



# ANNUAL REPORT 2017

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SANSIRI PUBLIC COMPANY LIMITED



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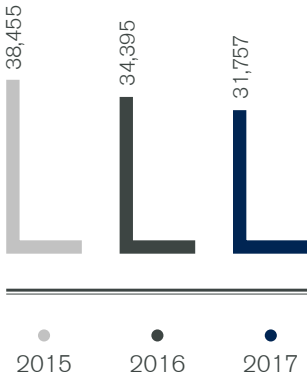


# FINANCIAL HIGHLIGHTS

(Unit: Million Baht)

		2015	2016	2017
Total Revenue	THB Million	38,455	34,395	31,757
Revenue from Project Sales	THB Million	35,152	30,099	26,080
Net Profit	THB Million	3,506	3,380	2,825
Total Assets	THB Million	69,451	72,774	80,150
Total Shareholders' Equity	THB Million	27,198	28,096	30,478
Gross Profit Margin (of Core Revenue)	%	29.34	30.52	31.00
Net Profit Margin	%	9.12	9.83	8.89
Debt-to-Equity	Times	1.55	1.59	1.63
Gearing Ratio	Times	1.23	1.15	1.17
Net Gearing Ratio	Times	1.13	1.02	1.07
Book Value per Share	Baht	1.91	1.97	2.13
Earnings per Share	Baht	0.25	0.24	0.20

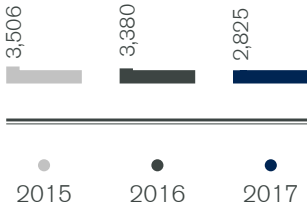
Total Revenue  
Million Baht



Revenue from Project Sales  
Million Baht



Net Profit  
Million Baht



Total Asset  
Million Baht



Remark: Financial figures are based on the consolidated financial statements.





## CHAIRMAN'S MESSAGE

The political stability and the modest recovery in both domestic and global economies in 2017 contributed to the continual growth in the property sector. Sansiri presales last year reached 38,565 Million Baht, a 24 percent growth, notably from an encouraging recovery in tourism related provinces such as Chiangmai, Pattaya, Phuket, etc. Sansiri were again highly successful in marketing our products overseas with our international sales reaching 9,284 Million Baht, representing a remarkable 71 percent growth.

In 2017, Sansiri-BTS group joint ventures continue to prosper with launching of another 3 condominium developments worth 12,000 Million Baht. And for the first time, Sansiri entered into a partnership with a leading Japanese conglomerate, Tokyu Corporation, to jointly develop a 2,100 Million Baht condominium in Sukhumvit area. Sansiri hopes that this partnership with Tokyu Corporation will strengthen our penetration into Japanese buyer market.

For the last few years, Sansiri has recognised the scale of the disruptive nature in the residential property sector by the fast-moving technologies, especially within the millennial-generation segment. Thus, late last year Sansiri announced a 2,800 Million Baht investment in 6 world-class technology and lifestyle, asset-light businesses, - The Standard, Monocle, JustCo, Hostmaker, Farmshelf, and One Night. These investments were in line with Sansiri vision to put more focus on meeting the next generation demands on how they live, work and play through their experiences with new technologies and media.

With our relentless efforts in conducting good business ethics, corporate governance and social responsibility, Sansiri entered into an agreement with UNICEF to continuously promote Thai and Global Youth Development Programme for the seventh year running. And since 2007, Sansiri has applied the child safety zone under "The Good Space" concepts to over 31 construction sites in 31 provinces and offering free vaccinations to no less than 200 children in the construction campuses each year.

Finally, I would like to thank our shareholders, customers, financial institutions, the media and all our business partners, without whose support Sansiri would not have been able to succeed.

A stylized, handwritten signature in white ink.

**Kovit Poshyananda**  
Chairman



# CHIEF EXECUTIVE OFFICER'S MESSAGE

In 2017, a modest growth in domestic and global economic conditions encouraged the positive growth in overall property market. To provide a great return to shareholders, Sansiri had adjusted our business strategies in line with the rapid changes in technology and people's lifestyle. Also, we launched a total of 14 projects, worth 37,239 Million Baht, consisting of 4 single-detached house projects worth 8,948 Million Baht, 2 townhouse and mixed projects worth 1,046 Million Baht, and 8 condominium projects worth 27,245 Million Baht. Presales rose up to 38,565 Million Baht, growing 24 percent from 2016. The growth was reflected from the improvement in upcountry market gaining presales up to 7,980 Million Baht, growing 34 percent from 2016, and also from international market gaining presales up to 9,284 Million Baht, growing 71 percent from 2016. This is the highest international sales ever recorded which proves that we have had a very good success in the international market penetration.

In the past year, the dramatic growth change in technology drove company's decision to invest approximately 2,800 Million Baht in 6 international brands under "asset light" business models. The investments focused on 3 main areas. First, strategic investment in global lifestyle brands such as hotel management business (The Standard) and co-working space (JustCo). Second, enhancing influence and audience through premium lifestyle media such as printing media business (Monocle). Third, developing property technologies in partnership with industry disruptors such as booking application (One Night), home rental management service (Hostmaker) and a creator of innovative automated growing systems (Farmshelf).

In 2018, Sansiri still strives to pursuit new investments for sustainable growth through developing residential projects to meet the need of millennial's lifestyle and adapt itself to the disruptive technologies. I believe that every staff and management have worked extremely hard this year to reach our goals. On behalf of the Company, I would like to thank every member of the staff for their dedication and hope for their continued support in order to strengthen Sansiri as a leading Thai developer and to contribute to society that may lead to the country's sustainable development in the future.



**Apichart Chutrakul**  
Chief Executive Officer





# BOARD OF DIRECTORS



**Mr. Kovit Poshyananda**  
- Chairman of the Board  
(Independent Director)



**Mr. Apichart Chutrakul**  
- Vice-Chairman  
- Chief Executive Officer



**Mr. Jesadavat Priebjivat**  
- Independent Director  
- Chairman of Audit Committee  
- Chairman of Nomination and Compensation Committee  
- Chairman of Risk Management Committee  
- Member of Corporate Social Responsibility Committee



**Mr. Thongchai Jira-alongkorn**  
- Director



**Mr. Porntat Amatavivadhana**  
- Independent Director  
- Member of Nomination and Compensation Committee  
- Member of Corporate Governance Committee  
- Member of Corporate Social Responsibility Committee



**Mr. Srettha Thavisin**  
- Director  
- President  
- Chairman of Corporate Social Responsibility Committee



**Mr. Wanchak Buranasiri**  
- Director  
- Chief Financial Officer  
- Member of Risk Management Committee  
- Member of Corporate Governance Committee



**Mr. Supanit Chaiyawat**  
- Independent Director  
- Member of Audit Committee  
- Member of Risk Management Committee



**Mr. Kittichai Raktakanit**  
- Independent Director  
- Chairman of Corporate Governance Committee  
- Member of Audit Committee  
- Member of Nomination and Compensation Committee  
- Member of Risk Management Committee



**Mr. Vichaya Chatikavanij**  
- Director  
- Member of Risk Management Committee  
- Member of Corporate Governance Committee

# REPORT OF THE AUDIT COMMITTEE

## Dear Shareholders,

The Audit Committee of Sansiri Public Company Limited composes of three independent directors, who have professional proficiency in the fields of management. They are Mr. Jesadavat Priebjivat as a Chairman of the Audit Committee with other two members, Mr. Supanit Chaipayawat and Mr. Kittichai Raktakanit.

The Audit Committee performs the tasks assigned to it by the Board of Directors. It acts independently, however, and is unconstrained in its access to information and always receives good cooperation from the Company, in conformity to regulations of The Stock Exchange of Thailand. In 2017, the Audit Committee held six meetings; consisting of five regular meetings and one special meeting attended only by the committee members and the Company's external auditors without the presence of any management of the Company. Moreover, the Audit Committee also discussed and exchanged views with the management, the external auditors, as well as its internal audit officer as deemed appropriate.

The Audit Committee has not only supported the Board of Directors to perform its duties and responsibilities but also closely monitored to ensure the good corporate governance. Its performance are summarised as follows:

### 1. Review of The 2017 Financial Statements

The Audit Committee reviewed the quarterly and annual financial statements of Sansiri Public Company Limited, as well as its consolidated quarterly and annual financial statements that were reviewed and audited by the independent auditors, who are certified public accountants to the Board of Directors for approval; the Audit Committee had reviewed these statements based on its queries and explanations provided by the management. The Audit Committee is of the opinion that these financial reports were in conformity to generally accepted accounting principles, accurate, complete, and reliable with a sensible choice of accounting policies, as well as provided sufficient disclosure.

### 2. Review of Internal Control System

The Audit Committee has regularly reviewed internal control system in cooperation with the internal audit officer, and also has made suggestions on improving effectiveness of internal control. The review shows that the Company's internal control system is sufficient, appropriate and being regularly updated to cope with the changing environment, as well as comply with all applicable laws and relevant regulations affecting operations of the Company. In addition, the Audit Committee has emphasised that the management must continue improving the internal control system to be highly effective at all times.

### 3. Review of Disclosure of Connected Transactions and Potential Conflicts of Interest

The Audit Committee has examined and reviewed the disclosure of intercompany transactions that might have occurred between the Company, its subsidiaries, and its associated companies which may represent conflicts of interest. The review showed full and sufficient disclosure that complied accordingly with requirements of The Stock Exchange of Thailand. The Audit Committee is of the opinion that such transactions were part of the normal course of business, on an arm's length basis and fair conditions, and in the best interests for the Company.

### 4. Review of Compliance with Laws and Regulations

The Audit Committee has regularly reviewed the processes and procedures to ensure compliance with regulations regarding securities and The Stock Exchange of Thailand, guidelines by The Stock Exchange of Thailand, and other related business acts. The Audit Committee is of the opinion that the Company has always acted in compliance with laws, regulations and relevant rules.

### 5. Overseeing and Monitoring the Internal Control Matters

The Audit Committee, in cooperation with the internal audit officer, has reviewed the report on internal control matters on quarterly basis. The information technology system was also continuously developed and fully utilised to support the auditing work. The Audit Committee is of the opinion that the internal control was conducted in the independent and effective manners with the sufficiently elaborate information security safeguards. Moreover, the summary of findings and the guidelines to prevent or mitigate any potential risks were sent to the involved parties for their further actions.

### 6. Good Corporate Governance

The Company realises the importance of good corporate governance and has focused our operations to ensure the efficiency, transparency, and good business ethics, resulting in our integrity known among shareholders, investors, and all parties involved.

### 7. Overseeing and Monitoring the Anti-Corruption Policy

The Audit Committee has reviewed the Audit Committee Charter in the areas of the Audit Committee's scopes of duties and responsibilities to cover the area of overseeing and monitoring the Company's Anti-Corruption Policy to ensure compliance with legal and ethical obligations.

## 8. Selection of the Auditors for 2017

The Audit Committee had considered, selected and nominated the Auditors as well as the appropriateness of the auditing fee for 2017. It was deemed appropriate to propose that the Board of Directors request approval from the Shareholders' Meeting to re-appoint the auditors from EY Office Limited, as the Company's auditor for the fiscal year ending 31 December 2017, considering that they are qualified under the regulations of the Office of the Securities Exchange Commission, having expertise in auditing, and have shown satisfactory performance.

In 2017, the Audit Committee had fully utilised its expertise and capabilities without any constraints in its access to information from the directors, the management, employees, and all involved parties, to independently perform its duties as appointed by the Board of Directors. The Audit Committee also expressed opinions and made recommendations for equitable benefits to all relevant stakeholders.

Considering the overall operations of the Company, the Audit Committee is convinced that the Company adheres to good business ethics, that the Board of Directors and the management have determined to professionally perform their duties to successfully run the Company and achieve corporate goal as planned, that the reports on financial information and operation are correct, that its internal control systems and internal audit systems are effective, that its corporate governance is based on the principles including transparency, integrity, accountability, competitiveness, and credibility, and that its financial reports are in conformity to generally accepted accounting principles with sufficient disclosure of accurate and reliable information. The Company has always acted in compliance with all related regulations.

On behalf of the Audit Committee,



**Mr. Jesadavat Priebjrivat**

Chairman of the Audit Committee

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## GENERAL INFORMATION OF THE COMPANY AND ITS SUBSIDIARIES

General Information

Company Name	Sansiri Public Company Limited
Security Symbol	SIRI
Type of Business	Property Development
Head Office Address	475 Siripinyo Building, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400
Registration Number	0107538000665
Established	Since 1984
Registered Capital	As at 31 December 2017, the Company's registered capital was 19,251,140,783.06 Baht consisting of 17,991,720,358 ordinary shares with the par value of 1.07 Baht
Paid-up Capital	As at 31 December 2017, the Company's paid-up capital was 15,903,125,722.40 Baht, with issued and paid-up capital 14,862,734,320 ordinary shares
Telephone Number	(662) 201 3905, (662) 201 3906
Facsimile	(662) 201 3904
Home Page	www.sansiri.com



The Company's subsidiaries are as follows:

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>Chanachai Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	90,000,000 Baht divided into 90,000 ordinary shares with a par value of 1,000 Baht each	100
<u>Arnawat Limited</u> 163 Rajapark Building, 10 <sup>th</sup> Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development	10,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Piwattana Limited</u> 163 Rajapark Building, 10 <sup>th</sup> Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development	100,000,000 Baht divided into 10,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Red Lotus Properties Limited</u> 163 Rajapark Building, 10 <sup>th</sup> Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development	20,000,000 Baht divided into 2,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Sansiri China Co., Ltd.</u> (Former name: Sansiri Venture Co., Ltd.) 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	3,000,000 Baht divided into 300,000 ordinary shares with a par value of 10 Baht each	100

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
<u>S.U.N. Management Co., Ltd.</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Papanan Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	20,000,000 Baht divided into 2,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Plus Property Co., Ltd.</u> 163 Rajapark Building, 10 <sup>th</sup> Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development, Brokerage, Sales Management, Property Management	150,000,000 Baht divided into 15,000,000 ordinary shares with a par value of 10 Baht each	100
<u>Plus Property Space Co., Ltd.</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development and Hotel Business	2,500,000 Baht divided into 250,000 ordinary shares with a par value of 10 Baht each	100
<u>NED Management Co., Ltd.</u> 163 Rajapark Building, 10 <sup>th</sup> Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7555 Fax. (662) 661-6633	Property Development and Educational Business named "Satit Pattana School"	40,000,000 Baht divided into 400,000 ordinary shares with a par value of 100 Baht each	100



(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
Satit Pattana Personnel Center Limited 380 Panya-Indra Road, West Samwa Sub-district, Klong Samwa District, Bangkok 10510 Tel. (662) 915-5390-2 Fax. (662) 915-5501	Consultancy and Advisory Services Pertaining to Business Administration	1,000,000 Baht divided into 100,000 ordinary shares with a par value of 10 Baht each	100
Siriwattana Holding Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	100
Jirapas Realty Co.,Ltd. 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 Baht divided into 100,000 ordinary shares with a par value of 100 Baht each	100
Paranat Property Co.,Ltd. 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 Baht divided into 100,000 ordinary shares with a par value of 100 Baht each	100
Siri Ventures Co.,Ltd. 475 Siripinyo Building, 17 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Holding Company	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	90

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri directly holds shares			
Siri Smart One Co.,Ltd. 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 Baht divided into 100,000 ordinary shares with a par value of 100 Baht each	100
Siri Smart Two Co.,Ltd. 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	50,000,000 Baht divided into 500,000 ordinary shares with a par value of 100 Baht each	100
Siripat One Co.,Ltd. 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	50,000,000 Baht divided into 500,000 ordinary shares with a par value of 100 Baht each	100
Subsidiaries in which Sansiri indirectly holds shares through Plus Property Co., Ltd.			
QT Lifestyle Limited 475 Siripinyo Building, 11 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Individual and Corporate Lifestyle Concierge Service	1,000,000 Baht divided into 100,000 ordinary shares with a par value of 10 Baht each	100
Touch Property Co., Ltd. 163 Rajapark Building, 14 <sup>th</sup> Floor, Sukhumvit 21 (Asoke) Road, Klongtoey Nua Sub-district, Wattana District, Bangkok 10110 Tel. (662) 661-7333 Fax. (662) 661-7893	Building Inspection	5,000,000 Baht divided into 500,000 ordinary shares with a par value of 10 Baht each	100

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Subsidiaries in which Sansiri indirectly holds shares through Plus Property Co., Ltd			
QEW (Thailand) Company Limited 475 Siripinyo Building, 11 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Events Management and Full Wedding Planning Services in Thailand and Worldwide	4,000,000 Baht divided into 40,000 ordinary shares with a par value of 100 Baht each	70
Joint Venture Companies with BTS Group (50:50)			
BTS Sansiri Holding One Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
BTS Sansiri Holding Two Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
BTS Sansiri Holding Three Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
BTS Sansiri Holding Four Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Joint Venture Companies with BTS Group (50:50)			
BTS Sansiri Holding Five Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
BTS Sansiri Holding Six Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
BTS Sansiri Holding Seven Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
BTS Sansiri Holding Eight Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
BTS Sansiri Holding Nine Limited 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Joint Venture Companies with BTS Group (50:50)			
<u>Nuvo Line Agency Company Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Eleven Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Twelve Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Fourteen Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Fifteen Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
Joint Venture Companies with BTS Group (50:50)			
<u>BTS Sansiri Holding Sixteen Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Seventeen Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Eighteen Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Nineteen Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Twenty Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
<b>Joint Venture Companies with BTS Group (50:50)</b>			
<u>BTS Sansiri Holding Twenty One Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>BTS Sansiri Holding Twenty Two Limited</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	100,000,000 Baht divided into 1,000,000 ordinary shares with a par value of 100 Baht each	50
<u>Prime Area 38 Co.,Ltd.</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 Baht divided into 100,000 ordinary shares with a par value of 100 Baht each	50
<b>Joint Venture Companies with Tokyu Corporation (70:30)</b>			
<u>Siri TK One Co.,Ltd.</u> 475 Siripinyo Building, 8 <sup>th</sup> Floor, Sri Ayutthaya Road, Thanon Phayathai Sub-district, Rajthevi District, Bangkok 10400 Tel. (662) 201-3905-6 Fax. (662) 201-3904	Property Development	10,000,000 Baht divided into 100,000 ordinary shares with a par value of 100 Baht each	70

(As of 28 February 2018)

Company / Head Office Address	Type of Business	Paid-up Capital	% of Share Holding
<b>Subsidiaries in overseas countries in which Sansiri directly holds shares</b>			
<u>Sansiri Global Investment Pte. Ltd.</u> (Registered in Singapore) 3 PHILLIP STREET #18-00 COMMERCE POINT SINGAPORE (048693)	Holding Company	50,000 Singapore Dollars divided into 50,000 ordinary shares	100
<u>SANSIRI (US), INC.</u> (Registered in the United States) 874 Walker Road, Suite C, In the City of Dover, Country of Kent, State of Delaware 19904, the United States	Holding Company	Total investment of the shares acquisition approximately 58 Million US dollars. This investment will be made from time to time up to the total investment within 5 years	100
<b>Subsidiaries in overseas countries in which Sansiri indirectly holds shares through Sansiri Global Investment Pte. Ltd.</b>			
<u>Sansiri Guernsey (2009) Limited</u> (Registered in Guernsey) La Tonnelle House Les Banques St Sampson GUERNSEY GY1 3HS	Real Estate Development for Sale and Lease in United Kingdom	10,000 Pound divided into 10,000 ordinary shares	100
<u>Sansiri Guernsey (2015) Limited</u> (Registered in Guernsey) La Tonnelle House Les Banques St Sampson GUERNSEY GY1 3HS	Real Estate Development for Sale in United Kingdom	10,000 Pound divided into 10,000 ordinary shares	100

## Other References

### 1. Securities Registrar

#### Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand

Telephone : (662) 009-9000

Facsimile : (662) 009-9991

SET Contact Center : (662) 009-9999

Website : <http://www.set.or.th/tsd>

E-mail : SETContactCenter@set.or.th

2. Debenture Registrar

**Siam Commercial Bank Public Company Limited**

1060 Phetchaburi Road, Makkasan Sub-district, Rajthevi District, Bangkok 10400, Thailand  
Telephone : (662) 256-2323-6  
Facsimile : (662) 256-2406

Debentures under this debenture registrar consist of

- Unsecured Debenture of Sansiri Public Company Limited No. 1/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 4/2013 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2015 Due 2020
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2016 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2017 Due 2020
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2018 Due 2023

**Bangkok Bank Public Company Limited**

333 Silom Road, Bang Rak District, Bangkok 10500, Thailand  
Telephone : (662) 636-4207  
Facsimile : (662) 626-4545-6

Debentures under this debenture registrar consist of

- Unsecured Debenture of Sansiri Public Company Limited No. 2/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2017 Due 2020

**Kasikornbank Public Company Limited**

400/22 Phaholyothin Road, Samsen Nai Sub-district, Phayathai District, Bangkok 10400, Thailand  
Telephone : (662) 470-1987  
Facsimile : (662) 470-1998

Debentures under this debenture registrar consist of

- Unsecured Debenture of Sansiri Public Company Limited No. 3/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2016 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 3/2017 Due 2022

**KTB Bank Public Company Limited**

4<sup>th</sup> Floor, SM Tower, 977/3 Phaholyothin Road, Samsen Nai Sub-district, Phayathai District  
Bangkok 10900, Thailand  
Telephone : (662) 298-0830-3 Ext 124  
Facsimile : (662) 298-0835

Debenture under this debenture registrar consists of

- Unsecured Debenture of Sansiri Public Company Limited No. 2/2015 Due 2019

3. Debenture Holders' Representative

**KTB Bank Public Company Limited**

4<sup>th</sup> Floor, SM Tower, 977/3 Phaholyothin Road, Samsen Nai Sub-district, Phayathai District  
Bangkok 10900, Thailand  
Telephone : (662) 298-0830-3 Ext 120  
Facsimile : (662) 298-0835

Debentures under this debenture holders' representative consist of

- Unsecured Debenture of Sansiri Public Company Limited No. 1/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 3/2013 Due 2018
- Unsecured Debenture of Sansiri Public Company Limited No. 4/2013 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2015 Due 2020
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2015 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2016 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2016 Due 2019
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2017 Due 2020
- Unsecured Debenture of Sansiri Public Company Limited No. 2/2017 Due 2020
- Unsecured Debenture of Sansiri Public Company Limited No. 3/2017 Due 2022
- Unsecured Debenture of Sansiri Public Company Limited No. 1/2018 Due 2023

4. The Auditor

**EY Office Limited**

33<sup>rd</sup> Floor, 193/136-137, Lake Rajada Office Complex, Ratchadapisek Road, Klongtoey,  
Bangkok 10110, Thailand  
Telephone : (662) 264-0777  
Facsimile : (662) 264-0790

5. Legal Advisor

-None-

6. Financial Institutions with Frequent Contact

- Bangkok Bank Public Company Limited
- KTB Bank Public Company Limited
- Kasikornbank Public Company Limited
- Siam Commercial Bank Public Company Limited

Other Significant Information

-None-

SECURITIES AND  
SHAREHOLDERS

Shareholders

The Company's top 10 major shareholders as of 28 November 2017 (the registration date on the change in its paid-up capital results from the last exercise of the Warrants SIRI-W2), adjusted from the information according to the latest registry of shareholders as of 30 August 2017, are as follows:

No.	Major Shareholders	Number of Shares	Proportion of shareholding Percentage of paid-up capital*
1	Thai NVDR Co., Ltd. <sup>1/</sup>	1,657,678,797	11.15
2	Viriyah Insurance Public Company Limited	918,267,873	6.18
3	UBS AG Singapore Branch	874,924,080	5.89
4	Mr. Srettha Thavisin	658,799,534	4.43
5	State Street Bank Europe Limited	611,247,891	4.11
6	Chase Nominees Limited	597,995,608	4.02
7	Mr. Wanchak Buranasiri	510,469,201	3.43
8	The Bank of New York Mellon	330,805,395	2.23
9	Nortrust Nominees Ltd-CLAC	328,500,837	2.21
10	Mr. Apichart Chutrakul	274,400,000	1.85
Total		6,763,089,216	45.50

\*As of 28 November 2017, the Company had the paid-up capital of 15,903,125,722.40 Baht divided into 14,862,734,320 ordinary shares at a par value of 1.07 Baht each.

Remark:

1/ Thai NVDR Co., Ltd., a wholly owned subsidiary of the SET, is responsible for executing the purchase or sale of those listed Company shares whose investors wish to trade through NVDRs. This service is offered to all, irrespective of the number of securities held or the holder's nationality. NVDR holders receive the same full financial benefits as they would receive by investment directly in shares (i.e. dividends, rights, and warrants). However, there are no voting rights for NVDR holders except in motions involving delisting. The investor can find the report of investment in securities of Thai NVDR Co., Ltd. at [www.set.or.th/nvdr/](http://www.set.or.th/nvdr/), that shown the proportion of investment as at the end of the working day prior to the date on which the investor's checking.

## Dividend Payment Policy

The Company has a policy to pay dividends to shareholders twice a year. The first dividend payment is paid as an interim dividend and the second dividend payment as an annual dividend. The total dividend paid each year will be approximately 50 percent of net profit (based on consolidated financial statement) after deduction of all reserves as required by laws and the Company's policies. However, such dividend payment may be subject to change as the Board of Directors deems appropriate by taken into consideration of the Company and its affiliates' cash flow and investment plans, including other necessity and appropriateness.

As for the dividend policy of the Company's subsidiaries, the Company does not set any particular rate of dividend payment. The dividend policy is dependent on the operational results of each individual subsidiary, and the Board of Directors of that subsidiary will make decisions concerning dividends on a case-by-case basis.

# 37

## POLICY AND BUSINESS OVERVIEW

## Vision, Mission and Corporate Strategy

### Vision

As the most preferred property developer in Thailand, we strive to be the market shaper of quality living through insightful understanding, complete your living experience and ability to elevate expectations that enrich our stakeholders.

### Mission

- To be an essential part of living; not only providing a home, but also a lifestyle and unique brand experience. We are truly a part of your community and are here to serve today, tomorrow and always
- To act as a one-stop, world-class property services group in Thailand that provides a fully-integrated range of products and services
- To collaborate with all local and international stakeholders, including shareholders, business partners, employees and communities, in order to create a good life for everyone
- To provide 'best in class' products and services that cover all market segments both in Thailand and overseas

### Corporate Strategy

Key success factors for Sansiri's business growth in 2017 are as follows:

1. Continuously utilise joint venture to strengthen leadership in city condominium development. In 2017, 3 condominium worth of 12,000 Million Baht were launched under joint venture with BTS Group Public Company Limited. Furthermore, Sansiri also set up a joint venture with Tokyu Corporation Ltd. and launched the first condominium project in November 2017 in Ekamai district named "TAKA Haus"
2. Continuously expand to new potential locations such as Ayutthaya and Nakhonpathom province
3. Expand foreign customer base through international marketing activities consistently
4. Invest in six new potential businesses corresponding to consumer lifestyle for supporting long-term business growth



Milestone During The Year

February 2017

- Setting up of a new subsidiary named Jirapas Realty Co., Ltd., with the registered capital of 10 Million Baht. The Company holds 100 percent of issued and paid up share capital. The new company has engaged in property development.

April 2017

- Setting up of a new subsidiary named Paranat Property Co., Ltd., with the registered capital of 10 Million Baht. The Company holds 100 percent of issued and paid up share capital. The new company has engaged in property development.

May 2017

- A final dividend payment for the operating results from 1 July 2016 till 31 December 2016 was paid at the rate of 0.08 Baht (Eight Stang) per share.
- Setting up of a new subsidiary named Siri Ventures Co., Ltd., with the registered capital of 100 Million Baht. The new company is a joint venture between the Company and The Siam Commercial Bank Public Company Limited, holds 90 percent and 10 percent of issued and paid up share capital, respectively. This new company has the principle objectives to invest in start-up business and/or venture capital that engage in business relating to property service technologies and/or invest in the business thereof, including related businesses.

June 2017

- Setting up of a new subsidiary named Siri Smart One Co., Ltd., with the registered capital of 10 Million Baht. The Company holds 100 percent of issued and paid up share capital. The new company has engaged in property development.

August 2017

- Setting up of a new subsidiary named Siri TK One Co., Ltd., with the registered capital of 10 Million Baht. The new company is a joint venture between the Company and Tokyu Corporation, which was incorporated in Japan (including Saha Tokyu Corporation Co., Ltd., a partner of Tokyo Corporation), holds 70 percent and 30 percent of issued and paid up share capital, respectively. The new company has engaged in property development.

September 2017

- Sansiri Global Investment Pte. Ltd., a subsidiary of Sansiri PCL. which was incorporated in Singapore, has invested in JustGroup Holdings Pte. Ltd. (a company incorporated under the laws of Singapore) by purchasing 64,849 newly-issued ordinary shares from JustGroup or equivalent to 6.09 percent of its paid-up capital, with a total investment of 12 Million US Dollars.

JustGroup operates in co-working space for both startups and big corporates looking for a flexible, cost-efficient and highly dynamic alternative to traditional offices.

November 2017

- Sansiri (US), INC., a subsidiary of Sansiri PCL. which was incorporated in the United States, has purchased the ordinary shares of Standard International, LLC (“The Standard”), a company incorporated under the laws of the United States, with a total investment of the shares acquisition approximately 58 Million US Dollars, or approximately of 35.09 percent of its total shares. This investment will be made from time to time up to the total investment within 5 years.

The Standard has main business operations to (1) offering hotel management contract and franchise of “The Standard”; (2) Manage restaurants more than 10 brands; and (3) One night, a mobile booking application for The Standard Hotel and other boutique hotels, will be an alternative channel to serve customers’ needs with best price offering.

- Purchased the preferred shares of Flying Jamon Ltd. (“Hostmaker”), a company incorporated under the laws of the England and Wales, in the proportion approximately of 11.20 percent of its total shares with a total investment of 5 Million Pounds.

Hostmaker operates in hospitality management service related to real estate for rent under the Hostmaker brand. It offers the one-stop service or solution for customers, including interior design, profiles management to attract as potential tenants, screening eligible customers, offering 5-star hospitality experience for all tenants and maintaining and housekeeping the rooms.

- Purchased the ordinary shares of Winkontent AG (“Monocle”), a company incorporated under the laws of the England and Wales, in the proportion approximately of 13.04 percent of its total shares with a total investment of 5.9 Million US Dollars.

The main business operation of Monocle is media including “Monocle” magazine. Its business line also comprises of the radio for 24 hours, E-commerce, fashion retail and events.

- Acquired ordinary shares in Prime Area 38 Co.,Ltd. (“Prime-A”), from U City PLC. (“U City”) amounted to 50,000 shares at the par value of 100 Baht per share, or equivalent to 50 percent of the total shares in Prime-A (a subsidiary in which U City holds 100 percent of its total registered capital). Prime-A owned a plot of land on Soi Sukhumvit 38, Prakhnong Sub-district, Klongtoei District, Bangkok with a total area of 2 rai 36 square wah and does not operate any other business.

Operational structure and divisions of operations within the group

Sansiri Group is made up of Sansiri Public Company Limited as a parent company with a broad range of subsidiaries and joint venture companies as described in a chart of Investment Structure of Sansiri Group. Sansiri Group operates under Consolidated Supervision concept. The investment policy was classified as follows:

1. **Property Development** consists of
- A. **Property Development for Sale:** Sansiri and its subsidiaries develop single-detached houses, townhouses, home offices, and condominium projects for all customer groups, both in Bangkok and vicinities and upcountry areas. Furthermore, Sansiri operates precast factory for precast construction as well.

B. **Property Development for Rent:** Sansiri and its subsidiaries have invested in leasehold commercial building, and expanded to the community retail named “Habito Mall”, with various retails shops and restaurants to complement its core business of property development for sale.
- 

2. **Property Services** include fully-integrated services as follows
- Property and asset management, property brokerage services, property sales management, property development consultancy, and property management

• Building inspection service

• Hotel business development which generates recurring income to the total revenues

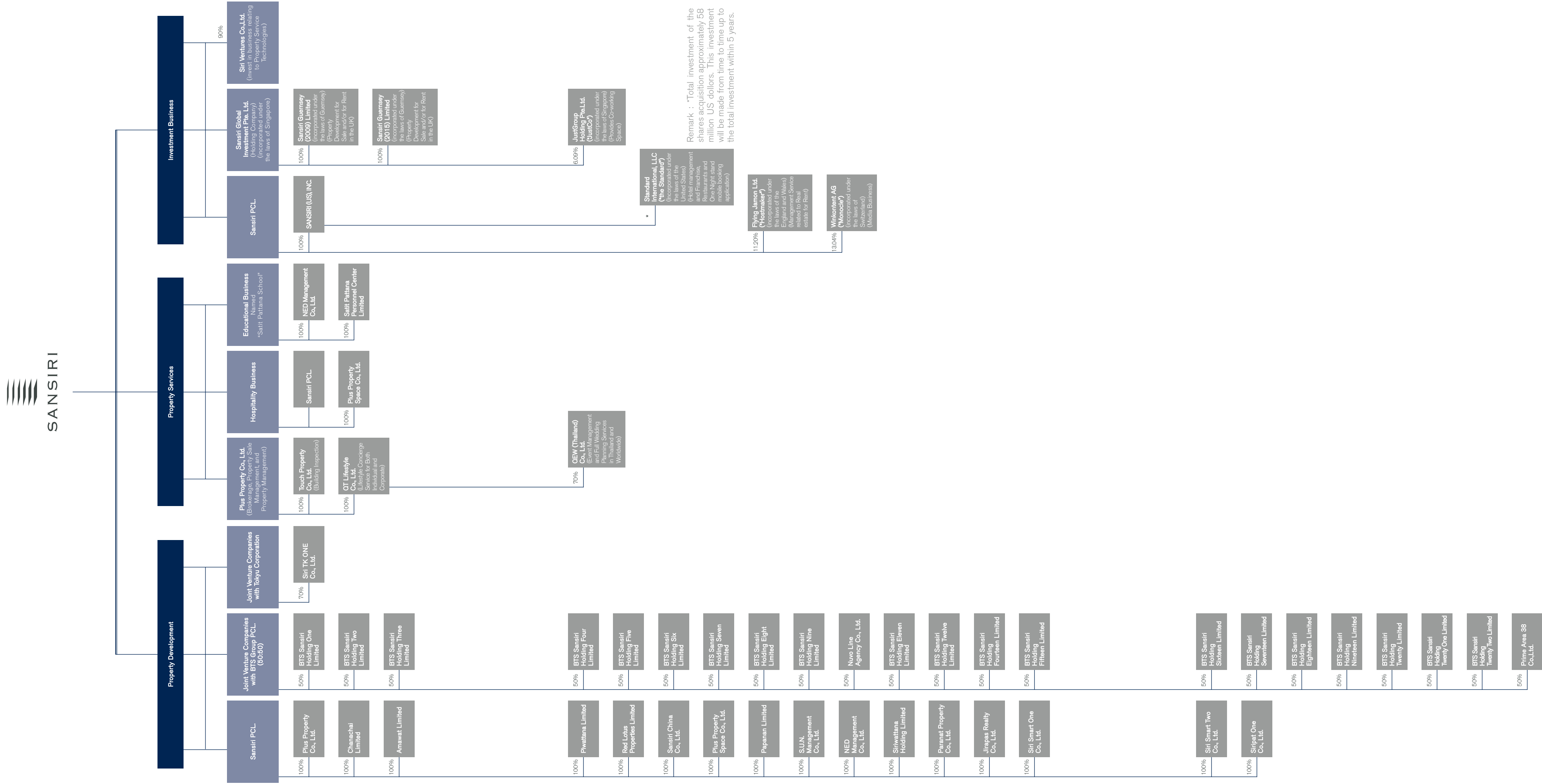
• Educational business under the name “Satit Pattana School”

• Personnel management for Satit Pattana School

• Lifestyle concierge service for both individual and corporate

• Events management and full wedding planning services in Thailand and worldwide
- 

3. **Investment Business** Sansiri invests in related businesses both locally and globally by investing in business in alignment with Sansiri’s vision. These investment businesses will focus on the ways people live in the future including way of life, work, recreation, and learning through new technologies and media.



Policy Of Investment In Subsidiaries And Associated Companies

Sansiri aims to strengthen its operation excellence where as providing business opportunities and synergy to create long-term value and sustainable growth with details of investment policy as follows:

- 1. Investing either at project levels or at corporate levels through substantial acquisition of shares as long-term investment.
- 2. Investing at the minimum level that allows Sansiri to participate in setting policy and monitoring the operation of the Company invested.
- 3. Not investing in any project with negative impact to the environment or be contrary to public order or good morals.

# NATURE OF BUSINESS

## Revenue Structure

Revenue structure classified by business groups during 2015 - 2017, is as follows:

Products / Services	Operated by	% Shares Held by Sansiri	Year Ending		Year Ending		Year Ending	
			2015		2016		2017	
			Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Property Development For Sale</b>								
- Single-detached house	SIRI, AW, PW, CC, RED, NED, PPS	- , 100, 100, 100, 100, 100	10,107	26.3	9,616	28.0	11,401	35.9
- Townhouse	SIRI, PLUS, PW, PPN, AW	- , 100, 100, 100, 100	1,996	5.2	1,224	3.6	1,751	5.5
- Mix	SIRI	-	-	-	-	-	30	0.1
- Condominium	SIRI, RED, AW, PW, PPN, NED, TOUCH, PPS, SG	- , 100, 100, 100, 100, 100, 100, 100, 100	23,049	59.9	19,260	56.0	12,897	40.6
<b>For Rent</b>								
- Projects for rent	SIRI, SUN, AW, RED, PPN, NED, QT, CC	- , 100, 100, 100, 100, 100, 100, 100, 100	22	0.1	23	0.1	47	0.1
- Leasehold rights written off	SUN, CC	100, 100	42	0.1	57	0.2	42	0.1
<b>2. Property Services</b>								
- Revenue from business management	SIRI, PW, PLUS, QT, TOUCH, QEW	- , 100, 100, 100, 100, 70	1,432	3.7	3,273	9.5	4,368	13.8
- Revenue from sales of construction materials	SIRI	-	4	0.0	57.0	0.2	86	0.3
- Revenue from other services	SIRI, AW, PPN, NED, PPS, SPC, SPS	- , 100, 100, 100, 100, 100, 100	304	0.8	302	0.9	293	0.9

Products / Services	Operated by	% Shares Held by Sansiri	Year Ending		Year Ending		Year Ending	
			2015		2016		2017	
			Million Baht	%	Million Baht	%	Million Baht	%
<b>3. Other Revenues</b>								
- Interest income			48	0.1	104	0.3	213	0.7
- Revenue from common property charges			98	0.3	110	0.3	136	0.4
- Revenue from forfeiture of down payment and changed contract fee			215	0.6	95	0.3	31	0.1
- Gain on sale of land			964	2.5	134	0.4	253	0.8
- Gain on sale of investment in subsidiary			46	0.1	14	0.0	-	-
- Other income			128	0.3	126	0.4	208	0.7
<b>Total Revenue</b>			<b>38,455</b>	<b>100.0</b>	<b>34,395</b>	<b>100.0</b>	<b>31,757</b>	<b>100.0</b>
<b>% Increase (Decrease) in Revenue</b>			<b>30.2</b>		<b>(10.6)</b>		<b>(7.7)</b>	














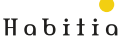



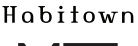







Remark -	SIRI	means	Sansiri Public Company Limited
	PLUS	means	Plus Property Company Limited
	CC	means	Chanachai Limited
	PW	means	Piwattana Limited
	AW	means	Arnawat Limited
	RED	means	Red Lotus Properties Limited
	PPN	means	Papanan Limited
	NED	means	NED Management Company Limited
	SUN	means	S.U.N. Management Company Limited
	PPS	means	Plus Property Space Company Limited
	TOUCH	means	Touch Property Company Limited
	SG	means	Sansiri Guernsey (2009) Limited
	SPC	means	Satit Pattana Personnel Center Limited
	SPS	means	Satit Pattana School
	QT	means	QT Lifestyle Limited
	QEW	means	QEW (Thailand) Company Limited

Type of Products and Services

The core operation of Sansiri Group is divided into three businesses: (1) Property Development (2) Property Services and (3) Investment. The detailed descriptions of each product and service categorie are as follows:

1. Property Development

1.1 Property Development for Sale

Price Range	Product Type		
	Single-Detached House/ Detached	Townhouse/ Shophouse/Home Office	Condominium
High	> 20.00 Million Baht per unit	> 7.10 Million Baht per unit	> 250,000 Baht per sqm.
		 	 
Medium	8.00 - 20.00 Million Baht per unit	3.00 - 7.00 Million Baht per unit	150,000 - 250,000 Baht per sqm.
	 	  	  
Low	3.50 - 8.00 Million Baht per unit	< 3.00 Million Baht per unit	< 150,000 Baht per sqm.
	   	  	    

Sansiri has developed various types of products for sale such as single-detached houses, townhouses, shophouses, home offices, and condominiums, under different brands to serve customers' needs in all segments. All products focus on the high-quality specification by Sansiri's standards. In 2017, Sansiri focused more on the development of high-rise projects to support the increasing demand for high-rise housings. For this year, Sansiri has launched 8 condominium projects located on various locations and covered several segments with total project value of 27,500 Million Baht.

Sansiri also continuously expanded its project development into cities with good potential. Sansiri launches more projects in areas where Sansiri has established presence and received good response such as Chiang Mai Province, with the launch of condominium project named "dcondo Ping". In 2017, Sansiri has expanded into new provincial locations with high growth potential such as Ayutthaya province and Nakhonpathom province. In 2017, a condominium project, "dcondo Kampangsaen" and a mixed-use development of single-detached house and townhouse project "Anasiri Ayutthaya" were launched in Nakhonpathom province and Ayutthaya province, respectively. In 2017, a total of 14 projects were launched with 11 projects located in Bangkok and vicinities, and 3 projects located in upcountry areas.

1.2 Property Development for Rent

Sansiri has recurring income from properties for rent including a leasehold commercial building in the Silom area named "Sun Square Silom" and a leasehold residential building named "Baan Sansiri". Moreover, Sansiri has owned "Habito Mall", the community retail located on T77 area on Sukhumvit 77 Road. Habito Mall gathers a variety of retail shops and restaurants for an expansive network of trendy lifestyle residential which complements Sansiri's core business - property development for sale.

2. Property Services

2.1 Property Services

The Property Services business provided by Plus Property Company Limited ("Plus") suitably complements Sansiri's core business - property development for sale - by not only creating customer satisfaction with fully-integrated services but also expanding its sources of recurring incomes and allowing it to capitalise upon its database to further improve its property development projects and more effectively satisfy the needs of market demand. The Property Services business consists of three core services (1) Brokerage Service and Sales Management (2) Property Management; both Property Management for residential projects and Facility Management for commercial buildings. As of 31 December 2017, Plus manages over 188 residential and commercial projects covering an area of 6.32 million square meters and (3) Consultancy services for real estate which include the consulting services of project feasibility studies, market surveys and analysis, and financial feasibility analysis, as well as the building inspection service provided by Touch Property Company Limited.

