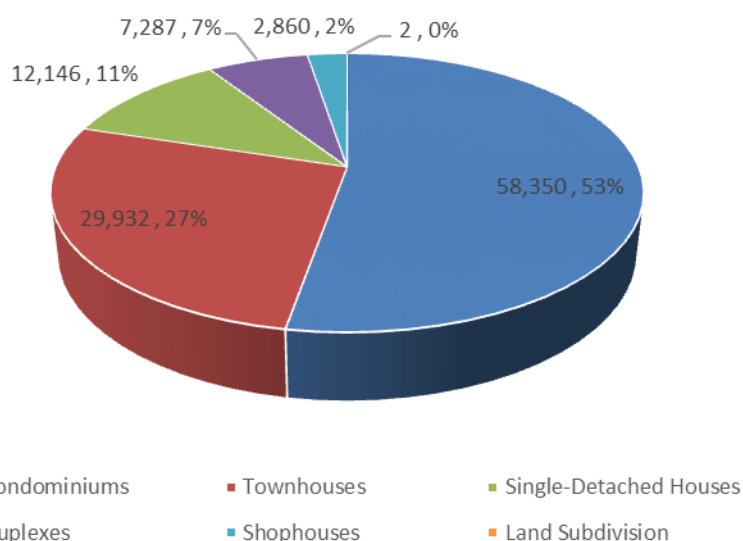
2.2.2. Overall Property Market

In 2016, the Agency for Real Estate Affairs (Thailand) reported that overall residential supply in Bangkok and its vicinity stood at 282,482 units, a 2.5% increase from 275,547 units in 2015. Overall residential demand in Bangkok and its vicinity stood at 98,153 units, a 5.3% decrease from 103,642 units in 2015.

Overall new residential supply in Bangkok and its vicinity stood at 110,577 units, a 2.2% increase from 108,158 units in 2015. Meanwhile, the overall value of new residential supply stood at Baht 382,110 million, a 12.2% decrease from Baht 435,056 million in 2015.

New units in Bangkok and its vicinity in 2016 by development type

Development Type	Number of Units	Percentage
Condominiums	58,350	53
Townhouses	29,932	27
Single-Detached Houses	12,146	11
Duplexes	7,287	7
Shophouses	2,860	3
Land Subdivision	2	0
Total	110,577	100



Source: Agency for Real Estate Affairs (Thailand)

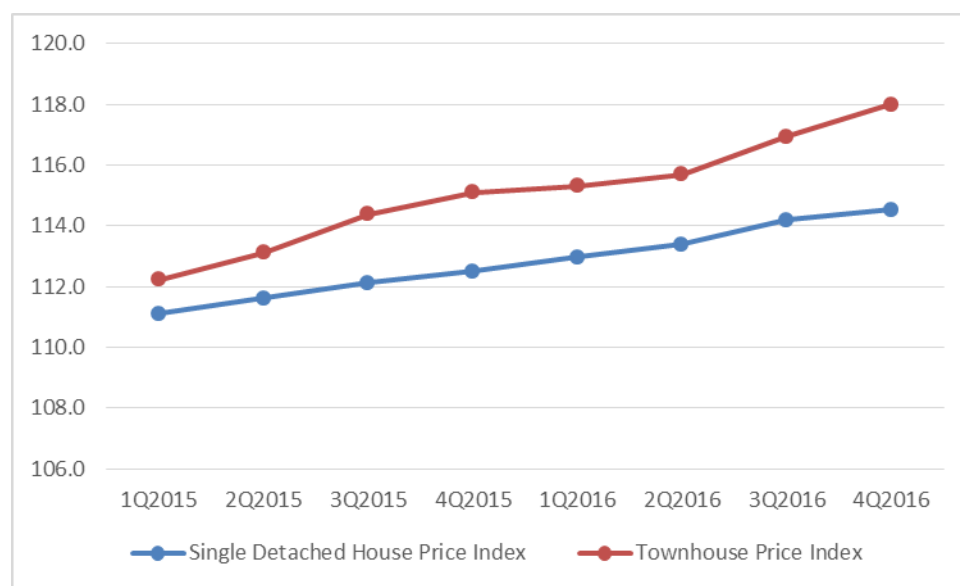
2.2.3. Landed Homes

In 2016, prices of landed homes continued to rise due to the rise of land price. According to Thailand's Real Estate Information Center, in 4Q2016 prices of singled detached houses in Bangkok and its vicinity increased by 1.8% year-on-year (y-o-y) while prices of townhouses in Bangkok and its vicinity increased by 2.5% y-o-y.

