



# BUILDING A BETTER FUTURE

**ANNUAL REPORT 2019**

ASSET WORLD CORP PUBLIC COMPANY LIMITED



BUILDING  
A BETTER FUTURE

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An aerial photograph of a city skyline, featuring several tall skyscrapers and a dense urban landscape. A red semi-transparent overlay covers the entire image, creating a monochromatic effect. The text is white, providing high contrast against the red background.

# VISION, MISSION AND BUSINESS STRATEGY

## VISION

To be the sustainable growing real estate group, while being most admired by all stakeholders.

## MISSION

We are committed to building a better future by going beyond the norm in property development and management, as well as providing sustainable and valuable solutions for all of our stakeholders, the community, the country, the environment and the industry as a whole.



## Our Business Strategies

1. Real Estate Investor/Developer/Manager, not an operator
2. Scalable Frontier Project Focus (Mixed Use)
3. Middle to High Income Customers
4. Global and Unique Partner
5. New Benchmark
6. International customers base diversification and portfolio diversification throughout key cities
7. Synergy & Sustainability
8. Growth Drive
9. Outstanding Return on Investment
10. Strong Development Capability



# HISTORY AND DEVELOPMENT OF THE COMPANY

TCC Group formed the Company in May 2009 as First Destination Co., Ltd., which was later converted to Asset World Corp Public Company Limited ("The Company") in September 2018, as the holding company for Hospitality and Retail and Commercial building properties across Thailand.



- TCC Group acquired Empire Tower, the largest office building in Bangkok.

## >1976



TCC Group was established by Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

## >1994

The  
**IMPERIAL**

- TCC Group acquired the Imperial Hotel Group, which owned seven hotels and land, including five hotels that were subsequently renovated and developed.



## >2001

- TCC Group acquired Pantip Plaza Pratunam, its first retail property, which was later rebranded into an IT mall.
- Plaza Athenee Bangkok Hotel was renovated and opened in 2001.



- Hilton Sukhumvit Bangkok and DoubleTree by Hilton Sukhumvit Bangkok, and Vana Belle, A Luxury Collection Resort, Koh Samui opened.



- Plaza Athenee Bangkok Hotel was renovated into The Athenee Hotel, A Luxury Collection Hotel, Bangkok.
- May 2017 The Company increased its registered capital from THB4.43 million to THB9 billion to acquire AWR, THAM, and CPM ; and to provide the loans to subsidiaries.

- May 2017 The Company acquired Asset Group 1 from THIF, TRIF, and TCIF.

## >2013

## >2017

## >2016

## >2018



- Bangkok Marriott Marquis Queen's Park, which was renovated and developed from the Imperial Hotel, opened.
- Hua Hin Marriott Resort & Spa and Phuket Marriott Resort & Spa, Nai Yang Beach opened.
- October 2016 The Company changed its name from First Destination Co., Ltd., to Asset World Corp Company Limited.



- Bangkok Marriott Hotel The Surawongse, Lasalle's Avenue, and Gateway at Bangsue opened
- August 2018 The Company increased its registered capital from THB9 billion to THB24 billion.
- September 2018 The Company became a public company, under the name, Asset World Corp Public Company Limited, with a registered capital of THB24 billion.
- December 2018 The Company acquired Asset Group 2 from members of TCC Group as part of the business restructuring.





- Athénée Tower opened.



BANYAN TREE  
— SAMUI —

- Banyan Tree Samui opened.

# 2008

# 2010

# 2009

# 2012

- TCC Group established First Destination Co., Ltd.

- The Company developed and opened Asiatique The Riverfront, one of the Company's most significant retail properties and the first outdoor riverside lifestyle shopping destination in Bangkok.



- **April 2019** The Company entered into the 2019 Gateway Ekamai Management Agreement to manage Gateway Ekamai, the retail property owned by TCC Group

- **May 2019** The Company entered into the 2019 MOUs with Thippatana Arcade Co., Ltd. and Asiatic Hotel Collection Co., Ltd. to invest in Gateway Ekamai and the extension of Asiatique The Riverfront.

# 2019

# 2020

## 10 October 2019

- The Company successfully listed on the Stock Exchange of Thailand (SET) in the real estate and construction industry under the property development category as "AWC" with the total number of shares sold in the IPO of 8,000 million shares priced at 6 baht which consist of 6,974 newly-issued ordinary shares and over-allotment option of 1,043 million shares while the total IPO share value was 48,000 baht.
- AWC's IPO is the largest real estate IPO in the world in the last 5

years as well as the largest corporate IPO ever traded on the Stock Exchange of Thailand (according to Bloomberg). As such, the fund raised will propel the company's business operation as a leader in Thailand's leading integrated lifestyle real estate and drive AWC to emerge as a leading real estate brand in Asia.

- In addition, the Company received accolade as the "Country Deal Achievement Award 2019" from FinanceAsia as the Best Capital Market Transaction in Thailand for 2019.



- Melia Koh Samui, Thailand, which was renovated and developed from the Imperial Boat House Beach Resort, opened
- **January 2020** The Company completely acquired Group 3 assets from the businesses under TCC group pursuant to the 2019 Share Purchase Agreement.

## DIVERSIFIED PORTFOLIO OF PRIME ICONIC HOSPITALITY ASSETS

Iconic assets in prime city and resort locations, leveraging top global operators



### MICE and F&B Destination Hotels



#### Expansive event spaces with many F&B options

- Conveniently located in easily accessible locations surrounded by vibrant shopping, business and entertainment district

No. of Hotels	4
No. of Rooms	2,305
No. of F&B Outlets	27
Meeting/ Event space (sqm)	13,706



### Bangkok City Hotels



#### Centrally located with well-equipped facilities

- Within short commute from shopping districts and other tourist destinations

No. of Hotels	4
No. of Rooms	923
No. of F&B Outlets	11
Meeting/ Event space (sqm)	1,729





### Non-Bangkok Luxury Resorts



#### Exclusive beachfront properties

- Located on exclusive beachfront properties, targeting leisure travelers of all types

No. of Hotels	2
No. of Rooms	167
No. of F&B Outlets	9
Meeting/ Event space (sqm)	268



### Other Non-Bangkok Hotels



#### Award-winning hotels catering to wide clientele

- Award winning hotels that receive a high level of satisfaction from customers

No. of Hotels	6
No. of Rooms	1,474
No. of F&B Outlets	23
Meeting/ Event space (sqm)	5,069

## DIFFERENTIATED RETAIL & COMMERCIAL BUILDING PORTFOLIO

Barbell retail strategy with unique destination and community retail, and strong upside potential prime central Bangkok offices which provide stable cash flow



### Tourist Lifestyle Destination <sup>(1)</sup>



#### Unique location by the Chao Praya River

- Flagship award-winning tourist lifestyle destination, and the first uniquely themed riverfront shopping and travel destination in Bangkok

<b>Key Anchor Tenants</b>	World class shows and events, night market, local products, food stalls
<b>No. of Assets</b>	1
<b>NLA (sqm)</b>	26,590



### Community Shopping Malls and Markets <sup>(2)</sup>



#### Next to mass transport in residential communities

- Contemporary indoor urban malls and low-rise complexes, catering to the daily needs of local community

<b>Key Anchor Tenants</b>	Supermarkets/ hypermarkets, cinemas, education, fitness centers and restaurants
<b>No. of Assets</b>	8
<b>NLA (sqm)</b>	172,191

*As at Feb 2020*

**Notes:**

1. Excludes Asiatique Phase 2 and Asiatique Pier and Boat

2. Includes Gateway Ekamai (under management and to be acquired pursuant to Gateway Ekamai MOU), but excludes Bangkok Community Market (under development) and Lasalle's Avenue Expansion

3. Consists of AEC Trade Center which is currently under development



## Wholesale Retail Properties <sup>(3)</sup>



### Close to well-established transport links

- Innovative wholesale platform under two key brands: AEC Trade Center and AEC Trade Center Online

<b>Key Anchor Tenants</b>	Manufacturers, retailers, exporters, and logistic and financial service providers
<b>No. of Assets</b>	1
<b>NLA (sqm)</b>	~145,000



## Office



### Prime central Bangkok close to transport nodes

- High-quality office buildings located at transportation nodes in business districts of metropolitan Bangkok

<b>Key Anchor Tenants</b>	KPMG, Samsung, US Embassy, Tokyo Marine, Deutsche Bank, Nation Multimedia Group
<b>No. of Assets</b>	4
<b>NLA (sqm)</b>	270,594



# AWARDS & RECOGNITIONS IN 2019



FINANCEASIA  
COUNTRY DEAL AWARDS 2019  
THAILAND'S DEAL OF THE YEAR



TTG TRAVEL AWARDS 2019



HAUTE GRANDEUR  
GLOBAL AWARDS 2019



WORLD LUXURY RESTAURANT  
AWARDS 2019



WORLD LUXURY SPA  
AWARDS 2019



KINNARI GOLD AWARDS 2019

INTERNATIONAL HOTEL  
AWARDS 2019-2020



MICHELIN GUIDE THAILAND 2020



HOTEL OF THE YEAR AWARDS 2019



THAILAND TATLER'S  
BEST RESTAURANT



BOOKING.COM  
GUEST REVIEW AWARDS 2018







TRIPADVISOR CERTIFICATE  
OF EXCELLENCE 2019



M&C ASIA STELLA AWARDS 2019



CVENT TOP MEETING HOTELS 2019



GREEN HOTEL AWARDS 2019



ASEAN Green Hotel Standard

ASEAN GREEN HOTEL STANDARD



MARKETEER NO.1  
BRAND THAILAND 2019



2019 SMART TRAVEL  
ASIA AWARDS



BSA BUILDING SAFETY AWARDS 2019



LOVED BY GUESTS AWARDS 2019



ISO : 20121 SUSTAINABLE  
EVENT MANAGEMENT SYSTEMS

ISO: 20121  
Sustainable Event  
Management Systems



LUXURY LIFESTYLE AWARDS 2019

# 146

➤ PRESTIGIOUS  
INDUSTRY AWARDS  
& CERTIFICATES

# Message from the Chairman of the Board of Directors

## Dear Shareholders,

The year 2019 is regarded as a significant year for Asset World Corp Public Company Limited (AWC) as we were able to reach a major milestone with our listing on the Stock Exchange of Thailand (SET) on 10<sup>th</sup> October 2019, being the largest listing, in term of value, of an individual company in the history of the Exchange, and shortly following our first trading day, AWC was added to the SET 50 INDEX. This outstanding achievement reinforced AWC's position as Thailand's leading integrated lifestyle real estate group of companies.

In the matters of acknowledgement, I would like to express my thanks and profound appreciation to everyone concerned who has made the AWC's listing on the SET possible. My heartfelt thanks go to the AWC Board of Directors for their inspiration, encouraging advices and useful guidance; the executives and the staff members for their dedication and tireless efforts; the financial and legal advisers for their insights. Not the least, I am ever so obliged to the Stock Exchange of Thailand, the Securities and Exchange Commission and other stakeholders for their unfailing cooperation and assistance, all of which contributed to making the AWC IPO such a success.

The year 2019's focus is AWC's continuous organization development and also structural transformation, aligning the organization and its operations to synchronize with our principal strategy through growth-orientated business and investment plans. This is in order for AWC to be ready for being a public listed company in the Stock Exchange of Thailand. Simultaneously, we cooperate with international recognized partners with unique characteristics to establish robust business fundamentals that meet and exceed international benchmarks. One of the AWC's key strategies for business growth is to drive the Company into higher profitability with greater value to our shareholders,

while strengthening our role as the major real estate developer of the world class quality assets, with the aim to serving the comprehensive integrated lifestyle contributing to Thailand's economic development.

On my part, I am confident that our shareholders will benefit from AWC's business professionalism on the basis of transparency and strong governance structure which are the hallmark value of a premier listed company. At the same time, AWC stands ready to help promote Thai tourism sector which plays an increasingly important part in the country's overall economic and social development.

Looking ahead to 2020 and beyond, AWC will move forward dynamically with continual focus on generating strong returns towards sustainable growth for our shareholders while making a positive contribution to all of our stakeholders. It is also of importance for us at AWC to strive for good corporate governance and ethics, embracing them as AWC's core values. Again, with the knowledge and extensive experiences of our highly-qualified Board of Directors who are dedicated to guiding and working with the AWC management in looking after the shareholders' interests and ensuring that the Company maintains its strategic direction with the highest degree of integrity, accountability and efficiency, I am confident that we will achieve our objectives.

In closing, on behalf of the Board of Directors, I would like, again, to express our sincere gratitude to all our shareholders and valued customers as well as all our stakeholders for the trust and support given to us throughout. We will continue to pursue steadfastly our vision in real estate and assets development to strengthen our diversified business platform, creating value-added and sustainable growth in the coming years.



**Mr. Chareon Sirivadhanabhakdi**  
Chairman of the Board of Directors  
Asset World Corp Public Company Limited



# Message from Chief Executive Officer and President

## Dear Shareholders,

After achieving our key milestone in listing on the Stock Exchange of Thailand (SET) in October 2019, Asset World Corp Public Company Limited (AWC) continue to move forward with our mission to “Building a Better Future” by creating long-term, sustainable value to shareholders and all stakeholders while also contributing to the industry’s development and the holistic economic growth.

As Thailand’s leading integrated lifestyle real estate group, AWC is well-positioned to pursue a steady exponential growth. With our strong infrastructure and business models, which include expertise in developing projects and managing assets to achieve optimal value to the full potential of investments as well as the strategy of diversified and balanced portfolio in order to manage the risk of fluctuations and changing trends in any particular target markets for long term sustainable growth.

With a strong commitment to achieve our strategic goals that are to Maximize Shareholders’ Return, to create Robust & Sustainable Growth, and becoming Most Admired Real Estate Group, AWC has set key strategic intents which are as follows:

**Growth-Led Strategy:** focusing on developing a strong investment purpose of developing multiple world-class lifestyle destination projects that will strengthen AWC’s quality portfolio and reflect the company’s positioning while enhancing the overall tourism industry. This growth-led strategy will bring AWC to be an important part of driving the country’s overall economic growth.

**Balanced and Diversified Portfolio:** leveraging our profound expertise in hospitality and lifestyle commercial business segments to manage the risk in case of market fluctuation in any of the segments. To illustrate, even if there is any considerable impact towards the tourism sector and hospitality businesses, the revenue generation of AWC will not be totally disrupted as the commercial businesses will continue to sustain. With this strategy, the company could perform and overcome all circumstances as well as the flexibility in creating values from the opportunities across all our business groups.





**Middle to High Income Customer Segment:** setting clear customer targets of the high growth segments aimed at tourists and customers with middle to high incomes especially the MICE travelers as the high growth segment.

**Global and Unique Partners:** building and expanding a network of expert alliances in various fields of business in order to foster the sharing of expertise and align superior operating standards with international best practices. In addition, the company seeks to gain access to new customer groups through the world's leading hotel operators' global distribution channels and loyalty programs with over 300 million members, as well as offering diverse hospitality brand options to better suit the lifestyles of customers' evolving needs and demands.

**New Benchmark:** creating large-scale projects with unique travel destinations to enhance the competitive edge of the Thai tourism industry. Each AWC project has distinctive features that set new benchmarks for the industry such as by strengthening and enhancing the MICE industry in Thailand, attracting international tourists through a strong global network, and creating unique and memorable experiences for destinations where AWC projects are located.

**Synergies and Sustainability:** creating business sustainability by developing roadmaps for sustainable practices in various dimensions, including obtaining sustainability standard certifications from leading agencies, taking measures to reduce environmental impacts, and responding to AWC's Sustainable Management policy through the operation of the "Asset World Foundation for Charity" and "The Gallery" for Social Enterprise project, enhancing long-term value for communities and society as a whole.

In addition, we are progressively developing AWC Transformation program in five perspectives: Culture and Core Values, HR Strategy, Information Based Organization / Process & IT, Development Living Creation and Sustainability, all of which are essential fundamentals for effective corporate governance framework as well as the business strategic targets for long-term sustainable value.

These form the foundation for our way forward, as Thailand's leading integrated lifestyle real estate group, in our commitment to building a better future as well as promoting economic and social empowerment throughout the country, with strong adherence to good corporate governance, maximum transparency and accountability, to create sustainable holistic values and returns to shareholders, customers and all stakeholders.

Lastly, I would like to extend my sincere gratitude to all shareholders for your confidence in AWC, to all our customers for their trust and continued patronage, as well as to all management and staff for their effort and dedication and to all business partners and all stakeholders for their support which comprise the key driving force as we **create a better future together**.

Yours sincerely,



**Mrs. Wallapa Traisorat**

Chief Executive Officer and President  
Asset World Corp Public Company Limited

# CORPORATE VALUE

We aim to strengthen our position as a leading developer, owner and operator of Hospitality and Retail and Commercial Building properties in Thailand, driven by our core values of:

Integrity

Passion

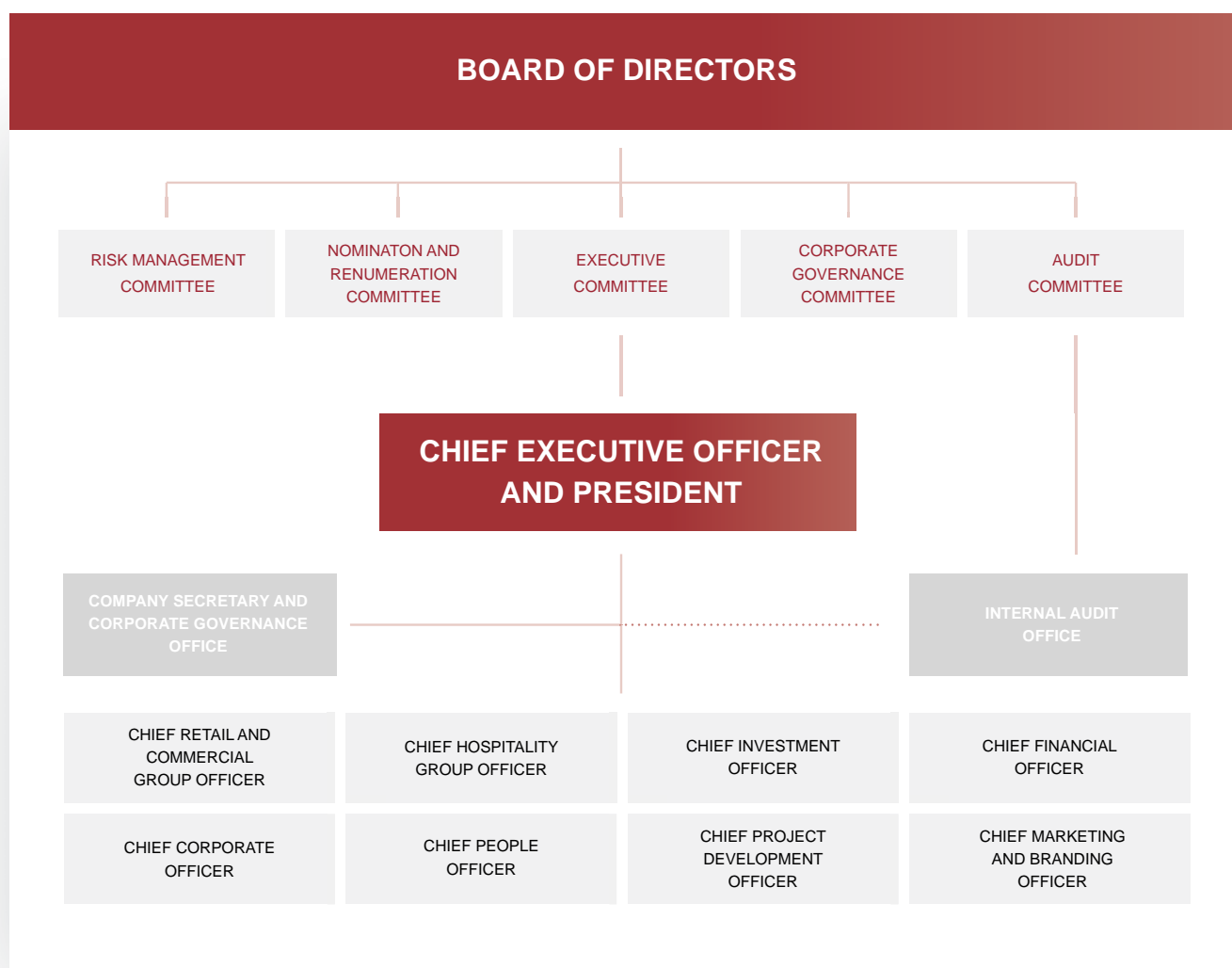
Goal Oriented

Customer Centric

Caring



# ORGANIZATION STRUCTURE



## BOARD OF DIRECTORS

### Mr. Charoen Sirivadhanabhakdi

Chairman of the Board of Directors  
and Chairman of the Executive Committee  
Asset World Corp Public Company Limited



Mr. Charoen Sirivadhanabhakdi is the founder of TCC Group, one of the largest and leading conglomerates in Thailand, that believes in strength, capability, and competitiveness of Thai businesses in both local and international levels. With his extensive knowledge and experiences in various fields, he plays significant role in growing TCC group businesses. Currently, TCC Group operates business in five principal areas which are Food and Beverage, Industrial and Trading, Finance and Insurance, Agricultural and Agro-industrial, and Property and Real Estate. Mr. Charoen has invested in real estate for more than 50 years.

With his contribution to academic society through his management vision, he holds 12 Honorary Doctoral degrees which are an Honorary Doctoral Degree in Marketing from Rajamangala University of Technology Isan, an Honorary Doctoral Degree in Buddhism (Social Work) from Mahachulalongkornrajavidyalaya University, an Honorary Doctoral Degree in Business Administration from Sasin Graduate Institute of Business Administration of Chulalongkorn University, an Honorary Doctoral Degree in Hospitality and Tourism from Christian University of Thailand, an Honorary Doctoral Degree in Sciences and Food Technology from Rajamangala University of Technology Lanna, an Honorary Doctoral Degree in International Business Administration from the University of the Thai Chamber of Commerce, Thailand, an Honorary Doctoral Degree in Management from Rajamangala University of Technology Suvarnabhumi, an Honorary Doctor of Philosophy Degree in Business Administration from Mae Fah Luang University, an Honorary Doctoral Degree in Business Administration from Eastern Asia University, an Honorary Doctoral Degree in Management

from Huachiew Chalermprakiet University, an Honorary Doctoral Degree in Industrial Technology from Chandrakasem Rajabhat University, an Honorary Doctoral degree in Agricultural Business Administration from Maejo Institute of Agricultural Technology.

Apart from being Chairman of the Board of Directors and Chairman of the Executive Committee of Asset World Corp Public Company Limited, he also holds major vital positions on many boards of directors of TCC group businesses, namely Chairman of the Board of Directors of Thai Group Holdings Public Company Limited, TCC Assets (Thailand) Company Limited, TCC Asset World Corporation Limited, TCC Holding (2519) Company Limited, Frasers Property Limited, Fraser and Neave, Limited, Berli Jucker Public Company Limited, Beer Thai (1991) Public Company Limited, Siriwana Company Limited, Cristalla Company Limited, Planteon Company Limited, TCC Land Company Limited, Thai Beverage Public Company Limited, North Park Golf & Sports Club Company Limited, South East Group Company Limited, TCC Corporation Company Limited, Southeast Insurance Public Company Limited, Southeast Life Insurance Public Company Limited, Southeast Capital Company Limited, Bang Yikhan Liquor Group of Companies, Athimart Company Limited, S.S. Karnsura Company Limited, Kaenkwan Company Limited, Theparunothai Company Limited., Beer Chang Company Limited, Nam Jai Thaibev Social Enterprise Company Limited, International Beverage Holdings Limited, International Beverage Holding (UK) Limited, International Beverage Holdings (China) Limited, Interbev Investment Limited, and Director of Baanboun Vetchakij Company Limited.



### **Khunying Wanna Sirivadhanabhakdi**

Vice Chairman of the Board of Directors  
and Vice Chairman of the Executive Committee  
Asset World Corp Public Company Limited



Khunying Wanna Sirivadhanabhakdi is the co-founder of TCC Group, one of the largest and leading conglomerates in Thailand, with more than fifty years of co-experience alongside with Mr. Charoen Sirivadhanabhakdi in real estate investment.

She was appreciated in various academic areas from her business foresight. She holds 8 Honorary Doctoral degrees which are an Honorary Doctoral Degree in Buddhism (Social Work) from Mahachulalongkornrajavidyalaya University, an Honorary Doctoral Degree in Philosophy (Business Management) from the Mahidol University, an Honorary Doctoral Degree in Philosophy (Business Management) from the University of Phayao, an Honorary Doctoral Degree in Business Administration Management from Rajamangala University of Technology Tawan-ok, an Honorary Doctoral Degree in Philosophy (Social Sciences) from Mae Fah Luang University, an Honorary Doctoral Degree in Business Administration from Chiang Mai University, an Honorary Doctoral Degree in Agricultural Business Administration from Maejo Institute of Agricultural Technology and an Honorary Doctoral Degree in Bio-technology from Ramkhamhaeng University.

Presently, she is in the position of Vice Chairman of the Board of Directors and Vice Chairman of the Executive Committee of Asset World Corp Public Company Limited. She also holds the key positions in many boards of directors of TCC group companies including Vice Chairman of Thai Group Holdings Public Company Limited, TCC Assets (Thailand) Company Limited, TCC Asset World Corporation Company Limited, Director of TCC Holding

(2519) Company Limited, Vice Chairman of Frasers Property Limited, Vice Chairman of Fraser and Neave Limited, Siritwana Company Limited, Executive Vice Chairman of Cristalla Company Limited, Vice Chairman of Planteon Company Limited, TCC Land Company Limited, Chairman of Beer Thip Brewery (1991) Company Limited, Vice Chairman and Executive Vice Chairman of Thai Beverage Public Company Limited, Executive Vice Chairman of North Park Golf & Sports Club Company Limited, Vice Chairman of Berli Jucker Public Company Limited, South East Group Company Limited, TCC Corporation Company Limited, Chairman of Sangsom Group of Companies, Fuang Fu Ananta Company Limited, Thanapukdee Company Limited, Vice Chairman of Mongkol Samai Company Limited, Chairman of Kanchanasingkorn Company Limited, Vice Chairman of Beer Chang Company Limited, Nam Jai Thaibev Social Enterprise Company Limited, Southeast Insurance Public Company Limited, Southeast Life Insurance Public Company Limited, Southeast Capital Company Limited, International Beverage Holdings Limited, International Beverage Holding (UK) Limited, International Beverage Holdings (China) Limited, Interbev Investment Limited

Furthermore, she plays essential role in many charities and community services through her position as Director in various foundations, for instance, Bhumirajanagarindra Kidney Institute Foundation, Ramathibodi Foundation, Siriraj Foundation, the Foundation for The Crown Prince Hospitals, Elephant Reintroduction Foundation, the Thai Red Cross Committee for Recruitment and Promotion of Voluntary Blood Donors, Sala Chalermkrung Foundation, and Asset World Foundation for Charity.

### **Mr. Boontuck Wungcharoen**

Director, Vice Chairman of the Executive Committee,  
and Member of The Nomination and  
Remuneration Committee,  
Chairman of the Risk Management Committee  
Asset World Corp Public Company Limited



Mr. Boontuck Wungcharoen received a Bachelor of Engineering (Chemical Engineering) from Chulalongkorn University, and a Master of Business Administration from New York University, U.S. In addition, He also completed the Directors Accreditation Program (DAP) from the Thai Institute of Director (IOD).

He has been widely recognized for his wealth of knowledge and seasoned experience in managing commercial banks. He formerly served as Independent Director of Siam Commercial Bank Public Company Limited, Executive Vice President of Kasikorn Bank Public Company Limited, Chief Executive Officer and Director of TMB Bank Public Company Limited, and Chairman of the Thai Bankers' Association.

He was appointed as Director of Asset World Corp Public Company Limited in 2018. In addition to his positions as Director, Vice Chairman of the Executive Committee, and Member of The Nomination and Remuneration Committee, Chairman of the Risk Management Committee. He presently holds the position as a Director of Esso (Thailand) Public Company Limited, Independent Director and Chairman of the Risk Management Committee of Synnex (Thailand) Public Company Limited, and Independent Director of Kiattana Transport Public Company Limited.

### **Mr. Sithichai Chaikriangkrai**

Director, Member of the Executive Committee,  
Member of the Risk Management Committee,  
and Member of the Corporate Governance Committee  
Asset World Corp Public Company Limited



Mr. Sithichai Chaikriangkrai received a Bachelor's degree in Accountancy from Thammasat University (First Class Honor), a Diploma of Computer Management from Chulalongkorn University, and a Mini Master of Business Administration (Leadership Management) from Kasetsart University. In addition, He also attended the DCP Refresher Course and the Director Certification Program (DCP) from the Thai Institute of Directors (IOD).

He has an extensive experience in finance industry from various leading companies for more than 30 years with recognitions from international organization including Best CFO in Thailand 2014-2016 and 2018-2019 awarded from Alpha Southeast Asia Magazine, Best CFO in Southeast Asia 2015 awarded from Alpha Southeast Asia Magazine, Asia's Best CFO (Investor Relations) 2011-2012 awarded from Corporate Governance Asia Magazine, and Best CFO in Thailand 2009 awarded from Finance Asia Magazine.

Currently, he was appointed as Director, Member of the Executive Committee, Member of the Risk Management Committee and Member of the Corporate Governance Committee of Asset World Corp Public Company Limited in 2018. Besides, he holds the key positions in many organizations, for example, Director of Fraser Property (Thailand) Public Company Limited, Univentures REIT Management Company Limited, Frasers Property Limited, Fraser and Neave Limited, Director and Executive Director of Golden Land Property Development Public Company Limited, Director and Executive Vice Chairman of Serm Suk Public Company Limited, Director and Executive Vice President of Thai Beverage Public Company Limited, Director and Executive Director of Univentures Public Company Limited, Director and 1st Vice Chairman of the Executive Committee of Oishi Group Public Company Limited, Director, Executive Director and Member of the Risk Management Committee and Chairman of Fund Management Committee of Berli Jucker Public Company Limited.

### **Mr. Weerawong Chittmittrapap**

Director and Member of the  
Corporate Governance Committee  
Asset World Corp Public Company Limited



Mr. Weerawong Chittmittrapap received a Bachelor of Laws from Chulalongkorn University, and a Master of Laws from the University of Pennsylvania, US. He is also a barrister-at-law of the Thai Bar and the first Thai member of the New York State Bar Association. Likewise, he also completed the Train of the Trainer Program (TOT), the Executive Director Course (ECD), and the Director Certification Program (DCP) from the Thai Institute of Directors (IOD) and the Capital Market Academy Leader Program from Capital Market Academy

He has been widely recognized for his legal expertise and extensive experience in corporate governance area. He was formerly Chairman of Weerawong, Chinnavat & Peangpanor Company Limited, Independent Director of Minor International Public Company Limited, Independent Director and Chairman of the Audit Committee of Thai Airways International Public Company Limited, Independent Director and Member of the Audit Committee of GMM Grammy Public Company Limited, Director of WC&P Holding Company Limited, Independent

Director and Member of the Audit Committee of Golden Land Property Development Public Company Limited, Director of National Power Supply Public Company Limited and Independent Director of Fraser and Neave Limited (Singapore).

At present, beside his positions as Director and Member of the Corporate Governance Committee of Asset World Corp Public Company Limited, he holds the position of Independent Director of Big C Supercenter Public Company Limited, Independent Director and Member of the Audit Committee of Bangkok Dusit Medical Services Public Company Limited, Independent Director and Member of the Nomination Compensation and Corporate Governance of Siam Commercial Bank Public Company Limited, Director of Frasers Property Limited, Director of Yaksa Company Limited, Director of Pitchayarat Company Limited, Director of Punnakhate Company Limited, Director of Sarasinee Company Limited and Independent Director of Berli Jucker Public Company Limited.



### **Mr. Soammaphat Traisorat**

Director and Vice Chairman of the  
Executive Committee  
Asset World Corp Public Company Limited



Mr. Soammaphat Traisorat received a Bachelor of Architecture from Silpakorn University, a Master of Philosophy in Land Economy from University of Cambridge, and a Master's degree in Regional and Urban Planning from the London School of Economics and Political Science (LSE), UK. He finished the Director Certification Program (DCP) from Thai Institution of Directors (IOD).

He has well-versed experiences in Financial Analysis, Architecture, Design, and Business Management. He started his career as Project Manager of Design Section at TCC Holding Company Limited. Later, He extended his real estate experiences with international organizations including GVA Grimley Limited. He also worked as an Analyst at Merrill Lynch (Asia Pacific)

Limited, Hong Kong and MetLife Investment Asia Limited. Thereafter, he returned to work with TCC Group and serve in various key management positions including Executive Director of TCC Holding Company Limited, Deputy Chief Executive Officer & Managing Director of TCC Capital Land Limited, Chief Executive Officer of TCC Land Development Company Limited.

He is presently Director and Vice Chairman of the Executive Committee of Asset World Corp Public Company Limited with responsibility to supervise the Company's overall business direction and organization management.

### Mrs. Wallapa Traisorat

Director, Member of The Executive Committee,  
Member of The Risk Management Committee,  
and CEO and President  
Asset World Corp Public Company Limited



Mrs. Wallapa Traisorat received a Master of Philosophy in Land Economy from University of Cambridge and a Master's Degree in Regional and Urban Planning from the London School of Economics and Political Science (LSE), UK. She also received a Bachelor of Architecture (with Distinction) from Silpakorn University, Bangkok. She is also a Treasurer and Director of Cambridge Society.

She has an extensive experience in management, planning, business analysis and strategy in real estate and investment. She has worked in several of internationally renowned companies including Merrill Lynch Asia Pacific Limited where she worked as corporate financial analyst for the company in Hong Kong. In 2001, she joined TCC Holding Company Limited as Executive Director. Later, as President, she played the key role in setting up TCC Land Company Limited as the holding company of various real estate portfolio, including hotels, retail, commercial buildings, convention center, golf courses, master plan development and landbanks. In 2003, TCC Capital Land Limited has been set up under the joint venture structure with Capital Land Singapore to build another sector of residential development where she took the role of Executive Director. Today, as the CEO and President of Asset World Corporation, she leads the vision and strategy of business with the strong foundation and all the top performing portfolio with growth focus of many long-term developments in the pipeline.

In addition to her positions as Director, member of The Executive Committee, and member of The Risk Management Committee, She is presently the CEO and President of Asset World Corp Public Company Limited (AWC) who leads the company to achieve the ambition of being a leading integrated real estate company through the philosophy of **"Building a Better Future"**, in creating a sustainable long-term value for the betterment of the stakeholders that set new industry benchmark and make Thailand a truly world-class tourism and lifestyle destination while steering a continuous and sustainable growth.

Apart from her business goals, she is passionate about driving corporate social responsibility projects aimed at supporting, developing and promoting charitable and sustainable initiatives in local Thai communities through the Asset World Foundation platform to support the company's initiatives. With her passion in art, **"The Gallery"**, a not-for-profit social enterprise of art and design gift collection comprising products created by some of Thailand's most talented designers, artists and entrepreneurs, was also created to donate its profit to support further artistic endeavors in preserving and promoting Thai culture as well as areas in need.

### **Prof. Prasit Kovilaikool**

Independent Director and Chairman of the  
Audit Committee  
Asset World Corp Public Company Limited



Prof. Prasit Kovilaikool graduated with a Bachelor of Laws (2<sup>nd</sup> class Honors) from Chulalongkorn University, a Master of Laws from Columbia University, New York. He was granted an Honorable Doctorate Law Degree from Chulalongkorn University and Eastern Asia University. Besides, He also completed a Certificate in Human Rights Examination from the University of Strasbourg, France, a Certificate in Valuation of Immovable Property Land Reform Institute, Massachusetts, USA. He also attended the Improving the Quality of Financial Reporting (QFR), the Director Accreditation Program (DAP), and the Finance for Non-Finance Directors (FND) from the Thai Institute of Directors (IOD).

He was appointed to be Independent Director and Chairman of the Audit Committee of Asset World Corp Public Company Limited in 2018. Likewise, He also holds the positions of Independent Director and Chairman of the Audit Committee of Berli Jucker Public Company Limited and Thai Beverage Public Company Limited. He also serves as Independent Director and Chairman of the Nomination and Remuneration Committee of Oishi Group Public Company Limited, and Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee and Chairman of the Corporate Governance Committee of Siam Food Products Public Company Limited. He is also a Director of Chulalongkorn University Council and Office of the Council of State and a Counselor of Property Management Committee of The Thai Red Cross Society.

### Mr. Rungson Sriworasat

Independent Director and Chairman of the  
Nomination and Remuneration Committee  
Asset World Corp Public Company Limited



Mr. Rungson Sriworasat received a Bachelor's Degree of Accountancy from Ramkhamhaeng University, a Bachelor of Laws from Sukhothai Thammathirat University, a Master of Business Administration from Prince of Songkla University, and a Diploma in National Defence Course from Thailand National Defence College. He also attended the Director Certification Program (DCP), the Refresher Course DCP (RE DCP), the Finance for Non-Finance Director Program (FND), the Successful Formulation & Execution the Strategy Program (SFE), the Audit Committee Program (ACP), the Director Accreditation Program (DAP), the Role of the Chairman Program (RCP), the Financial Institutions Governance Program (FGP), and the Anti-Corruption for Executive Program (ACEP) from the Thai Institute of Directors (IOD).

He held various vital positions in government sector in the past including Advisor to the Prime Minister, Permanent Secretary of the Ministry of Finance, Chairman of the Government Pension Fund, Chairman of the Student Loan Fund, Chairman of the Office of Insurance Commission, Co-Director of Joint Public and Private Sector Consultative Committee (JPPSCC) of the Office of the National Economic and Social Development Council. Likewise, He also was the member of the National Anti-Corruption Steering Assembly at Ministry of Justice, Director of the Director of the Securities and Exchange Commission of Thailand, Director of the Office of the Commission for Judicial Service, Director of the Judicial Administration Commission, Director of the State Railway of Thailand, Director of the Government Pharmaceutical Organization, Director of the Tourism Authority of Thailand, member

of the National Reform Steering Assembly (SorBorTor.), member of Development Committee, Rambhai Barni Rajabhat University. He also held various key position in leading organizations including Director of Eastern Water Resources Development and Management Public Company Limited, Director of General Hospital Products Public Company Limited, Director of Deposit Protection Agency, Chairman of TMB Bank Public Company Limited, Director of National Credit Bureau, Director and Chairman of the Nomination and Remuneration Committee of Thai Airways Public Company Limited and Director and Chairman of Remuneration Committee of PTT Public Company Limited.

Apart from being Independent Director and Chairman of the Nomination and Remuneration Committee of Asset World Corp Public Company Limited, He also holds key positions in leading organizations including Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee of U City Public Company Limited, Independent Director of WP Energy Public Company Limited, Honorary Advisor of Thailand Swimming Association, Director of North-Chiang Mai University Council, Independent Director, Chairman of the Audit Committee and Chairman of the Corporate Governance Committee of Charoen Pokphand Foods Public Company Limited, Committee of the Foundation of the Institute of Research and Development for Public Enterprises, Independent Director of Berli Jucker Public Company Limited, as well as Director of Prince of Songkla University Council.

### **Mrs. Nuntawan Sakuntanaga**

Independent Director and Chairman of the  
Corporate Governance Committee  
Asset World Corp Public Company Limited



Mrs. Nuntawan Sakuntanaga received a Bachelor of Accountancy in Banking and Finance from Chulalongkorn University, and a Master of Business Administration (Marketing and International Business) from the University of Wisconsin, Madison, US. She also completed the Director Certification Program (DCP), the Audit Committee Program (ACP), and Financial Statements for Directors program (FSD) from the Thai Institute of Directors (IOD).

Previously, she served in many key positions in government sectors, independent state agencies, and state enterprises, for instance, Director of the Thai Securities and Exchange Commission, Member of the Board of Directors of the Office of Insurance Commission, Permanent Secretary of the Ministry of

Commerce, Director and Chairman of Audit Committee of the Dairy Promotion Organization of Thailand, Director-General of the Department of Internal Trade and the Department of Intellectual Property.

Apart from being the Independent Director and Chairman of the Corporate Governance Committee in Asset World Corp Public Company Limited since 2018, She is also Independent Director and Member of the Audit Committee of PTT Public Company Limited, Chairman of the Gems and Jewelry Institute of Thailand (Public Organization), Qualified Director of the Thai Securities and Exchange Commission and Independent Director and Chairman of the Audit Committee of Union Pioneer Public Company Limited



### **Mr. Pongpanu Svetarundra**

Independent Director and Member of the Nomination  
and Remuneration Committee  
Asset World Corp Public Company Limited



Mr. Pongpanu Svetarundra received a Bachelor's Degree in Economics from the University of Auckland, New Zealand, a Master's Degree in Economics from Northwestern University, US, and a Certificate in Advanced Management Program from Harvard Business School as well as Financial Institutions Governance Program (FGP) and Role of Chairman Program (RCP). Adding to the list, he has also finished the Financial Statements for Directors Program (FSD) Program and the Director Certification Program (DCP) from the Thai Institute of Directors (IOD).

In the past, he held various key position in leading organizations, for example, Deputy Permanent Secretary of the Ministry of Finance, Permanent Secretary of the Ministry of Tourism and Sports, Director of Tourism Authority of Thailand and Director of Sports Authority of Thailand, Chairman of Erawan Hotel Public

Company Limited. Furthermore, he was appointed as Director of many organizations such as Mass Rapid Transit Authority of Thailand, Thai Airways International Public Company Limited, Thaisri Insurance Public Company Limited and the Ministry of Tourism and Sports of Thailand.

Currently, apart from serving as Independent Director and Member of the Nomination and Remuneration Committee of Asset World Corp Public Company Limited. He holds the positions of Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee of Crown Seal Public Company Limited, and Chairman, Independent Director and Member of the Audit Committee of Megachem (Thailand) Public Company Limited.

### **Mr. Vachara Tuntariyanond**

Independent Director and Member of the  
Audit Committee  
Asset World Corp Public Company Limited



Mr. Vachara Tuntariyanond received a Master of Science in Management Administration, Northrop University, California, US. In addition to this, He also finished the Corporate Governance for Capital Market Intermediaries Program (CGI), the Audit Committee and Continuing Development Program (ACP), the Monitoring the Quality of Financial Reporting Program (MFR), the Monitoring the Internal Audit Function Program (MIA), the Monitoring Fraud Risk Management Program (MFM), and the Director Certification Program (DCP) from the Thai Institute of Directors (IOD).

He previously served as Chairman of the Executive Committee and Director of Government Savings Bank and Advisor to the Minister of Ministry of Digital Economy and Society. He also held crucial positions in leading organizations including Chairman of the Board of Directors and Independent Director of Nation Multimedia Group Public Company Limited, Independent Director and Member of the Audit Committee of Big C Supercenter Public Company Limited and Independent Director of Hydroquip Company Limited..

Presently, He was appointed as Independent Director and Member of the Audit Committee of Asset World Corp Public Company Limited in 2018. Besides, He is Independent Director, Executive Director and Chairman of Risk Management Committee; Member of the Nomination and Remuneration Committee of Thai Airways Public Company Limited, as well as Commission Member in Finance at the Office of Insurance Commission. He also serves as Member of the Audit Committee and Independent Director of M Pictures Entertainment Public Company Limited, Chairman of the board of director and Member of the Risk Management Committee of Krungthai Asset Management Public Company Limited, Chairman and Independent Director of Eastern Polymer Group Public Company Limited, Advisor of the Fiscal Policy Office of the Ministry of Finance, Advisor of National Power Supply Public Company Limited, Advisor of H Capital Public Company Limited and Director of Double A (1991) Public Company Limited.

### **Associate Prof. Tithiphan Chuerboonchai**

Independent Director, Member of the  
Risk Management Committee and Member of the  
Corporate Governance Committee  
Asset World Corp Public Company Limited



Assoc. Prof. Tithiphan Chuerboonchai graduated with a Bachelor's degree in Laws (First Class Honors) from Chulalongkorn University, a Master of Business Administration from Thammasat University, and a Master of Laws from Harvard Law School, US. He is also a barrister-at-law of the Thai Bar. Additionally, he attended the Risk Management Program for Corporate Leaders (RCL), the Advanced Audit Committee Program (AAP), the Financial Institutions Governance Program (FGP), and the Director Certification Program (DCP) from the Thai Institute of Directors (IOD).

With extensive knowledge and experience in law and educational areas, he held a crucial position such as the Director of Law and Development Research Center as well as Dean of the Faculty of Law and Assistant to the President, Chulalongkorn University while serving as Independent Director and Member of the Audit Committee of Siam City Bank Public Company Limited.

At present, apart from being an Independent Director, Member of the Risk Management Committee, and Member of the Corporate Governance Committee of Asset World Corp Public Company Limited, He is also Independent Director, Chairman of the Audit Committee, Member of the Corporate Governance Committee, and Member of the Risk Management Committee of Frasers Property (Thailand) Public Company Limited. Correspondingly, he is Independent Director, Member of the Audit Committee, and Chairman of the Corporate Governance Committee of Univentures Public Company Limited as well as being Independent Director, Chairman of the Audit Committee and Member of the Nomination Committee of UOB Bank Public Company Limited. Lastly, he also serves as Director of the Property Management Committee and Executive Director of Property Management Office of the Thai Red Cross Society.

**Mr. Santi Pongjareanpit**

Independent Director and Member of the  
Audit Committee  
Asset World Corp Public Company Limited



Mr. Santi Pongjareanpit received a Bachelor of Science in Accountancy from University of Wisconsin-Milwaukee, US, a Bachelor of Commerce and Accountancy from Thammasat University, and a Master's degree in Environmental Economics from Chulalongkorn University. He is also a certified public accountant of the Federation of Accounting Professions of Thailand and the American Institute of Certified Public Accountants, and a Member of the Valuer Association of Thailand. In addition, he also attended the Director Certification Program (DCP) from the Thai Institute of Directors (IOD).

With over 30-years' experience of accounting, he has served as the Audit Partner and Head of China Practice of KPMG Phoomchai Audit Limited. In 2017, he was appointed as Independent Director and Member of the Audit Committee at Stonehenge Inter Company Limited, and Independent Director and Member of the Audit Committee of Begistic Public Company Limited.

Currently, he is the Independent Director and Member of the Audit Committee of Asset World Corp Public Company Limited. He also holds the crucial positions in other enterprises, such as serving as Member of the Accounting Profession Committee on Auditing and Member of the Registration Control Sub-committee at the Federation of Accounting Professions as well as Director of Chaiyaphum Development Company Limited.