2.2 Educational Business

Sansiri has operated a school under the name "Satit Pattana School" for recurring income, which creates opportunity to expand business and synergy to several of Sansiri's property projects for sale located nearby.



2.3 Hotel Business

At present, Sansiri operates 2 hotels, a 46-key hotel named Escape Sansiri Hotel Collection Hua Hin located in Hua Hin District, Prachuap Khiri Khan Province and a 56-key named Escape Sansiri Hotel Collection Khao Yai in Pak Chong District, Nakhon Ratchasima Province.

2.4 Other Businesses

Sansiri's other businesses include lifestyle concierge service for both individual and corporate, which is operated by QT Lifestyle Limited, as well as events management and full wedding planning services in Thailand and worldwide, which is operated by QEW (Thailand) Company Limited.

3. Investment

Sansiri expanded its investment scope to global businesses which focus on innovation or new lifestyle trends, including leisure & travel, working, and accommodation. Sansiri also plans to invest in global businesses that are expanding their markets to Asia. The businesses that Sansiri invests in are as follow:

- The Standard: Boutique hotel business that focuses on offering new experiences for guests. There are 5 affiliated hotels located in New York, Los Angeles, and Miami.
- One night: Application business that offers new model for hotel reservation, which focuses on the same-day reservation.
- Hostmaker: Accommodation reservation and renting business that focuses on facilitating the lessors.
- JustCo: Co-working Space business from South East Asia that offers working space renting service.
- Farmshelf: Business that proposes innovation of automated hydroponic growing system in limited space that can be controlled via smart phone application.
- Monocle: The global affairs and lifestyle magazine with a full range of media covering electronic publishing, radio station, movie, retail businesses and services. Sansiri and Monocle plan to cooperate in developing a mixed-use development.

Product Procurement

1. Selection of Locations for Project Development

Sansiri has a dedicated business development division that focuses on selecting locations for the Company's project development. To select suitable locations for development, the division has to work closely with Sansiri's brokerage network and with Plus Property Company Limited (Plus), in addition to relying upon site surveys compiled by the business development team. For further convenience, Sansiri has increased channels to gain land information through its website "www.sansiri.com" and the Company's call centre. The business development division, in cooperation with other departments, including government affairs, legal, finance, product development, project development and marketing department, analyses and studies the feasibility of project development at each location, as well as selecting suitable product types among single-detached houses, townhouses, condominiums and commercial buildings. The Company's business development division, together with the legal and government affairs teams, undertake feasibility studies covering matters such as building heights and set-back areas, while the product development and marketing teams select the product most suited for each particular plot of land and decide on the target customer group for that project. At this stage, the project development team completes a feasibility study on construction costs. Finally, in order to establish an accurate and realistic sales forecast, the business development team reviews relevant market information in consultation with the sales and marketing teams.

2. Procurement of Construction Materials

Sansiri has transparent and clear procedures for the procurement of construction materials to keep purchasing prices and high quality standards aligned. The offline bidding process and online bidding system (E-Auction) to procure construction materials allow Sansiri to compare price versus quality. Sansiri also gains economies of scale by consolidating volume and negotiating in bulk with manufacturers. Construction material price volatility has been mitigated by assigning specific teams to closely monitor key construction material price changes and preset the delivery prices of necessary materials. Sansiri copes with the fluctuation in construction material prices for single-detached house and townhouse projects by purchasing the materials directly from manufacturers, which accounts for approximately 60 percent of the total project construction costs. Sansiri also purchases some materials for condominium projects on a lump sum amount and enjoys the benefits from economies of scales, and mitigates the risk of increasing material costs through turnkey construction contracts with contractors. Moreover, Sansiri also highly emphasises the quality control of the construction by maintaining standards through selected and preferred vendors. In order to assess suppliers, Sansiri considers a number of criteria including price competitiveness and production capacity, as well as the capability to source raw materials and ensure the timely delivery of construction materials. Sansiri regularly updates the qualified supplier list by closely monitoring and evaluating the timely delivery of every supplier on a semi-annual basis, in order to ensure that they maintain their services according to Sansiri's predetermined standards. To ensure the high standards of suppliers, additional incentives are given to those who have performed exceptionally.

### 3. Selection of Contractors

The ability to procure the services of first-rate and trustworthy contractors is important in the real estate business. Sansiri selects contractors based on their specifications, in conjunction with their construction capability in ensuring timely construction and ability to operate within Sansiri's budgetary and standards criteria. Utilising small contractors for single-detached house and townhouse projects provides more flexibility in managing the construction plan and coping with changes that may occur. For condominium projects, Sansiri uses turnkey construction contracts with contractors for cost control. Furthermore, Sansiri closely monitors and meticulously inspects to ensure construction is of a high quality and completed within schedule. Currently, Sansiri is able to coordinate its construction requirements through more than 75 medium and large scale contractors.

### 4. Construction Technology

Sansiri adopts the Precast technology in the construction of various single-detached house and townhouse projects. From the advantages in many aspects that are widely accepted in construction industry, the use has currently been expanded to outer wall of condominium, and has been planned to expand to cover every part of building in condominium project including outer wall, inner wall, stairs, and bathroom in the future.

Moreover, Sansiri adopts the new innovation; Building Information Modeling (BIM), which is a computerised process that provides architecture, engineering, and construction professionals the insight and tools to efficiently plan, design, construct, and manage buildings and infrastructure. The Building Information Modeling (BIM) will help manage designing procedure of both high-rise and low-rise projects for better quality of products and services.

Sansiri Precast Factory adopts BIM in the structure designing procedure by using new and highly-efficient software, which gives advantages to Sansiri in various aspects. For example, communication by using 3D information enhances efficiency in working process and communication among related units regarding construction, and reduces the drawing production time which leads to shorter project construction time. In addition, it reduces error from designer in construction drawing which have continuous impact to construction procedure, hence adopting BIM technology helps reducing error in construction procedure as well. Moreover, reducing time and error from price assessment unit in cost estimation process is another major advantage from adopting BIM. Construction information in digital form can also be used in production, logistic, and quality control processes in prefabricated concrete building structure system production under Industry 4.0 concept which integrates information technology with industrial technology. Currently, Sansiri Precast Factory starts studying the possibility of integrating information technology by using software in ERP system (Enterprise Resource Planning) with each working unit in the factory to enhance efficiency in prefabricated concrete building structure system production.

Other than adopting computer technology in working procedures, Sansiri Precast Factory still continues searching for other innovations to improve construction standard. In order to deliver quality houses to customers, Sansiri develops joint system that prevents water leakage into houses through the research with renowned academic institution in Thailand, together with development in other aspects. Sansiri aims that it would create better guideline in construction process, and ability to continually meet customers' requirements.

### 5. Environmental Impacts

Developing a housing project may have an adverse impact on the environment. A project's wastewater drainage in particular, may pollute public water sources if there is an ineffective and unstandardised wastewater treatment. In order to prevent this, Sansiri has set up a wastewater disposal system in each housing unit, so that wastewater from each housing unit will pass through the wastewater treatment process before being drained into public water sources.



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MARKET  
AND COMPETITION

## Marketing Activities

Year 2017 was the year that Sansiri had fascinating marketing movements in various aspects. In the beginning of 2017, Sansiri announced the joint venture with The Siam Commercial Bank Public Company Limited, establishing Venture Capital under the name “SIRI VENTURES Co., Ltd.” for the purpose of exploring investment opportunities in “Property Technology” that were closely related to the core business of Sansiri, and had potentials to push forward the core business of Sansiri to be more effective and flexible. Moreover, Sansiri also searched for opportunities and innovations that promote the business, including new business processes in order to strengthen the brand by continually collaborating with Start-up group in Thailand to do activities, and selecting some Start-ups with interesting business concepts to incubate and develop to become explicit business formats.

Year 2017 was another year that Sansiri substantially emphasised on foreign market. Sansiri has continually done aggressive marketing to increasingly target on foreign customers. In doing this, Sansiri simultaneously launched the project sales in various countries (Global Launch), and continually arranged marketing campaigns with foreign customers by collaborating with Thai Embassy in Singapore to arrange “The Finest Thai” event at the Embassy in order to present Thai premium lifestyle and product brands to escalate Thai brand in foreigners’ perception, and let them see the potentials of Thai products. This could be considered as another success build on the first Sansiri’s lifestyle event in aboard. Moreover, to rapidly building potentials in accessing Chinese market which was a major foreign market, Sansiri announced the business collaboration with “Luen Thai”, a major business group in China, in order to expand Real Estate market in China by opening sale offices in 4 major cities in China, namely Beijing, Shanghai, Shenzhen, and Guangzhou. With strength of Luen Thai, which was a major business group that was renowned in various types of business, such as retail, real estate, fishery, tourism, logistics, and supply chain in China, South East Asia, and Asia Pacific market, it helped delivering new customer base, and provided the connection with media channels that were popular among Chinese, while Sansiri offered strength in real estate development with world standard quality, and worked as a center to collaborate with Local Property Agents in each cities, and also supported road show events that were organised monthly to present the potentials and variety of real estate in Bangkok, Phuket, and Chiangmai to the target customers.

For the marketing operation in 2017, Sansiri continually utilised success of the brand that gained popularity and trustworthiness from customers to launch new projects, for example, the continuation of success of the condominium projects under the brands “The Monument” and “The Line”, which were the joint venture projects with BTS, or “HAUS” condominium brand that received great feedback from both Thai and foreign customers, especially, Japanese, Hong Kongese, and Singaporean by offering the condominiums that well satisfied customers’ living requirements.

In the end of 2017, Sansiri announced the investments by holding shares in 6 globally renowned technology and lifestyle businesses, which was the expansion of investments in other businesses in order to form alliances in various aspects by selecting 6 businesses that had high potentials in global market, and planned to expand their businesses to Asia. By investing in technology and lifestyle businesses in foreign countries, Sansiri were able to expand the business to global market, gained opportunities in generating new revenue from businesses that were related to real estate industry, employed the alliances to strengthen the real estate business simultaneously, and emphasised on Sansiri’s step to become a global brand.

Property market in 2017 and outlook 2018

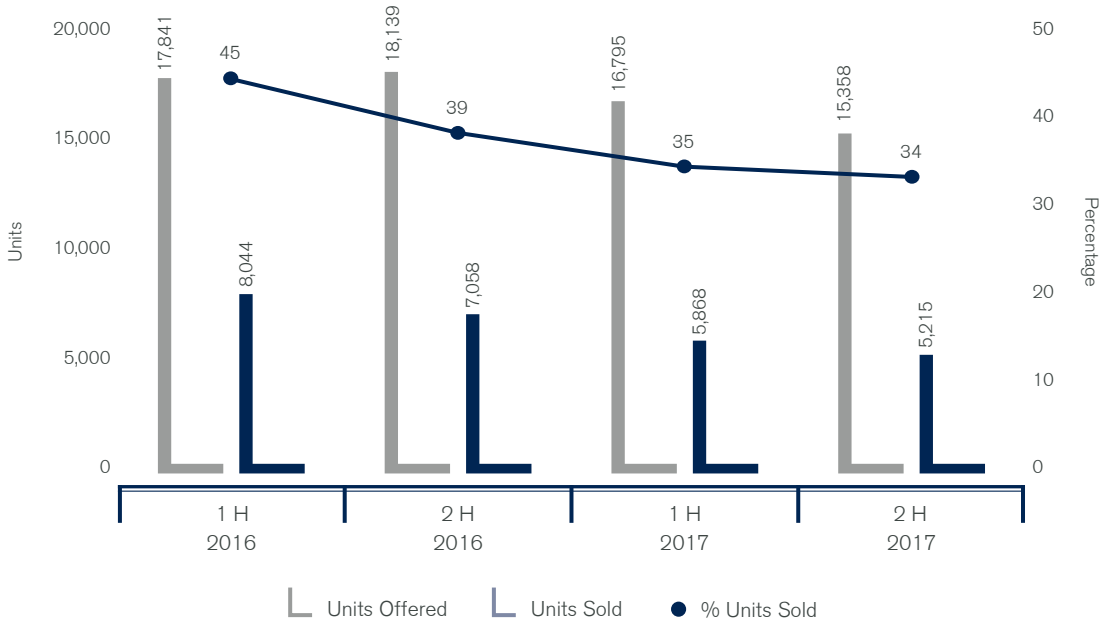
In 2017, Project development had been expanded in all price ranges and covered wider area to increase the opportunity to approach new groups of customers. Major developers still held the majority share of supply in the market, and increasingly created joint ventures with foreign investors. Thai property sector still had supporting factors from mega project investment, continuously increasing transportation infrastructure investment from government, and also the expansion of special economic area resulted in the growing of overall property market. However, financial institutions still maintained strict lending policy especially for low income and freelance group, which made rejection rate of mortgage loan remained high. The group of buyers for speculation or investment faced the declining trend because of the increasing price of real estate, while the rental business had become more challenging as there are still plenty of leftover and new units offered in the market.

For the 2018 outlook, the property sector is expected to grow higher than the previous year since there are various supporting factors, including an economic recovery, the low interest rate, and the government project investments that becomes more concrete, as there have been auctions and starts of construction for various projects which lead to the circulation of money in the system to drive the economy. With all the mentioned factors, it makes the property developers become more confident in investing especially along the BTS lines area (Central Business District). In addition, the higher competition trend in property market forces the developers to develop projects in area with new potentials in order to generate revenue for the business. Though there are still plenty of accumulated leftover units offered, which requires longer period of time to sell the products.

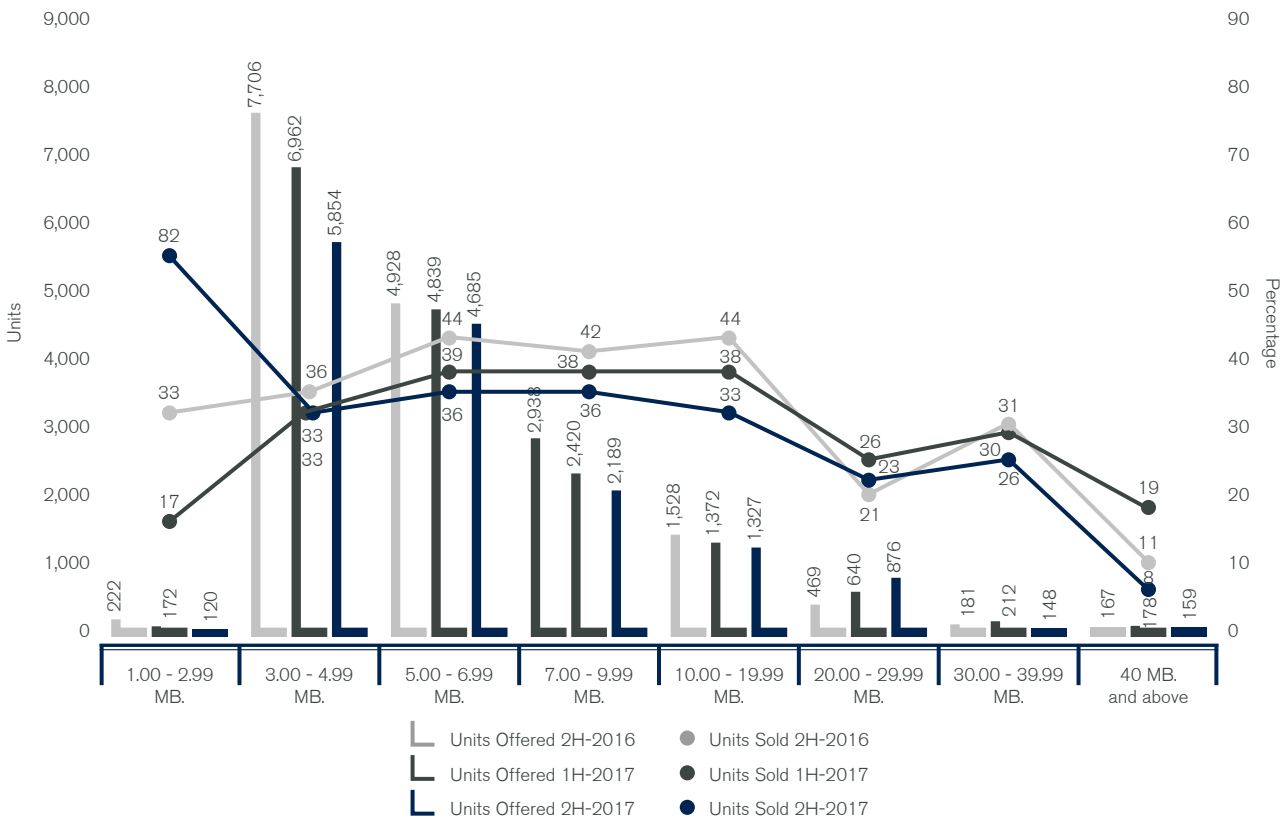
Summary of Property Market in 2017

Situation of the Single-Detached House Market

Total Units Offered and Total Units Sold and Percentage of Units Sold of Single-Detached House



Units Offered and Percentage of Units Sold of Single-Detached Houses in Bangkok and Vicinities by Price Levels



Source: Research & Development Department, Plus Property Co., Ltd.

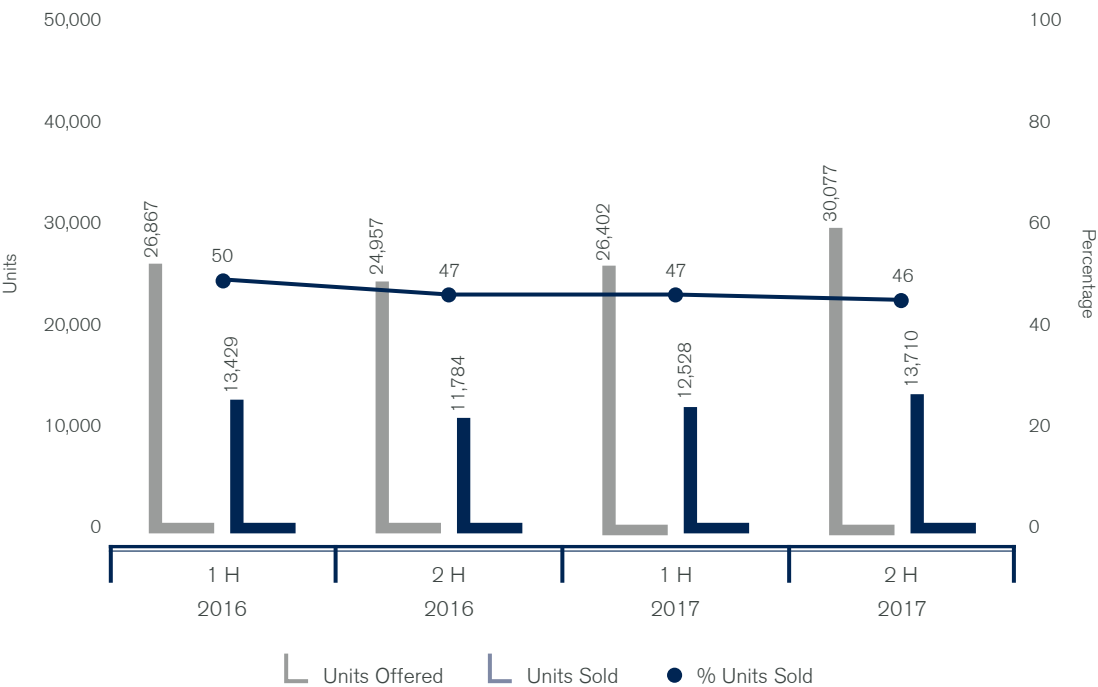
The number of units offered of single-detached houses in the latter half of 2017 amounted to 15,358 units, a decrease of 9 percent compared to the first half of 2017 or a decrease of 15 percent compared to that of the same period of previous year mainly due to plenty leftover units offered in the market, making the developers delayed the launches of new phases and projects. In addition, the single-detached house was not really match with market requirement, resulted in the lower demand. The average selling rate dropped to 2.07 units per month per project, from 2.88 units per month per project in the previous year. Moreover, overall units offered declined in many areas, excepted Northeastern and Western area, because of the realistic progress of BTS development, and there would be more options of transportation in Western area in the future. Nevertheless, single-detached houses with unit price range of 3.00-4.99 Million Baht still dominated the market.

In the latter half of 2017, the units sold had decreased for 11 percent compared to the first half of 2017 or for 26 percent compared to that of the same period of previous year with the amount of 5,125 units, accounted for 34 percent of total units offered. This was mainly due to low consumer confidence level, together with the strict lending policy of financial institutions for some income groups, though household debt had been declining. Moreover, lifestyle pattern had changed, the demand of housing near the city or the business district had been increasing, resulted to a decrease in demand for single-detached house. However, single-detached houses with unit price range of 20.00-29.99 Million Baht and 1.00-2.99 Million Baht still had the increasing sale.

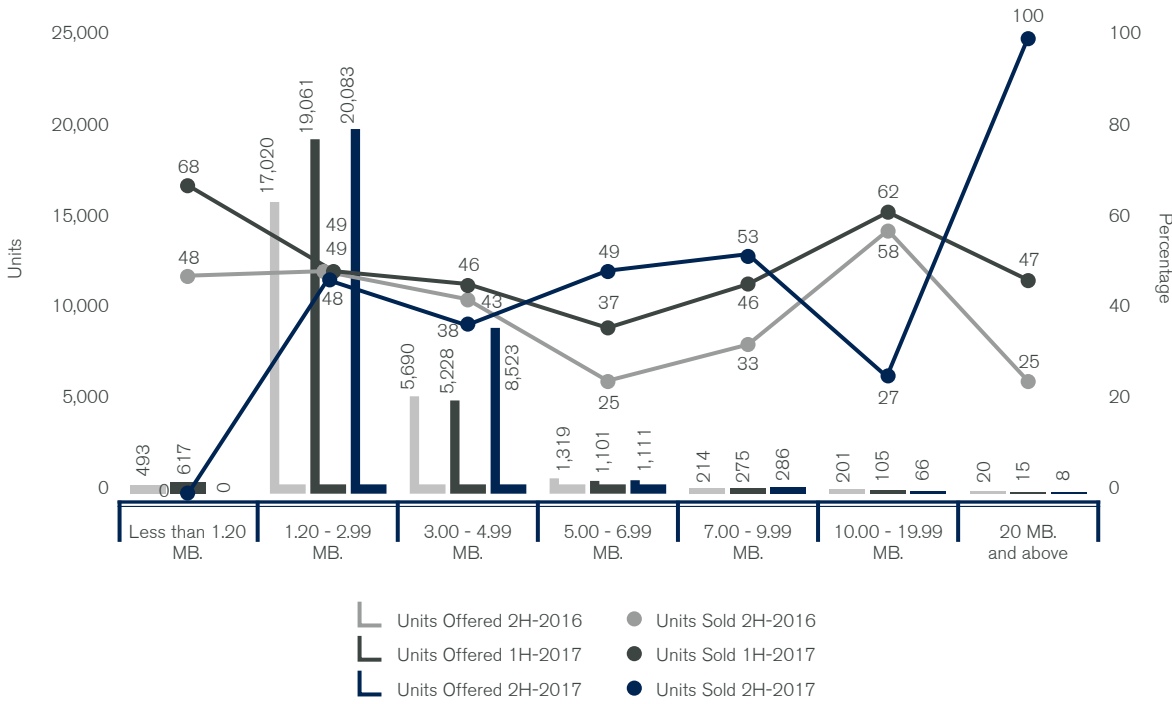
The situation of the single detached house market still showed a slowdown, and expected to continue till 2018. The leftover units offered amounted to 10,143 units, expected to require approximately 11 months to absorb the remaining. The new units offered are expected to amount to no less than 7,000 units, with the concentration on unit price range of 5.00-9.99 Million Baht.

Situation of the Townhouse Market

Total Units Offered and Total Units Sold and Percentage of Units Sold of Townhouse Market



Units Offered and Percentage of Units Sold of Townhouses in Bangkok and Vicinities by Price Levels



Source: Research & Development Department, Plus Property Co., Ltd.

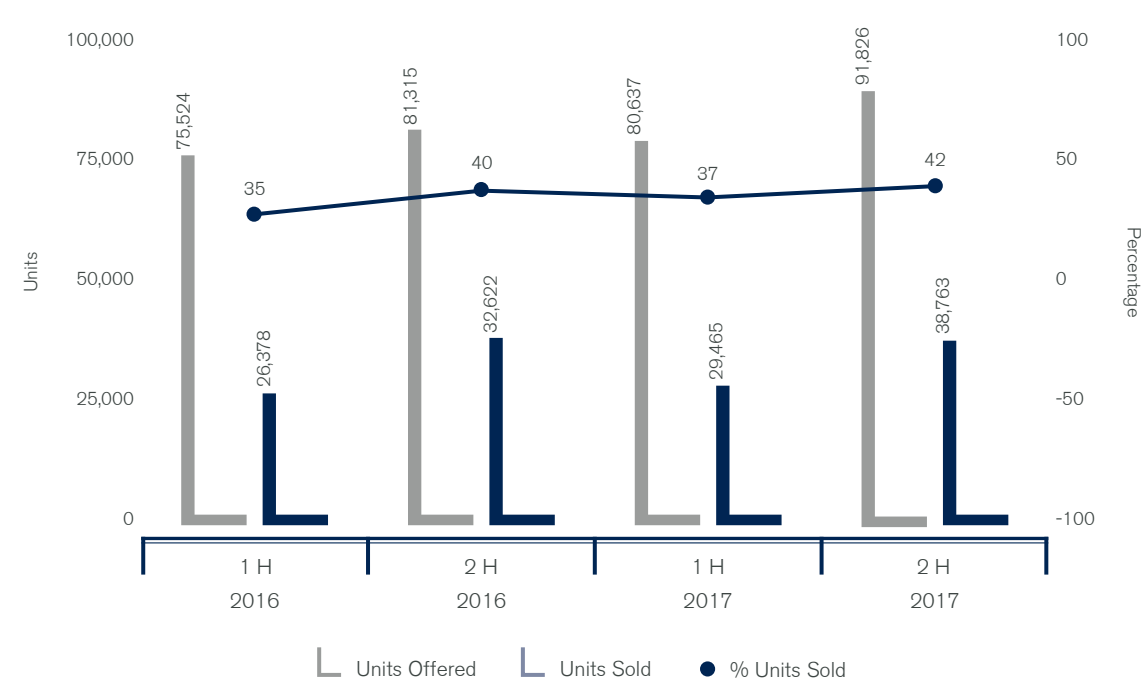
In the latter half of 2017, the number of units offered of townhouse amounted to 30,077 units or a 14 percent increase compared to the first half of 2017, and a 21 increase from that of the same period of last year due to the various transportation infrastructure constructions namely BTS, toll way, and motorway projects such as Bang Yai – Kanchanaburi route. This resulted in the increase of demand for housing especially in the vicinity areas that closed to toll way or ring road. The Western area had the highest total units offered. In terms of the number of units offered in all price range in the latter half of 2017, townhouses with price range of 1.20-2.99 Million Baht dominated the market, which accounted for 67 percent, while there was no units offered with the price range of lower than 1.20 Million Baht, as the land price had dramatically increased, making the development of townhouses with the mentioned price range became more difficult.

In the latter half of 2017, the units sold amounted to 13,710 units, increased for 9 percent compared to the first half of 2017 or for 16 percent compared to that of the same period of previous year, which accounted for 46 percent of total units offered. This considerable increase in demand was likely due to improved economic conditions over the previous year as well as the development of various modes of transportations that are showing realistic progress. In addition, the largest number of consumers still preferred to purchase housing units that are reasonably priced and followed by a good residential neighborhood. The sales in the Southern area had tremendously increased for 79 percent. In terms of the number of units sold in all price range, townhouses with price range of 1.20-2.99 Million Baht and 3.00-4.99 Million Baht still dominated the market, aligned with the increasing of units offered in the market.

Currently, the leftover units offered amounted to 16,000 units, which expected to require approximately 5 months to absorb the remaining. Forecasting that in the first half of 2018, there would be new units offered in the market for the amount of 14,000 units, which would make townhouse market become even more competitive. Fortunately, there are still many positive factors, such as the improving economy and the increase in interest of the consumers in horizontal developments near the BTS/MRT lines or near the city but at a reasonable price. Townhouse is still attracting more interest from the middle-range consumers. It is expected that future demand for townhouse will further increase from the present.

Situation of the Condominium Market

Total Units Offered and Total Units Sold and Percentage of Units Sold of Condominium Market

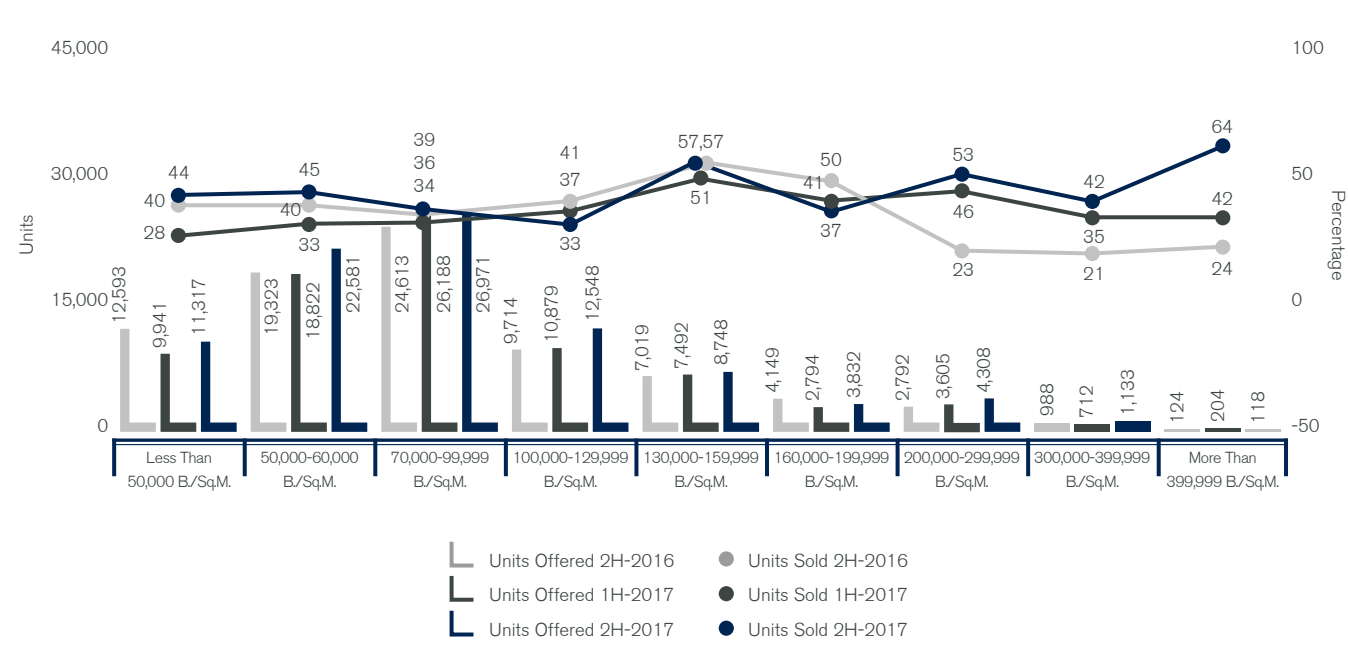


In the latter half of 2017, the number of units offered of condominiums amounted to 91,826 units or a 14 percent increase compared to the first half of 2017, and a 13 increase from that of the same period of last year. The increase was mainly from middle-low tier condominiums in the middle zone such as Phayathai and Ratchadapisek area. The average selling price of condominiums in the second half of 2017 grew continuously, adjusting up 4 percent over the preceding period and up 8 percent over the same period of previous year to 104,936 baht per square meter. From new projects offered for sale, units in Ploenchit – Chitlom area had the highest growth of selling price, adjusting up to 258,957 Baht per square meter. Next were units in Ramkhamhaeng and Rama2 consecutively. In terms of price range, condominiums with price range of 70,000-99,999 per square meter still dominated the market.

In the latter half of 2017, the units sold amounted to 36,763 units, increased for 32 percent compared to the first half of 2017 or for 19 percent compared to that of the same period of previous year. The middle zone, which consisted of Phayathai, Rama3, and Ratchadapisek areas, had the highest sale growth. In terms of sale by price range, sale increased in almost every price range due to the improving economy, and the declining trend of household debt, excepted units with price range of lower than 50,000 Baht per square meter and more than 399,999 Baht per square meter, which had the lower sale for 18 percent and 65 percent consecutively.

As for the market trend for condominiums in the first half of 2018, the market is expected to show continued growth as the economy shows signs of growth resulting in more investment by both Thai and foreign investors. In the future, Bangkok’s town-planning will be adjusted with more equitable land use. In addition, the supporting factor regarding the investment in basic infrastructure will result in more supply coming onto the market, while in the future more new concept condominium projects are expected, such as mixed-use project, project for the elderly, as well as the application of modern technology.

Units Offered and Percentage of Units Sold of Condominium in Bangkok and Vicinities by Price Levels



Source: Research & Development Department, Plus Property Co., Ltd.



# RISK FACTORS

## 1. Land Acquisition

Sansiri obtains high potential land plots for project development of single-detached houses, townhouses and condominiums at reasonable prices. For condominium projects, Sansiri generally selects mid-city locations near key business areas, mainly close to the BTS Sky train and MRT Subway lines, in areas where extensions of transit lines have already been approved and construction has commenced as well as community areas. Sansiri also acquires land plots close to the local community and in other major cities. For single-detached house and townhouse projects, Sansiri selects locations with easy access to the heart of the city and close to office areas.

Nevertheless, searching for land in Bangkok and other major cities faces the risk of not acquiring prime locations for developing projects due to a sharp rise in land price, shortage of land plots in CBD area, and intense competition among developers. Sansiri mitigates the risk through land banking strategy, which is applicable to only land plots with tendency for high price appreciation. In general, project development will start within a few years following land acquisition; one to three years for condominium projects and two to three years for single-detached house and townhouse projects. In addition, Sansiri also creates an extensive network of both individual brokers, brokerage firms, and local brokers who have in-depth market insight, covering all areas. There are similarly two channels for land sourcing, notably through the company's website, "www.sansiri.com" and the "1685" Call Centre. Furthermore, Sansiri has a wholly-owned subsidiary named "Plus Property Company Limited" (Plus) which operates brokerage services, property management and conducts research on the property market. Plus also has a valuable real estate database, with property information and market movements which effectively provides market intelligence for Sansiri.

## 2. Fluctuation in Construction Material Prices

In 2017, the price index of construction materials increased slightly by 3.0 percent from 2016 (Source: Bureau of Trade and Economic Indices, Ministry of Commerce). Compared to last year, Steel and steel products price index increased by 10.1 percent due to the higher cost of raw materials namely iron, billet, and remnant of iron, together with the significant increase of steel price in the global market as a result of the very low price in the previous year. Wood and wooden products price rose by 4.4 percent resulted from an increasing price of imported wooden materials. Cement price index also rose by 3.0 percent, whereas concrete products price index also rose by 2.7 percent as the cost of raw materials rose from the increasing price of cement and prestressed steel wire and higher demand for sewer system maintenance. Other construction materials price index such as aluminum plate, aluminum extrusion, and aluminum jamb increased by 1.3 percent due to higher cost from stricter weight control rule in logistic and higher demand as the substitute for wooden materials. Asphalt price rose due to the price of crude oil, while price index of electrical appliances and plumbing, tiles, and finishing materials decreased by 2.4 percent, 1.3 percent, and 0.1 percent respectively. These construction materials are the key components for project development, thus the construction material price volatility will directly impact the cost of project development.

Sansiri is aware of construction material price volatility risk and has carefully planned to mitigate such risk by purchasing directly from manufacturers through a bidding process and pre-agreeing delivery prices, as well as sourcing more trade partners to support the expansion of new projects. In this regard, Sansiri has focused on increasing its bargaining power and negotiating deeper discounts on large volume purchases for several projects under construction. Direct procurement of some construction materials for single-detached house and townhouse projects, such as pile, roof tiles, and aluminum, has increased to 45 percent of total construction cost. For condominium project development, direct procurement has been applied for several items such as tiles, sanitary ware, kitchen ware, and air conditioners. In addition, Sansiri also mitigated the risk of higher material cost of condominium projects through turnkey construction contracts with contractors, resulting in better cost and quality control.

Special units have been established to closely monitor and to promptly react when the price of major construction material categories change. These responses include, but are not limited to, re-negotiating future contract prices with manufacturers or contractors when the construction material price significantly decreases. Sansiri usually receives good cooperation from manufacturers or contractors due to its status as a valuable and reputable business partner with long-standing experience in the real estate business.

In order to select qualified suppliers, Sansiri considers not only the competitive price and production capacity but also the sourcing capability to ensure the timely delivery of construction materials. Sansiri regularly updates its qualified supplier lists by closely monitoring and evaluating the performance of every supplier on a semi-annual basis as well as giving awards to those suppliers with best performance in order to motivate them to continuously deliver high quality work to Sansiri.

## 3. A Shortage of Contractors

Sansiri and its subsidiaries have successfully launched housing projects in various locations, leading to several active projects in progress. Sansiri has the risk of contractor and skilled labour shortages, which may result in construction quality not aligning with Sansiri's high standards. However, Sansiri mitigates the risk by establishing strong relationships with a group of contractors to create a valuable database and finding alternatives for construction. In addition to the conventional construction, Sansiri has adopted the precast construction technology. Some walls and finished parts were produced from precast factories, helping Sansiri reduce its dependence on skilled labour. Besides, Sansiri tends to increase the proportion of precast construction systems applied in single-detached house and townhouse projects.

Following the preliminary selection process, Sansiri evaluates construction capabilities to ensure reliable and timely construction. Having several small contractors for a single project often provides more flexibility but also introduces some difficulties in coordination with the associated risk of delay or defective construction delivery. Given such risks, Sansiri closely monitors and meticulously inspects via the Company's Quality Control Department to ensure the high standard of every housing project. Relying on its efficient operational system and transparent selection process, Sansiri currently has a list of more than 75 qualified contractors, ranging from medium to large, which helps reinforce the Company's development progress and growth.

#### 4. Unsold Units

Sansiri plans construction progress based on sales forecasts, which are regularly updated by the sales and marketing team. However, the economic slowdown could lead to decreasing sales and temporary unsold housing stock. Sansiri has reduced this inventory risk through efficient inventory management. To enhance the ability to cope with the changing environment, single-detached house and townhouse projects have been phased with both pre-built houses and semi pre-built houses available for sale. Consequently, Sansiri is able to adjust construction plans to correspond to softer housing demand, as well as to modify subsequent project phases that satisfy consumer preferences and affordability.

For condominium projects, Sansiri steadfastly conducts in-depth research on consumer behavior before launching any projects, along with creating attractive sales promotions to stimulate sales transactions.

#### 5. A Change in Interest Rate and Accessibility to Sources of Funds

Sansiri has earned a reputation as the leading property developer with a strong track record in achieving its planned quantity of high presales, as well as exceeding targets in a number of housing projects. This has resulted in an established credibility among the financial institutions and consequent continual financial support. Moreover, Sansiri has established strong relationships with various commercial banks and always negotiated to achieve competitive prices on project-financing loans. All current projects are secured by project-financing loans and other credit facilities made available by domestic financial institutions.

In 2017, interest rates remained unchanged from the previous year, causing no impact from the increasing cost of funding. Nevertheless, Sansiri had issued fixed rate unsecured debentures in the past several years in which the placements were successful and well-received by investors, thus providing alternative sources of funding for Sansiri's future project development and mitigating the risk of higher interest rate in the future.

#### 6. Environmental Impact Assessment (EIA) Report Approval

There are several housing projects that require Sansiri and its subsidiaries to provide an environment impact assessment report prior to receiving permission from the Environmental Impact Evaluation Bureau within the Ministry of Natural Resources and Environment. In this regard, Sansiri has worked closely with professional consultancy companies, registered with the Ministry of Natural Resources and Environment in order to prepare EIA reports in compliance with rules and regulations under National Environmental Quality Act (NEQA) of 1992. Housing projects requiring EIA approvals are condominium projects with more than 80 units, while single-detached houses and townhouse projects are not required to get EIA approval.

Sansiri and its subsidiaries fully comply with EIA rules and regulations for all housing projects which require approval from the Environmental Impact Evaluation Bureau. In this regard, Sansiri and its subsidiaries work

closely with contractors to ensure that construction is carried out pursuant to the specifications approved by EIA committee to prevent controversy, claims and litigations, and thus no additional environmental investment is required. Sansiri closely monitors the progress and procedures for all housing projects, to ensure that the company is in compliance with all rules, and approval is obtained from the Environmental Impact Evaluation Bureau as scheduled.

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MANAGEMENT  
STRUCTURE



The structure of Company's management as of 28 February 2018 comprises of the Board of Directors and Six Sub-Committees including (1) Audit Committee, (2) Nomination and Compensation Committee, (3) Corporate Social Responsibility Committee, (4) Risk Management Committee, (5) Corporate Governance Committee and (6) Executive Committee.

The Board of Directors

The Board of Directors has been elected by the shareholders' meeting in accordance with the Company's Article of Associations. The Board consists of experts who are fully qualified, under the Public Limited Companies Act, without any prohibited characteristics, for election as directors of the Company, under the criteria of the Office of The Securities and Exchange Commission (SEC) and other regulatory agencies. The directors shall also be able to dedicate themselves and time to fully perform duties and responsibility.

As of 28 February 2018, the Board of Directors consists of 10 persons including:

- seven non-executive directors (there are five independent directors on the board which is more than one third (1/3) of total numbers of directors on board, under the criteria of the Office of The Securities and Exchange Commission (SEC))
- three executive directors

The names and positions of the members of the Board of Directors are as follows:

1.	Mr. Kovit	Poshyananda	- Chairman of the Board of Directors (Independent Director)
2.	Mr. Apichart	Chutrakul	- Vice - Chairman of the Board of Directors - Authorized Director
3.	Mr. Jesadavat	Priebjrivat	- Independent Director
4.	Mr. Srettha	Thavisin	- Director - Authorized Director
5.	Mr. Wanchak	Buranasiri	- Director - Authorized Director
6.	Mr. Thongchai	Jira-alongkorn	- Director
7.	Mr. Porntat	Amatavivadhana	- Independent Director
8.	Mr. Supanit	Chaiyawat	- Independent Director
9.	Mr. Kittichai	Raktakanit	- Independent Director
10.	Mr. Vichaya	Chatikavanij	- Director

**Authorised Directors as the Company's Signatory:** Mr. Apichart Chutrakul, Mr. Srettha Thavisin, Mr. Wanchak Buranasiri, any two of these three directors co-sign their names and affix the company seal.