The landed residential sector remained quiet. In 2016, the Agency for Real Estate Affairs (Thailand) reported that overall new landed homes in Bangkok and its vicinity stood at 49,365 units, a 15.8% increase from 42,637 units in 2015. Meanwhile the overall value of new landed homes stood at Baht 177,529 million, a 4.1% decrease from Baht 185,184 million in 2015.

Price indices of Single Detached Houses and Townhouse

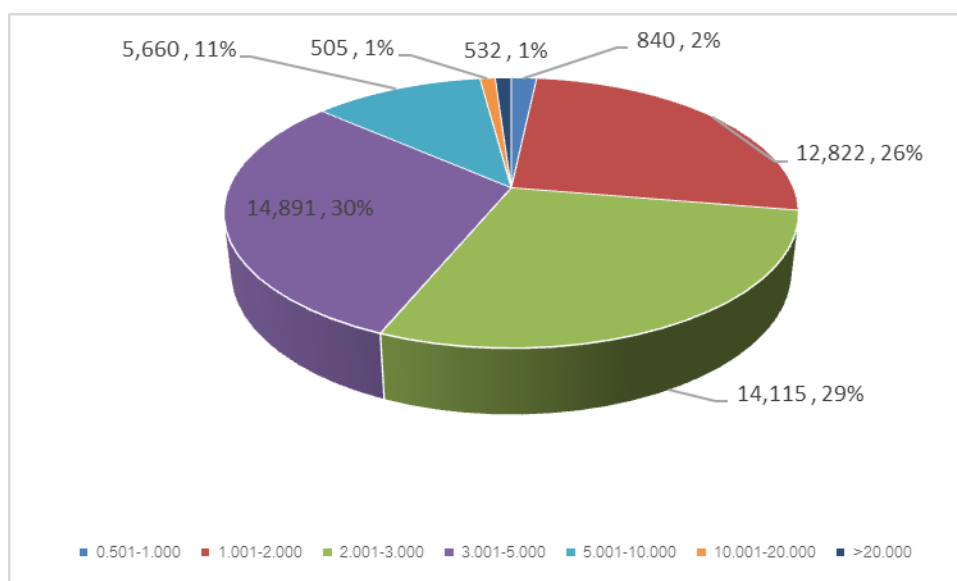
	1Q2015	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
Single Detached House Price Index	111.1	111.6	112.1	112.5	113.0	113.4	114.2	114.5
Townhouse Price Index	112.2	113.1	114.4	115.1	115.3	115.7	116.9	118.0



Source: Real Estate Information Center (Thailand)

New landed homes in Bangkok and its vicinity in 2016 by unit price

Price Range (MB/Unit)	Number of Units	Percentage
0.501-1.000	840	2
1.001-2.000	12,822	26
2.001-3.000	14,115	29
3.001-5.000	14,891	30
5.001-10.000	5,660	11
10.001-20.000	505	1
>20.000	532	1
Total	49,365	100



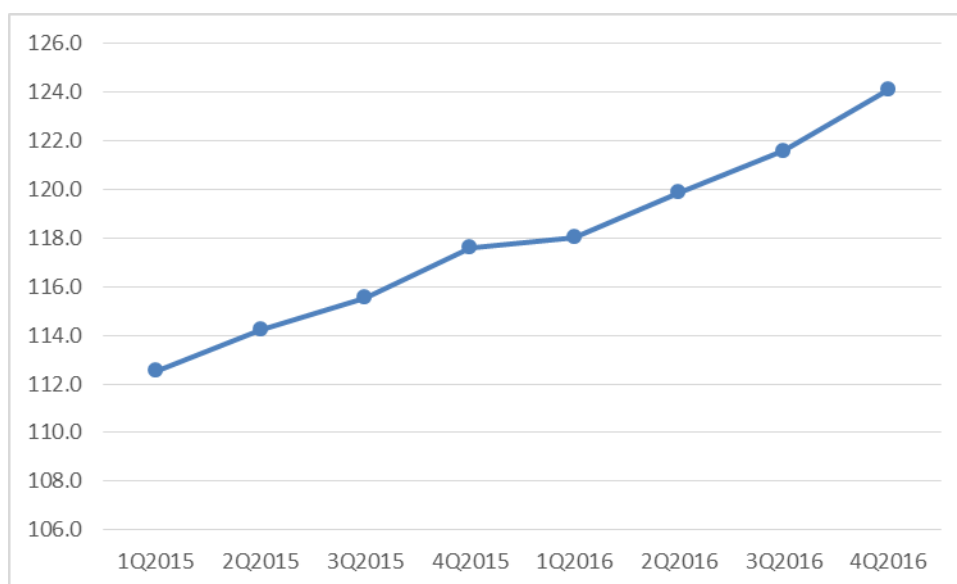
Source: Agency for Real Estate Affairs (Thailand)