# BOARD OF DIRECTORS



**Mr. Charoen Sirivadhanabhakdi**

Chairman of the Board of Director / Chairman of the Executive Committee

**Khunying Wanna Sirivadhanabhakdi**

Vice Chairman of the Board of Directors / Vice Chairman of the Executive Committee

**Mr. Boontuck Wungcharoen**

Director / Vice Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee / Chairman of the Risk Management Committee

**Mr. Sithichai Chaikriangkrai**

Director / Member of the Executive Committee / Member of the Risk Management Committee / Member of the Corporate Governance Committee

**Mr. Weerawong Chittmittrapap**

Director / Member of the Corporate Governance Committee

**Mr. Soammaphat Traisorat**

Director / Vice Chairman of the Executive Committee

**Mrs. Wallapa Traisorat**

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

**Prof. Prasit Kovilaikool**

Independent Director / Chairman of the Audit Committee

**Mr. Rungson Sriworasat**

Independent Director / Chairman of the Nomination and Remuneration Committee

**Mrs. Nuntawan Sakuntanaga**

Independent Director / Chairman of the Corporate Governance Committee

**Mr. Pongpanu Svetarundra**

Independent Director / Member of the Nomination and Remuneration Committee

**Mr. Vachara Tuntariyanond**

Independent Director / Member of the Audit Committee

**Associate Prof. Tithiphan Chuerboonchai**

Independent Director / Member of the Risk Management Committee / Member of the Corporate Governance Committee

**Mr. Santi Pongjareanpit**

Independent Director / Member of the Audit Committee



# Sub-Committee

## Audit Committee



**Prof. Prasit Kovilaikool**  
Chairman of the Audit Committee /  
Independent Director



**Mr. Vachara Tuntariyanond**  
Member of the Audit Committee /  
Independent Director



**Mr. Santi Pongjareanpit**  
Member of the Audit Committee /  
Independent Director

## Executive Committee



**Mr. Charoen Sirivadhanabhakdi**  
Chairman of the Executive Committee



**Khunying Wanna Sirivadhanabhakdi**  
Vice Chairman of the Executive  
Committee



**Mr. Boontuck Wungcharoen**  
Vice Chairman of the  
Executive Committee



**Mr. Soammaphat Traisorat**  
Vice Chairman of the Executive Committee



**Mr. Sithichai Chaikriangkrai**  
Member of the Executive Committee



**Mrs. Wallapa Traisorat**  
Member of the Executive Committee

## Nomination and Remuneration Committee



**Mr. Rungson Sriworasat**  
Chairman of the Nomination and  
Remuneration Committee /  
Independent Director



**Mr. Pongpanu Svetarundra**  
Member of the Nomination and  
Remuneration Committee /  
Independent Director



**Mr. Boontuck Wungcharoen**  
Member of the Nomination and  
Remuneration Committee

## Risk Management Committee



**Mr. Boontuck Wungcharoen**  
Chairman of the  
Risk Management Committee



**Mr. Sithichai Chaikriangkrai**  
Member of the  
Risk Management Committee



**Associate Prof. Tithiphan Chuerboonchai**  
Member of the  
Risk Management Committee /  
Independent Director



**Mrs. Wallapa Traisorat**  
Member of the  
Risk Management Committee

## Corporate Governance Committee



**Mrs. Nuntawan Sakuntanaga**  
Chairman of the Corporate Governance  
Committee / Independent Director



**Mr. Sithichai Chaikriangkrai**  
Member of the Corporate Governance  
Committee



**Mr. Weerawong Chittmittrapap**  
Member of the Corporate Governance  
Committee



**Associate Prof. Tithiphan Chuerboonchai**  
Member of the Corporate Governance  
Committee / Independent Director

# MANAGEMENT TEAM

As of 31 December 2019, the company's management are as follows:

Name	Position
1. Mrs. Wallapa Traisorat	Chief Executive Officer and President
2. Mr. Stephan Louis N. Vanden Auweele	Chief Hospitality Group Officer
3. Mr. Lim Wie Shan <sup>(1)</sup>	Chief Retail and Commercial Group Officer
4. Dr. Karn Pratedwannahakij	Chief Financial Officer
5. Dr. Paitoon Wongsasutthikul	Chief Investment Officer
6. Mr. Aegatip Rattana-ari <sup>(2)</sup>	Chief Corporate Officer
7. Miss Suganya Wiwitwanit	Chief People Officer
8. Mrs. Eriko Yokoyama <sup>(3)</sup>	Chief Marketing and Branding Officer
9. Mr. Heng Boon Chin	Chief Project Development Officer
10. Mrs. Arunrung Tankiatichai <sup>(5)</sup>	Head of Accounting
11. Mr. Sarawut Lelakulwaj <sup>(5)</sup>	Head of Treasury Services

Remark:

- (1) Mr. Lim Wie Shan resigned on January 10, 2020. The Board of Directors has approved the appointment of Miss Daphne Yuan as Chief Retail and Commercial Group Officer, effective January 10, 2020.
- (2) Mr. Aegatip Rattana-ari resigned on January 3, 2020. The Board of Directors has approved the appointment of Dr. Siwate Rojanasoonthon as Chief Corporate Officer, effective January 10, 2020
- (3) Mrs. Eriko Yokoyama resigned on February 14, 2020. The Board of Directors has approved the appointment of Mrs. Somrasa Pongpermpuek as Chief Marketing and Branding Officer, effective February 14, 2020
- (4) Dr. Karn Pratedwannahakij has been appointed Acting Head of Investor Relations, effective January 1, 2020.
- (5) Profile information on Annual Registration Statement Form. 56-1



**Mrs. Wallapa Traisorat**

Chief Executive Officer and President  
Asset World Corp Public Company Limited

Mrs. Wallapa Traisorat holds a Bachelor of Architecture (with Distinction) from Silpakorn University, a Master of Philosophy in Land Economy from University of Cambridge and a Master's Degree in Regional and Urban Planning from the London School of Economics and Political Science (LSE), UK, Director Certification Program (DCP), Class 269/2019 and Director Diploma Examination (DDE), Class 63/2019 from Thai Institute of Directors (IOD)

She is well-known in Real Estate and Hospitality Industry and contributes as Director of Thai Real Estate Association as well as Executive Director of Cambridge Society Thailand. She has gained more than 20 years of extensive experience in management, planning, business analysis and strategy related to real estate and investment though working at several of internationally renowned companies including Merrill Lynch (Asia Pacific) Limited, Sotheby's (London), TCC Land and TCC Holding Company Limited.



**Mr. Stephan Louis N. Vanden Auweele**

Chief Hospitality Group Officer  
Asset World Corp Public  
Company Limited

Mr. Stephan Louis N. Vanden Auweele holds a Bachelor's degree in hospitality from the prestigious Erasmus Institute, Diplomas in Management from the renowned INSEAD University, Director Certification Program (DCP), Class 274/2019 and Director Diploma Examination (DDE), Class 72/2019 from Thai Institute of Directors (IOD). He has lectured at major hotel events and regularly contributes to hospitality trade publications

He has more than 30 years of hospitality experience includes several hotel openings, re-positionings and brand launches across Asia, Europe and the Middle East including Area Manager for Marriott International in Dubai & Northern Emirates.



**Ms. Daphne Yuan**

Chief Retail and Commercial Group Officer  
Asset World Corp  
Public Company Limited

Ms. Daphne Yuan holds a Diploma in Business Management from Temasek Polytechnic in Singapore, and a Bachelor's Degree in Commerce (Tourism Management) from Curtin University of Technology, Australia.

She has more than 20 year-experience in various business operations including hotel, residential, and commercial properties operations and asset management, project management, and corporate office organizational processes from leading organizations including General Director at SAS-CTAMAD Co., Ltd., Chief Executive Officer – Hospitality – for Myanmar Strategic Holdings in Myanmar, Vice President Asset Management & Operations at TCC Land Asset World Co., Ltd, General Manager at Mercure Koh Chang Hideaway Resort, and General Manager at the Imperial Hotels & Resorts.





**Dr. Karn Pratedwannakij**  
Chief Financial Officer  
Asset World Corp  
Public Company Limited

Dr. Karn Pratedwannakij holds a Bachelor of Business Administration (Finance) with the First-Class Honor from Thammasat University, a Master of Business Administration focusing on Venture Capital Management and a Doctoral Degree of Philosophy from Waseda University, Tokyo, Japan.

He has more than 10 years of professional experiences in Real Estate, Finance, and Banking with leading local and international organizations in Thailand, Japan, and Myanmar. He took many key roles including Chief Financial Officer/ Financial Controller at King Wai Group (Thailand) Public Company Limited, and Acting Head of Global Corporate Banking at the Bank of Tokyo-Mitsubishi UFJ, Limited (Yanong).



**Dr. Paitoon Wongsasutthikul**  
Chief Investment Officer  
Asset World Corp  
Public Company Limited

Dr. Paitoon Wongsasutthikul holds a Bachelor's Degree in Mechanical Engineering from Sirindhorn International Institute of Technology, Thammasat University, a Master's Degree in Management Science and Engineering from Stanford University and a Doctoral Degree in Applied Economics and Management from Cornell University, United States.

With the expertise and experience in financial market and investment management, he brought with him more than 15 years of experience from leading international organizations. Before joining Asset World Corp Public Company Limited, he was Director at Nomura Wealth Management Asia ex-Japan based in Singapore. Prior to that, he took on various senior management positions that include the role of Member of the Board of Directors at the Agricultural Futures Exchange of Thailand, Advisor to the Board of Directors at Thai Rubber Latex Group Plc, Managing Director at Agrowealth Co., Ltd, Assistant Director at ABN AMRO Bank in Singapore, and in Hong Kong as Equity Derivatives and Structured Products Sales.



**Dr. Siwate Rojanasoonthon**  
Chief Corporate Officer  
Asset World Corp  
Public Company Limited

Dr. Siwate Rojanasoonthon holds a Bachelor's Degree in Mechanical Engineering from Chulalongkorn University, a Master's Degree in Industrial Engineering from Texas Tech University, and a Doctoral Degree in Operations Research and Industrial Engineering from the University of Texas at Austin, United States.

He has deep expertise in various business operations including Business Process Management and Digital Transformation, Operations Excellence, Strategy and Performance Management, Logistic and Supply Chain Management, and Technology Development and implementation. He has more than 22 years of experience from leading organizations including Executive Vice President – Head of Business Process Planning and Management at Bank of Ayudhya, First Senior Vice President – Head of Process Transformation at Siam Commercial Bank, and Deputy Managing Director of Business and Technology Development (CIO) at TMB Asset Management.



**Ms. Suganya Wiwitwanit**  
Chief People Officer  
Asset World Corp  
Public Company Limited

Ms. Suganya Wiwitwanit holds a Bachelor's Degree in Political Science (International Relations) from Chulalongkorn University and a Master's Degree in Business Administration (English Program) from The University of The Thai Chamber of Commerce. She completed Diversity Management Certification Program from University of Houston, Texas, United States and Director Certification Program (DCP), Class 281/2019 from Thai Institute of Director (IOD).

She has 29 years of experience and expertise in HR, marketing communications, and administration management with leading MNCs in FMCG, Packaging, Healthcare, IT, Wire & Cable, Hospitality and Jewelry businesses. She previously served in various vital HR leadership positions including Director, HRBP and Communication at Pandora Production Co., Ltd., Senior Vice President of Human Resources at ONYX Hospitality Group, Regional Head of HR Asia-Pacific at General Cable Asia Pacific and Middle East Co., Ltd., Regional HR and Communication Director, Amcor Flexibles Asia Pacific, HR Director at Wyeth (Thailand) Ltd., HR Manager of L'Oréal Thailand Limited, and HR Manager at Oracle Corporation (Thailand) Co. Ltd.



**Mrs. Somrasa Pongpermpuek**  
Chief Marketing and Branding Officer  
Asset World Corp  
Public Company Limited

Mrs. Somrasa Pongpermpuek holds a Bachelor of Arts in English from Thammasat University (First Honors), and a Master of Arts in Education from University of Kansas, United States.

She has more than 25 years of work-experience in leading local and international organizations including Vice President of Corporate Communication and Branding at PTT Global Chemical Public Company Limited (PTTGC), Head of Corporate Affairs at GlaxoSmithKline (Thailand) Ltd., Public Affairs Senior Manager at Pfizer (Thailand) Ltd., Corporate Affairs Manager, Wyeth (Thailand) Ltd., Public Communication and Relations Director at Diageo (Thailand) Ltd., Government Relation & Public Affairs Manager, Chevron Offshore (Thailand) Ltd., and Public Affairs Advisor at Star Petroleum Refining Company.



**Mr. Heng Boon Chin**  
Chief Project Development Officer  
Asset World Corp  
Public Company Limited

Mr. Heng Boon Chin holds a Bachelor of Engineering (Mechanical), Technology University of Malaysia, a Master of Business Administration, Assumption University and Director Certification Program (DCP), Class 284/2019 from Thai Institute of Director (IOD).

He has more than 23 years of work-experience in Real Estate Industry and has joined TCC Capital Land/ Asset World Corporation since 2005, responsible for Project Development, Cost and Contract, Design Management, Construction Management and Property Management. He previously served in various vital positions including Senior Vice President – Project Development and Cost & Contract at Asset World Corp Public Company Limited, General Manager and Director at Times Engineering System Co. Ltd., Thailand, Site Manager at Regelung Automation (SEA) Sdn. Bhd., Malaysia and Project Engineer at SBC Design and Engineering Sdn. Bhd., Malaysia.

# MANAGEMENT STRUCTURE

The Board structures comprises of the Board of Directors and five committees namely; the details are as follows:

- (1) Audit Committee
- (2) Executive Committee
- (3) Nomination and Remuneration Committee
- (4) Risk Management Committee
- (5) Corporate Governance Committee

## Board of Directors

As of December 31, 2019, the Board of Directors comprises of 14 directors, 13 of which are non-executive with the proportion exceeding half of the Board. The composition of the Board is as follows:

Name	Position
1. Mr. Charoen Sirivadhanabhakdi	Chairman of the Board of Director / Chairman of the Executive Committee
2. Khunying Wanna Sirivadhanabhakdi	Vice Chairman of the Board of Directors / Vice Chairman of the Executive Committee
3. Mr. Boontuck Wungcharoen	Director / Vice Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee / Chairman of the Risk Management Committee /
4. Mr. Sithichai Chaikriangkrai	Director / Member of the Executive Committee / Member of the Risk Management Committee / Member of the Corporate Governance Committee
5. Mr. Weerawong Chittmittrapap	Director / Member of the Corporate Governance Committee
6. Mr. Soammaphat Traisorat	Director / Vice Chairman of the Executive Committee
7. Mrs. Wallapa Traisorat	Director / Member of the Executive Committee / Member of the Risk Management Committee
8. Prof. Prasit Kovilaikool	Independent Director / Chairman of the Audit Committee
9. Mr. Rungson Sriworasat	Independent Director / Chairman of the Nomination and Remuneration Committee
10. Mrs. Nuntawan Sakuntanaga	Independent Director / Chairman of the Corporate Governance Committee
11. Mr. Pongpanu Svetarundra	Independent Director / Member of the Nomination and Remuneration Committee
12. Mr. Vachara Tuntariyanond	Independent Director / Member of the Audit Committee
13. Associate Prof. Tithiphan Chuerboonchai	Independent Director / Member of the Risk Management Committee / Member of the Corporate Governance Committee
14. Mr. Santi Pongjareanpit	Independent Director / Member of the Audit Committee

Ms. Duangporn Kijlertbunjong serves as Secretary to the Board of Directors.

### Authorized Directors

"Mr. Charoen Sirivadhanabhakdi, Khunying Wanna Sirivadhanabhakdi, Mr. Sithichai Chaikriangkrai, Mr. Soammaphat Traisorat, and Mrs. Wallapa Traisorat, any two of these five directors can jointly sign to bind the Company, with the Company seal affixed.

#### **Authorities, Duties and Responsibilities of the Board of Directors**

- (1) To perform duties with responsibility, duty of care, and duty of loyalty, as well as to ensure that the operations of the Company and its subsidiaries are in compliance with the law, their objectives, Articles of Association, resolutions of the Board of Directors' meetings and resolutions of the meetings of shareholders.
- (2) To ensure that the Company and its subsidiaries comply with all such laws relating to the business operations of the Company and its subsidiaries including the law on anti-bribery and the law on anti-fraud and anti-corruption.
- (3) To put in place a written policy for good corporate governance and effectively implement such policy to ensure that the Company is fairly accountable for all of its related parties.
- (4) To determine the vision, mission and business policies including primary goals of the Company and its subsidiaries for sustainability, as well as to consider and approve policies and operational directions proposed by the executive and to supervise and ensure that the executive adheres to such vision, mission, policies, strategies and financial goals, with the objective to achieve the economic value for the shareholders, while also taking into consideration all relevant stakeholders.
- (5) To oversee that the preparation of strategies, annual work plans and annual budgets of the Company and its subsidiaries is in line with the primary objectives and goals of the Company, to encourage preparation or revision of business objectives, goals and strategies in the medium-term, ranging from three to five years, as well as to encourage the implementation of innovation and technology appropriately and safely, and to oversee the information technology matters.
- (6) To ensure that the monitoring and supervision of resources, management, and administration of the executive are effectively carried out in accordance with the defined policies, work plans and budgets.
- (7) To continuously monitor the operating results, financial positions, and sufficiency of financial liquidity and affordability ratios of the Company and its subsidiaries to be in compliance with relevant business plans and budgets.
- (8) To oversee the preparation of the financial statements of the Company and its subsidiaries at the end of each accounting period to be proposed to the annual general meeting of shareholders for consideration and approval.
- (9) To oversee the preparation of the annual report and to be responsible for the preparation and the disclosure of consolidated financial statements of the Company in order to present information on financial position and operating results of the Company and its subsidiaries in the previous year, and propose that same to the meeting of shareholders for consideration and approval.
- (10) To hold an annual general meeting of shareholders within four months after the end of an annual accounting period of the Company.
- (11) To consider any persons who are qualified and possess no prohibited characteristics under the Public Limited Company Act, B.E. 2535 (as amended), the Securities and Exchange Act, B.E. 2535 (as amended), including the relevant notifications, regulations and/or rules in order to be approved and appointed to hold office as new directors in place of existing directors whose office become vacant due to any reasons other than retirement by rotation; or to propose to the meeting of shareholders to consider and approve the appointment of directors who retire by rotation; and to determine remuneration for directors as proposed by the Nomination and Remuneration Committee, to be proposed to the meeting of shareholders for consideration and approval.
- (12) To consider, appoint or amend the composition of sub-committees including the Executive Committee, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Corporate Governance Committee in order to assist and support the performance of duties of the Board of Directors as it deems appropriate, and to consider and determine remuneration for sub-committees (not exceeding the amount approved by the meeting of shareholders).
- (13) To consider, determine and change the authorized directors.
- (14) To consider and appoint persons to hold office as directors or executives of subsidiaries in a number of at least in proportion to the Company's shareholding percentage in such subsidiaries and to determine clear scope of duties and responsibilities of the appointed directors and executives of subsidiaries. This includes the determination of clear scope of authorities for directors and executives with respect to their vote casting in the Board of Directors' meetings of subsidiaries on important matters which require prior approval from the Board of Directors in order to ensure that the management is in accordance with the Company's policies and to enter into of transactions in compliance with the law, including accurate disclosure of information on financial position, operating results, related party transactions and acquisition or disposal of material assets.

- (15) The Board of Directors may authorize and/or delegate other persons to perform specific tasks on its behalf. Such authorization or sub-authorization of power shall be within the scope of powers under the relevant power of attorney and/or in accordance with the rules, regulations or instructions of the company or determined by the Board of Directors.

In this regard, the authorization of duties and responsibilities of the Board of Directors shall not result in the authorization or sub-authorization which allows the Board of Directors and/or SET and/or its authorized persons to consider and approve transactions in which they or persons with possible conflicts of interest (as defined under the notification of SEC and/or the notifications of the Capital Market Supervisory Board and/or SET and/or relevant regulatory authorities), may have interests, or may receive any benefit in any way, or may have such other conflicts of interest with the Company or its subsidiaries. An exception is in the case where the approval is for transactions that are in compliance with the policies and requirements considered and approved by the meeting of shareholders or the Board of Directors of the Company, which are for the ordinary course of business and based on general trade conditions in compliance with the notifications of the Securities and Exchange Commission and/or the notifications of the Capital Market Supervisory Board and/or SET and/or relevant regulatory authorities.

- (16) To consider and determine the organizational structure and management structure.
- (17) To consider and appoint the Company Secretary who possesses knowledge and experience necessary and appropriate to support the operation of the Board of Directors, as well as to determine the scope of duties and responsibilities of the Company Secretary.
- (18) To consider and appoint the Chief Executive Officer and President as proposed by the Nomination and Remuneration Committee, and to carry out performance assessment of and to determine remuneration for the Chief Executive Officer and President.
- (19) To consider and approve the nomination and selection of auditors for the Company and its subsidiaries and to determine the appropriate remuneration before proposing the matter to the annual general meeting of shareholders for consideration and approval.

- (20) To ensure that the Company and its subsidiaries maintain an appropriate and efficient accounting system, reliable financial reports and audits, including sufficient and effective internal control and internal audit systems, as well as to regularly carry out an assessment of the appropriateness of the internal control system of the Company and its subsidiaries.

- (21) To consider and approve the risk management policy and the internal control policy that are appropriate and in line with the objectives, primary goals and strategies and cover the whole organization, and to ensure that risk management procedures are put in place to appropriately mitigate impacts on the business of the Company and its subsidiaries, as well as to follow up on the performance results thereof.

- (22) To consider and approve the entering into of connected transactions between the Company, its subsidiaries and connected persons in accordance with the provisions of the Securities and Exchange Act, B.E. 2535 (as amended) including relevant rules and regulations of SET and SEC, and to consider and approve the principle of arm's length basis for transactions between the Company and its subsidiaries with directors, executives or related persons to provide a framework within which the management team has the authorities to enter into this type of transaction within the framework and scope of the relevant laws and regulations.

- (23) To supervise the management and operations of the Company and its subsidiaries to ensure their compliance with policies of the Company, securities law including relevant notifications and regulations of the Capital Market Supervisory Board, SEC and SET e.g. the entering into of connected transactions, acquisition and disposal of material assets so far as they are not contradictory to or inconsistent with other laws, and to put in place sufficient and appropriate internal controls and an internal audit system.

- (24) To consider and approve the payment of interim dividends to shareholders when the Board of Directors deems that there are sufficient profits to carry out such payment of interim dividends and to report the interim dividend payment to the next meeting of shareholders.

- (25) To ensure that the Company discloses appropriate information to the stakeholders, persons with a conflict of interest, and related persons in an accurate, complete, appropriate, and timely manner.



- (26) To seek professional opinions from third parties when they are necessary for the Board of Directors to support an appropriate decision.
- (27) To ensure that the Company puts in place a clear policy and guidelines on receipt of complaint in the case of whistleblowing by determining the Company to prepare and improve the whistleblower policy to be in line with the relevant rules and regulations and circumstances which change from time to time.
- (28) To ensure that the management team of the Company provides persons who are responsible for investor relations to appropriately perform the duties of communicating with each group of shareholders and other stakeholders such as investors and analysts.
- (29) To review and revise the Board of Directors Charter at least once a year.

**Authorities, Duties and Responsibilities of the Board of Directors in respect of the Grant of Right Agreement dated June 7, 2019 and as amended (“Grant of Right Agreement”)**

1. Consider and approve an exercise or refusal to exercise the rights under the Grant of Right Agreement, the agenda must be approved by more than half of the total number of the independent directors; all independent directors must participate in the meeting where the aforementioned agenda takes place. In addition, if any independent director cannot attend the meeting in which the agenda regarding the exercise or refusal to exercise the rights under the Grant of Right Agreement is to be discussed in person, such independent director may attend and cast his vote via electronic means, whether inside or outside of Thailand. Such independent director shall ratify the minutes afterward.
2. Ensure that the Company discloses information regarding all instances of the exercise or refusal to exercise the rights under the Grant of Right Agreement via SET's SET Portal system, the Annual Registration Statement and the Annual Report. The Company must disclose information regarding the consideration amount pursuant to the Grant of Right Agreement, the number of times the right was exercised, the number of times the Company refused to exercise its rights, details of properties and type of exercise as well as the opinions of the Management Committee, the Executive Committee, the Audit Committee and the Board of Directors regarding the exercise or refusal to exercise the rights under the Grant of Right Agreement together with the date and number of meetings of the Executive Committee, the Audit Committee and the Board of Directors.
3. Ensure that the Company discloses information regarding the relevant duties and responsibilities of the Board of Directors' in relation to the proceedings under the Grant of Right Agreement in the Annual Registration Statement and the Annual Report.

## Audit Committee

The Audit Committee comprises 3 members. The composition of the Audit Committee is as follows:

Name	Position
1. Prof. Prasit Kovilaikool	Chairman of the Audit Committee / Independent Director
2. Mr. Vachara Tuntariyanond	Member of the Audit Committee / Independent Director
3. Mr. Santi Pongjareanpit	Member of the Audit Committee / Independent Director

Mr. Natthaphat Mongkonthananon serves as secretary to the Audit Committee.

### Authorities, Duties and Responsibilities of the Audit Committee

- (1) To review and approve the Internal Audit Office Charter and to review the suitability of such charter at least once a year.
- (2) To review and ensure that the Company and its subsidiaries report financial information which is accurate, reliable and sufficient in accordance with financial reporting standards, by coordinating with external auditors and the executives who responsible for the preparation of the financial statements. The Audit Committee may advise the auditor to review or audit any matters deemed to be significant and necessary, during the audit of the Company and its subsidiaries.
- (3) To review and ensure that the Company and its subsidiaries have put in place an internal control and internal audit systems which are suitable and efficient and to consider the independence of the Internal Audit Office with regard to the approval of the appointment, relocation or termination of the head of internal audit, or such other work units responsible for internal audit function.
- (4) To review the risk management system to ensure that it is strict, suitable and efficient and that there are suitable and sufficient controls to prevent possible corruption.
- (5) To review the performance of the Company to ensure the compliance with the securities law, the SET's requirements and other laws relevant to the business of the Company.
- (6) To consider, select and nominate persons who are independent to perform the duties of auditors of the Company and to propose the auditor's remuneration for such persons, as well as to attend at least one meeting a year with the auditors without the management team in attendance.
- (7) To consider connected transactions or transactions which could give rise to conflicts of interest in order to ensure the compliance with the law and SET's requirements as well as to ensure that the transactions are reasonable and for the best interests of the Company.
- (8) To prepare a report of the Audit Committee to be disclosed in the annual report of the Company, signed by the Chairman of the Audit Committee and consisting of at least the following information:
  - a) Opinion on the accuracy, completeness and reliability of the financial reports of the Company;
  - b) Opinion on the sufficiency of the internal control system of the Company;
  - c) Opinion on the compliance with the securities law, SET requirements and other laws relevant to the business of the Company;
  - d) Opinion on the suitability of the auditors;
  - e) Opinion on transactions with possible conflicts of interest;
  - f) Number of meetings of the Audit Committee and attendance of each member of the Audit Committee;
  - g) Opinion or overall observation of the Audit Committee in its performance of duties under the Charter;
  - h) Such other information deemed necessary for shareholders and investors subject to the scope of duties and responsibilities assigned by the Board of Directors.
- (9) To review and express an opinion on the internal audit plan and the performance of duties of the Internal Audit Office;

- (10) In performing the duties and responsibilities within its scope, the Audit Committee has the authority to invite the relevant management team, executives or employees of the Company to express their opinion, attend meetings or submit documents as considered necessary.
- (11) In performing the duties of the Audit Committee, if it is found or suspected that any of the following transactions or acts may result in a material impact on the financial position and operating results of the Company, the Audit Committee shall report the same to the Board of Directors to ensure that appropriate actions can be taken to remedy the situation within the period of time that the Audit Committee considers appropriate:
- a) Any transactions that may cause conflicts of interest;
  - b) Any material fraud, irregularity or deficiency of the internal control system; or
  - c) Any violation of the law on securities or the stock market, SET's requirements or other laws relating to the business of the Company.

If the Board of Directors or the executives do not implement the remedy within the period specified above, any member of the Audit Committee may report the matter to SEC or to the SET;

- (12) To consider, review and revise the Audit Committee Charter at least once a year and to propose revisions to the Board of Directors for consideration and approval.
- (13) To perform other tasks as may be assigned by the Board of Directors, with the consent of the Audit Committee.

In performing the above duties, the Audit Committee shall be directly accountable to the Board of Directors and the Board of Directors shall remain accountable to third parties for the operations of the Company. The Board of Directors shall have the authority to vary and amend the definition and qualifications of independent directors and the Audit Committee Charter to correspond with the responsibilities of the Audit Committee in accordance with the requirements of SEC, the SET, the Capital Market Supervisory Board and/or provisions of other relevant laws.

**Authorities, Duties and Responsibilities of the Audit Committee in respect of the Grant of Right Agreement dated June 7, 2019 and as amended ("Grant of Right Agreement")**

1. To provide opinion for the exercise or refusal to exercise the rights under the Grant of Right Agreement prior to the proposal of such agenda to the Board of Directors for consideration and approval. If there is an exercise of rights under the Grant of Right Agreement, the Audit Committee has the duty to provide an opinion in relation to an entry of a transaction under the Grant of Right Agreement on the issues of conflicts of interest, necessity and reasonableness of the price and conditions for the entry of a related party transaction as proposed shall be considered a third party transaction (arm's-length basis) pursuant to the regulations of the Thai SEC or the SET in relation to the related party transaction; and
2. To ensure that the Internal Audit Department monitors the Management Committee in sampling of the assets under the Grant of Right Agreement and reports the results to the Audit Committee regularly at least once a year.

## Executive Committee

The Executive Committee comprises 6 members. The composition of the Executive Committee is as follows:

Name	Position
1. Mr. Charoen Sirivadhanabhakdi	Chairman of the Executive Committee
2. Khunying Wanna Sirivadhanabhakdi	Vice Chairman of the Executive Committee
3. Mr. Boontuck Wungcharoen	Vice Chairman of the Executive Committee
4. Mr. Soammaphat Traisorat	Vice Chairman of the Executive Committee
5. Mr. Sithichai Chaikriangkrai	Member of the Executive Committee
6. Mrs. Wallapa Traisorat	Member of the Executive Committee

Ms. Duangporn Kijlertbunjong serves as secretary to the Executive Committee.

### Authorities, Duties and Responsibilities of the Executive Committee

- (1) To carry out and manage the businesses of the Company and its subsidiaries in accordance with the objectives, Articles of Association, policies, rules, regulations, orders and resolutions of the Board of Directors meetings.
- (2) To consider and prepare policies, directions, business strategies, work plans, financial targets, annual budgets and the scope of power to manage businesses of the Company and its subsidiaries in conjunction with the executive in order to propose the matters to the Board of Directors for approval.
- (3) To monitor and supervise the business operations of the Company and its subsidiaries to be in compliance with the policies, directions and business strategies, work plans, financial targets and annual budgets approved by the Board of Directors and to be efficient and contribute to the nature of business, and to advise senior executives on management matters.
- (4) To consider and approve the business operation that is conducted within the normal course of business of the Company, based on investment budgets or budgets approved by the Board of Directors, the limits for each transaction shall be as prescribed under the Table of Authority approved by the Board of Directors, and to enter into agreements related to such course.
- (5) To study the feasibility of new investment projects and to have the authority to consider and approve the Company and its subsidiaries to invest in or enter into joint investments with any individuals, juristic persons or such other business entities in a form deemed appropriate by the Executive Committee for the purpose of complying with the objectives of the Company and its subsidiaries, as well as to consider and approve payments for the purpose of such investments,
- (6) to enter into agreements and/or to carry out any relevant acts until completion within the budget limit prescribed under the Table of Authority approved by the Board of Directors and/or in accordance with the relevant laws and regulations and/or the Articles of Association of the Company and its subsidiaries.
- (7) To follow up on the operating results and progress of the investment projects of each business and to report the results and problems or obstacles encountered, together with guidelines on improvements to the Board of Directors.
- (8) To consider profits and losses of the Company and its subsidiaries and to advise on dividend payments to be proposed to the Board of Directors.
- (9) To consider and approve the entering into of financial transactions with financial institutions for with respect to the securing of loans, credits, pledges, mortgages, guaranteed or otherwise, including trading and registration of land ownership, in accordance with the objectives, for the purpose of business interests of the Company and its subsidiaries, as well as the entering into agreements, submission of applications and offers, making contacts or entering into legal acts with government agencies to obtain rights for the Company and its subsidiaries and/or to carry out such other acts relating to such matters until completion, within the budget limit prescribed under the Table of Authority approved by the Board of Directors, and/or in accordance with the relevant laws and regulations and/or the Articles of Association of the Company and its subsidiaries.
- (10) To approve the appointment of management committees to support the functions of the Executive Committee. For this purpose, the management committees shall have the authorities, duties and responsibilities as provided under the charter of the management committees.

- (10) To approve the incorporation of subsidiaries, capital increases or decreases in the subsidiaries, shareholder restructuring within subsidiaries group and entering into transactions by subsidiaries in accordance with the resolutions of the Board of Directors.
  - (11) To approve the appointment of a delegated person who has qualifications approved by the Board of Directors be a director and/or a member of sub-committees in subsidiaries, in accordance with the law and resolutions of the Board of Directors.
  - (12) To consider and approve rules, regulations, management policies and business operations of the Company and its subsidiaries or to take such other actions to bind the Company and its subsidiaries in accordance with the limits provided in the Table of Authority approved by the Board of Directors.
  - (13) To determine efficient organizational structure and management structure and to propose the same to the Board of Directors for approval.
  - (14) To consider and approve employment, terminations, promotions, disciplinary actions, relocations, adjustments to salary ranking or adjustments to salary rates, as well as to consider such other merits of employees, to the extent that these are outside the scope of authorities of the Nomination and Remuneration Committee. The Executive Committee shall authorize the Chief Executive Officer and President to consider and approve within the budgets approved by the Board of Directors.
  - (15) To supervise, monitor and approve matters relating to the business operations of the Company and to appoint and/or delegate any person or persons to carry out any act within the scope of authorities of the Executive Committee or as the Executive Committee may consider appropriate and within the period that the Executive Committee may consider appropriate. The Executive Committee may cancel, change or amend such authorization as appropriate.
- regulatory authorities). An exception is in cases where the approval is for transactions that are in compliance with the policies and requirements considered and approved by the meeting of shareholders or the Board of Directors of the Company, which are within the ordinary course of business and based on general trade conditions, in compliance with the notifications of the Securities and Exchange Commission and/or the notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or the relevant regulatory authorities.
- (16) To prepare the Executive Committee's operating result report, signed by the Chairman of the Executive Committee, to be disclosed in an annual report in accordance with the principles of good corporate governance.
  - (17) To ensure that the executives, the management team and employees attend the meetings of the Executive Committee or prepare and provide information about the matters to be discussed at the meetings of the Executive Committee.
  - (18) To have the duties and responsibilities as may be assigned or in accordance with the policies approved the Board of Directors, from time to time.
  - (19) To seek advisers or persons who have independent opinions to provide recommendations as may be necessary.
  - (20) To consider, review and revise the Executive Committee Charter at least once a year and to propose the same to the Board of Directors for consideration and approval.
  - (21) To perform other tasks as may be assigned by the Board of Directors, with the consent of the Executive Committee.
- Duties and Responsibilities in respect of the Grant of Right Agreement dated June 7, 2019 and as amended ("Grant of Right Agreement")**
1. To acknowledge the List of Potential Assets as proposed by the Management Committee;
  2. To provide an opinion on the feasibility and appropriateness of investment for exercising or refusing to exercise the rights under the Grant of Right Agreement (as proposed by the Management Committee) and to propose the same to the Audit Committee and provide the opinion prior to proposal to the Board of Directors for its consideration and approval, with supporting information as the Executive Committee sees appropriate, and as required by law, e.g., the feasibility of the project, price, sources of funds and other information which the Executive Committee may delegate the Management Committee to prepare as deemed appropriate.

In this regard, the authorization of duties and responsibilities of the Executive Committee shall not result in authorization or sub-authorization which allows the Executive Committee and/or its authorized persons to consider and approve transactions in which they or persons with possible conflicts of interest may have conflicts of interest or may benefit in any way or may have such other conflicts of interest with the Company or its subsidiaries (as defined under the notification of the Securities and Exchange Commission and/or the notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or the relevant



## Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 3 members. The composition of the Nomination and Remuneration Committee is as follows:

Name	Position
1. Mr. Rungson Sriworasat	Chairman of the Nomination and Remuneration Committee / Independent Director
2. Mr. Pongpanu Svetarundra	Member of the Nomination and Remuneration Committee / Independent Director
3. Mr. Boontuck Wungcharoen	Member of the Nomination and Remuneration Committee

Ms. Suganya Wiwitwanit serves as secretary to the Nomination and Remuneration Committee.

### Authorities, Duties and Responsibilities of the Nomination and Remuneration Committee

#### Scope, duties and responsibilities in respect of the selection and nomination of directors, Chief Executive Officer, President and senior executives:

- 1) To consider and propose the structure, composition and qualifications of the Board of Directors and sub-committees.
- 2) To consider criteria and procedures for selection and nomination of suitable candidates to serve as directors and members of sub-committees, the Chief Executive Officer, President and senior executives, upon expiration of term of office, or when the positions become vacant or such other executive positions as the Board of Directors may assign and to propose the same to the Board of Directors in order to be proposed to the Board of Directors meeting and/or a meeting of shareholders (as the case may be).
- 3) To monitor and supervise the selection of directors, and senior executives of all lines of business within the organization, and to develop trust within the organization that succession plans for senior executives, executives in significant positions and the list of persons qualified to succeed the positions will be regularly considered and reviewed.
- 4) To consider and determine criteria for the assessment of performance and to carry out performance assessment of directors, members of sub-committees, the Chief Executive Officer and President in order to review their performance and the problems and obstacles encountered each year, so that the results of the assessment can be used in developing

and improving each stream of work, and to propose the same to the Board of Directors for further consideration, as well as to prepare a knowledge development programme for directors in order to improve the knowledge of the existing directors and the new directors with regard to the business and their roles and duties as directors.

#### Scope, duties and responsibilities in respect of the determination of remuneration of directors, Chief Executive Officer, President and senior executives:

- 1) To consider and propose monetary remuneration and non-monetary remuneration of the Board of Directors, sub-committees, Chief Executive Officer, President and senior executives, including such other benefits to be appropriate which include the remuneration at a fixed rate (such as regular remuneration and meeting allowances) and the remuneration based on the operating results of the Company (such as bonus and commission), to be in line with the long-term strategies and goals of the Company and commensurate with experience, duties and scope of roles and responsibilities, as well as the benefits expected from members of each committee. The remuneration for directors shall be comparable to the industry standard and shall be proposed to the Board of Directors meeting and/or meeting of shareholders (as the case may be).
- 2) To disclose the policy and criteria used in determination of remuneration of directors, which reflect the duties and responsibilities of each director, including the forms and amount of remuneration. The amount of remuneration that is disclosed shall also include remuneration received by such directors for their directorships in subsidiaries.

- 3) To consider the conditions relating to the offering of newly issued securities or warrants to purchase shares issued to directors and employees, in order to create additional value for shareholders in the long-run and to recruit personnel who are truly qualified, as well as to provide fairness to the shareholders.
- (4) To consider, review and revise the Nomination and Remuneration Committee Charter at least once a year and to propose the same to the Board of Directors for consideration and approval.
- (5) To consider and provide an opinion on the proposals of the Chief Executive Officer and President in order to propose to the Board of Directors regarding the policy on human resources, ensuring it to be in compliance with the business strategies of the organization.
- (6) To seek advisers or persons who have independent opinions to express opinions or provide recommendations as may be necessary.
- (7) To perform other tasks as may be assigned by the Board of Directors, with the consent of the Nomination and Remuneration Committee.

## Risk Management Committee

The Risk Management Committee comprises 4 members. The composition of the Risk Management Committee is as follows:

Name	Position
1. Mr. Boontuck Wungcharoen	Chairman of the Risk Management Committee
2. Mr. Sithichai Chaikriangkrai	Member of the Risk Management Committee
3. Associate Prof. Tithiphan Chuerboonchai	Member of the Risk Management Committee / Independent Director
4. Mrs. Wallapa Traisorat	Member of the Risk Management Committee

Dr. Siwate Rojanasoonthon serves as secretary to the Risk Management Committee.

### Authorities, Duties and Responsibilities of the Risk Management Committee

- (1) To determine the scope of the overall risk management policies and guidelines of the Company that cover material risks, and to require the executive to put in place protective, corrective and risk elimination measures as appropriate.
- (2) To prepare risk management policy for overall risk management that cover key risks and are in line with the objectives, primary goals, strategies and acceptable levels of risk of the business, to be a unified risk management framework for all parties in the organization and to propose the same to the Board of Directors for consideration, and to supervise and ensure that the Company and its subsidiaries identify risks that could cause the Company and its subsidiaries fail to achieve the defined objectives by taking into consideration both internal and external factors.
- (3) To review the risk management policy of the Company and to ensure that it is appropriate and efficient, and to prepare a report of the Risk Management Committee to be proposed to the Board of Directors as may be appropriate or when being requested.
- (4) To determine strategies to be used for risk management in accordance with the risk management policy approved by the meeting of the Board of Directors, and to analyze, assess and monitor the compliance with the defined risk management policy.
- (5) To monitor, assess and supervise the risk management procedures of the executive to ensure that they are at the appropriate level and are in accordance with the defined policy.
- (6) To supervise and support the successful implementation of the risk management function of both organization and project levels (Enterprise Wide Risk Management), with the focus on raising risk awareness of the management team and the employees to promote an efficient risk management culture as a key factor in making any decisions relating to the use of resources or in taking any actions, and to provide support to the works of the risk management sub-committee and/or the risk manager.
- (7) To review the sufficiency of the risk management policy and system of the Company and its subsidiaries including the effectiveness of the system and the compliance with the defined policies.
- (8) To provide recommendations to the Board of Directors on actions to be taken and improved to be in line with the policies and strategies defined by the Board of Directors.
- (9) To engage any advisers or persons who have independent opinions to provide opinions or recommendations as may be necessary.
- (10) To consider, review and revise the Risk Management Committee Charter at least once a year and to propose the same to the Board of Directors for consideration and approval.
- (11) To perform other tasks as may be assigned by the Board of Directors, with the consent of the Risk Management Committee.

## Corporate Governance Committee

The Corporate Governance Committee comprises 4 members. The composition of the Corporate Governance Committee is as follows:

Name	Position
1. Mrs. Nuntawan Sakuntanaga	Chairman of the Corporate Governance Committee / Independent Director
2. Mr. Sithichai Chaikriangkrai	Member of the Corporate Governance Committee
3. Mr. Weerawong Chittmittrapap	Member of the Corporate Governance Committee
4. Associate Prof. Tithiphan Chuerboonchai	Member of the Corporate Governance Committee / Independent Director

Ms. Daungporn Kislertbunjong serves as secretary to the Corporate Governance Committee.

### Authorities, Duties and Responsibilities of the Corporate Governance Committee

- (1) To determine the policies and guidelines on good corporate governance of the Company to be in accordance with the principles of good corporate governance for listed companies, as determined by the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, as well as code of conduct and corporate social responsibility policies for the Company and its subsidiaries, to be proposed to the Board of Directors.
- (2) To provide suggestions to the Board of Directors on matters regarding good corporate governance, code of conduct and corporate social responsibilities.
- (3) To determine key principles and guidelines on good corporate governance procedures, as appropriate for the business and international practices.
- (4) To review and propose to the Board of Directors the good corporate governance policies, code of conduct, corporate social responsibility policies and policies and practices of sustainable management, including the performance of treatment of all stakeholders, society, community and environment, and any other policies or guidelines which support the operations of the Company in accordance with good governance that are suitable for the business of the Company and its subsidiaries.
- (5) To monitor and evaluate the performance of duties of the Board of Directors and the management team, as well as of the subsidiaries, to be in accordance with good corporate governance policies, code of conduct and corporate social responsibility policies of the Company and its subsidiaries, and to annual evaluate their compliances to such policies, and to propose the same to the Board of Directors in the following year along with opinions and suggestions as necessary.
- (6) To review the guidelines on good corporate governance and to ensure that they are substantially put into practice.
- (7) To determine the guidelines for supervision of the operations in relation to the anti-corruption of the Company.
- (8) To supervise the management team, to oversee, to disseminate or to communicate the principles of good corporate governance and the relevant guidelines to any related persons and all stakeholders (i.e., the Company, shareholders, officers, employees, customers, trade partners, society and the environment) in order to be used as a guideline and to be publicly available.
- (9) To engage any advisors or any persons who have independent opinions, to provide opinions or suggestions as deemed necessary.
- (10) To consider, review and revise the Corporate Governance Committee Charter at least once a year and to propose the same to the Board of Directors for consideration and approval.
- (11) To provide advice to the working group in preparation of being ranked on good corporate governance by a third party organization.
- (12) To study and determine the principles and key practice for the procedures of good corporate governance that are suitable for the business.
- (13) To perform other tasks as may be assigned by the Board of Directors, with the consent of the Corporate Governance Committee.

**Authorities, Duties and Responsibilities of the Company Secretary**

- (1) Responsible for the operations of the Company in accordance with laws, rules and regulations. Including the regulations of the Stock Exchange of Thailand, the Office of the SEC and regulations of the relevant departments.
- (2) Responsible for arranging the Board of Directors' meetings, sub-committees meetings and shareholders' meetings including liaison with the Boards and shareholders and proceeding with the proxy of shareholders for the shareholders' meeting in accordance with the guidelines of the Stock Exchange of Thailand and the Office of the SEC.
- (3) Preparing minutes of the shareholders' meeting and minutes of the Board of Directors' meetings including following up to ensure compliance with the resolutions of the shareholders' meeting and the Board of Directors meeting.
- (4) To prepare and maintain of director records, annual report, invitations to the shareholders and board of directors meeting and minutes of shareholders, board of directors and sub-committee meeting.
- (5) To give advice to the Board of Directors and executives in pursuant to relevant laws, rules and regulations.
- (6) To keep report of conflict of interest filed by the directors and/or executives and submit a copy of such report to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7-working day from the date on which the Company has received such report.
- (7) Supervising the corporate governance reports of listed companies (CGR) for the company to comply with the good corporate governance under the Corporate Governance Survey Program of Thai Listed Companies.
- (8) To perform other tasks as specified in the notification of the Capital Market Supervisory Board.
- (9) To perform other tasks as may be assigned by the Board of Directors.