**Scope of Duty and Responsibility of the Board of Directors**

- 1) To perform its duty, determination and conduct the Company's business according to Company's objectives, Articles of Association, relating laws and regulations, as well as resolutions of the shareholders' meeting. The Board of Directors also oversees and monitors to ensure that business operations are managed effectively and according to the Company's policy for the utmost benefits of shareholders under ethical standards with honesty and carefulness.
- 2) To consider and approve the Company's vision, policies, business plan, operating direction , operating target, financial strategies, annual budget of the Company and shall supervise the management team to effectively implement such policy.
- 3) To appoint the members of the Directors to act as sub-committees to support the operation under its responsibility as appropriate and necessary, and regularly monitor their performance.
- 4) To approve significant transactions under its authority required by law and Company's Articles of Association.
- 5) To supervise and ensure that operations and significant financial activities of the Company are proceeding properly and efficiently and are compliant with all relevant laws and regulations (Compliance Control).
- 6) The Director shall not carry out his business in the same nature as and being in competition with the Company's business or be a partner in ordinary partnership or be an unlimited liability partner in limited partnership or be a Director of private company or other companies having the same nature as and being in competition with the Company's business, either for his/her own benefit or others, unless such information has been notified to the shareholders' meeting prior to the resolution of his/her appointment.
- 7) The Director shall immediately notify the Company if he/she becomes an interested person, either directly or indirectly, in any contract or holds share(s) or debenture(s) in the Company or its subsidiaries.
- 8) In case any Director becomes an interested person in any matter, such Director shall not be allowed to participate in the decision-making process and shall have no right to vote in such matter.
- 9) To provide a clear and transparent process for transactions that may have conflicts of interest, by establishing written policies and procedures for the authorisation of transactions between related parties. All transactions must be complied with guidelines by The Stock Exchange of Thailand.
- 10) The Board of Directors shall manage and govern the Company's operation with morality which have been communicated to the management and employees on a regular basis. All concerned individuals are expected to adopt these policies and implement them with integrity, honesty, and fairness.
- 11) To appoint a Company Secretary to oversee various Company's activities and assist the Board and the Company in conforming to the law and applicable regulations.
- 12) To institute clear processes for the Audit Committee's report to the board, in case of doubtful transactions or activities that could significantly affect the Company's performance.
- 13) To approve the interim dividend payment when it considers that the Company has sufficient profits to do so and to report such payment to the following shareholders' meeting.

- 14) To perform other duties as assigned by the shareholders' meeting.

**Selection of Directors**

Regarding the selection of directors, the Company's regulations differ from the method stipulated by Article 70, Clause 1 of the Public Companies Act of B.E. 2535. The Company's regulations require that the Board of Directors must be approved by a majority of votes in the shareholders' meeting, with one vote for each share. Election may be of individuals or of groups, as the shareholders' meeting deems appropriate. A shareholder may not divide his/ her votes among several individuals or groups.

In the event of positions vacated due to causes other than expiry by their terms, the Board of Directors must elect any person who qualified and not prohibited by Section 68 of the Public Limited Company Act B.E. 2535 to be the board members to replace such vacant positions, in the subsequent meeting of the Board of Directors, unless the remaining period is less than two months. The replacing director shall hold office only for the remaining term of the replaced director. At each Annual General Meeting of Shareholders, one third of the positions on the Board become vacant, and those whose terms have expired may be re-elected for another term of office.

**Board of Directors Meeting**

The Company sets meeting agendas and meeting dates for the Board of Directors' Meetings and Shareholders' Meeting for 2017 in advance. This allowed all directors to be informed well in advance and be able to properly allocate their time to attend all the meetings. The Company sets at least six board meetings a year. The schedule is flexible and allows possible adjustments as necessary; additional meetings can also be added if required. The Company Secretary shall send the meeting invitations, meeting agendas and attach information documents which are relevant and sufficient in detail for board members to consider in advance. These meeting agendas and the attachments thereof shall be sent to each board member at least 7 days prior to the date of the meeting in order to allow the board members adequate time to study the matters prior to attending the meetings.

During each of the Board meetings, the Company Secretary shall take notes and prepare the minutes of the meeting. The minutes shall be submitted within 14 days of the meeting date to each board member for their consideration. All directors can always request copies of any past minutes from the Company's Secretary for further review.

The Chairman of each meeting allocates adequate time for management to present documents and supplementary information for review and discussion of important issues. Each director is entitled to express independent opinions and to present any concerned agenda items.

It is responsibility of the Company Secretary to determine the meeting date, prepare adequate supplementary documents and send notice of Board of Directors meeting to all directors at least 7 days prior to the date of meeting to ensure that all directors will have sufficient time to understand all matters unless there is an emergency or urgent matter. The Company Secretary shall also record all agendas of the meetings and carry out minutes of the meeting. The minute of Board of Directors' meeting which has been approved by the Board shall be kept by the Company Secretary in conventional form for reference in the future.

## Sub-Committees of the Company

### (1) The Audit Committee

The Audit Committee is appointed by the Board of Directors and their term is three years. The committee members have the required knowledge and qualifications as stipulated by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand. All members are independent directors, having adequate expertise and experience to audit creditability of the Company's financial reports, details are as follow;

**The names and positions of the members of the Audit Committee** as of 28 February 2018 are as follows:

- |                              |          |
|------------------------------|----------|
| 1. Mr. Jesadavat Priebjrivat | Chairman |
| 2. Mr. Supanit Chaiyawat     | Member   |
| 3. Mr. Kittichai Raktakanit  | Member   |

#### Scope of Duty and Responsibility of the Audit Committee

- 1) To review the Company's financial reporting process to ensure that it is accurate and adequate;
- 2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit;
- 3) To review the Company's compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, and the laws relating to the Company's business;
- 4) To review and ensure that the Company has duly complied with Anti-Corruption Policy and report it to the Board of Directors;
- 5) To review and assess the Audit Committee charter on a regular basis. Propose changes in the charter for the Board of Director's approval;
- 6) To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
- 7) To review the connected transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company;
- 8) To prepare, and to disclose in the Company's annual report, an Audit Committee's report which must be signed by the Audit Committee's chairman and consist of at least the following information:
  - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
  - (b) an opinion on the adequacy of the Company's internal control system,
  - (c) an opinion on the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or the laws relating to the Company's business,
  - (d) an opinion on the suitability of an auditor,
  - (e) an opinion on the transactions that may lead to conflicts of interests,

- (f) the number of the Audit Committee meetings, and the attendance of such meetings by each committee member,
  - (g) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
  - (h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors; and
- 9) To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

To perform the above duties, the Audit Committee is directly responsible to the Board of Directors. whereas the Board of Directors remains responsible for Company's operations to outsiders.

### (2) Nomination and Compensation Committee

The Nomination and Compensation Committee is appointed by the Board of Directors and their term is three years. The Committee consists of three non-executive directors, details are as follow;

**The names and positions of the members of the Nomination and Compensation Committee** as of 28 February 2018 are as follows:

- |                               |          |
|-------------------------------|----------|
| 1. Mr. Jesadavat Priebjrivat  | Chairman |
| 2. Mr. Porntat Amatavivadhana | Member   |
| 3. Mr. Kittichai Raktakanit   | Member   |

#### Scope of Duty and Responsibility of the Nomination and Compensation Committee

The Nomination and Compensation Committee of the Company has the scope of duties and responsibilities to the Board of Directors on the following matters:

- (1) Nomination;
  - 1.1) Determine structure and composition of the Company's Board of Directors with regard to each director's qualification relating to skills, experiences and specialties that are suitable for the business and vision on a long term basis, as well as qualification as prescribed by laws and regulations of regulating agencies including the Office of the Securities and Exchange Commission, etc. Review current structure of the Board to ensure that it is suitable for the Company's strategic needs, and propose guidelines for improvement,
  - 1.2) Consider qualification of person who will serve as independent director, and ensure that such independence is in accord with the criteria as specified by the Office of the Securities and Exchange Commission at minimum,
  - 1.3) Establish policies, criteria and methods for the nomination of Company's Board of Directors, Sub-committee, Chairman of Executive Board, managing director, chief operating officer, and senior executives,
  - 1.4) Recruit, select and nominate qualified person to replace director who vacates office by rotation and/or fill any vacant and/or additional position, and screen and verify name list of persons being nominated as directors, with related agencies, to ensure that they are not blacklisted or repealed from the name list that has been prepared by those agencies,

- 1.5) Establish director development plan in order to enhance knowledge of existing and new directors on the Company's business, rules and duties of directors, regulations or laws relating to the Company's business, etc.
  - 1.6) Determine criteria and methods for performance assessment of the Company's Board of Directors, Sub-committee, Chairman of Executive Board, managing director, chief operating officer, and senior executives, in order to propose for approval of the Company's Board of Directors' meeting,
  - 1.7) Establish Succession Plan for the preparedness of any successors in the event that the Chairman of Executive Board, managing director, chief operating officer, and senior executives retire or could not perform their duties for the continuity of the Company's administration,
  - 1.8) Other operations as assigned by the Company's Board of Directors relating to the nomination.
- (2) Determination of Remuneration;
- 2.1) Determine policies, formats and criteria on the determination of remuneration for the Company's directors, Sub-committee, Chairman of Executive Board, managing director, chief operating officer, and senior executives, and review suitability of existing criteria in order to propose for approval of the Company's Board of Directors and/or shareholders' meeting, as the case may be,
  - 2.2) Determine suitable remuneration of each category including monetary or non-monetary remuneration on an individual basis in order to remunerate and motivate people who have been contributing to the Company's success by considering the suitability with duties and responsibilities, and procedures of other companies in the same industry, as well as the Company's overall operation, in order to propose for the Company's Board of Directors' consideration and approval of shareholders' meeting,
  - 2.3) Report policies, principles and rationales for the determination of remuneration for directors and executives in accordance with of the Stock Exchange of Thailand requirements, by disclosing in the Company's Annual Information Form (Form 56-1) and annual report,
  - 2.4) Determine bonus and annual pay raise based on the Company's overall operation,
  - 2.5) Consider and grant approval in the event that the Company will allocate warrants to directors and executives and/or subsidiaries exceeding 5% of all warrants, and determine name list and number of warrants to be allocated to directors and employees exceeding 5%, provided that the laws, notifications and regulations relating to these matters shall be complied with,
  - 2.6) Consider and determine structure of salary and other benefits of the Company,
  - 2.7) Other operations as assigned by the Company's Board of Directors relating to the determination of remuneration as specified by the Company's Board of Directors.

**(3) The Corporate Social Responsibility Committee (CSR Committee)**

The Corporate Social Responsibility Committee (CSR Committee) is appointed by the Board of Directors, and their term is three years. The President is the Chairman and the other two members shall be selected from amongst directors, employees, independent advisors or specialists, details are as follow;

**The names and positions of the members of the Corporate Social Responsibility Committee** as of 28 February 2018 are as follows:

- |    |               |                |          |
|----|---------------|----------------|----------|
| 1. | Mr. Srettha   | Thavisin       | Chairman |
| 2. | Mr. Jesadavat | Priebjrivat    | Member   |
| 3. | Mr. Porntat   | Amatavivadhana | Member   |

**Scope of Duty and Responsibility of the Corporate Social Responsibility Committee**

- 1) To review CSR policy and activities and submit to the Board of Directors for approval;
- 2) To agree and establish a CSR strategy of Sansiri Group's to ensure that it remains an integral part of the group strategy and its implementation in practice and that the Group's social, environmental and economic activities are aligned;
- 3) To review the CSR annual plan and budget and submit to the Board of Directors for approval;
- 4) To review and monitor progress of CSR activities and evaluate the success and quality of CSR Programmes;
- 5) To promote CSR programmes and encourage participation among directors and employees;
- 6) To elect the CSR Working Group to develop the CSR Plan and create CSR Programmes;
- 7) To conduct CSR-related issues as assigned by the Board of Directors.

**(4) The Risk Management Committee**

The Risk Management Committee is appointed by the Board of Directors, and their term is three years. The Committee constitutes of at least five directors, details are as follow;

**The names and positions of the members of the Risk Management Committee** as of 28 February 2018 are as follows:

- |    |               |              |          |
|----|---------------|--------------|----------|
| 1. | Mr. Jesadavat | Priebjrivat  | Chairman |
| 2. | Mr. Supanit   | Chaiyawat    | Member   |
| 3. | Mr. Kittichai | Raktakanit   | Member   |
| 4. | Mr. Vichaya   | Chatikavanij | Member   |
| 5. | Mr. Wanchak   | Buranasiri   | Member   |

**Scope of Duty and Responsibility of the Risk Management Committee**

- 1) To establish strategies, policies and framework for risk management, as well as risk management system, and establish risk management standards as guidelines for various units in the Company;
- 2) To acknowledge and offer feedback on the Company's direction on risk management;
- 3) To monitor, inspect, analyse and review action plan in accordance with risk management framework on a regular basis in order to respond to ongoing changes;



- 4) To review and offer feedback in order to minimise and manage risk in acceptable level;
- 5) To supervise and ensure that risk management measures are communicated and implemented throughout the organisation, and support and promote timely and appropriate risk reporting;
- 6) To coordinate and exchange information with the Audit Committee and internal auditing unit in the Company with regard to significant risks;
- 7) To perform other operations as assigned by the Company's Board of Directors relating to risk management.

(5) The Corporate Governance Committee

The Corporate Governance Committee is appointed by the Board of Directors, and their term is three years. The Committee constitutes of at least four directors, details are as follow;

The names and positions of the members of the Corporate Governance Committee as of 28 February 2018 are as follows:

- 1. Mr. Kittichai Raktakanit Chairman
- 2. Mr. Vichaya Chatikavanij Member
- 3. Mr. Porntat Amatavivadhana Member
- 4. Mr. Wanchak Buranasiri Member

Scope of Duty and Responsibility of the Corporate Governance Committee

- 1) To establish and review policies and criteria in accordance with good corporate governance principles, as well as requirements relating to business code of ethics, in order to implement those principles for the establishment of the Company's rules and regulations in accordance with good corporate governance, for the Company's directors, executives and employees;
- 2) To establish policies on the Company's sustainable development, and offer feedback on procedures and recommendation for improvement as appropriate;
- 3) To review, promote and encourage the Company's personnel of all levels to adhere and comply with good corporate governance principles;
- 4) To review and improve policies on good corporate governance on a regular basis in accordance with the procedures of supervisory agencies;
- 5) The Corporate Governance Committee shall have authorisation to invite concerned parties or any person as it deems appropriate to attend the meeting or explain any related matters;
- 6) To perform other duties operations as assigned by the Company's Board of Directors relating to the corporate governance as specified by the Company's Board of Directors.

Details on the Sub-Committee of the members of the Board of Directors are as follows

Name of Directors			Board of Directors	Audit Committee	CSR Committee	Nomination and Compensation Committee	Risk Management Committee	CG Committee
1	Mr. Kovit	Poshyananda	C	-	-	-	-	-
2	Mr. Apichart	Chutrakul	M	-	-	-	-	-
3	Mr. Jasadavat	Priebjrivat	M	C	M	C	C	-
4	Mr. Srettha	Thavisin	M	-	C	-	-	-
5	Mr. Wanchak	Buranasiri	M	-	-	-	M	M
6	Mr. Thongchai	Jira-alongkorn	M	-	-	-	-	-
7	Mr. Porntat	Amatavivadhana	M	-	M	M	-	M
8	Mr. Supanit	Chaiyawat	M	M	-	-	M	-
9	Mr. Kittichai	Raktakanit	M	M	-	M	M	C
10	Mr. Vichaya	Chatikavanit	M	-	-	-	M	M

Remark : C - Chairman means Chairman  
M - Member means Member

Details of meeting attendance the Board of Directors' meeting and other Sub-committees' meeting

In 2017, the details of meeting attendance the Board of Directors' meeting and other Sub-committees' meeting are as follow;

Name of Directors	Position Board of Directors	Meeting Attendance (Meeting)					
		Board of Directors	Audit Committee	CSR Committee	Nomination and Compensation Committee	Risk Management Committee	Corporate Governance Committee
1 Mr. Kovit Poshyananda	- Chairman of the Board of Directors	12/12	-	-	-	-	-
2 Mr. Apichart Chutrakul	- Vice - Chairman of the Board of Directors	12/12	-	-	-	-	-

Name of Directors	Position Board of Directors	Meeting Attendance (Meeting)					
		Board of Directors	Audit Committee	CSR Committee	Nomination and Compensation Committee	Risk Management Committee	Corporate Governance Committee
3 Mr. Jesadavat Priebjivat	- Independent Director - Chairman of the Audit Committee - Chairman of the Nomination and Compensation Committee - Chairman of the Risk Management Committee - Member of the Corporate Social Responsibility Committee	11/12	5/5	4/4	2/2	2/2	-
4 Mr. Srettha Thavisin	- Director - Chairman of the Corporate Social Responsibility Committee	10/12	-	4/4	-	-	-
5 Mr. Wanchak Buranasiri	- Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee	12/12	-	-	-	2/2	1/1
6 Mr. Thongchai Jira-alongkorn	- Director	10/12	-	-	-	-	-
7 Mr. Porntat Amatavivadhana	- Independent Director - Member of the Nomination and Compensation Committee - Member of the Corporate Governance Committee - Member of the Corporate Social Responsibility Committee	12/12	-	4/4	2/2	-	1/1
8 Mr. Supanit Chaiyawat	- Independent Director - Member of the Audit Committee - Member of the Risk Management Committee	10/12	5/5	-	-	2/2	-
9 Mr. Kittichai Raktakanit	- Independent Director - Chairman of the Corporate Governance Committee - Member of the Audit Committee - Member of the Nomination and Compensation Committee - Member of the Risk Management Committee	12/12	5/5	-	2/2	2/2	1/1
10 Mr. Vichaya Chatikavanit	- Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee	10/12	-	-	-	2/2	1/1

## (6) The Executive Committee

The Executive Committee is appointed by the Board of Directors to supervise and control daily affairs of the Company. Being selected from a list of the Company's top management or independent advisors, members of the Executive Committee must not be directors of the Company (except members of the Executive Committee no. 1-3 on the list as shown below).

**The names and positions of the members of the Executive Committee** as of 28 February 2018 are as follows:

Name			Positions
1.	Mr. Apichart	Chutrakul	Chairman of the Executive Committee
2.	Mr. Srettha	Thavisin	Deputy Chairman of the Executive Committee
3.	Mr. Wanchak	Buranasiri	Member of the Executive Committee
4.	Mr. Uthai	Uthaisangsuk	Member of the Executive Committee
5.	Mr. Thalin	Aeimtitiwat	Member of the Executive Committee
6.	Mr. Metha	Angwatanapanich	Member of the Executive Committee
7.	Mr. Nopporn	Boonthanom	Member of the Executive Committee
8.	Mr. Poomipak	Julmanichoti	Member of the Executive Committee
9.	Miss Vilasinee	Dejamornthan	Member of the Executive Committee
10.	Mr. Samatcha	Promsiri	Member of the Executive Committee
11.	Mrs. Sirindra	Mongkolnavin	Member of the Executive Committee
12.	Miss Varangkana	Artkarasatapon	Member of the Executive Committee

Remark :

- Mrs. Arunporn Limskul and Mrs. Sirindra Mongkolnavin was appointed as a member of the Executive Committee, effective from 1 January 2018 (in replacement of Mr. Somchai Charntanawet and Miss Natthaluck Sakulpoonyapond who respectively resigned from their position).

- Miss Varangkana Artkarasatapon was appointed as a member of the Executive Committee, effective from 14 February 2018 (in replacement of Mrs. Arunporn Limskul who resigned from her position).

### Scope of Authority and Responsibility of the Executive Committee

- 1) To supervise and control daily affairs of the Company so that they conform to policies and budget approved for them by the Board of Directors. This includes making business plans, directions, strategies, and organisational structures, and managing the Company's operations. Corporate expenditures must conform to economic conditions and the competition encountered by the Company, according to the aforementioned policies and budget. The Committee must also monitor results of corporate operations and ensure that they accord with the approved business plan of the Company.

- 2) To conduct any other affairs assigned to it by the Board of Directors, including authorisation of operations that fall within the scope of authority assigned to the Executive Committee by the Board of Directors, which authority is subject to periodic review.
- 3) To screen for other matters beyond the Committee's scope of authority before passing them to the Board of Directors for consideration.

Nonetheless, the authorisation assigned by the Board of Directors shall not cause the Executive Committee, the President or any proxy to approve transactions that he or potentially conflicted persons may involve directly or indirectly in advantage/disadvantage, or any involvement causing conflicts of interest to the Company or any related transactions which referred by the Articles of Association of the Company, the regulations of The Securities and Exchange Commission, except normal business transactions such as buying or selling products or services of the Company in accordance with the policy, rules and budget which were approved by the Board of Directors.

Management Team

On 28 February 2018, the Company's Management Team as shown in the organisation structure and in accordance with the definition stipulated in the notification of the Securities and Exchange Commission, namely:

The Name of Management		Position
Mr. Apichart	Chutrakul	Chief Executive Officer
Mr. Srettha	Thavisin	President
Mr. Wanchak	Buranasiri	Chief Financial Officer
Mr. Uthai	Uthaisangsuk	Chief Operating Officer
Mr. Thalín	Aeimtitiwat	Senior Executive Vice President - Accounting Department
Mr. Metha	Angwatanapanich	Senior Executive Vice President - Land Acquisition and Business Development Department
Mr. Nopporn	Boonthanom	General Counsel - Legal Office and Government Affairs
Miss Vilasinee	Dejamornthan	Executive Vice President - Project Development Division (Low Rise 1)
Mr. Somkia	Hongsuppinyo	Executive Vice President - Project Development Division (Low Rise 2)
Mr. Tasanin	Maha-amatayatibodee	Executive Vice President - Quality Control and Project Support Department
Mr. Poomipak	Julmanichoti	Executive Vice President - Project Development Department (High Rise 2) and International Business Development Department
Mr. Tawicha	Trakulyingyong	Chief Technology Officer
Mr. Nopadon	Baholyodhin	Chief Creative Officer

Note: Information of directors and the management of the Company are explained in detail under the topic "Details on the Directors and the Management"

Company Secretary

The Board of Directors appointed Mr. Nopporn Boonthanom as the Company Secretary, became effective on 13 August 2008 with the principle duty and scope of responsibility as specified by The Securities and Exchange Acts (No.4) B.E. 2551. The Company Secretary takes responsibility in providing advices to the Board of Directors and Management regarding the applicable laws and regulations that they must recognise and act upon, as well as arranging the Board of Directors meeting, Sub-committee meeting and the meeting of shareholders. In this regard, The Company Secretary also coordinates with all involved parties to ensure that all information is properly disclosed as regulated by related organisations, that activities of the Company conform to relevant laws, objectives, article of association, and that the Board of Directors and shareholders' resolutions are fully complied of information.

Profile and information about the Company Secretary listed below:

(As of 31 December 2017)

Name - Surname	Mr. Nopporn Boonthanom
Position	Company Secretary
Age	53 years
Education	Master of Law, Chulalongkorn University
Company Secretary Training Programme	Corporate Secretary Development Programme held by the Thai Listed Companies Association
% of Shares Held	0.06% (including the shares held by spouse and minor children)
Relationship with Director and Management	- None –
Working Experience	2005 - present General Counsel - Legal Office and Government Affairs Sansiri Public Company Limited

Remuneration of Directors and Management

The Nomination and Compensation Committee will propose remuneration of the Company's directors and the sub-committee, to the Board of Directors for approval. Then, the proposed remuneration shall be submitted for approval at the shareholders' meeting which is held on an annual basis.

(1) Monetary Remuneration

Remuneration of the Board of Directors consists of meeting allowances, special remuneration of Non-executive Directors, salary of the Audit Committee and meeting allowances of the Sub-committee.

The monetary remuneration of each director in year 2017 is as follows:

Name	Meeting Allowances:	Special Remuneration of Non-Executive Directors	Salary of the Audit Committee	Meeting Allowances:	Meeting Allowances:	Meeting Allowances:	Meeting Allowances:	Total Amount
	Board of Directors			Corporate Social Responsibility Committee	Nomination and Compensation Committee	Risk Management Committee	Corporate Governance Committee	
	(Baht/Year)							
Mr. Kovit Poshyananda	240,000	2,000,000	-	-	-	-	-	2,240,000
Mr. Apichart Chutrakul	240,000	-	-	-	-	-	-	240,000
Mr. Jesadavat Priebjrivat	240,000	1,500,000	600,000	80,000	40,000	40,000	-	2,500,000
Mr. Srettha Thavisin	240,000	-	-	80,000	-	-	-	320,000
Mr. Wanchak Buranasiri	240,000	-	-	-	-	40,000	20,000	300,000
Mr. Thongchai Jira-alongkorn	240,000	1,500,000	-	-	-	-	-	1,740,000
Mr. Porntat Amatavivadhana	240,000	1,500,000	-	80,000	40,000	-	20,000	1,880,000
Mr. Supanit Chaiyawat	240,000	1,500,000	360,000	-	-	40,000	-	2,140,000
Mr. Kittichai Raktakanit	240,000	1,500,000	360,000	-	40,000	40,000	20,000	2,200,000
Mr. Vichaya Chatikavanit	240,000	1,500,000	-	-	-	40,000	20,000	1,800,000
Total								15,360,000

Remuneration of the Company's Management Team

The total remuneration for the year 2017, comprising salary and bonus, paid to the Company's management, totaling 23 persons (including the managements who were resigned during the year) was 276.67 Million Baht.

(2) Other Remuneration

- The Plan to issue and offer ESOP Warrants to Directors of the Company and its subsidiaries (ESOP Scheme)

The Company introduced the ESOP scheme with the purpose of motivating its directors and employees to participate in the Company as an owner, as well as improving the working morale and stimulating and encouraging employees to perform their best for the highest benefit of the Company. In addition, the ESOP scheme will be an incentive that helps retain employees with high capability and efficiency to work with the Company in the long term. As of the year ended 2017 there was ESOP scheme which is summarised as follows:

Details	ESOP # 7
Number of warrants offered	300,000,000 units
Offering price	0 baht
Maturity	5 years from the issuance of warrant (from issuance date of 1 September 2015 to the date the Warrants reach the term of 31 August 2020)
Exercise ratio	1 unit of warrant is entitled to purchase 1 ordinary share
Exercising price	2.50 Baht per unit



Details	ESOP # 7
Exercise Period	<p>The warrant holders are entitled to exercise warrants once every calendar month on the last working day until the maturity of warrants subject to the following conditions:</p> <p>1<sup>st</sup> Year : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 1<sup>st</sup> year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p>2<sup>nd</sup> Year : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 2<sup>nd</sup> year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p>3<sup>rd</sup> Year : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 3<sup>rd</sup> year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p>4<sup>th</sup> Year : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p> <p>The number of the warrants being exercisable in the 4<sup>th</sup> year but remain outstanding can be exercised in the following years until they have reached the expiration of the exercise period in accordance with the Plan.</p> <p>5<sup>th</sup> Year : The maximum number of ordinary shares that the each warrant holder can exercise the right to purchase are 1/5 of the total number of the warrants being allotted to him/her by the Company.</p>

Any director of Sansiri Public Company Limited does not receive the allotment of the warrants ESOP # 7, whereas any Management/Employees were not entitled to receive the allotment of the warrants ESOP # 7 more than 5% of the total warrants issued under this plan.

• Contributions to the Provident Fund

The Company had not paid any contributions to the provident funds of directors, except for directors who are employees of the Company, and the Management. In year 2017, the contributions for 23 persons (including the managements who were resigned during the year) were paid to their provident funds in an amount of 11.22 Million Baht.

Staff

The Company has total staff of 1,675 people (only Sansiri Public Company Limited, as of 31 December 2017). The Company's compensation to employees was 1,621.88 Million Baht including salary, bonus, provident fund, etc.

Amount of Staff in key divisions are as follows:

1. Executive Office	9	People
2. Marketing Division	70	People
3. Accounting Department	49	People
4. Corporate Planning and Sustainability Development Department	16	People
5. Legal Office	22	People
6. Finance Department	14	People
7. Customer Relations Department (High Rise)	38	People
8. Customer Relations Department (Low Rise)	68	People
9. Human Resources and Office Management Department	82	People
10. Technology and Business Intelligence Division	61	People
11. Asset Management Department	47	People
12. Project Development Division	139	People
13. Quality Control and Project Support Department (High Rise)	174	People
14. Quality Control and Project Support Department (Low Rise)	645	People
15. Project Development Division	77	People
16. General Affairs Department	51	People
17. Research and Plus Strategic Development Department	13	People
18. International Business Development Department	24	People
19. Project Procurement Department	18	People
20. Service Development Department	9	People
21. Home Care Department (Low Rise)	24	People
22. Appraisal Department	15	People
23. Business Development and Investor Relations Division	10	People

## Human Resources Development

Sansiri believes that human resources are the solid foundation that drives the sustainable growth of the Company. Consequently, Sansiri has developed human resources management strategy for all HR processes including selection and recruitment, the performance management, the human resources development, leadership development and employee retention, in order to keep employees happy and productive. The Company also adopts data analytics to better analyse information for human resources management and staff efficiency improvement. In this regard, the Company has launched several programmes as follows:

### 1. Branding and Recruitment

Sansiri realises the importance of employer branding as one of key success factors to attract and retain the desired staff for the Company. Accordingly, Sansiri has launched public relations campaign to promote the Company as the employer of choice to a desired target group. The PR campaign not only clearly communicates the HR development policy and organisational cultures, but also illustrates the work environment at Sansiri to the target audience. The programmes include:

- Employer Branding Project, to communicate the human resources development policy and organisational cultures as well as to illustrate the work environment at Sansiri to the target audience, through various communication channels including Career Roadshow and Job Fair. The career events are held consistently in collaboration with private sectors at all levels; national, provincial, and institutional levels, to attract applicants and provide them with the information of the Company.
- Cooperation with Colleges and Universities, to provide vocational training for students from various colleges and universities as an opportunity to work in the real business sector under the supervision of professors and Sansiri's staff. The work experience will not only help equip the students with skills necessary for their career but also give the Company an opportunity to select and recruit high calibre personnel.

### 2. Performance Management and Reward and Recognition

Sansiri has developed the performance management holistically including setting Key Performance Indicator (KPI) to evaluate employees' performance, providing feedback during the year (Performance Review) which help employees in improving their performance prior to the next evaluation session, and sending feedback by the supervisors for self-development. Apart from using KPI, the competency assessment is also crucial for the performance management.

- Evaluation system with well-defined Key Performance Indicators and detailed manual provided, to ensure that the evaluation process has been done efficiently with fairness and transparency
- Special gift for promoted employees, to congratulate and recognise their services to the Company, along with a message from CEO via E-card and online bulletin to create morale among staff.
- Salary survey and salary structure revision, to ensure that the remuneration is fair, updated, and competitive with the industry.
- Organisational culture, to ensure that the staff are proud of the Company, realise the importance of customers, always pay attention to detail of delivering quality housing units and services to customers, being service-minded and creative, and value the teamwork.
- Employee Branding Programme, to educate and create awareness among the staff of the importance of corporate branding and the staff as a brand ambassador, by encouraging the staff to always impress the customers with good personality and service excellence.

## 3. People Development

Sansiri aims for employee development including aligning the behavior of employees with corporate culture, developing knowledge and skills to work professionally and updating knowledge to cope with changes. In addition to developing internal employees, Sansiri also realises the importance on youth development by utilising employees' knowledge which specialise in property development, design, marketing and property management. The sharing of knowledge and experience to students as being the future of nation is described as following projects:

### Employee Development

- Sansiri Passport Project, a one-year mentor programme aiming not only to equip the new staff with the knowledge and skills necessary for a job but also to provide counselling for both professional and personal matters, to ensure that the new staff will get supports and follow-up constantly.
- Development Roadmap, to improve efficiency of staff by providing the training courses and career development plan for each staff individually.
- Leadership Development, to ensure that the Company can grow sustainably by developing leaders at all levels (Leadership Pipeline) ranged from high-potential development and succession management for seamless business management, to manage the situation and changes promptly.
- Sansiri Leadership Programme (SLP), a training programme to support the staff of a high calibre, in which the staff will learn the procedures and strategies of the modern management, as well as leadership skills, in preparation to be the executives.
- Mini MBA Programme, to equip the middle management with the managerial skills necessary for teamwork and human resources management, as well as the analytical thinking process to support the business expansion of the Company.
- The Challenger Programme, to take care, retain and develop employees with good performance and high potential by supporting the Individual Development Programme to develop their knowledge, and skills, and reinforce their working experience by assigning responsibilities in special projects
- Foreign Language Study Programme, to support employees who need foreign language skill in their working requirement to study from the renowned and qualified language institutions. All expenses are supported by the Company until they reach the designated level, and are able to apply their skill in their work.
- Seminars and excursions, to help improve skills and knowledge, to explore new visions, and to reward the staff for their great services.
- Training course on Quality Control, to educate the operating staff about the quality control processes and to instill the concept of attention to detail in the staff, to ensure that all property products and services are inspected prior to delivery to the customers.
- Knowledge Management Project, to encourage learning of the staff by providing knowledge centre with a full range of availability from both internal and external knowledge and an easy accessibility to offer learning from anywhere at any time. Employees can access information anytime, anywhere via Siriintranet.

### Youth Development

- Internship Programme, a training programme for students as the opportunity to work in the real workplace. The students are supervised by Sansiri's staff during the programme. The programme includes the orientation and excursions which will provide work experience for students.

- Knowledge Sharing Programme, a sharing session of knowledge and experience for students by Sansiri's staff as a mentor in the project including arranging the contest to encourage students to submit their projects, motivating the contestants with award, and inspiring them with determination to create their masterpiece in the future.

Employee Engagement

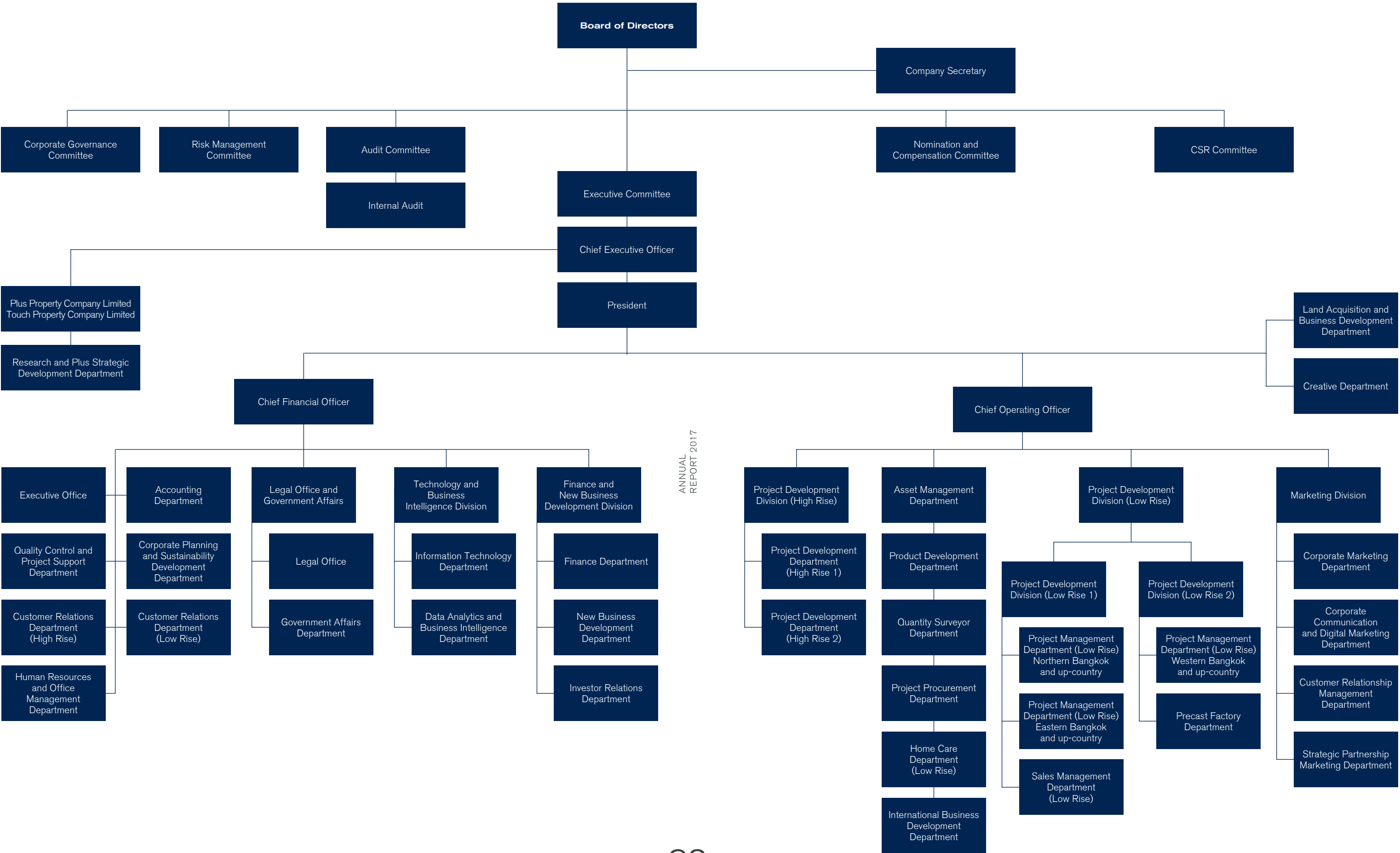
The employee engagement and the happiness in workplace will bring in good results in several aspects of the business including decreasing turnover rate and increasing productivity, commitment to work, and service excellence. Sansiri assesses employee engagement to the organisation as follows:

- Employee Engagement Survey, to evaluate the employees' participation in corporate culture and use the feedback for organisation improvement as well as proper implementation of organisational and human resources management, in both short-term and long-term.
- The Good Life activities, to promote Sansiri as a pleasant workplace with supportive teamwork and working environment, which encourages the staff to work happily with creativity, determination, and continuous improvement.
- Recreational Activities, to encourage the staff to build good relations among the team and across the Company.
- Site-Visit Activities, to provide the opportunity for back-office employees to meet regularly with employees on sites in order to communicate the Company's policies, mission and welfare and to strengthen relationship among staff.

Digital HR

Sansiri realises that technology has been as disruptive in human resources management as in other aspects. The Company has adopted technology to facilitate the way of working for staff both at head office and at sites across the country. Disruptive technologies also provide the Company with insights to better manage human resources under the changing environment, cater for the needs of staff at each location, improve work process flow, reduce paperwork and storage, and improve overall staff efficiency. The programmes launched during the last year include:

- E-service system, to facilitate the work process flow with features; user-friendly, accessible through internet, paperless, and cost-effective.
- Digital HR, for integrated human resources management covering selection and recruitment through retention and recognition.



Details On The Directors And Management

(as of 28 February 2018)

Mr. Kovit Poshyananda (Age: 82 years)			
Current Position	- Chairman of the Board of Directors (Independent Director)		
Date of Registration as Director	19 November 2000		
Highest Education/Certification	- Ph.D. (Economics) Cornell University, United States - Director Accreditation Program (DAP), Thai Institute of Directors (IOD)		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	11,405,333 shares	11,405,333 shares	No change
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			
Present	Independent Director and Chairman of the Nomination and Remuneration Committee	Bangkok Bank Public Company Limited	
Present	Independent Director and Chairman of the Audit Committee	Shangri-La Hotel Public Company Limited	
2001 - 2016	Independent Director and Chairman of the Audit Committee	Glow Energy Public Company Limited	
1999 - 2016	Independent Director and Chairman of the Audit Committee	Furukawa Metal (Thailand) Company Limited	
Positions in Non-listed Company/Other Organisations			
Present	Vice Chairman	Walailak University	
Present	Director	The Office of the Council States of Thailand	
2007 - 2014	The Expert on Finance	Office of Insurance Commission	

Mr. Apichart Chutrakul (Age: 57 years)			
Current Position	- Vice-Chairman of the Board of Directors - Chairman of the Executive Committee - Authorised Director - Chief Executive Officer		
Date of Registration as Director	22 November 1995		
Highest Education/Certification	- Master of Business Administration University of San Diego, United States		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	Cousin of Mr. Srettha Thavisin and Mr. Wanchak Buranasiri		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	176,059,496 shares	274,400,000 shares	98,340,504 shares
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
Present	Member of the Central Land Development Sub-Commission	Real Estate Business Promotion Bureau, Department of Lands	
Feb 2018 - Present	Director	Siripat One Co., Ltd.	
Feb 2017 - Present	Director	Jirapas Realty Co., Ltd.	
Apr 2017 - Present	Director	Paranat Property Co., Ltd.	
May 2017 - Present	Director	Siri Ventures Co., Ltd.	
Jun 2017 - Present	Director	Siri Smart One Co., Ltd.	
2016 - Present	Director	Siriwattana Holding Ltd.	
2009 - Present	Director	NED Management Co., Ltd.	
2008 - Present	Director	Plus Property Space Co., Ltd.	
2006 - Present	Director	Papanan Limited	
2006 - Present	Director	Red Lotus Properties Limited	
2003 - Present	Director	Arnawat Limited	
2003 - Present	Director	Piwattana Limited	

Mr. Apichart Chutrakul (Age: 57 years)		
2003 - Present	Director	Satit Pattana Personnel Center Limited
2002 - Present	Director	S.U.N. Management Co., Ltd.
2002 - Present	Director	Sansiri China Co., Ltd.
2000 - Present	Director	QT Lifestyle Limited
1998 - Present	Director	Plus Property Co., Ltd.
1990 - Present	Director	Chanachai Limited
2009 - May 2017	Director	Touch Property Co., Ltd.
Aug - Oct 2016	Director	BTS Sansiri Holding Twenty Limited
Mar - Aug 2016	Director	BTS Sansiri Holding Fifteen Limited
2006 - 2016	Director	Pacific Challenge Holding Co., Ltd.
2008 - 2015	Director	Plus Property Venture Co., Ltd.

Mr. Srettha Thavisin (Age: 56 years)			
Current Position	- Director - Deputy Chairman of the Executive Committee - Chairman of the Corporate Social Responsibility Committee - Authorised Director - President		
Date of Registration as Director	22 November 1995		
Highest Education/Certification	- Master of Business Administration (Finance) Claremont Graduate School, United States		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	Cousin of Mr. Apichart Chutrakul and Mr. Wanchak Buranasiri		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	106,356,067 shares	658,799,534 shares	552,443,467 shares
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None



Mr. Srettha Thavisin (Age: 56 years)		
Positions in Non-Listed Company/Other Organisations		
Feb 2018 - Present	Director	Siripat One Co., Ltd.
Feb 2017 - Present	Director	Jirapas Realty Co., Ltd.
Apr 2017 - Present	Director	Paranat Property Co., Ltd.
May 2017 - Present	Director	Siri Ventures Co., Ltd.
Jun 2017 - Present	Director	Siri Smart One Co., Ltd.
2016 - Present	Director	Siriwattana Holding Ltd.
2013 - Present	Director	Papanan Limited
2010 - Present	Director	S.U.N. Management Co., Ltd.
2009 - Present	Director	NED Management Co., Ltd.
2008 - Present	Director	Plus Property Space Co., Ltd.
2006 - Present	Director	Sansiri China Co., Ltd.
2006 - Present	Director	Red Lotus Properties Limited
2003 - Present	Director	Arnawat Limited
2003 - Present	Director	Piwattana Limited
2003 - Present	Director	Satit Pattana Personnel Center Limited
2000 - Present	Director	QT Lifestyle Limited
1998 - Present	Director	Plus Property Co., Ltd.
1990 - Present	Director	Chanachai Limited
Aug - Oct 2016	Director	BTS Sansiri Holding Twenty Limited
Mar - Aug 2016	Director	BTS Sansiri Holding Fifteen Limited
2006 - 2016	Director	Pacific Challenge Holding Co., Ltd.
2008 - 2015	Director	Plus Property Venture Co., Ltd.