2.2.4. Condominium Sector

In 2016, prices of condominiums continued to rise due to the rise of land price. According to Thailand's Real Estate Information Center, in 4Q2016 prices of condominiums in Bangkok and its vicinity increased by 5.5% y-o-y.

Price indices of Condominiums

	1Q2015	2Q2015	3Q2015	4Q2015	1Q2016	2Q2016	3Q2016	4Q2016
Condominium Price Index	112.5	114.2	115.6	117.6	118.0	119.9	121.6	124.1

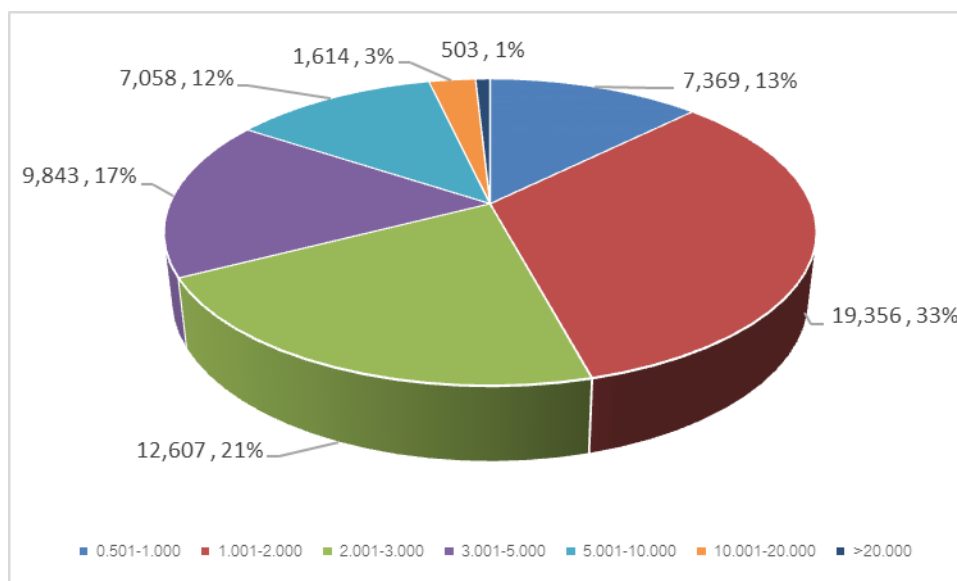


Source: Real Estate Information Center (Thailand)

The number of new condominium units decreased in 2016. In 2015, the Agency for Real Estate Affairs (Thailand) reported that overall new condominium units in Bangkok and its vicinity stood at 58,350 units, a 7.1% decrease from 62,833 units in 2014. Meanwhile the overall value of new condominium units stood at Baht 192,659 million, a 19.2% decrease from Baht 238,567 million in 2014.

New condominiums in Bangkok and its vicinity in 2015 by unit price

Price Range (MB/Unit)	Number of Units	Percentage
0.501-1.000	7,369	13
1.001-2.000	19,356	33
2.001-3.000	12,607	22
3.001-5.000	9,843	17
5.001-10.000	7,058	12
10.001-20.000	1,614	3
>20.000	503	1
Total	58,350	100



Source: Agency for Real Estate Affairs (Thailand)

2.3. PROCUREMENT

2.3.1. Land Acquisition

KWG seeks to acquire well-located land plots at competitive prices for real estate project developments for sale and/or for lease. The Company works closely with land owners, real estate agents and broker firms to source sites that are well-located and well-served by amenities. The Company has developed a list of reliable contacts including real estate agents and brokerage firms with established track records. KWG also retains and updates its database of land and property prices in Bangkok and areas in the vicinity collated from government and other reliable sources. The Company has clear and examinable procedures for acquisition of land plots, and also times development timelines to ensure the best time to enter the market.