## Board of Directors and Sub-Committees' Meeting

In 2019, details of the meeting attendance of the Board of Directors and Sub-Committees are as follows:

Name	Total No. of Meetings Attended / Total No. of Meetings in 2019					
	Board of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Committee
1. Mr. Charoen Sirivadhanabhakdi	7/7	-	8/8	-	-	-
2. Khunying Wanna Sirivadhanabhakdi	4/7	-	3/8	-	-	-
3. Mr. Boontuck Wungcharoen	6/7	-	7/8	8/8	5/5	-
4. Mr. Sithichai Chaikriangkrai	7/7	-	8/8	-	4/5	2/3
5. Mr. Weerawong Chittmittrapap	7/7	-	-	-	-	3/3
6. Mr. Soammaphat Traisorat	7/7	-	8/8	-	-	-
7. Mrs. Wallapa Traisorat	7/7	-	8/8	-	4/5	-
8. Prof. Prasit Kovilaikool	7/7	8/8	-	-	-	-
9. Mr. Rungson Sriworasat	7/7	-	-	8/8	-	-
10. Mrs. Nuntawan Sakuntanaga	6/7	-	-	-	-	3/3
11. Mr. Pongpanu Svetarundra	7/7	-	-	8/8	-	-
12. Mr. Vachara Tuntariyanond	6/7	8/8	-	-	-	-
13. Associate Prof. Tithiphan Chuerboonchai	7/7	-	-	-	5/5	2/2 <sup>(1)</sup>
14. Mr. Santi Pongjareanpit	7/7	8/8	-	-	-	-

Remark <sup>(1)</sup> Appointed on March 9, 2019



## Remuneration of Directors and Management

### Directors' Remuneration

#### (1) Monetary Remuneration

The company paid only the fixed monthly remuneration (none of remuneration for meeting allowance) to 14 persons of the Board of Directors and sub committees for the year 2019 in total amount of 13,080,000 Bath as follows:

(Unit : Baht)

Name	The total remuneration to the committees for the fiscal year ending December 31 2019 <sup>(1)</sup>						Total
	Board of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Committee	
1. Mr. Charoen Sirivadhanabhakdi <sup>(2)</sup>	-	-	-	-	-	-	-
2. Khunying Wanna Sirivadhanabhakdi <sup>(2)</sup>	-	-	-	-	-	-	-
3. Mr. Boontuck Wungcharoen	900,000	-	-	108,000	540,000	-	1,548,000
4. Mr. Sithichai Chaikrigankrai	900,000	-	-	-	108,000	108,000	1,116,000
5. Mr. Weerawong Chittmittrapap	900,000	-	-	-	-	108,000	1,008,000
6. Mr. Soammaphat Traisorat	750,000	-	-	-	-	-	750,000
7. Mrs. Wallapa Traisorat	-	-	-	-	-	-	-
8. Prof. Mr. Prasit Kovilaikool	900,000	612,000	-	-	-	-	1,512,000
9. Mr. Rungson Sriworasat	900,000	-	-	540,000	-	-	1,440,000
10. Mrs. Nuntawan Sakuntanaga	900,000	-	-	-	-	540,000	1,440,000
11. Mr. Pongpanu Svetarundra	900,000	-	-	108,000	-	-	1,008,000
12. Mr. Vachara Tuntariyanond	900,000	180,000	-	-	-	-	1,080,000
13. Associate Prof. Tithiphan Chuerboonchai	900,000	-	-	-	108,000	90,000	1,098,000
14. Mr. Santi Pongjareanpit	900,000	180,000	-	-	-	-	1,080,000
Total	9,750,000	972,000	-	756,000	756,000	846,000	13,080,000

(1) The remuneration paid to the Directors by the company as shown above, no remuneration paid by the subsidiary companies.

(2) The Directors decided not to accept any compensation.

#### (2) Other compensation (If any)

Nil

#### (3) Accrued compensation

Special Compensation in the amount of 12,000,000 baht

## Management's Remuneration

### (1) Monetary Remuneration

For the fiscal ended December 31, 2019, the Company paid the remuneration to 11 management members in the total amount of 53,398,560 Baht which consists of salary and bonus (excluding Director's remuneration).

### (2) Other Remuneration

For the fiscal ended December 31, 2019, the Company paid the other remunerations to 11 management members in the total amount of 9,213,433 Baht which consists of Social Security Fund and Provident Fund.

Moreover, the Company's management can apply for the TCC Privilege Credit Card of Bank of Ayudhya Public Company Limited in order to receiving the privileges and the right to use the company car.

**Remark:** The Company management remuneration was included the remuneration to Mr. Lim Wie Chan from March 2019, Dr. Karn Prativedwannakij, Mr. Supat Me-o-padmongcon from May 2019 Dr. Paitoon Wongsasutthikul and Mr. Sarawut Lelakulwaj from October 2019. (the appointment of Mr. Lim Wie Chan was in March 2019, Dr. Karn Prativedwannakij and Mr. Supat Me-o-padmongcon were in May 2019, Dr. Paitoon Wongsasutthikul and Mr. Sarawut Lelakulwaj were in October 2019)

### (3) Accrued compensation

Special Compensation in the amount of 31,885,315 Baht  
The subsidiary does not pay any compensation to the Company's management who was appointed as a Director or Executive of subsidiary.

## Number of Employees

As of December 31, 2019, the Company and subsidiaries have 4,829 employees as follows:

Function	Number of Employee (persons)
	As of December 31, 2019
Hospitality Group	3,718
Retail and Commercial Group	567
Finance and Accounting	174
Corporate Service	135
Corporate Marketing and Branding	20
Project Development and Property Management	129
Human Resources	35
Internal Audit Office	12
Company Secretary and Corporate Governance Office	4
CEO Office	12
Investment	23
<b>Total</b>	<b>4,829</b>

### **Significant change on the number of employees over the past 3 years**

In the beginning of 2018, the company designed new organization structure including transferring employees from TCC Group. Moreover, the Company transferred employees from the property management Group 3 to other real estate projects under TCC Group.

However, in the 3rd quarter of 2018, the Company implemented the new business plan and transferred some employees who are responsible for managing other real estate projects excluding Asset Group 3 to other companies within the TCC Group. The remaining employees continue to be employed under Asset Group 3.

### **Employee Remuneration**

For the fiscal year ended December 31, 2019, the Company and subsidiaries paid the compensation to employees excluding 11 management members in the total amount of 2,548,940,692 Baht. The remuneration consists of salary, bonus, overtime, social security fund, provident fund, and other benefits.

#### **Remark:**

Employee remuneration for the fiscal year ended December 31, 2019 including the remuneration paid to Mr. Soammaphat Traisorat, who previously held the position as a Company's Management but resigned from the position on March 7, 2019 and began to receive the remuneration as a Director of the board since March 2019.

Employee remuneration for the fiscal year ended December 31, 2019, including remuneration paid to Miss Natthawimon Bopho, who previously held a position as a management (according to the management definition in the announcement of the Securities and Exchange Commission Kor Jor 17/2008 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities and amendments). As of December 31, 2019, Miss Natthawimon Bopho is no longer a Company's Management. Moreover, the Company's management can apply for the TCC Privilege Credit Card of Bank of Ayudhya Public Company Limited in order to receiving the privileges and the right to use the company car.

### **Provident Fund**

The Company established a Master Pool Fund under the management of Kasikorn Asset Management Company Limited whereby the Company contributing at the rate of 3% of wage for the employees whose fund membership are less than or equal to 3 years and at the rate of 5% of the wages for the employees whose fund membership are more than 3 years.

### **Labour Dispute**

Nil

### **Career Development Policy**

The Company has the Career Development Policy to consistently developing employee capability at all levels with a focus on Career Development. Employees have their own career planning to enhance their knowledge, skills and competency that aligned with their short-term and long-term career goal.

The Company supports employees to reach their career goal by providing the employee competency assessment to let them aware and understand their competency gaps compared with the expected job competency level which is defined in the employee competency model. This information is a part of employee career development planning.

The Company also supports all employee development by applying Individual Development Plan (IDP) to close and improve individual competency gaps and to develop for future career growth per their career development plan and to align with Organization needs effectively. Company applies various employee development approaches including training, knowledge sharing, coaching, mentoring and experiential learning (project assignment, enlargement, and job transferring) to enhance their knowledge, skills and experiences.

Employee Career Development Plan is part of the annual performance appraisal process. Manager and Employee have a career dialogue to set and review employee's career path and individual development plan during January – February. Then, manager provides quarterly feedback, review and monitor employee's career development plan. Towards the end of the year, manager then evaluates the progress of employee's individual development plan during November – December. This information will be applied for next year individual development plan.

Moreover, the Company embraces employee's career development and career movement for all horizontal, lateral and vertical career progression to gain breadth or depth of knowledge and experiences. The Company has career development policy to identify 3 factors of employee career success:

- 1) Employees have depth of knowledge and skill to achieve performance results.
- 2) Employees meet the required competency level of their jobs to achieve performance results.
- 3) Employees gain breadth of experiences to grow in higher job level.

#### Employee Training

The Company has Employee Training Policy to provide knowledge, skills, and competencies to enhance employee capabilities in all employee levels and functions through 3 learning methods, In-House Training, Public Training and Knowledge Sharing. The Company conducts training need survey and analysis to develop an annual training plan by dividing into 5 training categories as per the table below.

Training Type	Example
1. Compulsory Program	Onboarding Program Code of Conduct IT Security Policy
2. Compliance Program	Land and Building Tax Labour Law Safety Standard to Work in Confined Spaces
3. Leadership Program	Leadership Program Goal Setting & Feedback Model
4. Functional Program	Thai Financial Reporting Standards (TFRS) Transfer Pricing Workshop Fire Alarm System
5. General Program	English Workshop for Frontline staff Strategic Internal Communications Power BI





# ECONOMIC AND INDUSTRY SITUATION

## Thai Economic in 2019

### Socio-economic Overview

By 2019, Thai population is around 66.5 million people, increasing with the cumulative annual growth rate (CAGR) of 0.3 % per year in past 5 years (2014 – 2019) and more than half of Thai population live in countryside.

Real Gross Domestic Product (Real GDP), which is a net number that remove the effects of inflation of Thailand has a CAGR of 3.3% per year in the past 10 years. The largest proportion of Thailand GDP in 2019 was the Manufacturing Sector which was accounted for 27%, followed by the Wholesale and Retail Industry of 15.8 %, Real Estate Sector of 8% and Hotel and Restaurant Business which has grown consistently at 6.8% from 7.1% in the 3rd quarter of 2019.

However, considering the CAGR the Manufacturing Sector reports CAGR since 2008 of 2.1% per year, which is less than other sectors. The Wholesale and Retail Industry and the Real Estate Sector are growing at relatively same level as overall economic growth of the country. The Hotel and Restaurant Business have been grown explicitly in the last 10 years, with CAGR of 8.8% per year, which is considered a growing business sector when compared to all the business sectors of the country. The key factors which drive the Hotel and Restaurant Business outstanding growth are increasing number of tourists (The total number of tourists entering to Thailand in the year 2019 is 39.80 million people, risen by 4.2%) and the increase of domestic consumption at faster pace than the growth of GDP.

For the 4<sup>th</sup> quarter of 2019, Thailand GDP had grown by 1.6%, compared to 2.6% in the 3rd quarter of 2019. This was the result of the reduction of exports, government spending on final consumption and investment. While, household consumption and private investment continued to expand. Agricultural production declined by 1.6%, compared to 2.7% growth in the previous quarter. The non-agricultural sector grew by 2.0%, decelerated from 2.5% in the 3rd quarter of 2019. Growth of industrial business decreasing by 2.3% in relation with the decline of the automotive and oil refinery industry. On the other hand, the service sector reported growth of 4.1%, compared to 3.9% in the previous quarter.

Concerning the past years, the Thailand economy in 2019 has underperformed against its true potential which is evidently transpiring the contraction of the exports which is greater than the forecast estimates as well as passive recovery rate. According to the Office of National Economic and Social Development Council revealing a mere expansion of the Gross Domestic Product (GDP) in the 4th quarter of the 2019 year of only at 1.6%. Correspondingly in the year 2019 growth was only at 2.4% in comparison to 4.2% in 2018 while in 2020 depict an economic slow of 1.5% and -2.5% respectively due to major risk factor such as the outbreak of the Covid-19 virus, drought and delay in government budget plan.

Consequently, the inflation rate has increased by 0.7% but is expected to grow by 0.8%. Likewise, the average inflation of the year 2019 and 2020 is expected to fall below the target inflation level due to the diminishing in the price of energy supply based on the stagnant growth of the global economy, together with the rise in energy supply.



## Business Outlook

Business Sentiment Index in Thailand for the past years has been pressured by the local political situation. Later the official election in March 2019, Business Sentiment Index report by the Bank of Thailand has risen to almost the highest level in the last 5 years.

At the meantime, the Foreign Direct Investment (FDI) of the year 2019 increased to the highest level in the last 5 years, with the total investment value of 147,169 million baht, a significant increase of 109% over the same period last year. Top 5 foreign investors in 2019 were from Japan, China, Switzerland, Singapore, and Hong Kong. The number of Japanese companies investing in Thailand both FDI and Joint Venture investments increased from 2,100 companies to 2,600 companies with an investment value of over 70,000 million baht.

According to the survey, the Foreign Investor Confidence Index in 2019 has risen up to 97.3 %, with 31.8% of foreign investors still have plans to expand investment in Thailand since investment benefits and the development of Thai infrastructure as important factors.

In the 1st quarter of 2020 due to the pressure from the outbreak of the Covid-19 virus, the Office of National Economic and Social Development Council has estimated the detrimental impact on the foreign tourist sector with the decrease by 3.4 million people or 31.5% in comparison to the first quarter of the previous year. Additionally, the second quarter of 2020 is expected to decrease by 3.74 hundred thousand people in comparison to the same quarter in the previous year. As such, if the epidemic is regulated domestically and internationally within the 2nd quarter, which will lead to the strong recovery in the number of tourists and Thai exportation value in the second half of this year.

## Consumer outlook

Overall Consumer Confidence Index from Center for Economic and Business Forecasting, the Thai Chamber of Commerce in December 2019, dropped for the 10th consecutive months and remained at the lowest level in 68 months since May 2014, down from 56.4 in the previous month to 56.0. This resulted from the concern about the Thai economy, declined consumers' purchasing power as well as uncertainty international factors such as the Trade War between the United States and China, the withdrawal of the United Kingdom from the European Union (Brexit), and the removal of GSP (Generalized System of Preferences) privileges for 573 Thai products exported to the US.

Although consumer confidence in Thailand has decreased, the unemployment rate of Thailand was only 0.9% in December 2019, the lowest in the region. The low unemployment rate was a key support of the average monthly income and expenses of each household. As well as supporting the growth of retail and wholesale markets in Thailand between 2007 to 2017, the average monthly income and expenses of each household increased at an average CAGR of 3.7% and 4.0% per year.

For Retail sector, the total value of retail sales in Thailand has increased at an average CAGR of 5.4% per year during the period 2012 to 2017, which was considered the faster pace than the growth of GDP, which has an CAGR of just 2.8% per year. Meanwhile, the Retail Sales Index from the Bank of Thailand increased 10.7% per year, a consistently high level in 2018, as well as the Wholesale Index, which grew to the highest level at 3.5% per year.

# NATURE OF BUSINESS

## Business Overview

Asset World Corp Public Company Limited (“the Company”) is a member of TCC Group. The Company is the holding company of various leading integrated properties with the commitment to drive Thailand to be world class tourist destination and build a better future for Thai economy. The Company utterly put maximum effort to increase asset value in the long term with portfolio of quality assets that have been meticulously selected for decades along with creative development plan, which will finally lead to sustainable growth.

The major business operations are organized into two segments:

1. Hospitality segment
2. Retail and Commercial Building segment

As of December 31, 2019, existing portfolio of Hospitality and Retail and Commercial Building segment consists of

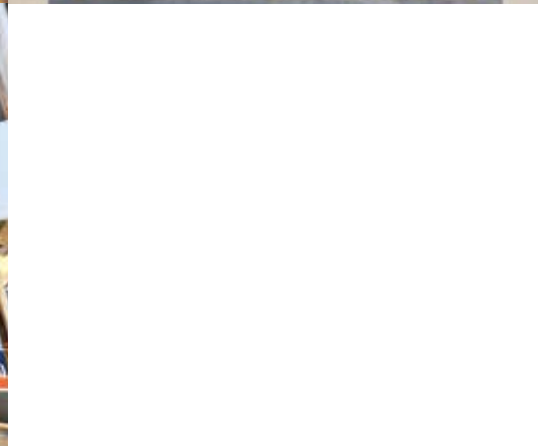
1. 15 hotels with 4,960 rooms, dividing to 11 operating hotels with 3,680 rooms and 5 hotels under development or development plan with 1,280 rooms
2. 14 retail and commercial buildings, consisting of 9 retail properties and 1 wholesale property under development and undergoing pilot test runs. The Company has also managed Gateway Ekamai, pursuant to the 2019 Gateway Ekamai Management Agreement but the Company does not own the property. From 8 operating retail and wholesale properties, the Company owns a total NLA of 165,628 square meters. The Company, additionally, owns 4 office properties spanning a total NLA of 270,594 square meters.

On January 1, 2020, the Company acquired 12 real estate projects under the 2019 Share Purchase Agreement including 4 operating hotels, 6 hotels under development and development plan, 2 mixed-used properties hospitality. The acquisition immediately adds 989 rooms to the portfolio and more than 2,557 rooms in pipeline.

The following table sets forth the revenues generated by the Hospitality and Retail and Commercial Building segments for the year ended December 31, 2019;

Year 2019	Operated by	% shareholding	Year 2019	
			Revenue (Million Baht)	%
Hospitality	TCC Hotel Asset Management Co., Ltd. (THAM)	100	6,661	58
Retail and Commercial Building	Asset World Retail Co., Ltd. (AWR)	100	4,208	36
Other Income			653	6
Total			11,522	100









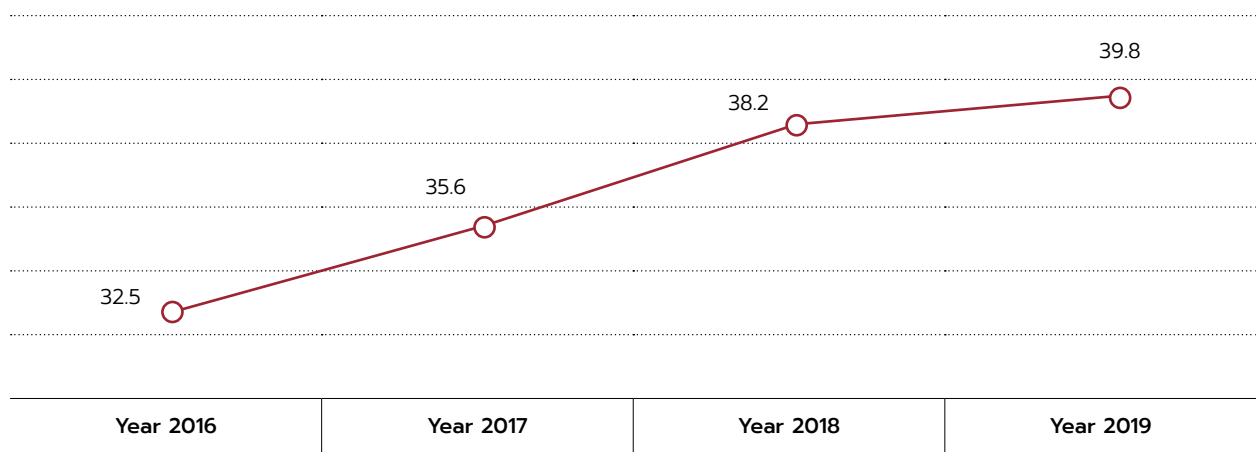
# Hospitality

## Tourism Industry and Competition

According to the Ministry of Tourism and Sports, the number of tourists visiting Thailand is continuously increasing every year. The cumulative record of tourists from January to December 2019 amounted 39.8 million people, which was increased by 1.6 million people from the same period of 2018 or increased by 4.2%.

In 2019, although the number of tourists increased, the appreciation of the Thai Baht was the factor that shorten the duration of their stays in Thailand. As a consequence, the market's revenue per available room (RevPAR) of overall hotel industry declined. Eventhough, in 4th quarter of 2019, the Bank of Thailand reported that the Service sector contracted by 7% due to the intense competition, a decrease in the number of tourists resulting from the economic slowdown together with Thai Baht appreciation. The 2019 revenues of the Hospitality segment were able to report the increase of 1.3% from last year. The growth was mainly from the convention group (MICE) which grew by 6.8%

Number of Foreign Tourist (Million people)



The above statistics showing the tourists from China, Malaysia, India, Korea and Japan were the main groups of tourists visiting Thailand. The number of tourists accumulated from above mentioned countries in 2019 accounted for 52.4% of the total number of foreign tourists. The Chinese tourists were the largest number, where the number of Chinese tourists in 2018 was 10.5 million people, increased by 7.2% compared to year 2017. While in 2019, the Chinese tourist continuously increased to 10.9 million people or risen by 4.4%. In addition, the Indian tourists appeared to have the highest growth rate at 24.8% in 2019, with 1.99 million Indian tourists, while increasing of 12.9% in 2018.

## Overview of Hotel Business in Thailand

Refer to the Ministry of Tourism and Sports, the overall occupancy rate of hotels in Thailand decreased from 70.9% in 2018 to 65.3% in 2019 or declined by 7.8%. Additionally, the RevPar rate in 2019 of hotels in Thailand by Smith Travel Research decreased by 5.6% comparing to the year 2018.

### Properties in the Hospitality Segment

The Company has developing and owns a diverse portfolio of iconic and award-winning hotel properties across Thailand under the unique business model which is the collaboration with internationally renowned hotel operators under well-recognized brands, including Marriott (The Company is the largest owner of Marriott International, Inc.-managed hotels in Thailand which

are in operation, under development or to be developed), The Luxury Collection, Okura, Le Méridien, Banyan Tree, Hilton, DoubleTree by Hilton, Sheraton and Meliá brands. By leveraging the expertise of in-house development team, with technical support from international hotel operators, the Company can continue to develop and grow the portfolio across Thailand and strengthen the relationship with the international hotel operators.

The Company is also actively involved in key decisions making relating to the operation of the hotels pursuant to the terms of hotel management agreements with each hotel operator, in term of the approval of annual budget and capital expenditure plans. The Company also regularly discusses with each hotel management team to monitor hotel operations and performance.

On December 31, 2019, the Company has 11 operating hotels, with 1,343,200 room nights for the period, occupancy rate of 75%, the average room rate (ADR) of 4,620 baht and the RevPAR of 3,442 baht.

The Hospitality segment is divided into the following clusters:

- (i) MICE and Food & Beverages (F&B) Destination Hotels;
- (ii) Bangkok City Hotels;
- (iii) Luxury Resorts;
- (iv) Other Non-Bangkok Hotels.

Currently, the properties in the Hospitality segment primarily located in business areas and popular tourist destinations in Thailand, including Bangkok, Chiang Mai, Phuket, Surat Thani (Koh Samui) and Krabi, and following the acquisition of the hospitality properties pursuant to the 2019 Share Purchase Agreement, Pattaya and Hua Hin will be included.



Operating Hotels as of December 31, 2019

Hotel Name	Hotel Operator	Cluster (MICE/ City/Resort)	Location	Freehold/ Leasehold	Opening Year <sup>(1)</sup>	Year of Latest Renovation/ Expected Year of Renovation	Number of Rooms	Number of F&B Outlets	Meeting and Event Space (sq. m.)
Bangkok Marriott Marquis Queen's Park Hotel, Bangkok	Marriott International Inc.	MICE	Bangkok	Freehold	2016	2016	1,388	9	4,740
The Athenee Hotel, A Luxury Collection Hotel, Bangkok	Marriott International Inc.	MICE	Bangkok	Leasehold	2000	2019	374	8	5,661
Le Meridien Chiang Mai	Marriott International Inc.	MICE	Chiangmai	Freehold	2008	2022	383	4	1,742
Metropole Phuket	Asset World Corp.	MICE	Phuket	Freehold	2008	2016	248	3	1,213
The Okura Prestige Bangkok Hotel	Okura Hotels & Resorts	City	Bangkok	Leasehold	2012	2012	240	5	686
Hilton Sukhumvit Bangkok	Hilton Worldwide	City	Bangkok	Freehold	2013	2013	280	4	826
DoubleTree by Hilton Sukhumvit Bangkok	Hilton Worldwide	City	Bangkok	Freehold	2013	2013	177	2	407
Le Meridien Bangkok	Marriott International Inc.	City	Bangkok	Freehold	2008	2022	282	4	469
Banyan Tree Samui	Banyan Tree	Resort	Koh Samui	Freehold	2010	2010	88	5	268
Vana Belle, A Luxury Collection Resort, Koh Samui	Marriott International Inc.	Resort	Koh Samui	Freehold	2013	2013	79	4	-
Sheraton Samui Resort	Marriott International Inc.	Resort	Koh Samui	Freehold	2015	2015	141	4	103

Note: (1) Opening Year is the year that completed construction and started to operate









## Retail and Commercial Building

### Retail and Commercial Building Industry and Competiton

As for the Retail and Commercial Industry, the overall Retail Sector in 2019 was stable. Revenue from Trading sector lowered by 9% as retail business was not recovered. However, the Retail business revenue of the Company in 2019 increased by 7.7% compared to the previous year as a consequence of successfully launches of two new projects, the Gateway at BangSue and Lasalles Avenue. Moreover, the Office business was continued to grow. With the strategy to adjusting the tenant mix, the Company growth was in line with market growth. Overall revenue increased by 6.2% in 2019.

Retail and Commercial Building Segment is categorized into two businesses:

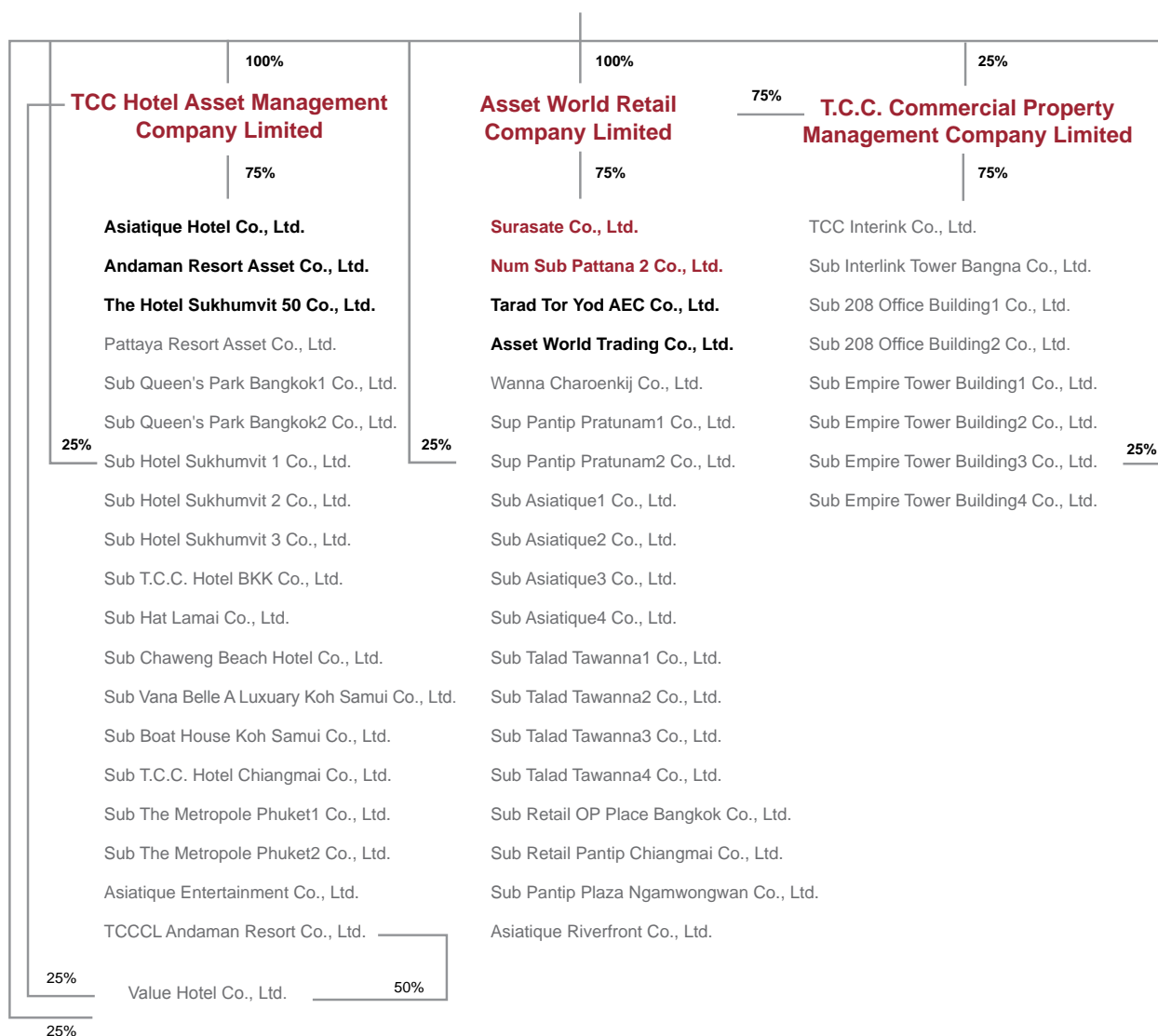
- (i) the Retail and Wholesale Business
- (ii) the Office Business

The Company's portfolio consists of 8 operating retail properties (excluding Gateway Ekamai which the Company manages pursuant to the 2019 Gateway Ekamai Management Agreement, and in relation to the 2019 MOU for future investment), one wholesale property, which is under development and undergoing pilot test runs, and 4 office buildings. In addition, in February 2019, the Company acquired AEC Trade Center Online, which is the e-commerce platform to support wholesale business AEC Trade Center.

# Corporate Structure

The following diagram summarizes our corporate structure as of December 31, 2019

## Asset World Corp Public Company Limited



**Subsidiaries operating core business,  
with operating asset**

**Subsidiaries operating core business,  
not yet start operations**

**Subsidiaries no operating core business**

# Operating Assets

As of December 31, 2019

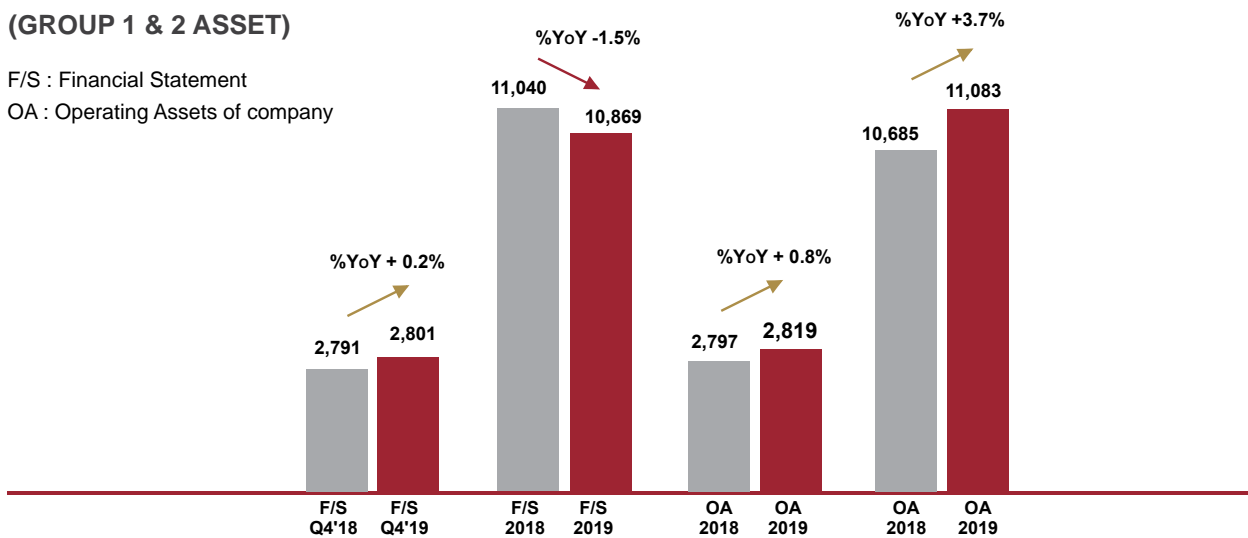
Project	Freehold/ leasehold	Project status
<b>Hospitality Business Segment</b>		
1. Bangkok Marriott Marquis Queen's Park	Freehold	Operating
2. DoubleTree by Hilton Sukhumvit Bangkok	Freehold	Operating
3. Hilton Sukhumvit Bangkok	Freehold	Operating
4. Le Meridien Bangkok	Freehold	Operating
5. Banyan Tree Samui	Freehold	Operating
6. Sheraton Samui Resort	Freehold	Operating
7. Vana Belle, A Luxury Collection Resort, Koh Samui	Freehold	Operating
8. Melia Koh Samui Beach Resort	Freehold	Operating in Jan 2020
9. Le Meridien Chiang Mai	Freehold	Operating
10. The Metro Pole Phuket	Freehold	Under renovation
11. The Okura Prestige Bangkok Hotel	Freehold / Leasehold	Operating
12. The Athenee Hotel, A Luxury Collection Hotel, Bangkok	Freehold / Leasehold	Operating
13. 17condominium units in Majestic Mansion	Freehold	Under renovation
14. Bangkok Marriott The Asiatique	Freehold	Under development
15. Ininside Bangkok Sukhumvit	Freehold	Under development
16. Banyan Tree Krabi	Freehold	Under development
17. Banyan Tree Jomtien Pattaya	Freehold for property	Under development
18. Asiatique Pier and Boat project	Freehold	Under development
<b>Retail and Commercial Business Segment</b>		
<b>Retail and Wholesale</b>		
19. Asiatique the Riverfront (including Asiatique Pier)	Freehold	Operating
20. Gateway at Bangsue	Freehold / Leasehold (partial)	Operating
21. Pantip Plaza Pratunam	Freehold	Operating
22. Pantip Plaza Ngamwongwan	Freehold	Operating
23. Pantip Plaza Chiang Mai	Freehold	Operating
24. O.P. Place Bangkok	Freehold	Operating
25. Tawanna Bangkapi	Freehold	Operating
26. Lasalle's Avenue	Freehold / Leasehold	Operating
27. Bangkapi Community Market Bangkapi	Freehold	Under development
28. AEC Trade Center	Freehold / Leasehold (Partial)	Under development
<b>Office</b>		
29. Interlink Tower (including land and parking space next to Interlink Tower)	Freehold	Operating
30. 208 Wireless Road	Freehold	Operating
31. Empire Tower	Freehold	Operating
32. Athénée Tower	Freehold / Leasehold	Operating
<b>Other Asset</b>		
33. Property in decoration and office equipment	Freehold	-

# Financial Highlight

## REVENUE OF OPERATION BU (GROUP 1 & 2 ASSET)

F/S : Financial Statement

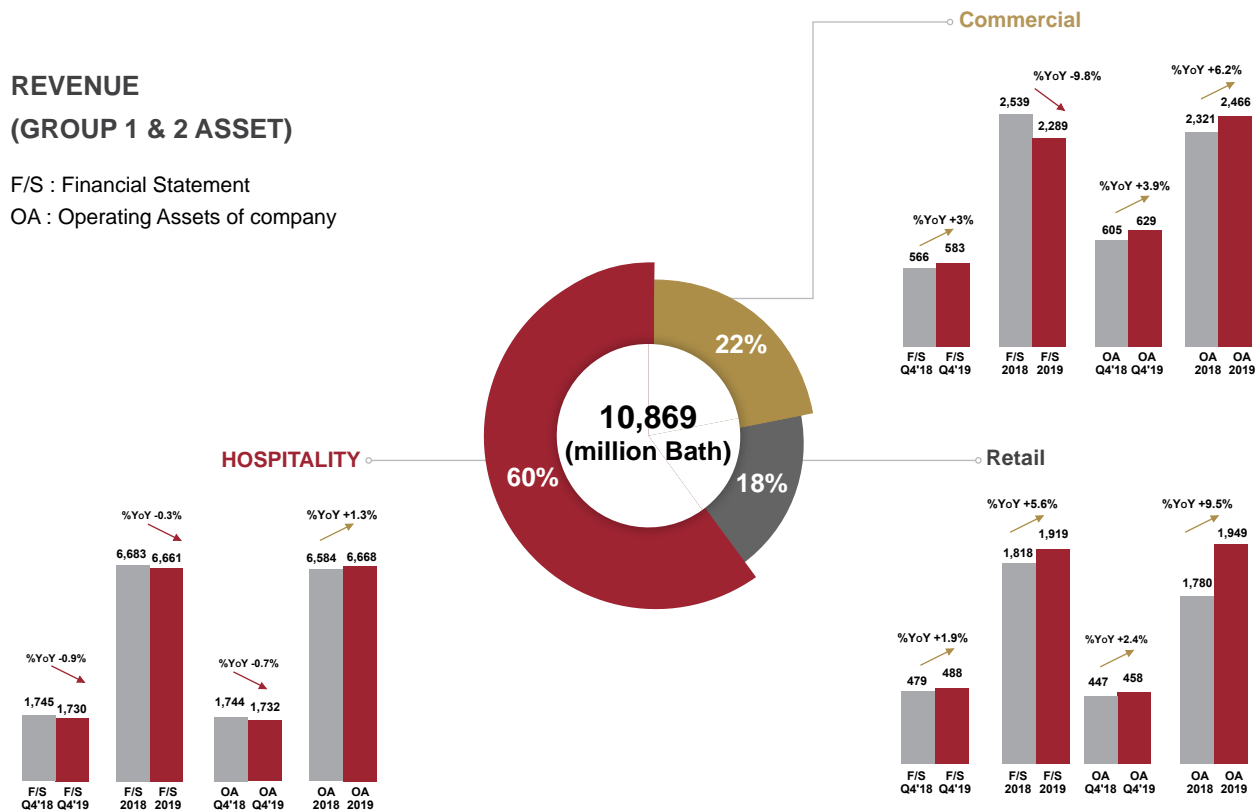
OA : Operating Assets of company



## REVENUE (GROUP 1 & 2 ASSET)

F/S : Financial Statement

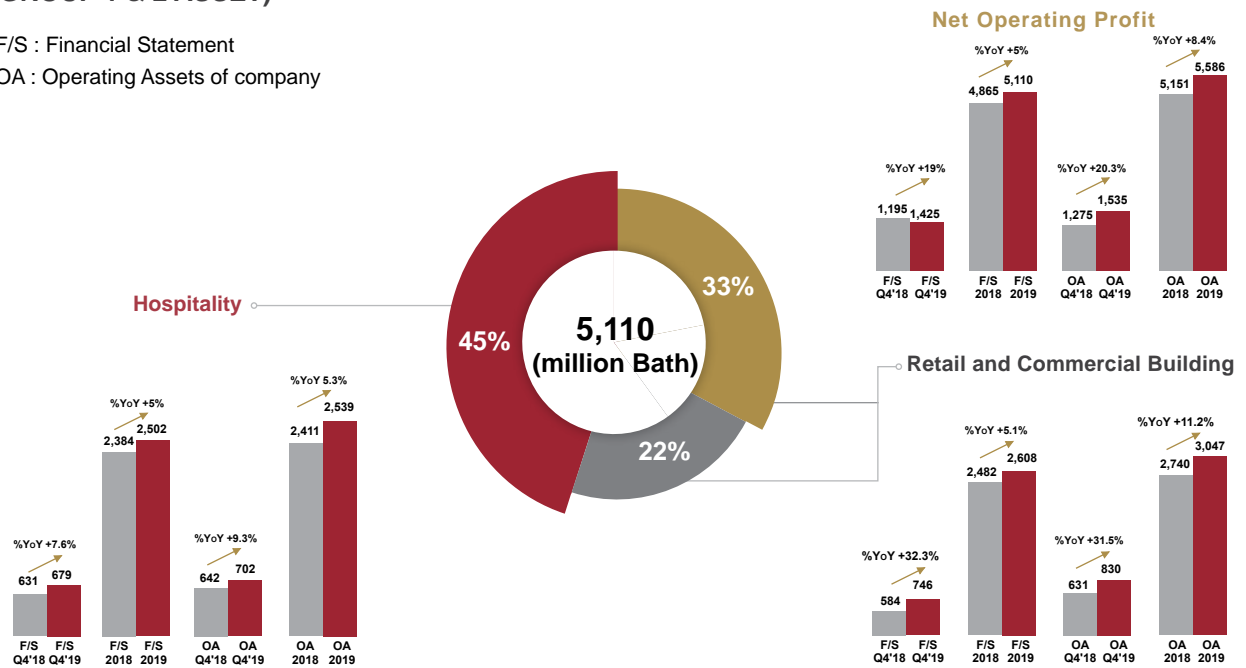
OA : Operating Assets of company



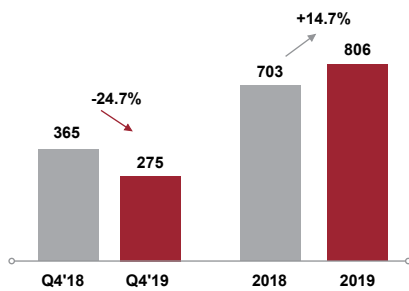
## Net Operating Profit (GROUP 1 & 2 ASSET)

F/S : Financial Statement

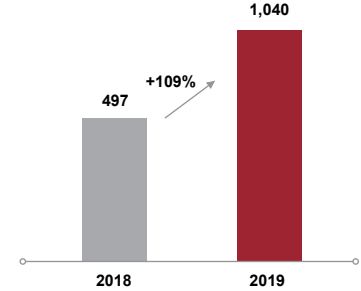
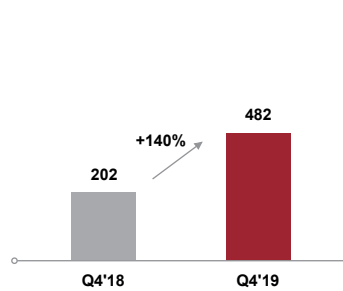
OA : Operating Assets of company



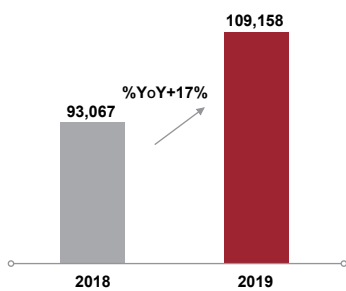
### Corporate Expense



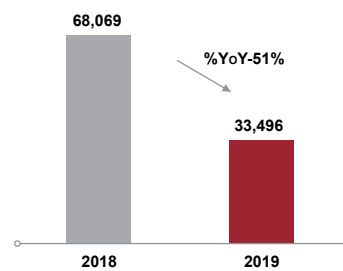
### Net profit



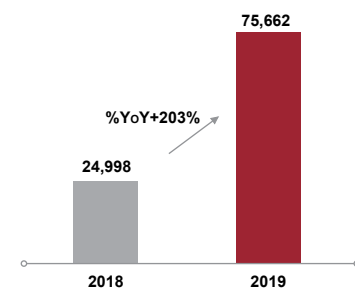
### Total Asset



### Total Debts



### Total Equities





For The Year Ended 31 December (Million Baht)

Item	2019	2018 (RESTATED)	2017 (RESTATED)
<b>Statement Of Comprehensive Income</b>			
Revenue From Hotel And Related Services	6,661.40	6,682.58	6,041.24
Revenue From Rental And Rendering Of Commercial Building Services	4,207.82	4,357.34	4,415.18
<b>Total Revenue</b>	<b>11,522.00</b>	<b>12,452.64</b>	<b>11,207.55</b>
<b>Profit Before Income Tax Expense</b>	<b>1,323.16</b>	<b>656.82</b>	<b>1,331.78</b>
<b>Profit For The Year</b>	<b>1,040.02</b>	<b>497.06</b>	<b>1,372.07</b>
<b>Basic Earning Per Shares (Baht)</b>	<b>0.041</b>	<b>0.031</b>	<b>0.009</b>
<b>Statement Of Financial Position</b>			
<b>Total Liabilities And Equity</b>	<b>109,157.86</b>	<b>93,067.16</b>	<b>133,043.11</b>
<b>Total Liabilities</b>	<b>33,496.20</b>	<b>68,068.61</b>	<b>124,294.79</b>
<b>Total Equity</b>	<b>75,661.66</b>	<b>24,998.55</b>	<b>8,748.32</b>
<b>Financial Ratios</b>			
<b>Liquidity Ratios</b>			
Current Ratio (Times)	7.15	0.13	0.85
<b>Profitability Ratios</b>			
Operating Profit Margin (%)	26.82	24.62	24.58
Net Profit Margin (%)	9.03	3.99	12.24
<b>Efficiency Ratios</b>			
Return On Fixed Assets (%)	3.09	2.65	3.79
<b>Financial Policy Ratios</b>			
Total Liabilities To Equity Ratio (Times)	0.44	2.72	14.21
Interest Coverage Ratio (Times)	4.06	2.25	4.01

# SHAREHOLDER INFORMATION AND DIVIDEND POLICY

As of December 31, 2019, The Company registered capital was 32,000,000,000 Baht, issued and fully paid was 32,000,000,000 Baht, consisting of 32,000,000,000 ordinary shares with par value of 1.0 Baht per share.

Top 10 shareholders as of February 13, 2020 listed below

	Shareholders Name	No. of Share	Shareholding proportion (%)
1.	Group of Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi	24,000,000,000	75.00
	Mr. Charoen Sirivadhanabhakdi	8,819,999,880	27.56
	Khunying Wanna Sirivadhanabhakdi	6,120,000,000	19.13
	TCC Group International Limited <sup>(1)</sup>	9,060,000,000	28.31
	Affiliated	120	0.00
2.	GIC PRIVATE LIMITED	2,274,196,600	7.11
3.	UBS AG SINGAPORE BRANCH <sup>(2)</sup>	2,142,418,300	6.70
4.	RAFFLES NOMINEES (PTE) LIMITED	500,000,000	1.56
5.	Thai NVDR Company Limited	247,120,173	0.77
6.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	217,831,800	0.68
7.	NORM (2019) CO., LTD	188,079,900	0.59
8.	BUALUANG LONG-TERM EQUITY FUND	103,579,000	0.32
9.	VAYUPAK FUND 1 BY MFC Asset Management Public Company Limited	54,216,900	0.17
10.	Others	2,272,530,327	7.10
	Total	32,000,000,000	100.00

Note: 1. Included 392,040,000 shares held by TCC Group International Limited under UBS AG SINGAPORE BRANCH  
2. Excluded 392,040,000 shares held by TCC Group International Limited

## DIVIDEND POLICY

### 1. Dividend Policy of the Company

The Company has a dividend payment policy of not less than 40% of consolidated net profits after deducting corporate income tax, legal reserves (if any) and other Company's reserve as stated each year. The dividend payment amount shall not exceed the retained earnings of the Company's separated financial statements.

The dividend payment and dividend payout ratio are subject to change from the policy, depending on the operating result, financial positions, cash flow, working capital, future investment plans and business expansion as well as market conditions, debt obligations, conditions or restrictions imposed by financing agreements and other factors as deemed suitable and appropriate by the Board of Directors

### 2. Dividend Policy of the subsidiaries

The Company's subsidiaries have a dividend payment policy of not less than 40% of their net profits based on separated financial statements after deducting corporate income tax, legal reserves (if any) and other Company's reserve as stated each year. The dividend payment amount shall not exceed the retained earnings of the subsidiaries' separated financial statements.

The dividend payment and dividend payout ratio are subject to change from the policy, depending on the operating result, financial positions, cash flow, working capital, future investment plans and business expansion as well as market conditions, debt obligations, conditions or restrictions imposed by financing agreements and other factors as deemed suitable. and appropriate by the Board of Directors of each subsidiary.





# Corporate Governance

The Company highly trusts that sustainable growth can accomplish in relation with the returns to community, society and the country. Therefore, the Company is giving priority to support and develop all environmental aspects as well as creating community strength. Hence, the community and the Company can greatly grow sustainably.

The Company adheres to good corporate governance principles for listed companies to ensure that the Company has an efficient, transparent and auditable management system which helps building trust and confidence among shareholders, investors, stakeholders and all relevant parties to increase value and to promote the sustainable growth of the Company.