Mr. Wanchak Buranasiri (Age: 52 years)			
Current Position	- Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee - Member of Executive Committee - Authorised Director - Chief Financial Officer		
	Date of Registration as Director		
	22 November 1995		
	Highest Education/Certification		
	- Master of Engineering (Chemical Engineering) Imperial College of Science Technology and Medicine, University of London, United Kingdom - Director Accreditation Program (DAP), Thai Institute of Directors (IOD)		
Illegal record in the last 10 years		None	
Relation among family with other Directors and Executives		Cousin of Mr. Apichart Chutrakul and Mr. Srettha Thavisin	
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
	1) Director	415,469,201 shares	510,469,201 shares
	2) Spouse	3,111,397 shares	3,111,397 shares
	3) Underage Child	None	None
	5-year Past Experiences and/or Remarkable Positions		
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
Feb 2018 - Present	Director	Siripat One Co., Ltd.	
Feb 2017 - Present	Director	Jirapas Realty Co., Ltd.	
Apr 2017 - Present	Director	Paranat Property Co., Ltd.	
May 2017 - Present	Director	Siri Ventures Co., Ltd.	
Jun 2017 - Present	Director	Siri Smart One Co., Ltd.	
2013 - Present	Director	Siriwattana Holding Ltd.	
2009 - Present	Director	NED Management Co., Ltd.	
2008 - Present	Director	Plus Property Space Co., Ltd.	
2006 - Present	Director	Papanan Limited	
2006 - Present	Director	Red Lotus Properties Limited	
2003 - Present	Director	Arnawat Limited	

Mr. Wanchak Buranasiri (Age: 52 years)		
2003 - Present	Director	Piwattana Limited
2003 - Present	Director	Satit Pattana Personnel Center Limited
2002 - Present	Director	S.U.N. Management Co., Ltd.
2002 - Present	Director	Sansiri China Company Limited
2000 - Present	Director	QT Lifestyle Limited
1998 - Present	Director	Plus Property Co., Ltd.
1993 - Present	Director	Chanachai Limited
2007 - May 2017	Director	Touch Property Co., Ltd.
Aug - Oct 2016	Director	BTS Sansiri Holding Twenty Limited
Mar - Aug 2016	Director	BTS Sansiri Holding Fifteen Limited
2006 - 2016	Director	Pacific Challenge Holding Co., Ltd.
2008 - 2012	Director	Plus Property Venture Co., Ltd.

Mr. Jesadavat Priebjrivat (Age: 61 years)	
Current Position	<div><div>- Director (Independent Director)</div><div>- Chairman of the Audit Committee</div><div>- Chairman of the Nomination and Compensation Committee</div><div>- Chairman of the Risk Management Committee</div><div>- Member of the Corporate Social Responsibility Committee</div></div>
Date of Registration as Director	13 June 2008
Highest Education/Certification	<div><div>- Master of Business Administration New York University, United States</div><div>- Director Accreditation Program (DAP)</div><div>- Director Certification Program (DCP)</div><div>- Audit Committee Program (ACP)</div><div>- Monitoring the System of Internal Control and Risk Management (MIR)</div><div>- Monitoring the Internal Audit Function (MIA)</div><div>- Monitoring the Quality of Financial Reporting (MRF)</div><div>- Monitoring Fraud Risk Management (MFM)</div><div>- Role of the Chairman Program (RCP), Thai Institute of Directors (IOD)</div></div>
Illegal record in the last 10 years	None

Mr. Jesadavat Priebjrivat (Age: 61 years)			
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	3,000,000 shares	3,000,000 shares
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			
2013 - Present	Independent Director	Seamico Securities Public Company Limited	
Positions in Non-listed Company/Other Organisations			
2010 - 2012	Chief Financial Officer	CAT Telecom Public Company Limited	
2008 - 2011	Director and Chairman of the Risk Management Committee	Islamic Bank of Thailand	

Mr. Thongchai Jira-alongkorn (Age: 58 years)			
Current Position	- Director		
Date of Registration as Director	20 May 2013		
Highest Education/Certification	<div><div>- Bachelor of Business Administration, Bangkok University</div><div>- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)</div></div>		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	3,169,802 shares	3,169,802 shares	No change
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			
2009 - Present	Deputy Managing Director	Viriyah Insurance Public Company Limited	
2012 - Present	Director	Bangkok Dusit Medical Services Public Company Limited	

Mr. Thongchai Jira-alongkorn (Age: 58 years)		
2016 - Present	Director	Property Perfect Public Company Limited
Positions in Non-listed Company/Other Organisations		
1996 - Present	Committee and Managing Director	Thonburi Automotive Commercial Co., Ltd.
1994 - Present	Committee and Managing Director	Thonburi Panich Leasing Co., Ltd.
1987 - Present	General Manager	Viriyah Leasing Co., Ltd.

Mr. Porntat Amatavivadhana (Age: 48 years)			
Current Position	<div>- Director (Independent Director)</div> <div>- Member of the Nomination and Compensation Committee</div> <div>- Member of the Corporate Governance Committee</div> <div>- Member of the Corporate Social Responsibility Committee</div>		
Date of Registration as Director	: 13 June 2008		
Highest Education/Certification	<div>- Master of Science in Management Boston University, United Kingdom</div> <div>- Director Accreditation Program (DAP)</div> <div>- Director Certification Program (DCP)</div> <div>- Audit Committee Program (ACP), Thai Institute of Directors (IOD)</div>		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	1,000,000 shares	1,000,000 shares	No change
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
2007 - Present	Chief Executive Officer	Infinite Capital Co., Ltd.	
2015 - 2017	Director	Donaco International Limited	
2012 - 2014	Director	Beyond Green Co., Ltd.	
2008 - 2011	Director	K-Tech Construction Public Company Limited	

Mr. Supanit Chaiyawat (Age: 57 years)			
Current Position	<div>- Director (Independent Director)</div> <div>- Member of the Audit Committee</div> <div>- Member of the Risk Management Committee</div>		
Date of Registration as Director	: 16 October 2014		
Highest Education/Certification	<div>- Master of Business Administration,</div> <div>University of Pittsburgh, United States</div> <div>- The National Defence College</div> <div>(The Joint State-Private Sector Course 26)</div> <div>- Director Certification Program (DCP),</div> <div>Thai Institute of Directors (IOD)</div>		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
2015 - present	Managing Director	Arno's Eatery Co., Ltd.	
2011 - present	Chief Executive Officer	Hilco Global Asia Limited	
1998 - present	Managing Director	Prabhavasu Co., Ltd.	

Mr. Kittichai Raktakanit (Age: 58 years)	
Current Position	<div>- Director (Independent Director)</div> <div>- Chairman of the Corporate Governance Committee</div> <div>- Member of the Audit Committee</div> <div>- Member of the Nomination and Compensation Committee</div> <div>- Member of the Risk Management Committee</div>
Date of Registration as Director	27 July 2015
Highest Education/Certification	<div>- Bachelor of Business Administration</div> <div>Indiana State University, United States</div> <div>- The National Defence College</div> <div>(The Joint State-Private Sector Course 26)</div> <div>- Director Certification Program (DCP)</div> <div>- Audit Committee Program (ACP), Thai Institute of Directors (IOD)</div>



Mr. Kittichai Raktakanit (Age: 58 years)			
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	39,448 shares	39,448 shares	None
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			
2017 - Present	Independent Director and Audit Committee	Inoue Rubber (Thailand) Public Company Limited	
2010 - Present	Executive Vice President	Loxley Public Company Limited	
1997 - Present	Director	Thai Filatex Public Company Limited	
1999 - 2013	Director	Prinda Public Company Limited	
1997 - 2009	President	General Engineering Public Company Limited	
2004 - 2010	Independent Director and Audit Committee	Loxbit Public Company Limited	
1995 - 2003	Independent Director and Audit Committee	Univenture Public Company Limited	
Positions in Non-listed Company/Other Organisations			
2017 - Present	Director	Loxley Property Development Co., Ltd.	
2016 - Present	Chairman	Loxley System Integrator Co., Ltd.	
2016 - Present	Director	Law Enforcement Technology Solutions Co., Ltd.	
2015 - Present	Director and Executive Director	Mainstay Property Solutions Co., Ltd.	
2011 - Present	Director and Chairman of the Executive Director	L-Elevator and Engineering Co., Ltd.	
2000 - Present	Director	Filatex Planner Co.,Ltd.	
2013 - 2014	Director	Cholkij Sakol Co., Ltd.	
2012 - 2017	President	L-Green Solution Co., Ltd.	
2011 - 2016	Director	Department of Public Works and Town & Country Planning	
1999 - 2010	Director	Pongtawin Quarry Co., Ltd.	
1999 - 2014	Director	Duang Tawan Quarry Co., Ltd.	

Mr. Kittichai Raktakanit (Age: 58 years)		
2004 - 2009	Director	Chut Chieb Co., Ltd.
2002 - 2009	Director	G.E.L.General Engineering Service Co., Ltd.
1997 - 2007	Director	General Architectural Precast Concrete Co., Ltd.

Mr. Vichaya Chatikavanij (Age: 53 years)			
Current Position	- Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee		
Date of Registration as Director	29 April 2016		
Highest Education/Certification	- Bachelor of Marketing University of Tennessee, United States - Director Certification Program (DCP) - Advanced Audit Committee Program (AACP), Thai Institute of Directors Association (IOD) - Public Economic Management Program for Executives King Prajadhipok’s Institute		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	Cousin of Mr. Apichart Chutrakul		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			
2014 - Present	Independent Director and Member of the Audit Committee	JWD InfoLogistics PCL.	
1997 - Present	Director	Parinda PCL.	
Positions in Non-listed Company/Other Organisations			
2009 - Present	Director	Zin Suapah Co., Ltd.	
1999 - Present	Director	Loxley Infra Co., Ltd.	
2017 - Present	Managing Director	Loxley Property Development Co.,Ltd.	
2010 - 2016	Assistant Managing Director	Loxley Property Development Co.,Ltd.	
2009 - 2015	Advisor	Loxley Public Co., Ltd.	

Mr. Uthai Uthaisangsuk (Age: 49 years)			
Current Position	- Chief Operating Officer - Member of the Executive Committee		
Highest Education/Certification	- Master of Business Administration Middle Tennessee State University, United States		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	20,174,118 shares	21,174,118 shares	1,000,000 shares
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
Feb 2018 - Present	Director	Siripat One Co., Ltd.	
Jan 2018 - Present	Director	Siri Smart Two Co., Ltd.	
Feb 2017 - Present	Director	Jirapas Realty Co., Ltd.	
Apr 2017 - Present	Director	Paranat Property Co., Ltd.	
May 2017 - Present	Director	Siri Ventures Co., Ltd.	
May 2017 - Present	Director	Touch Property Co., Ltd.	
Jun 2017 - Present	Director	Siri Smart One Co., Ltd.	
Aug 2017 - Present	Director	Siri TK One Co., Ltd.	
Nov 2017 - Present	Director	Prime Area 38 Co., Ltd.	
Feb 2017 - Present	Director	BTS Sansiri Holding Twenty Two Limited	
2016 - Present	Director	BTS Sansiri Holding Twenty One Limited	
2016 - Present	Director	BTS Sansiri Holding Twenty Limited	
2016 - Present	Director	BTS Sansiri Holding Nineteen Limited	
2016 - Present	Director	BTS Sansiri Holding Eighteen Limited	
2016 - Present	Director	BTS Sansiri Holding Seventeen Limited	

Mr. Uthai Uthaisangsuk (Age: 49 years)		
2016 - Present	Director	BTS Sansiri Holding Sixteen Limited
2016 - Present	Director	BTS Sansiri Holding Fifteen Limited
2016 - Present	Director	Siriwattana Holding Limited
2016 - Present	Director	BTS Sansiri Holding Fourteen Limited
2015 - Present	Director	Plus Property Co., Ltd.
2015 - Present	Director	BTS Sansiri Holding Twelve Limited
2015 - Present	Director	BTS Sansiri Holding Eleven Limited
2015 - Present	Director	Nuvo Line Agency Limited
2015 - Present	Director	BTS Sansiri Holding Nine Limited
2015 - Present	Director	BTS Sansiri Holding Eight Limited
2015 - Present	Director	BTS Sansiri Holding Seven Limited
2015 - Present	Director	BTS Sansiri Holding Six Limited
2015 - Present	Director	BTS Sansiri Holding Five Limited
2015 - Present	Director	BTS Sansiri Holding Four Limited
2015 - Present	Director	BTS Sansiri Holding Three Limited
2015 - Present	Director	BTS Sansiri Holding Two Limited
2014 - Present	Director	BTS Sansiri Holding One Limited
2011 - Present	Director	Papanan Limited
2009 - Present	Director	NED Management Co., Ltd.
2009 - Present	Director	Satit Pattana Personnel Center Limited
2008 - Present	Director	Sansiri China Co., Ltd.
2006 - Present	Director	Red Lotus Properties Limited
2006 - Present	Director	Arnawat Limited
2004 - Present :	Director	QT Lifestyle Limited
2004 - Present	Director	S.U.N. Management Co., Ltd.

Mr. Thalin Aeimtitiwat (Age: 56 years)			
Current Position	- Senior Executive Vice President- Accounting Department - Member of the Executive Committee		
Highest Education/Certification	- Master of Business Administration Western Michigan University, United States - Director Accreditation Program (DAP), Thai Institute of Directors (IOD)		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	22,666,600 shares	22,666,600 shares	No change
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
Feb 2017 - Present	Director	Jirapas Realty Co., Ltd.	
Feb 2017 - Present	Director	Plus Property Space Co., Ltd.	
Apr 2017 - Present	Director	Paranat Property Co., Ltd.	
2010 - Present	Director	S.U.N. Management Co., Ltd.	
2008 - Present	Director	Sansiri China Co., Ltd.	
2006 - Present	Director	Red Lotus Properties Limited	
2003 - Present	Director	Arnawat Limited	
2003 - Present	Director	Piwattana Limited	
2000 - Present	Director	Chanachai Limited	

Mr. Metha Angwatanapanich (Age: 50 years)	
Current Position	- Senior Executive Vice President-Land Acquisition and Business Development Department - Member of the Executive Committee
Highest Education/Certification	- Master of Business Administration National Institute of Development Administration (NIDA) - The Leadership Program (CMA14), Capital Market Academy - National Defence Joint Public/Private Sector Course (Class 25), National Defense College (NDC2555)

Mr. Metha Angwatanapanich (Age: 50 years)			
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	7,000,092 shares	7,000,092 shares	No change
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
2011 - Present	Director	Papanan Limited	
2009 - Present	Director	Arnawat Limited	
2009 - Present	Director	Piwattana Limited	

Mr. Nopporn Boonthanom (Age: 53 years)			
Current Position	- General Counsel-Legal Office and Government Affairs - Member of the Executive Committee - Company Secretary		
Highest Education/Certification	- Master of Law, Chulalongkorn University - Director Accreditation Program (DAP), Thai Institute of Directors (IOD)		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	8,536,220 shares	8,536,220 shares	No change
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None

Mr. Nopporn Boonthanom (Age: 53 years)		
Positions in Non-listed Company/Other Organisations		
Feb 2018 - Present	Director	Siripat One Co., Ltd.
Jan 2018 - Present	Director	Siri Smart Two Co., Ltd.
Feb 2017 - Present	Director	Jirapas Realty Co., Ltd.
Feb 2017 - Present	Director	Plus Property Space Co., Ltd.
Apr 2017 - Present	Director	Paranat Property Co., Ltd.
May 2017 - Present	Director	Siri Ventures Co., Ltd.
May 2017 - Present	Director	Touch Property Co., Ltd.
Jun 2017 - Present	Director	Siri Smart One Co., Ltd.
Aug 2017 - Present	Director	Siri TK One Co., Ltd.
Nov 2017 - Present	Director	Prime Area 38 Co., Ltd.
Feb 2017 - Present	Director	BTS Sansiri Holding Twenty Two Limited
2016 - Present	Director	BTS Sansiri Holding Twenty One Limited
2016 - Present	Director	BTS Sansiri Holding Twenty Limited
2016 - Present	Director	BTS Sansiri Holding Nineteen Limited
2016 - Present	Director	BTS Sansiri Holding Eighteen Limited
2016 - Present	Director	BTS Sansiri Holding Seventeen Limited
2016 - Present	Director	BTS Sansiri Holding Sixteen Limited
2016 - Present	Director	BTS Sansiri Holding Fifteen Limited
2016 - Present	Director	Siriwattana Holding Limited
2016 - Present	Director	BTS Sansiri Holding Fourteen Limited
2015 - Present	Director	BTS Sansiri Holding Twelve Limited
2015 - Present	Director	BTS Sansiri Holding Eleven Limited
2015 - Present	Director	Nuvo Line Agency Limited
2015 - Present	Director	BTS Sansiri Holding Nine Limited
2015 - Present	Director	BTS Sansiri Holding Eight Limited

Mr. Nopporn Boonthanom (Age: 53 years)		
2015 - Present	Director	BTS Sansiri Holding Seven Limited
2015 - Present	Director	BTS Sansiri Holding Six Limited
2015 - Present	Director	BTS Sansiri Holding Five Limited
2015 - Present	Director	BTS Sansiri Holding Four Limited
2015 - Present	Director	BTS Sansiri Holding Three Limited
2015 - Present	Director	BTS Sansiri Holding Two Limited
2014 - Present	Director	BTS Sansiri Holding One Limited
2010 - Present	Director	S.U.N. Management Co., Ltd.
2009 - Present	Director	NED Management Co., Ltd.
2008 - Present	Director	Sansiri China Co., Ltd.
2003 - Present	Director	Red Lotus Properties Limited
2003 - Present	Director	Arnawat Limited
2003 - Present	Director	Piwattana Limited
2003 - Present	Director	Satit Pattana Personnel Center Limited
1990 - Present	Director	Chanachai Limited

Miss Vilasinee Dejamornthan (Age: 46 years)			
Current Position	- Executive Vice President-Project Development Division (Low Rise 1) - Member of the Executive Committee		
Highest Education/Certification	- Master of Business Administration, Assumption University		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None

Miss Vilasinee Dejamornthan (Age: 46 years)	
5-year Past Experiences and/or Remarkable Positions	
Positions in other Listed Company	None
Positions in Non-listed Company/Other Organisations	None

Mr. Somkiat Hongsuppinyo (Age: 54 years)			
Current Position	- Executive Vice President-Project Development Division (Low Rise 2)		
Highest Education/Certification	- Bachelor of Engineering, Chulalongkorn University		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company	None		
Positions in Non-listed Company/Other Organisations	None		

Mr. Tasanin Maha-amatayatibodee (Age: 54 years)			
Current Position	- Executive Vice President-Quality Control and Project Support Division		
Highest Education/Certification	- Bachelor of Architecture, King Mongkut's Institute of Technology Ladkrabang		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None

Mr. Tasanin Maha-amatayatibodee (Age: 54 years)	
5-year Past Experiences and/or Remarkable Positions	
Positions in other Listed Company	None
Positions in Non-listed Company/Other Organisations	None

Mr. Poomipak Julmanichoti (Age: 42 years)			
Current Position	- Executive Vice President-Project Development Department (High Rise 2) and International Business Development Department - Member of the Executive Committee		
Highest Education/Certification	- Master of Business Administration (Corporate Finance) University of Miami - Coral Gables, Florida, United States		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
2013 - Present	Director	Plus Property Co., Ltd.	
2013 - Present	Director	QT Lifestyle Limited	
2010 - Present	Director	Satit Pattana Personnel Center Limited	
2009 - Feb 2017	Director	NED Management Co., Ltd.	
2013 - 2016	Managing Director	Plus Property Co., Ltd.	
2013 - 2016	Managing Director	Touch Property Co., Ltd.	
2011 - 2013	Senior Executive Vice President	Plus Property Co., Ltd.	
2011 - 2013	Senior Executive Vice President	Touch Property Co., Ltd.	

Mr. Tawicha Trakulyingyong (Age: 44 years)			
Current Position	- Chief Technology Officer		
Highest Education/Certification	- Ph.D., Information Technology, Assumption University		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
2015 - 2016	Group Director BPI & IT	Central Plaza Hotel Public Company Limited	
2016	Group Director – IT	Minor International Public Company Limited	
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
2013- 2015	Head of IT Service Delivery	Tesco Lotus (Thailand)	
2007 - 2013	Assistant Vice President, Office of IT	C.P. Intertrade Co., Ltd.	

Mrs. Sirindra Mongkolnavin (Age: 45 years)			
Current Position	- Assistant Executive Vice President-Corporate Planning and Sustainability Development Department - Member of the Executive Committee		
Highest Education/Certification	- Master of Business Administration, Tepper School of Business, Carnegie Mellon University, United States		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None

Mrs. Sirindra Mongkolnavin (Age: 45 years)	
5-year Past Experiences and/or Remarkable Positions	
Positions in other Listed Company	None
Positions in Non-listed Company/Other Organisations	None

Mr. Samatcha Promsiri (Age: 44 years)			
Current Position	- Assistant Executive Vice President-Corporate Communication and Digital Marketing Department - Member of the Executive Committee		
Highest Education/Certification	- Master of Arts (International Relations), University of Nottingham, United Kingdom - Master of Arts (International Political Economy), University of Warwick, United Kingdom		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	2,781,874 shares	2,781,874 shares	No change
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
May 2017 - Present	Director	Siri Ventures Co., Ltd.	
2014 - Present	Director	QEW (Thailand) Co., Ltd.	

Miss Varangkana Artkarasatapon (Age: 40 years)	
Current Position	- Senior Vice President-Finance and New Business Development Division - Member of the Executive Committee
Highest Education/Certification	- Master of Business Administration (Innovation in Management), Mahidol University
Illegal record in the last 10 years	None
Relation among family with other Directors and Executives	None



Miss Varangkana Artkarasatapon (Age: 40 years)			
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	3,009,395 shares	3,009,395 shares	No change
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
Feb 2018 - Present	Director	Siripat One Co., Ltd.	
Feb 2018 - Present	Director	Siri Smart Two Co., Ltd.	
May 2017 - Present	Director	Siri Ventures Co., Ltd.	
Aug 2017 - Present	Director	Siri TK One Co., Ltd.	

Mr. Nopadon Baholyodhin (Age: 51 years)			
Current Position	- Chief Creative Director		
Highest Education/Certification	- B.A. Furniture and Product Design, Kingston University - B.Sc (econ) International Relations, London School of Economics and Political Science		
Illegal record in the last 10 years	None		
Relation among family with other Directors and Executives	None		
Shareholding in the Company	As of 1 January 2017	As of 31 December 2017	Change during the Year (+/-)
1) Director	None	None	None
2) Spouse	None	None	None
3) Underage Child	None	None	None
5-year Past Experiences and/or Remarkable Positions			
Positions in other Listed Company			None
Positions in Non-listed Company/Other Organisations			
2013 - 2018	Creative Director	The Thai Silk Co., Ltd. (Jim Thompson)	

Details on the Management of the Subsidiaries or Related Companies

(As of 28 February 2018)

		Subsidiary Companies																Joint Venture Companies with BTS Group PCL. (50:50)	
Name		Sansiri PCL.																BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38	
1	Mr. Kovit	Poshyananda	X																
2	Mr. Apichart	Chutrakul		D														D	
3	Mr. Srettha	Thavisin			D													D	
4	Mr. Wanchak	Buranasiri				D													
5	Mr. Jasadavat	Priebjivat					D,X												
6	Mr. Thongchai	Jira-alongkom						D											
7	Mr. Pornlat	Amatavivadhana							D										
8	Mr. Supanit	Chaiyawat								D,O									
9	Mr. Kittichai	Raktakanit									D,O								

Note X = Chairman of the Board  
BS1 = BTS Sansiri Holding One Limited  
BS2 = BTS Sansiri Holding Two Limited  
BS3 = BTS Sansiri Holding Three Limited  
BS4 = BTS Sansiri Holding Four Limited  
BS5 = BTS Sansiri Holding Five Limited  
BS6 = BTS Sansiri Holding Six Limited  
BS7 = BTS Sansiri Holding Seven Limited  
BS8 = BTS Sansiri Holding Eight Limited  
XO = Chairman of the Audit Committee  
BS9 = BTS Sansiri Holding Nine Limited  
NV = Nuvo Line Agency Co., Ltd.  
BS11 = BTS Sansiri Holding Eleven Limited  
BS12 = BTS Sansiri Holding Twelve Limited  
BS14 = BTS Sansiri Holding Fourteen Limited  
BS15 = BTS Sansiri Holding Fifteen Limited  
BS16 = BTS Sansiri Holding Sixteen Limited  
BS17 = BTS Sansiri Holding Seventeen Limited  
D = Director  
BS18 = BTS Sansiri Holding Eighteen Limited  
BS19 = BTS Sansiri Holding Nineteen Limited  
BS20 = BTS Sansiri Holding Twenty Limited  
BS21 = BTS Sansiri Holding Twenty One Limited  
BS22 = BTS Sansiri Holding Twenty Two Limited  
PA38 = Prime Area 38 Co.,Ltd.  
O = Member of the Audit Committee

Details on the Management of the Subsidiaries or Related Companies

(As of 28 February 2018)

		Subsidiary Companies															Joint Venture Companies with BTS Group PCL. (50:50)							
		Sansiri PCL.																						
Name		Sansiri PCL.																						
		Chanachai Limited	Arnawat Limited	Piwattana Limited	Red Lotus Properties Limited	Sansiri China Co., Ltd.	S.U.N. Management Co., Ltd.	Papanan Limited	Plus Property Co., Ltd.	Plus Property Space Co., Ltd.	NED Management Co., Ltd.	Satit Pattana Personnel Center Limited	Siriwattana Holding Limited	QT Lifestyle Limited	Touch Property Co., Ltd.	QEW (Thailand) Co., Ltd.	Paranat Property Co.,Ltd.	Jirapas Realty Co.,Ltd.	Siri Ventures Co.,Ltd.	Siri Smart One Co.,Ltd.	Siri TK One Co.,Ltd.	Siri Smart Two Co.,Ltd.	Siripat One Co.,Ltd.	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
10	Mr. Vichaya Chatikavanit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
11	Mr. Thalin Aeimtiwat	-	D	D	D	D	D	-	-	-	-	-	-	-	-	-	D	D	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
12	Mr. Uthai Uthaisangskul	-	-	-	D	D	D	D	-	D	D	D	D	D	D	-	D	D	D	D	D	D	D	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
13	Mr. Metha Angwatanapanich	-	-	D	-	-	-	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
14	Mr. Nopporn Boonthanom	-	D	D	D	D	D	-	-	D	D	D	D	-	D	-	D	D	D	D	D	D	D	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
15	Mr. Poomipak Julmanichoti	-	-	-	-	-	-	-	D	-	-	-	-	D	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
16	Ms. Vilasinee Dejamonthan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
17	Mr. Tasanin Mahanamatayattibodee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38
18	Mr. Somkiat Hongsuppinyo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21, BS22 and PA38

Note

X = Chairman of the Board

BS1 = BTS Sansiri Holding One Limited

BS2 = BTS Sansiri Holding Two Limited

BS3 = BTS Sansiri Holding Three Limited

BS4 = BTS Sansiri Holding Four Limited

BS5 = BTS Sansiri Holding Five Limited

BS6 = BTS Sansiri Holding Six Limited

BS7 = BTS Sansiri Holding Seven Limited

BS8 = BTS Sansiri Holding Eight Limited

XO = Chairman of the Audit Committee

BS9 = BTS Sansiri Holding Nine Limited

NV = Nuvo Line Agency Co., Ltd.

BS11 = BTS Sansiri Holding Eleven Limited

BS12 = BTS Sansiri Holding Twelve Limited

BS14 = BTS Sansiri Holding Fourteen Limited

BS15 = BTS Sansiri Holding Fifteen Limited

BS16 = BTS Sansiri Holding Sixteen Limited

BS17 = BTS Sansiri Holding Seventeen Limited

D = Director

BS18 = BTS Sansiri Holding Eighteen Limited

BS19 = BTS Sansiri Holding Nineteen Limited

BS20 = BTS Sansiri Holding Twenty Limited

BS21 = BTS Sansiri Holding Twenty One Limited

BS22 = BTS Sansiri Holding Twenty Two Limited

PA38 = Prime Area 38 Co.,Ltd.

O = Member of the Audit Committee

Details on the Management of the Subsidiaries or Related Companies

(As of 28 February 2018)

Name		Subsidiary Companies																				Joint Venture Companies with BTS Group PCL. (50:50)			
		Sansiri PCL.																							
19	Mrs. Sirindra Mongkolnavin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21 BS22 and PA38	
20	Mr. Samatcha Promsiri	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21 BS22 and PA38
21	Ms. Varangkana Artkarasatapon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	D	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21 BS22 and PA38
22	Mr. Thawicha Trakulyingyong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21 BS22 and PA38
23	Mr. Nopadon Baholyodhin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	BS1, BS2, BS3, BS4, BS5, BS6, BS7, BS8, BS9, NV, BS11, BS12, BS14, BS15, BS16, BS17, BS18, BS19, BS20, BS21 BS22 and PA38

Note

X = Chairman of the Board

BS1 = BTS Sansiri Holding One Limited

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BS17 = BTS Sansiri Holding Seventeen Limited

D = Director

BS18 = BTS Sansiri Holding Eighteen Limited

BS19 = BTS Sansiri Holding Nineteen Limited

BS20 = BTS Sansiri Holding Twenty Limited

BS21 = BTS Sansiri Holding Twenty One Limited

BS22 = BTS Sansiri Holding Twenty Two Limited

PA38 = Prime Area 38 Co.,Ltd.

O = Member of the Audit Committee



Details on the Subsidiaries' Director

(As of 28 February 2018)

		Subsidiaries																					
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Name		Chanachai Limited	Arnawat Limited	Piwattana Limited	Red Lotus Properties Limited	Sansiri China Co., Ltd.	S.U.N. Management Co., Ltd.	Papanan Limited	Plus Property Co., Ltd.	Plus Property Space Co., Ltd.	NED Management Co., Ltd.	Satit Pattana Personnel Center Limited	Sirwattana Holding Limited	QT Lifestyle Limited	Touch Property Co., Ltd.	QEW (Thailand) Co., Ltd.	Paranat Property Co.,Ltd.	Jirapas Realty Co., Ltd.	Siri Ventures Co., Ltd.	Siri Smart One Co., Ltd.	Siri TK One Co., Ltd.	Siri Smart Two Co., Ltd.	Siripat One Co., Ltd.
1	Mr. Apichart Chutrakul	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-	D	D	D	D	-	-	D
2	Mr. Srethta Thavasin	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-	D	D	D	D	-	-	D
3	Mr. Wanchak Buranasiri	D	D	D	D	D	D	D	D	D	D	D	D	D	-	-	D	D	D	D	-	-	D
4	Mr. Thalin Aeintitwat	D	D	D	D	D	D	-	-	D	-	-	-	-	-	-	D	D	-	-	-	-	-
5	Mr. Nopporn Boonthanom	D	D	D	D	D	D	-	-	D	D	D	D	-	D	-	D	D	-	D	D	D	D
6	Mr. Uthai Uthaisanguk	-	D	-	D	D	D	D	D	-	D	D	D	D	D	-	D	D	D	D	D	D	D
7	Mr. Mehta Angwatanapanich	-	D	D	-	-	-	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Mrs. Ob-oom Chutrakul	-	-	-	-	-	-	-	-	-	-	-	-	D	-	D	-	-	-	-	-	-	-
9	Mr. Poomipak Julmanichoti	-	-	-	-	-	-	-	D	-	-	-	-	D	-	-	-	-	-	-	-	-	-
10	Mrs. Nirada Wonganantkul	-	-	-	-	-	-	-	-	-	D	D	-	-	-	-	-	-	-	-	-	-	-
11	Mr. Chan Sirirat	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-	-
12	Mr. Jirayu Archacharoensuk	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-	-
13	Ms. Natthaluck Sakulpoonyapond	-	-	-	-	-	-	-	-	-	D	D	-	-	-	D	-	-	-	-	-	-	-

Note D = Director

\* Siri Venture Co.,Ltd. changed its name to "Siri Ventures Co.,Ltd." on 22 December 2017 (B.E. 2560).

Details on the Subsidiaries' Director

(As of 28 February 2018)

		Subsidiaries																					
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Name		Chanachai Limited	Arnawat Limited	Piwattana Limited	Red Lotus Properties Limited	Sansiri China Co., Ltd.	S.U.N. Management Co., Ltd.	Papanan Limited	Plus Property Co., Ltd.	Plus Property Space Co., Ltd.	NED Management Co., Ltd.	Satit Pattana Personnel Center Limited	Sirwattana Holding Limited	QT Lifestyle Limited	Touch Property Co., Ltd.	QEW (Thailand) Co., Ltd.	Paranat Property Co.,Ltd.	Jirapas Realty Co., Ltd.	Siri Ventures Co., Ltd.	Siri Smart One Co., Ltd.	Siri TK One Co., Ltd.	Siri Smart Two Co., Ltd.	Siripat One Co., Ltd.
14	Mr. Samatcha Promsiri	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-	D	-	-	-	-
15	Ms. Viwan Karnasut	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-
16	Mr. Choangravee Karnasut	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-
17	Mrs. Varangkana Arkarasatapon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	D	D	-
18	Mr. Piti Jarukamjorn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	D	D	-
19	Mr. Anukul Rapitaksanti	-	-	-	-	-	-	-	D	-	-	-	-	D	-	-	-	-	-	-	-	-	-
20	Mr. Yoichiro Sakai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	-	-
21	Mr. Shinji Suyama	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	D	D	-	-

Note D = Director

\* Siri Venture Co.,Ltd. changed its name to "Siri Ventures Co.,Ltd." on 22 December 2017 (B.E. 2560).

# CORPORATE GOVERNANCE

## Corporate Governance Policy and Compliance with Good Corporate Governance

The Company is aware of the significance of operating its business with the good corporate governance policy as well as supporting the responsibility for one's position through transparency, fairness to all stakeholder groups and enhances corporate competitiveness as a means to preserving capital and adding value to shareholders' equity in the long term. Corporate governance is a code of business ethics that protects various interested parties and society as a whole, which is a crucial part of the sustainability. From such reasons, the Company stipulates the good corporate governance policy, according to the Principles of Good Corporate Governance for listed companies 2012 set forth by The Stock Exchange of Thailand, ("CG Code 2012") having content covering the important principle on the rights of shareholders, equitable treatment of shareholders, roles of stakeholders, disclosure and transparency, and Board of Directors' responsibility.

In 2017, the Office of the Securities and Exchange Commission, Thailand had issued the Principles of Good Corporate Governance for listed companies 2017 ("CG Code 2017") to amend the principles of CG Code 2012 in order to conform with the business process in private sectors and could be applied as practice principles. It also promotes sustainable value creation for the Company which is consistent with the expectations of business sectors, investors, capital market and society as a whole. However, the Company is in the studying process relevant to the CG Code 2017 to improve its own Corporate Governance Policy under the CG Code 2012, which stipulated properly and completely, to be in line with the aforementioned CG Code 2017. The Board of Directors has assigned its management to proceed in this matter and further report the progress to the Board of Directors.

Regarding the compliance with principles and guidelines set forth by The Stock Exchange of Thailand, according to the CG Code 2012, the Company is hereby reported as follows:

### Rights of Shareholders

To increase transparency, competitive advantage and the confidence of shareholders, investors and all stakeholders of the Company, the Board of Directors has set a guideline for protection of fundamental rights of shareholders (such as the rights to trade and transfer shares, to receive dividend from profits of the Company, to receive sufficient news and information from the Company, to attend and exercise their voting rights in the shareholders' meeting, etc.) including the following principles:

- (a) The Company provides information about the shareholders' meeting by sending the invitation letter along with the meeting agenda within sufficient timeframe (14 days prior to the meeting date). The invitation letter and the meeting agenda contain details of the meeting including date, time, venue, agenda of the meeting and other necessary information required for decision making process together with comments from directors for each agenda, and proxy form for shareholders who are unable to attend the meeting, etc. Furthermore, the Company also advertises this information on the Company's website before sending documents to shareholders.
- (b) The Chairman of the meeting allocates sufficient and appropriate time and facilitates the meeting according to the agenda. During the meeting, the Chairman allows shareholders to freely express their opinions and raise their questions in relation to the Company's business.
- (c) The Chairman of the Board, the Chairman of the sub-committee, and all directors (unless with reasonable cause) are to attend the meeting and answer the questions from shareholders.

- (d) The Company operates business with efficiency, transparency, accountability, and sufficient information disclosure for the utmost benefits of shareholders and stakeholders.

## Equitable Treatment of Shareholders

### General Rights

The Company realises its duty to protect the rights and benefits of shareholders and to place importance on fair and equal treatment of all shareholders. It is the Company's policy to disclose information with respect to business operation with accuracy and transparency, including any issues that could impact the Company's business and the rights in which shareholders are entitled to, such as shareholders' participation in the shareholders' meeting to exercise their voting rights, the rights to receive dividend, or the rights to approve a decrease or an increase of capital, etc.

### The Shareholders' Meeting

The Company has established the policy to hold the shareholders' meeting in accordance with applicable laws and regulations of The Stock Exchange of Thailand, including sending invitation letter and the meeting agenda to shareholders prior to the meeting, taking the minutes of the meeting, and also facilitating shareholders at the shareholders' meetings.

- Prior to the Meeting

In 2017, the Company held the shareholders' meeting once, which is an Annual General Meeting of Shareholders held on 20 April 2017. The Company sent the invitation letter along with the meeting agenda to shareholders no less than 14 days prior to the meeting date. To provide shareholders an opportunity to study the key information of the meeting before receiving documents, the Company also publicised such information on the Company's website for approximately 30 days prior to the meeting date and had informed The Stock Exchange of Thailand of such broadcasting.

For the Annual General Meeting, the Company has provided shareholders with the following information to help them make decisions:

- Facts and rationale along with the opinion of the Board of Directors for each agenda
- Key information such as the biography of the person being appointed as a director (for the agenda to appoint the new director as a replacement for the director who retired upon completion of their terms), details of remuneration of directors and sub-committee, etc.
- Proxy of shareholders in which the Company has provided an alternative for shareholders to propose at least one independent director to be their proxy to attend the meeting and to vote, in case that the shareholder is unable to attend the meeting

The Company realises the importance of the shareholder's rights to access the Company's information. At present the Company has the policy to better provide key information for the shareholders' meeting with more details of the important agenda to be considered, reasons for necessity, the positive and negative impacts of that agenda.

Furthermore, the Company has facilitated shareholders and their proxy at each shareholders' meeting by using the barcode registration system and the voting form for each agenda.

- During the Meeting

In the shareholders' meeting held in 2017, the Chairman of the Board of Directors acted as Chairman of the meeting with the Chairman of the sub-committee and directors of the Company attended the meeting (the names were shown in the minutes of the meeting) to report or to answer to any questions from shareholders. Before proceeding with the meeting agenda, the Chairman explained to the meeting the procedure of voting for each agenda and informed the meeting of the voting result after completing the consideration of each agenda.

The Company conducted the meeting according to the agenda stated in the invitation letter, and allowed shareholders to vote for the new director according to the agenda to appoint the new director. Furthermore, the Company holds on to the principle in which to give shareholders an opportunity to study the information before making decision, and the Company will not add any agenda without informing shareholders in advance.

During the meeting, the Chairman gave equal opportunity to shareholders to examine the Company's business operations, to ask questions, and to express their opinions and suggestions. Every shareholder, minor and major shareholders, all received the same and equal information about the Company's business operations and financial information, including equal rights to receive dividend.

- After the Meeting

The Company has taken the minutes of the meeting with accuracy and completeness. Voting result of each agenda, issues or questions that were raised in the meeting, and opinions or suggestions from shareholders were also included in the minutes of the meeting. The minutes of the shareholders' meeting held in 2017 were submitted to The Stock Exchange of Thailand within 14 days after the meeting date, and also were publicised on the Company's website, [www.sansiri.com](http://www.sansiri.com), for future reference and examination by the shareholders.

## Roles of Stakeholders

The Company places importance on all groups of its stakeholders regardless of whether they are internal stakeholders such as employees and the management of the Company and its subsidiaries, or external stakeholders such as shareholders, customers, competitors, creditors and business partners. The Company is fully aware that supports from all stakeholders will enable the Company to build the competitive advantage and create profits, which is the long term success of the Company.

For such purpose, the Company provides fair, transparent, and timely disclosure of the key information to ensure that all stakeholders are treated equally.

### Shareholders

The Company aims to ensure that shareholders receive appropriate returns on their investment by delivering solid business operation results and continuing business development. The Company also implements an effective and efficient internal control system to ensure that the benefits of the Company and the shareholders are well-protected.

## Customers

The Company recognises the importance of customers and therefore, determines to create customer satisfaction appropriately by offering high quality products and services in response to the customers' needs.

## Employees

The Company recruits and retains high potential and experienced employees with determination to continuously develop and increase skills of employees as well as to encourage employees to be successful and feel secure in their profession. The Company treats every employee equally, provides employees with reasonable welfares and other benefits such as provident fund, health and life insurance, etc.

## Management

The Company realises that the management is one of the key success factors, and therefore, has arranged for an appropriate remuneration of the management.

## Creditors and Business Partners

The Company operates and deals business with its creditors and all groups of its trade partners on principles of fairness and ethical manners by complying with the laws and regulations and on the agreed terms and conditions.

## Competitors

The Company treats its competitors fairly and does not seek for any information of the competitors dishonestly.

## Responsibility to the Community, Society, and Environment

The Company operates its business based on responsibility, care, and concerns to the overall community, society, and the environment, and also complies with all relevant laws and regulations.

## Information Disclosure and Transparency

The Company places importance on the disclosure of information with accuracy, completeness, transparency and equality for financial statements and general information, and also other information that would impact the Company's share price. To ensure that investors and all other related parties have free access to the information, the Company publicises the information through different media channels such as website of The Stock Exchange of Thailand, Form 56-1, Annual Reports, and at the Annual General Meeting of shareholders.