2.3.2. Procurement of Construction Material

Most of KWG's construction materials are generally procured through its main contractors. KWG also maintains a database of prices of construction materials collated from government and other reliable sources. The Company enforces stringent guidelines and transparent purchase procedures to ensure quality and price of the materials. KWG will continue to work closely with trusted suppliers to deliver quality materials on time and within budget. Most of KWG's construction materials are sourced and purchased locally. In some cases, the Company purchases some materials on its own.

2.3.3. Selection of Contractors

KWG has a strict and transparent evaluation process for appointment of its contractors and will continue to maintain and grow a reliable network of quality contractors.

In selecting its contractors, KWG works with contractors with a good track record and strong financials for tender procedures. KWG conducts background checks including past projects, market reputation and financial records. The Company places strong emphasis on the transparency of the hiring process, which promotes fair competition among contractors. KWG will continue to hire and work with quality contractors to produce high quality products on time and within budget.

2.3.4. Hand-over

As at 31 December 2016, 12 residences with a total sales value of Baht 98,100,000 have been sold. These have yet to be transferred. These units will be transferred to home buyers within 2017.

3. RISK FACTORS

Recognising that risk management is an integral part of KWG's strategic and operational processes, the Company has in place a risk management framework to ensure swift response to potential challenges, as well as the ability and agility to leverage new opportunities and adapt in the changing business environment.

KWG has identified the following key risks and the appropriate mitigating actions:

3.1. SHORTAGE OF QUALITY CONTRACTORS

The Company is committed to providing quality products to our customers. Consequently we emphasise on hiring quality contractors. Shortage of skilled labour will impact the quality and delivery of work, resulting in higher costs.

KWG had developed a strict evaluation process in place for the appointment of its contractors. We had developed database of contractors with reliable proved work records. We have continued to seek and interview new reliable contractors. We maintain and grow a reliable network with quality contractors.

During construction procedure, we have evaluation process to appraise contractors' work quality closely and constantly and feedback the contractors immediately for their performance improvement.

3.2. LAND ACQUISITION

Land acquisition is a significant key of company competitiveness strategy. Land plot, situated closed to facilities with affordable land price and excellent connectivity is ideal land plot for real estate development.

High land costs could result in the Company facing challenges in acquiring good sites at competitive prices. KWG continues to work with selected agents and brokerage firms to source for well-located sites at good prices and also deals directly with landowners. KWG is constantly seeking opportunities to acquire land plots with good value propositions and excellent connectivity to mass transits, expressways, and/or main roads.

3.3. FLUCTUATIONS IN CONSTRUCTION MATERIAL PRICES

Construction material prices constantly fluctuate. According to Thailand's Real Estate Information Center, overall construction material price index in 2016 decreased 2.7% year-on-year. KWG had developed database system to watch closely for the material price from reliable suppliers. To diversify risk, KWG purchased some specific construction materials while KWG's contractors are responsible to supply some specific materials on fixed payment sum.

KWG will continue to work closely with contractors to plan for and purchase materials at lower prices over extended periods of time.

3.4. INTEREST RATE FLUCTUATIONS

KWG has a short-term project loan from a financial institution, its interest rate dependent on Money Markets' floating rates. Over the course of 2016, the Bank of Thailand kept interest rates low, with local financial institutions also maintaining correspondingly low interest rates. However, in the event of an economic expansion, local banks and financial institutions may hike

up interest rates, resulting in higher financing cost for the Company. KWG will effectively utilise and seek various financial instruments where appropriate to hedge against interest rate fluctuations.

3.5. FOREIGN EXCHANGE RISK

KWG still hold some loans denominated in foreign currencies and is therefore subject to foreign exchange risk. The Company continues to seek funding options in Thai Baht to minimise its risk in foreign exchange fluctuations.