The Board of Directors has a process to review the implementation of “Corporate Governance Code” for listed companies 2017 to be complied with the business context at least once a year ensuring that objectives, goals as well as strategy and short to long term business plans of the Company would be align with the Company’s core objectives and goals. In this regard, the Company has applied appropriate and safe innovations and technology including the process of the board structure revision in term of components, proportion of independent directors and knowledge expertise of the entire committee. The Board of Directors had focused on a transparent and clear processes of nomination and selection of directors which would enhance the use of independent directors’ decisions. The Board of Directors also arranged the annual performance evaluation of the committee, sub-committees and individual directors. The evaluation result would be used for further development of the duties of individual directors and all the committees.

In addition, the Board of Directors had urged to hold the meetings among independent directors to exchange opinions about the operation of management team and the entire committee, business overview, business risks Including discussions to propose guidelines and/or opinions of independent directors which would be beneficial to the management team, the entire Board of Directors and the overall performance of the Company in the future.

## Corporate Governance Policy

The Board of Directors has approved the Good Corporate Governance Policy to be used as a guideline for business operations and to be the benchmark for all directors, executives and employees abiding as a guideline in performing their duties strictly. The Corporate Governance Policy has been established in accordance with the Corporate Governance Code or “CG Code” of the SEC and the SET by striving to adopt the principles of good corporate governance in the operation of the Company. In this regard, the Board of Directors has assigned the Corporate Governance Committee responsible for overseeing and screening tasks related to corporate governance including following up, reviewing, and improving policies to be suitable for the situation and in accordance with the principles of good corporate governance by applying the CG Code to be used in corporate governance to achieve the following results;

1. To be able to compete and have good performance with consideration of long-term effects.
2. Build confidence for shareholders and create trust for all stakeholders.
3. Operate the business with ethic, rights and responsibilities to shareholders and stakeholders.
4. Create transparency and accountability of the Board of Directors.
5. Benefit to society and the environment

The following is a summary of the Company's Good Corporate Governance Policy in compliance with CG Code:

### **CG Code 1**

Establish Clear  
Leadership Role and  
Responsibilities  
of the Board

### **CG Code 2**

Define Objectives  
that Promote Sustainable  
Value Creation

### **CG Code 3**

Strengthen  
Board  
Effectiveness

### **CG Code 4**

Ensure Effective CEO  
and People  
Management

### **CG Code 5**

Promote nurture  
innovation  
and responsible  
business operations

### **CG Code 6**

Ensure the adequacy  
of risk management  
and the internal control  
systems

### **CG Code 7**

Maintain the disclosure  
of information and  
financial integrity

### **CG Code 8**

Promote engagement with  
shareholders and enhance  
shareholder relation

## Contact Channels

All stakeholders can give comments, recommendations, complaints that not related to the anti-corruption issue through the below channels:

### Audit Committee

Email: [auditcommittee@assetworldcorp-th.com](mailto:auditcommittee@assetworldcorp-th.com)

### Company Secretary

Email: [awc-comsec@assetworldcorp-th.com](mailto:awc-comsec@assetworldcorp-th.com)

Telephone: 0-2180-9999 ext. 9509

### Investor Relations

Email: [ir@assetworldcorp-th.com](mailto:ir@assetworldcorp-th.com)

Telephone: 0-2180-9999 ext. 9836

Postal address is ASSET WORLD CORP PUBLIC COMPANY LIMITED, 56<sup>th</sup> Floor, Empire Tower, No.1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120.

The Company's corporate secretary responsible for receiving the documents sending to the Board of Directors and distribute to related committees as well as summarize all recommendations and comments and reports to the Board of Directors on quarterly basis. This will except the documents sending to the Audit Committee which will be directly deliver to the Audit Committee. The electronic mails sending to [auditcommittee@assetworldcorp-th.com](mailto:auditcommittee@assetworldcorp-th.com) will be open and read by the members of the Audit Committee.

## Whistleblowing

The Company encourages the employees and all stakeholders to conduct transactions in compliance with laws and rules related to good corporate governance practices and business ethic. The Company also advise the stakeholders to report and complaint suspicious cases i.e. illegal, breaches, fraud. The Company, therefore, established the whistleblowing procedures and protection to protect rights of whistleblowers/or complainants/ or cooperative persons. The Company shall keep the relevant information confidential and restricted only to the authorized persons in order to build trustworthy for the complainants. The complaint can include:

- Illegal or wrongdoing business transactions
- Corruption and fraud
- Suspicious of financial laundry, accounting and financial control

Whistleblowing channels are as follows:

1. E - Mail to the Audit Committee at [auditcommittee@assetworldcorp-th.com](mailto:auditcommittee@assetworldcorp-th.com)
2. Mail to any sub-committee at ASSET WORLD CORP PUBLIC COMPANY LIMITED, 56<sup>th</sup> Floor, Empire Tower, No. 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

**For more information related to the governance procedure, please go to**  
**<https://www.assetworldcorp-th.com/wp-content/uploads/2019/08/good-corporate-governance-policy.pdf>**





# Report of the Audit Committee

## The Audit Committee is comprised of three following independent directors;

1. Professor Prasit Kovilaikool  
Chairman of the Audit Committee / Independent Director
2. Mr. Vachara Tantariyanond  
Member of the Audit Committee / Independent Director
3. Mr. Santi Pongjareanpit  
Member of the Audit Committee / Independent Director

The qualifications of three directors are in line with the regulations of the SEC and the SET. All of whom have the relevant legal, financial, and accounting experience to be qualified as Audit Committee. They are able to perform their duties independently, and have no participation in management functions.

The Audit Committee is responsible for overseeing the Company's operations in accordance with policies and compliance with relevant regulations and laws, promoting financial and accounting reporting systems to meet international standards, promoting internal control systems and internal auditing and corporate risk management systems to be efficient and effective. They have performed their duties independently as delegated/assigned by the Board of Directors in accordance with the Audit Committee Charter and Best Practice Guidelines for Audit Committee, regulations of the SEC and the SET. They highly encourage the Company to comply with the principles of good corporate governance and risk management in which to support executives in the implementation of business strategies and objectives with efficiency and effectiveness and to develop and maintain effective internal control and to be able to increase the opportunity to meet the objectives of the business and to adapt the changes of the business environment.

In 2019, the Audit Committee held total of eight (8) meetings and all members of the committee attended every meeting. The Audit Committee was also held the meeting with management, internal auditor and the external auditor. The Audit Committee has performed its duties in accordance with the Audit Committee Charter and to the best of their abilities.

## Summary of Performance

### 1. Review Financial Statement Reports

The Audit Committee has reviewed the quarterly financial statements and the fiscal year 2019 financial statements of the Company and its subsidiaries. The financial statements were prepared in accordance with Thai Financial Reporting Standards which is in line with International Financial Reporting Standards. The Committee also held an exclusive meeting with the external auditors in the absence of the management so as to freely discuss important matters in the preparation of the financial statements, Key Audit Matters (KAM), and the disclosure of information in accordance with financial reporting standards and to be beneficial to users of these financial statements including connected transactions, transactions with potential conflict of interest before proposing to the Board of Directors for approval. In 2019, the external auditor had issued an unqualified opinion audited reports and without any material issues that indicate suspicious incidents

The Audit Committee therefore concluded that the internal control systems over financial reporting process were sufficient to ensure that the financial statements were prepared in accordance with the Generally Accepted Accounting Principles (GAAPs) and the laws pertaining to the Company's business operations as well as fairly present the Company's financial position and performance in all material respects. Information was sufficiently disclosed in a timely manner for decision making of shareholders and stakeholders.

### 2. Review of Connected Transactions and Transactions with Potential Conflict of Interest

The Audit Committee has reviewed the connected transactions and the transactions that may have conflict of interest including the disclosure to the SET within the specified time. In order to be transparent and fair to all shareholders, the connected transactions or transactions with potential conflicts of interest adhere to the principles of accuracy through a transparent approval process consider the benefits of the Company as doing transactions with third parties and that the Company's operations are rational and aligned with regular commercial conditions, correctness, transparency, and includes compliance with policy on connected transactions and the requirements of the SEC and the SET.

The Audit Committee concluded that the connected transactions and transactions that may have conflict of interest were carried out in the normal course of business with reasonable trading conditions and prices with external parties (Arm's Length Basis) for the best benefit of the Company. In addition, the Company has made complete and adequate disclosure of information according to the requirements of the SEC and the SET.

### 3. Review the Effectiveness of Internal Control System

The Audit Committee reviewed the evaluation results of internal control system which covered the operations and information technology system including adequacy assessment form of the internal control system on quarterly basis and submitted to the SEC. In 2019, the Audit Committee found that the management focuses on continuously raising awareness to promote morality, ethics values, and risk management within employees to prevent any loss that may occur to the Company related to financial and accounting, resource utilization, safeguard and maintenance of assets, operations, information technology and compliance with laws and regulations. The Audit Committee has provided constructive recommendations to business units and monitored the implementation of corrective actions concerning the significant matters (if any). The Audit Committee also ensured that audit activities were independent, justify and cover potential risks in accordance with the Professional Practice of Internal Auditing.

The Audit Committee concluded that the Company's internal control systems were adequate and appropriate for the Company's business operations and were in accordance with the opinion of the external auditor who reported that there were no significant matter(s) that would affect the Company's financial statements. The Audit Committee reports were prepared for the Board of Directors on quarterly basis.

### 4. Review the Company's Compliance with Securities and Exchange Commission Laws

The Audit Committee has reviewed the Company's compliance with the SEC laws and the SET requirements, and any other laws as applicable to the Company's operations.

The Audit Committee concluded that no violation of laws and regulations was found. The Company has adopted a clear policy of compliance with the regulations of the SEC and the SET, any other laws as applicable to the Company's operations.

### 5. Review of Risk Management Assessment

The Audit Committee performed the oversight function for the Company's risk management by reviewing the risk management system as established by the Risk Management Committee which consist of Mr. Boontuck Wungcharoen as the Chairman of the Risk Management Committee, Mr. Sitthichai Chaikriangkrai, Associate Professor Tithiphan Chuerboonchai and Mrs. Wallapa Traisorat as the members of the Risk Management Committee. The Risk Management Committee is responsible for establishing and monitoring the policy, structure, risk management plan and framework, and follow up on monthly and quarterly basis. The Risk Management departments responsible for preparing the overall risk management report of the Company.

The Audit Committee concluded that the Company's risk management system has been efficient and effective.

## 6. Oversight Internal Audit

The Audit Committee reviewed and approved an annual audit plan for the year 2020 based on key risks of the Company and the internal audit activities will emphasize on the evaluation of the effectiveness of key control points, annual budget and its resource sufficiency with respect to the approved annual plan. In addition, the Audit Committee has encouraged the objective of continuing professional development of Internal Audit Office to enhance their knowledge, skills, and other competencies by attending training courses to improve their performance, and also, the use of technology and software for data analysis in audit work to increase the efficiency and effectiveness of the audit activities.

The Audit Committee concluded that the Company's audit activities had been performed appropriately, sufficiently, and effectively, and its annual audit plan is aligned with the Company's goals and key risk areas. Also, internal audit performance has accomplished its determined goals.

## 7. Review the Audit Committee Charter

The Audit Committee responsible to review the Audit Committee Charter annually in order to ensure that the roles and responsibilities of the Audit Committee are in compliance with regulations of the SEC and the SET.

The Audit Committee has performed its duties and responsibilities independently as prescribed in the Audit Committee Charter.

## 8. Select and Propose External Auditor

The Audit Committee considered the nomination of external auditor pursuant to the Company's criteria in 2020, taking into account its independence, skills, competencies, knowledge, expertise, and experience of the external auditor in the business of the Company and its subsidiaries..

The Audit Committee concluded that external auditor from KPMG Phoomchai Audit Ltd. is independent and possess relevant skills, competencies, knowledge, expertise, and provides useful recommendation on financial reporting and improvements on the Company's internal control. Hence, the Audit Committee proposes Miss. Kanokorn Phooriphanyawanit, CPA (Thailand) License No.10512 or Miss.Nittaya Chetchotiros, CPA (Thailand) License No.4439 or Mr.Thanit Osathalert, CPA (Thailand) License No.5155 or Mr.Ekkasit Chuthamsatid, CPA (Thailand) License No.4195 to the Board of Directors and to shareholders in the Annual General Shareholders' Meeting to consider appointing the aforementioned auditors as the Company's auditors and approve the audit fees.



**Professor Prasit Kovilaikool**  
Chairman of the Audit Committee

# Report of the Executive Committee

## The Executive Committee consists of the Chairman and members totaling six persons as follows:

1. Mr. Charoen Sirivadhanabhakdi  
Chairman of the Executive Committee
2. Khunying Wanna Sirivadhanabhakdi  
Vice Chairman of the Executive Committee
3. Mr. Boontuck Wungcharoen  
Vice Chairman of the Executive Committee
4. Mr. Soammaphat Traisorat  
Vice Chairman of the Executive Committee
5. Mr. Sithichai Chaikriangkrai  
Member of the Executive Committee
6. Mrs. Wallapa Traisorat  
Member of the Executive Committee

In 2019, there were eight Executive Committee meetings that considered important issues for the company, with regular reporting of the resolutions made at these meetings to the Board of Directors for consideration. These resolutions can be summarized as follows:

Activities regarding policies, business direction, business strategy, business operation plans, management authority, and organizational structure

- Reviewed the company's 5-year business plan, including its business strategy;
- Reviewed the company's organizational structure and management structure of its subsidiaries with core businesses, and appointed executives and members of the management team;
- Reviewed and determined the scope of duties and responsibilities of the Chief Executive Officer and President including Management Committee members;
- Reviewed the Investment in Subsidiaries Policy, Dividend Policy of the Company and Subsidiaries, Submission of Financial Statements Policy, Information Disclosure Policy, Subsidiaries Governance Policy, Financial Management Policy, Conflict of Interest Policy, Authority of the Executive Committee, and Charter of the Board of Directors;
- Reviewed the process of corporate governance ;
- Reviewed the table of the Management of Authority;
- Reviewed the principles of entering into transactions with persons who may have conflicts of interest or dealings with related parties;
- Reviewed annual budget.

## Business operations and governance of the Company and its subsidiaries

- Considered investments / purchases of property / projects, including entering into project management contracts to ensure that significant investments are aligned with the Company's business strategy;
- Reviewed investment budget to support business expansion and ensure it is in line with the Company's strategy;
- Reviewed the shareholding restructuring of the Company and its subsidiaries in order to achieve the highest efficiency for business operations;
- Reviewed the management structure to ensure the operations of the Company are appropriate, agile, and efficient, as well as the appointment of executives to represent the Company in its subsidiaries;
- Reviewed the operating results of the Company and its subsidiaries and gave advice on dividend payment;
- Reviewed entering into financial transactions with financial institutions in order to ensure they were the most beneficial for the business of the Company and its subsidiaries;
- Reviewed and approved the issuance of debentures;
- Considered action plans relating to listing the Company's ordinary shares as securities on the SET.

## Monitoring of performance and progress of investment projects

- Monitored the performance of the Company to ensure they were in accordance with the business plan and as assigned by the Board of Directors.

## Compliance with the Grant of Right Agreement

Reviewed and gave opinions on the feasibility of the project and the appropriateness of the investment in connection with the exercising or not exercising of rights according to the Grant of Right Agreement dated June 7, 2019, and the memorandum of the Grant of Right Agreement dated August 13, 2019, and proposed these opinions to the Audit Committee for its consideration before proposing them to the Board of Directors.

The Executive Committee fulfilled its duties and responsibilities as stipulated in the Executive Committee Charter by performing its duties with determination, prudence, accuracy, and honesty to develop the business to its fullest capacity by taking into account the best interests of the Company, its shareholders, and all stakeholders, and ensure that the Company has business processes that are in compliance with all applicable laws and regulations and are in accordance with the principles of good corporate governance to contribute to the sustainable growth of the Company.



**Mr. Charoen Sirivadhanabhakdi**  
Chairman of the Executive Committee

# Report of the Nomination and Remuneration Committee

**The Nomination and Remuneration Committee comprises three directors in which half of them are independent directors. The members are namely as follows.**

1. Mr. Rungson Sriworasat  
Chairman of the Nomination and Remuneration Committee / Independent Director
2. Mr. Pongpanu Svetarundra  
Member of the Nomination and Remuneration Committee / Independent Director
3. Mr. Boontuck Wungcharoen  
Member of the Nomination and Remuneration Committee

In 2019, the Nomination and Remuneration Committee held 8 meetings which are summarized into the following 4 main issues.

## 1. Nomination and Appointment of Directors / Management / Others

- 1.1 Appointed the Secretary of the Nomination and Remuneration Committee
- 1.2 Proposed the Directors to replace Directors who were retired by term of office
- 1.3 Nominated Vice Chairman of the Executive Committee
- 1.4 Nominated members of Corporate Governance Committee
- 1.5 Appointed management positions as follows
  - Chief Executive Officer and President
  - Chief Investment Officer
  - Chief Financial Officer
  - IPO Project Leader
  - Chief Retail and Commercial Group Officer
  - Chief Project and Development Officer
  - Chief Marketing and Branding Officer
  - Chief Corporate Officer

## 2. Organization Structure

Determined and considered new organization structure.

## 3. Principle, Policy and Regulation

Determined and considered career development policy, succession plan, work rules and regulation, principle of nomination, promotion and salary adjustment for executives who are one level and two-level under Chief Executive Officer and President, Criteria for the performance assessment of Chief Executive Officer and President in 2019 and 2020.

## 4. Remuneration

Considered promotion and salary adjustment for executives who are one level under Chief Executive Officer and President, and determined proper remuneration and compensation for the directors for 2019.

The Nomination and Remuneration Committee had performed the duties with thorough, transparent, prudence and independent in compliance with good corporate governance framework.



**Mr. Rungson Sriworasat**

Chairman of the Nomination and Remuneration Committee

# Report of the Risk Management Committee

## The Risk Management Committee of the Company comprises four members as follows:

1. Mr. Boontuck Wungcharoen  
Chairman of the Risk Management Committee
2. Mr. Sithichai Chaikriangkrai  
Members of the Risk Management Committee
3. Mrs. Wallapa Traisorat  
Members of the Risk Management Committee
4. Associate Prof. Tithiphan Chuerboonchai  
Members of the Risk Management Committee / Independent Director

The Company realizes and gives precedence to sustainable risk management across the organization from enterprise level to operational level in the business units by determining its risk strategy and risk mitigation plan to be aligned with the company strategy, ensuring the risks in all significant activities and transactions are managed and mitigated down to an acceptable level. In addition, the Company emphasizes and supports collaboration among business functions as the mechanism to drive the exchange of knowledges and accelerate collaboration for continuous improvement of risks management and internal control. In 2019, the Risk Management Committee had a total of five (5) meetings, of which, key achievements are summarized as follows.

1. Established Risk Management Framework composing of risk management policy, the Company's Risk Appetite, risk management structure, roles and responsibilities of risk management including risk identification, risk assessment, mitigation plan and control, monitoring, reviewing, and reporting to Management, the Risk Management Committee and the Board of Directors. The Risk Management Committee considers and manages the risks of the following 8 aspects which are: 1) Strategic Risk, 2) Operational Risk, 3) Financial Risk, 4) Compliance Risk, 5) Disaster Risk, 6) Reputational Risk, 7) Information Technology Risk, and 8) Fraud Risk. More details of each risk aspect are as described under the Risk Factor Report section.
2. Defined Key Risk Indicator (KRI) to act as an early warning tool for management which allow management to timely adjust its strategy and set up necessary countermeasures to prevent potential loss.
3. Implemented Business Continuity Management System across entire organization including Hospitality Business Group, Retail and Commercial Building Business Group and Corporation functions to ensure the continuity of business despite being under the crisis and also to ensure the Company can resume normal operation in a short period of time.
4. Standardized and improved Incident Reporting Process in all business functions to report the incidents that may negatively impact the Company, analyze the cause of incidents to set up corrective and preventive actions, ensuring the incidents are efficiently and effectively managed to reduce potential loss and that repeating incident will not reoccur.
5. Integrated risk management and process improvement to enhance collaboration and information sharing among related functions such as Risk Management Department, Internal Audit Department, and Operation Excellence Department so that the high impact matters are carefully scrutinized. This allows the Company to continuous improve the processes in a systematic way.

Throughout the year 2019, Risk Management Committee emphasized on building the strong risk management framework and elevated risk management operation to create solid foundation for sustainable risk management. The Company is committed to continuously apply the effective enterprise risk management and constantly adjusted its process to reflect changing business circumstances in order to grow and expand as well as increasing its potential to create business value added in the long term.



**Mr. Boontuck Wungcharoen**  
Chairman of the Risk Management Committee



# Report of the Corporate Governance Committee

**The Corporate Governance (CG) Committee of Asset World Corp Public Company Limited consists of four members of which half are independent directors as follows:**

1. Mrs. Nuntawan Sakuntanaga  
Chairman of the Corporate Governance Committee /  
Independent Director
2. Mr. Sithichai Chaikriangkrai  
Member of the Corporate Governance Committee
3. Mr. Weerawong Chittmittrapap  
Member of the Corporate Governance Committee
4. Associate Professor Tithiphan Chuerboonchai  
Member of the Corporate Governance Committee /  
Independent Director

The CG Committee's duties and responsibilities are prescribed in the Charter of the Corporate Governance Committee. The CG Committee is responsible for determining the policy framework and guidelines for the development of corporate governance and corporate social responsibilities in order to ensure transparency of business operations and fairness for all stakeholders in line with the Company's sustainable growth policy. The CG Committee provides recommendations to the Board of Directors in accordance with the principles of good corporate governance.

In the year 2019, the following was accomplished by the CG Committee:

1. Relevant policies were drawn up, approved, and announced by the Board of Directors as follows:
  - 1.1 "Code of Conduct" that serves as a guideline for directors, executives, and employees to ensure they work efficiently and to the highest ethical standards.
  - 1.2 Anti-Corruption Policy that serves as a guideline for directors, executives, and employees, including contractual representatives of the Company, prohibiting

any and all acts of bribery or seeking improper benefits in any form, and emphasizing there must be strict compliance with the law to prevent and combat corruption.

- 1.3 Corporate Social Responsibility (CSR) Policy that serves as a guideline for the business operations of the company and its subsidiaries across all areas, including the fair operation of the business, anti-corruption measures, respect for human rights, fair treatment of labor, responsibility to customers and consumers, caring for the environment, social and community development, and the development of innovations. This policy aims to ensure the company operates in a manner that is responsible to society, the environment, and stakeholders; promotes the advancement of Thai values; and actively supports Thai arts and culture, especially the arts, identity, and values of the local communities in which the Company and its subsidiaries operate.
- 1.4 Insider Trading Policy that serves as a guideline to help ensure directors, executives, and employees who have inside knowledge about the Company do not make any unauthorized advanced disclosures about any impending material changes in the Company to outside parties for the benefit of themselves or others.
- 1.5 Whistleblower Policy that defines efficient and effective procedures for the filing of complaints and reporting any acts of fraud, misconduct, and malpractice that violate Company regulations, including measures to protect whistleblowers who make valid complaints from reprisal.
- 1.6 Conflict of Interest Policy as a principle for making decisions so business transactions proceed in the best interests of the Company and its shareholders, as well as to ensure transparency and auditability and for avoidance of any possible conflict of interest. Conflicted persons are required to inform the Company of his/her relationships or potential conflicts of interest relating to such transactions and will not participate in the consideration of or have any authority in executing such transactions.

- 1.7 Related Party Transactions and Connected Transactions that do not allow any related/connected transactions involving directors, management, or any related persons to ensure transparency and fairness, and that such transactions are in the best interests of the Company and its shareholders.
  - 1.8 Information Disclosure Policy as a principle for disclosing relevant information of the Company, such as material non-public information, or disclosure with respect to projections or forecasts of the company's business direction, including forward-looking information. The company's information disclosure shall be in compliance with the laws, regulations, standards, and guidelines of relevant regulatory authorities.
2. Considered the results of an initial assessment of Environmental Social and Governance (ESG) policies in accordance with the ESG Health Check Self-Assessment of The Stock Exchange of Thailand and proposed guidelines for work plans of specific departments in the Company to provide them with better knowledge and the understanding required to integrate the principles of sustainable business development into all working processes. This is also for the preparation of the company to apply for Thailand Sustainability Investment certification from the Stock Exchange of Thailand in the near future.
  3. Considered the preliminary assessment results of a Corporate Governance Report for Thai Listed Companies (CGR) by the Office of the Securities and Exchange Commission (SEC) and prepared suggestions regarding issues that should be improved for the most effective management, transparency, auditability, and flexibility to adapt to meet the requirements of every business condition and act responsibly on behalf of all shareholders. In addition, the Company is in the process of studying and preparing to declare its intention to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).
- In this regard, all of the above-mentioned activities reinforce the Company's commitment to comply fully with the principles of good corporate governance, operating to the highest ethical standards, and managing sustainability in order to ensure the greatest benefits for all stakeholders.



**Mrs. Nuntawan Sakuntanaga**

Chairman of the Corporate Governance Committee



# Risk Factors

The Company and its subsidiaries are the owner of various real estate businesses which cover Hospitality Business, Retail and Commercial Building Business and mixed-use properties. In business operation, the Company is fully aware that there are certain risks which may have negative impact on the Company's businesses, financial conditions, performance results, and the Company's future prospects such as risks from changing of consumer behavior, economic slowdown that impacts the customers' purchasing power, trade war between the US and China, terrorism, or cyber threat.

The Company gives precedence to sustainable risk management to support the achievement of its mission and goals. The Company has established the Enterprise Risk Management Framework according to the COSO Enterprise Risk Management 2017 and applied the framework across the organization with the Risk Management Policy enforced on all employees.



The Company then analyzed and assessed all aspects of the risks, both internal and external, covering all business groups and critical activities to determine proactive measures to manage and reduce potential risks down to acceptable levels. The risks identified are systematically monitored and reviewed by the working committees under the supervision of the Risk Management Committee. The Company considers the following risks as those that could cause negative impact to the Company.

## 1. Strategic Risk

The Company strives to continue growing the business and adding value to its stakeholders. This is done by delivering quality services to Thai society and becoming Thailand's leading integrated lifestyle real estate group with a sustainable development pipeline for future growth and the potential for long-term capital appreciation. The Company plans to constantly develop new projects to meet customer' lifestyles in a comprehensive manner. The risk factors related to the strategic aspects are as follow:

### 1.1 Risk from economic fluctuation and changing of consumer behavior

World economic downturn and international political conflicts cause negative impact to Thai tourism industry. These factors directly impact the consumer's demand for the Company's services as they are closely linked to the economy situation. In addition, the consumer behavior and preferences have been shifted to various types of services that better meet their lifestyles. For example, some customers may prefer other types of accommodation over hotels or some customers may prefer making online purchases than making purchases at retail stores. The Company managed the mentioned risk by closely monitoring



the performance and/or analyzing customer data; e.g., country of origin or purpose of using our services to develop and adjust the Company's strategy to better serve individual target group.

The Company also conducted customer satisfaction surveys and implemented Customer Relationship Management Program to gain deep understanding of customer needs, improved service quality, and developed long term relationship in order to maintain some groups of customers

## 1.2 Risk from business competition

The Hospitality industry in which the Company operated is in a highly competitive environment. The Company is competing against international, regional and local companies, running similar businesses. New or existing competitors may offer significantly lower rates than the Company's offer greater convenience, services or amenities; or significantly expand or improve facilities in the locations in which the Company operates, thereby, affecting the Company's performance. The Company mitigates this risk by entering into an agreement (Hotel Management Agreement) with world class international hotel operators who have expertise, long-term reputation, and high operating standard to manage all the Company's hotels and deliver world-class customer experience with value for the customer money and competitive quality. The Company also diversified the risk by hiring number of leading hotel operators to serve both the variations and uniqueness of customer needs of each target group. The Company also operates hotels in several tourist destinations of Thailand to avoid concentration of revenue stream from a specific region.

Retail and Commercial Business is another highly competitive industry. The Company competes for tenants against number of developers, owners and operators of retail and office properties. The competitors may offer new office platforms, such as co-working spaces which are becoming more popular among millennials and small and growing businesses. The Company manages these risks by offering wider varieties of business platforms; e.g., community malls to serve different customer lifestyles. The Company regularly conducts market and customer research to learn market demand, local customer income, as well as competitor movement to develop and adjust the Company's strategy to continuously improve quality of services and facilities for the greatest customer satisfaction.

## 2. Operational Risk

Efficiency and effectiveness in operations are vital factors to support the Company sustainable achievement. Inadequacy, deficiencies of controls, or shortage of competent employees may deteriorate the Company's abilities in achieving its goals. Therefore, the Company focused on developing efficient and effective standard procedure, people management, and cyber threats prevention where details are described below.

### 2.1 Risk from personal recruitment and development for business expansion

The Company realizes the vital importance of the employees; therefore, the Company focuses on people development to equip employees with the necessary skills to support business growth. The Company also developed programs to promote happy workplace environment which support creativity and delivering the best result for the Company. The Company develops the risk mitigation measurements related to personal issues starting from the recruitment activities to ensure appropriate and adequate recruitments such as opening new channel for labor market, introducing staff referral program, and utilizing outsources recruitment companies for talent acquisition. In term of people development, the Company has been providing the essential and necessary training programs for the employees. The Company has implemented and developed succession program to ensure business continuity and smooth transition for key persons.

### 2.2 Risk from operational processes

Improper process design, such as having complicated and redundant activities or lack of controls in critical activities, may lead to confusion, resulting in operation failure. Therefore, during the previous year, the Company set its target to develop standard operation processes for all the key business processes, aiming to eliminate unnecessary routine operation, and embed key controls in the processes as well as optimizing company resources consumption. The Company also realized the importance of communication and change management for building strong awareness and acceptance from all relevant parties. Communication were done through several channels such as company announcement or at AWC Together, the Company's communicating session, consisting of the Top 100 executives throughout the year. These executives hold the responsibility to cascade the information further down to their staffs.



## 2.3 Risk from cyber threats

Generally, in business, the Company increasingly relies more and more on information technology systems to collect, use, transmit, and store data. These data include confidential information belonging to the Company, guests, tenants, customers, and other business partners. Like other global companies, the Company can be subjected to cybersecurity attacks, one of the significant risks the Company is exposed to. In order to avoid and protect the Company from cyber threat, the Company outsources reliable service provider to store the critical information and established preventive measures to detect unauthorized accesses. The critical information is also regularly back up off-site while still can be recovered within a timely manner.

## 3. Financial Risk

The Company is committed to build a sustainable business and to maintain steady growth as well as delivering high quality services to the customers. In order to achieve the goals, certain risk factors, as follow, need to be considered:

### 3.1 Liquidity Risk

The Company operates in a capital-intensive industry which relies on the availability of sizeable amounts of capital. The Company has set up an investment policy and investment criteria for project development. Investment Strategy Division is responsible for gathering supporting information and analyzed various factors by conducting feasibility studies of investment projects such as analyzing project risks through the Return on Equity, considering project timeline and source of fund to ensure sufficient funding for operating all-around businesses, and liquidity management is efficient and effective. Investment Strategy Division works closely with Finance Division to locate funding sources with fair financial cost. The Company defines appetite level on Debt to Equity Ratio to be at most 1.5 times. The debt structure, both fixed and floating interest, are properly managed while using financial instruments to manage the risk.

### 3.2 Credit Risk from tenants

The tenants of Retail and Commercial Building business may not pay their rent in full, at all, or default on payment which can affect Company's revenue stream. The Company managed this risk

by developing and improving collection and debt monitoring process to have a clear, concise, and easy method to detect irregularities. The Company also defined roles, responsibilities, and communication channel between related departments to effectively and efficiently share the customer information for mutual benefit. In addition, the Company has implemented Customer Relationship Management Program with tenants which defined policy, objectives and procedures for developing long term relationship with the tenants, allowing the Company to pursue and maintain quality tenants with the Company.

## 4. Compliance Risk

The Company incorporates under several applicable laws and regulations which are regulated under different domestic and international regulations that may be regularly changed. Non-compliance of these laws and regulations can adversely impact the business operation. Therefore, the Company pays close attention to monitoring, understanding, and strictly complying with the applicable laws and regulations, in accordance with the good governance principle.

The Company has set up Compliance Department to compile the applicable laws and regulation related to each business group, develop e-learning system, and arrange training or knowledge sharing session to business units to continuously educate on emerging or changes of laws and regulations. The Compliance Department also performed compliance testing and provide necessary advice to business functions to comply with the applicable laws and regulations.

## 5. Disaster Risk

The manifestations of climate change have caused natural disasters in several areas of Thailand such as flooding or windstorms which caused damages to the Company properties and services. The Company business may also be affected by the outbreak of public health epidemics, or even the fear of such an outbreak, in Thailand or elsewhere. In addition, the Company business may be disrupted by political unrest or terrorism which could have adverse effect on the Company. The Company considers these possible scenarios as potential significant risks. Therefore, the Company has implemented ISO 22301:2012 (standard of Business Continuity Management: BCM) across business group in order to elevate the Company practice to meet global standard. The Company's framework in implementing the Business Continuity Management includes

- 1) BCM Management – set up BCM Committee and working team to define BCM scope, objectives and direction.

- 2) Understanding the organization – conduct workshops with management and process owners to identify critical activities and assess risks that may potentially impact the Company's business such as disaster risk.
- 3) Determining the BCM Strategy – define strategy, guideline and timeframe to recover the Company's critical activities to be up and run within the defined target.
- 4) Developing and implementing BCM response – develop proper and adequate BCM response to ensure the continuity of the Company's business under crisis and that the Company can resume normal operation quickly.
- 5) Exercising, maintaining and reviewing – regularly review efficiency and effectiveness of the Business Continuity Plan and employee readiness in handling the crisis.
- 6) Embedding BCM in the organization's culture – conduct trainings for executives and key personnel from all departments to understand and be aware of the importance of BCM development and implementation including their roles and responsibilities.

## 6. Reputational Risk

Reputation, brand, and image are crucial to attract customers, tenants, and business partners. It takes tremendous amount of time and effort to build the reputation but it could decline quickly due to a number of reasons such as socially improper actions, negative publicity, or media coverage. Therefore, the Company has implemented Incident Reporting Process in all business functions to timely report the incidents that may negatively impact the Company, identify the root cause to set up corrective and preventive actions, ensure that the incidents are efficiently and effectively managed to minimize potential loss, and avoid repeat incident. The Company also continuously monitors negative news in public media to be able to promptly respond and provide accurate information to the public.

## 7. Information Technology Risk

The Company utilizes a range of information technology systems to operate the business, including data collection and storing, data processing, and analyzation of data to support business decision. If the Company lags behind in the technology necessary for the business, the ability to compete effectively could be diminished. If the information

technology system fails, suffers delays in its operation, or experiences problems caused by system enhancements, the business or reputation could be harmed. The Company appointed the Information Technology Department to study and analyze the systems being utilized in other leading companies in their industry and trend of new technologies, along with gathering user requirements from business units to form an IT development roadmap to support the Company growth. The Information Technology Steering Committee, consists of management from the business function, is responsible to assess the result of the study, provide comment and, support the project presented by the Information Technology Department before proposing to top management for approval.

## 8. Fraud Risk

The Company commits to operate with integrity and transparency in accordance with the Corporate Governance Code defined by the SEC. The Company realizes the importance of having well managed and transparent operation as well as having the Board of Directors and top management as role model to be the key drivers in achieving the Company targets of being an ethical and adding sustainable value to the Company. The Company commits to strictly comply with applicable laws and regulations and encourage employees to act with integrity and be good citizen. The Company defined the policy and guideline of this subject under the Corporate Governance Policy, Anti-Fraud and Corruption Policy, and Code of Conduct which clearly specify roles and responsibilities of employees at all levels, followed the Segregation of Duties principle in order to balance the authority, and preventing misuse of power and conflict of interests. Key controls have been embedded at day-to-day level to ensure transparency and appropriateness of the transactions.

In addition, the Company pays close attention to clues and complaints. Whistleblower Policy has been established and communication channel has been opened for whistleblowers to inform or raise their complaints to the Company. The Company has the committee to consider the complaints and ensure that a fair investigation is conducted and the confidentiality of the whistleblower, plus employees who participated in the investigation are protected.

# Internal Control and Risk Management

An opinion of the Board of Directors regarding the company's internal control system

The Company commits to continuously conduct business with sustaining ethical values, respecting rights and creating sustainable value that are in alignment with good corporate governance principles. The Company also realizes the importance of effective internal control system and risk management to be at tolerance levels in order to obtain reasonable assurance of achievement of the defined objectives and development the Company toward sustainable growth.

The Company has established its internal control systems in conformance to the internal control integrated framework of COSO which covers the following five integrated components;

## 1. Control Environment

The Company continuously provides a good control environment in accordance with good corporate governance principles and has established corporate culture which encourages executives and employees to adhere with the Company Core Values as follows: 1. Integrity 2. Passion 3. Goal Oriented 4. Customer Centric 5. Caring. The Company has establish Good Corporate Governance Policy, Anti-Corruption Policy, Social Responsibility Policy ,Internal Data Usage Policy ,Complaint Policy, Personnel Development and Succession Plan Policy, Enterprise Risk Management Policy, Business Continuity Management Policy, Information Security Policy, Policy to Prevent Conflicts of Interest, Policy for Entering into Related Transactions and Connected Transactions, Investment Policy in its Subsidiaries , Dividend Policy of the Company and its Subsidiaries, Policy for Submission of Financial Statements, Disclosure Policy and Business Ethics. The written policies have been the communicated through the Company's website, E-mail and Company's intranet which is a guideline for directors, management and employees to adhere to their performance duties.

The Board of Directors consists of 7 independent directors out of the total of 14 directors. The Company's directors have knowledge, competence and relevant qualifications in performing their oversight functions, developing risk assessment, and proper internal control systems including

those on compliance with relevant laws and regulations. In order to support the Board of Directors functions, specialized committees with knowledge and expertise have been appointed to focus on specific matters. The committee are namely; the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Corporate Governance Committee.

The Company has outlined an organization structure that is conducive to achieving objectives by business line which enables to establish proper lines of command and clear reporting lines by identifying proper authorities and responsibilities. The internal control is designed appropriately and includes segregation of duties in key functions to enhance check and balance system and prevent potential conflict of interest.

The Board of Directors and the Management have processes and communication channels for all employees to take responsibility on internal control system, review and improve their operational process on a regular basis. Clear and measurable business's goals are established and measured through Objective Key Results ("OKR") and Key Performance Indicator ("KPI") as performance indicators which are aimed to motivate outstanding performance and offer rational rewards to encourage accountability.

## 2. Risk assessment

The Company focuses on a sustainable risk management system by applying the COSO Enterprise Risk Management 2017 throughout business units and important functions of the Company. There is a systematic risk assessment process based on the analysis of the probability and impact by considering both internal and external risk factors that may affect the achievement of the company's objectives. Risk Assessment covers strategic, operational, financial, compliance, disaster, reputational, information technology, and fraud risks. Appropriate management measures have been established to prevent and reduce the impact of each risk to an acceptable level. The Risk Management Committee has an oversight role to ensure that the risk assessment performed is in accordance with the risk management framework. In addition, the Company has set

up Key Risk Indicators which are used for management's consideration as warning signs of potential risks and to determine a suitable and timely management approach.

In business operations, the Company has to face with various risks and uncertainties such as natural disaster, violent events or serious epidemic disease causing damage to the Company's assets or business operations. To avoid loss or damage, the Company has adopted the Business Continuity Management (BCM) and developed a plan to support operations under critical conditions. Also, the Company has established an emergency backup plan for the information system (Disaster Recovery Plan: DRP) to ensure that the business operations of the Company will continue without interruption even under critical conditions and the Company shall be able to quickly restore troubled operation to normal operation.

### 3. Control Activities

The control activities have been designed for both manual and automation covering various aspects of work operation relating to the Company's risks and characteristics such as environment, complexity, nature, and scope of its operations. The sound appropriateness of preventive control is concentrated.

Implementation of defined control activities has been a continuous process which is to ensure the Company's ability to prevent or minimize any risks which may potentially become a cause of the Company failure and is to achieve its objectives as well as diminishing unintentional failure or fraud case. In addition, the policies, procedures and control activities have been regularly reviewed and updated to ensure that the Company and its subsidiaries takes any immediate action in any change in situations and associated risks.

The Control activities are summarized as follows:

- Written approval authority at each management level is clearly defined and reviewed in line with changes in organization structure, while balancing between business operations flexibility and good internal control.
- Decentralized the Company's organization structure allows operational flexibility and job segregation, promoting cross-checking and balancing of power mechanisms such as separating responsibilities among authorized approvers, transaction recording and data processing staffs, and asset custodians.
- Policy on Information Security has been developed and disseminated on the Company's website to create awareness for employees at all levels regarding information systems security. It specifies security at both data access and data usage functions in order to

deal with prevention and correction or misuse of the information.

- Standard Operating Procedure (SOP) of every business unit has been revised and updated regularly and the SOP is referred as guideline for employees in order to operate with accuracy, appropriateness, effectiveness and standardization.

### 4. Information and communication

The Company emphasizes the importance of effectiveness on information technology management by continuous development on information technology system in order to deliver accuracy and completeness information to support the Board of Directors and the management's decision making in timely manner. The Company's communication channel is designed to support and link organization with both internal and external communication as follows:

- Internal communication  
The Company provides internal communication channels for the management and employees in order to communicate the Company's objectives and necessary internal controls. Regular management meeting called "AWC Together" is held in this regard. Thus, the necessary information pertaining to work requirements is communicated through intranet, e-mail etc.
- External communication  
The Company emphasizes the importance of completeness and timeliness of information disclosure to its shareholders and investors on a regular basis through various channels such as the Company's website, e-mail, publications etc. The Investor Relation Department is responsible for communicating and distributing to shareholders and investors relevant information such as basis information, financial information, investment information, and other information that may impact shareholders and investors.

### 5. Monitoring

The Company's business goal has been clearly defined and followed up for continuous monitoring and progression through routine operations which are able to promptly respond to any changes. Executives of each business unit are responsible for monitoring their own operations by ensuring adequacy of internal control as well as monitoring of goal achievement through objective key result (OKR) and Key performance indicator (KPI). In case of the performance outcomes negatively deviate from the determined plan or criteria, an analysis shall be conducted to identify causes and solution within appropriate period.

Furthermore, evaluation activities are also performed by a separate work unit, the Internal Audit Office, under direct supervision of the Audit Committee. The Internal Audit Office is responsible for assessment of adequacy and effectiveness of the internal control systems toward the significant administration and operation process, in accordance with the annual audit plan approved by the Audit Committee. The results of assessment are reported to the Audit Committee and the recommendations on the audit reports are followed up with business units for progression of process improvement within specific timeframe. The Company also ensures that the Internal Audit office complies with the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing, (IIA) while performing their duties.

With reference to the Board of Directors' Meeting No.1/2020 dated January 9, 2020, attended by members of the Audit Committee, The Board of Directors has approved the results of the checklist on adequacy of internal control system. The Board of Directors expressed its opinion that the Company has designed strong control environment and enhanced employee's awareness of the necessity on internal control.

The Management had considered the nature of all possible risks as well as assessing their impact and likelihood and had accordingly defined risk management methodology to mitigate the risks to an acceptable level. The control activities are adequate and appropriate. Also, the guidelines have been communicated effectively and adequately for decision making of directors, executives, shareholders and other stakeholders. The followed-up exercise as part of monitoring the business operations, towards the achievement of goals, is conducted and internal controls are actively monitored and revised to be in line with changing situation so deficiencies are corrected in timely manner.

Furthermore, the 2019 audited financial statements by external auditors also reflected adequate internal controls over accounting and financial reporting.

### Audit committee's Opinion in the case the opinion is different from Board of Directors

-None-

### Head of the Internal Audit Office and Head of Compliance Office

#### (1) Head of Internal Audit Office

The Audit Committee has approved the appointment of Mr.Natthaphat Mongkhonthananon as the Head of the Internal Audit Office effective from 20 November 2018 onwards. Mr.Natthaphat is competent and has in-depth knowledge and understanding of businesses of the Company. He is also experienced in internal audit matters and is therefore regarded as suitable for the position.

Any appointment, promotion, removal, dismissal of a Head of the Internal Audit Office must be approved by the Audit Committee. The qualifications of the Head of the Internal Audit Office is shown in annex 3 of Form 56-1.

#### (2) Head of Compliance Office

The Company has assigned Miss Warin Kliewpaisal, Head of Compliance, for supervising the Company's compliance with the regulations of relevant government agencies. The Compliance Division is part of Legal Department which supervised by Mr. Chalothorn Srisomwong, Head of Legal. The qualifications of the Head of the Compliance and Head of Legal are stated in annex 3 of Form 56-1.