In addition, the Company's information which has been reported to The Stock Exchange of Thailand, shareholders and investors, will be publicised in both Thai and English language on the Company's website [www.sansiri.com](http://www.sansiri.com). This is another communication channel which is very timely and provides an easy access to the users.

The key information of the Company consists of financial statements and other non-financial information in accordance with the regulations of The Securities and Exchange Commission, and The Stock Exchange of Thailand. The Company's financial statements which have been reported to The Stock Exchange of Thailand, were verified and examined by the Company's auditor and were approved by the Board of Directors, who is responsible for the consolidated financial statements of the Company and its subsidiaries and the financial information that appears in the Annual Report. The financial statements are prepared according to accounting principles generally accepted in Thailand with proper accounting policies and estimation. The aforementioned statements disclose all significant information related to them in the Notes to the Financial Statements. Furthermore, the Board of Directors has instituted an effective system of internal controls to ensure with reasonable certainty that all accounts are accurate, complete, and adequate for the purpose of maintaining

the Company’s assets. They must also identify weak points vulnerable to significant occurrences of fraud and dishonest business practices. For this reason, the Board of Directors has appointed the Audit Committee consisting of non-executive directors to examine the quality of the Company’s financial reports and system of internal controls. Their opinions in this regard are compiled in the Report of the Audit Committee, which appears in the Annual Report and Form 56-1.

The Company informs Directors and Executives to acknowledge the laws and regulations of The Securities and Exchange Commission, Thailand (SEC) which prescribed that Directors and Executives has the duty, under Section 59 of SECURITIES AND EXCHANGE ACT, B.E. 2535 (1992), to report of change in securities holding. The report must be filed with the SEC within 3 business days from the date of purchase, sale, transfer or acceptance of transfer of securities, must be sent to company secretary for recording such change and updating the number of securities on each person’s securities holding.

**Investor Relations Office**

The Company has set up the Investor Relations Office to be responsible for the communication and provision of the Company’s information and activities for shareholders, analysts and other investors, fairly and equally. The role of the Investor Relations Office also refers to creating and maintaining positive image and attitude, and confidence among analysts and investors. Investors or any interest parties can contact the Investor Relations Office at the telephone number (662) 201-3905 or at the e-mail address: IR@sansiri.com.

**Analysts Meeting**

The Company normally arranges a session for analysts, investors and interested shareholders to announce the operating results including publishing of Investor Releases on a quarterly basis.

**The Board of Directors' structure**

The Board of Directors consists of the ten members, five members are independent directors, representing more than one-third. A list of independent directors' names and information appears under “Details on directors and management”, fully qualified under the company’s standard, independent directors can effectively and efficiently discharge their duties for the Company.

**The Sub-Committee**

To ensure an inclusive supervision of all operational aspects under CG principles, the Company has set up Sub-Committees, Executive Committee, as well as appointing the Company Secretary to help the Board of Directors in performing its duties. Relevant details appear under “Management Structure”.

**The Chairman of the Board of Directors and President**

The Chairman of the Board and the President are not the same person, so that roles are clearly separated and balance of power remains in all aspects of operations.

The Chairman of the Board is supposed to assume duties and responsibilities as director under the laws including Company’s Articles of Association and relating regulations, abide by corporate governance policies to serve as a role model for Directors, executives and employees. In this regard, the Chairman of the Board also takes the role of the chairman of the Board of Directors' meeting and shareholders’ meeting, monitoring effective proceeding of the meeting, and allowing opportunities for Directors and shareholders to express their constructive opinions independently.

The President is responsible for effectively managing and administering the Company as part of executing the strategic plan, vision and mission of the Company. The scope of authority has been specified under the law, objectives, the Company’s regulations as well as resolutions from the Board of Directors’ meeting and shareholders' meeting.

**Responsibility of the Board of Directors**

The Board of Directors has the obligation and responsibility to perform its duty in accordance with laws, objectives, regulations, code of conducts, and resolutions of the shareholders' meeting, as well as to consider and approve the Company’s policy and management direction, financial target, and annual budgets. The Board of Directors also oversees and monitors to ensure that business operations are managed effectively and according to the Company’s policy for the utmost benefits of shareholders under ethical standards with honesty and carefulness.

Apart from the roles and responsibilities and authorities of the Board of Directors specified under the topic “Management Structure”, the following are additional roles of the Board of Directors:

**Business Ethics**

The Board of Directors has clear policies on business ethics, which have been communicated to the management and employees on a regular basis. All concerned individuals are expected to adopt these policies and implement them with integrity, honesty, and fairness in their dealings with the Company, involved parties, the public, and society. Interactions between individuals concerned and other parties are constantly monitored. The Company has compiled and published a code of professional ethics for staff and specified penalties for violating the aforementioned code.

**Conflicts of Interest**

To prevent conflicts of interest, the Board of Directors carefully reviews any item that could be construed as a conflict of interest, and to establish written policies and procedures for the authorisation of transactions between related parties. The Article of Association of the Company and its subsidiaries were revised to stipulate that if there is any transaction between the Company and its subsidiaries, or the sale and acquisition of the Company's and its subsidiaries' assets, all transactions must be complied with guidelines by The Stock Exchange of Thailand regarding the inter-related transaction.

The Board of Directors is aware of each incidence of a potential conflict of interest or inter-related transaction and considers the appropriateness of each occurrence. The Company complies with principles of The Stock Exchange of Thailand whereby prices and conditions are negotiated strictly on an arm’s-length basis. Details of each transaction, its value, the parties involved, and the reason or necessity of the transaction are explained in the Annual Report and Form 56-1. In particular, directors, the management and employees are not allowed to consider or vote on matters in which they may have a potential conflict of interest.

**Internal Control and Internal Audit**

The Company places importance on an effective and appropriate internal control system for business operations, both at the managerial and operational levels. Therefore, the Company has adjusted the structure of the organisation to be in line with the Company’s objectives, business, duty, and responsibility of each strategic business unit. The Company has also clearly established the written guideline of the obligation, and scope of authority of staff and the management, has the control and monitoring system for the utilisation of the Company’s assets, and has clear separation and segregation of duty and obligation for operators, the monitoring party and the evaluator. This is to balance the power and authorisation and enables appropriate cross examination among all parties involved. Furthermore, the Company also has an internal control of financial system, by setting the financial reporting structure according to the respective management in charge.



The Company conducts investigation to determine that its operations and financial activities are proceeding properly and efficiently, and are compliant with all relevant laws and regulations. In order that an internal auditing unit be independent, capable, and balanced, the Board of Directors has stipulated that its reports must be made directly to the Audit Committee and that its activities be evaluated by the Audit Committee as well.

### Risk Management

The Company places great importance on risk management. The risk involved in each corporate activity is evaluated, along with measures to manage and mitigate risk and its effect on corporate operations. The task of the management is to assess economic, financial, social, and legal risks produced by changes in circumstance, along with their impacts on competitiveness in the industry, and to decide on appropriate solutions.

The Company has appointed the Audit Committee which is formed entirely of Independent Directors in order to verify accuracy of information disclosure and ensure reliability of financial statements. The Committee is also responsible for regulating good governance and internal control, with its roles and responsibilities of the Audit Committee detailed under the topic "Management Structure".

The Company has the Nomination and Compensation Committee to determine the procedures and criteria in the recruitment of the Company's Directors and determining remuneration or any other benefits that are fair and reasonable, and propose to the shareholders' meeting for approval.

### Selection of Directors and the Management

Regarding the selection of directors, the Company's regulations differ from the method stipulated by Article 70, Clause 1 of the Public Companies Act of B.E. 2535. The Company's regulations require that the Board of Directors must be approved by a majority of votes in the shareholders' meeting, with one vote for each share. Election may be of individuals or of groups, as the shareholders' meeting deems appropriate. A shareholder may not divide his/ her votes among several individuals or groups.

In the event of positions vacated due to causes other than expiry by their terms, the Board of Directors must appoint any person who qualified and not prohibited by Section 68 of the Public Limited Company Act B.E. 2535 to be the Board members to replace such vacant positions, in the subsequent meeting of the Board of Directors, unless the remaining period is less than two months. The replacing director shall hold office only for the remaining term of the replaced director. At each Annual General Meeting of Shareholders, one-third of the positions on the Board of Directors become vacant, and those whose terms have expired may be re-appointed for another term of office.

Appointments of independent directors and the Audit Committee will be made by the Board of Directors from a list of qualified persons generally accepted by the business sector and appropriate academic realm and nominated by the Chief Executive Officer and the President for that purpose, or proposed for appointment at the shareholders' meeting, as is the case with directors of the Board whose names are proposed jointly by the Chief Executive Officer and the President.

The Nomination and Compensation Committee is responsible for nominating directors and/or executives, establishing policies, criteria and methods for the nomination by reviewing suitability of existing criteria in order to propose for approval of the Company's Board of Directors. The nominated director(s), will be further propose for approval of shareholders' meeting accordingly.

### Method of Election of Directors at the Shareholders' Meeting

The Company's regulations differ from the method stipulated by Article 70, Clause 1 of the Public Companies Act of B.E. 2535. The Company's regulations require that the Board of Directors must be approved by a majority of votes in the shareholders' meeting, with one vote for each share. Election may be of individuals or of groups, as the shareholders' meeting deems appropriate. A shareholder may not divide his/ her votes among several individuals or groups. At each Annual General Meeting of Shareholders, one third of the positions on the Board becomes vacant, and those whose terms have expired may be re-elected for another term of office.

### Selection of Independent Director

The Company specifies the qualification of its independent director in accordance with the requirements of The Securities and Exchange Commission and The Stock Exchange of Thailand, as follows:

- (1) Holds shares not exceeding one percent of total voting shares of the Company, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the Company, provided that shares held by related parties of an independent director shall be included
- (2) Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling party of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the Company
- (3) Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of the management, major shareholders, controlling party or the person who is in the process of nomination as the management or controlling party of the Company or its subsidiaries
- (4) Has no or never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company in respect of controlling which may harm an independent decision-making, including not being or never been a significant shareholder, or controlling party of any persons having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company
- (5) Is not or has never been an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of Company, and is not a significant shareholder, controlling party, or partner of the auditing firm which employs an auditor of the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company
- (6) Is not or has never been the professional service provider, including but not limited to legal consultant or financial advisor who received the service fee more than two million baht per year from the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not a significant shareholder, controlling party, or partner of the aforementioned service firms
- (7) Is not a director who is nominated as the representative of directors of the Company, major shareholders, or any other shareholders related to major shareholders
- (8) Do not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares exceeding one percent of total voting shares of any other companies which operate the same and competitive business with the business of the Company, or its subsidiaries

- (9) Is not any otherwise which is unable to have an independent opinion regarding the business operation of the Company.

After being appointed as an independent director in accordance with the conditions under the article (1) - (9), the independent director may be assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of Company.

The definition of the independent director of the Company is equal to the minimum requirement of The Securities and Exchange Commission and The Stock Exchange of Thailand.

### The Board of Directors' Orientation

The Company has policy to organise orientation to every newly appointed Director in order to acknowledge the roles, duty, and responsibility, including giving knowledge, understanding of business and operating in every part of the Company including relating laws and regulations. By presenting information that will assist newly appointed Directors in performing their roles such as Company's Articles of Association, capital and shareholding structures, annual report, Form 56-1, business performance, laws and best practices guidelines, as well as other information related to the business operation.

### Procedures and Criteria for the Board of Directors' Performance Evaluation

The Company has assigned the Nomination and Compensation Committee to determine the criteria for performance evaluation for the Board of Directors as a group on an annual basis. The objective of the annual performance evaluation is to enhance the Board of Directors' effectiveness and to figure out ways to improve evaluation criteria for the next evaluation period.

### Remuneration of Directors and the Management

The Company's policy on remuneration of directors is straightforward and transparent. Remuneration is comparable to an industry standard and is high enough to attract and retain directors who are qualified. Having been approved by the shareholders' meeting, directors who are appointed as the Audit Committee are given increased remuneration appropriate to their greater workload.

The Board of Directors appointed the Nomination and Compensation Committee, composing of members of the Audit Committee and non-executive directors, so as to give impartial and appropriate consideration to the remuneration of the Board of Directors, and the Audit Committee. Their recommendations must then be approved by the shareholders' meeting. Details of the remuneration of directors and the management are provided under the topic "Management Structure"

### Development of Directors and the Management

#### Development of Directors

The Company recognises the importance of directors who play important roles in determining the Company's policy and business plan to achieve corporate goal as well as maximising business benefits of all shareholders who trust and appoint directors to set the policy and supervise the Management on business affairs operations. Therefore, the Company has aimed at continuously and consistently developing directors to be knowledgeable in all matters necessary and related to their works and the Company's business. This includes support in terms of time allocation and any related expenses for directors, the Audit Committee, the Management, and employees in charge of corporate secretarial tasks, to attend or participate in training courses and seminars with various institutions such as The Stock Exchange of Thailand, The Securities and Exchange Commission, Thai Institute of Directors, and Thai Listed Companies Association. The purpose of attending training courses and seminars is to gain knowledge and understanding, as well as to be informed of any laws, rules, responsibilities, and any useful information which could be utilised and be beneficial for the business in the future.

In addition, in case of an appointment of a new director, the secretary to the Board of Directors as a person in charge of the corporate secretarial tasks of the Company will be preparing the necessary documents and information which are useful and beneficial for a director to learn and be aware of his role, obligation and responsibility. Documentation includes Directors' Manual for Thai Listed Company issued by The Securities and Exchange Commission and the Rules on obligations and responsibilities to disclose reports to the Office on each person's securities holding in accordance with section 59, and its penalty in accordance with section 275 of The Securities and Exchange Act B.E. 2535. These documents contain details of obligation and responsibility in which directors must abide by legally, including the Code of Best Practice which is a guideline of internationally accepted standards and business practices.

### Development of the Management and Succession Plan

The Company determines to develop the management from the middle level to the top level. For continuing business succession plan, for planning and business operations in various functions including product development, sales and marketing, finance, and other supporting functions. The Company sets up the committee consisting of the top management as deemed appropriate, and the management of each strategic business unit. Consequently, the committee holds meetings to set the working plan and coordination. The Committees include the investment committee considering and making decisions on land acquisition or other investments, the committee responsible for the Company's financial information, and the committee for product development and marketing. These committees comprise of the Chief Executive Officer, the President, and the Chief Operating Officer as core members, with the management of relevant strategic business units as members of each committee. The Company is confident that this working structure will be a good way to develop the potential of the management as they will have an opportunity to participate and be part of the team to set the plan and business operational process, and also to closely work with the management from other strategic business units. Furthermore, it is a good opportunity for them to study and learn from the experiences of the higher level management in actual business operations. Apart from being a good way to develop the potential of the management, the working structure also enables the continuity of business and the succession and transfer of responsibility among the same level of management in different strategic business units or from the higher level of management without any interruption. This is due to the fact that the working structure does not rely on an individual, but on teamwork. The coordination of each individual in a team working together synchronously has enabled the succession of works gradually in forms of learning and knowledge transmission, together with significant responsibility.

For the middle management, the Company also has development and succession plans. The top level management of each respective strategic business unit will consider and support their middle management and staff of their strategic business units who have high potential to develop and become their successors. The names of middle management will be proposed and selected to participate in the SLP (Sansiri Leadership Programme) which is a training programme to support and enhance the potential of the middle management in preparation to be executives. Employees will learn about procedures and strategies of the modern management theories, including how to become a good and effective management in the future. Furthermore, this is the building of networks for coordination among different strategic business units as employees who participate in the programme will attend classes and join the activities together. The Company also provides a training course for lower level employees of a high calibre. The top level management from different but related strategic business units will be discussing and selecting skilled employees with positive attitude to participate in on-the-job training to enable them to grow and become the middle management respectively.

Furthermore, the Company also supports seminars and excursions both domestically and overseas to help employees to gain knowledge, improve skills, and explore new visions in order to apply these skills and knowledge to their works. Every middle level management will have an opportunity to attend these training courses and seminars to improve their skills and equip themselves to be leaders and the management in the future.

Supervision of Subsidiaries' Operations

The Board of Directors has appointed the Chief Executive Officer, President, Chief Operating Officer and other senior executives to serve as members on the boards in the subsidiaries that the Company held 100 percent of the shares. This policy states that those individuals have the duty and responsibility to act in the best interest of the company they serve as a director, and to supervise such subsidiaries to appropriately retain information and record accounting transactions in order to facilitate the Company in the reviewing and gathering of subsidiaries' financial statements to be consolidated with the financial statements of the group in an appropriate timeframe. Those individuals are also responsible for ensuring that important policies set by its subsidiaries are well-aligned with the Company's policies.

Supervising the Use of Inside Information

The Company defines the list of the Management and directors who are obliged to report their holdings of the securities according to the definition of Securities and Exchange Commission regulations, who have signed an acknowledgement to report any change to their shareholding in the Company within 3 working days of any transaction. This responsibility is assumed upon their appointment to their position. And also report their holdings of the Company's securities with every change in the holdings of the Company's shares. This is one measure to enable the Company to determine whether any purchase of shares relied on the use of inside information by the abovementioned persons.

In addition, according to the Company's policy on the disclosure of significant corporate information, the Board of Directors and the management, along with relevant department heads who may have significant inside information that would affect the Company's share price, are prohibited to sell or buy the Company's securities during one month prior to the release of financial statements or the inside information to the public. The Company has reiterated that significant information must be strictly shared among those who need to know. Other executives should only come to know of the information at the same time as it is disclosed to the public. By these methods, the Company believes that if inside information were used for personal gain, the scope of an investigation would be effectively limited and the persons responsible will be quickly identified and penalised.

Audit Fee and Non-audit Fee

Audit Fee

For the fiscal year 2017, the Company and its subsidiaries paid a total audit fee of 7.78 Million Baht to EY Office Limited, which is the auditor of the Company. On this amount, the Company paid 2 Million Baht and 5.78 Million Baht for its subsidiaries.

Non-audit Fee

For the fiscal year 2017, the Company and its subsidiaries paid for non-audit fee to EY Office Limited, which is the auditor of the Company as follows:

- (a) Audit Instruction Charge: - None -
- (b) Other non-audit fee to be paid in the future as the agreed services are not completed: - None -



# SANSIRI AND SUSTAINABILITY DEVELOPMENT

## Corporate Governance Principle

Sansiri values the principle of good corporate governance, and commits to conduct its business under the framework of good corporate governance and business ethics. Sansiri promotes the responsibility in creating fairness and transparency, while expands the Company’s competitiveness to maintain capital, and create long-term values for its shareholders, stakeholders, and the general public. This process plays a critical role in the sustainability of Sansiri. (Further details can be found in Sansiri’s Sustainability Report 2017.)

## Policy and Guideline on Anti-corruption

Sansiri determines to conduct its business on the basis of transparency, good governance, and compliance with applicable laws. Sansiri believes business that operates with fairness, ethics, responsibility to society and all stakeholders, and good corporate governance, will be a sustainable organisation and successfully achieve its defined business goals. It also indicates segregation of duty, processes, reporting and approval, which will result in an appropriate and efficient checks and balances system.

Sansiri awares the importance of implementing policy, principles and guidelines to the work processes, and promotes integrity among employees and encourages transparency in working processes, so as to be consistence with rules and regulations. It also procures an appropriate and transparent system for conducting any financing transactions and approvals as well as an anti-corruption examination procedure, which provides a channel for whistle blowing, and protection for the whistle blowers.

In 2017, Sansiri established a policy on anti-corruption and business ethics and also signed up for the project “Private Sector Collective Action Coalition Against Corruption Council (CAC)”, in order to formulate its policy into the business operation. Sansiri has been successfully certified to be a member of Private Sector Collective Action Coalition Against Corruption Council since 12 February 2018.

## Whistle Blower Policy

In the event that any stakeholders or any person has a suspicion or witnessed any acts allegedly to be in violation of applicable laws, regulations, articles or anti-corruption policy, or would like to petition for being offended, he or she may inform or submit a petition to the Company for further appropriate investigation and process by providing evidences to relevant persons or departments. The Company will keep the information of informant in confidential and to be limited only to those responsible for investigation. The channels for whistle blowing are as follows:

- Option 1:

by email

CG@sansiri.com
- Option 2:

by post

With attention to any of the following recipients and relevant address:
  - Chairman of the Corporate Governance Committee (Independent Director)
  - Chairman of the Audit Committee (Independent Director)
  - Company Secretary (Legal Office)Address: Sansiri Public Company Limited  
475 Sri Ayutthaya Road, Thanon Phayathai Sub-District, Rajthevi District, Bangkok 10400
- Option 3:

by website

<https://www.sansiri.com/eng/corporate-governance>
- (Further information in relation to the channels for whistle blowing and protection measure for the whistle blowers and relevant persons can be found in Sansiri’s Sustainability Report 2017.)

## Fair Business Operation

Sansiri ensures its business operation to comply with applicable laws, and avoid any actions that may create conflict of interests, and omits any action that breach against human rights and intellectual property, which would prejudice against all stakeholders, i.e. shareholders, customers, employees, other people in general and business partners. Sansiri thus supports all fair treatments and benefits as follows:

**Guidelines on Intellectual Property** Sansiri has set out principles and guidelines in relation to intellectual property of business, organisation, and any relevant parties stated in the Code of Conduct. It strictly encourages its employees to understand and comply with applicable laws and regulations on intellectual property rights, including not to infringe, or support any infringement of the intellectual property rights of another person. In case of any queries, consultation is available at the Legal Office for further appropriate action. In addition, Sansiri has a policy to use the copyrighted computer programmes, which has been verified and implemented by the Information Technology Department only. (Further information on any activities in relation to fair business operation can be found in Sansiri’s Sustainability Report 2017.)

## Human Rights

Sansiri respects and supports human rights under the principle of the Universal Declaration of Human Rights (UDHR) and children’s rights in accordance with the Children’s Rights and Business Principle (CRBP), which refers to the Convention on the Rights of Child (CRC). The Company realises that all human beings are equal in value and dignity; therefore, the Company has run its business that respects the human dignity, child friendly, and with awareness of not involving with any violation of human rights, whether directly or indirectly. The Company also determines the principles and guidelines in respect of the human rights and children’s rights in the Company’s Code of Conduct. In the operation Sansiri mutually agrees with suppliers

and contractors the prohibition of forced labour and child labour in all construction sites of Sansiri projects. The Company also practices fair treatment of all relevant parties on the basis of dignity, and non-discrimination against origin, race, religious, gender, age, colour, physical condition, status, and ancestor. Further, the Company provides channels for submitting a petition, informing any irregularity and gathering any opinions (Whistle Blower Channels). (Further information on any activities in relation to human rights can be found in Sansiri's Sustainability Report 2017.)

## Fair Treatment on Labour

Human asset is considerably valuable asset to an organisation for its sustainable business operation. The Company has thus explicitly formulated its policy on personnel in accordance with labour law and benefits of employees in addition to rules and regulations, which includes:

- Implementing a policy against child labour and illegal foreign labour;
- Providing trainings for employees, and encouraging fair and transparent assessment in response to consider fair remuneration and promotion;
- Creating good environment in workplace and promoting employees' safety in all functions, including back offices, sale offices, plants and construction sites;
- Supporting employees financially through non-interest bearing loans;
- Allowing 50 percent discount in tuition fees for children of employees at Satit Pattana School, where there were 11 employees enjoying such benefits in 2017;
- Promoting lactation for infant at least 6 months after labour, and creating a friendly environment for child raising and development, by providing a breastfeeding room with a fridge for hygienic keeping of breast milk and also designating a child-care room which allows employees to bring their children to the workplace during school breaks. The child-care room has been established in 4 locations, including Siripinyo Building, Rajapark Building, The Sansiri Precast Factory, and Habito Mall; and
- Providing welfares and benefits in addition to those under regulations and standard benefits in order to encourage work-life balance of employees, taking into consideration economic and social factors in the same way as industrial standard.

(Further information on activities in relation to fair treatment on labour can be found in Sansiri's Sustainability Report 2017.)

## Responsibility Towards Consumers

Sansiri strongly believes that a home does not only serves as a place to live in, but a place where family members can gather for comfort, warmth, and happiness. In this light, Sansiri determines to provide after-sale service and valuable benefits to complete the living experience for the customers and their families through activities and privileges under the concept "Sansiri Family".

The Company has also implemented clear guidelines on responsibility towards customers, e.g. assessment of customers' satisfaction, channels for complaints regarding copyrighted products, defects in products and services, problem investigation and correction, follow-up process of relevant departments, and cross-department assessment, so as to ensure all complaints are properly attended and least affected. (Further information on any activities in relation to responsibility towards customers can be found in the Sansiri's Sustainability Report 2017.)



## Community and Social Development

The Company's board has founded the "Corporate Social Responsibility Committee" in order to define policy on corporate social responsibility that aligns with the Company's vision, strategy, target, and expectation of shareholders and stakeholders.

However, Sansiri realises that the sustainable development to accomplish any needs at present will be achieved by focusing on the capacity of people in the next generation. As such, the policy on corporate social responsibility emphasises on supporting the development of children and youth. In this connection, the Company closely works with the strategic alliance, i.e. UNICEF Thailand, and also initiates to implement such policy through the project "Sansiri Social Change". (Further information on any activities in relation to community and social development can be found in the Sansiri's Sustainability Report 2017.)

## Management on Resources, Environment and Energy

Sansiri determines to operate its business with responsibility to environment, and strictly comply with applicable environmental laws and regulations, including requirement on environment impact assessment report (EIA) and those under the Improvement and Conservation of National Environmental Quality Act (NEQA). Prior to receiving approval from the Environmental Impact Evaluation Bureau under the Ministry of Natural Resources and Environment and for conducting environmental monitoring report, the Company has conducted examination on the projects' operation procedures, to ensure that it complies with all regulations and would receive approval from the Environmental Impact Evaluation Bureau. (Further information on any activities in relation to management on resources, environment and energy can be found in Sansiri's Sustainability Report 2017.)

Preparation of Sustainability Report

The Company's board focuses on Environment, Social, and Governance (ESG) reporting in order to create sustainable organisation, by assigning The Corporate Governance Committee to take a role and responsibility on the Company's sustainability, and to prepare a report for the board semiannually, which, for a clear framework, shall be a separate report from Annual Report (56-2) from 2016 onwards with a reference to the standard framework of Global Reporting Initiative (GRI).

INTERNAL CONTROL  
AND RISK MANAGEMENT

The Board of Directors acknowledges the importance of the internal control system and ensures a suitable monitoring and supervision for higher efficiency. The Board of Directors has assigned the Audit Committee, whose work and opinions are independent, to be responsible for auditing the internal control. This is to ensure that the Company's internal control is appropriate and sufficient to protect the Company's and its subsidiaries' properties and also to prevent any corruption by the management. The thorough disclosure is required for the purpose of transparency and auditing in accordance with good corporate governance for the utmost benefits of shareholders on the basis of fair benefits for all groups of stakeholders.

The Company has procured the internal control system, which is in line with its business operation and management process in accordance with all 5 key elements of internal control, including (i) control environment, (ii) risk management, (iii) control of management's operations, (iv) information technology and communication systems, and (v) monitoring system, which could be summarised as follows:

Control Environment

The Company places great importance on fostering the culture of good internal control, which is the foundation on which a good governance is built. The Company has structured the organisation under the principle of segregation of duties between its Board of Directors, management and employees, to foster the operational control, including an appointment of members of the Board of Directors consisting of members from management team, external directors, and the Audit committee, who are qualified professionals. This allows the Management's decision making process to be fair and efficient under checks and balances principle in accordance with the policy of corporate governance and business ethics which the Company encourages its employees and all stakeholders to realise and comply with its intention on business ethics, treatment towards interested parties, conflict of interest, anti-corruption, and confidentiality and intellectual properties.

In this regard, Sansiri has set up the Office of Internal Audits, which acts independently and reports directly to the Audit Committee. The Office of Internal Audits helps in monitoring, evaluating, and improving the internal control system. It consistently examines important issues in accounting and finance as well as compliance with the relevant rules in order to ensure that the operations of the Company are carried out according to the objectives of the internal control in an efficient and effective way. If a fault is detected, it will notify the relevant authorities to provide solutions or improvements in which will be further reported to the Audit Committee and the Board of Directors accordingly.

## Risk Management

For strategic planning and management, the Company prepares its annual business plan with explicit and measurable targets under the corporate vision. This shall be concurrently carried out with the process of risk management for the entire organisation by specifying and assessing the risk at organisation level and departmental level in accordance with the likelihood and impact principle as approved by the Risk Management Committee, together with an analysis on various risk factors from both internal and external. This is to determine certain measures in controlling, preventing and responding to the risks, whereby the holder of such risk shall be responsible for and ready for creating the business opportunity. During the implementation, there shall be regular follow-ups and assessments on risk factors, which may affect such operations. If any risk factor changes or increases from what have been assessed, the Company will adjust its strategy or determine certain measure to prevent and support such risk at once.

## Supervision on Performance of Executives

The Board of Directors has appointed members of its sub-committee comprising of (i) Corporate Governance Committee, (ii) Risk Management Committee, (iii) Audit Committee, (iv) Nomination and Remuneration Committee and (v) Corporate Social Responsibility Committee. All of which strictly adhere to the scope of authority, duty, and responsibility assigned to them.

For business management, the Company has determined scope of accountability, duty and responsibility of each position appropriately under the principle of segregation of duty and decentralisation. Transactions are approved by non-interested parties under the power of authorities as delegated by the Board of Directors. In addition, the Company has a measure to regularly monitor the Company's and its subsidiaries' operations to ensure the compliance with the Company's regulations and applicable laws. The Company has also articulated its comprehensive vision in order to ensure the operations of all departments are well aligned and also communicate such vision thoroughly and regularly. Further, the Company has collected and set its organisational culture and continuously promoted any activities in relation to such culture, so as to create value, guidelines and work environment which are independent and consistent. The Company believes that such organisational culture will promote the fiduciary and integrity of employees, which result in the future success.

## Information Technology and Data Communication

The Company recognises the importance of development on information technology and data communication system, which should be up-to-date, suitable, accurate, and timely, as evidenced by the Company's continuous improvement on database management for the information technology system. The system development improves efficiency and safety in collection, access, data utilisation and report generation to be sufficient and appropriate under the use of information technology resources policy as determined by the Company. The project includes the development of data communication channel which shall be thoroughly disclosed to interested parties both internal and external. Additionally, the Company has its internal computer network that can directly connect with external agency, which results in rapid, efficient and safe communication and data transfer.

Furthermore, the Company emphasises on receiving opinions from all interested parties from both internal and external, by creating whistle blower channel for receiving complaints, information and opinions in order to improve personnel and management procedures under the fair investigation for utmost benefits of all parties.

## Performance Review System

In 2017, there were 12 meetings of the Board of Directors, where the Audit Committee reported the results of auditing to the Board of Directors on a quarterly basis. Besides, the business management process is continuously monitored, reviewed, and analysed on financial impacts. In addition to the performance review and indicators as determined in the working plan by supervisor of each rank, the Company holds a meeting which management level of all departments report the progress of operations at least once a year, providing an additional channel for data transfer and performance review across departments. However, if any issue is found, it shall be reported to the Audit Committee or the Board of Directors for consideration accordingly.

In the meeting of the Board of Directors No. 2/2561 held on 27 February 2018, the Audit Committee presented the result of assessment of the Company's internal control in accordance with the assessment form determined by the Securities and Exchange Commission, and the Stock Exchange of Thailand. With the presentation and additional inquiries to management team, the Board of Directors shares the same view on the internal control as the Audit Committee that the Company and its subsidiaries has complied with the generally acceptable accounting principles, the notifications, and the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand in relation to reporting its quarterly financial statements, annual financial statements and consolidated financial statements of its subsidiaries on a regular basis. In addition, the Company has the procedure in conducting and disclosing accurate, complete, sufficient and timely information in financial statements. Together with sufficient and appropriate internal control system which have been efficiently improved to be consistent with changes in circumstances so that the Company's and its subsidiaries' business operation can achieve its objectives and be in compliance with applicable laws and regulations. No issues or defects which would result in damage against the Company's business operation was found.

## Internal Audit Manager

Mrs. Supanan Rueangjirapa acts as an internal audit manager of the Company. The Audit Committee has agreed that the person has knowledge, skills, work experiences and adequate trainings to perform her duties. During the past year, Mrs. Supanan Rueangjirapa had presented the procedure of the internal audit department to the Audit Committee in order to ensure the efficiency and effectiveness of the internal audit.

The Audit Committee is responsible for approving the appointment, removal, and transfer of the Internal Audit Manager.



The details of the Internal Audit Manager are as follows:

Name - Surname	Mrs. Supanan Rueangjirapa
Position	Senior Section Manager- Internal Audit
Age	62 years
Education	Bachelor of Business Administration (Accounting), Thammasat University
Training	Internal Audit Role Internal Audit Conference 2010
Shareholding (Percent)	-None-
Relationship with Executives	-None-
Working Experience in the Past 5 Years	Senior Section Manager - Internal Audit Sansiri Public Company Limited

# INTER-RELATED TRANSACTION

The related transactions between the Company and the related parties were the normal business activities. The price of products and services as well as the terms and conditions under these transactions were conducted at fair value and were disclosed in Notes 6 to the financial statements as at 31 December 2017

## Approval Procedures of Related Transactions

For related transactions with the normal course of business operations, the approval procedures are in accordance with the regulations of the Company, the subsidiaries, and the associated companies, just like the transactions provided to other unrelated business. For other related transactions, the Company has control measures in compliance with related regulations of the Securities Exchange Commission (SEC) and the Stock Exchange of Thailand. In addition, for the consideration of the related transactions between the Company and the persons who might have conflict of interest, vested interest, or may have other conflicts of interest with the Company, such Directors shall not have the right to vote in that matter. Furthermore, the transaction shall not be conducted in such a manner of authorisation which allows the authorised person to have the power in any other way to approve the transaction with interest of such authorised person or person with interest or conflict of interest with the Company or its subsidiaries.

## Policies or Tendency for Inter-Related Transactions in the Future

The Company's policy is to engage in transactions to the extent that such transactions serve the best interests of the Company at the time. The conditions applicable to such transactions are those that obtained during normal periods of business, at normal market rates, for entities or businesses that are non-related.

For future inter-related transactions, the Audit Committee and the Company will jointly ensure that they comply with the laws and regulations pertaining to securities, guidelines set by the Stock Exchange of Thailand, as well as the requirement regarding the disclosure of such transactions and the acquisition or sale of assets belonging to the Company and its subsidiaries.

# REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors of Sansiri Public Company Limited is responsible for the financial statements and the consolidated financial statements of the Company and its subsidiaries, including all other financial information stated in its annual report. The financial statements have been prepared in accordance with the generally accepted accounting principles and standard under appropriate accounting policies and regular adherence to them with prudence and rationality. All material information has been sufficiently disclosed in the notes to financial statements, which is useful to all shareholders and investors.

The Board of Directors has provided and maintained appropriate internal control system and risk management to ensure accurate and comprehensive financial records on a timely basis to maintain assets and prevent fraud or significantly unusual operation. In this connection, the Board of Directors has appointed the Audit Committee, which is comprised of independent directors, to oversee and review the financial statements to ensure the reliability and accuracy, as well as to assess the efficiency and effectiveness of internal control and internal audit. The Audit Committee has expressed an opinion regarding aforementioned matters in the report of the Audit Committee included in the annual report.

The Board of Directors has an opinion that Sansiri Public Company Limited has maintained effective internal control system to provide reasonable assurance that the financial statements and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2017 are reliable in accordance with generally accepted accounting principles and comply with all relevant and applicable rules and regulations.



(Mr. Kovit Poshyananda)  
Chairman of the Board of Directors



(Mr. Apichart Chutrakul)  
Chairman of the Executive Committee

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## TABLE OF KEY FINANCIAL RATIOS

TABLE OF KEY FINANCIAL RATIOS

Sansiri Public Company Limited and Subsidiaries		2015	2016	2017
Liquidity Ratio				
Current Ratio	Times	2.96	2.69	1.78
Quick Ratio	Times	0.14	0.18	0.15
Operating Cash Flow to Total Debt	Times	0.22	0.19	0.01
Accounts Receivable Turnover	Times	558.67	268.69	188.88
Average Collection Period	Days	0.64	1.34	1.91
Inventory Turnover	Times	0.46	0.41	0.38
Average Sales Period	Days	789.13	873.50	956.35
Accounts Payable Turnover	Times	15.45	15.48	6.64
Payment Period	Days	23.30	23.26	54.23
Cash Cycle	Days	766.47	851.59	904.02
Profitability Ratio				
Gross Profit Margin (of Core Revenue)	%	29.34	30.52	31.00
Gross Profit Margin (of Revenue from Project Sales)	%	29.86	31.47	33.29
Net Profit Margin	%	9.12	9.83	8.89
Return on Equity	%	13.48	12.23	9.64
Efficiency Ratio				
Return on Total Assets	%	4.92	4.75	3.69
Return on Fixed Assets	%	56.48	43.18	22.27
Asset Turnover	Times	0.52	0.48	0.40
Financial Policy Ratio				
Debt-to-Equity Ratio	Times	1.55	1.59	1.63
Gearing Ratio	Times	1.23	1.15	1.17
Net Gearing Ratio	Times	1.13	1.02	1.07
Interest Coverage	Times	3.24	3.52	3.03

Sansiri Public Company Limited and Subsidiaries		2015	2016	2017
Debt Service Coverage Ratio	Times	0.39	0.51	0.51
Payout Ratio	%	50.00	50.00	50.00
<b>Per Share</b>				
Book Value per Share	Baht	1.91	1.97	2.13
Earnings per Share	Baht	0.25	0.24	0.20
Dividend per Share	Baht	0.12	0.12	0.12
<b>Growth Ratio</b>				
Total Assets	%	(5.05)	4.78	10.14
Total Liabilities	%	(12.58)	5.74	11.18
Total Shareholders' Equity	%	9.60	3.30	8.48
Revenue from Sales and Services	%	31.54	(8.51)	(8.56)
Operating Expenses	%	17.33	(9.79)	4.72
Net Profit	%	3.32	(3.58)	(16.44)

# MANAGEMENT DISCUSSION AND ANALYSIS

## Summary Of Market Condition For The Year 2017 And Economic Outlook For The Year 2018

In 2017, Thai economy grew by 3.9 percent (Source: Office of the National Economic and Social Development Board or NESDB), compared to a 3.3 percent growth of last year. For the expenditure, export of goods and services, household consumption, total investment, and government expenditure continued to grow. On the production side, hotel and restaurant sectors, logistics sector, wholesale and retail trading sectors, agricultural sector, and industrial sector accelerated while construction sector experienced a slowdown.

In 2017, the household consumption expanded by 3.2 percent, higher than a 3.0 percent growth in 2016. The private investment expanded by 1.7 percent, while the public investment declined by 1.2 percent. The total export value of 2017 was at USD 235,106 Million, increased by 9.7 percent compared to that of last year.

On the production side, the construction sector shrank by 2.3 percent, corresponding to the decline of construction in both public and private sectors. The hotel and restaurant sectors grew by 8.5 percent, in line with a 9.5 percent increase in tourism income, totaling 2,754.0 Billion Baht, where industrial sector continued to grow with an increase by 2.5 percent. The agricultural sector rose by 6.2 percent due to the significant increase in agricultural production index, though agricultural price index slightly decreased. The unemployment rate remained at low level of 1.0 percent. Nonetheless, the inflation rate increased while the interest rate remained unchanged. (Source: Bank of Thailand)

For the economic outlook for 2018, the NESDB forecasts that the economy will expand at the rate of 3.6 to 4.6 percent, mainly driven by the growing world economy that will result in an increase in export and production in industrial sector. The government expenditures still remained at satisfactory level, with the significant growth of public and private investment. Tourism sector, export sector, and service sector have continually been in the upward trend. Nonetheless, there are several risk factors including the shrinkage of the drive from agricultural sector, the risk from the fluctuation of world economy, together with the ascending trend of pricing, inflation, and global interest rate.

## Financial Results

Total revenue in 2017 amounted to 31,757 Million Baht, decreased by 8 percent from 34,395 Million Baht in 2016. The decrease of total revenue was caused by a 13 percent decrease in the revenue from project sales which was the core revenue accounted for 82 percent of total revenue. Nonetheless, revenue from sales of construction materials and business management in 2017 increased by 53 and 33 percent compared to that of 2016 respectively. For the year 2017, Sansiri and its subsidiaries reported net profit of 2,825 Million Baht, a decrease of 16 percent from net profit of 3,380 Million Baht in 2016.



Revenue from Property Development for Sale

The breakdown of revenue from project sales during 2015 – 2017 is as follows:

	2015		2016		2017	
	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached houses	10,108	28.8	9,616	31.9	11,401	43.7
Townhouses / Home Office	1,996	5.7	1,224	4.1	1,751	6.7
Mix	-	-	-	-	30	0.1
Condominiums	23,048	65.6	19,260	64.0	12,897	49.5
Total	35,152	100.0	30,099	100.0	26,080	100.0

In 2017, Sansiri and its subsidiaries reported the revenue from project sales amounted to 26,080 Million Baht, resulting in a 13 percent decrease in revenue from project sales from 30,099 Million Baht in 2016 due to the decrease of revenue from condominium projects. As in 2017, Sansiri had 4 new and ready-to-transferred condominium projects, two of which have been operated under joint venture companies between Sansiri Public Company Limited and BTS Group Public Company Limited, making the revenue from those projects been excluded from revenue from property development for sale accordingly, and resulting in the decrease in project sales in 2017. To the total revenue from project sales in 2017, 12,897 Million Baht revenue from condominium projects contributed 50 percent, 11,401 Million Baht revenue from single-detached house projects contributed 44 percent, the revenue of 1,751 Million Baht from townhouse projects contributed 7 percent, and the revenue of 30 Million Baht from mixed project contributed 0.1 percent accordingly.

Revenue from single-detached house projects in 2017 amounted to 11,401 Million Baht, a 19 percent increase from 9,616 Million Baht in 2016. The revenue from single-detached house was mainly from four projects, including Setthasiri Charun-Pinklao, Setthasiri Krungthep Kreetha, Burasiri Ratchapruek-345 and Setthasiri Pattanakarn, which altogether contributed 3,696 Million Baht or 14 percent of total revenue from project sales.

Revenue from townhouse projects in 2017 amounted to 1,751 Million Baht, an increase of 43 percent compared to that of last year. In this regard, the main contributors were the 805 Million Baht revenue from 4 townhouse projects namely Town Avenue Cocos Rama2 Soi.50, Town Avenue Merge Rattanatibetr, Siri Avenue Petchkasem 81, and Siri Square Charoenkrung 80 with total revenue accounted for 3 percent of the total revenue from project sales.

In 2017, revenue from condominium projects amounted to 12,897 Million Baht or 50 percent of the total revenue from project sales, a decrease of 33 percent from 19,260 Million Baht in 2016. In this regard, 98 Wireless, MORI HAUS, and EDGE Sukhumvit 23 were the top three highest contributors in 2017, contributing revenue of 7,284 Million Baht or accounting for 28 percent of the total revenue from project sales.