4. ASSETS OF THE COMPANY

As at 31 December 2016

Property Name	Jewellery Centre Building
Company	King Wai Group (Thailand) Public Company Limited
Location	138 Nares Road, Sipraya Sub-District, Bangrak District, Bangkok 10500 Thailand
Type of Asset	34-storey commercial building covering a total gross area of 42,833.78 sq.m.
Asset Area	The Company holds 28.36% of the total gross area (12,145.64 sq.m.) of the building
Net Book Value	Baht 405,700,000.00
Appraisal Value	Baht 405,700,000.00
Appraisal Date	28 November 2016
Appraisal Company	Agency For Real Estate Affairs
Right / Possession	Freehold
Collateral	None

Property Name	Sukhapiban 3 Mansion
Company	Gold Star Property Company Limited
Location	22/1 Sukhapiban 3 Road, Hua Mak Sub-District, Bang Kapi District, Bangkok 10240, Thailand
Type of Asset	19-storey residential condominium with 1,024 units
Asset Area	The Company owns 2 units with a total gross area of 119.21 sq.m.
Net Book Value	Baht 2,390,000.00
Appraisal Value	Baht 2,500,000.00
Appraisal Dated	28 November 2016
Appraisal Company	Agency For Real Estate Affairs
Right / Possession	Freehold
Collateral	None

Property Name	Villa Arcadia Watcharapol
Company	Top Property Company Limited
Location	Soi Watcharapol, Tha Raeng Sub-District, Bang Khen District, Bangkok 10220, Thailand
Type of Asset	Freehold land which will yield 270 units of two-storey detached houses when completed
Asset Area	The Company holds a total gross area of 72-2-16.5 Rai
Net Book Value	Baht 754,109,894.00
Appraisal Value	Baht 743,080,000.00
Appraisal Dated	29 November 2016
Appraisal Company	Agency For Real Estate Affairs
Right / Possession	Freehold
Collateral	None

Property Name	Villa Arcadia Srinakarin
Company	Thai-Kami Company Limited
Location	Bang Kaew Sub-District, Bang Phli District, Samut Prakan Province, Thailand
Type of Asset	Freehold land which will yield 365 units of two-storey detached houses when completed
Asset Area	The Company holds a total area of 41-1-85.3 Rai
Net Book Value	Baht 378,312,924.00
Appraisal Value	Baht 489,484,400.00
Appraisal Dated	30 November 2016
Appraisal Company	Agency For Real Estate Affairs
Right / Possession	Freehold
Collateral	Partial mortgage

Property Name	Land
Company	Thai-Kami Company Limited
Location	1 Moo 5, Phaholyothin (TorLor. 1) Road, Mai Ngam Sub-District, Muang Tak District, Tak Province, Thailand
Type of Asset	The land is vacant with the factory having ceased operations since 2000, and was demolished in 2015. The machinery has been divested as at early 2002
Asset Area	The Company holds a total gross area of 60–2–70 Rai
Net Book Value	Baht 25,480,000.00
Appraisal Value	Baht 25,480,000.00
Appraisal Dated	29 November 2016
Appraisal company	Agency For Real Estate Affairs
Right / Possession	Freehold
Collateral	None

Property Name	The Trio Chiang Mai (previously “Chiang Mai VIP Tower”)
Company	Thai-Kami Company Limited
Location	118 Moo 1, Huay Kaew Road, Chang Pueak Sub-District, Muang District, Chiang Mai Province, Thailand
Type of Asset	Four-storey commercial building
Asset Area	The Company owns four units with a total area of 890.88 sq.m
Net Book Value	Baht 23,200,000.00
Appraisal Value	Baht 23,200,000.00
Appraisal Date	28 November 2016
Appraisal Company	Agency For Real Estate Affairs
Right / Possession	Freehold
Collateral	None

Property Name	Land
Company	NVV Development Company Limited
Location	Phahonyothin (Tor Lor 1) Road, Lamsai Sub-District, Wongnoi District, Ayutthaya Province, Thailand
Type of Asset	Vacant land and field
Asset Area	The Company holds a total gross area of 1,094-3-7 Rai
Net Book Value	Baht 751,200,000.00
Appraisal Value	Baht 751,200,000.00
Appraisal Dated	13 December 2016
Appraisal Company	Agency For Real Estate Affairs
Right / Possession	Freehold
Collateral	None

5. LEGAL DISPUTE

As at 31 December 2016, the Company and its subsidiaries have had no litigation being defendant of which capital over 5 percent of shareholders' equity, however litigation presence would not materially and adversely affect financial conditions of the Company.