# Related Party Transaction



## Individuals/entities which may be deemed Related Parties

Entities or juristic Individuals that may have conflicts with related transactions with the Group Company for the year ended December 31, 2019 as follows:

<b>Names of individuals/entities which may be deemed Related Parties</b>	<b>Nature of Business</b>	<b>Relation(s) to the Group</b>
<b>1. Private Limited Companies under TCC Group</b> (including Siriwana Co., Ltd.; TCC Land Co., Ltd.; TCC Corporation Co., Ltd.; TCC Assets (Thailand) Co., Ltd.; TCC Asset World Corporation Co., Ltd.; and affiliates in which aforementioned companies directly or indirectly hold more than 10% of the shares)	Owning properties and providing other services	<ul style="list-style-type: none"><li>Mr. Charoen and Khunying Wanna Sirivadhanabhakdi, directors and major shareholders of the Company, are the major shareholders of Siriwana Co., Ltd., TCC Land Co., Ltd., TCC Corporation Co., Ltd., TCC Assets (Thailand) Co., Ltd. and TCC Asset World Corporation Co., Ltd., directly and indirectly holding more than 10% of the total shares.</li><li>Mr. Sithichai Chaikriankrai, director of the Company, is a director of Siriwana Co., Ltd., TCC Corporation Co., Ltd., TCC Assets (Thailand) Co., Ltd. and certain subsidiaries.</li></ul>

Names of individuals/entities which may be deemed Related Parties		
Related Parties	Nature of Business	Relation(s) to the Group
<b>2. Thai Beverage Group</b> (including Thai Beverage Public Company Limited and affiliates in which Thai Beverage Public Company Limited directly and indirectly holds more than 10% of the shares)	Manufacturing and sale of assorted food and beverages	<ul style="list-style-type: none"> <li>Mr. Charoen and Khunying Wanna Sirivadhanabhakdi, directors and major shareholders of the Company, are directors and major shareholders of Thai Beverage Public Company Limited., directly and indirectly holds more than 10% of the shares.</li> <li>Mr. Sithichai Chaikriangkrai, director of the Company, is a director of Thai Beverage Public Company Limited and certain subsidiaries.</li> </ul>
<b>3. Berli Jucker Group</b> (including Berli Jucker Public Company Limited and affiliates in which Berli Jucker Public Company Limited directly and indirectly holds more than 10% of the shares)	Import, export, manufacturing and sale of consumer products and rendering of services	<ul style="list-style-type: none"> <li>Mr. Charoen and Khunying Wanna Sirivadhanabhakdi, directors and major shareholders of the Company, are major shareholders of Berli Jucker Public Company Limited, directly and indirectly holds more than 10% of the shares.</li> <li>Mr. Sithichai Chaikriangkrai, director of the Company, is a director in Berli Jucker Public Company Limited.</li> <li>Mr. Weerawong Chittimittrapap, director of the Company, is an independent director of Berli Jucker Group.</li> </ul>
<b>4. Frasers Property (Thailand) Group</b> (including Frasers Property (Thailand) Public Company Limited and affiliates in which Frasers Property (Thailand) Public Company Limited directly and indirectly holds more than 10% of the shares)	Development of Industrial properties	<ul style="list-style-type: none"> <li>Mr. Charoen and Khunying Wanna Sirivadhanabhakdi, directors and major shareholders of the Company, are major shareholders of Frasers Property (Thailand) Public Company Limited group, directly and indirectly holds more than 10% of the shares.</li> <li>Mr. Sithichai Chaikriangkrai, director of the Company, is a director in Frasers Property (Thailand) Public Company Limited</li> </ul>
<b>5. Univentures Group</b> (including Univentures Public Company Limited and affiliates in which Univentures Public Company Limited directly and indirectly holds more than 10% of the shares)	Development of commercial properties, rendering of services relating to properties, and others	<ul style="list-style-type: none"> <li>Mr. Sithichai Chaikriangkrai, director of the Company, is a director of Univentures Public Company Limited and certain subsidiaries.</li> </ul>
<b>6. Thai Group Holdings Group</b> (including Thai Group Holdings Public Company Limited and affiliates in which Thai Group Holding Public Company Limited directly and indirectly holds more than 10% of the shares)	Property and life insurance and car rental/leasing	<ul style="list-style-type: none"> <li>Mr. Charoen and Khunying Wanna Sirivadhanabhakdi, directors and major shareholders of the Company, are major shareholders of Thai Group Holdings Public Company Limited, directly and indirectly holds more than 10% of the shares.</li> </ul>

Names of individuals/entities which may be deemed Related Parties	Nature of Business	Relation(s) to the Group
<b>7. Oishi Group</b> (including Oishi Group and affiliates in which Oishi Group Public Company Limited directly and indirectly holds more than 10% of the shares)	Food and beverage outlets	<ul style="list-style-type: none"> <li>Mr. Charoen and Khunying Wanna Sirivadhanabhakdi, directors and major shareholders of the Company, are major shareholders of Oishi Group Public Company Limited, directly and indirectly holds more than 10% of the shares.</li> <li>Mr. Sithichai Chaikriangkrai, director of the Company, is a director of Oishi Group Public Company Limited.</li> </ul>
<b>8. Siam Food Group</b> (including Siam Food Public Company Limited and affiliates in which Siam Food Public Company Limited directly and indirectly holds more than 10% of the shares)	Manufacturing and sale of processed agricultural products	<ul style="list-style-type: none"> <li>Mr. Charoen and Khunying Wanna Sirivadhanabhakdi, directors and major shareholders of the Company, are major shareholders of Siam Food Public Company Limited, directly and indirectly holds more than 10% of the shares.</li> <li>Mr. Sithichai Chaikriangkrai, director of the Company, is a director of Siam Food Public Company Limited.</li> </ul>
<b>9. Other Group</b> (Including Hermitage Consultant Co., Ltd., Grand Willow Development Ptc Ltd, and Tropical Almond Development Ptc Ltd.)	Management consultancy/ Hotel operator	<ul style="list-style-type: none"> <li>Mr. Soammaphat Traisorat, director of the Company, directly holds 49.99% of the shares of Hermitage Consultant Co., Ltd., and is a director of Grand Willow Development Ptc Ltd and Tropical Almond Development Ptc Ltd.</li> <li>Mrs. Wallapa Traisorat, director of the Company, directly holds 49.98% of the shares of Hermitage Consultant Co., Ltd., and is a director of Grand Willow Development Ptc Ltd and Tropical Almond Development Ptc Ltd.</li> </ul>



## Transaction from operations

Related party transactions of the Group with entities or juristic individuals that may have conflicts arising from operations for the year ending as of December 31, 2018 and 2019, summarized as follows

### A. Revenue

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
1. Revenue from rental and rendering of office building services					
Private Limited Companies under TCC Group	The Group rents out office space as follows				The transactions are normal business transaction, which have rental and services rate and conditions similar to that of other tenants who leased similar spaces.
Thai Beverage Group	1. Empire Tower				
Berli Jucker Group	2. Interlink Building, Bangna and				
Oishi Group	3. Athenee Tower				
Siam Food Group					The rental space to Asia Books added variety and more attraction to the office building which in line with the Group's leasing strategy. The rental rates, service fee and conditions are comparable to that of other bookstores.
	<b>Revenue from office building rental and service and other income</b>				
	• Private Limited Companies under TCC Group	114.06	105.24		
	• Thai Beverage Group	2.81	12.75		
	• Berli Jucker Group	0.42	0.61		The transactions are considered appropriate, reasonable and beneficial to the Group.
	• Siam Food Group	7.05	6.98		
	<b>Grand Total</b>	<b>124.34</b>	<b>125.58</b>		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
				The Group surveyed rental and service fees from other bookstores, found that the rental and service fees including the rental conditions of Asia Books are comparable to rates get by other bookstores.	
	<p>The Group provided office space in CW Tower. The Group was a major shareholder in CW Tower Company Limited, the owner of CW Tower.</p> <p><b>Revenue from office building rental and service and other income</b></p> <ul style="list-style-type: none"> <li>Private Limited Companies under TCC Group</li> <li>Thai Beverage Group</li> <li>Oishi Group</li> <li><b>Grand total</b></li> </ul>	<p>29.40</p> <p>130.49</p> <p>1.55</p> <p><b>161.44</b></p>		<p>The transactions incurred in the past, will not incur in the future because the Group disposed all its shares in CW Tower Company Limited in 2018 according to the Group's restructuring plan.</p> <p>Before the business restructuring to be readiness to enter the Stock Exchange of Thailand from January 1, 2018 to December 20, 2018, the Group was a major shareholder in CW Tower Company Limited. The Group hired Quantum Assets Management Co., Ltd., a company in the Univentures Group as property manager, included leasing arrangement. During such period, there was no comparison of rental and service fees offered to related party to other tenants. Therefore, the rental and service rates and condition as specified in the agreements with those related parties cannot compare to offers provided to other party.</p>	
				However, the Group disposed all its shares in CW Tower Company Limited in 2018, where 75.00% and 25.00% of shares was disposed on August 29, 2018 and December 21, 2018, respectively. This is in accordance with the Group's restructuring plan, This kind of transactions will not be occurred in the future.	



Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
2. Revenue from rental and rendering of retail and wholesale properties services					
Berli Jucker Group Oishi Group Thai Beverage Group Private Limited Companies under TCC Group	The Group provided the commercial space of retail and wholesale estate as follows 1. Asiatique The Riverfront Project 2. Gateway at Bang Sue Project 3. Pantip Plaza Ngamwongwan Project 4. Pantip Plaza Chiang Mai Project 5. Pantip Plaza Pratunam Project 6. Tawanna Bangkok Project 7. Tawanna Market Project 8. Lasalle Avenue Project			The Group leased out the commercial space of retail and wholesale to juristic persons who may have conflicts. As of December 31, 2019, the rental space with juristic persons that may have conflict represented totaling rental space of approximately 5,531 square meters, equivalent to 3.08% of total net leasable area of commercial projects of the Group. The lease space consists of leased spaces in various projects as follows • Asiatique The Riverfront 2,401 square meters • Gateway at Bang Sue Project 738 square meters • Pantip Plaza Ngamwongwan 137 square meters • Pantip Plaza Chiang Mai 1,389 square meters • Pantip Plaza Pratunam Project, 21 square meters • Tawanna Bangkok 170 square meters • Tawanna Market 450 square meters • Lasalle Avenue 225 square meters	These transactions are normal business transaction which have rental and services rate and conditions similar to that of other tenants who leased similar spaces. They also provide better tenant mix in the Group's retail and wholesale businesses unit. Therefore, these transactions are considered appropriate, reasonable and beneficial to the Group.
<b><u>Revenue from rental and service of commercial buildings and other income</u></b>					
	• Private Limited Companies under TCC Group	15.43	18.85		
	• Thai Beverage Group	4.48	9.08		
	• Berli Jucker Group	8.71	7.80		
	• Oishi Group	6.66	6.47		
	<b>Grand total</b>	<b>35.28</b>	<b>42.20</b>		
Rental and service agreements have the leased period of 12 - 36 months. The Group charged monthly rental and related fee from these related parties at the rental rates and conditions comparable to other tenants who leased similar type of spaces.					

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b><u>Revenue from rental and service of commercial buildings and other income</u></b>					
Pantip Plaza Bangkokpi				Prior to December 17, 2018, the Group was a major shareholder in Sub Pantip Plaza Bangkokpi Company Limited and owner of Pantip Plaza Bangkokpi project. The Group leased out spaces in such project to related party with rental and service fees at the rate and conditions as agreed by counterparties. The Group disposed all its shares in Sub Pantip Plaza Bangkokpi Company Limited on December 18, 2018 according to the Group's restructuring plan. Therefore, these transactions will not occur in the future.	The transaction occurred in the past and will not occur in the future since the Group has disposed shares in Sab Pantip Plaza Bangkokpi Company Limited including selling of buildings and land in the Pantip Plaza Bangkokpi project in December 2018, according to the Group's restructuring plan.
• Private Limited Companies under TCC Group		13.31	-		
<b>Grand total</b>		<b>13.31</b>	<b>-</b>		
<b>3. Revenue from hospitality and related services</b>					
<b><u>The Group provides hotel and related services.</u></b>					
Private Limited Companies under TCC Group	Revenue from hotel operations			The Group provides accommodations, restaurants, and meeting rooms to juristic persons that may have conflicts, who use such services on an ongoing basis.	The transactions are normal business transaction. These customers use the services of the Group and generate revenue for the Group, continuously. The service fee discount and the trade conditions are comparable to the discount that the Group provided to other parties or discounts that third-party customers receive from being a member of various hotel chains such as ClubMarriott or from other distribution channels such as Agoda and Eatigo, and therefore these transactions are considered to be appropriate, reasonable and beneficial to the Group.
Thai Beverage Group	• Private Limited Companies under TCC Group	44.35	5.42		
Berli Jucker Group	• Thai Beverage Group	61.64	70.16	The Group gave discounts at the rates comparable to those offered to third party customers or discounts that third-party customers receive in case of being a membership of various hotel chains such as ClubMarriott or from other distribution channels such as Agoda and Eatigo.	In addition, the Group, together with the hotel operators, have set discount rates for the use of services by the juristic persons that may have conflicts in order to be clear in their operations. These discounts are comparable to the discounts offer to third party customers or discounts that third-party customers receive from being a member of various hotel chains or from other distribution channels.
Fraser's Property (Thailand) Group	• Berli Jucker Group	0.94	0.60		
Univentures Group	• Fraser Property (Thailand) Group	1.98	0.87		
Thai Group Holdings Group	• Univentures Group	0.61	1.52		
Oishi Group	• Thai Group Holdings Group	4.13	1.63		
Other Group	• Oishi Group	-	0.79		
	• Other Group	0.10	2.27		
	<b>Grand total</b>	<b>113.75</b>	<b>83.26</b>		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
4. Revenue from property management services					
Private Limited Companies under TCC Group, Berli Jucker Group, Other Group	<p><u>The Group provides property management services in various areas, with the main work areas as follows</u></p> <ul style="list-style-type: none"><li>• Hotel asset management and hotel operations oversight services</li><li>• Building management</li><li>• Manage and provide consultation on business operations and marketing</li><li>• Project development services</li><li>• Feasibility study and project plan development</li></ul> <p>The Group provides services covering the feasibility study of various project developments, construction / renovation, project quality control. Full range of services covering until the development project is completed and ready for operations. The scopes are focusing on supervision the overall picture of the project development and management of external suppliers in various fields such as architectural firms, project management, construction companies, etc., hired by the property owner of an individual project.</p>			<p>The Group entered into agreements with legal entities that may have conflict of interest in order to provide property management services, providing advice and recommendations for doing business, such as financial management, accounting and legal services etc. The contract lasts from 6 months to 3 years.</p> <p>The transactions in 2018 were the transactions for preparing to be listed on the Stock Exchange of Thailand. During that time there is no policy for entering connected transactions the service fees and conditions for some services are therefore as agreed by the contracting parties. However, most of the agreements were ended and the Group has no policy to extend those contracts. The contracts still remain with the following projects.</p> <p>1. Contract with the Private Limited Companies under TCC Group to manage Gateway Ekamai Project and Asiatique The Riverfront extension project which is a project that the group of companies intend to invest, Gateway Ekamai, as per MOU entered in 2019 and the service agreement which will expire in 2021.</p>	<p>The Group provides property management services in various areas, in 2018 the service fees and conditions are as agreed by the contracting parties. Subsequently, in 2019, the Group has set the service rates that are comparable with other service providers who provide similar services. Therefore, these transactions are considered reasonable and beneficial to the Group.</p> <p>In addition, when the contract with the Private Limited Companies under TCC Group and the Berli Jucker Group ended, the Group did not renew those contracts. Moreover, after the purchase of Group 3 Companies, Gateway Ekamai Project or the companies who possess the property with the potential to develop the project according to the Group's business strategy, such companies will be a subsidiary company of the Group which resulted in those transactions will not be considered as related party transactions.</p>

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b>Management fee income</b>					
	• Private Limited Companies under TCC Group	501.98	535.22	2. Contract with the Private Limited Companies under TCC Group to manage Group 3 assets in a total of 8 projects. The Group purchased the shares of those companies on January 1, 2020.	
	• Berli Jucker Group	5.37	2.21		
	• Other Group	20.22	-		
	<b>Grand total</b>	<b>527.57</b>	<b>537.43</b>	3. Contract with the Private Limited Companies under TCC Group to study preliminary projects for the assets under the contract, granting the right to have the potential to invest or develop the projects according to the business strategy of the Group, totaling 26 projects.	
<p>The Group provide management services for assets that the company interested in investing and the potential assets for future investment. The details of the service rate for the projects are listed below:</p>					
1. Service fee for Legal, Accounting and Marketing Services is the fixed rate agreed by the contracting parties based on personnel costs plus profit margin which is comparable rate with other service providers.					
2. Property management, such as hotels that have already opened. The service fee rate is based on the percentage of the value of fixed assets and percentage of EBITDA or percentage of gross operating profit which is comparable rate to the Property Management Fee of the Real Estate Investment Trust (REIT) in Thailand and Singapore.					

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b>5. Income from Lease of Properties</b>					
Private Limited Companies under TCC Group	The Group leased land and buildings to TCC Group.			However, for the property of the shopping center, Service rates are calculated as a percentage of net income. The service fee is greater than the cost incurred by the Group.	The Group leased land. buildings to TCC Group with rental rate and terms comparable to the rental of similar assets in nearby areas. There was discounts provided for the big lots rent. Therefore, these transactions are considered reasonable and benefit to the Group.
	<b><u>Revenue from rental and service of commercial buildings</u></b>	2.00	10.81	3. The fee for project development services is calculated as a percentage of the construction cost of the project, which is not lower than the service fees of other service providers in the market.	
				At present, the Group has properties acquired for future development where have not been used. Therefore, the Group leased those assets to the company that may have conflicts of interest in order to generate revenue for the Group as follows:	
				1. Leased vacant land with the of area of 1 ngan 80 square wah and warehouse buildings at the back of the Interlink office building In Soi Bang Na-Trat 56, for a period of 3 years from January 15, 2019 to January 14, 2022. The rental and service fees are comparable to the rental of land and warehouse in nearby areas.	
				2. Leased vacant land with the area of 1 Rai of land behind the Interlink Building in Soi Bang Na-Trat 56, for a period of 7 months from February 1, 2018 to August 31, 2018 and there is no extension. The rental rate and rental conditions are comparable to the rental of land in nearby areas	



Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
				<p>3. Leased Condominium units at The Majestic Mansion in Prachuap Khirikhan Province. In 2018, the Group leased 1 unit for a period of 3 years from January 1, 2016 to December 31, 2018. In 2019, the Group rented a total of 17 units for a period of 3 years from January 1, 2019 to December 31, 2021, with discounts due to large volumes. The rent rate and conditions compared to a similar size in the area of Cha-am - Hua Hin.</p>	
Fraser Property (Thailand) Group	The Group leased out parking spaces in the Park Ventures Ecoplex project.				
	<b>Revenue from hotel operations (other income)</b>	3.13	3.13	<p>The Group acquired leasehold rights for an area of 28,200 square meters and 235 parking spaces under a long-term lease agreement with Lertrattakarn Company Limited to operate the The Okura Prestige Hotel, Bangkok and transfer of rights and responsibility under the parking space management agreement with the Trust for Investment in Golden Ventures Leasehold Rights (GVREIT) for GVREIT to be able to exercise the right in the parking space of 164 vehicles. GVREIT agrees to pay monthly rental fee with a discount because it is a large parking rental. The rental fee has been increased by 4.00 percent annually starting from April 1, 2020. The said parking management agreement has a 3-year period starting from April 1, 2013 with the right to renewal of 3 year. The rental rate and terms and conditions are comparable to the average parking rent of nearby office buildings.</p>	<p>The transaction is a normal business support transaction. Which the rental rates and conditions are comparable to renting a parking space in the nearby office buildings. There is a discount due to the large number of parking lots. Therefore, the transaction is considered reasonable and beneficial to the Group.</p>

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million Baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b>6. Other Revenue</b>					
Private Limited Companies under TCC Group	The other income of the Group is mainly income from temporary car rental and compensation from insurance claims.				
Thai Group Holdings Group	<b>Other income</b>				
	• Private Limited Companies under TCC Group	0.04	0.52		The transaction is a normal business support transaction and is an occasional transaction with the service rates that are comparable to outsiders or according to actual expenses.
	• Thai Group Holdings Group	-	0.48		Therefore, these transactions are considered reasonable and beneficial to the Group.
	<b>Grand total</b>	<b>0.04</b>	<b>1.00</b>		
	<b>Other income – CW Tower</b>				
	Thai Group Holdings Group	0.13	-		The transaction has occurred in the past and will not occur again in the future since the Group sold all its shares in CW Tower Company Limited in 2018 according to the Group's restructuring plan.
	<b>Grand total</b>	<b>0.13</b>	<b>-</b>		

## B. Expenses

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b>1. Purchase of consumer products</b>					
Private Limited Companies under TCC group Berli Jucker Group	The Group purchases consumer products and office supplies such as toilet paper, pens, copy paper and other products for use in business operations and for use in the Group's offices.			The Group purchases consumer products and office equipment from the TCC Group and the Berli Jucker Group. In the case of bulk purchases, planned purchase or is a non-urgent order, the Group has compared product prices with other vendors. The price of goods purchased from a juristic person that may have conflicts is the price and condition that is comparable with other suppliers. In the case of occasional orders due to the necessity of the use of the products, the Group purchased products through retail channels according to general retail prices.	These transactions are a normal business support transaction. Which such products are necessary for business operations and for office usage. The price and terms of trade are comparable with other distributors or is the general retail price. Therefore, considering the transaction is appropriated, reasonable and necessary for the Group's business operations.
	<b>Expenses for renting and servicing commercial buildings</b>				
	• Private Limited Companies under TCC Group	0.18	-		
	• Berli Jucker Group	6.66	1.06		
	<b>Total</b>	<b>6.84</b>	<b>1.06</b>		
	<b>Hotel and related service expenses</b>				
	• Private Limited Companies under TCC Group	0.06	-		
	• Berli Jucker Group	10.37	7.31		
	<b>Total</b>	<b>10.37</b>	<b>7.31</b>		
	<b>Administrative expenses (Used in the office)</b>				
	• Private Limited Companies under TCC Group				
	• Berli Jucker Group	1.37	0.06		
	<b>Total</b>	<b>0.69</b>	<b>0.49</b>		
	<b>Grand total</b>	<b>2.06</b>	<b>0.55</b>		
		<b>19.33</b>	<b>8.92</b>		
	<b>Cost of rental and service of commercial buildings - CW Tower</b>				
	• Private Limited Companies under TCC Group	0.03	-		
	• Berli Jucker Group	1.48	-		
	<b>Total</b>	<b>1.51</b>	<b>-</b>		
				The Group sold all its stake in CW Tower Company Limited in 2018, meaning it sold 75.00% and 25.00% shares in CW Tower Company Limited in 2018 in accordance with the Group restructuring plan.	The transaction has occurred in the past and will not occur again in the future since the Group sold all shares in CW Tower Company Limited in 2018 in accordance with the Group restructuring plan.
				on August 29, 2018 and December 21, 2018, respectively, to be in line with the Group restructuring plan.	
				Transactions from the Restructuring of the Group, these transactions will not occur again in the future.	

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b><u>Administrative expenses – CW Tower</u></b>					
	• Private Limited Companies under TCC Group	0.01	-		
	• Berli Jucker Group	0.08	-		
	<b>Total</b>	<b>0.09</b>	-		
	<b>Grand total</b>	<b>1.60</b>	-		
Private Limited Companies under TCC group	The Group purchased products from The Gallery	0.31	0.42	The Group purchased products from The Gallery as a gift to its customers at the general retail price that is sold to external customers with the payment terms that are comparable to third parties.	Purchasing products from The Gallery is a normal business support program. The prices and payment terms are comparable to third parties. It is also a support to the community or local producers in accordance with the Group's corporate social responsibility policy. Therefore, it is considered appropriate and reasonable.
	<b><u>Administrative expenses (Used in the office)</u></b>				
Private Limited Companies under TCC group	The Group purchases food and beverages.			In 2018, the Group purchased food and beverages for using in business operations and entertainment from juristic persons customers that may have conflicts because at that time there was no reference price for comparison, nor conditions of payment. Therefore, prices are agreed	The transaction is a normal business support transaction. The price and terms of trade are comparable with other distributors or is the general retail price. Therefore, the transactions are considered appropriate and reasonable and necessary for the company's business operations.
	<b><u>Expenses for renting and servicing commercial buildings</u></b>				
	• Oishi Group	0.50	0.17		
	• Thai Beverage Group	0.01	0.04		
	<b>Total</b>	<b>0.51</b>	<b>0.21</b>		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b>Hotel and related service expenses</b>					
• Private Limited Companies under TCC Group		1.63	-	upon by the contracting parties. However, when comparing the prices of the said products in early 2019, the prices of the products are comparable to prices offered by other vendors for the year 2019.	
• Thai Beverage Group		20.86	21.00		
• Berli Jucker Group		3.47	2.22		
<b>Total</b>		<b>25.96</b>	<b>23.22</b>		
<b>Administrative expenses (Used in the office)</b>					
• Private Limited Companies under TCC Group		0.03	-	In the year 2019, if the purchase of food and beverages is a bulk purchase, planned purchase or not an urgent order, the Group has compared prices with other suppliers. The price of goods purchased from juristic person that may have conflicts are the price and condition that are comparable to other suppliers. In the event that this is an occasional transaction, due to the necessity of using the products for business operations or for customers service, the Group will purchase food and beverages through retail channels at general retail prices.	
• Thai Beverage Group		2.22	2.16		
• Berli Jucker Group		-	-		
• Oishi Group		0.01	-		
<b>Total</b>		<b>2.26</b>	<b>2.16</b>		
<b>Grand total</b>		<b>28.73</b>	<b>25.59</b>		
<b>Administrative expenses - CW Tower</b>					
Thai Beverage Group		0.02	-	The transaction has occurred in the past and will not occur again in the future since the Group sold all shares in CW Tower Company Limited in 2018 in accordance with the group restructuring plan.	
<b>Grand total</b>		<b>0.02</b>	<b>-</b>		



Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
Private Limited Companies under TCC group Berli Jucker Group	The Group purchased IT equipment and electrical appliances such as televisions			The Group purchased electrical appliances such as televisions to replace damaged appliances in the Le Meridien Hotel, Bangkok.	The transaction is a normal business support transaction, with the price and terms of trade comparable to other distributors. Therefore, the consideration that the transaction is suitable and necessary for the Group's business operations.
	<u>Purchase of fixed assets</u>	-	0.10	The price of goods purchased from a juristic person that may have conflicts is the price and trade conditions that are comparable with other distributors.	
<b>2. Other services</b>					
Private Limited Companies under TCC Group	The Group has entered into information technology service agreements			In 2018, the Group entered an information technology service contract, consisting of SAP servers, computer rental services. Other information equipment and services.	The transaction is a normal business supporting transaction to support the operations of commercial business and normal business operations of the group companies. The service rates and conditions of payment are comparable to the rates proposed to other service providers. Therefore, the transactions are appropriate and necessary for the Group's business operations.
	<u>Rental and rendering of commercial services expenses</u>	2.67	2.19		
	<u>Hotel and related service expenses</u>	1.63	2.21	With a juristic person that may have conflicts of interest which is a transaction that occurs before preparing to be listed on the Stock Exchange of Thailand. As such, the group of companies has no policy for entering connected transactions.	
	<u>Land rental and buildings rental for operations</u>	0.25	-	The service rates and conditions are agreed upon by the contracting parties. However, when comparing the rates at the beginning of the year 2019, the rates that the Group received comparable to the rates offered by other service providers.	
	<u>Administrative expenses (Used in the office)</u>	25.40	33.21		
	<b>Grand total</b>	<b>29.95</b>	<b>37.61</b>		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
				In 2019, the Group conducted price comparison to select certain types of information technology service providers, and changed to use the service providers offering the lowest price with same conditions, such as computer rental services and email system services. However, changing service providers in certain areas of the service required a period of action in order to not cause any impact on the Group's business operations. Such as changing the server providers of the Group, etc. The Group compared the service fees with other service providers, the service rates and conditions are comparable to other service providers.	
<b><u>Administrative expenses - CW Tower</u></b>					
		0.42	-	The Group companies sold all its shares in CW Tower Company Limited in 2018. On August 29, 2018, The Group sold 75.00% of its interests in CW Tower Company Limited which owned CW Tower building and on December 21, 2018 sold the remaining 25.00% of its interests respectively. Therefore, these transactions will not occur in the future.	The transaction has occurred in the past and will not occur again in the future since the Group sold all shares in CW Tower Company Limited in 2018 in accordance with the group restructuring plan.

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
Private Limited Companies under TCC Group Univentures Group	The Group companies hires a person who may have led to the conflict of interests to provide cleaning services, laundry services, security services and maintenance service for the access control system of the office building			In the year 2018, the Group hired person who may have led to the conflict of interests to provide cleaning services, laundry services and security services. The term of contract was 1 year, which were transactions occurring before preparing to be listed on the Stock Exchange of Thailand. As such, the Group has no policy for entering connected transactions. The service rates and conditions are agreed upon by the contracting parties. However, when comparing the rates at the beginning of the year 2019, the rates that the Group received comparable to the rates offered by other service providers.	The transaction made to support a normal business. The service fee and payment conditions are agreed upon by the contracting parties or comparable to the rates proposed by other service providers. Therefore, the transaction is considered reasonable and necessary for the Group's business operations.
	<b><u>Rental and rendering services expenses commercial business</u></b>				
	• Private Limited Companies under TCC Group	86.79	92.17		
	• Univentures Group	-	1.38		
	<b>Total</b>	<b>86.79</b>	<b>93.55</b>		
	<b><u>Hotel and related service expenses</u></b>				
	• Private Limited Companies under TCC Group	67.00	72.20		
	<b><u>Administrative expenses (Used in the office)</u></b>				
	• Private Limited Companies under TCC Group	0.50	1.05		
	• Univentures Group	0.03	0.04		
	<b>Total</b>	<b>0.53</b>	<b>1.09</b>		
	<b><u>Distribution cost</u></b>				
	• Private Limited Companies under TCC Group	0.06	-		
	<b>Grand total</b>	<b>154.38</b>	<b>166.84</b>		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
Fraser Property (Thailand) Group	The Group companies was charged the service fees for common area and areas around the Park Ventures Ecoplex project.			The Group acquired the rights and obligations under the service agreement for the common area and areas around the Park Ventures Ecoplex project. The contract expires on September 5, 2041, the Group has to pay maintenance fees and maintenance fees for common areas which is the method of calculation of service fees as following	The transaction made to support a normal business. The service fee and payment conditions are agreed upon by the contract parties or comparable to the rates proposed by other service providers. Therefore, the transaction is considered reasonable and necessary for the Group's business operations
	<b><u>Administrative expenses (Used in the office)</u></b>	9.62	10.40	1. Common area service fees arising from maintenance, management, and taking care of the common area and the area around the building. The service fee will be considered from the proportion of area used in the business. 2. Utilities will be charged base on actual basis such as security fees and related electricity expense	
<b>3. Fee paid for Property and life insurance</b>					
Thai Group Holdings Group	The Group insures property, life insurance, health insurance, and accident insurance for its employees with the Thai Group Holdings Group			The Group had different types of insurance policies with Thai Group Holdings Group as follows 1. Property insurance for hotel and service businesses (Hospitality), retail and wholesale business and commercial business since the transactions in year 2018 occurred before the preparation for being listed in the Stock Exchange of Thailand. As such, the Group has no policy for entering connected transactions,	The transactions made to support a normal business. The service fee and payment conditions are agreed upon by the contracting parties or comparable to the rates proposed by other service providers. Therefore, the transactions are considered reasonable and necessary for the Group's business operations
	<b><u>Expenses for renting and servicing commercial buildings</u></b>	16.62	16.66		
	<b><u>Hotel and related service expenses</u></b>	7.52	4.15		
	<b><u>Administrative expenses</u></b>	13.31	16.65		
	<b>Grand total</b>	<b>37.45</b>	<b>37.46</b>		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
				<p>the insurance premium rate was agreed by the contracting parties. However, when comparing insurance rates at the beginning of the year 2019, the insurance premium rates that the Group were comparable to the rate proposed by other services providers. A person who may had led to conflict of interests provided the best premium rates for term of a year insurance coverage.</p>	
				<p>2. Life insurance, health insurance and accident insurance for the employees which is a welfare of the Group. The transactions in year 2018 were the occurring transactions before preparing to be listed in the Stock Exchange of Thailand. As such, the Group has no policy for entering connected transactions. The insurance rates were agreed by the contracting parties. However, when comparing the premiums rate at the beginning of the year 2019, the insurance premiums rates do not higher than the insurance premium rate proposed by other life insurance providers. In year</p>	



Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
				2019, the Group had compared the insurance premiums and insurance policies for life insurance, health insurance and accident insurance from a person who may lead to conflict of interests with other insurance service providers. A person who may lead to conflict of interests offered the best insurance rates of a year insurance policy for the Group's employee.	
	<u>Rental and rendering service expenses of commercial buildings – CW Tower</u>	2.36	-	The Group sold all its shares in CW Tower Company Limited in 2018. On August 29, 2018, the Group sold 75.00% of its interests in CW Tower Company Limited which owned CW Tower building and on December 21, 2018 sold the remaining 25.00% of its interests respectively. Therefore, these transactions will not occur in the future.	The transaction has occurred in the past and will not occur again in the future since the Group sold all shares in CW Tower Company Limited in 2018 in accordance with the Group restructuring plan.
<b>4. Car Leasing</b>					
Thai Group Holdings Group	The Group accepted the transfer of and entered into car leasing agreements.			In 2018, the Group transferred employees resulted from organization restructuring. The Group accepted the transfer of car leasing agreements. Subsequently, the Group has entered into additional car leasing agreements altogether 42 and 29 agreements at the end of 2018 and 2019, respectively. (due to the change of the number of top executives)	The transaction support normal business operations. The rental rates, terms and conditions are comparable to other suppliers. These transactions are considered to be reasonable.
	<u>Cost of rental and rendering of commercial building services</u>	0.93	-		
	<u>Cost of hotel and related services</u>	-	2.78		
	<u>Administrative expenses (Used in the office)</u>	15.55	13.51		
	<b>Grand total</b>	<b>16.48</b>	<b>16.29</b>		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
These leasing agreements have remaining period of 1-5 years which will expire in 2024. The Group car specification, rental rate and other terms and conditions are comparable to other suppliers.					
5. Rental of movable property and immovable properties					
Private Limited Companies under TCC Group	The Group leased land and building space.				These rentals paid to related parties is comparable to those of third parties. Therefore, these rentals are considered necessary and beneficial to the Group.
	<u>Cost of rental and rendering of commercial building services</u>	45.86	87.63		
	<u>Administrative expenses (Used in the office)</u>	2.21	0.48		
	<b>Grand total</b>	<b>48.07</b>	<b>88.11</b>		
1. Land area of 6 rai 1 ngan 70 square wah on Wireless Road which is the location of the Athenee Tower which the sub-leased for 50 years, ending October 31, 2049. The cost of lease increases by 10.00 percent every 3 years. The sub-lease has been charged by TCC group at the same rate as being charged by the 3rd party.					
2. Land area of 27 rai 2 ngan 28 square wah on Charoen Krung Road has been used as parking space for Asiatique The Riverfront. The lease agreement was for year ended December 31, 2018. The contract has been renewed for a period of 3 years ending on December 31, 2021 with the rental rate as agreed by the contracting parties with the step up by 5.00% per annum. The contract rental rate is not higher than the market rate of the land rental in nearby areas.					

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
				<p>3. Area of level 2A of 256.33 Sq.m. at the Gateway Ekamai was used as the office space for the Retail Business Unit of the Group. Rental and service fee are comparable to other tenants in such shopping center. However, the contract has been expired on April 30, 2019 with no contract renewal.</p> <p>4. Land area of 1 rai 3 ngan 63.8 square wah on Ngamwongwan Road is used as parking space supporting P antip Plaza Ngamwong Project. The lease has a period of 3 years ending February 28, 2022 due to insufficiency space in the project's building. The Group can generate sufficiency revenue covering rental and costs associated with parking operations. There is no other spaces available in the vicinity area. The land appraisal value, assuming similar to owning such land, used for calculating rental is lower than the appraisal value by Treasury Department.</p>	

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
6. Other Expenses					
Private Limited Companies under TCC Group	The Group incurred other expenses under Hospitality Business Unit, such as employee related expenses and cross charges for sending customers between hotels, etc.				These transactions are incurred on occasional basis to support normal operations. The charges were based on actual costs incurred. Therefore, these transactions are considered reasonable and beneficial to the Group.
	<u>Cost of hotel and related services</u>	0.15	1.47		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
Private Limited Companies under TCC Group	The Group incurred other expenses including business consultant and property management services.			Other expenses mainly consist of 1. Business Management contract for Pantip Plaza Chiang Mai with expiry on August 31, 2018. There is no renewal after such date. This contract was entered into by the Group prior to filing for IPO. During that period, the Group has not set up the RPT policy, the rates, term and conditions were set as per agreed by the contracting parties.	These transactions are incurred to support normal operations of the Group. The fee, terms and condition of the business management contract for Pantip Plaza Chiang Mai, was set as per agreed by the contracting parties, no renewal of such contract. Refer to property management service contract for the OP Place Chiang Mai, the rates and terms are comparable to that of the third parties. Therefore, this transaction is considered necessary and beneficial to the Group.
	<u>Cost of rental and rendering of commercial building services</u>	0.01	-		
	<u>Cost of hotel and related services</u>	-	0.92		
	<u>Administrative expenses (Used in the office)</u>	4.00	6.16		
	<u>Distribution costs</u>	1.21	1.21		
	<u>Grand total</u>	5.54	8.29		
				2. There was a property management service agreement for OP Place Chiang Mai, a part of Le Meridien Chiang Mai. Under such agreement, TCC Group responsible for maintaining safety and cleanliness with the contract expiry on March 31, 2020. The service fees, term and conditions were agreed by the parties which was not higher than that of the third-party.	
	<u>Cost of rental and rendering of commercial building services - CW Tower</u>	43.33	-	The management fees agreement of CW Tower, entered into by the Group and Quantum Asset Management Co., Ltd. with terms and conditions set prior to filing for IPO. During that period, the Group has not set up the RPT policy, the rates, term and conditions were set as per agreed by the contracting parties which could not compare to the third party.	These transactions occurred in the past and will not occur again in the future. As the Group had sold all shares in CW Tower Company Limited since in 2018 according to the Group's restructuring plan. These transactions were considered necessary and beneficial to the Group.
	<u>Distribution costs - CW Tower</u>	8.17	-		
	<u>Grand total</u>	51.50	-		



Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
Private Limited Companies under TCC Group	<p>The Group incurred expenses for accommodation, F&amp;B and meeting room rental.</p> <p><b>Cost of hotel and related services</b></p> <ul style="list-style-type: none"> <li>Private Limited Companies under TCC Group</li> </ul> <p><b>Administrative expenses (Used in the office)</b></p> <ul style="list-style-type: none"> <li>Private Limited Companies under TCC Group</li> </ul> <p><b>Grand total</b></p>	<p>0.41</p> <p>1.46</p> <p>1.87</p>	<p>0.01</p> <p>4.95</p> <p>4.83</p>	<p>The Group incurred expenses for accommodation, F&amp;B and meeting room rental with details as follows</p> <ol style="list-style-type: none"> <li>Use of hotel and related services from TCC Group in case where no such services under the Group or hotels under Group 3 for the Group's meetings or the Group's customers usage.</li> <li>For promoting hotels under TCC, the Group sold or gave out hotel vouchers to supporters or customers of the Group. Receipt of these hotel vouchers were able to spend at any hotels under TCC, including hotels under Group 3.</li> </ol> <p>The Group made payment for services at the market rate and sometimes, received discount at the rate hotels provided to the third parties. Examples for comparable discount are discounts provided by ClubMarriott for its members, or by other distribution channels such as Agoda and Eatigo.</p> <p>However, the Group will compare hotel rates for future usage. After acquiring Group 3 Companies under the Share Purchase Agreement made in 2019, these kind of transactions will not be considered as connected transactions.</p>	<p>These transactions are incurred to support normal operations of the Group which occur occasionally. The Group pays these expenses at market rates and gets some discount from time to time. These transactions are considered reasonable with no negative impact to the Group.</p> <p>In addition, after IPO filing is completed, the Group has purchased companies under Group 3. These companies are subsidiary of the Group which will result in these transactions do not considered as RPT.</p>

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
Private Limited Companies under TCC Group	The Group provided support social activities of TCC Group.			In 2018, the Group donated for establishing the Asset World for Charity Foundation. Moreover, it supported TCC Group's running event to raise fund for Queen Sirikit Centre for Breast Cancer Foundation on August 12, 2018.	These transactions were done in accordance with the Group's Corporate Social Responsibility objectives. These activities provided good image for the Group and therefore be considered as reasonable and beneficial to the Group.
	<u>Administrative expenses (Used in the office)</u>	1.09	0.11	In 2019, the Group donated for a TCC Group's marathon event in Chiang Mai. This marathon event has an objective to promote tourism and tourist attractions of Chiang Mai. TCC Group used fund raised after deducting of expenses to the Rajanagarindra Child Development Institute, Chiang Mai Province	

## Information Disclosure of Right to Execution and Right to Not Execution under Grant of Right Agreement

Information Disclosure of Right to Execution and Right to Not Execution under Grant of Right Agreement in 2019 for the investors which this information has been approved by Independent Committee. In 2019, We considered to execution "Right of first refusal" under Grant of Right Agreement 1 time as the followed;

Right of first refusal									
Asset Details	Type	Management Committee Comment	Executives Committee		Audit Committee		Board of Directors (Independent Directors)		Remarks
			No./Date	Comments	No./Date	Comments	No./Date	Comments	
Lands and Swan Hotel Building 297 sqw. Bangrak,Bangkok	Right to third party opportunity	Refused to invest	No. 8/2019 November 11, 2019	Agreed to refuse the right to third party opportunity under Grant of Right Agreement and present to Audit Committee and Board of Directors meeting for further approval	No. 7/2019 November 11, 2019	Agreed to refuse the right to third party opportunity under Grant of Right Agreement and present to Board of Directors meeting for further approval	No. 7/2019 November 13, 2019	Agreed to refuse the right to third party opportunity under Grant of Right Agreement	-

## Transactions from the Group's restructuring

The Group has restructured its group structure in order to prepare itself for the IPO process. The Group's restructuring activities for the year ended December 31, 2018 and 2019 can be summarized as follows

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
1. Sale and purchase of investments					
Private Limited Companies under TCC Group	The Group entered into an agreement to purchase 100.00% stake of Group 2 companies.				
	<b><u>Consideration transferred</u></b>	3,193.81	-	On December 18, 2018, the Group purchased 100.00% of the shares of Group 2 companies comprising of 6 companies (target companies) 7 assets, consisting 3 properties in the Hospitality business unit and 4 properties in the Retail and Wholesale business unit. The transaction comprise purchase of shares in Value Hotels Company Limited, TCCCL Andaman Resort Company Limited, Suraset Company Limited and Tor Yod Market AEC Company Limited are based on appraisal value by independent appraisers in SEC list, adjusted by the liabilities of the target companies estimated upto purchasing date. The purchasing price of Asiatique Entertainment Company Limited and Namsup Pattana 2 Company Limited were based on book value of such company, adjusted with book value of liabilities with terms and conditions as agreed by the contracting parties.	These transactions were made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
The Group acquired 99.99% stake in The Hotel Sukhumvit 50 Company Limited (Formerly Dhamma Land Property Development Co., Ltd.)	<u>Consideration transferred</u>	49.07	-	On March 13, 2018, the Group purchased 99.99% stake in The Hotel Sukhumvit 50 Company Limited (Formerly Dhamma Land Property Development Company Limited), which is part of the group restructuring plan. This company will operate the Inside Bangkok Sukhumvit Hotel, with the purchase price equal to the net book value of the company as of December 31, 2017. The terms and conditions were set as per agreed between the parties.	This transaction was made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.
The Group invested in 25.00% stake of TCC Hotel Asset Management Company Limited, a subsidiary of the Group.	<u>Consideration transferred</u>	827.40	-	On March 22, 2018, the Group purchased 25.00% stake in TCC Hotel Asset Management Company Limited, which is part of the Group restructuring plan, in order to hold 100.00% in TCC Hotel Asset Management Company Limited. The purchase price equal to the net book value as of December 31, 2017, with terms and conditions as agreed by the contracting parties.	This transaction was made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.
The Group disposed 100.00% stake in CW Tower Company Limited.	<u>Consideration received</u>	100.00	-	The Group disposed 75.00% and 25.00% stake in CW Tower Company Limited on August 29, 2018 and December 21, 2018, respectively, according to the Group restructuring plan. Due to the CW Tower operated at loss as it relied mainly on a few large tenants. The return on investment did not match the expected return of the Group. The Group sold the investment at the par value as of August 31, 2018 due to the company had negative net book value with terms and conditions as agreed by the contracting parties	These transactions were made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
	The Group divested 100.00% stake in Sub Pantip Plaza Bangkok Company Limited together with sale of buildings and land in the Pantip Plaza Bangkok project.			On December 18, 2018, the Group sold 100.00% stake in Sub Pantip Plaza Bangkok Company Limited together with buildings and land in such project. Due to the project location still not ready to develop being hotel match the Group strategy.	These transactions were made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.
	<u>Consideration received</u>	632.97	-	The purchase price of shares and assets were based on the appraisal value by an independent appraiser approved by SEC, adjusted by the liabilities of Sub Pantip Plaza Bangkok Company Limited as of November 30, 2018. The consideration received is 632.93 million baht, which is the compensation of shares and assets totaled 604.50 million baht, including VAT and the cost of assets transfer of 28.48 million baht with terms and conditions as agreed by the contracting parties.	
	The Group disposed 50.00% stake in Thapae Hotel Company Limited (Formerly Sub Mahakij 13 Company Limited)			On May 21, 2018, the Group sold 50.00% stake in Thapae Hotel Company Limited (Formerly Sub Mahakij 13 Company Limited), according to the Group restructuring plan. The selling price equal to the net book value as of December 31, 2017, with terms and conditions as agreed by the contracting parties.	This transaction was made in accordance with the Group's strategy. Therefore, these transactions considered reasonable.
	<u>Consideration received</u>	4.45	-		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
	The Group disposed 25.00% stake in Wanna Charoenkij Company Limited.			On June 25, 2018, the Group sold 25.00% stake in Wanna Charoenkij Company Limited, according to the Group restructuring plan. The selling price equal to the net book value as of December 31, 2017, with terms and conditions as agreed by the contracting parties.	This transaction was made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.
	<b><u>Consideration received</u></b>	0.51	-		
	The Group acquired 75.00% stake in Wanna Charoenkij Company Limited.			On February 15, 2019, the Group purchased 75.00% stake in Wanna Charoenkij Company Limited, according to the Group restructuring plan. Wanna Charoenkij Company Limited will operate retail and commercial business unit. The purchase price equal to the net book value as of December 31, 2018, with terms and conditions as agreed by the contracting parties.	This transaction was made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.
	<b><u>Consideration transferred</u></b>	-	6.26		
	The Group acquired 100.00% stake in Asset World Trading Co., Ltd.			On February 15, 2019, the Group purchased 100.00% stake in Asset World Trading Co., Ltd., which is a part of the investment in e-commerce business. The purchase price equal to the net book value as of December 31, 2018, with terms and conditions as agreed by the contracting parties.	This transaction was made in accordance with the Group's strategy. Therefore, these transactions considered reasonable and benefit to the Group.
	<b><u>Consideration transferred</u></b>	-	0.10		
	The Group sold shares of the Company and its subsidiaries (cross holding)			On March 7, 2019, the Group sold 120 shares of the Company held by 12 of its direct and indirect subsidiaries. Moreover, the Group sold 8 shares of its subsidiaries in compliance with the announcement of SEC, Tor Jor 39/2559, clause 15(1)(b) and 15(1)(c). The purchase price equal to the net book value as of December 31, 2018 or the purchase price of Group2 Companies.	These transactions were made with related parties with the selling price based on the net book value as of December 31, 2018. These transactions were made in accordance with the Group's restructuring plan and in compliance with the SEC regulation for IPO companies. Therefore, these transactions considered reasonable.
	<b><u>Consideration received</u></b>	-	0.01		



Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
2. Sale and purchase of assets					
Private Limited Companies under TCC Group	The Group sold computer and office equipment and assets used in the hotel operations such as furniture, dining equipment, etc. to the TCC Group			The Group sold properties and equipment as follows 1. In September 2018, the Group sold assets that were not used in the Group's operation such as computers to the TCC Group, as result of the transfer of employees based on management restructuring of the Group. The selling price of assets based on net book value of asset plus profit margin of approximately 3.00% -5.00%.	These transactions were made at the price not less than other bidders. Therefore, these transactions considered reasonable.
	<u>Consideration received</u>	1.92	-	2. In May - September 2018, the Group sold assets and equipment used for hotel operations, such as furniture, dining equipment, etc. to TCC Group, mainly from closure of The Imperial Boathouse Beach Resort for renovation to be a hotel under international hotel chain management. The Group based its sales transaction on bidding process with the prices received from RPT was not lower than other bidders.	
	The Group purchased properties and equipment used for hotel operations from TCC Group			The Group purchased properties and equipment such as furniture from the TCC Group to be used for the Metropole Phuket. The purchase price was based on prices from bidding process.	This transaction was with the prices based on bidding process and at the price not less than other bidders. Therefore, this transaction considered reasonable.
	<u>Purchase of Property, Plant and Equipment</u>	0.47	-		
	The Group disposed leasehold right and construction in progress of the fresh market business to TCC Group.			The Group sold leasehold right and construction in progress of the fresh market business to TCC Group due to such business was not in line with the Group's strategy where transfer price was based on actual costs incurred.	This transaction was made in accordance with the Group's strategy. Therefore, these transactions considered appropriate and reasonable.
	<u>Consideration received</u>	-	456.79		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
3. Administrative expenses / Other income (Reimbursement)					
Private Limited Companies under TCC Group	The Group transferred / received employee benefits according to the company where that staff transferred.			Based on the transfer of employee, the Group transferred / received employee benefits, such as reimbursement of office equipment, appliances, traveling expenses, telephone charges and expressway tolls, etc. in accordance with transferred staff to the TCC Group.	These transactions were made at the actual expenses incurred. Therefore, these transactions considered appropriate and reasonable.
	<b>Administrative expenses</b>	1.65	-		
	<b>Other income</b>	2.61	-		
4. Receiving and Rendering of Financial Support					
Private Limited Companies under TCC Group	The Group provided short-term and long- term loans.			The Group provided short-term and long- term loans to the TCC Group. The loans were repayable on call with interest rate not lower than the Group's cost of financing, which was 4.20%-4.30% per annum. The entire loan balances had been repaid in March 2019.	These transactions were financial assistance made in the past. The interest rate that the Group charged from borrowers was not less than the Group's financial cost. These loans to related party had been repaid, any relevant guarantees were terminated. Therefore, these transactions considered has no negative impact to the Group
	<b>Short-term loans</b>				
	The balance at the beginning of the period	41,635.91	36.40		
	Increase in loans to related party during the period	10,464.40	-		
	Proceeds from loans to related party during the period	(52,063.91)	(36.40)		
	Balance at the end of period	36.40	-	In addition, as at December 31, 2018, the Group provided long-term loans to Wanna Charoenkij Company Limited which was still outstanding due to the Group held a 25 percent in Wanna Charoenkij Company Limited. The Group had a plan to buy the remaining stake in Wanna Charoenkij Company Limited. On February 15, 2019, the Group purchased 75.00% stake in Wanna Charoenkij Company Limited.	