In 2017, revenue from mixed project amounted to 30 Million Baht from Anasiri Ayutthaya.

Revenue from Property Services

Revenue from projects for rent increased by 12 percent from 80 Million Baht in 2016 to 89 Million Baht in 2017. Revenue from business management in 2017 amounted to 4,368 Million Baht, with an increase from 3,273 Million Baht or 33 percent from last year. The increase was driven by the revenue from property management of joint venture. Moreover, revenue from other services including revenue from hotel business and education business amounted to 293 Million Baht, a decrease of 3 percent compared to that of last year.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For the year 2017, cost of project sales amounted to 17,399 Million Baht, a 16 percent decrease from that of the year 2016, in accordance with a decrease in revenue from project sales. Gross profit margin of project sales increased from 31.5 percent in 2016 to 33.3 percent in 2017, driven by the cost efficiency management. Cost of projects for rent amounted to 72 Million Baht, an increase of 31 percent from that of last year, while cost of business management amounted to 3,447 Million Baht, an increase by 42 percent corresponding to the increase in revenue from business management. In addition, cost of other services including hotel business and education business decreased by 5 percent from that of last year.

Selling, General and Administrative Expenses

In 2017, Sansiri and its subsidiaries recorded selling and administrative expenses of 6,103 Million Baht or 19.2 percent of total revenue, an increase from 16.9 percent of total revenue of last year. Selling expenses in 2017 were at 3,224 Million Baht or 10.2 percent of total revenue, an increase from 3,039 Million Baht or 8.8 percent of total revenue in 2016 due to the marketing expenses for managing the inventory in preparation for a great deal of new units launched in the next year. The administrative expenses (including management benefit expenses) increased to 2,879 Million Baht or 8.1 percent of total revenue in 2016 from 2,789 Million Baht or 9.1 percent of total revenue in 2016.

Financial Expense

In 2017, financial expense decreased from 615 Million Baht in 2016 to 411 Million Baht due to the developing land plots process and the increase in project sales of complete projects.

Net Profit

For the year 2017, Sansiri and its subsidiaries reported net profit of 2,825 Million Baht, a decrease of 16 percent from 3,380 Million Baht in 2016. In this regard, the net profit margin decreased from 9.8 percent of total revenue in 2016 to 8.9 percent of total revenue in 2017 due to the increase in Selling, General and Administrative Expenses. In 2017, Loss on diminution in value of property development for sale, land held for development, investment property, and land, building, and equipment significantly increased from 57 Million Baht in 2016 to 336 Million Baht. In addition, an effective corporate income tax in 2017 was at 22.7 percent of earnings before corporate income tax.

Assets

Total assets of Sansiri and its subsidiaries as of 31 December 2017 amounted to 80,150 Million Baht, an increase of 7,376 Million Baht from that of 31 December 2016. Current assets as of 31 December 2017 was at 54,222 Million Baht, decreased from 57,289 Million Baht as of 31 December 2016 due to the decrease in cost of property development for sale and cash and cash equivalents. Moreover, total non-current assets as of 31 December 2017 was at 25,927 Million Baht, increased by 10,443 Million Baht from that of 31 December 2016 due to the increase in land plots, current portion of loans to related parties, and other long term loans.

Liabilities

Total liabilities of Sansiri Group amounted to 49,672 Million Baht as of 31 December 2017, an increase of 4,994 Million Baht from that of 31 December 2016. Total current liabilities was at 30,500 Million Baht, an increase of 9,210 Million Baht from that of 31 December 2016 due to the increase in current portion of unsecured debentures and current portion of long-term promissory notes – purchase of land. On the other hand, non-current liabilities decreased by 4,216 Million Baht from that of 31 December 2016 to 19,172 Million Baht mainly due to the decrease in long-term promissory notes - purchase of land, and unsecured debentures. The interest bearing debt increased from 32,276 Million Baht as of 31 December 2016 to 35,527 Million Baht as of 31 December 2017. The debt-to-equity ratio was 1.63 times with the interest-bearing debt-to-equity ratio (Gearing ratio) of 1.17 times. In this regard, Sansiri has been operating under restrictive financial covenants with gearing ratio less than 2.5 to 1.

Shareholders' Equity

Shareholders' Equity as of 31 December 2017 amounted to 30,478 Million Baht, an increase of 2,382 Million Baht from that of 31 December 2016, mainly driven by the net profit of 2,825 Million Baht, and the issuance of new shares for capital increase amounted to 1,443 Million Baht. Sansiri paid dividend from 2016 net profit of 1,857 Million Baht as well.

Cashflow

For the year 2017, beginning cash balance was 3,541 Million Baht with net cash received from operating activities of 1,936 Million Baht, net cash used in investing activities of 4,021 Million Baht, and net cash received from financing activities of 1,531 Million Baht, resulting in the ending cash balance of 2,978 Million Baht, as of 31 December 2017. In this regard, profit from operating activities before changes in operating assets and liabilities was at 22,143 Million Baht, whereas, cash outflow as development costs for property development for sale amounted to 19,077 Million Baht. For investing activities, loans to related parties amounted to 4,042 Million Baht. For financing activities, cash outflow for loan repayment including interest payment to financial institutions amounted to 6,489 Million Baht, while cash outflow from repayment of debentures and dividend payment amounted to 2,000 Million Baht and 1,857 Million Baht respectively.

Liquidity Ratio

The liquidity ratio of Sansiri Group decreased from 2.69 times as of 31 December 2016 to 1.78 times as of 31 December 2017 as total current liabilities increased by 43 percent due to the increase in current portion of unsecured debentures and long-term promissory notes – purchase of land whereas total current assets decreased by 5 percent from that of 31 December 2016.

Return on Equity

As of 31 December 2017, the return on equity was 9.64 percent, a decrease from 12.23 percent as of 31 December 2016 mainly due to a decrease in the return on assets to 3.69 percent from 4.75 percent in 2016, together with a decrease in net profit from 9.8 percent in 2016 to 8.9 percent in 2017, while the debt-to-equity ratio increased from 1.59 times as of 31 December 2016 to 1.63 times as of 31 December 2017.

Summary Of Factors Affecting The Future Operations

The external factors which will affect Sansiri's performance, that may lead to the unachievable goal of operating result or some significant changes from that of last year, include the risk of world economy fluctuation, and the ascending trend of pricing, inflation, and global interest rate which result in consumers' purchasing power, lessening the ability in habitation purchasing by the fluctuated economy. However, Sansiri realises the effect of these external factors and attempts to adapt the business strategies to cope with the changing situation consistently.

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FINANCIAL STATEMENTS

Independent Auditor's Report

To the Shareholders of Sansiri Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Sansiri Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Sansiri Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sansiri Public Company Limited and its subsidiaries and of Sansiri Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole. Key audit matters and how audit procedures respond for each matter are described below.



Recognition of revenue from sale of real estate

Revenue from sale of real estate is the most significant amount in the statements of comprehensive income and it is a key performance indication in the real estate industry on which the financial statements' users focus. In addition, the Company and its subsidiaries have a significant number of property units for sale and property sale agreements. There are therefore risks with respect to the occurrence of revenue from sale of real estate presented in the financial statements, and the relation between business and revenue.

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

- Assessing and testing the Group's IT system and their internal controls with respect to the cycle of revenue from sale of real estate by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales agreements to assess whether recognition of revenue from sale of real estate was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions of revenue from sale of real estate throughout the period, particularly for accounting entries made through journal vouchers.

Impairment of project development for sale

Estimating the net realisable value of project development for sale, as disclosed in Note 12 to the financial statements, is an area of significant management judgement, particularly with regard to the estimation of allowance for diminution in the value of project development for sale with impairment indicators. This requires detailed analysis of the project nature, the competitive environment, economic circumstances and the situation within real estate business. There is a risk with respect to the amount of allowance for diminution in value of project development for sale.

I gained an understanding of the internal controls of the Group relevant to the determination of allowance for diminution in value of project development for sale by making enquiry of responsible executives, and assessed the method and the assumptions applied by management in determining such allowance. The procedures that I performed included:

- Reviewing the basis applied in determining the allowance for diminution in value of real estate development costs, the consistency of the application of that basis, and the rationale for the recording of allowance for diminution in the value of project development for sale.
- Comparing the holding periods of the project development for sale and their movements with indicators of lower than normal inventory turnover including the consideration of related internal and external information to assess whether real estate development projects have any impairment indicators.
- Comparing details of sales transactions occurring after the date of the financial statements with the cost of real estate development costs for each project.
- Reviewing the estimation of the net realisable value of project development for sale prepared by the management of the Group or appraisal reports of independent appraisers.

Compliance with loan covenants in loan agreements and prospectus

Compliance with loan covenants in loan agreements and prospectus is a key audit matter as the Group have significant loan and debenture balances, which is the biggest item of the Group's liabilities, comprising a number of loan agreements and prospectus. Each loan agreement and prospectus has specified loan covenants, for example, debt to equity ratio.

If the Group is unable to do so, this may cause the lenders to call the loans those covenants, these may have impact on call of loans and result in the reclassification of the liabilities from non-current liabilities to current liabilities, which could affect the going concern of the Group.

I have gained understanding of the process of the management's monitoring of compliance with covenants stipulated in the borrowing agreements and testing for compliance with both non-financial and financial covenants, including whether financial ratios are in line with those stipulated in the borrowing agreements. In addition, we have assessed the disclosures made with respect to covenants in the notes to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



**Rungnapa Lertsuwankul**  
**Certified Public Accountant**  
(Thailand) No. 3516

**EY Office Limited**  
Bangkok: 27 February 2018

Sansiri Public Company Limited and its subsidiaries  
Statement of financial position  
As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	2,977,567,816	3,540,857,501	1,531,628,304	1,991,082,691
Current investments	8	973,186,733	-	973,186,733	-
Restricted bank deposits	9	322,823,805	-	322,823,805	-
Trade accounts receivable	10	156,860,652	170,498,593	20,077,505	99,541,611
Short-term note receivable - sale of land	11	-	360,000,000	-	-
Prepaid expenses		54,541,737	69,739,412	37,801,766	47,059,872
Current portion of loans to related parties	6.3	598,000,000	157,000,000	874,132,948	2,112,712,972
Property development for sale	12	43,384,455,103	49,057,240,019	28,237,061,925	33,528,029,133
Advance payment to contractors		1,355,758,295	1,233,225,686	1,186,569,246	1,117,403,073
Deposits for land and purchase of assets		3,858,830,694	2,424,553,880	1,979,446,364	2,318,258,750
Other current assets		540,241,381	276,384,745	542,858,138	195,745,981
<b>Total current assets</b>		<b>54,222,266,216</b>	<b>57,289,499,836</b>	<b>35,705,586,734</b>	<b>41,409,834,083</b>
<b>Non-current assets</b>					
Loans to related parties - net of current portion	6.3	5,208,213,051	4,306,688,269	17,888,314,103	13,632,770,631
Long-term loan receivable	13	9,591,807	-	-	-
Investments in subsidiaries	14	-	-	2,991,065,633	1,841,396,605
Investments in joint ventures	15	523,850,149	467,170,192	1,112,832,700	1,026,882,009
Investments in associate	16	524,368,769	-	-	-
Other long-term investments	17	816,153,628	330,400	415,953,628	330,400
Investment properties	18	272,519,933	314,085,964	228,892,223	261,727,707
Land held for development	19	15,161,143,899	7,041,573,266	12,065,312,486	4,761,829,377
Land, building and equipment	20	1,950,330,121	2,079,656,373	922,678,305	935,190,181
Deferred tax asset	37	908,017,532	755,867,099	238,228,571	189,264,592
Other intangible assets	21	165,396,217	144,552,122	148,656,299	130,443,655
Leasehold rights	22	253,482,166	282,252,913	32,790,267	34,891,706
Other non-current assets		134,366,053	92,362,644	43,880,380	38,877,048
<b>Total non-current assets</b>		<b>25,927,433,325</b>	<b>15,484,539,242</b>	<b>36,088,604,595</b>	<b>22,853,603,911</b>
<b>Total assets</b>		<b>80,149,699,541</b>	<b>72,774,039,078</b>	<b>71,794,191,329</b>	<b>64,263,437,994</b>

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

Sansiri Public Company Limited and its subsidiaries  
Statement of financial position (Continued)  
As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from banks	23	2,400,000,000	4,316,000,000	2,400,000,000	4,316,000,000
Bills of exchange	23	5,968,399,829	4,475,672,522	5,968,399,829	4,475,672,522
Trade accounts payable	24	1,563,487,825	1,349,361,191	1,221,242,978	1,175,330,562
Current portion of long-term loans	25	3,974,168,502	2,986,359,029	3,243,493,502	2,014,826,501
Current portion of long-term promissory note - purchase of land	26	3,199,563,731	314,875,697	3,199,563,731	314,875,697
Unsecured debentures - due within one year	27	5,998,307,982	1,999,102,405	5,998,307,982	1,999,102,405
Corporate income tax payable		308,885,852	409,859,028	237,820,855	193,041,947
Short-term provisions	30	108,300,024	111,558,412	76,163,894	60,329,424
Current portion of provision for guarantee to property fund	31	-	5,556,206	-	-
Unearned income	12.5	1,228,188,440	1,230,687,888	241,440,630	903,651,177
Other current liabilities					
Advance received from customers		2,990,288,566	1,579,986,277	2,915,394,941	1,498,274,507
Construction retention		657,384,538	552,967,814	544,790,224	364,265,362
Accrued expenses		964,826,339	900,300,900	693,624,954	708,152,583
Accrued construction costs		744,891,228	721,683,860	623,350,618	448,190,717
Others		393,066,755	336,205,823	244,477,861	215,668,219
<b>Total current liabilities</b>		<b>30,499,759,611</b>	<b>21,290,177,052</b>	<b>27,608,071,999</b>	<b>18,687,381,623</b>
<b>Non-current liabilities</b>					
Deferred leasehold revenue		344,531,724	385,681,705	-	-
Loans from related parties	6.3	-	-	892,525,312	473,586,426
Long term loans - net of current portion	25	6,121,291,135	6,526,669,140	4,830,161,062	4,970,328,995
Long-term promissory note - purchase of land - net of current portion	26	-	3,199,563,731	-	3,199,563,731
Unsecured debentures - net of current portion	27	10,972,459,506	11,972,648,612	10,972,459,506	11,972,648,612
Other long term loans	28	92,400,000	-	-	-
Provision for transaction under equity method of investments in joint ventures	15	1,152,881,383	856,606,109	-	-
Provision for long-term employee benefits	29	145,185,527	129,781,852	101,766,948	91,359,589
Long-term provisions	30	182,962,415	170,872,814	136,668,485	128,784,089
Other non-current liabilities		160,396,386	146,016,407	60,388,141	46,362,811
<b>Total non-current liabilities</b>		<b>19,172,108,076</b>	<b>23,387,840,370</b>	<b>16,993,969,454</b>	<b>20,882,634,253</b>
<b>Total liabilities</b>		<b>49,671,867,687</b>	<b>44,678,017,422</b>	<b>44,602,041,453</b>	<b>39,570,015,876</b>

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

Sansiri Public Company Limited and its subsidiaries  
Statement of financial position (Continued)  
As at 31 December 2017

(Unit: Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Shareholders' equity</b>					
Share capital	32				
Registered					
17,991,720,358 ordinary shares of Baht 1.07 each		<u>19,251,140,783</u>	<u>19,251,140,783</u>	<u>19,251,140,783</u>	<u>19,251,140,783</u>
Issued and paid-up					
14,862,734,320 ordinary shares of Baht 1.07 each (31 December 2016: 14,285,501,270 ordinary shares of Baht 1.07 each)		15,903,125,722	15,285,486,359	15,903,125,722	15,285,486,359
Share premium	32	2,295,630,600	1,470,187,339	2,295,630,600	1,470,187,339
Capital reserve for share-based payment	34.1	51,532,495	40,700,825	51,532,495	40,700,825
Retained earnings					
Appropriated - statutory reserve	33	1,433,036,983	1,287,942,107	1,433,036,983	1,287,942,107
Unappropriated		11,010,081,093	10,187,554,606	7,508,824,076	6,609,105,488
Other components of shareholders' equity		<u>(186,147,742)</u>	<u>(176,460,252)</u>	-	-
Equity attributable to owners of the Company		30,507,259,151	28,095,410,984	27,192,149,876	24,693,422,118
Non-controlling interest of subsidiaries		<u>(29,427,297)</u>	<u>610,672</u>	-	-
<b>Total shareholders' equity</b>		<b><u>30,477,831,854</u></b>	<b><u>28,096,021,656</u></b>	<b><u>27,192,149,876</u></b>	<b><u>24,693,422,118</u></b>
<b>Total liabilities and shareholders' equity</b>		<b><u>80,149,699,541</u></b>	<b><u>72,774,039,078</u></b>	<b><u>71,794,191,329</u></b>	<b><u>64,263,437,994</u></b>

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

Sansiri Public Company Limited and its subsidiaries  
Statement of Comprehensive income  
For the year ended 31 December 2017

(Unit: Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Revenues</b>					
Revenues from project sales		26,079,960,661	30,099,392,283	16,912,593,941	15,457,965,863
Revenues from business management		4,367,516,149	3,272,663,269	6,226,710,007	4,427,631,593
Revenues from sales of construction materials		86,408,095	56,630,047	91,714,853	74,266,326
Revenues from projects for rent		89,085,914	79,789,921	32,507,673	16,819,623
Revenues from other services	35	292,557,817	302,140,860	32,606,180	32,380,127
Other revenues					
Gain on sale of land		253,236,298	133,730,143	285,746,106	58,723,532
Gain on sale of investment in subsidiaries		-	14,599,844	-	-
Interest income		212,601,047	104,570,325	621,814,389	570,038,454
Dividend income	6.1	49,560	59,472	373,949,560	39,209,472
Others		<u>375,312,580</u>	<u>331,503,198</u>	<u>233,449,729</u>	<u>149,170,218</u>
<b>Total revenues</b>		<b><u>31,756,728,121</u></b>	<b><u>34,395,079,362</u></b>	<b><u>24,811,092,438</u></b>	<b><u>20,826,205,208</u></b>
<b>Expenses</b>					
Cost of project sales		17,399,011,413	20,627,790,235	11,151,813,231	10,175,524,018
Cost of business management		3,447,135,636	2,427,560,754	5,263,909,273	3,461,238,433
Cost of construction materials sales		88,959,426	40,241,792	93,815,995	56,079,854
Cost of projects for rent		71,786,404	54,694,301	33,936,374	14,989,253
Cost of other services	35	325,741,412	342,818,993	34,373,943	35,244,838
Selling expenses		3,223,950,673	3,039,065,665	1,935,039,731	1,805,902,361
Administrative expenses		2,878,767,999	2,788,636,646	2,191,786,665	2,106,597,165
Other expenses					
Loss on diminution in value of property development for sale and land held for development (reversal)	12.4	207,983,303	45,435,317	(6,355,900)	(153,385,100)
Loss on diminution in value of investment properties	17	30,040,000	11,460,000	30,040,000	11,460,000
Loss on diminution in value of land building and equipment		<u>98,200,000</u>	-	-	-
<b>Total expenses</b>		<b><u>27,771,576,266</u></b>	<b><u>29,377,703,703</u></b>	<b><u>20,728,359,312</u></b>	<b><u>17,513,650,822</u></b>
<b>Profit before share of profit (loss) from investments in joint ventures and associate, finance cost and income tax expenses</b>		<b>3,985,151,855</b>	<b>5,017,375,659</b>	<b>4,082,733,126</b>	<b>3,312,554,386</b>
Share of profit (loss) from investments in joint ventures	15.2	42,953,585	(77,739,624)	-	-
Share of loss from investment in associate	16.2	<u>(17,100,324)</u>	-	-	-
<b>Profit before finance cost and income tax expenses</b>		<b><u>4,011,005,116</u></b>	<b><u>4,939,636,035</u></b>	<b><u>4,082,733,126</u></b>	<b><u>3,312,554,386</u></b>
Finance cost		<u>(410,509,628)</u>	<u>(615,146,698)</u>	<u>(524,278,621)</u>	<u>(448,419,480)</u>
Profit before income tax expenses		3,600,495,488	4,324,489,337	3,558,454,505	2,864,134,906
Income tax expenses	37	<u>(818,828,049)</u>	<u>(944,287,370)</u>	<u>(656,556,996)</u>	<u>(586,900,388)</u>
<b>Profit for the year</b>		<b><u>2,781,667,439</u></b>	<b><u>3,380,201,967</u></b>	<b><u>2,901,897,509</u></b>	<b><u>2,277,234,518</u></b>

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



Sansiri Public Company Limited and its subsidiaries  
Statement of Comprehensive income (Continued)  
For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Other comprehensive income :</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(9,687,490)	(217,639,150)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		(9,687,490)	(217,639,150)	-	-
<b>Other comprehensive income for the year</b>		<b>(9,687,490)</b>	<b>(217,639,150)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b><u>2,771,979,949</u></b>	<b><u>3,162,562,817</u></b>	<b><u>2,901,897,509</u></b>	<b><u>2,277,234,518</u></b>
<b>Profit attributable to :</b>					
Equity holders of the Company		2,824,705,408	3,380,431,086	<u>2,901,897,509</u>	<u>2,277,234,518</u>
Non-controlling interest of the subsidiaries		(43,037,969)	(229,119)		
		<u>2,781,667,439</u>	<u>3,380,201,967</u>		
<b>Total comprehensive income attributable to :</b>					
Equity holders of the Company		2,815,017,918	3,162,791,936	<u>2,901,897,509</u>	<u>2,277,234,518</u>
Non-controlling interest of the subsidiaries		(43,037,969)	(229,119)		
		<u>2,771,979,949</u>	<u>3,162,562,817</u>		
<b>Earnings per share</b>	34.2				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.20</u>	<u>0.24</u>	<u>0.20</u>	<u>0.16</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.20</u>	<u>0.24</u>	<u>0.20</u>	<u>0.16</u>

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

Sansiri Public Company Limited and its subsidiaries  
Cash Flow Statement  
For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Cash flows from operating activities</b>				
Profit before tax	3,600,495,488	4,324,489,337	3,558,454,505	2,864,134,906
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Decrease in property development for sale from transferring to cost of project sales	17,399,011,413	20,627,790,235	11,151,813,231	10,175,524,018
Depreciation of investment properties	15,149,994	15,354,557	13,527,192	12,038,752
Depreciation of land, building and equipment	183,905,336	192,858,438	108,484,851	114,770,981
Write-off of building and equipment	40,198	154,767	24,428	120,702
Amortisation of intangible assets	27,849,363	21,061,167	24,266,913	17,100,277
Amortisation of leasehold rights	28,770,748	28,770,747	2,101,439	2,101,439
Gain on sales of investment properties	-	(10,706,692)	-	(7,952,092)
Gain on sales of equipment	(107,724)	(43,889)	(3,141)	(27,719)
Deferred profit of transactions between the Company and joint ventures	268,499,594	365,765,552	-	-
	(3,689,400)	(10,868,275)	-	-
Reversal of provision for guarantee to property fund	-	-	-	-
Loss on dissolution of subsidiary	-	14,599,844	-	2,125,000
Loss on diminution in value of property development for sale and land held for development (reversal)	207,983,303	45,435,317	(6,355,900)	(153,385,100)
Loss on diminution in value of investment properties	30,040,000	11,460,000	30,040,000	11,460,000
Loss on diminution in value of land, building and equipment	98,200,000	-	-	-
Allowance for doubtful accounts	18,298,634	13,601,446	18,297,973	7,949,775
Leasehold revenue amortisation	(41,149,982)	(43,653,022)	-	-
Unrealised gain (loss) on exchange	(546,785)	3,911,369	(343,919)	3,911,369
Homecare warranty and housing estate juristic persons expenses	87,796,803	66,348,569	69,402,969	49,482,129
Long-term employee benefits expenses	16,816,775	15,737,372	11,009,459	12,660,243
Provision for hotel maintenance	2,665,823	2,441,199	978,185	668,808
Expense for share-based payment transactions	10,831,670	20,678,645	10,831,670	20,678,645
Share of loss (profit) from investments in joint ventures	(42,953,585)	77,739,624	-	-
Share of loss from investment in associate	17,100,324	-	-	-
Dividend income	(49,560)	(59,472)	(373,949,560)	(39,209,472)
Interest income	(212,601,047)	(104,570,325)	(621,814,389)	(570,038,454)
Interest expense	<u>430,880,229</u>	<u>640,216,901</u>	<u>544,649,222</u>	<u>473,489,683</u>
Profit from operating activities before changes in operating assets and liabilities	22,143,237,612	26,318,513,411	14,541,415,128	12,997,603,890

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

Sansiri Public Company Limited and its subsidiaries  
Cash Flow Statement (Continued)  
For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>(Increase) decrease in operating assets</b>				
Trade accounts receivable	(4,660,693)	(102,928,572)	61,166,133	(76,653,031)
Short-term note receivable - sale of land	360,000,000	(360,000,000)	-	-
Property development for sale	(19,077,100,676)	(20,608,716,923)	(12,207,854,166)	(16,130,495,250)
Deposits for land	(1,434,276,814)	1,247,976,800	338,812,386	1,170,485,600
Other current assets	(327,828,546)	152,802,969	(321,357,920)	(256,373,193)
Other non-current assets	(42,003,409)	31,376,973	(5,003,332)	9,900,137
<b>Increase (decrease) in operating liabilities</b>				
Trade accounts payable	214,126,634	(21,778,806)	45,912,416	314,734,560
Long-term promissory note - purchase of land	(314,875,697)	3,199,563,731	(314,875,697)	3,199,563,731
Advances received from customers and unearned income	1,407,802,841	(995,231,498)	754,909,887	(476,458,625)
Other current liabilities	138,264,745	710,972,434	120,953,668	944,192,325
Other liabilities	<u>(11,640,393)</u>	<u>17,184,920</u>	<u>(7,432,747)</u>	<u>(4,974,888)</u>
Cash flows used in operating activities	3,051,045,604	9,589,735,439	3,006,645,756	1,691,525,256
Cash paid for corporate income tax	<u>(1,114,835,592)</u>	<u>(1,078,345,539)</u>	<u>(660,745,152)</u>	<u>(525,884,635)</u>
<b>Net cash from operating activities</b>	<b><u>1,936,210,012</u></b>	<b><u>8,511,389,900</u></b>	<b><u>2,345,900,604</u></b>	<b><u>1,165,640,621</u></b>
<b>Cash flows from investing activities</b>				
Increase in current investments	(973,186,733)	-	(973,186,733)	-
Increase in restricted bank deposit	(322,823,805)	-	(322,823,805)	-
Increase in loans to related parties	(4,041,524,782)	(3,913,500,000)	(13,746,913,628)	(9,466,887,198)
Decrease in loans to related parties	2,699,000,000	1,186,000,000	10,729,950,180	10,558,589,382
Increase in others long-term investment	(815,823,228)	-	(415,623,228)	-
Increase in long-term loan receivables	(9,591,807)	-	-	-
Payment on purchase of investment properties	(10,731,708)	(27,122,577)	(10,731,708)	(27,122,577)
Payment on purchase of land, building and equipment	(143,167,874)	(78,936,315)	(95,998,935)	(56,012,823)
Payment on purchase of intangible assets	(48,693,458)	(45,515,439)	(42,479,557)	(42,337,110)
Proceeds from sales of investment properties	-	32,133,883	-	23,641,136
Proceeds from sales of equipment	109,804	72,750	4,673	27,757
Payment on purchase of investments in joint ventures	(85,950,692)	(307,863,306)	(85,950,691)	(307,863,306)
Net proceed from decrease in capital of joint venture	-	562,500,000	-	562,500,000
Payment on purchase of investment in associate	(541,469,093)	-	-	-
Payment on purchase of investments in subsidiaries	-	(200,000,000)	(1,149,669,028)	(300,000,000)
Proceeds from sales investments in subsidiaries	-	100,000,000	-	100,000,000
Interest income	172,696,258	93,412,899	521,690,854	559,514,619
Dividend income	<u>100,049,560</u>	<u>59,472</u>	<u>373,949,560</u>	<u>39,209,472</u>
<b>Net cash used in investing activities</b>	<b><u>(4,021,107,558)</u></b>	<b><u>(2,598,758,633)</u></b>	<b><u>(5,217,782,046)</u></b>	<b><u>1,643,259,352</u></b>

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

Sansiri Public Company Limited and its subsidiaries  
Cash Flow Statement (Continued)  
For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from financing activities				
Increase in bills of exchange	1,492,727,307	1,875,144	1,492,727,307	1,875,144
Increase (decrease) in short-term loans from banks	(1,916,000,000)	2,350,000,000	(1,916,000,000)	2,350,000,000
Increase in loans from related parties	-	-	806,358,340	318,911,935
Decrease in loans from related parties	-	-	(387,419,454)	(17,325,509)
Increase in long-term loans	5,755,005,000	2,948,786,939	5,294,800,000	2,556,130,000
Repayment of long-term loans	(5,172,026,747)	(6,402,662,864)	(4,205,957,013)	(3,922,598,126)
Proceeds from debentures issuance	5,000,000,000	2,000,000,000	5,000,000,000	2,000,000,000
Payment of transaction costs related to debenture issuance	(17,655,000)	(9,630,000)	(17,655,000)	(9,630,000)
Repayment of debentures	(2,000,000,000)	(2,000,000,000)	(2,000,000,000)	(2,000,000,000)
Increase in other long-term loans	92,400,000	-	-	-
Payment of interest expenses	(1,317,320,102)	(1,425,144,330)	(1,255,592,018)	(1,277,586,838)
Dividend paid	(1,857,084,045)	(2,285,669,660)	(1,857,084,045)	(2,285,669,660)
Increase in finance lease payables	20,000,000	-	20,000,000	-
Payment of finance lease payables	(4,833,686)	(3,456,769)	(4,833,686)	(3,456,769)
Preceeds from controtting increase	1,443,082,624	-	1,443,082,624	-
Proceeds from non-controlling interest of subsidiary	<u>13,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net cash from (used in) financing activities</b>	<b><u>1,531,295,351</u></b>	<b><u>(4,825,901,540)</u></b>	<b><u>2,412,427,055</u></b>	<b><u>(2,289,349,823)</u></b>
<b>Translation adjustment</b>	<b><u>(9,687,490)</u></b>	<b><u>(217,639,150)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b><u>(563,289,685)</u></b>	<b><u>869,090,577</u></b>	<b><u>(459,454,387)</u></b>	<b><u>519,550,150</u></b>
Cash and cash equivalents at beginning of the year	<u>3,540,857,501</u>	<u>2,671,766,924</u>	<u>1,991,082,691</u>	<u>1,471,532,541</u>
<b>Cash and cash equivalents at end of the year</b>	<b><u>2,977,567,816</u></b>	<b><u>3,540,857,501</u></b>	<b><u>1,531,628,304</u></b>	<b><u>1,991,082,691</u></b>
<b>Supplementary cash flows information</b>				
Non-cash item:				
Interest recorded as cost of projects	937,153,397	740,271,352	762,363,291	762,064,599
Transfer investment properties from (to) property development for sale	(7,107,745)	7,620,190	-	15,584,268
Transfer of land, building and equipment to investment properties	-	(239,791,337)	-	(239,791,337)
Transfer of land, building and equipment from (to) property development for sale	9,653,487	(6,250,567)	-	-
Investments in subsidiaries changed to investments in joint ventures	-	100,000,000	-	100,000,000
Decrease in investment in joint venture by offsetting the cash received from the capital reduction with loan from the Company	-	137,500,000	-	137,500,000

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

Sansiri Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity  
For the year ended 31 December 2017

(Unit: Baht)

Consolidated financial statements										
Equity attributable to the parent's shareholders										Equity attributable to non-controlling interest of the subsidiaries
Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Other components of equity		Total equity attributable to shareholders of the Company		
				Appropriated	Unappropriated	Other comprehensive income	Exchange on difference on translation of financial statements in foreign currency			
Balance as at 1 January 2016	15,285,486,359	1,470,187,339	20,022,180	1,118,932,009	9,261,803,278	41,178,898	27,197,610,063	839,791	27,198,449,854	
Profit for the year	-	-	-	-	3,380,431,086	-	3,380,431,086	(229,119)	3,380,201,967	
Other comprehensive income for the year	-	-	-	-	-	(217,639,150)	(217,639,150)	-	(217,639,150)	
Total comprehensive income for the year	-	-	-	-	-	(217,639,150)	-	(229,119)	3,162,562,817	
Share-based payment transactions	34.1	-	20,678,645	-	-	-	20,678,645	-	20,678,645	
Dividend paid	39	-	-	-	(2,285,669,660)	-	(2,285,669,660)	-	(2,285,669,660)	
Statutory reserve		-	-	169,010,098	(169,010,098)	-	-	-	-	
Balance as at 31 December 2016	15,285,486,359	1,470,187,339	40,700,825	1,287,942,107	10,187,554,606	(176,460,252)	28,095,410,984	610,672	28,096,021,656	
Balance as at 1 January 2017	15,285,486,359	1,470,187,339	40,700,825	1,287,942,107	10,187,554,606	(176,460,252)	28,095,410,984	610,672	28,096,021,656	
Profit for the year	-	-	-	-	2,824,705,408	-	2,824,705,408	(43,037,969)	2,781,667,439	
Other comprehensive income for the year	-	-	-	-	-	(9,687,490)	(9,687,490)	-	(9,687,490)	
Total comprehensive income for the year	-	-	-	-	-	(9,687,490)	-	(43,037,969)	2,771,979,949	
Increase in investments in subsidiaries		-	-	-	-	-	-	13,000,000	13,000,000	
Increase capital	32	617,639,363	825,443,261	-	-	-	1,443,082,624	-	1,443,082,624	
Share-based payment transactions	34.1	-	-	10,831,670	-	-	10,831,670	-	10,831,670	
Dividend paid	39	-	-	-	(1,857,084,045)	-	(1,857,084,045)	-	(1,857,084,045)	
Statutory reserve		-	-	-	145,094,876	(145,094,876)	-	-	-	
Balance as at 31 December 2017	15,903,125,722	2,295,630,600	51,532,495	1,433,036,983	11,010,081,093	(186,147,742)	30,507,259,151	(29,427,297)	30,477,831,854	

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

Sansiri Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity (continued)  
For the year ended 31 December 2017

(Unit: Baht)

	Note	Separate financial statements						Total shareholders' equity
		Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings			
					Appropriated	Unappropriated		
Balance as at 1 January 2016		15,285,486,359	1,470,187,339	20,022,180	1,118,932,009	6,786,550,728	24,681,178,615	
Profit for the year		-	-	-	-	2,277,234,518	2,277,234,518	
Total comprehensive income for the year		-	-	-	-	-	-	
Share-based payment transactions	34.1	-	-	20,678,645	-	-	20,678,645	
Dividend paid	39	-	-	-	-	(2,285,669,660)	(2,285,669,660)	
Statutory reserve		-	-	-	169,010,098	(169,010,098)	-	
Balance as at 31 December 2016		15,285,486,359	1,470,187,339	40,700,825	1,287,942,107	6,609,105,488	24,693,422,118	
Balance as at 1 January 2017		15,285,486,359	1,470,187,339	40,700,825	1,287,942,107	6,609,105,488	24,693,422,118	
Profit for the year		-	-	-	-	2,901,897,509	2,901,897,509	
Total comprehensive income for the year		-	-	-	-	-	-	
Increase capital	32	617,639,363	825,443,261	-	-	-	1,443,082,624	
Share-based payment transactions	34.1	-	-	10,831,670	-	-	10,831,670	
Dividend paid	39	-	-	-	-	(1,857,084,045)	(1,857,084,045)	
Statutory reserve		-	-	-	145,094,876	(145,094,876)	-	
Balance as at 31 December 2017		15,903,125,722	2,295,630,600	51,532,495	1,433,036,983	7,508,824,076	27,192,149,876	

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2017

### 1. Corporate information

Sansiri Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development.

The Company’s top 5 major shareholders as at 28 November 2017 the latest closing date of the shares register book, are as following:

	Percentage of shareholding (based on paid-up capital)
1. Thai NVDR Co., Ltd.	11.15
2. Thai Viriyah Insurance Public Co., Ltd.	6.18
3. UBS AG Singapore Branch	5.89
4. Mr. Srettha Thavisin	4.43
5. State Street Bank Europe Limited	4.11

The registered office of the Company is at 475, Siripinyo Building, Sri Ayutthaya Road, Phayathai, Rajthevi, Bangkok.

### 2. Basis of preparation

**2.1** The financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

### 2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Sansiri Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
			Percent	Percent
<u>Directly owned</u>				
Chanachai Ltd.	Property development	Thailand	100	100
Plus Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Chaina Co., Ltd. (Formerly known as “Sansiri Venture Co., Ltd.”)	Dormant	Thailand	100	100
S.U.N. Management Co., Ltd.	Property development	Thailand	100	100
Arnawat Ltd.	Property development	Thailand	100	100
Piwattana Ltd.	Property development	Thailand	100	100
Red Lotus Properties Ltd.	Property development	Thailand	100	100
Sansiri Global Investment Pte. Ltd.	Holding Company	Singapore	100	100
Plus Property Space Co., Ltd.	Property development	Thailand	100	100
Papanan Ltd.	Property development	Thailand	100	100
NED Management Co., Ltd.	Property development and holder of Satit Pattana School's license	Thailand	100	100
Satit Pattana Personnel Center Ltd.	Dormant	Thailand	100	100
Siriwattana Holding Ltd.	Property development	Thailand	100	100
Jirapas Realty Co., Ltd.	Property development	Thailand	100	-
Paranat Property Co., Ltd.	Property development	Thailand	100	-
Siri Smart One Co., Ltd.	Property development	Thailand	100	-
Siri Ventures Co., Ltd.	Holding Company	Thailand	90	-
Siri TK One Co., Ltd.	Property development	Thailand	70	-
Sansiri US, Inc.	Holding Company	United States	100	-



Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
			Percent	Percent
<u>Indirectly owned</u>				
QT Lifestyle Co., Ltd.	Event management	Thailand	100	100
Touch Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Guernsey (2009) Limited	Property development	Guernsey	100	100
Satit Pattana School	Education business	Thailand	100	100
QEW (Thailand) Co., Ltd.	Events management and full wedding planning services	Thailand	70	70
Sansiri Guernsey (2015) Limited	Property development	Guernsey	100	100

Details of changes in the composition of the group of companies during the current year are presented in Note 14, 15 and 16.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statement of changes in shareholders' equity.
- f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

**2.3** The separate financial statements present investments in subsidiaries, joint ventures and associate under the cost method.

### 3. New financial reporting standards

#### (a) Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

#### (b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

### 4. Significant accounting policies

#### 4.1 Revenue recognition

##### a) Revenue from property development for sales

Revenues from sales of land and houses and sales of residential condominium are recognised as income when the significant risks and rewards of ownership have been transferred to the buyer that the Company and the subsidiaries retains neither continuing managerial involvement nor effective control over the land and houses and the condominium sold, directly and indirectly. The recognised amount and cost incurred in respect of the transaction can be measured reliably.

##### b) Revenue from sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

##### c) Rental income

Rental income is recognised in the statement of comprehensive income on an accrual basis over the term of the lease. Initial expenses are recorded as a part of total rental as lease agreement.

**d) Revenue from hotel business**

Room revenues are recognised on an accrual basis over the period of the guests stay. Food and beverage revenues are recognised after the food and beverages have been served. Recognised revenue does not include valued added tax and state net of discounts.

**e) School fees income**

Tuition fees, transportation fees and canteen income are recognised as income of the school term to which they relate. Entrance fees are recognised as income at the time of acceptance of the pupil by the subsidiary.

**f) Service income**

Service income is recognised when service rendered by reference to the stage of completion.

**g) Interest income**

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

**h) Dividends**

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

**4.2 Cost of property development for sale and cost of project sold**

Property development for sale are stated at the lower of cost and net realisable value, consisting of the cost of land, design fees, utilities, construction costs, and directly related interest and expenses.

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

Construction materials are valued at the lower of cost (under weighted average method) or net realisable value.

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

**4.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

**4.4 Trade accounts receivable and allowance for doubtful accounts**

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

**4.5 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction on production of an asset or development of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the costs of the respective assets.

Capitalisation ceases when the projects are ready for their intended use or sale, when the physical construction of the projects is complete, or when construction is suspended and until active development resumes. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

To the extent that funds are borrowed specifically for the development of projects, interest costs are presented as the actual borrowing costs less any investment income from the temporary investment of those borrowings. To the extent that funds are borrowed and used for the general purposes, the interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year, other than borrowings made for specific purposes.

**4.6 Investments**

- a) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- b) Investments in joint ventures and associate are accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries, joint ventures and associate are accounted for in the separate financial statements using the cost method.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

**4.7 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10 - 30 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

**4.8 Land, building and equipment/Depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings and improvements	5 - 40 years
Buildings decoration and system	5 - 8 years
Fixtures and equipment	2 - 20 years
Motor vehicles	5 years
Temporary sales office	1 - 5 years

Depreciation of equipment (machinery operating in precast factory) is calculated by reference to their costs on a unit-of-production basis.

Depreciation is included in determining income.

No depreciation is provided for land and construction in progress.

An item of land, building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the profit or loss when the asset is derecognised.

4.9 Leasehold rights and amortisation

Leasehold rights are stated at cost less accumulated amortisation. The Company and its subsidiaries amortise leasehold rights on a straight-line basis over the leasehold period.

The amortisation is included in determining income.

4.10 Intangible assets and amortisation

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

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

	Useful lives
Computer software	3 - 10 years
Franchise fee	5 years

The amortisation is included in determining income.

4.11 Land held for development

Land held for development is stated at cost less allowance for loss on diminution in value of projects (if any). It is consisted of cost of land, land fulfill, public utilities cost, project development cost and borrowing cost which occurred during the developed period in the past.

4.12 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.13 Long-term leases

Leases of land, building or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful live of the asset.

Leases of land, building and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.15 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the land, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and the subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed

only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

#### 4.16 Employee benefits

##### Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### Post-employment benefits

###### Defined contribution plans

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

###### Defined benefit plans

The Company and its subsidiaries has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

#### 4.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 4.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary

differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### 4.19 Equity-settled share-based payment transactions

The Company recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in "Capital reserve for share-based payment transactions" in shareholders' equity.

Estimating fair value for share-based payment transactions requires management to exercise judgement, and to apply assumptions, including as to the expected life of the share options, share price volatility and dividend yield.

#### 4.20 Derivatives

##### Cross currency and interest rate swap contracts

Payables and receivables arising from cross currency swap agreements are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are recognised in profit or loss.

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

#### 4.21 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows



At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

### Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risks and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgments and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

### Impairment of property development for sale, investment properties and land held for development

The Company and its subsidiaries treat property development for sale, investment properties and land held for development as impaired when the management judges that there has been a significant decline in the fair value below their cost. The management determines the devaluation of such properties and land held for development based on net realisable value. The determination of what is “significant” and such devaluation requires the management to exercise judgment.