6. CORPORATE INFORMATION AND OTHER REFERENCES

6.1. CORPORATE INFORMATION

Name of Issuer	: King Wai Group (Thailand) Public Company Limited
Symbol	: KWG
Business	: Property Development
Registration Number	: 0107537001951 (previous Bor.Mor.Jor. 442)
Head Office	: Jewellery Centre Building, 30th Floor, 138/108 Nares Road, Sipraya Sub-District, Bangrak District, Bangkok 10500 Thailand
Website	: http://www.kwgthai.com
Telephone Number	: (662) 237-1999
Fax	: (662) 237-2666
Registered Capital	: Baht 2,200,000,000
Paid-up Capital	: Baht 2,200,000,000
Class of Share	: Ordinary Share
Total issued shares	: 220,000,000 Ordinary Shares
Par Value	: Baht 10 per share
Company Secretary	: Ms Supattra Tasilapa King Wai Grup (Thailand) Public Company Limited Jewellery Centre Building, 30th Floor 138/108 Nares Road, Sipraya Sub-District, Bangrak District, Bangkok 10500, Thailand Tel: (662) 237-1999 Fax: (662) 237-2666 E-Mail: supattra@kwgthai.com
Listing on Stock Exchange	: The Stock Exchange of Thailand The Stock Exchange of Thailand Building 93 Ratchadapisek Road, Dindaeng District, Bangkok 10400, Thailand Tel: (662) 009-9000 Fax: (662) 009-9991 www.set.or.th

Other Reference

- Securities Registrar** : Thailand Securities Depository Company Limited (TSD)
The Stock Exchange of Thailand Building
93 Ratchadapisek Road, Dindaeng District, Bangkok 10400,
Thailand
Tel: (662) 009-9000 Fax: (622) 009-9991
<http://www.tsd.co.th>
- Auditor** : Mr Vichien Khingmontri
Certified Public Accountant (Thailand) No. 3977
PricewaterhouseCoopers ABAS Ltd.
15th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road,
Thungmahamek, Sathorn, Bangkok 10120 Thailand
Tel: (662) 234-4100 Fax: (662) 286-5050

INFORMATION OF SUBSIDIARIES

King Wai Group (Thailand) (KWG) directly holds share more than 50 percent in six (6) property development companies. These include:

Name and Address	Type of Business	Total Shares Issued	Shareholding	
			No. of Shares	Percentage
Thai-Kami Co., Ltd. 30th Floor, Jewellery Centre Building 138/108 Nares Road, Sipraya, Bangrak, Bangkok 10500 Thailand Tel (662) 237-1999 Fax (662) 237-2666	Property Development	Ordinary Share 37,475,000	37,474,991 Shares	100.00
Gold Star Property Co., Ltd. 30th Floor, Jewellery Centre Building 138/108 Nares Road, Sipraya, Bangrak, Bangkok 10500 Thailand Tel (662) 237-1999 Fax (662) 237-2666	Property Development	Ordinary Share 4,091,000	4,090,991 Shares	100.00
Top Property Co., Ltd. 30th Floor, Jewellery Centre Building 138/108 Nares Road, Sipraya, Bangrak, Bangkok 10500 Thailand Tel (662) 237-1999 Fax (662) 237-2666	Property Development	Ordinary Share 4,780,000 Preferred Share 854,000	Ordinary Share 2,915,791 Preferred Share 520,940	61.00
Cornerstone Realty Co., Ltd. 30th Floor, Jewellery Centre Building 138/108 Nares Road, Sipraya, Bangrak, Bangkok 10500 Thailand Tel (662) 237-1999 Fax (662) 237-2666	Property Development	Ordinary Share 10,000	9,991 Shares	100.00
KWG Explore Limited (Utayan Realty Co., Ltd.) 30th Floor, Jewellery Centre Building 138/108 Nares Road, Sipraya, Bangrak, Bangkok 10500 Thailand Tel (662) 237-1999 Fax (662) 237-2666	Property Development	Ordinary Share 10,000	9,998 Shares	100.00

Name and Address	Type of Business	Total Shares Issued	Shareholding	
			No. of Shares	Percentage
NVV Development Co.,Ltd. 43 Thai CC Tower, 26th Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel (662) 237-1999 Fax (662) 237-2666	Property Development	Ordinary Share 500,000	254,999 Shares	51.00

6.2. OTHER INFORMATION

No further information which would have a material effect to the investor decision making.