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b><u>Long-term loans</u></b>					
	The balance at the beginning of the period	-	330.48	After acquisition, the long-term loan to Wanna Charoenkij Company Limited has no longer related party transactions since the financial statements for the three-month period ended March 31, 2019 onwards.	
	Increase in loans to related party during the period	3,417.61	-		
	Proceeds from loans to related party during the period	(3,087.14)	(330.48)		
	Balance at the end of period	330.48	-		
	<b><u>Interest income</u></b>	746.81	1.84		
	There was crossed guarantee made by the Group's subsidiaries and CW Tower Company Limited, Sub CW Tower Building 1 Company Limited and Sub CW Tower Building 2 Company Limited.	-	-	There was crossed guarantee made by the Group's subsidiaries and CW Tower Company Limited, Sub CW Tower Building 1 Company Limited and Sub CW Tower Building 2 Company Limited under the loan agreement with total loan facility limit of 15,000 million baht. After disposed all stake in CW Tower Company Limited and its 2 subsidiaries, the cross guarantee had been terminated in April 2019.	
<b><u>Short-term loans</u></b>					
	The Group borrowed short-term and long-term loans from TCC Group.			The Group borrowed money from TCC Group in the form of promissory notes. The proceeds were used for the Group operations and investments. The loans were repayable on call with interest rate was in the same range compare to the rates that the Group can get from financial institutions, which was 3.53%-3.90% per annum.	These transactions were financial assistance made in the past. The Group was charged at similar interest rate that the Group can get from financial institutions. The Group had repaid all loans and interest to TCC Group. Therefore, these transactions considered appropriate, reasonable and benefit to the Group.
	The balance at the beginning of the period	46,290.66	-		
	Proceeds from loans from related party during the period	18,300.61	21.32		
	Repayment of loans from related party during the period	(64,591.27)	(21.32)		
	Balance at the end of period	-	-		

Names of individuals/entities which may be deemed Related Parties	Nature of connected transactions	Amount (Million baht)		Necessity and reasonableness of the transaction	The opinion of the Audit Committee
		For the year ended Dec. 31, 2018	For the year ended Dec. 31, 2019		
<b><u>Long-term loans</u></b>					
	The balance at the beginning of the period	34,029.20	-	As at December 31, 2018, the Group has repaid all loans and interest to TCC Group.	
	Proceeds from loans from related party during the period	72,092.23	-	However, on February 15, 2019, the Group acquired 100.00% stake in the Asset World Trading Company Limited who had outstanding loans from the TCC Group.	
	Repayment of loans from related party during the period	(106,121.43)	-	The Group had repaid all loans and interest to TCC Group in March 2019.	
	Balance at the end of period	1,623.79	0.03		
	<b><u>Interest expense</u></b>				
	TCC Group acts as guarantor for the performance of the Group, under hotel management agreements.	-	-	The Group acquired various hotels managed by an international hotel management from TCC Group. According to the hotel management agreement, the TCC Group acts as guarantor as the hotel owner which include providing any required financial support, if require. Currently, the Group has 7 hotel management agreements where TCC Group acts as guarantor as follows: 1) Le Meridien Bangkok 2) Le Meridien Chiang Mai 3) Sheraton Samui Resort 4) Hilton Sukhumvit Bangkok 5) DoubleTree by Hilton Sukhumvit Bangkok 6) Vana Belle, A Luxury Collection Resort, Koh Samui 7) Bangkok Marriott Marquis Queen's Park In this regard, the Group is in the process of negotiating with international hotel management operator to change the guarantor from TCC Group to the companies within the Group.	These transactions were financial assistance (guarantor) made, without cost to the Group, in the past. The Group is currently in the process of changing guarantor. Therefore, these transactions considered reasonable and benefit to the Group.

The Related party transactions can be classified into 2 categories, 1) the transactions incurred from business operations will continue in the future and 2) the transactions incurred from the Group's restructuring.

**Transactions incurred from business operations to support normal operations or support business operations**

These types of transactions will occur continuously in the future, consisting of 2 items which are revenue and expense. The revenue can be further classified into 6 categories which are (1) revenue from rental and rendering of office building services, (2) revenue from rental and rendering of commercial building services, (3) revenue from hotel operations, (4) revenue from property management services, (5) revenue from property rental and (6) other revenue. For the year ended December 31, 2018 and 2019, the Group had revenue from related parties with a total value of 980.99 million baht and 803.41 million baht, respectively. The expenses can be classified into 6 categories, namely, (1) the purchase of consumer goods, (2) the expense on services procured, (3) the expense from property and life insurance, (4) the expense from car leasing, (5) the expenses from rental of movable

and immovable properties and (6) other expenses. For the year ended 31 December 2018 and 2019, the Group had expense from related parties with a total value of 412.21 million baht and 410.14 million baht, respectively.

**Transactions incurred from the Group's restructuring during preparation for IPO**

These transactions can be classified into 4 categories, namely (1) sale and purchase investments with a total value of 4,759.14 million baht and 6.37 million baht, for the year ended December 31, 2018 and 2019, respectively, (2) sale and purchase of assets with the total value of 2.39 million baht and 456.79 million baht, for the year ended December 31, 2018 and 2019, (3) administrative expenses/ other income (reimbursement) with total of 2.97 million baht for the year ended December 31, 2018 and (4) receiving and rendering of financial services with total loans rendered at 366.88 million baht, total interest income of 746.81 million baht and total interest expense of 1,623.79 million baht for the year ended December 31, 2018 and 2019, there is no outstanding loan balance, total interest income of 1.84 million baht and total interest expense of 0.03 million baht.

**Outstanding balance of related parties under the Group's Balance sheet.**

For the year ended December 31, 2018 and 2019 were as follows

Related Party Name	Amount (Million baht)	
	For the year ended Dec 31, 2018	For the year ended Dec 31, 2019
<b>1. Trade accounts receivable</b>		
The Group has outstanding trade accounts receivable – related party incurred from rental and rendering of commercial building services under Retail & wholesales & office business unit.		
As of December 31, 2018, and 2019, the Group has trade accounts receivable that were overdue more than 6 months at the amount of 9.06 million baht and 1.53 million baht, respectively, representing 18.43% and 3.69% of the trade accounts receivable – related party, respectively.		
Private Limited Companies under TCC Group	21.64	8.63
Thai Beverage Group	25.27	31.46
Berli Jucker Group	0.92	0.99
Fraser Property (Thailand) Group	-	-
Univentures Group	-	0.01
Thai Group Holdings Group	0.83	-
Oishi Group	0.30	0.16
Siam Food Group	0.16	0.17
Other Group	0.03	0.05
<b>Total</b>	<b>49.15</b>	<b>41.47</b>

Related Party Name	Amount (Million baht)	
	For the year ended Dec 31, 2018	For the year ended Dec 31, 2019
<b>2. Other receivables</b>		
The Group has outstanding other receivables – related party incurred from management service fee and property management services. The outstanding balances as at December 31, 2018 are other receivables incurred from management income with the TCC Group. The majority balance had been collected in May 2019. The balance as of December 31, 2019 comprised mainly a transaction from sale of assets of fresh market business.		
Private Limited Companies under TCC Group	370.10	126.49
Thai Beverage Group	3.00	0.53
Berli Jucker Group	0.97	-
Fraser Property (Thailand) Group	-	-
Univentures Group	-	-
Thai Group Holdings Group	10.22	7.88
Oishi Group	-	-
Siam Food Group	-	-
Other Group	-	-
<b>Total</b>	<b>384.29</b>	<b>134.90</b>

### 3. Other current assets

The Group has outstanding other current assets – related party, comprising mainly the deposits for property and land rental, advance payments under Retail and Wholesale business unit, as well as deposit for purchase of inventories.

Private Limited Companies under TCC Group	1.22	0.05
Thai Beverage Group	-	1.58
Berli Jucker Group	0.01	-
Fraser Property (Thailand) Group	-	-
Univentures Group	-	-
Thai Group Holdings Group	-	-
Oishi Group	0.05	-
Siam Food Group	-	-
Other Group	-	-
<b>Total</b>	<b>1.28</b>	<b>1.63</b>



Related Party Name	Amount (Million baht)	
	For the year ended Dec 31, 2018	For the year ended Dec 31, 2019
<b>4. Other non-current assets</b>		
The Group has other non-current assets – related party, comprising mainly deposits for rental of land, computer and IT related equipment with contract period of longer than 1 year.		
Private Limited Companies under TCC Group	5.94	7.95
Thai Beverage Group	0.10	0.10
Berli Jucker Group	-	-
Fraser Property (Thailand) Group	-	-
Univentures Group	-	-
Thai Group Holdings Group	-	-
Oishi Group	-	-
Siam Food Group	-	-
Other Group	-	-
<b>Total</b>	<b>6.04</b>	<b>8.05</b>
<b>5. Trade accounts payable</b>		
The Group has outstanding trade accounts payable – related party, comprising mainly from rental of properties, purchase of food and beverage for hotel operations with average credit terms of 30 days.		
Private Limited Companies under TCC Group	55.75	3.58
Thai Beverage Group	2.62	2.17
Berli Jucker Group	3.61	1.03
Fraser Property (Thailand) Group	0.27	-
Univentures Group	-	-
Thai Group Holdings Group	7.43	0.34
Oishi Group	0.01	-
Siam Food Group	-	-
Other Group	-	-
<b>Total</b>	<b>69.70</b>	<b>7.12</b>
<b>6. Other payables</b>		
The Group has outstanding other payables – related party, comprising mainly from purchase of goods and services used in office, such as consumer goods, security services, car leaseing and property insurance, etc. with credit terms of 30 days.		
Private Limited Companies under TCC Group	52.64	77.39
Thai Beverage Group	2.49	0.16
Berli Jucker Group	2.36	2.31
Fraser Property (Thailand) Group	-	0.41
Univentures Group	-	0.17
Thai Group Holdings Group	4.79	17.94
Oishi Group	0.01	0.02
Siam Food Group	-	-
Other Group	-	-
<b>Total</b>	<b>62.29</b>	<b>98.40</b>

Related Party Name	Amount (Million baht)	
	For the year ended Dec 31, 2018	For the year ended Dec 31, 2019
<b>7. Other current liabilities</b>		
The Group has outstanding other current liabilities from the unearned income received from the use of commercial buildings of Thai Beverage Group		
Private Limited Companies under TCC Group	-	-
Thai Beverage Group	-	0.01
Berli Jucker Group	-	-
Fraser Property (Thailand) Group	-	-
Univentures Group	-	-
Thai Group Holdings Group	-	-
Oishi Group	-	-
Siam Food Group	-	-
Other Group	-	-
<b>Total</b>	<b>-</b>	<b>0.01</b>

#### 8. Deposit

The Group has outstanding Deposits from Related Parties for rental space in office and retail buildings. These deposits are made as per specified in the lease agreements, equivalent to 3 months rental and service fee.

Private Limited Companies under TCC Group	31.19	27.65
Thai Beverage Group	0.61	1.08
Berli Jucker Group	0.98	1.00
Fraser Property (Thailand) Group	-	-
Univentures Group	-	-
Thai Group Holdings Group	-	-
Oishi Group	1.65	1.65
Siam Food Group	1.44	1.44
Other Group	-	-
<b>Total</b>	<b>35.87</b>	<b>32.82</b>

#### Related Party Transactions incurred after financial reporting date and future connected transactions

On January 1, 2020, the Group completed its acquisition of Group 3 companies with cash consideration paid of 26,229 million baht. On June 7, 2019, the Group entered into TCC GOR agreement, which will be effective from the date the company as being a listed company in the stock market. Any acquisition of assets / businesses under such agreement, the Group must comply with the mechanism specified in the such agreement. In addition, the Group has to comply with any applicable law and regulations set by regulatory bodies. Moreover, the Group has to disclose in the notes to the audited financial statements and annual registration statements (Form 56-1).

On February 27, 2020, the Board of Directors resolved to acquire a property and 2 companies, altogether 3, as per TCC GOR agreement mentioned earlier. This resolution will be proposed to the shareholders' meeting for further approval.

## Policy and Guideline for Related Transactions

As the Board of Directors No. 1/2019, on January 22, 2019, has approved the policies and guidelines for entering the transactions with related companies of the Group with connected entities or juristic persons that may have conflicts of interest or may have conflicts of interest in the future with the Group in accordance with the securities and exchange law. Which also Includes the announcements, rules, regulations and relevant regulations of Securities and Exchange Commission, Capital Market Supervisory Board and the SEC and / or the Stock Exchange of Thailand. In order to ensure transaction is transparent (not transferring or transferring benefits) and is a transaction that the Group taking into account the best interests of the Group. In this regard, the Group will comply with the requirements regarding the disclosure of connected transactions in the notes to the financial statements which have been audited by the auditors of the Group and annual registration statement (Form 56-1)

In the event that the law requires that such connected transactions must be approved by the Board of Directors 'meeting or the shareholders' meeting of the Group, the Group will arrange an Audit Committee to attend the meeting to consider and comment. The necessity of the transaction and the transparency of such transaction and presenting the opinion of the Audit Committee to the meeting of the Board of Directors or the shareholders of the Company, as applicable, to ensure that the proposed transaction is for the best interest of the Group. Any transactions entered into by the Group shall be in compliance with the following principle.



### The transactions made under normal terms and conditions.

The management can approve the related party transactions incurred from normal business operations or support normal business operations and such transactions would continuously incur in the future. If the transaction is made with the directors, executives or connected persons accordance with the regulations of the Stock Exchange of Thailand, Capital Market Supervisory Board and the Office of the Securities and Exchange Commission. Such transactions shall be made using terms and conditions similar to transactions made with third parties under the same situation. Such transactions shall not cause conflict of interest and/or can be proved justify and reasonable. Those transactions shall be in line with guidelines approved by the Board of Directors.

### The transaction made deviate from normal terms and conditions.

Related party transactions made deviate from terms and conditions must be proposed and endorsed by the Audit Committee with consideration made based on industry practice, and/or bidding process, and/or market prices, and/or price and condition comparable to that of the third parties', and/or the price is proof justify and reasonable. Such transactions shall be proposed for further approval the Board of Directors prior to proceeding. In case the transaction is considered large transaction size in accordance with the regulations of the Stock Exchange of Thailand Capital Market Supervisory Board and the Office of the Securities and Exchange Commission, it has to be proposed to the shareholders' meeting for further approval.

# ROFO/ ROFR AGREEMENT

On June 7, 2019, Mr.Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi ("Grantor") entered into the Grant of Right Agreement with the Company ("Grantee"), whereby the Grantor agreed to grant, and procure that companies in which the Grantors hold shares or have control over, directly or indirectly, in aggregate of more than 50% of the total voting rights, including but not limited to TCC Land Co., Ltd. and TCC Assets (Thailand) Co., Ltd., but excluding the companies listed in the SET and foreign stock market and subsidiaries of such listed companies, grant the Company the following rights with respect to the Assets (as defined below) owned by the Grantor or the Companies Under Grant of Right Agreement for the Agreed Businesses (as defined below):

- (1) "right of first offer," which means that if the Grantor and the Companies Under Grant of Right Agreement are desirous of selling or developing any of the Assets, the Company will have the rights to negotiate to acquire or develop such Assets first;
- (2) "right of first refusal," which means that if any third party makes an offer to the Companies Under Grant of Right Agreement to acquire or develop any of the Assets within the scope of the Grant of Right Agreement, the Company will be notified of such offer and have the right to negotiate with an aim to acquire or develop such Assets at the same price and conditions offered by the third party before the third party;
- (3) "right to purchase/develop," which means that the Company will have the right to request for a negotiation with the relevant Companies Under Grant of Right Agreement in order for us to acquire or develop the Assets of such Companies Under Grant of Right Agreement; and
- (4) "right to third party opportunity," which means that if the Grantor is notified by any third party of any opportunity to acquire assets as follows: (i) for any undeveloped Assets, the Company have the right to notify the Grantor of our desire to make a bid to acquire such Assets and after being notified, the Grantor or other companies under Grant of Right Agreement must agree not to compete with us in the bidding process; and (ii) for any developed Assets or Assets under development, the Company will be notified of such opportunities and have the right to negotiate with such third party directly before the Grantor or any of the Companies Under Grant of Right Agreement. In this regard, the Grantor undertake not to participate in the bidding process against the Company.

If the Company refuse to acquire or develop the assets under (1), (2) or (3), or the Company and the Grantor under Grant of Right Agreement cannot agree on the material terms and conditions under (1), (2), (3) or (4), as the case may be, and the Grantor develop such assets, such assets shall remain subject to Grant of Right Agreement.

In this regard, the "Assets" consist of land and properties, which the Grantor and the Companies Under Grant of Right Agreement have ownership or leasehold that we can develop and operate as the Agreed Businesses (as defined below), and shall include shares of the Companies Under Grant of Right Agreement, in all levels of shareholding as well as the entity which is established mainly for the purpose of having ownership or leasehold in any land or properties.

The grantor pursuant to the Grant of Right Agreement has certain assets that are used to operate the Agreed Businesses (as defined below), which might not be suitable for the Company's investment as of the date of this Offering Circular, as (i) investment in these assets is not in line with the Company's business strategy; (ii) investment in these assets may not result in returns to the Company and the shareholders, taking into consideration the risk of investing in such assets; and (iii) the Company may face restrictions in investing and developing such projects, such as in terms of funding and human resources. However, assets used to operate the Agreed Businesses (defined below), are deemed to be assets covered under the Grant of Right Agreement, and as such, the Company will retain the rights stipulated in the Grant of Right Agreement, as mentioned above.

The "Agreed Businesses" consist of hospitality businesses, retail and commercial buildings (retail and wholesale properties and office properties), and mixed-use properties. However, the Assets under Grant of Right Agreement shall not include:

- (1) the "carved-out projects," consisting of One-Bangkok, Samyan Mitrtown, The Parq, CW Tower, Queen Sirikit Convention Center, The Street and W Hotel, which operate businesses that do not align with our business strategy and the Controlling Shareholders under Grant of Right Agreement, have given rights to other parties under the carved-out projects. However, these carve-out projects will be subject to this Grant of Right Agreement upon refusal or failure of such other parties to exercise their respective rights under the relevant projects;
- (2) the development and operation of real estate outside Thailand;
- (3) the transfer of ownership of shares in the Companies Under Grant of Right Agreement between the Companies Under Grant of Right Agreement and/or the Controlling Shareholders; and
- (4) the development and operation of real estate which was previously offered to us, and we have refused to acquire. However, these assets are subject to the rights in (ii) to (iv) above.

In this regard, the obligations under the Grant of Right Agreement will be terminated upon either (1) the Grantor ceasing to be major shareholder as stipulated in the SEC's rules for a period of more than six consecutive months (during the time that the Company is listed on the SET; or (2) the Company is no longer a listed company on the SET.





# SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

The Company strives to make an outstanding contribution to the United Nations' Sustainable Development Goals by being the leading company that is raising sustainability standards for Thailand's real estate sector together with our global partners. The Company aspires to and strongly believes in "Building a Better Future," creating sustainable long-term value by being a balanced organization that gives equal priority to engaging in environmentally and socially-beneficial initiatives while always ensuring good governance to maintain the Company as a profitable business for the benefit of its shareholders. The "Building a Better Future" philosophy is instilled throughout the Company's corporate culture, paving the way for sustainable growth "For the Country," "For the Economy," "For the Industry," "For Stakeholders," "For Customers," and "For the Community."

The Sustainability Development Committee is a key committee that initiates, develops, and implements sustainable development measures in line with the Company's strategic goals, sustainability policies, and vision. Comprised of representatives from all key functions, the committee ensures the importance, effectiveness, and efficiency of sustainability measures throughout the Company. To accomplish this, the Company has developed a sustainable project management framework that upholds the highest standards throughout the development process. The Company has received Bureau Veritas certification in recognition of being the first company in Thailand certified for ISO45001:2018 under the following scope: project management, design management, cost and contract management, and construction management of all projects from inception through construction to completion and handover to customers. The Company is the first company in Thailand to achieve the three major ISO9001:2015, ISO14001:2015, and ISO45001:2018 certifications. To reinforce the belief in sustainability, the Company is an active member of society, investing in and developing the community so that all parties can live and grow together, creating long-term value for generations to come.

## Environment

The Company leads in and aims to continuously improve sustainability practices throughout the industry and in its businesses together with its partners. The Athenee Hotel, a Luxury Collection Hotel, Bangkok was the first hotel in the world to achieve ISO 20121 Event Sustainability Management System (SMS) certification and has been recertified twice. The Okura Prestige Bangkok was the first mixed-use structure in the city to receive the Leadership in Energy and Environmental Design platinum rating. Empire Tower holds a Thailand Building Energy Efficiency: In Operation A+ rating from the Department of Alternative Energy - Development and Energy Conservation.







As the largest hotel developer and owner in Thailand, the Company focuses on primary environmental concerns including waste management, tree planting, eliminating single-use plastics, reducing our carbon footprint, and cleaning beaches. The Company are determined to build a better future by promoting environmental preservation and reducing the impact on environmental resources through several initiatives including campaigns to increase awareness of Environment Day and Earth Hour across all hotels. Other environmentally-friendly activities have been implemented in many of the Company's business units.

Food production has one of the largest impacts on the environment, such as global deforestation, biodiversity loss, and water extraction, while food waste itself accounts for 8% of total carbon dioxide (CO<sub>2</sub>) emissions. The hotel sector plays a critical role in reducing the amount of food waste from its day-to-day operations. The Company are committed to helping eliminate hunger and malnutrition, promoting the sustainable production and consumption of food, and reducing global climate change caused by food waste. The Bangkok Marriott Marquis Queen's Park introduced the "Clean Our Plate" campaign with 80 hotel associates, as well as partnering with the Scholar of Sustenance Foundation Thailand to manage its surplus food to serve 3,000 daily meals to the underprivileged in Bangkok. These initiatives successfully reduced food waste by 27.4 tons, or 294 kilograms per day, within three and a half months as well as saving 68.4 tons of CO<sub>2</sub> emissions. The Athenee Hotel, a Luxury Collection Hotel, Bangkok has also implemented food waste management through employee engagement and an ongoing monitoring system that has resulted in a 10% reduction in food waste.

The Company is determined to reduce our carbon footprint by implementing the farm-to-table concept, with produce sourced locally and even obtained from its own gardens, as well as maximizing the use of leftover food. Marriott Marquis Queen's Park reuses 50 liters of pineapple vinegar for every 85 kilograms of pineapple peel, and 75 liters of beef jus and 30 liters of chicken gravy every week from 280 kilograms of meat and poultry trimmings and bones. The Athenee Hotel Bangkok, a Luxury Collection Hotel, Bangkok likewise endeavors to recycle fresh flowers from meetings and banquet events, transforming them from its own garden into home-crafted potpourri as turndown gifts for hotel guests.

The Company is also reducing single-use plastics and improving the areas around its properties including beach cleanups, tree planting, and other activities that engage hotel guests. Key initiatives include a drive to eliminate plastic straws at Marriott Marquis Queen's Park; The Athenee Hotel Bangkok, a Luxury Collection Hotel, Bangkok; Le Meridien Bangkok; Le Meridien Chiang Mai; Sheraton Samui Resort; and Vana Belle, a Luxury Collection Resort, Koh Samui. Hotels are also reducing waste by changing plastic bottles for drinking water to refillable glass bottles or water tanks and switching plastic bottles for in-room bath amenities to refillable packages. As a result, Vana Belle, a Luxury Collection Resort, Koh Samui has reduced the amount of single-use plastic amenities from 100% to 0.5%, while some of the first exclusive product lines of in-room bath amenities are 100% formulated without any harmful chemicals. The Banyan Tree Samui has engaged hotel guests through environmentally-friendly activities such as nature walks; a coral regeneration project in which damaged corals are revived and re-attached to the reefs that curl around the resort, and a house reef snorkeling tour to raise awareness of environmental issues among hotel guests. The Banyan Tree Samui achieved Gold Certification by EarthCheck, the world's leading scientific benchmarking, certification and advisory group for travel and tourism, making it the first and only hotel in Thailand to be recognized for its environmental policies at this level. Hilton Sukhumvit Bangkok and DoubleTree by Hilton Sukhumvit Bangkok participated in the Hilton "100 Trees for 100 Years" campaign with a reforestation activity at Bang Krajae, an area known as Bangkok's green lung.

## Society

Propelled by the Company's strong belief and mission in "**Building a Better Future**," the Company is committed to corporate social responsibility projects aimed at supporting, developing, and promoting charitable and sustainable initiatives to improve quality of life and uplift the minds and spirits of local communities while sustaining resources for future generations.

CSR initiatives include collaborations on various programs with Give Green CBD Synergy Power, with activities including the: "**Empire Tower We Run 2019 with Virgin Active**," "**Book-a-round**," "**Reuse, Reduce, Refill**," "**A Sathorn District Charity Christmas Tree – The Green Happiness Society**," "**Pun Fun, Sharing Dreams**" and "**AWC Charity Market Around**." These activities were conducted to build awareness and encourage responsibility for communities and the environment. They were also designed to reduce pollution and have a positive impact on the sustainable use of resources. The Asset World Foundation for Charity (AWFC) was founded in 2018 as a platform to support the Company's corporate social responsibility initiatives. In 2019, AWFC supported three foundations including the Thai Red Cross, The Children's Hospital Foundation, and the Pediatric Cardiac Surgery Foundation.

The Company also created "**The Gallery**," a not-for-profit social enterprise that offers an art and design gift collection. It sells items created by some of Thailand's most talented designers, artists, and entrepreneurs. All profits from sales go to supporting further artistic endeavors that preserve and promote Thai culture as well as supporting areas in need. Each item selected by The Gallery embraces socially-responsible practices and embodies the mutual benefits of giving back to society and communities. The Gallery's vision is to act as a center that coordinates the community's entire "Art Journey." It engages with communities, helps them create items of commercial value, and facilitates making their work available at The Gallery shops. The Gallery locations include Empire Tower, Iconsiam, and Bangkok Marriott Hotel The Surawongse, along with Hua Hin Marriott Resort & Spa, Phuket Marriott Resort and Spa, Nai Yang Beach and, most recently, Melia Koh Samui, Thailand.

To engage locally and grow together in areas where the Company's properties are located, the Company supports schools, hospitals, and temples in communities located near our properties through various donations including funds, food, blood, educational and sports equipment, electronic devices, bedding, and furniture. Surrounded by several Muslim communities, Asiatique the Riverfront offered free space for the Fitri Fest 2019: Charoenkrung Muslims event, for which the proceeds went to the Thai Muslim Support Victims Foundation, which provides aid to victims of all races and religions who suffer during all types of disasters. The Company have also raised funds for Save the Children, an organization that helps vulnerable children such as transnational refugees, those affected by the conflict in the South of Thailand, child victims of human trafficking, and other needs through the "Run to Give" event under Marriott International Hotels. For three consecutive years, the Company have shared our hospitality expertise through a cooking competition at The Okura Prestige Bangkok that offers a 3-week intensive culinary training program to students in the hospitality, kitchen, and tourism industries. The winner receives a 9-day educational trip to the Hotel Okura Amsterdam to learn culinary skills from two-star Michelin Chef Onno Kokmeijer. The Okura Prestige Bangkok goes beyond just offering gastronomic experiences by organizing a charitable dining program called "Food 4 Good." Since 2014, the hotel has donated 10 baht from every Food 4 Good selected menu item served to help address malnutrition among underprivileged children at selected foundations or schools in rural areas. The "Seedlings Mentorship" program, launched in 2010 by Banyan Tree Samui, has succeeded with two of the program's graduates attending university in 2019 with the support of Banyan Tree scholarships. This program nurtures less-privileged island children at risk of social exclusion by providing vocational and life skills and education to prepare them for a better future.



## Governance

The Company upholds the highest corporate governance standards, including transparency and accountability, throughout the Company's ecosystem and value chain. The Company is committed to conducting business on a transparent and fair basis for all stakeholders. Therefore, the Company has implemented plans and important policies regarding corporate governance that cover business ethics, with various policies providing guidelines for directors, executives, and all employees to operate our business with efficiency, transparency, and sustainability. Those include an Anti-corruption Policy, Corporate Social Responsibility Policy, Insider Trading Policy, and Whistleblower Policy. The Company's principles of good corporate governance lay down guidelines that comply with best practice recommendations by the Thai Securities & Exchange Commission (SEC).

In this regard, the Company pays attention to effective corporate governance that will support the company's drive for sustainable growth. From time to time, the Company reviews its corporate governance principles and practices and implement new principles and practices to improve its corporate governance. The Company has also established a regulatory process through the Board of Directors. By having an independent committee and various sub-committees, including the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Risk Management Committee, the Company has a system to inspect its operations to build trust with stakeholders and society.

The following is a summary of the Company's good corporate governance policy:

- CG code 1 :** Establish clear leadership roles and responsibilities for the Board of Directors;
- CG code 2 :** Define the objectives and goals that promote sustainable value creation;
- CG code 3 :** Strengthen the effectiveness of the Board of Directors;
- CG code 4 :** Recruit and develop senior executives and human resources;
- CG code 5 :** Promote innovation and responsible business operations;
- CG code 6 :** Ensure the adequacy of risk management and internal control systems;
- CG code 7 :** Maintain the disclosure of information and financial integrity; and
- CG code 8 :** Promote engagement with shareholders and enhance shareholder relations.

## Management Practices

The Company has adopted certain management practices that focus on good management, responsibility to its shareholders, and a code of conduct. The Company regularly review systems and policies to implement its management practices and committees at the operational level to ensure that the Company is able to fulfill its responsibilities to six stakeholder groups such as investors, customers, employees, partners, the industry, and the community.





**ASSET WORLD**  
CORPORATION





## Report of the Board of Directors' Responsibility for Financial Reports

The Board of Directors of the Asset World Corp Public Company Limited is responsible for the financial reports of the Company and its subsidiaries, which are made in accordance with generally accepted accounting standards in Thailand. We apply our accounting policies consistently and disclose material information in the accompanying notes to the financial statements.

The Board of Directors supports the Company to maintain good corporate governance. The structure of the Board of Directors is developed to continually promote the good governance. To ensure that the Company's operations are efficient, transparent and reliable by establishing the internal control and risk management system to ensure issuance of financial statements that presented fairly, in all material aspects.

The Board of Directors has appointed the Audit Committee, which consists of 3 independent directors, who are responsible for reviewing the financial report and ensuring adequate internal control and internal audit. The Audit Committee has expressed an opinion on such matter in the Audit Committee's report as shown in the annual report and the Annual Information list (56-1).

The Board of Directors has an opinion that the Company's internal control system is sufficient and effective to provide basis for reliable issuance of the consolidated and separate financial statements for the year ended December 31, 2019.

**Mr. Charoen Sirivadhanabhakdi**  
Chairman of the Board

**ASSET WORLD CORP PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES**

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
DECEMBER 31, 2019  
AND INDEPENDENT AUDITOR'S REPORT



## Independent Auditor's Report

### To the Shareholders of Asset World Corp Public Company Limited

#### *Opinion*

I have audited the consolidated and separate financial statements of Asset World Corp Public Company Limited and its subsidiaries (the "Group") and of Asset World Corp Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2019, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2019 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

#### *Basis for Opinion*

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

#### *Key Audit Matters*

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

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**Impairment of investment properties, property, plant and equipment, leasehold rights and investments in subsidiaries**

Refer to Note 9, 10, 11 and 12

The key audit matter	How the matter was addressed in the audit
<p>The Group had significant investment properties, property, plant and equipment, leasehold rights and investments in subsidiaries in the financial statements. Economic benefits of the assets depend on future profitable operations which impact valuation of investment properties, property, plant and equipment of the Group and investments in subsidiaries in the separate financial statements. Each property and the subsidiaries business unit are determined as separate cash generating units.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• understanding and evaluating management's process in assessing the impairment indicators and determining the recoverable amount of investment properties, property, plant and equipment, leasehold rights and investments in subsidiaries;</li> <li>• testing mathematical accuracy of the discounted future cash flow model used;</li> <li>• assessing the reasonableness of key assumptions underlying the estimate of the value from using discounted future cash flows by taking into account historical data of the Group, operational plan and industry data; and</li> <li>• evaluating the adequacy of the Group's disclosure in accordance with the related Thai Financial Reporting Standards.</li> </ul>
<p>Management performed an impairment indicator assessment over investment properties, property, plant and equipment, leasehold rights and investments in subsidiaries based upon the performance of each business unit leading to impairment testing of the assets and focused on the cash generating unit that its performance was consistently below expectations or had the indication of impairment.</p>	
<p>Management reviewed recoverable amount by using projection of future cash flows. The projection of future cash flows along with its forecast growth rate and discount rate used require significant judgment, and is inherently uncertain. As a result, this is a focus area for my audit.</p>	

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*Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

*Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



(Kanokorn Phooriphanyawanit)

Certified Public Accountant

Registration No. 10512

KPMG Phoomchai Audit Ltd.

Bangkok

27 February 2020

# FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS

## Asset World Corp Public Company Limited and its Subsidiaries Statement of financial position

(in Baht)						
Assets	Note	Consolidated financial statements			Separate financial statements	
		31 December	31 December	1 January	31 December	31 December
		2019	2018	2018	2019	2018
			(Restated)	(Restated)		
<b>Current assets</b>						
Cash and cash equivalents	6	14,362,435,616	1,215,491,808	1,115,523,091	13,795,391,240	89,170,026
Trade accounts receivable	5, 7	675,959,926	652,582,672	595,081,358	-	-
Other receivables	5, 8	304,073,061	846,618,930	342,740,760	435,593,579	367,027,885
Short-term loans to related parties	5	-	40,580,000	41,838,400,000	-	-
Inventories		42,718,798	48,964,135	48,520,101	-	-
Other current assets	5	81,058,652	244,678,468	67,062,744	22,947,119	1,861,298
<b>Total current assets</b>		<b>15,466,246,053</b>	<b>3,048,916,013</b>	<b>44,007,328,054</b>	<b>14,253,931,938</b>	<b>458,059,209</b>
<b>Non-current assets</b>						
Investments in associates		-	-	4,882,444	-	25,000
Investments in subsidiaries	9	-	-	-	24,780,019,457	24,773,953,207
Advances for construction		76,995,227	63,043,735	44,562,127	-	-
Long-term loans to related parties	5	-	-	-	63,177,382,693	27,389,835,591
Investment properties	10	49,894,621,073	49,758,275,735	54,867,297,123	2,834,837	3,189,677
Property, plant and equipment	11	41,626,983,168	38,327,403,912	32,407,798,904	3,883,901	1,083,333
Leasehold rights	12	1,138,518,878	1,176,034,576	1,213,550,275	-	-
Other intangible assets	13	134,492,881	73,614,500	77,020,605	13,627,529	4,198,182
Deferred tax assets	24	285,624,980	292,865,555	250,682,140	17,032,791	1,184,858
Other non-current assets	5, 14	534,372,893	327,008,106	179,689,647	77,490,805	8,115,834
<b>Total non-current assets</b>		<b>93,691,609,100</b>	<b>90,018,246,119</b>	<b>89,045,483,265</b>	<b>88,072,272,013</b>	<b>52,181,585,682</b>
<b>Total assets</b>		<b>109,157,855,153</b>	<b>93,067,162,132</b>	<b>133,052,811,319</b>	<b>102,326,203,951</b>	<b>52,639,644,891</b>

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



## Asset World Corp Public Company Limited and its Subsidiaries

### Statement of financial position

(in Baht)

		Consolidated financial statements			Separate financial statements	
		31 December	31 December	1 January	31 December	31 December
Liabilities and equity	Note	2019	2018	2018	2019	2018
			(Restated)	(Restated)		
<b>Current liabilities</b>						
Trade accounts payable	5, 16	267,260,711	420,655,466	376,085,479	-	-
Other payables	5, 17	1,745,976,108	1,669,136,568	2,253,431,054	335,575,045	46,765,080
Current portion of long-term loans						
from financial institutions	15	-	20,330,691,590	2,326,201,170	-	-
Short-term loans	5, 15	-	19,777,817	70,698,675,180	1,304,062,200	-
Income tax payable		1,558,883	10,457,003	12,838,820	-	10,457,003
Other current liabilities	5	149,001,956	265,353,992	306,652,768	2,430,073	33,217,640
<b>Total current liabilities</b>		<b>2,163,797,658</b>	<b>22,716,072,436</b>	<b>75,973,884,471</b>	<b>1,642,067,318</b>	<b>90,439,723</b>
<b>Non-current liabilities</b>						
Long-term loans	5, 15	28,000,000,000	42,794,046,205	47,156,606,768	28,000,000,000	28,316,570,000
Non-current provisions for employee benefits	18	279,131,001	215,810,221	115,220,867	130,957,606	84,699,226
Deposits from lessee	5	940,415,307	906,829,293	1,020,342,752	165,000	150,000
Deferred tax liabilities	24	1,967,574,909	1,378,995,194	15,967,458	-	-
Other non-current liabilities	5	145,275,577	56,859,286	37,431,173	-	-
<b>Total non-current liabilities</b>		<b>31,332,396,794</b>	<b>45,352,540,199</b>	<b>48,345,569,018</b>	<b>28,131,122,606</b>	<b>28,401,419,226</b>
<b>Total liabilities</b>		<b>33,496,194,452</b>	<b>68,068,612,635</b>	<b>124,319,453,489</b>	<b>29,773,189,924</b>	<b>28,491,858,949</b>

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

## Asset World Corp Public Company Limited and its Subsidiaries

### Statement of financial position

(in Baht)

		Consolidated financial statements			Separate financial statements	
		31 December	31 December	1 January	31 December	31 December
Liabilities and equity	Note	2019	2018	2018	2019	2018
			(Restated)	(Restated)		
<b>Equity</b>						
Share capital:	19					
Authorised share capital		32,000,000,000	24,000,000,000	9,000,000,000	32,000,000,000	24,000,000,000
Issued and paid-up share capital		32,000,000,000	24,000,000,000	9,000,000,000	32,000,000,000	24,000,000,000
Issued and paid-up share capital						
before business restructuring	4	-	10,100,000	1,250,500,000	-	-
Share premium	19	39,326,508,078	-	-	39,326,508,078	-
Differences from business combination						
under common control	4	(4,615,593,511)	(4,587,964,903)	(1,917,724,242)	(1,440,000)	(1,440,000)
Retained earnings (Deficit)						
Legal reserve	20	100,362,805	4,692,305	-	58,781,805	4,692,305
Legal reserve before business restructuring		-	1,000,000	1,000,000	-	-
Unappropriated		1,513,053,484	555,778,096	82,984,389	1,169,164,144	144,533,637
Unappropriated before						
business restructuring		-	(15,972,276)	(559,769,163)	-	-
Surplus on revaluation of land		7,337,329,845	5,030,916,275	-	-	-
<b>Equity attributable to owners of the parent</b>		<b>75,661,660,701</b>	<b>24,998,549,497</b>	<b>7,856,990,984</b>	<b>72,553,014,027</b>	<b>24,147,785,942</b>
Non-controlling interests		-	-	876,366,846	-	-
<b>Total equity</b>		<b>75,661,660,701</b>	<b>24,998,549,497</b>	<b>8,733,357,830</b>	<b>72,553,014,027</b>	<b>24,147,785,942</b>
<b>Total liabilities and equity</b>		<b>109,157,855,153</b>	<b>93,067,162,132</b>	<b>133,052,811,319</b>	<b>102,326,203,951</b>	<b>52,639,644,891</b>

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

## Asset World Corp Public Company Limited and its Subsidiaries

### Statement of comprehensive income

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2019	2018	2019	2018
		(Restated)			
<b>Revenue</b>	5, 21				
Revenue from hotel and related services		6,661,400,982	6,682,575,767	-	-
Revenue from rental and rendering of commercial building services		4,207,817,338	4,357,338,562	660,000	600,000
Management income		544,114,764	570,846,197	1,160,176,656	248,932,588
Dividend income	9	-	-	476,538,224	-
Interest income		46,872,667	766,186,945	1,862,376,095	1,227,615,166
Other income		61,789,975	75,692,654	3,824,420	58,553
<b>Total revenue</b>		<b>11,521,995,726</b>	<b>12,452,640,125</b>	<b>3,503,575,395</b>	<b>1,477,206,307</b>
<b>Expenses</b>	5				
Cost of hotel and related services		3,276,949,554	3,321,121,870	-	-
Cost of rental and rendering of commercial building services		1,948,514,019	2,302,959,591	354,841	354,841
Cost of management services		361,360,367	353,477,566	760,057,868	247,637,162
Distribution costs		572,333,250	616,944,819	-	-
Administrative expenses		2,193,202,463	2,157,946,863	222,386,617	127,672,342
Finance costs		1,846,481,138	3,041,235,987	1,285,693,517	982,516,744
<b>Total expenses</b>		<b>10,198,840,791</b>	<b>11,793,686,696</b>	<b>2,268,492,843</b>	<b>1,358,181,089</b>
Share of loss of investments in associates		-	(2,131,852)	-	-
<b>Profit before income tax expense</b>		<b>1,323,154,935</b>	<b>656,821,577</b>	<b>1,235,082,552</b>	<b>119,025,218</b>
Tax expense	24	(283,135,830)	(159,758,468)	(153,292,547)	(25,179,117)
<b>Profit for the year</b>		<b>1,040,019,105</b>	<b>497,063,109</b>	<b>1,081,790,005</b>	<b>93,846,101</b>

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

## Asset World Corp Public Company Limited and its Subsidiaries

### Statement of comprehensive income

(in Baht)					
		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2019	2018	2019	2018
(Restated)					
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Gains on revaluation of land	11	2,883,016,962	6,288,645,344	-	-
Losses on remeasurements of defined benefit plans	18	(1,604,251)	-	(3,837,498)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	24	(576,282,542)	(1,257,729,069)	767,500	-
Total items that will not be reclassified subsequently to profit or loss		2,305,130,169	5,030,916,275	(3,069,998)	-
Other comprehensive income (expense) for the year, net of tax					
		2,305,130,169	5,030,916,275	(3,069,998)	-
Total comprehensive income for the year		3,345,149,274	5,527,979,384	1,078,720,007	93,846,101
Profit (loss) attributable to:					
Owners of the Company		1,054,229,289	468,513,227	1,081,790,005	93,846,101
Other companies in the Group before business restructuring		(14,210,184)	(14,355,218)	-	-
Non-controlling interests		-	42,905,100	-	-
Profit for the year		1,040,019,105	497,063,109	1,081,790,005	93,846,101
Total comprehensive income (expense) attributable to:					
Owners of the Company		3,359,359,458	5,499,429,502	1,078,720,007	93,846,101
Other companies in the Group before business restructuring		(14,210,184)	(14,355,218)	-	-
Non-controlling interests		-	42,905,100	-	-
Total comprehensive income for the year		3,345,149,274	5,527,979,384	1,078,720,007	93,846,101
Basic earnings per share					
	25	0.041	0.031	0.042	0.006

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

# Asset World Corp Public Company Limited and its Subsidiaries

## Statement of changes in equity

ANNUAL  
REPORT 2019

(in Baht)

	Consolidated financial statements									
	Retained earnings / (Deficit)			Other components of equity						
	Issued and paid-up share capital	Issued and paid-up share capital before restructuring	Legal reserve	Legal reserve before restructuring	Unappropriated before restructuring	Unappropriated (Deficit) before business restructuring	Surplus on revaluation of land	Equity attributable to owners of the company	Non-controlling interests	Total equity
<b>Year ended 31 December 2018</b>										
Balance at 1 January 2018 - restated	9,000,000,000	1,250,500,000	-	1,000,000	82,984,389	(559,769,163)	-	7,856,990,984	876,366,846	8,733,357,830
<b>Transactions with owners, recorded directly in equity</b>										
<i>Contributions by and distributions to owners</i>										
Issue of ordinary shares	15,000,000,000	-	-	-	-	-	-	15,000,000,000	-	15,000,000,000
Distribution of the return to former shareholders before business restructuring	-	(159,750,000)	-	-	-	-	-	(159,750,000)	-	(159,750,000)
<b>Total contributions by and distributions to owners</b>	<b>15,000,000,000</b>	<b>(159,750,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,840,250,000</b>	<b>-</b>	<b>14,840,250,000</b>
<b>Changes in ownership interests in subsidiaries</b>										
Acquisition of business under common control	-	(1,080,650,000)	-	-	-	558,152,105	-	(3,110,750,758)	(919,271,946)	(4,030,022,704)
Disposal of business under common control	-	-	-	-	(73,015,013)	-	-	(73,015,013)	-	(73,015,013)
Transfer of difference arising from business restructuring under common control to retained earnings	-	-	-	-	81,987,798	-	-	(81,987,798)	-	-
<b>Total transactions with owners, recorded directly in equity</b>	<b>15,000,000,000</b>	<b>(1,240,400,000)</b>	<b>-</b>	<b>-</b>	<b>8,972,785</b>	<b>558,152,105</b>	<b>-</b>	<b>11,656,484,229</b>	<b>(919,271,946)</b>	<b>10,737,212,283</b>
<b>Comprehensive income for the year</b>										
Profit or loss	-	-	-	-	-	(14,355,218)	-	454,158,009	42,905,100	497,063,109
Other comprehensive income	-	-	-	-	-	-	5,030,916,275	5,030,916,275	-	5,030,916,275
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>468,513,227</b>	<b>(14,355,218)</b>	<b>5,030,916,275</b>	<b>5,485,074,284</b>	<b>42,905,100</b>	<b>5,527,979,384</b>
Transfer to legal reserve	-	-	4,692,305	-	-	(4,692,305)	-	-	-	-
<b>Balance at 31 December 2018</b>	<b>24,000,000,000</b>	<b>10,100,000</b>	<b>4,692,305</b>	<b>1,000,000</b>	<b>555,776,096</b>	<b>(15,972,276)</b>	<b>5,030,916,275</b>	<b>24,998,549,497</b>	<b>-</b>	<b>24,998,549,497</b>