### Project development costs estimation

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

### Land, building and equipment/Depreciation

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of the Company and its subsidiaries’ building and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review land, building and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

## Impairment of investments

The Company treats investments in subsidiaries, investments in joint ventures investment in associate and other investments as impaired when there has been a significant or prolonged decline in their fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

## Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has exercised judgment to assess of the results of the litigation and recorded certain contingent liabilities as at the end of reporting period.

## Compensation for Housing Estate Juristic Persons

The Company and its subsidiaries estimate the compensation for Housing Estate Juristic Persons using the rate specified by the regulator and the budgeted public utilities costs as a basis for the calculation.

## Provision for home care warranty

In recording provision for home care warranty, the management estimates the expenses expected to be incurred as a result of providing such warrantee based on past experiences of actual expenses claimed.

## Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## Investments in associate

The management determined that the Company has significant influence over an associate, even though the Company’s shareholding in the associate is less than 20%. This is because the Company has key representatives in the Board of Directors of the associate who have involved in the policy-making process.

## 6. Related party transactions

**6.1** During the year, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Details of subsidiaries are presented in Note 2.2 a) to the financial statements.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2017	2016	2017	2016	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales of precast concrete	-	-	5,393	17,636	Cost plus certain margin of 5%
Revenues from business management and project management	-	-	43,766	17,019	Based on agreement (1)
Interest income	-	-	413,655	470,075	3.50 - 3.85% p.a. (2016: 3.25 - 3.50% p.a.)
Revenue from sale of land	-	-	604,695	1,465,531	Cost plus certain margin
Commission income	-	-	43,418	39,697	Based on agreement (3)
Revenues from projects for rent	-	-	347	-	Rental rate given to general customers
Dividend income	-	-	273,900	-	As declared
Project management fee and other expenses	-	-	20,952	23,404	Based on agreement (2)
Commission expenses	-	-	44,652	53,071	Based on agreement (3)
Interest expenses	-	-	21,820	8,601	3.50% p.a. (2016: 3.50% p.a.)
<b><u>Transactions with joint ventures</u></b>					
Revenue from business management and project management	3,263,047	2,303,655	6,021,929	4,243,442	Based on agreement (1)
Revenue from sale of land	79,443	755,263	158,886	1,510,526	Cost plus certain margin
Interest income	199,454	92,434	199,454	92,434	3.85% p.a. (2016: 3.50 - 3.85% p.a.)
Commission income	145,992	120,878	-	-	Based on agreement (3)
Dividend income	100,000	-	100,000	-	As declared

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2017	2016	2017	2016	
<b><u>Transactions with related persons</u></b>					
Revenues from project sales	9,201	86,376	3,591	76,133	Cost plus certain margin at average rates of 34% - 74% (2016: 17 - 46%)

Transactions, pricing policies and related contracts are as follows: -

- (1) Revenue from business service and project management fees is charged based on costs plus certain margin. Those charges are allocated to subsidiaries and joint ventures based on revenue and project costs, respectively.
- (2) Project management fees are charged monthly, depended upon the size of the project.
- (3) Commission from sales of projects are charged at a rate of 0.75 - 2 percent of selling price per the contract, with payments divided between the time the customer executes the agreement and when the properties are transferred.

## 6.2 Directors and management's benefits

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

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2017	2016
Short-term employee benefits	303,376	411,764
Post-employment benefits	3,692	3,508
<b>Total</b>	<b>307,068</b>	<b>415,272</b>

**6.3** The balances of the accounts as at 31 December 2017 and 2016 between the Company and those related companies are as follows: -

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b><u>Accounts receivable</u></b>				
Subsidiaries	-	-	6,983	39,686
Joint ventures	32,254	46,127	-	3,461
<b>Total</b>	<b>32,254</b>	<b>46,127</b>	<b>6,983</b>	<b>43,147</b>
<b><u>Prepaid expenses</u></b>				
Subsidiaries	-	-	350	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>350</b>	<b>-</b>
<b><u>Loans to related parties</u></b>				
Subsidiaries	-	-	12,956,234	11,281,795
Joint ventures	5,806,213	4,463,688	5,806,213	4,463,688
Related party	5,000	5,000	-	-
<b>Total</b>	<b>5,811,213</b>	<b>4,468,688</b>	<b>18,762,447</b>	<b>15,745,483</b>
Current portion	598,000	157,000	874,133	2,112,713
Less: Allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<b>598,000</b>	<b>157,000</b>	<b>874,133</b>	<b>2,112,713</b>
Long-term portion	5,213,213	4,311,688	17,888,314	13,632,770
Less: Allowance for doubtful accounts	(5,000)	(5,000)	-	-
<b>Net</b>	<b>5,208,213</b>	<b>4,306,688</b>	<b>17,888,314</b>	<b>13,632,770</b>
<b><u>Interest receivables</u></b>				
Subsidiaries	-	-	102,288	42,208
Joint ventures	52,564	12,521	52,564	12,521
Related party	333	333	-	-
<b>Total</b>	<b>52,897</b>	<b>12,854</b>	<b>154,852</b>	<b>54,729</b>

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Less: Allowance for doubtful accounts	(333)	(333)	-	-
<b>Net</b>	<b>52,564</b>	<b>12,521</b>	<b>154,852</b>	<b>54,729</b>
<b><u>Unearned income</u></b>				
Related person	2,050	-	2,050	-
<b>Total</b>	<b>2,050</b>	<b>-</b>	<b>2,050</b>	<b>-</b>
<b><u>Trade accounts payable</u></b>				
Subsidiaries	-	-	22,562	9,819
<b>Total</b>	<b>-</b>	<b>-</b>	<b>22,562</b>	<b>9,819</b>
<b><u>Loans from related parties</u></b>				
Subsidiaries	-	-	892,525	473,586
<b>Total</b>	<b>-</b>	<b>-</b>	<b>892,525</b>	<b>473,586</b>
Current portion	-	-	-	-
Long-term portion	-	-	892,525	473,586
<b>Total</b>	<b>-</b>	<b>-</b>	<b>892,525</b>	<b>473,586</b>
<b><u>Interest payable</u></b>				
Subsidiaries	-	-	5,455	4,652
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,455</b>	<b>4,652</b>
<b><u>Advance received from customers</u></b>				
Joint ventures	2,913,432	1,495,029	2,913,432	1,495,029
<b>Total</b>	<b>2,913,432</b>	<b>1,495,029</b>	<b>2,913,432</b>	<b>1,495,029</b>

6.4 During the year, movements of loans to and loan from related parties were as follow: -

(Unit: Million Baht)

(Unit: Million Baht)

Loans to	Consolidated financial statements			
	Balance as at 1 January 2017	During the year		Balance as at 31 December 2017
		Increase	Decrease	
<u>Joint ventures</u>				
BTS Sansiri Holding One Limited	295.00	428.00	(313.00)	410.00
BTS Sansiri Holding Two Limited	126.69	11.00	-	137.69
BTS Sansiri Holding Three Limited	157.00	-	(157.00)	-
BTS Sansiri Holding Four Limited	681.00	406.00	(70.00)	1,017.00
BTS Sansiri Holding Five Limited	28.00	11.00	-	39.00
BTS Sansiri Holding Six Limited	820.00	414.00	(1,196.00)	38.00
BTS Sansiri Holding Seven Limited	60.00	157.00	-	217.00
BTS Sansiri Holding Eight Limited	199.00	137.00	(148.00)	188.00
BTS Sansiri Holding Nine Limited	80.00	73.00	(67.00)	86.00
Nuvo Line Agency Co., Ltd.	251.50	74.00	(4.00)	321.50
BTS Sansiri Holding Eleven Limited	203.00	185.00	(192.00)	196.00
BTS Sansiri Holding Twelve Limited	438.00	260.00	(52.00)	646.00
BTS Sansiri Holding Fourteen Limited	25.00	60.00	(25.00)	60.00
BTS Sansiri Holding Fifteen Limited	314.00	122.00	-	436.00
BTS Sansiri Holding Sixteen Limited	376.50	155.50	-	532.00
BTS Sansiri Holding Seventeen Limited	-	25.00	-	25.00
BTS Sansiri Holding Nineteen Limited	359.00	120.00	(265.00)	214.00
BTS Sansiri Holding Twenty one Limited	50.00	527.00	(210.00)	367.00
BTS Sansiri Holding Twenty Two Limited	-	75.00	-	75.00
Prime Area 38 Co., Ltd.	-	801.02	-	801.02
<u>Related party</u>				
Regency One Co., Ltd.	5.00	-	-	5.00
Total	4,468.69	4,041.52	(2,699.00)	5,811.21

Loans to	Separate financial statements			
	Balance as at 1 January 2017	During the year		Balance as at 31 December 2017
		Increase	Decrease	
<b><u>Subsidiaries</u></b>				
Arnawat Ltd.	5,074.72	3,351.44	(3,879.28)	4,546.88
Plus Property Co., Ltd.	-	599.00	(70.00)	529.00
Piwattana Ltd.	2,389.81	490.93	(944.28)	1,936.46
Red Lotus Properties Ltd.	78.85	0.06	(78.91)	-
Plus Property Space Co., Ltd.	489.67	19.81	(153.81)	355.67
NED Management Co., Ltd.	2,808.14	615.76	(2,384.47)	1,039.43
Sansiri Chaina Co., Ltd. (Formerly known as “Sansiri Venture Co., Ltd.”)	5.60	0.50	-	6.10
Siriwattana Holding Ltd.	435.00	105.00	-	540.00
Jirapas Realty Co., Ltd.	-	2,116.00	(264.00)	1,852.00
Paranat Property Co., Ltd.	-	1,709.50	-	1,709.50
Siri Smart One Co., Ltd.	-	225.60	-	225.60
Siri TK One Co., Ltd.	-	471.80	(256.20)	215.60
<b><u>Joint ventures</u></b>				
BTS Sansiri Holding One Limited	295.00	428.00	(313.00)	410.00
BTS Sansiri Holding Two Limited	126.69	11.00	-	137.69
BTS Sansiri Holding Three Limited	157.00	-	(157.00)	-
BTS Sansiri Holding Four Limited	681.00	406.00	(70.00)	1,017.00
BTS Sansiri Holding Five Limited	28.00	11.00	-	39.00
BTS Sansiri Holding Six Limited	820.00	414.00	(1,196.00)	38.00
BTS Sansiri Holding Seven Limited	60.00	157.00	-	217.00
BTS Sansiri Holding Eight Limited	199.00	137.00	(148.00)	188.00
BTS Sansiri Holding Nine Limited	80.00	73.00	(67.00)	86.00
Nuvo Line Agency Co., Ltd.	251.50	74.00	(4.00)	321.50



(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at 1 January 2017	During the year		Balance as at 31 December 2017
		Increase	Decrease	
BTS Sansiri Holding Eleven Limited	203.00	185.00	(192.00)	196.00
BTS Sansiri Holding Twelve Limited	438.00	260.00	(52.00)	646.00
BTS Sansiri Holding Fourteen Limited	25.00	60.00	(25.00)	60.00
BTS Sansiri Holding Fifteen Limited	314.00	122.00	-	436.00
BTS Sansiri Holding Sixteen Limited	376.50	155.50	-	532.00
BTS Sansiri Holding Seventeen Limited	-	25.00	-	25.00
BTS Sansiri Holding Nineteen Limited	359.00	120.00	(265.00)	214.00
BTS Sansiri Holding Twenty one Limited	50.00	527.00	(210.00)	367.00
BTS Sansiri Holding Twenty Two Limited	-	75.00	-	75.00
Prime Area 38 Co., Ltd.	-	801.02	-	801.02
<b>Total</b>	<b>15,745.48</b>	<b>13,746.92</b>	<b>(10,729.95)</b>	<b>18,762.45</b>

(Unit: Million Baht)

Loans from	Separate financial statements			
	Balance as at 1 January 2017	During the year		Balance as at 31 December 2017
		Increase	Decrease	
<b>Subsidiaries</b>				
Papanan Ltd.	187.59	252.76	(248.42)	191.93
Chanachai Ltd.	162.00	50.00	(15.00)	197.00
Plus Property Co, Ltd.	124.00	-	(124.00)	-
Red Lotus Properties Co., Ltd.	-	503.60	-	503.60
<b>Total</b>	<b>473.59</b>	<b>806.36</b>	<b>(387.42)</b>	<b>892.53</b>

As at 31 December 2017, loans to and loans from related parties are clean loans, due for repayment at call, and carried interest at rates of 3.50 - 3.85 percent per annum (2016: 3.25 - 3.85 percent per annum).

## 7. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash	7.02	6.87	2.39	2.00
Bank deposits	2,970.55	3,472.15	1,529.24	1,987.47
Bills of exchange	-	61.84	-	1.61
<b>Total</b>	<b>2,977.57</b>	<b>3,540.86</b>	<b>1,531.63</b>	<b>1,991.08</b>

As at 31 December 2017, bank deposits in saving accounts and fixed deposits carried interests between 0.13 - 1.35 percent per annum (2016: bank deposits in saving accounts, fixed deposits and bills of exchange carried interests between 0.13 - 2.35 percent per annum).

## 8. Current investments

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2017	2016
Bills of exchange - face value	1,000.00	-
Less: Discount	(26.86)	-
Bills of exchange - net	973.14	-
Investment in short-term fixed income fund	0.05	-
<b>Total</b>	<b>973.19</b>	<b>-</b>

## 9. Restricted bank deposits

On 7 November 2017, the Company executed a memorandum of understanding with Pace Development Corporation Public Company Limited and Pace Project Two Company Limited (collectively referred to as, "Pace Development Group") for the purchase negotiation and the due diligence of Nimit Lang Suan project (whole project) and 53 condominium units of Ritz-Carlton Residences Bangkok project in the MahaNakhon building project.

Under the above memorandum of understanding, the Company has to place the refundable deposit in the amount of Baht 322.8 million of the indicative purchase price under the escrow arrangement, and receives an exclusive right to conduct due diligence and negotiate on the purchase of the assets above.

On 5 February 2018, the Company requested cancellation for the above purchase negotiation and the due diligence. The Company received the full amount of refundable deposit of Baht 322.8 million on 13 February 2018.

## 10. Trade accounts receivable

Trade accounts receivable as at 31 December 2017 and 2016 presented as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b><u>Trade receivables - related parties</u></b>				
Aged on the basis of due dates				
Not yet due	22.57	-	-	-
Past due				
Up to 3 months	9.68	44.23	6.98	40.37
3 - 6 months	-	0.45	-	0.82
6 - 12 months	-	0.11	-	0.58
Over 12 months	-	1.34	-	1.38
Total trade receivables - related parties	32.25	46.13	6.98	43.15
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	73.55	59.54	-	-

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Past due				
Up to 3 months	30.31	46.74	12.78	43.07
3 - 6 months	22.90	8.97	17.25	16.87
6 - 12 months	14.08	17.13	3.81	2.78
Over 12 months	34.41	24.33	11.99	8.11
Total	175.25	156.71	45.83	70.83
Less: Allowance for doubtful debts	(50.64)	(32.34)	(32.73)	(14.44)
Total trade receivables - unrelated parties, net	124.61	124.37	13.10	56.39
Total trade receivables - net	<b>156.86</b>	<b>170.50</b>	<b>20.08</b>	<b>99.54</b>

## 11. Short-term note receivable - sale of land

As at 31 December 2016, note receivable - sale of land is a note which a subsidiary received from a land buyer. The note matures in May 2017, is interest free, and are avaled by a bank (2017: Nil).

## 12. Property development for sale

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Land	44,726.49	43,930.81	26,149.23	29,315.25
Construction cost	57,582.03	59,343.19	26,593.16	26,700.62
Utility costs	16,650.08	16,701.00	10,405.19	10,162.55
Construction materials	43.32	43.87	43.32	43.19

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Capitalised interest and financial costs	4,907.34	4,600.75	4,089.95	3,850.00
Total	123,909.26	124,619.62	67,280.85	70,071.61
Less: Accumulated transfer to cost of project	(80,107.48)	(75,286.43)	(39,029.53)	(36,522.97)
Allowance for diminution in value of project	(417.32)	(275.95)	(14.26)	(20.61)
<b>Balance</b>	<b>43,384.46</b>	<b>49,057.24</b>	<b>28,237.06</b>	<b>33,528.03</b>

**12.1** As at 31 December 2017 and 2016, land and construction thereon of projects of the Company and its subsidiaries amounting Baht 17,596 million and Baht 21,001 million, respectively (Separate financial statements: Baht 14,576 million and Baht 16,236 million, respectively) were pledged as collateral for loans obtained from banks.

**12.2** As at 31 December 2017 and 2016, the estimated expense to the Company and its subsidiaries of development and construction for completion of the opened projects (excluding the costs of land and construction already recorded) is Baht 43,967 million and Baht 56,285 million, respectively (Separate financial statements: Baht 25,333 million and Baht 45,902 million, respectively).

**12.3** During the year 2017 and 2016, the Company and its subsidiaries included borrowing costs in the cost of property development amounting to Baht 949 million and Baht 451 million, respectively (Separate financial statements: Baht 771 million and Baht 541 million, respectively). Capitalisation rates for the years 2017 and 2016 were 3.78% and 4.07%, respectively (Separate financial statements: 3.75% and 4.01% respectively).

**12.4** Loss on diminution in value of property development for sale and land held for development (reversal) for the year 2017 and 2016 are as follow.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Property development for sale (Note 12)	139.68	(7.05)	(6.36)	(153.39)
Land held for development (Note 19)	68.30	52.49	-	-
<b>Total</b>	<b>207.98</b>	<b>45.44</b>	<b>(6.36)</b>	<b>(153.39)</b>

**12.5** Additional information of the Company and its subsidiaries' projects are as follow.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Sales with signed agreements	134,441	124,091	66,761	65,131
Total estimated project value	182,521	181,732	101,270	104,444
The ratio of sales with signed agreements to total estimated project sales	73.66%	68.28%	65.92%	62.36%
Unearned income	1,228	1,231	241	904

### 13. Long-term loan receivable

As at 31 December 2017, the long-term loan receivable is an unsecured loan of a subsidiary to an overseas company amounting to USD 0.30 million which carries interest at the rate of 4 percent per annum and will be matured on 24 March 2019. This loan can be convertible to preferred stocks within the maturity date under conditions as stipulated in the loan agreement.

### 14. Investments in subsidiaries

Investments in subsidiaries as stated in the separate financial statements as at 31 December 2017 and 2016 are as follows: -

(Unit: Million Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received during the year	
	2017	2016	2017 (%)	2016 (%)	2017	2016	2017	2016
<b>Subsidiaries - Directly owned</b>								
Chanachai Ltd.	90.00	90.00	100	100	101.52	101.52	9.90	39.15
Plus Property Co., Ltd.	150.00	150.00	100	100	160.52	160.52	-	-

(Unit: Million Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received during the year	
	2017	2016	2017 (%)	2016 (%)	2017	2016	2017	2016
Sansiri China Co., Ltd. (Formerly known as "Sansiri Venture Co., Ltd.")	3.00	3.00	100	100	4.52	4.52	-	-
S.U.N. Management Co., Ltd.	10.00	10.00	100	100	20.08	20.08	-	-
Arnawat Ltd.	2.50	2.50	100	100	2.50	2.50	-	-
Piwattana Ltd.	100.00	100.00	100	100	100.00	100.00	-	-
Red Lotus Properties Ltd.	20.00	20.00	100	100	20.00	20.00	-	-
Plus Propety Space Co., Ltd.	2.50	2.50	100	100	4.06	4.06	-	-
Papanan Ltd.	20.00	20.00	100	100	20.00	20.00	264.00	-
Satit Pattana Personnel Center Ltd.	1.00	1.00	100	100	1.00	1.00	-	-
NED Management Co., Ltd.	40.00	40.00	100	100	40.00	40.00	-	-
Sansiri Global Investment Pte. Ltd.	GBP 34.15 million and USD 12 million	GBP 24.93 million	100	100	1,667.38	1,267.18	-	-
Siriwattana Holding Ltd.	100.00	100.00	100	100	100.00	100.00	-	-
Jirapas Realty Co., Ltd.	10.00	-	100	-	10.00	-	-	-
Paranat Property Co., Ltd.	10.00	-	100	-	10.00	-	-	-
Siri Ventures Co., Ltd.	100.00	-	90	-	90.00	-	-	-
Siri Smart One Co., Ltd.	10.00	-	100	-	10.00	-	-	-
Siri TK One Co., Ltd.	10.00	-	70	-	7.00	-	-	-
Sansiri US, Inc.	USD 18.76 million	-	100	-	622.48	-	-	-
<b>Total investment in subsidiaries</b>					<b>2,991.06</b>	<b>1,841.38</b>	<b>273.90</b>	<b>39.15</b>

On 15 February 2017, the Company's Board of Directors' meeting No. 2/2017 passed a resolution to approve the setting up of a new subsidiary named Jirapas Realty Co., Ltd. with the registered capital of Baht 10 million. The Company holds 100% of issued and paid-up share capital. The new subsidiary has engaged in property development and registered its incorporation on 22 February 2017.

On 3 April 2017, the Company's Board of Directors' meeting No. 4/2017 passed a resolution to approve the setting up of a new subsidiary named Paranat Property Co., Ltd. with the registered capital of Baht 10 million. The Company holds 100% of issued and paid-up share capital. The new subsidiary has engaged in property development and registered its incorporation on 4 April 2017.

On 17 January 2017, the Company's Board of Directors' meeting No. 1/2017 passed a resolution to approve the setting up of a new subsidiary named Siri Ventures Limited with the registered capital of Baht 100 million. The Company holds 90% of issued and paid-up share capital. The new company has engaged in investment in start-up business and/or venture capital that operates the in business relating to property service technologies and/or investing in the business thereof, including related businesses. The new subsidiary registered its incorporation on 16 May 2017.

On 9 June 2017, the Company's Board of Directors' meeting No. 6/2017 passed a resolution to approve the setting up of a new subsidiary named Siri Smart One Limited with the registered capital of Baht 10 million. The Company holds 100% of issued and paid-up share capital. The new subsidiary has engaged in property development and registered its incorporation on 16 June 2017.

On 12 July 2017, the Company's Board of Directors' meeting No. 7/2017 passed a resolution to approve the setting up of a new subsidiary named Siri TK One Co., Ltd. with the registered capital of Baht 10 million. The Company holds 70% of issued and paid-up share capital. The new subsidiary is a venture company between the Company and Tokyu Corporation Ltd., which was incorporated in Japan (including Saha Tokyu Corporation Co., Ltd. which is Tokyu Corporation's alliance). The new subsidiary has engaged in property development and registered the incorporation on 7 August 2017.

On 18 August 2017, the Board of Directors' meeting of Sansiri Global Investment Pte.Ltd. (a subsidiary) passed a resolution to approve the allotment of 12,000,000 redeemable preference shares for a total consideration of USD 12 million. The Company paid for the investment in the additional shares of the subsidiary in full on 18 August 2017.

On 21 September 2017, the Company has set up of a new subsidiary named Sansiri US,Inc. with the registered capital of USD 18 million. The Company holds 100% of issued and paid-up share capital. The new subsidiary has engaged in investing in other companies.

## 15. Investments in joint ventures

### 15.1 Details of investments in joint ventures:

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



(Unit: Thousand Baht)

Joint ventures	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2017 (%)	2016 (%)	2017	2016	2017	2016
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000	181,931	- <sup>(1)</sup>
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000	74,747	114,502
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Five Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Seven Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Eight Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Nine Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
Nuvo Line Agency Co., Ltd.	Property development	50	50	76,882	76,882	13,284	38,741
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Fourteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	41,413
BTS Sansiri Holding Fifteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	25,353
BTS Sansiri Holding Sixteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>

(Unit: Thousand Baht)

Joint ventures	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2017 (%)	2016 (%)	2017	2016	2017	2016
BTS Sansiri Holding Seventeen Limited	Property development	50	50	50,000	50,000	49,772	49,830
BTS Sansiri Holding Eighteen Limited	Property development	50	50	50,000	50,000	49,146	48,938
BTS Sansiri Holding Nineteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	49,854
BTS Sansiri Holding Twenty Limited	Property development	50	50	50,000	50,000	46,673	49,814
BTS Sansiri Holding Twenty one Limited	Property development	50	50	50,000	50,000	34,881	48,725
BTS Sansiri Holding Twenty Two Limited	Property development	50	-	50,000	-	41,446	-
Prime Area 38 Co., Ltd.	Property development	50	-	35,951	-	31,970	-
<b>Total</b>				<b>1,112,833</b>	<b>1,026,882</b>	<b>523,850</b>	<b>467,170</b>

<sup>(1)</sup> Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures."

Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures" were detailed as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	2017	2016
BTS Sansiri Holding One Limited	-	171,086
BTS Sansiri Holding Two Limited	164,464	150,535
BTS Sansiri Holding Four Limited	273,289	225,227
BTS Sansiri Holding Five Limited	15,405	10,789

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	2017	2016
BTS Sansiri Holding Six Limited	177,584	144,183
BTS Sansiri Holding Seven Limited	61,717	21,674
BTS Sansiri Holding Eight Limited	85,113	39,504
BTS Sansiri Holding Nine Limited	91,054	59,171
BTS Sansiri Holding Eleven Limited	77,460	9,112
BTS Sansiri Holding Twelve Limited	88,138	18,466
BTS Sansiri Holding Fourteen Limited	7,363	-
BTS Sansiri Holding Fifteen Limited	10,465	-
BTS Sansiri Holding Sixteen Limited	62,804	6,859
BTS Sansiri holding Nineteen Limited	38,025	-
<b>Total</b>	<b>1,152,881</b>	<b>856,606</b>

The Company presented the negative investment value based on equity method as “Provision for transaction under equity method of investments in joint ventures” in the consolidated statement of financial position. The negative investment value was resulted from elimination of gain on related party transactions in proportion to the Company’s shareholding in joint ventures.

(Unit: Thousand Baht)

Joint ventures	Nature of business	Separate financial statements			
		Shareholding percentage		Cost/Carrying amounts based on cost method - net	
		2017 (%)	2016 (%)	2017	2016
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000

(Unit: Thousand Baht)

Joint ventures	Nature of business	Separate financial statements			
		Shareholding percentage		Cost/Carrying amounts based on cost method - net	
		2017 (%)	2016 (%)	2017	2016
BTS Sansiri Holding Five Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seven Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Eight Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Nine Limited	Property development	50	50	50,000	50,000
Nuvo Line Agency Co.,Ltd.	Property development	50	50	76,882	76,882
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Fourteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Fifteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Sixteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seventeen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Eighteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Nineteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty One Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Two Limited	Property development	50	-	50,000	-
Prime Area Co., Ltd.	Property development	50	-	35,951	-
<b>Total</b>				<b>1,112,833</b>	<b>1,026,882</b>

The establishment of joint ventures during the year

On 11 August 2016, the Company's Board of Directors' meeting No. 7/2016 passed a resolution to establish of 50:50 additional joint venture companies with Unicorn Enterprise Co., Ltd. (a subsidiary of BTS Group Holding Limited) for the residential projects for sale namely, BTS Sansiri Holding Twenty Two Ltd., under the Strategic Alliance Framework Agreement. The joint venture was registered the establishment on 22 February 2017.

On 15 September 2017, the Company entered into an agreement with U City Public Company Limited ("U City"), an associate of BTS Group Holding Plc. to acquire 50,000 ordinary shares or equivalent to 50% of total shares of Prime Area 38 Co., Ltd. ("Prime Area"), at a selling price of Baht 836.97 million (divided into sale and purchase price of shares amounting to Baht 35.95 million and value of assignment of claim on the promissory notes amounting to Baht 801.02 million, the consideration value is a jointly determined price between the Company and U City). Prime Area is engaged in land owning and property development business. As a result of this transaction, Prime Area became 50:50 joint venture company between the Company and U city. The Company's purpose of incorporating the joint venture is to jointly develop a residential project for sale.

**15.2 Share of comprehensive income (loss)**

During the years, the Company recognised its share of comprehensive income (loss) from investments in the joint ventures in the consolidated financial statements as follows.

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements			
	Share of profit (loss) from investments in joint ventures during the years		Share of other comprehensive income (loss) from investments in joint ventures during the years	
	2017	2016	2017	2016
BTS Sansiri Holding One Limited	424,886	(14,009)	-	-
BTS Sansiri Holding Two Limited	(13,929)	(13,654)	-	-
BTS Sansiri Holding Three Limited	66,305	237,911	-	-
BTS Sansiri Holding Four Limited	(23,828)	(27,357)	-	-
BTS Sansiri Holding Five Limited	(4,616)	(4,520)	-	-
BTS Sansiri Holding Six Limited	(21,113)	(1,927)	-	-
BTS Sansiri Holding Seven Limited	(21,751)	(42,616)	-	-
BTS Sansiri Holding Eight Limited	(24,332)	(15,161)	-	-
BTS Sansiri Holding Nine Limited	(9,902)	(87,623)	-	-
Nuvo Line Agency Co.,Ltd.	(25,457)	(9,852)	-	-

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements			
	Share of profit (loss) from investments in joint ventures during the years		Share of other comprehensive income (loss) from investments in joint ventures during the years	
	2017	2016	2017	2016
BTS Sansiri Holding Eleven Limited	(56,528)	(38,905)	-	-
BTS Sansiri Holding Twelve Limited	(49,034)	(29,701)	-	-
BTS Sansiri Holding Fourteen Limited	(43,742)	(4,372)	-	-
BTS Sansiri Holding Fifteen Limited	(23,228)	(1,313)	-	-
BTS Sansiri Holding Sixteen Limited	(40,046)	(23,663)	-	-
BTS Sansiri Holding Seventeen Limited	(57)	(170)	-	-
BTS Sansiri Holding Eighteen Limited	209	(482)	-	-
BTS Sansiri Holding Nineteen Limited	(78,424)	(146)	-	-
BTS Sansiri Holding Twenty Limited	(3,142)	(15)	-	-
BTS Sansiri Holding Twenty One Limited	(4,234)	(164)	-	-
BTS Sansiri Holding Twenty Two Limited	(1,102)	-	-	-
Prime Area 38 Co., Ltd.	(3,981)	-	-	-
<b>Total</b>	<b>42,954</b>	<b>(77,739)</b>	<b>-</b>	<b>-</b>

**15.3 Summarised financial information about material joint ventures**

Summarised information about financial position

(Unit: Million Baht)

	BTS Sanrisi Holding One Limited		BTS Sanrisi Holding Two Limited		BTS Sanrisi Holding Three Limited		BTS Sanrisi Holding Four Limited		BTS Sanrisi Holding Six Limited	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Cash and cash equivalent	339	7	14	17	161	282	61	189	75	23
Other current assets	1,428	3,212	858	-	1	410	3,427	2,088	3,269	2,298
Non-current assets	16	67	19	869	-	3	26	15	12	2
Long-term loans from related parties	(820)	(590)	(275)	(253)	-	-	(2,034)	(1,362)	(76)	(1,640)
Long-term loans	(72)	(1,473)	(579)	(579)	-	-	(1,378)	(849)	(1,975)	(578)
Other current liabilities	<u>(428)</u>	<u>(1,391)</u>	<u>(11)</u>	<u>(1)</u>	<u>(12)</u>	<u>(400)</u>	<u>(108)</u>	<u>(40)</u>	<u>(1,253)</u>	<u>(11)</u>
Net assets	463	(168)	26	53	150	295	(6)	41	52	94
Shareholding percentage (%)	50	50	50	50	50	50	50	50	50	50
Share of net assets	232	(84)	13	27	75	148	(3)	21	26	47
Elimination entries	<u>(50)</u>	<u>(87)</u>	<u>(177)</u>	<u>(177)</u>	<u>-</u>	<u>(33)</u>	<u>(270)</u>	<u>(246)</u>	<u>(203)</u>	<u>(191)</u>
Carrying amounts of joint ventures based on equity method	<u>182</u>	<u>(171)</u>	<u>(164)</u>	<u>(150)</u>	<u>75</u>	<u>115</u>	<u>(273)</u>	<u>(225)</u>	<u>(177)</u>	<u>(144)</u>

Summarised information about comprehensive income:

(Unit: Million Baht)

	BTS Sanrisi Holding One Limited		BTS Sanrisi Holding Two Limited		BTS Sanrisi Holding Three Limited		BTS Sanrisi Holding Four Limited		BTS Sanrisi Holding Six Limited	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue	4,014	8	-	-	524	1,477	7	-	-	-
Finance cost	(19)	-	(35)	(34)	(1)	(4)	-	-	-	-
Income tax expenses	(158)	7	7	7	(14)	(78)	12	14	11	1
Profit (loss) for the year	631	(28)	(28)	(27)	55	313	(48)	(65)	(42)	(4)
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss)	631	(28)	(28)	(27)	55	313	(48)	(65)	(42)	(4)

15.4 Aggregate amount of share of comprehensive income (loss) from other joint ventures (exclude joint ventures named in 15.3).

(Unit: Thousand Baht)

	For the years ended 31 December	
	2017	2016
Losses for the years	(779,896)	(526,415)
Other comprehensive income (loss)	-	-
Total comprehensive income (loss)	(779,896)	(526,415)

16. Investments in associates

16.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2017 (%)	2016 (%)	2017	2016	2017	2016
Standard International, LLC ("The Standard")	Hotel	United States	13	-	<u>541,469</u>	-	<u>524,369</u>	-
Total					<u>541,469</u>	-	<u>524,369</u>	-

On 7 November 2017, the subsidiary entered into an agreement with Standard International, LLC ("The Standard"), a company incorporated under the laws of the United States, to purchase of the ordinary shares of Standard International, LLC ("The Standard"), with a total investment of the share acquisition of approximately USD 58 million, or 35.09% of its total shares. The investment will be made from time to time up to the total investment within 5 years. The Company paid USD 16.29 million or Baht 541.46 million for the first investment on 6 November 2017. The Company and its subsidiary also granted the right to appoint 4 members of the total 7 members of the board of directors.



Standard International, LLC (“The Standard”) operates hotel management business by offering management contract and franchise under the brands “Standard” and “Bunkhouse”, restaurants management business and hotel reservation business through mobile booking application named “One night” for The Standard Hotel and other boutique hotels.

At present, the Company is in the process of assessing the fair value of identifiable assets acquired and liabilities assumed at the acquisition date. The assessment process is ongoing and mainly relates to the identification and valuation of intangible assets and certain tangible assets. The assessment shall be completed within measurement period of twelve months from the acquisition date pursuant to the period allowed by Thai Financial Reporting Standard No. 3 (revised 2015). During the measurement period, the Company shall retrospectively adjust provisional amounts recognised at the acquisition date and adjust earnings to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

16.2 Share of comprehensive income (loss)

During the years, the Company and subsidiary have recognised their share of comprehensive income (loss) from investment in associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Million Baht)

Company's name	Consolidated financial statements			
	Share of loss from investment in associate during the years		Share of other comprehensive income (loss) from investment in associate during the years	
	2017	2016	2017	2016
Standard International, LLC (“The Standrd”)	(17)	-	-	-
Total	(17)	-	-	-

16.3 Summarised financial information about material associate

Summarised information about financial position

(Unit: Million Baht)

	Standard International, LLC (“The Standard”)	
	2017	2016
Current assets	309	-
Non-current assets	1,305	-
Current liabilities	628	-

(Unit: Million Baht)

	Standard International, LLC (“The Standard”)	
	2017	2016
Non-current liabilities	393	-
Net assets	593	-
Shareholding percentage (%)	13%	-
Share of net assets	77	-
Excess of investment cost over net asset value	447	-
Carrying amount of associate based an equity method	524	-

Summarised information about comprehensive income (loss).

(Unit: Million Baht)

	For the year ended 31 December	
	Standard International, LLC (“The Standard”)	
	2017	2016
Revenue	54	-
Loss	(134)	-
Other comprehensive income (loss)	-	-
Total comprehensive income (loss)	(134)	-

## 17. Other long-term investments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Investments in other companies</b>				
JustGroup Holding Pte. Ltd.	400.20	-	-	-
Flying Jamon Ltd	219.75	-	219.75	-
Winkontent AG	195.87	-	195.87	-
Yip In Tsoi Co., Ltd.	0.33	0.33	0.33	0.33
<b>Total</b>	<b>816.15</b>	<b>0.33</b>	<b>415.95</b>	<b>0.33</b>

(a) Investment in JustGroup Holding Pte.Ltd.

On 5 September 2017, Sansiri Global Investment Pte.Ltd. (a subsidiary) invested in JustGroup Holding Pte.Ltd., which was incorporated in Singapore, by a purchase of 64,849 new ordinary shares of JustGroup Holding Pte.Ltd. or equivalent to 6.09 % of its paid up capital, with a total price of USD 12 million or Baht 400.2 million. JustGroup Holding Pte.Ltd. is engaged in providing co-working space services for various businesses ranging from start-up companies to large companies who need office space.

(b) Investment in Flying Jamon Ltd (“Hostmaker”)

The Company entered into an agreement with Flying Jamon Ltd (“Hostmaker”), a company incorporated under the laws of the England and Wales, to purchase the preferred shares of Flying Jamon Ltd (“Hostmaker”) in the proportion of approximately 11.20% of its total shares, at a price of GBP 5 million or approximately Baht 219.75 million. The Company made payment for the shares in the amount as stipulated in the agreement on 7 November 2017.

Flying Jamon Ltd (“Hostmaker”) operates the hospitality management service related to real estate for rent under Hostmaker brand. Hostmaker offers the one-stop service or solution for customers, including interior design, decoration by professional experience team, profile management to attract potential tenants, screen eligible customers, and offer 5-star hospitality experience including room maintenance and housekeeping service to all tenants. Presently, Hostmaker has operated in 4 cities i.e. London, Rome, Paris and Barcelona.

(c) Investment in Winkontent AG (“Monocle”)

On 2 November 2017, the Company entered into an agreement with Winkontent AG (“Monocle”), a company incorporated under the laws of Switzerland, in the proportion of approximately of 13.04% of its total shares, at a selling price of USD 5,908,694.12 or approximately Baht 195.87 million. The Company made payment for the shares in the amount as stipulated in the agreement on 3 November 2017 and 6 November 2017.

Winkontent AG (“Monocle”) operates the media business including “Monocle” magazine. Monocle's other related businesses include 24-Hrs radio broadcast, E-commerce, fashion retail and event organisation. Recently, Monocle has operated in major countries such as England, USA, Canada, Japan, Singapore and Hong Kong.

## 18. Investment properties

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

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements		
	House for rent	Condominium units for rent	Community mall for rent	Total	House for rent	Community mall for rent	Total
As at 31 December 2017:							
Cost	54.02	9.21	277.65	340.88	17.75	277.65	295.40
Less: Accumulated depreciation	(2.13)	(0.47)	(24.26)	(26.86)	(0.75)	(24.26)	(25.01)
Less: Allowance for diminution in value	-	-	(41.50)	(41.50)	-	(41.50)	(41.50)
<b>Net book value</b>	<b>51.89</b>	<b>8.74</b>	<b>211.89</b>	<b>272.52</b>	<b>17.00</b>	<b>211.89</b>	<b>228.89</b>

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements		
	House for rent	Condominium units for rent	Community mall for rent	Total	House for rent	Community mall for rent	Total
As at 31 December 2016:							
Cost	54.26	17.05	266.91	338.22	17.76	266.91	284.67
Less: Accumulated depreciation	(0.77)	(0.69)	(11.22)	(12.68)	(0.26)	(11.22)	(11.48)
Less: Allowance for diminution in value	-	-	(11.46)	(11.46)	-	(11.46)	(11.46)
<b>Net book value</b>	<b>53.49</b>	<b>16.36</b>	<b>244.23</b>	<b>314.08</b>	<b>17.50</b>	<b>244.23</b>	<b>261.73</b>

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Net book value at beginning of year	314.08	87.79	261.73	18.42
Acquisition of assets	10.73	27.12	10.73	27.12
Transfer from building and equipment	-	239.79	-	239.79
Transfer from (to) property development for sale	(7.10)	7.62	-	15.58
Disposals - net book value	-	(21.43)	-	(15.69)
Depreciation charged	(15.15)	(15.35)	(13.53)	(12.03)
Loss on diminution in value	(30.04)	(11.46)	(30.04)	(11.46)
<b>Net book value at end of year</b>	<b>272.52</b>	<b>314.08</b>	<b>228.89</b>	<b>261.73</b>

The depreciation of investment properties has been charged to cost of project for rent.

During the year 2017, the Company recorded allowance for diminution in value of investment properties of Baht 30 million (2016: Baht 11 million)

As at 31 December 2016, the subsidiary's investment properties which the net book value amounted Baht 25 million, were mortgaged to secure loan from bank (2017: Nil).

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Houses for rent	73.16	74.36	22.76	23.96
Condominium units for rent	14.56	25.30	-	-
Community mall for rent	211.89	244.23	211.89	244.23
<b>Total</b>	<b>299.61</b>	<b>343.89</b>	<b>234.65</b>	<b>268.19</b>

The fair values of the above investment properties have been determined based on valuations performed by the management of the Company. The fair value of house for rent and community mall for rent has been determined based on income approach. The main assumptions used in the valuation are yield rate, long-term vacancy rate and long-term growth in rental rates. The fair value of condominium units for rent has been determined based on market price.

## 19. Land held for development

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Land held for development	15,281.93	7,094.06	12,065.31	4,761.83
Less: Allowance for diminution in value of project	(120.79)	(52.49)	-	-
<b>Net</b>	<b>15,161.14</b>	<b>7,041.57</b>	<b>12,065.31</b>	<b>4,761.83</b>

As at 31 December 2017 and 2016, land held for development of the Company and its subsidiaries amounting to Baht 5,625 million and Baht 3,442 million were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 4,357 million and Baht 1,614 million).