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



# Asset World Corp Public Company Limited and its Subsidiaries

## Statement of changes in equity

(in Baht)

	Consolidated financial statements									
	Retained earnings / (Deficit)			Other components of equity						
	Issued and paid-up share capital	Issued and paid-up share capital before restructuring	Legal reserve	Legal reserve before restructuring	Unappropriated (Deficit) before business restructuring	Surplus on revaluation of land	Differences from business combination under common control	Equity attributable to owners of the company	Non-controlling interests	Total equity
<b>Year ended 31 December 2019</b>										
Balance at 1 January 2019 - restated	24,000,000,000	10,100,000	-	4,692,305	1,000,000	(15,972,276)	5,030,916,275	(4,587,964,903)	24,998,549,497	24,998,549,497
<b>Transactions with owners, recorded directly in equity</b>										
<i>Contributions by owners of the Company</i>										
Issue of ordinary shares	19	8,000,000,000	-	39,326,508,078	-	-	-	-	47,326,508,078	47,326,508,078
Total contributions by owners		8,000,000,000	-	39,326,508,078	-	-	-	-	47,326,508,078	47,326,508,078
<b>Changes in ownership interests in subsidiaries</b>										
Acquisition of business under common control	4	-	(10,100,000)	-	(1,000,000)	-	30,182,460	(27,628,608)	(8,546,148)	(8,546,148)
Total transactions with owners, recorded directly in equity		8,000,000,000	(10,100,000)	39,326,508,078	(1,000,000)	30,182,460	-	(27,628,608)	47,317,961,930	47,317,961,930
<b>Comprehensive income for the year</b>										
Profit or loss	-	-	-	-	-	-	-	-	1,040,019,105	1,040,019,105
Other comprehensive income	-	-	-	-	-	-	-	-	2,305,130,169	2,305,130,169
Total comprehensive income for the year	-	-	-	-	-	-	-	-	3,345,149,274	3,345,149,274
Transfer to legal reserve	20	-	-	95,670,500	-	(95,670,500)	-	-	-	-
Balance at 31 December 2019	32,000,000,000	-	39,326,508,078	100,362,805	-	1,513,053,484	-	(4,615,593,511)	75,661,660,701	75,661,660,701

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

# Asset World Corp Public Company Limited and its Subsidiaries

## Statement of changes in equity

ANNUAL  
REPORT 2019

(in Baht)

	Separate financial statements				
	Retained earnings		Differences from business combination under common control		
	Issued and paid-up share capital	Legal reserve	Unappropriated		Total equity
Note					
Year ended 31 December 2018					
Balance at 1 January 2018	9,000,000,000	-	55,379,841	(1,440,000)	9,053,939,841
Transactions with owners, recorded directly in equity					
Contributions by owners of the Company					
Issue of ordinary shares	19	15,000,000,000	-	-	15,000,000,000
Total transactions with owners, recorded directly in equity		15,000,000,000	-	-	15,000,000,000
Comprehensive income for the year					
Profit		-	93,846,101	-	93,846,101
Total comprehensive income for the year		-	93,846,101	-	93,846,101
Transfer to legal reserve	20	-	4,692,305	(4,692,305)	-
Balance at 31 December 2018		24,000,000,000	4,692,305	144,533,637	24,147,785,942

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

# Asset World Corp Public Company Limited and its Subsidiaries

## Statement of changes in equity

Separate financial statements								(in Baht)
Retained earnings				Differences from business combination under common control				
Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated		Total equity		
<b>Year ended 31 December 2019</b>								
Balance at 1 January 2019		24,000,000,000	-	4,692,305	144,533,637	(1,440,000)	24,147,785,942	
<b>Transactions with owners, recorded directly in equity</b>								
<i>Contributions by owners of the Company</i>								
19	Issue of ordinary shares	8,000,000,000	39,326,508,078	-	-	-	47,326,508,078	
Total transactions with owners, recorded directly in equity		8,000,000,000	39,326,508,078	-	-	-	47,326,508,078	
<b>Comprehensive income for the year</b>								
	Profit	-	-	1,081,790,005		-	1,081,790,005	
	Other comprehensive expenses	-	-	(3,069,998)		-	(3,069,998)	
Total comprehensive income for the year		-	-	1,078,720,007		-	1,078,720,007	
20	Transfer to legal reserve	-	-	54,089,500	(54,089,500)	-	-	
Balance at 31 December 2019		32,000,000,000	39,326,508,078	58,781,805	1,169,164,144	(1,440,000)	72,553,014,027	

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

## Asset World Corp Public Company Limited and its Subsidiaries

### Statement of cash flows

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2019	2018	2019	2018
(Restated)					
<b>Cash flows from operating activities</b>					
Profit for the year		1,040,019,105	497,063,109	1,081,790,005	93,846,101
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense	24	283,135,830	159,758,468	153,292,547	25,179,117
Finance costs		1,846,481,138	3,041,235,987	1,285,693,517	982,516,744
Depreciation	10, 11	1,736,362,934	1,827,181,302	1,085,083	438,949
Amortisation of leasehold rights	12	37,515,699	37,515,699	-	-
Amortisation of other intangible assets	13	15,426,819	10,550,570	1,627,641	102,729
Share of loss of investments in associates		-	(2,131,852)	-	-
Bad and doubtful debts expenses	7, 8	46,811,995	38,913,118	-	-
Non-current provisions for employee benefits	18	95,788,914	41,795,353	44,802,466	5,924,289
Loss on expropriation of investment properties		4,969,315	-	-	-
Loss on disposal of plant and equipments		-	5,977,098	-	-
Interest income		(46,872,667)	(766,186,945)	(1,862,376,095)	(1,227,615,166)
		5,059,639,082	4,891,671,907	705,915,164	(119,607,237)
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		(67,337,103)	(154,417,912)	-	-
Other receivables		640,295,354	(604,553,108)	26,285,310	(36,382,326)
Inventories		6,245,337	(444,033)	-	-
Other current assets		190,501,668	(238,551,964)	(21,085,821)	(1,145,899)
Advances for construction		(13,951,492)	(18,481,607)	-	-
Other non-current assets		(63,272,154)	31,365,571	(15,890,327)	(8,115,834)
Trade accounts payable		(153,394,755)	56,831,071	-	-
Other payables		68,908,564	173,050,371	240,657,019	5,142,084
Other current liabilities		(116,352,035)	(38,882,362)	(30,787,567)	33,141,455
Deposits from lessee		33,586,013	25,275,806	15,000	-
Other non-current liabilities		88,416,291	19,428,112	-	-
Transfer in of non-current provisions for employee benefits		-	74,279,427	16,853,579	78,774,937
Non-current provisions for employee benefits paid		(34,072,386)	(15,485,425)	(19,235,162)	-
Net cash generated from (used in) operating		5,639,212,384	4,201,085,854	902,727,195	(48,192,820)
Tax paid		(277,256,355)	(226,601,698)	(63,941,646)	(28,247,121)
<b>Net cash from (used in) operating activities</b>		<b>5,361,956,029</b>	<b>3,974,484,156</b>	<b>838,785,549</b>	<b>(76,439,941)</b>

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

## Asset World Corp Public Company Limited and its Subsidiaries

### Statement of cash flows

(in Baht)					
		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
Note		2019	2018	2019	2018
(Restated)					
<b>Cash flows from investing activities</b>					
Proceeds (payment) from disposal of subsidiaries,					
net of cash disposed of	9	-	(4,753,016)	-	99,999,980
Acquisition of subsidiaries, net of cash acquired	4, 9	(6,362,508)	(3,242,881,884)	(96,277,500)	-
Proceeds from reduction of share capital of subsidiaries	9	-	-	90,236,250	-
Increase of share capital of subsidiaries	9	-	-	-	(19,363,000,000)
Acquisition of non-controlling interest	9	-	(827,400,000)	-	(1,648,101,525)
Payment from the distribution of the return to former					
shareholders before business restructuring		-	(159,750,000)	-	-
Proceeds from sale of interest in associates		-	34,334,363	-	-
Proceeds from sale of investments in subsidiaries		-	182,304,016	-	-
Proceeds from sale of plant and equipment		77,574	138,112,307	-	-
Proceeds from sale of investment properties		21,878,533	616,326,921	-	-
Proceeds from expropriation of investment properties		13,778,944	-	-	-
Acquisition of property, plant and equipment		(1,270,368,103)	(857,163,072)	(3,455,375)	(1,167,532)
Acquisition of investment properties		(1,132,057,646)	(2,820,056,641)	-	-
Acquisition of other intangible assets		(75,864,342)	(7,049,465)	(10,903,015)	(4,300,911)
Increase in short-term loans to related parties	5	-	(10,477,011,075)	-	-
Proceeds from short-term loans to related parties	5	40,580,000	55,361,966,109	-	-
Increase in long-term loans to related parties	5	-	-	(72,424,427,395)	(99,424,725,639)
Proceeds from long-term loans to related parties	5	-	-	36,636,880,292	92,447,214,998
Interest received		50,702,200	845,837,454	1,767,525,091	914,230,330
<b>Net cash from (used in) investing activities</b>		<b>(2,357,635,348)</b>	<b>38,782,816,017</b>	<b>(34,040,421,652)</b>	<b>(26,979,850,299)</b>

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

## Asset World Corp Public Company Limited and its Subsidiaries

### Statement of cash flows

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2019	2018	2019	2018
(Restated)					
<b>Cash flows from financing activities</b>					
Net proceeds from issue of ordinary shares	19	47,158,135,097	15,000,000,000	47,158,135,097	15,000,000,000
Proceeds from issue of shares of subsidiaries					
from non-controlling interest		-	9,900,000	-	-
Proceeds from short-term loans from related parties	5	4,200,000	173,782,060,263	1,888,975,000	43,588,000
Repayment of short-term loans from related parties	5	(23,977,817)	(244,460,957,625)	(607,182,800)	(43,588,000)
Proceeds from short-term loans from financial institutions		3,555,000,000	-	3,555,000,000	-
Repayment of short-term loans from financial institutions		(3,555,000,000)	-	(3,555,000,000)	-
Proceeds from long-term loans from related parties	5	-	1,805,238,000	5,700,000	68,218,305,109
Repayment of long-term loans from related parties	5	-	(11,497,844,552)	-	(83,415,565,218)
Proceeds from long-term loans from financial institutions		46,000,000,000	28,300,000,000	46,000,000,000	28,300,000,000
Repayment of long-term loans from financial institutions		(81,152,759,247)	(2,248,000,000)	(46,300,000,000)	-
Interest paid		(1,842,974,906)	(3,347,727,541)	(1,237,769,980)	(958,139,179)
<b>Net cash from (used in) financing activities</b>		<b>10,142,623,127</b>	<b>(42,657,331,455)</b>	<b>46,907,857,317</b>	<b>27,144,600,712</b>
<b>Net increase in cash and cash equivalents</b>		<b>13,146,943,808</b>	<b>99,968,718</b>	<b>13,706,221,214</b>	<b>88,310,472</b>
Cash and cash equivalents at 1 January		1,215,491,808	1,115,523,090	89,170,026	859,554
<b>Cash and cash equivalents at 31 December</b>	<b>6</b>	<b>14,362,435,616</b>	<b>1,215,491,808</b>	<b>13,795,391,240</b>	<b>89,170,026</b>
<b>Non-cash transactions</b>					
Payables for acquisition of investment properties		91,654,690	140,159,150	-	-
Payables for acquisition of plant and equipment		263,851,620	182,125,680	75,435	-
Payables for acquisition of other intangible assets		4,446,585	-	153,973	-
Transfer in of non-current provisions for employee benefits		-	74,279,427	16,853,579	78,774,937

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



# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

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# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 27 February 2020.

## 1 General information

Asset World Corp Public Company Limited, the "Company", is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 10 October 2019. The Company's registered office is at 1 Empire Tower, 56<sup>th</sup> Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok.

The Company's major shareholders during the financial year were Sirivadhanabhakdi Group (49.69% shareholding) and TCC Group International Limited which was incorporated in British Virgin Islands (27.09% shareholding).

The principal activities of the Company are investing and providing management services. The principal activities of the Group are hotel and related services, and rental and rendering of commercial building services. Details of the Company's subsidiaries as at 31 December 2019 and 2018 are given in note 9.

## 2 Basis of preparation of the financial statements

### (a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS"), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2019. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. There is no material impact on the Group's financial statements. The Group has initially applied TFRS 15 *Revenue from Contracts with Customers* ("TFRS 15") which replaces TAS 18 *Revenue* ("TAS 18"), TAS 11 *Construction Contracts* ("TAS 11") and related interpretations. The details of accounting policies are disclosed in note 3(s).

The Group has assessed the impact of initial adoption of TFRS 15 using the cumulative effect method, taking into account the effect of initially applying this standard only to contracts that were not completed before 1 January 2019. The impact on retained earnings as at 1 January 2019 was not material. Therefore, the Group has not adjusted the retained earnings as at 1 January 2019 and not restated the information presented for 2018, as previously reported under TAS 18 and related interpretations. The disclosure requirements of TFRS 15 have not generally been applied to comparative information.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 29.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

(b) *Functional and presentation currency*

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

(c) *Use of judgements and estimates*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

*Assumptions and estimation uncertainties*

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

- 11 Determining the fair value of land on the basis of significant unobservable inputs;
- 18 Measurement of defined benefit obligations: key actuarial assumptions;
- 24 Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; and
- 26 Measurement of financial assets and financial liabilities.

### 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

*Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

*Non-controlling interests*

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

*Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

#### *Interests in equity - accounted investees*

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

#### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### **(b) Business restructuring under common control transactions**

##### *Acquisitions from entities under common control*

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

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

##### *Entities under common control*

Entities under common control are entities or businesses ultimately controlled by the same party or parties both before and after the business combination. According to the guidance issued by Federation of Accounting Professions; close family members are considered as one party. Close family members of an individual are: the parents, the spouses, the children, the spouses' children, the parents of their spouses, and the siblings of the individual unless it can be demonstrated that the siblings and the individual have no influence over each other.

#### **(c) Foreign currencies**

##### *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

#### **(d) Derivatives**

Derivatives are used to manage exposure to interest rate risk arising from financing activities. Derivatives are not used for trading purposes.

Interest differentials under interest rate swap arrangements are accrued and recorded as adjustments to the interest expense relating to the hedged loans.

#### **(e) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

#### **(f) Trade and other accounts receivable**

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at value less allowance for doubtful accounts are assessed on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

#### **(g) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

#### **(h) Investments**

##### *Investments in associates and subsidiaries*

Investments in associates and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

##### *Investments in other equity securities*

Equity securities which are not marketable are stated at cost less any impairment losses.

##### *Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group and the Company dispose of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### (i) *Investment properties*

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

#### *Leased assets*

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Investment properties acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit and loss.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Buildings and building improvements	lease period and 10 - 60 years
System work	3 - 20 years

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

#### (j) *Leasehold rights*

Leasehold rights are measured at cost less accumulated amortisation. Amortisation is charged to profit or loss on a straight-line basis over the lease period.

#### *Amortisation*

Amortisation is recognised in profit or loss on a straight-line basis over the terms of lease as follows:

Leasehold rights	30 - 36 years
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#### (k) *Property, plant and equipment*

#### *Recognition and measurement*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses except for land which are measured at revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of the revaluation less any accumulated impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.



# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss. When there is a disposal of revalued assets, the amount recognised in revaluation surplus is reclassified to retained earnings.

#### *Leased assets*

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit and loss.

#### *Revalued assets*

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation surplus in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

#### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

#### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	15 years
Buildings and building improvements	lease period and 10 - 55 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	5 years

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

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

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

#### **(l) Intangible assets**

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

##### *Subsequent expenditure*

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

##### *Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods of computer program and software licenses are 3 - 10 years.

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

#### **(m) Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

##### *Calculation of recoverable amount*

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

##### *Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

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

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

**(n) Interest-bearing liabilities**

Interest-bearing liabilities are recognised initially at cost.

**(o) Trade and other accounts payable**

Trade and other accounts payable are stated at cost.

**(p) Employee benefits**

*Defined contribution plans*

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

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Other long-term employee benefits*

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

*Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

#### **(q) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

#### **(r) Measurement of fair values**

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs to use are the inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### **(s) Revenue**

##### ***Accounting policies for revenue recognition in 2019***

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discount.

Revenue for rendering of services is recognised over time based on stages of completion or as the services are provided. The related costs are recognised in profit or loss when they are incurred.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### *Revenue from hotel and related services*

Hotel revenues from room, food and beverages and other services are recognised when the rooms are occupied, food and beverages are sold and the services are rendered.

#### *Customer loyalty programme*

The consideration received are allocated based on the relative stand-alone selling price of the products and the loyalty points. The amount allocated to the loyalty points is recognised as contract liabilities and revenue is recognised when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote. The stand-alone selling prices of the points is estimated based on discount provided to customers and the likelihood that the customers will redeem the points, and the estimate shall be reviewed at the end of the reporting period.

#### **Accounting policies for revenue recognition in 2018**

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

#### *Revenue from hotel and related services*

Revenue from hotel services arise from room rental, sales of food and beverage and other services are recognised when the services have been rendered or the goods transferred.

#### *Management income*

Management income is recognised as services are provided to customers at the rates specified in the agreements.

#### *Other income*

Other income is recognised in profit or loss as they accrue.

#### **(t) Revenue from rental and rendering of commercial building services.**

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Revenues that is recognised but not yet due under operating lease are recognised as "Unbilled trade receivables under operating lease" at the reporting period end. The Group recognises service income as services are provided to customers at the rates specified in the agreements.

#### **(u) Investment income**

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Company's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

#### **(v) Finance costs**

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

#### **(w) Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

#### *Determining whether an arrangement contains a lease*

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

#### **(x) Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.



## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (y) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

#### (z) *Related parties*

A related party is a person or an entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

#### (aa) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## 4 Business restructuring in 2019 and restatement 2018

#### (a) *Business restructuring*

During 2019, the Group acquired shares of certain companies which were under common control of the ultimate controlling shareholder before and after the acquisition dates and that control was not transitory. The acquisitions have been accounted for in a manner similar to a pooling of interests method.

The consolidated financial statement was prepared under the business combination of entities under common control principle. Such presentation reflects the economic substances for the Company and the subsidiaries as one economic unit before 1 January 2018, although the legal form of the relationship between the Company and the subsidiaries was not effective until after 1 January 2018. The Company has also presented the impact of restated consolidated statements of financial position as at 1 January 2018 and 31 December 2018, the consolidated statements of comprehensive income, changes in equity and cash flows for the year ended 31 December 2018, for comparable.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### (1) Acquisition of interest in associate with a change of control

On 15 February 2019, Asset World Retail Co., Ltd., a direct subsidiary, acquired an additional 75.0% interest in Wanna Charoenkij Co., Ltd. ("Wanna Charoenkij"), an associate, from related companies under common control for Baht 6.26 million in cash, increasing its ownership from 25.0% to 100.0%. Wanna Charoenkij thereby became an indirect subsidiary of the Company.

#### (2) Acquisitions of subsidiaries

On 15 February 2019, the Company and Asset World Retail Co., Ltd., a direct subsidiary, made an acquisition of 25.0% and 75.0% of the issued and paid up capital of Asset World Trading Co., Ltd., a related party of the Company, for a consideration of Baht 25,000 and Baht 75,000 respectively. Consequently, the Group's interest in Asset World Trading Co., Ltd. was 100.0%. Asset World Trading Co., Ltd. thereby became an indirect subsidiary of the Company.

Detail of the acquired subsidiaries were as follows:

Name of entities	Date of acquisition	Percentage of shareholding	Consideration Paid	Carrying amount of net liabilities	Discount from business restructuring
		(%)		(in thousand Baht)	
<b>Indirect subsidiaries</b>					
Wanna Charoenkij Co., Ltd.	15 February 2019	100.00	6,263	(9,919)	(16,182)
Asset World Trading Co., Ltd.	15 February 2019	100.00	100	(11,346)	(11,446)
<b>Total</b>			<b>6,363</b>	<b>(21,265)</b>	<b>(27,628)</b>

On the acquisition dates, the difference between cash consideration paid and carrying amount of net liabilities amount of Baht 27.63 million were recorded as "Difference from business combination under common control" and recognised in the consolidated statement of changes in equity as a separate component of equity.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

The following summarises the book value of assets and liabilities acquired of the indirect subsidiaries were as follows:

(in thousand Baht)

	Wanna Charoenkij Co., Ltd.	Asset World Trading Co., Ltd.	Total
<b>Assets and liabilities acquired</b>			
Cash and cash equivalents	1,865	981	2,846
Trade accounts receivable	10	-	10
Property, plant and equipment	-	275	275
Investment properties	59,358	-	59,358
Other assets	378,994	28,674	407,668
Trade accounts payable	(32,482)	(1,467)	(33,949)
Other payables	(41,908)	(4,305)	(46,213)
Loans from related parties	(372,891)	(35,188)	(408,079)
Other liabilities	(2,865)	(316)	(3,181)
<b>Net liabilities acquired</b>	<b>(9,919)</b>	<b>(11,346)</b>	<b>(21,265)</b>

**(b) Reclassification**

Certain accounts in the consolidated financial statements for the year ended 2018 have been reclassified to conform to the presentation in the financial statements year 2019. These reclassifications have principally been made, in the opinion of management, the new classification is more appropriate to the Group's business.

The impact of the restatement 2018 on the Group's consolidated financial statements are as follows:

Statement of financial position as at	Consolidated financial statements						(in million Baht)
	1 January 2018			31 December 2018			
	Previous reported	Adjustment	As adjusted	Previous reported	Adjustment	As adjusted	
Assets							
Current assets							
Cash and cash equivalents	1,114.70	0.83	1,115.53	1,213.84	1.65	1,215.49	
Trade accounts receivable	595.05	0.03	595.08	652.72	(0.14)	652.58	
Other receivables	342.30	0.44	342.74	677.20	169.42	846.62	
Short-term loans to related parties	41,838.40	-	41,838.40	36.40	4.18	40.58	
Inventories	48.52	-	48.52	48.89	0.07	48.96	
Other current assets	66.99	0.07	67.06	82.33	162.35	244.68	
Total current assets	44,005.96	1.37	44,007.33	2,711.38	337.53	3,048.91	
Non-current assets							
Investments in associates	5.88	(1.00)	4.88	2.09	(2.09)	-	
Advances for construction	44.56	-	44.56	63.04	-	63.04	
Long-term loans to related parties	-	-	-	330.48	(330.48)	-	
Investment properties	54,867.30	-	54,867.30	49,758.28	-	49,758.28	
Property, plant and equipment	32,407.80	-	32,407.80	38,327.10	0.30	38,327.40	
Leasehold rights	1,213.55	-	1,213.55	1,176.03	0.01	1,176.04	
Other intangible assets	77.02	-	77.02	73.58	0.03	73.61	
Deferred tax assets	243.26	7.42	250.68	284.39	8.48	292.87	
Other non-current assets	177.78	1.91	179.69	316.95	10.06	327.01	
Total non-current assets	89,037.15	8.33	89,045.48	90,331.94	(313.69)	90,018.25	
Total assets	133,043.11	9.70	133,052.81	93,043.32	23.84	93,067.16	

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2019

Statement of financial position as at	Consolidated financial statements						(in million Baht)
	1 January 2018			31 December 2018			
	Previous reported	Adjustment	As adjusted	Previous reported	Adjustment	As adjusted	
Liabilities and equity							
Current liabilities							
Trade accounts payable	376.22	(0.13)	376.09	420.55	0.10	420.65	420.65
Other payables	2,236.92	16.51	2,253.43	1,663.30	5.84	1,669.14	1,669.14
Current portion of long-term loans from financial institutions	2,326.20	-	2,326.20	20,330.69	-	20,330.69	20,330.69
Short-term loans	46,354.46	24,344.22	70,698.68	-	19.78	19.78	19.78
Income tax payable	12.34	0.50	12.84	10.46	-	10.46	10.46
Other current liabilities	305.32	1.32	306.64	260.01	5.34	265.35	265.35
Total current liabilities	51,611.46	24,362.42	75,973.88	22,685.01	31.06	22,716.07	22,716.07
Non-current liabilities							
Long-term loans	71,493.20	(24,336.59)	47,156.61	42,794.05	-	42,794.05	42,794.05
Non-current provisions for employee benefits	114.94	0.28	115.22	215.72	0.09	215.81	215.81
Deposits from lessee	1,021.79	(1.45)	1,020.34	907.21	(0.38)	906.83	906.83
Deferred tax liabilities	15.97	-	15.97	1,378.99	-	1,378.99	1,378.99
Other non-current liabilities	37.43	-	37.43	56.86	-	56.86	56.86
Total non-current liabilities	72,683.33	(24,337.76)	48,345.57	45,352.83	(0.29)	45,352.54	45,352.54
Total liabilities	124,294.79	24.66	124,319.45	68,037.84	30.77	68,068.61	68,068.61

Statement of financial position as at	Consolidated financial statements						(in million Baht)
	1 January 2018			31 December 2018			
	Previous reported	Adjustment	As adjusted	Previous reported	Adjustment	As adjusted	
<b>Equity</b>							
Share capital:							
Share capital issued and paid-up share capital	9,000.00	-	9,000.00	24,000.00	-	24,000.00	
Issued and paid-up share capital before business restructuring	1,240.40	10.10	1,250.50	-	10.10	10.10	
Differences from business combination under common control	(1,917.72)	-	(1,917.72)	(4,587.97)	-	(4,587.97)	
Retained earnings (Deficit)							
Legal reserve	-	-	-	4.69	-	4.69	
Legal reserve before business restructuring	-	1.00	1.00	-	1.00	1.00	
Unappropriated	83.98	(1.00)	82.98	557.84	(2.06)	555.78	
Unappropriated before business restructuring	(534.71)	(25.06)	(559.77)	-	(15.97)	(15.97)	
Surplus on revaluation of land	-	-	-	5,030.92	-	5,030.92	
<b>Equity attributable to owners of the parent</b>	<b>7,871.95</b>	<b>(14.96)</b>	<b>7,856.99</b>	<b>25,005.48</b>	<b>(6.93)</b>	<b>24,998.55</b>	
Non-controlling interests	876.37	-	876.37	-	-	-	
<b>Total equity</b>	<b>8,748.32</b>	<b>(14.96)</b>	<b>8,733.36</b>	<b>25,005.48</b>	<b>(6.93)</b>	<b>24,998.55</b>	
<b>Total liabilities and equity</b>	<b>133,043.11</b>	<b>9.70</b>	<b>133,052.81</b>	<b>93,043.32</b>	<b>23.84</b>	<b>93,067.16</b>	



# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

(in million Baht)

<i>Statement of comprehensive income for the year ended 31 December 2018</i>	Consolidated financial statements		
	Previous reported	Adjustment	As adjusted
<b>Revenue</b>			
Revenue from hotel and related services	6,682.57	-	6,682.57
Revenue from rental and rendering of commercial building services	4,316.06	41.28	4,357.34
Management income	535.85	35.00	570.85
Interest income	766.60	(0.41)	766.19
Other income	114.56	(38.87)	75.69
<b>Total revenue</b>	<b>12,415.64</b>	<b>37.00</b>	<b>12,452.64</b>
<b>Expenses</b>			
Cost of hotel and related services	3,321.12	-	3,321.12
Cost of rental and rendering of commercial building services	2,387.29	(84.33)	2,302.96
Cost of management services	336.31	17.17	353.48
Distribution costs	611.05	5.90	616.95
Administrative expenses	2,063.76	94.18	2,157.94
Finance costs	3,048.26	(7.02)	3,041.24
<b>Total expenses</b>	<b>11,767.79</b>	<b>25.90</b>	<b>11,793.69</b>
Share of profit (loss) of investment in associates	0.42	(2.55)	(2.13)
<b>Profit before income tax expense</b>	<b>648.27</b>	<b>8.55</b>	<b>656.82</b>
Tax expenses	(159.23)	(0.53)	(159.76)
<b>Profit for the year</b>	<b>489.04</b>	<b>8.02</b>	<b>497.06</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Gain on revaluation of land	6,288.65	-	6,288.65
Income tax relating to items that will not be reclassified subsequently to profit or loss	(1,257.73)	-	(1,257.73)
<b>Other comprehensive income for the year, net of tax</b>	<b>5,030.92</b>	<b>-</b>	<b>5,030.92</b>
<b>Total comprehensive income for the year</b>	<b>5,519.96</b>	<b>8.02</b>	<b>5,527.98</b>
<b>Profit (loss) attributable to:</b>			
Owners of the parent	469.57	(1.06)	468.51
Other companies in the Group before business restructuring	(23.44)	9.08	(14.36)
Non-controlling interest	42.91	-	42.91
<b>Profit for the year</b>	<b>489.04</b>	<b>8.02</b>	<b>497.06</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	5,500.49	(1.06)	5,499.43
Other companies in the Group before business restructuring	(23.44)	9.08	(14.36)
Non-controlling interest	42.91	-	42.91
<b>Total comprehensive income for the year</b>	<b>5,519.96</b>	<b>8.02</b>	<b>5,527.98</b>
<b>Basic earnings per share (in Baht)</b>	<b>0.031</b>	<b>-</b>	<b>0.031</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### 5 Related parties

Relationships with subsidiaries are described in note 9. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Asiatic Hotel Collection Co., Ltd.	Thailand	Common ultimate major shareholders
M S & K C Development Co., Ltd.	Thailand	Common ultimate major shareholders
Thai show 2013 Co., Ltd.	Thailand	Common ultimate major shareholders
Shinasub Co., Ltd.	Thailand	Common ultimate major shareholders
Thippatana Arcade Co., Ltd.	Thailand	Common ultimate major shareholders
T.C.C. Empire Tower Co., Ltd.	Thailand	Common ultimate major shareholders
TCC Verngnakornkhasem Co., Ltd.	Thailand	Common ultimate major shareholders
TCC Land Retail Co., Ltd.	Thailand	Common ultimate major shareholders
Business Property Co., Ltd.	Thailand	Common ultimate major shareholders
Top Asset Security & Service Company Limited	Thailand	Common ultimate major shareholders
Ratanasuit Co., Ltd.	Thailand	Common ultimate major shareholders
Riverside Homes Development Co., Ltd.	Thailand	Common ultimate major shareholders
Retail World 2 Co., Ltd.	Thailand	Common ultimate major shareholders
Anantasiri Patana Co., Ltd.	Thailand	Common ultimate major shareholders
TCC Nawamin Phumipat Co., Ltd.	Thailand	Common ultimate major shareholders
Asset World Wex Co., Ltd.	Thailand	Common ultimate major shareholder and common directors
Cristalla Co., Ltd.	Thailand	Common ultimate major shareholder and common directors
Concept Land 9 Co., Ltd.	Thailand	Common ultimate major shareholder and common directors
TCC Hotel Collection Co., Ltd.	Thailand	Common ultimate major shareholder and common directors
TCC Pattaya Co., Ltd.	Thailand	Common ultimate major shareholder and common directors
TCC Luxury Hotels & Resorts Co., Ltd.	Thailand	Common ultimate major shareholder and common directors
Southeast Capital Co., Ltd.	Thailand	Common ultimate major shareholder and common directors
Southeast Life Insurance Public Company Limited	Thailand	Common ultimate major shareholder and common directors
Southeast Insurance Public Company Limited	Thailand	Common ultimate major shareholder and common directors
TorYod Fresh (Thailand) Company Limited	Thailand	Major shareholders are related parties of directors and/or shareholders of the Company
Wattanapat Trading Co., Ltd.	Thailand	Indirect major shareholders are related parties of directors of the Company
Liquorland Limited	New Zealand	Directors are related to directors of the Group
Berli Jucker Public Company Limited	Thailand	Directors are related to directors of the Group
Pan International (Thailand) Co., Ltd.	Thailand	Directors are related to directors of the Group
Sangsom Co., Ltd.	Thailand	Directors are related to directors of the Group
Horeca Management Co., Ltd.	Thailand	Directors are related to directors of the Group
Thai Beverage Public Company Limited	Thailand	Directors are related to directors of the Group
Krittayabun Co., Ltd.	Thailand	Directors are related to directors of the Group
Golden Ventures Leasehold Real Estate Investment Trust	Thailand	Directors are related to directors of the Group
T.C.C. Technology Co., Ltd.	Thailand	Directors are related to directors of the Group
Big C Supercenter Public Company Limited	Thailand	Directors are related to directors of the Group

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

The pricing policies for particular types of transactions are explained below:

Transactions	Pricing policies
Revenue from hotel and related services	General price and negotiable rates
Revenue from rental and rendering of commercial building services	General price and negotiable rates
Dividend income	Right to receive dividend
Cost of hotel and related services	General price and negotiable rates
Cost of rental and rendering of commercial building services	General price and negotiable rates
Cost of management services	General price and negotiable rates
Purchase of property, plant and equipment	Contract price
Disposal of building and equipment	Contract price
Management income and other income	Contract price
Distribution costs	Contract price
Administrative expenses	Contract price
Interest income and finance costs	Rate as mutually agreed with reference interest rates quoted by financial institutions

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	(in thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
<b>Subsidiaries</b>				
Management income	-	-	658,100	229,621
Interest income	-	-	1,821,441	1,187,761
Cost of management services	-	-	72,013	-
Finance costs	-	-	13,805	247
Administrative expenses	-	-	21,001	30,879
Dividend income	-	-	476,538	-
<b>Associates</b>				
Finance costs	-	67,962	-	953,489
Interest income	-	-	-	433
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefit	119,577	90,559	119,577	51,602
Post-employment benefits	5,661	3,522	5,661	2,147
<b>Total key management personnel compensation</b>	<b>125,238</b>	<b>94,081</b>	<b>125,238</b>	<b>53,749</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
<b>Other related parties</b>				
Revenue from hotel and related services	86,380	113,561	-	-
Revenue from rental and rendering of commercial building services	177,169	329,817	660	600
Costs of hotel and related services	115,444	116,687	-	-
Costs of rental and rendering of commercial building services	201,267	207,981	-	-
Management income	537,435	563,489	501,501	19,273
Other income	1,780	10,477	100	-
Interest income	132	746,381	-	39,075
Cost of management services	27,046	-	27,046	-
Administrative expenses	65,215	78,800	13,131	19,901
Distribution costs	990	10,553	-	-
Finance costs	162	1,570,610	-	-

During the year 2019, the Company's subsidiary sold the construction in progress of project under development, under investment properties, to a related party at its net book value amount of Baht 126 million. There is no gain or loss from this transaction.

Balances as at 31 December with related parties were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
<b>Trade accounts receivable</b>				
Other related parties	41,460	49,019	-	-
<b>Other receivables</b>				
Subsidiaries	-	-	428,034	345,137
Other related parties	134,908	552,964	4,484	20,558
<b>Total</b>	<b>134,908</b>	<b>552,964</b>	<b>432,518</b>	<b>365,695</b>
<b>Other current assets</b>				
Other related parties	1,628	163,367	-	-

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Movements of loans to related parties for the years ended 31 December were as follows:

	Interest rate	Consolidated financial statements			
	At 31 December	At 1 January	Increase	Decrease	At 31 December
<b>Short-term loans to related parties</b>	(% per annum)	(Restated)	(in thousand Baht)		
<b>2019</b>					
Other related parties	-	40,580	-	(40,580)	-
<b>2018 - Restated</b>					
Other related parties	4.30	41,838,400	10,477,011	(52,274,831)	40,580

During the year 2018, the Company disposed its interest in CW Tower Co., Ltd., a subsidiary. Thereby, the Company lost control in the entity. On the disposal date, CW Tower Co., Ltd. had liabilities to repay loan to the Company amounting to 3,087.14 million. Subsequently, CW Tower Co., Ltd. fully repaid the loans to the Company.

	Interest rate	Separate financial statements			
	At 31 December	At 1 January	Increase	Decrease	At 31 December
<b>Short-term loans to related parties</b>	(% per annum)		(in thousand Baht)		
<b>2019</b>					
Subsidiaries	3.60	27,389,836	72,424,427	(36,636,880)	63,177,383
<b>2018</b>					
Subsidiaries	4.20	20,412,325	99,424,726	(92,447,215)	27,389,836

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
<b>Other non-current assets</b>				
Subsidiaries	-	-	22,945	7,937
Other related parties	8,043	6,038	1,011	129
<b>Total</b>	<b>8,043</b>	<b>6,038</b>	<b>23,956</b>	<b>8,066</b>
<b>Trade accounts payable</b>				
Other related parties	7,125	69,702	-	-
<b>Other payables</b>				
Subsidiaries	-	-	49,345	1,512
Other related parties	142,281	62,626	50,874	1,904
<b>Total</b>	<b>142,281</b>	<b>62,626</b>	<b>100,219</b>	<b>3,416</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Movements of loans from related parties for the years ended 31 December were as follows:

	Interest rate	At 1 January	Consolidated financial statements		At 31 December
	At 31 December		Increase	Decrease	
<b>Short-term loans to related parties</b>	(% per annum)	(Restated)	(in thousand Baht)		
<b>2019</b>					
Other related parties	-	19,778	4,200	(23,978)	-
<b>2018 - Restated</b>					
Other related parties	4.00	70,698,675	173,782,060	(244,460,957)	19,778
<b>Long-term loans from related parties</b>					
<b>2018 - Restated</b>					
Other related parties	-	9,692,607	1,805,238	(11,497,845)	-

	Interest rate	At 1 January	Separate financial statements		At 31 December
	At 31 December		Increase	Decrease	
<b>Short-term loans to related parties</b>	(% per annum)	(Restated)	(in thousand Baht)		
<b>2019</b>					
Other related parties	-	19,778	4,200	(23,978)	-
<b>2018 - Restated</b>					
Other related parties	4.00	70,698,675	173,782,060	(244,460,957)	19,778
<b>Long-term loans from related parties</b>					
<b>2018 - Restated</b>					
Other related parties	-	9,692,607	1,805,238	(11,497,845)	-



# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

	Interest rate		Separate financial statements			At 31 December
	At 31 December	At 1 January	Increase	Decrease	Reclassify	
<b>Short-term loans to related parties</b>		(% per annum)				(in thousand Baht)
<b>2019</b>						
Subsidiaries	2.00	-	1,888,975	(607,183)	22,270	1,304,062
<b>2018</b>						
Subsidiaries	2.00	-	43,588	(43,588)	-	-
<b>Long-term loans from related parties</b>						
<b>2019</b>						
Subsidiaries	2.00	16,570	5,700	-	(22,270)	-
<b>2018</b>						
Subsidiaries	2.00	15,213,830	68,218,305	(83,415,565)	-	16,570
(in thousand Baht)						
	Consolidated financial statements		Separate financial statements			
	2019	2018	2019	2018		
<b>Other current liabilities</b>		(Restated)				
Other related parties	-	7,364	-	-		
<b>Deposits from lessee</b>						
Other related parties	29,192	33,268	165	150		
<b>Other non-current liabilities</b>						
Other related parties	3,619	-	-	-		

#### Significant agreements with related parties

##### Consulting agreement for business operations and investing

In 2019, the Company entered into various project management agreement for providing feasibility study of project, project management and construction management service to subsidiaries and related companies. The Company has to receive the service fee at the rate as specified in the agreements.

On 1 April 2019, the Company made a memorandum for all management agreements to change the rate of service fee charged and the service provider from TCC Hotel Asset Management Company Limited and Asset World Retail Co., Ltd., the subsidiaries of the Company, to the Company according to a reorganisation within the Group.

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

On 5 March 2019, the Company entered into a consulting agreement for business operations and investing with subsidiaries to provide consultations, advices, coordination and policy planning related to business operations and investing commencing from 1 January 2019 to 31 December 2019. The Company has to receive the service fee at the rate as specified in the agreements. Currently, the new agreement is in the process of consideration from the Company and its subsidiaries.

#### *Lease of commercial buildings agreements*

The Group entered into commercial buildings rental and related service agreements with related parties. The related parties committed to pay monthly rental and services fees. Each of the leases contains an initial non-cancellable period of 3 years.

#### *Lease and service agreements*

The Company entered into lease and service agreements with a direct subsidiary company from 1 April 2019 to 31 December 2021. The Company has to pay a monthly fee at the rate specified in the contract.

#### *Service agreements*

The Group entered into service agreements with several direct subsidiaries and other related parties for utilities service commencing from 1 January 2019 to 31 December 2020. The Group is obliged to pay monthly service fee at the rate as specified in the agreement.

#### *Sublease land and building agreements*

T.C.C. Commercial Property Management Co., Ltd., a subsidiary of the Company entered into lease agreements of land and office building with a related party by an acquisition of leasehold agreement of land and office building from Thai Commercial Investment Freehold and Leasehold Fund on 19 May 2017. The property funds agreed to transfer the rights and duties under the agreement original lease agreements to the company and the company agreed to commit and comply with the rights and duties under the 32 years remaining of lease agreements. The lease agreement will be due in year 2049. The Company has to pay a monthly fee at the rate specified in the contract.

#### *Loan to related parties agreements*

The Company entered into loan agreements with subsidiaries and indirect subsidiaries in terms of promissory notes which bore interest at the rate of 4.20% per annum (2018: 4.20% per annum). The Company amended interest rate from 4.20% to 3.60% which was effective on 1 September 2019. These loans are repayable at call. However, the Company has resolved the agreements to not call upon the subsidiaries and indirect subsidiaries to repay their debts at least for the next 12 months from 31 December 2019. Such loans are classified as non-current asset.

#### *Loans from related parties agreements*

The Company entered into a loan agreement with direct and indirect subsidiaries in term of promissory notes bore interest at the rate of 2.00% per annum (2018: 2.00% per annum). This loan is repayable at call.

As at 31 December 2018, the Group entered into loan agreements with two related parties in terms of promissory notes which bore interest rate ranging from 3.70% to 4.00% per annum. These loans are fully repayable during the year ended 31 December 2019.

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

#### Commitments with related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
<b>Capital commitments</b>				
Contracted but not provided for:				
Systems	2,267	23,845	-	-
Buildings and other constructions	10,096	4,145	-	-
<b>Total</b>	<b>12,363</b>	<b>27,990</b>	<b>-</b>	<b>-</b>
<b>Future minimum lease payments under non-cancellable operating leases</b>				
Within 1 year	73,585	73,018	62,783	31,951
1 - 5 years	170,266	181,148	65,569	56,986
After 5 years	1,203,459	1,235,613	-	-
<b>Total</b>	<b>1,447,310</b>	<b>1,489,779</b>	<b>128,352</b>	<b>88,937</b>
<b>Other commitments</b>				
Service agreements	154,467	231,257	88,350	47,622

#### 6 Cash and cash equivalents

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
Cash on hand	15,112	17,763	217	214
Cash at banks - current accounts	28,130	14,390	23	30
Cash at banks - savings accounts	14,319,194	1,183,339	13,795,151	88,926
<b>Total</b>	<b>14,362,436</b>	<b>1,215,492</b>	<b>13,795,391</b>	<b>89,170</b>

#### 7 Trade accounts receivable

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
		(Restated)			
Related parties	5	41,460	49,019	-	-
Other parties		738,962	664,066	-	-
<b>Total</b>		<b>780,422</b>	<b>713,085</b>	<b>-</b>	<b>-</b>
Less allowance for doubtful accounts		(104,462)	(60,502)	-	-
<b>Net</b>		<b>675,960</b>	<b>652,583</b>	<b>-</b>	<b>-</b>
Bad and doubtful debts expenses for the year		44,769	24,347	-	-

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Aging analyses for trade accounts receivable were as follows:

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
			(Restated)		
Related parties					
Within credit terms		23,249	16,355	-	-
Overdue:					
Less than 3 months		10,116	14,300	-	-
3 - 6 months		3,371	6,131	-	-
6 - 12 months		488	5,752	-	-
Over 12 months		1,042	3,306	-	-
		38,266	45,844	-	-
Accrued income from rental and rendering of services		2,331	2,923	-	-
Unbilled trade receivables under operating lease		863	252	-	-
		41,460	49,019	-	-
Other parties					
Within credit terms		238,608	245,183	-	-
Overdue:					
Less than 3 months		120,555	131,089	-	-
3 - 6 months		55,203	46,113	-	-
6 - 12 months		83,501	70,663	-	-
Over 12 months		134,255	67,864	-	-
		632,122	560,912	-	-
Accrued income from rental and rendering of services		71,101	74,060	-	-
Unbilled account receivable under operating lease		35,739	29,094	-	-
		738,962	664,066	-	-
Less allowance for doubtful accounts		(104,462)	(60,502)	-	-
		634,500	603,564	-	-
Net		675,960	652,583	-	-

The normal credit term granted by the Group ranges from 10 to 30 days.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### 8 Other receivables

(in thousand Baht)					
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
(Restated)					
Related parties	5	134,908	552,964	432,518	365,695
Other parties					
Value added tax receivables		54,416	127,787	-	-
Prepaid expenses		44,882	42,703	2,984	574
Accrued income		13,426	2,874	-	-
Advance payment		3,553	22,722	-	318
Others		69,496	112,134	92	441
		185,773	308,220	3,076	1,333
Total		320,681	861,184	435,594	367,028
Less allowance for doubtful accounts		(16,608)	(14,565)	-	-
Net		304,073	846,619	435,594	367,028
Bad and doubtful debts expenses for the year					
		2,043	14,565	-	-

#### 9 Investments in subsidiaries

(in thousand Baht)			
	Note	Separate financial statements	
		2019	2018
At 1 January		24,773,953	3,862,852
Acquisitions		96,278	1,648,101
Increase (reduction) in share capital of subsidiaries		(90,236)	19,363,000
Reclassify from investments in associates	4	25	-
Disposals		-	(100,000)
<b>At 31 December</b>		<b>24,780,020</b>	<b>24,773,953</b>

##### *Acquisitions and the increase in share capital of subsidiaries for the year ended 31 December 2019*

On 15 February 2019, the Company and Asset World Retail Co., Ltd., a direct subsidiary, made an acquisition of 25.0% and 75.0% of the issued and paid up capital of Asset World Trading Co., Ltd., a related party of the Company, for a consideration of Baht 25,000 and Baht 75,000, respectively. Consequently, the Group's interest in Asset World Trading Co., Ltd. was 100.0%. Asset World Trading Co., Ltd. thereby became an indirect subsidiary of the Company (see note 4).