## 20. Land, buildings and equipment

(Unit: Million Baht)

	Consolidated financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
<b>Cost</b>							
Balance as at 1 January 2016	403.14	1,966.40	1,046.03	30.10	7.13	214.95	3,667.75
Purchases	-	3.93	38.00	1.11	-	35.90	78.94
Disposals/Write off	-	-	(3.65)	-	(1.81)	-	(5.46)

(Unit: Million Baht)

	Consolidated financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Transfer to investment properties	-	-	-	-	-	(239.79)	(239.79)
Transfer to property development for sale	(1.05)	(5.92)	-	-	-	-	(6.97)
Balance as at 31 December 2016	402.09	1,964.41	1,080.38	31.21	5.32	11.06	3,494.47
Purchases	-	1.52	93.30	28.06	-	20.29	143.17
Disposals/Write off	-	-	(1.02)	(0.50)	-	-	(1.52)
Transfer to (from) property development for sale	1.70	11.39	-	-	(0.02)	(3.54)	9.53
Balance as at 31 December 2017	403.79	1,977.32	1,172.66	58.77	5.30	27.81	3,645.65
<b>Accumulated depreciation</b>							
Balance as at 1 January 2016	-	502.72	641.67	14.44	6.16	-	1,164.99
Depreciation for the year	-	87.40	99.61	4.95	0.90	-	192.86
Disposals/Write off	-	-	(3.47)	-	(1.81)	-	(5.28)
Transfer to property development for sale	-	(0.72)	-	-	-	-	(0.72)
Balance as at 31 December 2016	-	589.40	737.81	19.39	5.25	-	1,351.85
Depreciation for the year	-	86.20	89.96	7.72	0.03	-	183.91
Disposals/Write off	-	-	(0.98)	(0.50)	-	-	(1.48)
Transfer to property development for sale	-	(0.12)	-	-	-	-	(0.12)
Balance as at 31 December 2017	-	675.48	826.79	26.61	5.28	-	1,534.16
<b>Allowance for impairment loss</b>							
Balance as at 1 January 2016 and 2017	5.84	57.12	-	-	-	-	62.96

(Unit: Million Baht)

	Consolidated financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
Increase	-	98.20	-	-	-	-	98.20
Balance as at 31 December 2017	5.84	155.32	-	-	-	-	161.16
<b>Net book value</b>							
Balance as at 31 December 2016	396.25	1,317.89	342.57	11.82	0.07	11.06	2,079.66
Balance as at 31 December 2017	397.95	1,146.52	345.87	32.16	0.02	27.81	1,950.33
<b>Depreciation for the year</b>							
2016 (Baht 50.20 million included in cost of other services, Baht 42.92 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							192.86
2017 (Baht 47.00 million included in cost of other services, Baht 41.56 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							183.91

(Unit: Million Baht)

	Separate financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
<b>Cost</b>							
Balance as at 1 January 2016	152.82	688.23	771.57	23.13	-	207.50	1,843.25
Purchases	-	0.15	22.48	1.10	-	32.29	56.02
Disposals/Write off	-	-	(1.48)	-	-	-	(1.48)
Transfer to investment properties	-	-	-	-	-	(239.79)	(239.79)
Balance as at 31 December 2016	152.82	688.38	792.57	24.23	-	-	1,658.00
Purchases	-	0.59	67.33	28.07	-	-	95.99
Disposals/Write off	-	-	(0.49)	-	-	-	(0.49)
Balance as at 31 December 2017	152.82	688.97	859.41	52.30	-	-	1,753.50



(Unit: Million Baht)

	Separate financial statements						
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
<b>Accumulated depreciation</b>							
Balance as at 1 January 2016	-	171.91	428.17	7.89	-	-	607.97
Depreciation for the year	-	34.70	75.54	4.54	-	-	114.78
Disposals/write off	-	-	(1.36)	-	-	-	(1.36)
Balance as at 31 December 2016	-	206.61	502.35	12.43	-	-	721.39
Depreciation for the year	-	34.71	66.05	7.72	-	-	108.48
Disposals/Write off	-	-	(0.47)	-	-	-	(0.47)
Balance as at 31 December 2017	-	241.32	567.93	20.15	-	-	829.40
<b>Allowance for impairment loss</b>							
Balance as at 1 January 2016, 31 December 2016 and 2017	1.42	-	-	-	-	-	1.42
<b>Net book value</b>							
Balance as at 31 December 2016	151.40	481.77	290.22	11.80	-	-	935.19
Balance as at 31 December 2017	151.40	447.65	291.48	32.15	-	-	922.68
<b>Depreciation for the year</b>							
2016 (Baht 9.41 million included in cost of other services, Baht 42.92 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							114.78
2017 (Baht 9.46 million included in cost of other services, Baht 41.56 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							108.48

As at 31 December 2017 and 2016, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 660 million and Baht 533 million, respectively (Separate financial statements: Baht 390 million and Baht 279 million, respectively).

As at 31 December 2017 and 2016, the Company and its subsidiaries had vehicles and equipment under finance lease agreements with net book values amounting to Baht 29 million and Baht 11 million, respectively (Separate financial statements: Baht 29 million and Baht 11 million, respectively).

As at 31 December 2017 and 2016, the Company's and its subsidiaries' land and construction thereon which the net book value amounted Baht 946 million and Baht 1,014 million, respectively, were mortgaged to secure loans from banks (Separate financial statements: Baht 620 million and Baht 670 million, respectively).

## 21. Other intangible assets

The net book value of other intangible assets as at 31 December 2017 and 2016 is presented below.

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements	
	Franchise	Computer software	Total	Computer software	Total
As at 31 December 2017					
Cost	26.91	369.42	396.33	314.93	314.93
Less: Accumulated amortisation	(25.83)	(205.10)	(230.93)	(166.28)	(166.28)
<b>Net book value</b>	<b>1.08</b>	<b>164.32</b>	<b>165.40</b>	<b>148.65</b>	<b>148.65</b>
As at 31 December 2016					
Cost	26.91	320.91	347.82	272.63	272.63
Less: Accumulated amortisation	(25.30)	(177.97)	(203.27)	(142.19)	(142.19)
<b>Net book value</b>	<b>1.61</b>	<b>142.94</b>	<b>144.55</b>	<b>130.44</b>	<b>130.44</b>

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Net book value at beginning of year	144.55	120.10	130.44	105.21
Acquisition of computer software	48.69	45.51	42.48	42.33
Amortisation	(27.84)	(21.06)	(24.27)	(17.10)
<b>Net book value at end of year</b>	<b>165.40</b>	<b>144.55</b>	<b>148.65</b>	<b>130.44</b>

As at 31 December 2017 and 2016, certain computer software of the Company and its subsidiaries have been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation) of these assets amounted to approximately Baht 108 million and Baht 100 million, respectively (Separate financial statements: Baht 79 million and Baht 76 million, respectively).

## 22. Leasehold rights

(Unit: Million Baht)

Project	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Land - Habito community mall	41.99	41.99	41.99	41.99
Baan Sansiri Condominium	609.98	609.98	-	-
Sun Square Silom	192.76	192.76	-	-
Total	844.73	844.73	41.99	41.99
Less: Accumulated amortisation	(591.25)	(562.48)	(9.20)	(7.10)
<b>Leasehold rights - net</b>	<b>253.48</b>	<b>282.25</b>	<b>32.79</b>	<b>34.89</b>
<b>Amortisation expenses for the years</b>	<b>28.77</b>	<b>28.77</b>	<b>2.10</b>	<b>2.10</b>

The amortisation of leasehold rights has been charged to cost of project for rent.

As at 31 December 2017, the Company's leasehold rights which net book value amounted Baht 33 million were mortgaged to secure loans from banks (Separate financial statements: Baht 33 million).

## 23. Short-term loans from banks/Bill of exchange

(Unit: Million Baht)

	Consolidated / Separate financial statements	
	2017	2016
<b>Short-term loans from banks</b>		
Promissory notes	2,400.00	4,316.00
<b>Bills of exchange</b>		
Face value	6,000.00	4,500.00
Less: Prepaid interest expense	(31.60)	(24.33)
<b>Net</b>	<b>5,968.40</b>	<b>4,475.67</b>

As at 31 December 2017, short-term loans from banks carry interest at rates of 2.85 to 2.90 percent per annum (2016: 2.80 to 5.37 percent per annum). Bills of exchange carry interest at rates of 2.10 to 2.25 percent per annum (2016: 2.25 to 2.35 percent per annum).

## 24. Trade accounts payable

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade payables - related parties	-	-	22.56	9.82
Trade payables - unrelated parties	1,563.49	1,349.36	1,198.68	1,165.51
<b>Total</b>	<b>1,563.49</b>	<b>1,349.36</b>	<b>1,221.24</b>	<b>1,175.33</b>

## 25. Long-term loans

As at 31 December 2017 and 2016, long-term loans presented below: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Loans from banks	10,095.46	9,513.03	8,073.65	6,985.15
Less: Current portion of long-term loans	(3,974.17)	(2,986.36)	(3,243.49)	(2,014.82)
<b>Net</b>	<b>6,121.29</b>	<b>6,526.67</b>	<b>4,830.16</b>	<b>4,970.33</b>

Movements in the long-term loans account during the years ended 31 December 2017 and 2016 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2016	12,962.99	8,347.71
Additional borrowings	2,948.79	2,556.13
Repayment	(6,402.66)	(3,922.60)
Exchange difference	3.91	3.91
Balance as at 31 December 2016	9,513.03	6,985.15
Additional borrowings	5,755.00	5,294.80
Repayment	(5,172.03)	(4,205.96)
Exchange difference	(0.54)	(0.34)
<b>Balance as at 31 December 2017</b>	<b>10,095.46</b>	<b>8,073.65</b>

The details of long-term loans classified by the Company and its subsidiaries are presented below.

Company's name	Balance of long-term loans		Interest rate per agreement		Condition of payment
	2017	2016	2017	2016	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
Sansiri Plc.	8,074	6,985	MLR - 2.90% to MLR - 1.50%	MLR - 2.65% to MLR - 1.25%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2027
Red Lotus Properties Ltd.	30	30	MLR - 2.00%	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2019
Arnawat Ltd.	360	660	MLR - 2.00% to MLR - 1.75%	MLR - 2.00% to MLR - 1.75%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2024
Piwattana Ltd.	882	1,062	MLR - 2.00%	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2022
Plus Property Space Co., Ltd.	92	113	MLR - 2.00% to MLR - 1.75%	MLR - 2.00% to MLR - 1.75%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2018
NED Management Co., Ltd.	53	481	MLR - 2.00%	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2018
Sansiri Global Investment Pte. Ltd.	181	182	LIBOR + 3.5%	LIBOR + 3.5%	Payments of principal to be made in installment and full payment is to be made within 2021

Company's name	Balance of long-term loans		Interest rate per agreement		Condition of payment
	2017	2016	2017	2016	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
Sansiri TK One Co., Ltd.	423	-	MLR - 2.00%	-	Payments of principal to be made in installment and full payment is to be made within 2020
<b>Total</b>	<b>10,095</b>	<b>9,513</b>			

As at 31 December 2017 and 2016, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 48,416 million and Baht 44,287 million, respectively (Separate financial statements: Baht 34,660 million and Baht 36,044 million, respectively).

Land and constructions of projects of the Company and its subsidiaries, and investment properties of the subsidiary are mortgaged as collaterals for loan obtained from bank.

Most of loans agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loans guarantees, change in directors and maintenance of a debt to equity ratio.

## 26. Long-term promissory notes - purchase of land

Promissory notes - purchase of land are notes which the Company issued to land sellers. The notes mature in August 2018 and October 2018 (2016: mature in September 2017), are interest free, and are availed by a bank.

## 27. Unsecured debentures

The Company's debentures which are unsecured, issued with a registered certificate and unsubordinated are summarised below:

(Unit: Million Baht)

Debentures	Interest rate	Terms	Due date	Consolidated / Separate financial statements	
				2017	2016
Debentures # 2/2010	5.60% p.a.	7 years	24 May 2017	-	2,000.00
Debentures # 1/2013	4.99% p.a.	5 years	24 January 2018	3,000.00	3,000.00
Debentures # 2/2013	4.75% p.a. for 1 <sup>st</sup> - 2 <sup>nd</sup> year 5.00% p.a. for 3 <sup>rd</sup> - 4 <sup>th</sup> year 5.30% p.a. for 5 <sup>th</sup> year	5 years	30 May 2018	1,000.00	1,000.00
Debentures # 3/2013	4.95% p.a.	5 years	23 August 2018	2,000.00	2,000.00
Debentures # 4/2013	5.20% p.a.	5 years	4 April 2019	1,000.00	1,000.00
		6 months			
Debentures # 1/2015	4.75% p.a.	5 years	22 June 2020	2,000.00	2,000.00
Debentures # 2/2015	3.90% p.a.	3 years	19 April 2019	1,000.00	1,000.00
		6 months			
Debentures # 1/2016	3.50% p.a.	3 years	21 July 2019	1,000.00	1,000.00
Debentures # 2/2016	3.25% p.a.	3 years	3 October 2019	1,000.00	1,000.00
Debentures # 1/2017	3.40% p.a.	3 years	27 April 2020	2,000.00	-
Debentures # 2/2017	3.25% p.a.	3 years	30 May 2020	1,000.00	-
Debentures # 3/2017	3.35% p.a.	5 years	22 September 2022	2,000.00	-
Total debentures, at face value				17,000.00	14,000.00
Less: Unamortised portion of deferred transaction costs				(29.23)	(28.25)
<b>Total debentures</b>				<b>16,970.77</b>	<b>13,971.75</b>
Less: Debentures due within one year				(5,998.31)	(1,999.10)
Debentures - due over one year				10,972.46	11,972.65

Under rights and responsibilities of debenture issuer, the Company has to comply with certain covenants and restrictions including maintenance of a debt to equity ratio of consolidated financial statements with no excess of 2.5:1 (2016: 2.5:1) along with debentures' periods (debts mean interest bearing loans).



## 28. Other long-term loans

As at 31 December 2017, the other long-term loans are unsecured loans of a subsidiary from its other shareholders which carry interest at the rate of 3.85 percent per annum and will be matured on 30 June 2020.

## 29. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Balance at the beginning of the year	129.78	114.92	91.36	79.26
Items were recognised in profit or loss:				
Current service cost	12.95	12.32	8.16	7.75
Interest cost	3.86	3.42	2.85	2.54
Benefits paid during the year	(1.41)	(0.88)	(0.60)	(0.56)
Transfer from subsidiary	-	-	-	2.37
<b>Balance at the end of the year</b>	<b>145.18</b>	<b>129.78</b>	<b>101.77</b>	<b>91.36</b>

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cost of sales	5,247	4,374	410	367
Selling and administrative expenses	11,569	11,363	10,599	12,293
	<u>16,816</u>	<u>15,737</u>	<u>11,009</u>	<u>12,660</u>

The Company and its subsidiaries expect to pay Baht 1 million of long-term employee benefits during the next year (Separate financial statements: Nil) (2016: Baht 1 million, separate financial statements: Baht 1 million).

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit is 20 years (Separate financial statements: 20 years) (2016: 20 years, separate financial statements: 20 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rate	3.2	3.2	3.2	3.2
Salary increase rate	5.0 - 12.0	5.0 - 12.0	5.0 - 12.0	5.0 - 12.0

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

(Unit: million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(15.08)	17.92	(9.89)	11.68
Salary increase rate	17.32	(14.92)	11.30	(9.79)

30. Provisions

Provisions for the years 2017 and 2016 had the following movements: -

Short-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Provisions for law suits	Provisions for home care warranty	Total	Provisions for law suits	Provisions for home care warranty	Total
Beginning balance as at 1 January 2016	3.15	121.98	125.13	3.15	52.16	55.31
Increase during the year	-	113.34	113.34	-	59.17	59.17
Paid during the year	(2.00)	(77.93)	(79.93)	(2.00)	(42.47)	(44.47)
Reverse	-	(46.99)	(46.99)	-	(9.69)	(9.69)
Balance as at 31 December 2016	1.15	110.40	111.55	1.15	59.17	60.32
Increase during the year	-	118.05	118.05	-	75.00	75.00
Paid during the year	-	(91.05)	(91.05)	-	(53.56)	(53.56)
Reverse	-	(30.25)	30.25	-	(5.60)	(5.60)
<b>Balance as at 31 December 2017</b>	<b>1.15</b>	<b>107.15</b>	<b>108.30</b>	<b>1.15</b>	<b>75.01</b>	<b>76.16</b>

Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Total	Compensation for Housing EstateJuristic Persons	Provision for hotel maintenance	Total
Balance as at 1 January 2016	145.46	4.03	149.49	101.81	1.68	103.49
Increase during the year	36.86	2.44	39.30	33.56	0.67	34.23
Paid during the year	(10.45)	(1.66)	(12.11)	(8.19)	-	(8.19)
Reverse	(5.81)	-	(5.81)	(0.75)	-	(0.75)

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Total	Compensation for Housing EstateJuristic Persons	Provision for hotel maintenance	Total
Balance as at 31 December 2016	166.06	4.81	170.87	126.43	2.35	128.78
Increase during the year	28.72	2.67	31.39	22.46	0.98	23.44
Paid during the year	(6.78)	(2.66)	(9.44)	(3.85)	(1.84)	(5.69)
Reverse	(9.86)	-	(9.86)	(9.86)	-	(9.86)
<b>Balance as at 31 December 2017</b>	<b>178.14</b>	<b>4.82</b>	<b>182.96</b>	<b>135.18</b>	<b>1.49</b>	<b>136.67</b>

31. Provision for guarantee to property fund

On 28 March 2014, Papanan Limited (“the subsidiary”) entered into agreements to purchase and to sell, whereby it agreed to sell to Sansiri Prime Office Property Fund (“the Fund”) the assets of Siripinyo office building for a total consideration of Baht 1,699.44 million. These assets consisted of the land, building, related utility systems and equipment of that office building (“property”) and were recorded under investment property, and property, plant and equipment, with net book values of Baht 522.57 million and Baht 242.68 million, respectively. The Company registered the transfer of the ownership of the property to the Fund on 31 March 2014.

In addition, the subsidiary entered into an agreement to guarantee.

- (1) Tenants for vacant areas and rental of guaranteed areas for 3 years as from the date that transfer of the ownership of the property was registered.
- (2) An increase in capital expenditures, which are expenditures incurred to improve and develop the property and increase its value other than on normal repair or maintenance, for a period of 1 year as from the date that transfer of the ownership of the property was registered.
- (3) Payment of the difference in profit from operation of the properties in which the Fund initially invested, for a period of 1 year, if the Fund’s total operating profit is less than Baht 114.2 million.

Movements in the provision for guarantee to property fund during the years 2017 and 2016 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements
Balance as at 1 January 2016	28.02
Paid during the year	(11.59)
Reverse	(10.87)
Balance as at 31 December 2016	5.56
Paid during the year	(1.87)
Reverse	(3.69)
<b>Balance as at 31 December 2017</b>	<b>-</b>

### 32. Share capital

During the year 2017, the Company received payment for the exercise of SIRI-W2 (2016: Nil). The detail is below.

Date of exercise	Quantity of exercised warrants	Ordinary shares issued for exercised warrants	Exercise price	Date of registration with the Ministry of Commerce	Date that the Stock Exchange of Thailand approved ordinary shares as listed securities
	(Units)	(Shares)	(Baht)		
<b><u>SIRI-W2</u></b>					
29 September 2017	40,000,000	40,000,000	2.50	2 October 2017	5 October 2017
24 November 2017	<u>537,233,050</u>	<u>537,233,050</u>	2.50	28 November 2017	1 December 2017
<b>Total exercise in 2017</b>	<b><u>577,233,050</u></b>	<b><u>577,233,050</u></b>			

The exercise of the warrants above resulting in increasing the registered and paid up share capital of the Company. The details are summarised below.

### Reconciliation of number of ordinary shares

	Number of shares	Par value	Paid up capital
	(Shares)	(Baht)	(Baht)
<b><u>Registered ordinary shares</u></b>			
Number of ordinary shares as at 1 January 2016	18,017,674,684	1.07	19,278,911,912
Decrease during the year <sup>(1)</sup>	<u>(25,954,326)</u>	<u>1.07</u>	<u>(27,771,129)</u>
<b>Number of ordinary shares as at 31 December 2016 and 2017</b>	<b><u>17,991,720,358</u></b>	<b><u>1.07</u></b>	<b><u>19,251,140,783</u></b>

	Number of shares	Par value	Paid up capital	Share premium
	(Shares)	(Baht)	(Baht)	(Baht)
<b><u>Issued and paid-up ordinary shares</u></b>				
Number of ordinary shares as at 1 January 2016 and 2017	14,285,501,270	1.07	15,285,486,359	1,470,187,339
Increase due to exercise of warrants	<u>577,233,050</u>	<u>1.07</u>	<u>617,639,363</u>	<u>825,443,261</u>
<b>Number of ordinary shares as at 31 December 2017</b>	<b><u>14,862,734,320</u></b>	<b><u>1.07</u></b>	<b><u>15,903,125,722</u></b>	<b><u>2,295,630,600</u></b>

<sup>(1)</sup> On 26 April 2016, the Annual General Meeting of the Company's shareholders for the year 2016 approved the decrease of the registered capital of the Company from the existing registered capital of Baht 19,278,911,912 to be the registered capital of Baht 19,251,140,783 by canceling 25,954,326 registered but un-issued shares. The Company registered the change in the registered share capital with the Ministry of Commerce on 29 April 2016.

### 33. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

### 34. Warrants to purchase ordinary shares of the Company/Earnings per share

#### 34.1 Warrants to purchase ordinary shares of the Company

The Company's warrants are as follows: -

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2017	Number of warrants issued and offered during the year	Number of warrants exercised during the year	Number of warrants outstanding as at 31 December 2017
SIRI-W2	2,500	1:1,000	3,406,219,088	-	577,233,050	— <sup>(1)</sup>
ESOP#7	2,500	1:1,000	300,000,000	-	-	300,000,000

<sup>(1)</sup> SIRI-W2 was expired on 24 November 2017.

During the current year, the Company recorded expenses of the ESOP#7 amounting to Baht 10.83 million (2016: Baht 20.68 million) as employee related expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

#### 34.2 Earnings per share

Basic earnings per share is determined by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, plus the weighted average number of ordinary shares which might need to be issued for the conversion of all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share and diluted earnings per share.

	Consolidated financial statements					
	For the year ended 31 December 2017 and 2016					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2017	2016	2017	2016	2017	2016
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent	2,824,705	3,380,431	14,351,734	14,285,501	0.20	0.24
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent	2,901,897	2,277,235	14,351,734	14,285,501	0.20	0.16

There is no disclosure of diluted earnings per share from the effect of SIRI-W2 and ESOP#7 warrants in the financial statements for the year ended 31 December 2017 and 2016 since the exercise aggregated amounts of price and the fair value of warrants exceeded the fair value of the Company's ordinary shares.

### 35. Revenues from other services/Cost of other services

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Revenues from other services</b>				
Revenues from hotel business	87.64	90.33	32.61	32.38
Revenues from education business	204.92	211.81	-	-
<b>Total</b>	<b>292.56</b>	<b>302.14</b>	<b>32.61</b>	<b>32.38</b>
<b>Cost of other services</b>				
Cost of hotel business	96.44	96.51	34.37	35.24
Cost of education business	229.30	246.31	-	-
<b>Total</b>	<b>325.74</b>	<b>342.82</b>	<b>34.37</b>	<b>35.24</b>



### 36. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Purchase of land and payments of construction costs	18,872.08	21,031.96	12,336.96	16,495.46
Changes in property development for sale	(1,821.90)	(57.44)	(1,171.56)	(5,133.86)
Salary and wages and other employee benefits	2,395.82	2,221.30	1,621.89	1,550.19
Depreciation of investments properties	15.15	15.35	13.53	12.04
Depreciation of land, buildings and equipment	183.91	192.86	108.48	114.77
Amortisation of intangible assets	27.42	21.06	24.27	17.10
Amortisation of leasehold rights	28.77	28.77	2.10	2.10
Provision for home care warrantee	87.78	55.48	69.40	49.48
Rental expenses from operating lease agreements	158.59	141.62	139.77	112.95
Bad debts and allowance for doubtful accounts	18.30	14.56	18.30	7.91

### 37. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Current income tax:</b>				
Current income tax charge	970,978	1,043,603	705,521	572,735
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(152,150)	(99,316)	(48,964)	14,165
<b>Income tax expense reported in the statement of comprehensive income</b>	<b>818,828</b>	<b>944,287</b>	<b>656,557</b>	<b>586,900</b>

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2017 and 2016.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Accounting profit before tax</b>	<b>3,600,494</b>	<b>4,324,489</b>	<b>3,558,455</b>	<b>2,864,135</b>
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	737,777	872,556	711,691	572,827
Effects of:				
Tax exempted income and non-deductible expenses	25,720	45,239	(60,031)	14,073
Income under revenue code	29,550	19,230	4,897	-
Unused tax losses	25,781	7,262	-	-
Total	81,051	71,731	(55,134)	14,073
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>818,828</b>	<b>944,287</b>	<b>656,557</b>	<b>586,900</b>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	23,271	19,452	20,267	16,608
Property development for sale	758,167	686,174	179,625	145,206
Short-term provisions	21,660	22,312	15,233	12,066
Provision for guarantee to property fund	-	1,111	-	-
Provision for hotel maintenance	964	962	297	470
Provision for long-term employee benefits	27,362	24,635	20,353	18,272
Unused tax loss	63,512	8,817	-	-
Allowance for diminution in value of investment properties	8,300	2,292	8,300	2,292
Allowance for diminution in value of property, plant and equipment	19,640	-	-	-
<b>Total</b>	<b>922,876</b>	<b>765,755</b>	<b>244,075</b>	<b>194,914</b>
<b>Deferred tax liabilities</b>				
Unamortised portion of deferred transaction costs	5,847	5,650	5,847	5,650
Land rental received in advance	9,012	4,238	-	-
<b>Total</b>	<b>14,859</b>	<b>9,888</b>	<b>5,847</b>	<b>5,650</b>
<b>Deferred tax assets - net</b>	<b>908,017</b>	<b>755,867</b>	<b>238,228</b>	<b>189,264</b>

As at 31 December 2017, the Company has unused tax losses totaling Baht 151 million (2016: Baht 36 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 317 million will expire by 2022.

### 38. Provident fund

The Company, subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, subsidiaries and their employees contributed to the fund monthly at the rate of 5 to 12 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the years 2017 and 2016 amounting to approximately Baht 117 million and Baht 101 million, respectively (Separate financial statements: Baht 81 million and Baht 70 million, respectively).

### 39. Dividend paid

(Unit: Baht)

Dividends	Approved by	Total dividend	Dividend per share	Date of dividends payment
Interim dividend from earnings for the six-month period ended 30 June 2017	The Board of Director's meeting on 11 August 2017	714,275,064 <sup>(1)</sup>	0.05	8 September 2017
Final dividend from 2016 earnings	The Annual General Meeting of the Shareholders on 20 April 2017	1,142,840,120 <sup>(2)</sup>	0.08	9 May 2017
<b>Total</b>		<b>1,857,115,184</b>	<b>0.13</b>	
Interim dividend from earnings for the six-month period ended 30 June 2016	The Board of Director's meeting on 11 August 2016	571,420,051 <sup>(3)</sup>	0.04	9 September 2016
Final dividend from 2015 earnings	The Annual General Meeting of the Shareholders on 26 April 2016	1,714,260,152 <sup>(4)</sup>	0.12	16 May 2016
<b>Total</b>		<b>2,285,680,203</b>	<b>0.16</b>	

<sup>(1)</sup> Actual dividend paid amounted to Baht 714,846,024 because some shareholders were not entitled to receive dividend.  
<sup>(2)</sup> Actual dividend paid amounted to Baht 1,142,838,021 because some shareholders were not entitled to receive dividend.  
<sup>(3)</sup> Actual dividend paid amounted to Baht 571,418,579 because some shareholders were not entitled to receive dividend.  
<sup>(4)</sup> Actual dividend paid amounted to Baht 1,714,251,081 because some shareholders were not entitled to receive dividend.

## 40. Commitments and contingent liabilities

### 40.1 Capital commitments

As at 31 December 2017 and 2016, the Company and its subsidiaries have the following capital commitments: -

- a) The Company and its subsidiaries have commitments of Baht 13,703 million and Baht 13,877 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development agreements (Separate financial statements: Baht 10,624 million and Baht 11,685 million, respectively).
- b) The Company and its subsidiaries have commitments of Baht 6,188 million and Baht 5,555 million, respectively, under land and condominium units purchase agreements (Separate financial statements: Baht 5,291 million and Baht 5,464 million, respectively).

### 40.2 Operating lease and service commitments

- a) The Company and its subsidiaries have entered into several lease agreements in respect of the lease of motor vehicles and equipment. The terms of the agreements are generally between 3 and 4 years.

As at 31 December 2017 and 2016, future minimum lease payments required under non-cancellable operating leases contracts are as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Payable:				
In up to 1 year	119	96	102	92
In over 1 and up to 5 years	83	144	65	137
<b>Total</b>	<b>202</b>	<b>240</b>	<b>167</b>	<b>229</b>

- b) As at 31 December 2017 and 2016, the Company and its subsidiaries have commitments of Baht 70 million and Baht 44 million, respectively in relation to advertising and public relations for the projects (Separate financial statements: Baht 45 million and Baht 26 million, respectively).
- c) As at 31 December 2017 and 2016, the Company and its subsidiaries have servitude over land of approximately 47 rai and 32 rai, respectively, of which the cost is included in the cost of projects.
- d) The significant long-term lease agreements are as follow: -
  - Sansiri Public Company Limited entered into a 30-year land rental agreement at Sukhumvit 77 alley for construction of a community mall for the Habito Project, covering the period from 16 August 2013 to 15 August 2043. Total amounts to Baht

42 million are to be paid, divided into by 3 installments. In August 2013, the Company made an initial payment of Baht 21 million and the remainder is to be paid Baht 10.5 million each over the period of 10 and 20 years of rental agreement.

- Chanachai Limited entered into a 30-year land rental agreement with the Office of The Privy Purse for construction of a condominium for the Baan Sansiri Project, covering the period from 1 November 1993 to 31 October 2023. Total amounts to Baht 118 million. On the agreement date, Chanachai Limited made an initial payment of Baht 30 million and the remainder is to be paid over the period of 30 years as stipulated in the agreement.
- S.U.N. Management Company Limited entered into a land rental agreement with the Crown Property Bureau in order to construct buildings and structures on such land. The agreement is for 30 years, from 16 September 2002, and the total rental payable is approximately Baht 88 million. The subsidiary paid this rental in full in July 2004.

### 40.3 Bank guarantees

As at 31 December 2017, there were the outstanding bank guarantees for 2,081 million and EURO 0.88 million (2016: Baht 2,469 million), issued by the banks in respect of requirements of the Company and its subsidiaries arising in the normal course of business. These included letters of guarantee to guarantee contractual performance regarding preparation and maintenance of public utilities, public services and land improvement and to guarantee electricity use (Separate financial statements as at 31 December 2017: Baht 2,303 million and EUR 0.88 million, 2016: Baht 1,918 million).

### 40.4 Litigations

As at 31 December 2017 and 2016, the Company and its subsidiaries have various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and torts. Total damages claimed amount to Baht 165 million and Baht 107 million, respectively (Separate financial statements: Baht 147 million and Baht 33 million, respectively). However, the Company and its subsidiaries are defending the lawsuits, and since the Company's lawyers and management believe that the Company and its subsidiaries will not incur any losses from the litigation, no addition entries have been made in respect of these cases beyond provision already recorded (Note 29).

### 40.5 Cross Currency and Interest Rate Swap agreement

The details of the cross Currency and Interest Rate Swap agreement outstanding as at 31 December 2017 are as follows:

	Currency and Interest Revenue Rate Swap agreement		Currency and Interest Expense Rate Swap agreement		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 651 million	Fixed rate at 4.80% per annum	GBP 15 million	Fixed rate 4.40%	December 2019

#### 40.6 Other commitments

The Company has commitments regarding contribution to the United Nations International Emergency Children's Fund (UNICEF) at a minimum of USD 1 million per year for the three-year period from 2014 to 2016. This is in accordance with memorandum of understanding between the Company and UNICEF dated 29 January 2014. However, the Company's Board of Directors' meeting No. 3/2017 approved the extension of the contribution period for another 3 years from 2017 to 2019.

#### 41. Segment information

Operating segment information is reported in a manner consistent with the internal reporting the chief operating decision maker has received and regularly reviewed to make decisions about resources to be allocated to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows:

- Property development business segment consists of land and housing projects, residential condominium projects, serviced apartments for rent, and office buildings for rent.
- Building management, project management and real estate brokerage business segment consists of the provision of building management service, property project management and real estate brokerage.
- Other business segment consists of hotel and education business.

No operating segments have been aggregated to form the above reportable operating segments.

Chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2017 and 2016, respectively.

(Unit: Million Baht)

Year ended 31 December 2017	Real estate	Building management, project management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	26,255	4,368	293	30,916	-	30,916
Inter-segment revenue	30	3,040	43	3,113	(3,113)	-
Interest revenue	645	17	8	670	(457)	213
Interest expense	(801)	(13)	(60)	(874)	463	(411)
Depreciation and amortisation	(85)	(10)	(1)	(96)	-	(96)
Loss on diminution in value of property development for sale and land held for development	(208)	-	-	(208)	-	(208)
Loss on diminution in value of investment properties	(30)	-	-	(30)	-	(30)
Loss on diminution in value of land, building and equipment	-	-	(98)	-	-	(98)
<b>Segment profit (loss)</b>	<b>5,630</b>	<b>3,955</b>	<b>(43)</b>	<b>9,542</b>	<b>(3,107)</b>	<b>6,435</b>
Other income						629
Common expense						(3,489)
Share of profit from investments in joint ventures						43
Share of loss from investment in associate						(17)
Income tax expense						(819)
<b>Profit for the year</b>						<b>2,782</b>



(Unit: Million Baht)

Year ended 31 December 2016	Real estate	Building management, project management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	30,236	3,273	302	33,811	-	33,811
Inter-segment revenue	37	2,157	43	2,237	(2,237)	-
Interest revenue	581	2	7	590	(485)	105
Interest expense	(807)	-	(54)	(861)	246	(615)
Depreciation and amortisation	(91)	(9)	(1)	(101)	-	(101)
Loss on diminution in value of property development for sale and land held for development	(45)	-	-	(45)	-	(45)
Loss on diminution in value of land, building and equipment	(11)	-	-	(11)	-	(11)
<b>Segment profit (loss)</b>	<b>6,686</b>	<b>2,995</b>	<b>(46)</b>	<b>9,635</b>	<b>(2,476)</b>	<b>7,159</b>
Other income						480
Loss on exchange						(3,237)
Common expense						
Share of loss from investments in joint ventures						(78)
Income tax expense						(944)
<b>Profit for the year</b>						<b>3,380</b>

### Geographic information

Revenue from external customers is based on locations of the customers.

The Company and its subsidiaries in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

### Major customers

For the year 2017 and 2016, the Company and its subsidiaries have no major customer with revenue of 10% or more of an entity's revenues.

## 42. Fair value hierarchy

As at 31 December 2017 and 2016, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated Financial Statements			
	31 December 2017			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	88	212	300
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	17,116	-	17,116

(Unit: Million Baht)

	Consolidated Financial Statements			
	31 December 2016			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	344	344
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	14,198	-	14,198

(Unit: Million Baht)

	Separate Financial Statements			
	31 December 2017			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	23	212	235
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	17,116	-	17,116

(Unit: Million Baht)

	Separate Financial Statements			
	31 December 2016			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	268	268
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	14,198	-	14,198

43. Financial instruments

43.1 Financial risk management

The Company and its subsidiaries’ financial instruments, as defined under Thai Accounting Standard No. 107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, trade accounts payable and loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and loans. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries’ exposure to interest rate risk relates primarily to its cash at banks, short-term loans, debentures and long-term borrowings. However, since most of the Company and its subsidiaries’ financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities are classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2017							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				(% p.a.)
<b>Financial Assets</b>								
- Cash and cash equivalents	60	-	-	-	2,709	201	2,970	0.13 - 2.25
- Current investments	-	-	-	-	-	973	973	3.88
- Restricted bank deposits	-	-	-	-	323	-	323	0.375
- Trade accounts receivable	-	-	-	-	-	157	157	-
- Loans to related parties	-	-	-	5,806	-	-	5,806	3.50 - 3.85
- Long-term loan receivable	-	10	-	-	-	-	10	4.00
	60	10	-	5,806	3,032	1,331	10,239	
<b>Financial liabilities</b>								
- Short-term loans from banks	2,400	-	-	-	-	-	2,400	2.85 - 2.93
- Bills of exchange	5,968	-	-	-	-	-	5,968	1.75 - 2.25
- Trade accounts payable	-	-	-	-	-	1,563	1,563	-
- Long-term loans	-	-	-	-	10,095	-	10,095	Note 25
- Long-term promissory note - purchase of land	-	-	-	-	-	3,200	3,200	Note 26

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2017							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
- Unsecured debentures	5,998	10,972	-	-	-	-	16,971	Note 27
- Other long-term loans	-	92	-	-	-	-	92	3.85
	14,366	11,064	-	-	10,095	4,763	40,289	

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2016							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
<b>Financial Assets</b>								
- Cash and cash equivalents	-	-	-	-	3,402	139	3,541	0.13 - 1.50
- Trade accounts receivable	-	-	-	-	-	171	171	-
- Short-term note receivable - sale of land	-	-	-	-	-	360	360	Note 11
- Loans to related parties	-	-	-	4,464	-	-	4,464	3.50 - 3.85
	-	-	-	4,464	3,402	670	8,536	
<b>Financial liabilities</b>								
- Short-term loans from banks	4,316	-	-	-	-	-	4,316	2.00 - 4.25
- Bills of exchange	4,476	-	-	-	-	-	4,476	2.25 - 3.00
- Trade accounts payable	-	-	-	-	-	1,349	1,349	-
- Long-term loans	-	-	-	-	9,513	-	9,513	Note 25

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2016							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
- Long-term promissory note - purchase of land	-	-	-	-	-	3,514	3,514	Note 26
- Unsecured debentures	1,999	11,973	-	-	-	-	13,972	Note 27
	10,791	11,973	-	-	9,513	4,863	37,140	

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2017							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
<b>Financial Assets</b>								
- Cash and cash equivalents	-	-	-	-	1,402	127	1,529	0.125 - 2.25
- Current investment	-	-	-	-	-	973	973	3.88
- Restricted bank deposit	-	-	-	-	323	-	323	0.375
- Trade accounts receivable	-	-	-	-	-	20	20	-
- Loans to related parties	-	-	-	18,762	-	-	18,762	3.50 - 3.85
	-	-	-	18,762	1,725	1,120	21,607	
<b>Financial liabilities</b>								
- Short-term loans from banks	2,400	-	-	-	-	-	2,400	2.85 - 2.93
- Bills of exchange	5,968	-	-	-	-	-	5,968	1.75 - 2.25

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2017							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
- Trade accounts payable	-	-	-	-	-	1,221	1,221	-
- Loans from related parties	-	-	-	893	-	-	893	3.50 - 3.85
- Long-term loans	-	-	-	-	8,074	-	8,074	Note 25
- Long-term promissory note - purchase of land	-	-	-	-	-	3,200	3,200	Note 26
- Unsecured debentures	5,999	10,972	-	-	-	-	16,971	Note 27
	14,437	10,972	-	893	8,074	4,421	38,727	

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2016							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
<b>Financial Assets</b>								
- Cash and cash equivalents	-	-	-	-	1,989	2	1,991	0.13 - 1.50
- Trade accounts receivables	-	-	-	-	-	100	100	-
- Loans to related parties	-	-	-	15,745	-	-	15,745	3.50 - 3.85
	-	-	-	15,745	1,989	102	17,836	
<b>Financial liabilities</b>								
- Short-term loans from banks	4,316	-	-	-	-	-	4,316	2.00 - 4.25

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2016							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
- Bills of exchange	4,476	-	-	-	-	-	4,476	2.25 - 3.00
- Trade accounts payable	-	-	-	-	-	1,175	1,175	-
- Loans from related parties	-	-	-	474	-	-	474	3.50 - 3.85
- Long-term loans	-	-	-	-	6,985	-	6,985	Note 25
- Long-term promissory note - purchase of land	-	-	-	-	-	3,514	3,514	Note 26
- Unsecured debentures	1,999	11,973	-	-	-	-	13,972	Note 27
	10,791	11,973	-	474	6,985	4,689	34,912	

### Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from purchasing of goods and services denominated in foreign currencies. Since liabilities denominated in foreign currencies are not significant and due in short period, the Company and its subsidiaries do not use any derivatives to manage such risk. Except the transactions of overseas investments, the Company and its subsidiaries have mead Cross Currency and Interest Rate Swap agreement as described in Note 40.5.

### 43.2 Fair values of financial instruments

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash at banks, accounts receivable and accounts payable, their carrying amounts in the statement of financial position approximate their fair value.
- For fixed rate debentures, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- For short-term and long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.



- d) During the current year, there were no transfers within the fair value hierarchy.
- e) The fair values of the Company and its subsidiaries' financial instruments are estimated to approximately the amounts presented in the statements of financial position, except for the following:

(Unit: Million Baht)

	Consolidated / Separate financial statements			
	Carrying amount		Fair value	
	2017	2016	2017	2016
Financial liabilities				
Unsecured debentures	16,971	13,972	17,116	14,198

44. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

The Company manages its capital position with reference to its debt-to-equity ratio in order to comply with a condition in loan agreements and a covenant of debentures, which requires the Company to maintain a debt-to-equity ratio of not more than 2.5:1 (2016: 2.5:1). Debt means to interest bearing debts.

No changes were made in the objectives, policies or processes during the years end 31 December 2017 and 2016.

45. Events after the reporting period

- 45.1 On 4 January 2018, the Company has set up of a new subsidiary named Siri Smart Two Co., Ltd, with the registered capital of Baht 50 million. The Company holds 100% of issued and paid-up share capital as approved by the Company's Board of Directors' meeting No. 12/2017 dated 15 December 2017. The new company has engaged in property development.
- 45.2 On 24 January 2018, the Company has issued and offered Baht 4,000 million of unsecured and unsubordinated debentures number 1/2018. The debentures will be redeemed in 2023 and carry interest at a rate of 3.35 percent per annum as approved by the Company's Board of Directors' meeting No. 12/2017 dated 15 December 2017.
- 45.3 On 16 February 2017, the Company has set up of a new subsidiary named Siripat One Co., Ltd, with the registered capital of Baht 50 million. The Company holds 100% of issued and paid-up share capital as approved by the Company's Board of Directors' meeting No. 1/2018 dated 14 February 2018. The new company has engaged in property development.

45.4 On 27 February 2018, the Company's Board of Directors' meeting No. 2/2018 approved the following resolutions:

- (a) To propose to Annual General Meeting of the Company's shareholders for approval of dividend payment from the operating results from 1 January 2017 to 31 December 2017. The dividend will be paid by cash at the rate of Baht 0.12 per share. As the Company's Board of Directors Meeting held on 11 August 2017 has the resolution to approve interim dividend payment to the shareholders as cash dividend of Baht 0.05 per share. The interim dividend was paid on 8 September 2017. The Company will pay a final dividend of Baht 0.07 per share within May 2018. The payment of the final dividend is dependent on approval being granted by the shareholders.
- (b) To approve the issuance and offering of not more than Baht 30,000 million of debentures, or the equivalent in other currencies. The debentures to be issued may be of any type (secured or unsecured debentures), depending on prevailing market conditions at the time the debentures are issued and offered. This resolution will be proposed for approval at the 2018 Annual General Meeting of the Company's shareholders.
- (c) To approve the decrease of the registered capital of the Company, which was made from the existing registered capital of Baht 19,251,140,783.06 (divided into 17,991,720,358 shares) to be the new registered capital of Baht 16,224,125,722.40 (divided into 15,162,734,320 shares) by canceling its registered but un-issued shares.

46. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2018.



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