On 15 February 2019, Asset World Retail Co., Ltd., a direct subsidiary, made an additional investment in 75.0% of the issued and paid up capital of Wanna Charoenkij Co., Ltd., for a consideration of Baht 6.26 million. Consequently, the Group's interest in Wanna Charoenkij Co., Ltd. to 100.0%. Wanna Charoenkij Co., Ltd. thereby became an indirect subsidiary of the Company (see note 4).

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

On 10 April 2019, the Company entered into the registration of a new subsidiary, Asiatique Riverfront Co., Ltd. with the authorised share capital amounting to Baht 385.00 million (38.50 million ordinary shares with Baht 10 par value). The Company and Asset World Retail Co., Ltd., a direct subsidiary, made the proportion of 25.0% and 75.0% of the issued and paid-up capital of this new subsidiary, for a consideration of Baht 96.25 million and Baht 288.75 million, respectively. Consequently, the Group's interest in Asiatique Riverfront Co., Ltd. was 100%.

On 6 August 2019, Asiatique Riverfront Co., Ltd., a subsidiary, registered the reduction of the issued and paid-up share capital from Baht 385.00 million (38.5 million shares of Baht 10 par value) to Baht 96.25 million (9.625 million shares of Baht 10 par value). The subsidiary already registered the reduction of share capital with the Ministry of Commerce on 6 August 2019.

On 30 September 2019, Asiatique Riverfront Co., Ltd., a subsidiary, registered the reduction of the issued and paid-up share capital from Baht 96.25 million (9.625 million shares of Baht 10 par value) to Baht 24.06 million (2.406 million shares of Baht 10 par value). The subsidiary already registered the reduction of share capital with the Ministry of Commerce on 30 September 2019.

#### *Acquisitions and the increase in share capital of subsidiaries for the year ended 31 December 2018*

##### *Asset World Corp Public Company Limited*

On 14 December 2018, the Company made an investment in 25% of the issued and paid up capital of 38 indirect subsidiaries, for a consideration of Baht 22.23 million. Consequently, the Group's interest in these indirect subsidiaries was 100% as at 31 December 2018.

On 14 December 2018, the Company made an investment in 25% of the issued and paid up capital of 6 companies under common control before and after the acquisition date, for a consideration of Baht 798.47 million. Consequently, the Group's interest in these indirect subsidiaries was 99.99% as at 31 December 2018.

##### *T.C.C. Hotel Asset Management Company Limited*

On 13 March 2018, TCC Hotel Asset Management Company Limited, which is a subsidiary of the Company entered into share transfer agreement of The Hotel Sukhumvit 50 Co., Ltd. (Formerly Dhamma Land Property Development Co., Ltd.) with several existing shareholders to acquire 9,999,998 shares or 99.99% of total shares of The Hotel Sukhumvit 50 Co., Ltd. totaling Baht 49.07 million. Consequently, the Group's interest in The Hotel Sukhumvit 50 Co., Ltd. was 100% as at 31 December 2018.

On 22 March 2018, the Company made an additional investment in 25% of the issued and paid up capital of TCC Hotel Asset Management Company Limited, a subsidiary of the Company, for a consideration of Baht 827.40 million, bringing the Group's total interest in TCC Hotel Asset Management Company Limited from 74.99% to 100% as at 31 December 2018.

On 14 August 2018, TCC Hotel Asset Management Company Limited, which is a subsidiary of the Company had increased the authorised share capital from Baht 4,137 million to Baht 9,000 million by issuing new ordinary shares of 486.3 million shares with Baht 10 par value. The Company already paid up for such issue of shares amounting to Baht 4,863 million.

On 11 September 2018, TCC Hotel Asset Management Company Limited, which is a subsidiary of the Company had increased the authorised share capital from Baht 9,000 million to Baht 15,000 million by issuing new ordinary shares of 600 million shares with Baht 10 par value. The Company already paid up for such issue of shares amounting to Baht 6,000 million.



## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

#### *Asset World Retail Co., Ltd.*

On 15 March 2018, Asset World Retail Co., Ltd., which is a subsidiary of the Company had increased the authorised share capital from Baht 500 million to Baht 2,500 million by issuing new ordinary shares of 200 million shares with Baht 10 par value. The Company already paid up for such issue of shares amounting to Baht 2,000 million.

On 14 August 2018, Asset World Retail Co., Ltd., which is a subsidiary of the Company had increased the authorised share capital from Baht 2,500 million to Baht 6,000 million by issuing new ordinary shares of 350 million shares with Baht 10 par value. The Company already paid up for such issue of shares amounting to Baht 3,500 million.

On 11 September 2018, Asset World Retail Co., Ltd., which is a subsidiary of the Company had increased the authorised share capital from Baht 6,000 million to Baht 9,000 million by issuing new ordinary shares of 300 million shares with Baht 10 par value. The Company already paid up for such issue of shares amounting to Baht 3,000 million.

#### *Disposal of interest in subsidiary*

On 29 August 2018, the Company sold 75% of its interests in CW Tower Co., Ltd., a subsidiary, for Baht 75 million in cash, reducing its ownership interest to 25%. The Company lost control but had significant influence in such company. CW Tower Co., Ltd. ceased to be a subsidiary. However, both entities have been ultimately controlled by the same individual. The Company reclassified the investment from investment in subsidiary to investment in associate. On 21 December 2018, the Company sold the remaining 25% interests in CW Tower Co., Ltd. for Baht 25 million.

# Asset World Corp Public Company Limited and its Subsidiaries

## Statement of comprehensive income

### For the year ended 31 December 2019

Investments in direct subsidiaries as at 31 December 2019 and 2018 were as follows:

		Separate financial statements							Dividend income for the year	
		Ownership interest		Paid-up capital		Cost				
Type of business		2019	2018	2019	2018	2019	2018	2019	2018	
(in thousand Baht)										
(%)										
<b>Subsidiaries</b>										
Asset World Retail Co., Ltd.	Properties leasing	99.99	99.99	9,000,000	9,000,000	8,982,000	8,982,000	342,000	-	
TCC Hotel Asset Management Company Limited	Hotel	99.99	99.99	15,000,000	15,000,000	14,474,221	14,474,221	-	-	
<b>Indirect subsidiaries</b>										
T.C.C. Commercial Property Management Co., Ltd.	Properties leasing	25.00	25.00	2,000,000	2,000,000	497,030	497,030	97,300	-	
Sup Pantip Pratunam 1 Co., Ltd.	Properties leasing	25.00	25.00	100	100	557	557	1,989	-	
Sup Pantip Pratunam 2 Co., Ltd.	Properties leasing	25.00	25.00	100	100	346	346	1,289	-	
Sub Asiatique 1 Co., Ltd.	Properties leasing	25.00	25.00	100	100	738	738	1,315	-	
Sub Asiatique 2 Co., Ltd.	Properties leasing	25.00	25.00	100	100	771	771	1,349	-	
Sub Asiatique 3 Co., Ltd.	Properties leasing	25.00	25.00	100	100	771	771	1,349	-	
Sub Asiatique 4 Co., Ltd.	Properties leasing	25.00	25.00	100	100	771	771	1,346	-	
Sub Talad Tawanna 1 Co., Ltd.	Properties leasing	25.00	25.00	100	100	253	253	587	-	
Sub Talad Tawanna 2 Co., Ltd.	Properties leasing	25.00	25.00	100	100	254	254	588	-	
Sub Talad Tawanna 3 Co., Ltd.	Properties leasing	25.00	25.00	100	100	254	254	588	-	
Sub Talad Tawanna 4 Co., Ltd.	Properties leasing	25.00	25.00	100	100	254	254	587	-	
Sub Retail OP Place Bangkok Co., Ltd.	Properties leasing	25.00	25.00	100	100	91	91	196	-	
Sub Pantip Plaza Ngamwongwan Co., Ltd.	Properties leasing	25.00	25.00	100	100	257	257	2,413	-	
Sub Retail Pantip Chiangmai Co., Ltd.	Properties leasing	25.00	25.00	100	100	106	106	242	-	
Sub Queen's Park Bangkok 1 Co., Ltd.	Properties leasing	25.00	25.00	100	100	112	112	2,513	-	
Sub Queen's Park Bangkok 2 Co., Ltd.	Properties leasing	25.00	25.00	100	100	112	112	2,513	-	
Sub Hotel Sukhumvit 1 Co., Ltd.	Properties leasing	25.00	25.00	100	100	139	139	114	-	
(Formerly Sub Double Tree Sukhumvit 1 Co., Ltd.)	Properties leasing	25.00	25.00	100	100	139	139	113	-	
Sub Hotel Sukhumvit 2 Co., Ltd. (Formerly Sub Double Tree Sukhumvit 2 Co., Ltd.)	Properties leasing	25.00	25.00	100	100	374	374	417	-	
Sub Hotel Sukhumvit 3 Co., Ltd. (Formerly Sub Hilton Krungthep Co., Ltd.)	Properties leasing	25.00	25.00	100	100	381	381	427	-	
Sub T.C.C. Hotel BKK Co., Ltd. (Formerly Sub LeMeridien Hotel Bangkok Co., Ltd.)	Properties leasing	25.00	25.00	100	100	685	685	810	-	
Sub Hat Lamai Co., Ltd. (Formerly Sub Banyan Tree Koh Samui Co., Ltd.)	Properties leasing	25.00	25.00	100	100	86	86	1,227	-	
Sub Chaweng Beach Hotel Co., Ltd. (Formerly Sub Sheraton Koh Samui Co., Ltd.)	Properties leasing	25.00	25.00	100	100	501	501	588	-	
Sub Vana Belle A Luxury Koh Samui Co., Ltd.	Properties leasing	25.00	25.00	100	100	281	281	309	-	
Sub Boat House Koh Samui Co., Ltd.	Properties leasing	25.00	25.00	100	100				-	

All subsidiaries were incorporated and operate in Thailand. None of the Group's subsidiaries are publicly listed on the Stock Exchange of Thailand and consequently do not have published price quotations. No impairment on investment in subsidiaries as at 31 December 2019.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### 10 Investment properties

(in thousand Baht)

	Consolidated financial statements			
	Land and improvements	Buildings and building improvements	Assets under construction and installation	Total
<b>Cost</b>				
At 1 January 2018 - restated	25,467,693	27,852,231	3,271,842	56,591,766
Additions	-	124,344	2,496,382	2,620,726
Disposals	(127,230)	(400,082)	-	(527,312)
Transfers	-	1,811,215	(1,811,215)	-
Transfer out from disposal of subsidiaries	(1,374,743)	(5,402,067)	-	(6,776,810)
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>23,965,720</b>	<b>23,985,641</b>	<b>3,957,009</b>	<b>51,908,370</b>
Additions	851	153,917	928,784	1,083,552
Disposals	(18,748)	-	(126,310)	(145,058)
Transfer	-	436,545	(436,545)	-
Transfer to property, plant and equipment	-	-	(59,733)	(59,733)
<b>At 31 December 2019</b>	<b>23,947,823</b>	<b>24,576,103</b>	<b>4,263,205</b>	<b>52,787,131</b>
<b>Depreciation</b>				
At 1 January 2018 - restated	-	1,724,469	-	1,724,469
Depreciation charge for the year	-	843,789	-	843,789
Disposals	-	(37,725)	-	(37,725)
Transfer out from disposal of subsidiaries	-	(380,439)	-	(380,439)
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>-</b>	<b>2,150,094</b>	<b>-</b>	<b>2,150,094</b>
Depreciation charge for the year	-	742,416	-	742,416
<b>At 31 December 2019</b>	<b>-</b>	<b>2,892,510</b>	<b>-</b>	<b>2,892,510</b>
<b>Net book value</b>				
<b>At 1 January 2018 - restated</b>				
Owned assets	25,467,693	23,320,738	3,271,842	52,060,273
Assets under finance leases	-	2,807,024	-	2,807,024
	<b>25,467,693</b>	<b>26,127,762</b>	<b>3,271,842</b>	<b>54,867,297</b>
<b>At 31 December 2018 and 1 January 2019 - restated</b>				
Owned assets	23,965,720	19,117,250	3,957,009	47,039,979
Assets under finance leases	-	2,718,297	-	2,718,297
	<b>23,965,720</b>	<b>21,835,547</b>	<b>3,957,009</b>	<b>49,758,266</b>
<b>At 31 December 2019</b>				
Owned assets	23,947,823	19,054,023	4,263,205	47,265,051
Assets under finance leases	-	2,629,570	-	2,629,570
	<b>23,947,823</b>	<b>21,683,593</b>	<b>4,263,205</b>	<b>49,894,621</b>

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

	(in thousand Baht)
	<b>Separate financial statements</b>
	Buildings and building improvements
<b>Cost</b>	
At 1 January 2018	5,766
<b>At 31 December 2018 and 1 January 2019</b>	<b>5,766</b>
<b>At 31 December 2019</b>	<b>5,766</b>
<b>Depreciation</b>	
At 1 January 2018	2,221
Depreciation charge for the year	355
<b>At 31 December 2018 and 1 January 2019</b>	<b>2,576</b>
Depreciation charge for the year	355
<b>At 31 December 2019</b>	<b>2,931</b>
<b>Net book value</b>	
At 1 January 2018	3,545
<b>At 31 December 2018 and 1 January 2019</b>	<b>3,190</b>
<b>At 31 December 2019</b>	<b>2,835</b>

	(in thousand Baht)	
	<b>Consolidated financial statements</b>	
<b>Year ended 31 December</b>	2019	2018
<b>Amounts recognised in profit or loss for investment properties</b>		
Revenue from rental and rendering of commercial building services	4,207,817	4,369,761
Direct operating expenses (including repairs and maintenance)		
- property that generated rental income	754,526	862,053
- property that did not generate rental income	14,369	14,295

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

At 31 December	(in thousand Baht)	
	Consolidated financial statements	
	2019	2018
<b>Minimum lease payments under non-cancellable operating lease are receivable:</b>		
Within 1 year	1,051,189	1,003,108
1 - 5 years	894,421	933,199
After 5 years	168,792	150,577
<b>Total</b>	<b>2,114,402</b>	<b>2,086,884</b>

Investment properties comprise a number of commercial properties that are leased to third parties. Each of the leases contains an initial non-cancellable period of 3 years. Renewals are negotiated with the lessee. No contingent rents are charged.

#### *Transfer to property, plant and equipment*

During the year 2019, the Group transferred investment properties under construction and installation with a net book value of Baht 59.73 million to property, plant and equipment due to a change in use of the properties.

#### *Security*

At 31 December 2019, the Group's investment properties with a carrying value of Baht 11,386.38 million (2018: Baht 38,904.51 million) were subject to secure loans from financial institutions (see note 15).

Capitalised borrowing costs relating to investment property amounted to Baht 48.46 million (2018: Baht 139.50 million). Interest rate recognised 3.60% - 4.20% per annum (2018: 3.70% - 4.20% per annum).

#### **Measurement of fair value**

The fair value of investment properties of the Group and the Company as at 31 December 2019 were Baht 54,879.92 million and Baht 10.68 million, respectively (2018: Baht 52,427.67 million and Baht 10.68 million for the Group and the Company, respectively).

The fair value was determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio on an annual basis.

The fair value measurement for investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.



# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

Assets types	Valuation technique
Investment properties	<ul style="list-style-type: none"> <li>Market comparison</li> <li>Income approach by discounting cash flow. The valuation model considers the present value of the net cash flows from assets. This involves estimating expected increase in rental rates, term of lease termination, capitalisation rate, expenses for rent incentives such as free rental period and the exclusion of other expenses to tenants. The expected net cash flow will be discounted using a discounted risk rate. The estimation of the discount rate considers the quality of the building and location (the best or inferior location), the quality of the tenant's credit and the rental period.</li> <li>Cost approach by estimating replacement costs deduct depreciation consists of physical depreciation, depreciation for usage and depreciation resulted to external or economic factors</li> </ul>

#### Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment properties	Income approach by discounting cash flow	<ul style="list-style-type: none"> <li>Forecast annual revenue growth rate: 1% - 25%</li> <li>Discount rate: 9% - 11%</li> <li>Capitalisation rate: 6% - 8%</li> </ul>	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> <li>The annual revenue growth rate was higher (lower);</li> <li>The capitalisation rate was lower (higher).</li> </ul>

**Statement of comprehensive income**

**For the year ended 31 December 2019**

**11 Property, plant and equipment**

	Consolidated financial statements						(in thousand Baht)
	Land	Land improvements	Buildings and building improvements	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
<b>Cost / revaluation</b>							
At 1 January 2018 - restated	11,054,067	5,789	20,403,745	2,698,329	17,088	19,312	34,198,330
Additions	-	1,417	31,744	164,269	1,186	563,254	761,870
Surplus on revaluation	6,288,645	-	-	-	-	-	6,288,645
Transfers	-	1,503	167,471	478	-	(169,452)	-
Transfer out from disposal of subsidiaries	-	-	-	(6,418)	-	-	(6,418)
Disposals	(68,180)	-	(153,019)	(17,481)	(330)	(1,529)	(240,539)
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>17,274,532</b>	<b>8,709</b>	<b>20,449,941</b>	<b>2,839,177</b>	<b>17,944</b>	<b>411,585</b>	<b>41,001,888</b>
Additions	-	-	26,551	126,466	2,538	1,196,539	1,352,094
Surplus on revaluation	2,883,017	-	-	-	-	-	2,883,017
Transfers	-	-	-	16,904	-	(16,904)	-
Transfer from investment properties	-	-	-	-	-	59,733	59,733
Disposals	-	-	-	(89)	(1,214)	-	(1,303)
Write-off	-	-	(1,631)	-	-	-	(1,631)
<b>At 31 December 2019</b>	<b>20,157,549</b>	<b>8,709</b>	<b>20,474,861</b>	<b>2,982,458</b>	<b>19,268</b>	<b>1,650,953</b>	<b>45,293,798</b>

Consolidated financial statements						
	Land	Land improvements	Buildings and building improvements	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation
Total						
<b>Depreciation</b>						
At 1 January 2018 - restated	-	231	1,304,176	475,421	10,703	-
Depreciation charge for the year	-	293	686,468	293,172	3,459	-
Disposal	-	-	(87,209)	(11,610)	(330)	-
Transfer out from disposal of subsidiaries	-	-	-	(290)	-	-
At 31 December 2018 and 1 January 2019 - restated	-	524	1,903,435	756,693	13,832	-
Depreciation charge for the year	-	374	676,519	314,624	2,430	-
Disposal	-	-	-	(15)	(1,211)	-
Write-off	-	-	(390)	-	-	-
At 31 December 2019	-	898	2,579,564	1,071,302	15,051	-
<b>Net book value</b>						
At 1 January 2018 - restated						
Owned assets	11,054,067	5,558	13,982,097	1,925,763	6,385	19,312
Assets under finance leases	-	-	5,117,472	297,145	-	-
At 31 December 2018 and 1 January 2019 - restated	11,054,067	5,558	19,099,569	2,222,908	6,385	19,312
Owned assets	17,274,532	8,185	13,617,409	1,819,587	4,112	411,585
Assets under finance leases	-	-	4,929,097	262,897	-	-
At 31 December 2019	17,274,532	8,185	18,546,506	2,082,484	4,112	411,585
Owned assets	20,157,549	7,811	13,154,550	1,682,508	4,217	1,650,953
Assets under finance leases	-	-	4,740,747	228,648	-	-
At 31 December 2019	20,157,549	7,811	17,895,297	1,911,156	4,217	1,650,953

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)

	Separate financial statements			
	Buildings improvements	Furniture, fixtures and office equipment	Assets under construction and installation	Total
<b>Cost</b>				
At 1 January 2018	-	15	-	15
Additions	-	1,152	-	1,152
<b>At 31 December 2018 and 1 January 2019</b>	<b>-</b>	<b>1,167</b>	<b>-</b>	<b>1,167</b>
Addition	506	2,700	325	3,531
Transfer	-	325	(325)	-
<b>At 31 December 2019</b>	<b>506</b>	<b>4,192</b>	<b>-</b>	<b>4,698</b>
<b>Depreciation</b>				
At 1 January 2018	-	-	-	-
Depreciation charge for the year	-	84	-	84
<b>At 31 December 2018 and 1 January 2019</b>	<b>-</b>	<b>84</b>	<b>-</b>	<b>84</b>
Depreciation charge for the year	16	714	-	730
<b>At 31 December 2019</b>	<b>16</b>	<b>798</b>	<b>-</b>	<b>814</b>
<b>Net book value</b>				
At 1 January 2018	-	15	-	15
<b>At 31 December 2018 and 1 January 2019</b>	<b>-</b>	<b>1,083</b>	<b>-</b>	<b>1,083</b>
<b>At 31 December 2019</b>	<b>490</b>	<b>3,394</b>	<b>-</b>	<b>3,884</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### Security

At 31 December 2019, the Group's land and land improvements, buildings and building improvements, and system work with a carrying value of Baht 21,739.42 million (2018: Baht 26,982.59 million) were subject to secure loans from financial institutions (see note 15).

Capitalised borrowing costs relating to assets construction amounted to Baht 25.50 million (2018: Baht 2.60 million), with a capitalisation rate ranging from 3.60% to 4.30% per annum (2018: 3.60% - 4.30% per annum).

#### Measurement of fair value

##### Fair value hierarchy

The fair value of land was determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's land portfolio with sufficient regularity.

The fair value measurement for land has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

#### Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Land	Market comparison	Quoted price or trading price of similar land in the market adjusted with other factors i.e. location, size, land condition and development potential.  Market price of similar land are ranging from Baht 3,000 - 550,000 per square meter.	Estimated fair value will increase (decrease) if the price per area increases (decreases).

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### 12 Leasehold rights

(in thousand Baht)

	Consolidated financial statements
<b>Cost</b>	
At 1 January 2018 - restated	1,281,573
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>1,281,573</b>
<b>At 31 December 2019</b>	<b>1,281,573</b>
<b>Amortisation</b>	
At 1 January 2018 - restated	68,023
Amortisation charge for the year	37,515
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>105,538</b>
Amortisation charge for the year	37,516
<b>At 31 December 2019</b>	<b>143,054</b>
<b>Net book value</b>	
At 1 January 2018 - restated	1,213,550
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>1,176,035</b>
<b>At 31 December 2019</b>	<b>1,138,519</b>

The Group had sublease agreements on land for Plaza Athenee Hotel and Athenee office with related parties. The lease agreements for land of Plaza Athenee Hotel originated in May 2014, and will expire in October 2049. The Group paid the rental fully in advance on the date of the agreement. The lease agreements for land of the Athenee office originated in June 2013, and will expire in October 2049. The Group paid the rental of certain amounts in advance on the date of the agreement and the remaining amount throughout the period (see note 5). The prepaid lease terms for both leases were recognised as cost of leasehold right. The buildings and buildings improvements of the Plaza Athenee Hotel are classified as property, plant and equipment, and the buildings and buildings improvements of the Athenee Office are classified as investment properties.



# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

#### 13 Other intangible assets

(in thousand Baht)

	Consolidated financial statements		
	Computer program and software licenses	Computer program under installation	Total
<b>Cost</b>			
At 1 January 2018 - restated	103,091	125	103,216
Additions	4,540	2,604	7,144
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>107,631</b>	<b>2,729</b>	<b>110,360</b>
Additions	71,320	8,991	80,311
Write-off	(4,107)	-	(4,107)
Transfer	9,063	(9,063)	-
<b>At 31 December 2019</b>	<b>183,907</b>	<b>2,657</b>	<b>186,564</b>
<b>Amortisation</b>			
At 1 January 2018 - restated	26,195	-	26,195
Amortisation for the year	10,550	-	10,550
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>36,745</b>	<b>-</b>	<b>36,745</b>
Amortisation for the year	15,427	-	15,427
Write-off	(101)	-	(101)
<b>At 31 December 2019</b>	<b>52,071</b>	<b>-</b>	<b>52,071</b>
<b>Net book value</b>			
At 1 January 2018 - restated	76,896	125	77,021
<b>At 31 December 2018 and 1 January 2019 - restated</b>	<b>70,886</b>	<b>2,729</b>	<b>73,615</b>
<b>At 31 December 2019</b>	<b>131,836</b>	<b>2,657</b>	<b>134,493</b>

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)

	Separate financial statements		
	Computer program and software licenses	Computer program under installation	Total
<b>Cost</b>			
At 1 January 2018	-	125	125
Additions	1,572	2,604	4,176
<b>At 31 December 2018 and 1 January 2019</b>	<b>1,572</b>	<b>2,729</b>	<b>4,301</b>
Additions	2,066	8,991	11,057
Transfer	9,063	(9,063)	-
<b>At 31 December 2019</b>	<b>12,701</b>	<b>2,657</b>	<b>15,358</b>
<b>Amortisation</b>			
At 1 January 2018	-	-	-
Amortisation for the year	103	-	103
<b>At 31 December 2018 and 1 January 2019</b>	<b>103</b>	<b>-</b>	<b>103</b>
Amortisation for the year	1,627	-	1,627
<b>At 31 December 2019</b>	<b>1,730</b>	<b>-</b>	<b>1,730</b>
<b>Net book value</b>			
At 1 January 2018	-	125	125
<b>At 31 December 2018 and 1 January 2019</b>	<b>1,469</b>	<b>2,729</b>	<b>4,198</b>
<b>At 31 December 2019</b>	<b>10,971</b>	<b>2,657</b>	<b>13,628</b>

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

#### 14 Other non-current assets

(in thousand Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
(Restated)					
Related parties	5	8,043	6,038	23,956	8,066
Other parties					
Refundable withholding tax		409,796	265,704	53,485	-
Deposits and guarantee		50,354	55,036	50	50
Refundable VAT		49,129	-	-	-
Others		17,051	230	-	-
		526,330	320,970	53,535	50
Total		534,373	327,008	77,491	8,116

#### 15 Interest-bearing liabilities

(in thousand Baht)					
		Consolidated financial statements		Separate financial statements	
At 31 December	Note	2019	2018	2019	2018
(Restated)					
<b>Current</b>					
Current portion of long-term loans from financial institutions					
Secured		-	20,330,692	-	-
Short-term loans from related parties					
Unsecured	5	-	19,778	1,304,062	-
<b>Total current interest-bearing liabilities</b>		<b>-</b>	<b>20,350,470</b>	<b>1,304,062</b>	<b>-</b>
<b>Non-current</b>					
Long-term loans from financial institutions					
Secured		28,000,000	14,494,046	28,000,000	-
Unsecured		-	28,300,000	-	28,300,000
		<b>28,000,000</b>	<b>42,794,046</b>	<b>28,000,000</b>	<b>28,300,000</b>
Long-term loans from related parties					
Unsecured	5	-	-	-	16,570
<b>Total non-current interest-bearing liabilities</b>		<b>28,000,000</b>	<b>42,794,046</b>	<b>28,000,000</b>	<b>28,316,570</b>
<b>Total interest-bearing liabilities</b>		<b>28,000,000</b>	<b>63,144,516</b>	<b>29,304,062</b>	<b>28,316,570</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	(in thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(Restated)		
Within one year	-	20,350,470	1,304,062	-
After one year but within five years	28,000,000	42,794,046	28,000,000	28,316,570
<b>Total</b>	<b>28,000,000</b>	<b>63,144,516</b>	<b>29,304,062</b>	<b>28,316,570</b>

#### Short-term loans from financial institution

In May 2019, the Company entered into a short-term loan agreement with a local bank in the form of unsecured promissory note with a credit facility of Baht 2,000 million. The short-term loan of Baht 2,000 million was draw down for operating working capital. The promissory notes bear floating interest rate at MMR per annum and will be repayable within 180 days.

#### Long-term loans from financial institutions

- (a) In May 2019, the Company entered into a long-term loan agreement with a local bank comprising a credit facility of Baht 28,000 million which is secured by investment properties, land and buildings with a carrying value of Baht 33,126 million. The loan bears interest at THBFIX + margin as specified on agreement and is to be repaid in 2022. The facility was drawn down in its entirety in the same month in order to partially repay a loan from an overseas bank.
- (b) In December 2018, the Group entered into long-term loan agreements with an overseas bank comprising a credit facility of USD 2,000 million (approximately Baht 60,662 million) which is unsecured. The loans bear interest at LIBOR plus margin per annum and are to be repaid in 2021.

In 2018, the loan of Baht 28,300 million was drawn down for a repayment of loan from related parties.

In March 2019, the loan of Baht 18,000 million was drawn down for a repayment of loan from a local bank. Subsequently, the loan amount of Baht 29,400 million and Baht 16,900 million was repaid in May and October 2019, respectively.

- (c) In May 2017, the Group obtained a credit facility from local banks for an amount of Baht 43,000 million. The purpose of the credit facility was to acquire businesses under common control and to refinance intercompany loans. The initial draw down on the date of the agreement amounted to Baht 41,000 million. An amount of Baht 23,000 million was used to acquire the businesses under common control and is repayable quarterly or semi-annually over a period ending March 2022. An amount of Baht 18,000 million was used for the refinancing of intercompany loans in 2017. During 2019, the loans were fully repaid.

The loans from banks bear interest at 3.50% for the first two years, after which a floating rate will apply of THBFIX 3 months plus a margin.

Long-term loans from banks are secured by investment properties, land and buildings of the Group. The Group and the Company have to comply with the conditions and restrictions prescribed in the loan agreement i.e. maintaining the Group's and related parties' financial ratios, the proportion of the shareholding of major shareholder, guarantee debt to any person or entity, dividend payments, share capital reduction, merger or consolidation with or into any other corporations.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

(in thousand Baht)

<i>Assets pledged as security for liabilities as at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Property, plant and equipment	21,739,420	26,982,586	-	-
Investment properties	11,386,380	38,904,511	-	-
<b>Total</b>	<b>33,125,800</b>	<b>65,887,097</b>	<b>-</b>	<b>-</b>

As at 31 December 2019, the Group and the Company had unutilised credit facilities, consisting of long-term loan, short-term loan, and back overdraft totaling Baht 62,692.60 million and Baht 62,662.60 million, respectively. (2018: Baht 36,929.60 million and Baht 36,929.60 million, respectively).

#### 16 Trade accounts payable

(in thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		(Restated)			
Related parties	5	7,125	69,702	-	-
Other parties		260,136	350,953	-	-
<b>Total</b>		<b>267,261</b>	<b>420,655</b>	<b>-</b>	<b>-</b>

#### 17 Other payables

(in thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		(Restated)			
<b>Related parties</b>	<b>5</b>	<b>142,281</b>	<b>62,626</b>	<b>100,219</b>	<b>3,416</b>
<b>Other parties</b>					
Deposits in advances		354,527	328,614	-	-
Construction payables		348,156	298,183	-	-
Accrued operating expenses		313,750	310,228	44,710	13,478
Accrued employee expenses		261,561	173,224	107,040	-
Accrued interest expense		76,334	106,607	76,334	28,781
Accrued management expense		60,802	108,066	-	-
Others		188,565	281,589	7,272	1,090
		<b>1,603,695</b>	<b>1,606,511</b>	<b>235,356</b>	<b>43,349</b>
<b>Total</b>		<b>1,745,976</b>	<b>1,669,137</b>	<b>335,575</b>	<b>46,765</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### 18 Non-current provisions for employee benefits

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
<b>Statement of financial position</b>				
<b>Provisions for:</b>				
Post-employment benefits				
Defined benefit plan	274,562	211,993	130,958	84,699
Other long-term employee benefits	4,569	3,817	-	-
<b>Total</b>	<b>279,131</b>	<b>215,810</b>	<b>130,958</b>	<b>84,699</b>
 <b>Year ended 31 December</b>				
<b>Statement of comprehensive income:</b>				
<b>Recognised in profit or loss:</b>				
Post-employment benefits Defined benefit plan	94,391	40,698	44,802	5,924
Other long-term employee benefits	1,398	1,097	-	-
	<b>95,789</b>	<b>41,795</b>	<b>44,802</b>	<b>5,924</b>
 <b>Recognised in other comprehensive income:</b>				
Actuarial losses recognised in the year	1,604	-	3,838	-
Cumulative actuarial losses recognised	1,604	-	3,838	-

#### **Defined benefit plan**

The Group and the Company operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.



# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

	(in thousand Baht)			
	Consolidated financial statements		Separate financial statements	
<i>Present value of defined benefit obligations</i>	2019	2018	2019	2018
	(Restated)			
At 1 January	215,810	115,221	84,699	-
<b>Included in profit or loss:</b>				
Current service cost	45,219	37,522	17,284	4,938
Past service cost	44,670	-	24,752	-
Interest on obligation	5,900	4,273	2,766	986
	<b>95,789</b>	<b>41,795</b>	<b>44,802</b>	<b>5,924</b>
<b>Included in other comprehensive income</b>				
Actuarial losses				
- Experience adjustment	1,604	-	3,838	-
<b>Others</b>				
Transfer-in from related parties	-	74,279	16,854	78,775
Benefit paid	(34,072)	(15,485)	(19,235)	-
<b>At 31 December</b>	<b>279,131</b>	<b>215,810</b>	<b>130,958</b>	<b>84,699</b>

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as at 31 December 2019 as well as past service cost recognised during the year then ended in the consolidated and separate financial statements increased by an amount of Baht 44.67 million and Baht 24.75 million, respectively.

#### Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements			
	2019	2018	2019	2018
	(Restated)			
Discount rate	2.50	2.50 and 2.70	2.50	2.60
Future salary growth	4.00 - 5.00	4.00 - 6.00	5.00	4.00

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 December 2019, the weighted-average duration of the defined benefit obligation was 10 years (2018: 10 and 13 years).

#### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	(in thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>At 31 December 2019</b>				
Discount rate (1.0% movement)	(22,606)	25,915	(10,045)	11,603
Future salary growth (1.0% movement)	26,954	(24,020)	12,219	(10,763)
<b>At 31 December 2018</b>				
Discount rate (0.5% movement)	(6,545)	7,098	(4,272)	4,577
Future salary growth (0.5% movement)	7,410	(6,890)	4,919	(4,622)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 19 Share capital

	Par value	2019		2018	
	per share	Number	Amount	Number	Amount
	(in Baht)	(thousand shares / thousand Baht)			
<b>Authorised shares</b>					
At 31 December	1	32,000,000	32,000,000	24,000,000	24,000,000
<b>Issued and paid-up</b>					
At 1 January					
- ordinary shares	10	-	-	900,000	9,000,000
- ordinary shares	1	24,000,000	24,000,000	-	-
Increase of new shares	10	-	-	1,500,000	15,000,000
Increase of new shares	1	8,000,000	8,000,000	-	-
Reduction in par value					
- from Baht 10 to Baht 1	1	-	-	21,600,000	-
At 31 December					
- ordinary shares	1	32,000,000	32,000,000	24,000,000	24,000,000

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

#### *Issuing new ordinary shares*

At the Extraordinary General Meeting of the shareholders of the Company held on 1 August 2018, the shareholders approved the increase of the share capital by issuing new ordinary shares totaling Baht 15,000 million (1,500 million shares with Baht 10 par value) from the existing registered capital of Baht 9,000 million (900 million shares with Baht 10 par value) to Baht 24,000 million (2,400 million shares with Baht 10 par value). The Company received total proceeds from such increasing in share capital on 10 August 2018. The Company has registered its increase of share capital with the Ministry of Commerce on 14 August 2018.

#### *Conversion of par value*

At the Extraordinary General Meeting of the Shareholders of the Company held on 7 September 2018, the shareholders approved the conversion of par value from Baht 10 to Baht 1 and approved the amendment to the Memorandum of Association of the Company to be in accordance with the change of par value. The Company registered the conversion of the par value of the Company's shares with the Ministry of Commerce on 18 September 2018.

#### *Increase of share capital*

At the Annual General Meeting of the shareholders of the Company held on 30 April 2019, the shareholders approved the increase of the share capital by issuing new ordinary shares totaling Baht 8,000 million (8,000 million shares with Baht 1 par value) from the existing registered capital of Baht 24,000 million (24,000 million shares with Baht 1 par value) to Baht 32,000 million (32,000 million shares with Baht 1 par value). The Company has registered its increase of share capital with the Ministry of Commerce on 3 May 2019.

#### *Share offering for directors, management and employees*

In October 2019, the Company offered 41,986,300 ordinary shares to its directors, managements and employees (par value at Baht 1 per share) at the price of Baht 6 per share which is considered as reasonable fair value based on the selling price of ordinary share at the initial public offering. The ordinary shares offered to directors, managements and employees will not be subject to any lock-up restrictions.

#### *Initial public offering*

The Company offered 6,957 million newly issued ordinary shares for which the increase of paid-up share capital was registered with the Ministry of Commerce on 8 October 2019. The new shares were placed at a price of Baht 6 per share (par value of Baht 1 plus a premium of Baht 5) for which the Company received Baht 41,742 million before deduction of expenses from the placement. The shares of the Company began trading on the Stock Exchange of Thailand on 10 October 2019.

On the same date, the Over-allotment agent over allotted 1,043 million ordinary shares which were borrowed from an existing shareholder. Subsequently, on 8 November 2019, the Over-allotment agent exercised the right to purchase 1,043 million additional newly-issued ordinary shares from the Company at a price of Baht 6 per share for a total amount of Baht 6,258 million to return the borrowed shares to the existing shareholder.

Expenses directly attributable to the IPO of Baht 674 million (net of income tax) were deducted from the IPO's share premium, which was received from shares offering to investors, resulted in net share premium of Baht 39,326 million.

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

#### ***Share premium***

Section 51 of the Public Limited Companies Act B.E. 2535, requires a company to set aside share subscription monies received in excess amount of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

## **20 Reserves**

Reserves comprise:

#### ***Appropriation of net profit and/or retained earnings***

##### **Legal reserve**

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

During the year ended 31 December 2019, the Company appropriated the legal reserve of Baht 54.09 million (2018: Baht 4.69 million).

#### ***Other components of equity***

##### **Differences arising from business combination under common control transaction**

The differences arising from business combination under common control transaction represent the difference of the book values of certain entities or businesses under common control over their cost as of the date of their acquisition and have been recorded as a reserve. It is non-distributable and will be retained until the respective subsidiaries or businesses are sold or otherwise disposed off.

##### **Valuation surplus**

The valuation surplus account within equity comprises the cumulative net change in the valuation of land included in the financial statements at valuation until such property is sold or otherwise disposed of.

## **21 Segment information and disaggregation of revenue**

Management determined that the Group has two reportable segments, as described below, which are the Group's strategic divisions for different services and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Hotel and related services
- Segment 2 Rental and rendering of commercial building services

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

# Asset World Corp Public Company Limited and its Subsidiaries

## Statement of comprehensive income

For the year ended 31 December 2019

(in thousand Baht)

	Consolidated financial statements						
	Hotel and related services		Rental and rendering of commercial building services		Eliminations		Total reportable segments
	2019	2018	2019	2018	2019	2018	
<i>For the year ended 31 December</i>							
		(Restated)		(Restated)		(Restated)	(Restated)
<i>Information about reportable segments</i>							
External revenue	6,698,093	6,864,457	4,305,671	4,769,491	-	-	11,003,764
Inter-segment revenue	214	368	64,123	86,404	(64,337)	(86,772)	-
<b>Total revenue</b>	<b>6,698,307</b>	<b>6,864,825</b>	<b>4,369,794</b>	<b>4,855,895</b>	<b>(64,337)</b>	<b>(86,772)</b>	<b>11,003,764</b>
							<b>11,633,948</b>
Segment profit before income tax	482,474	204,126	82,155	332,180	-	-	564,629
							536,306
Interest income	3,316	13,797	16,427	1,666,704	-	-	19,743
Interest expense	776,815	1,062,900	1,615,518	3,137,078	-	-	2,392,333
Depreciation and amortisation	1,025,144	1,021,753	761,448	852,953	-	-	1,786,592
Tax expense	97,299	41,483	32,544	95,259	-	-	129,843
Share of profit (loss) of investments in associates	-	99	-	(2,231)	-	-	(2,132)
Segment assets as at 31 December	43,640,002	40,893,480	52,887,179	52,089,163	(14,418)	(20,266)	96,512,763
Segment liabilities as at 31 December	23,625,814	23,559,873	45,093,211	43,801,379	(14,418)	(20,266)	68,704,607
							67,340,986

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

(in thousand Baht)		
	Consolidated financial statements	
	2019	2018
		(Restated)
<b>Revenues</b>		
Total revenue from reportable segments	11,003,764	11,633,948
Other revenue	3,581,361	3,219,735
	14,585,125	14,853,683
Intra-group eliminations	(3,063,129)	(2,401,043)
<b>Total revenue</b>	<b>11,521,996</b>	<b>12,452,640</b>
<b>Profit or loss</b>		
Total profit before income tax for reportable segments	564,629	536,306
Unallocated amounts:		
- Other income	3,027,037	1,478,697
- Other corporate expenses	(2,268,511)	(1,358,181)
<b>Total profit before income tax expense</b>	<b>1,323,155</b>	<b>656,822</b>

Unallocated transactions represent income and expenditure of the holding company principally consisting of management income, dividend income, interest income, cost of management services and finance costs.

(in thousand Baht)		
	Consolidated financial statements	
	2019	2018
		(Restated)
<b>Assets</b>		
Total assets for reportable segments	96,512,763	92,962,377
Unallocated amounts	102,326,204	52,639,645
Intra-group eliminations	(89,681,112)	(52,534,860)
<b>Total assets</b>	<b>109,157,855</b>	<b>93,067,162</b>
<b>Liabilities</b>		
Total liabilities for reportable segments	68,704,607	67,340,986
Other unallocated amounts	29,773,190	28,491,858
Intra-group eliminations	(64,981,603)	(27,764,231)
<b>Total liabilities</b>	<b>33,496,194</b>	<b>68,068,613</b>



## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Unallocated assets and liabilities represent assets and liabilities of the holding company principally consisting of loans, and investments in subsidiaries.

#### Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries. There is no customer whose revenue individually represented 10% or more of the Group's total revenue.

## 22 Employee benefit expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(Restated)			
Salaries, wages and bonus	2,541,936	2,449,542	690,223	271,634
Defined benefits plans	95,789	41,795	44,802	5,924
Defined contribution plans	79,718	79,936	21,880	9,515
Others	6,316	1,242	6,273	374
<b>Total</b>	<b>2,723,759</b>	<b>2,572,515</b>	<b>763,178</b>	<b>287,447</b>

#### Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 5% of their basic salaries and by the Group at rates ranging from 3% to 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.

## 23 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
		(Restated)			
Employee benefit expenses	22	2,723,759	2,572,515	763,178	287,447
Depreciation and amortisation		1,789,305	1,875,248	2,713	542
Maintenance and utilities expenses		1,114,231	1,073,023	17,044	4,624
Cost of food and beverage		789,808	711,998	-	-
Promotional and marketing expenses		309,998	405,341	2,199	686
Management fee and marketing fee		227,153	197,300	-	-
Rental and service fee		184,363	181,184	96,655	39,255
Security service fee		143,760	108,152	-	-
Bank fee and other fee		129,217	136,593	1,870	99
Commission fee		92,607	52,993	-	-
Others		848,159	1,438,104	99,141	43,011
<b>Total cost of hotel and related services, cost of rental and rendering of commercial building services, cost of management service, distribution costs and administrative expenses</b>					
		<b>8,352,360</b>	<b>8,752,451</b>	<b>982,800</b>	<b>375,664</b>

## 24 Income tax

### Income tax recognised in profit or loss

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(Restated)				
<b>Current tax expense</b>				
Current year	263,597	80,532	168,373	26,364
<b>Deferred tax expense</b>				
Movements in temporary differences	19,539	79,226	(15,081)	(1,185)
<b>Total income tax</b>	<b>283,136</b>	<b>159,758</b>	<b>153,292</b>	<b>25,179</b>



## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### Reconciliation of effective tax rate

	Consolidated financial statements			
	2019		2018	
	Rate		Rate	
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit before income tax expense		1,323,155		656,822
Income tax using the Thai corporation tax rate	20.00	264,631	20.00	131,364
Expenses not deductible for tax purposes		21,182		33,955
Expenses for tax incentives		(20,544)		(20,799)
Write off unrecoverable deferred tax asset from loss carry forward		12,779		-
Effect of different tax rates in the Group		(662)		526
Effect of business restructuring		-		8,619
Others		5,750		6,093
<b>Total</b>	<b>21.40</b>	<b>283,136</b>	<b>24.32</b>	<b>159,758</b>

	Separate financial statements			
	2019		2018	
	Rate		Rate	
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit before income tax expense		1,235,083		119,025
Income tax using the Thai corporation tax rate	20.00	247,017	20.00	23,805
Income not subject to tax		(95,308)		-
Expenses not deductible for tax purposes		2,258		1,877
Expenses for tax incentives		(675)		(503)
<b>Total</b>	<b>12.41</b>	<b>153,292</b>	<b>21.15</b>	<b>25,179</b>

(in thousand Baht)

Deferred tax At 31 December	Consolidated financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
		(Restated)		(Restated)
Total	437,934	367,149	(2,119,884)	(1,453,278)
Set off of tax	(152,309)	(74,283)	152,309	74,283
<b>Net deferred tax assets (liabilities)</b>	<b>285,625</b>	<b>292,866</b>	<b>(1,967,575)</b>	<b>(1,378,995)</b>

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)

<i>Deferred tax</i> <i>At 31 December</i>	Separate financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
Total	17,033	1,185	-	-
Set off of tax	-	-	-	-
<b>Net deferred tax assets</b>	<b>17,033</b>	<b>1,185</b>	<b>-</b>	<b>-</b>

Movements in deferred tax balances are as follows:

(in thousand Baht)

	Consolidated financial statements			
	(Charged) / credited to:			
	At 1 January 2019	Profit or loss	Other comprehensive income	At 31 December 2019
	(Restated)			
<b><i>Deferred tax assets</i></b>				
Trade and other receivables ( <i>doubtful accounts</i> )	15,012	9,202	-	24,214
Leasehold rights ( <i>amortisation gap</i> )	1,062	655	-	1,717
Property, plant and equipment ( <i>depreciation gap</i> )	2,110	2,110	-	4,220
Provision for vacation leave	1,395	(355)	-	1,040
Non-current provisions for employee benefits	25,553	13,695	321	39,569
Loss carry forward	241,341	21,099	-	262,440
Loss on sale of investments in subsidiaries	80,676	-	-	80,676
Grants received under hotel management agreement	-	12,233	-	12,233
Others	-	11,825	-	11,825
<b>Total</b>	<b>367,149</b>	<b>70,464</b>	<b>321</b>	<b>437,934</b>
<b><i>Deferred tax liabilities</i></b>				
Investment properties ( <i>depreciation gap</i> )	(85,087)	(43,683)	-	(128,770)
Leasehold rights ( <i>amortisation gap</i> )	(39)	(24)	-	(63)
Property, plant and equipment ( <i>depreciation gap</i> )	(47,833)	(46,296)	-	(94,129)
Surplus from land measurement ( <i>revaluation</i> )	(1,257,729)	-	(576,603)	(1,834,332)
Gain on sale of investments in subsidiaries	(62,590)	-	-	(62,590)
<b>Total</b>	<b>(1,453,278)</b>	<b>(90,003)</b>	<b>(576,603)</b>	<b>(2,119,884)</b>
<b>Net</b>	<b>(1,086,129)</b>	<b>(19,539)</b>	<b>(576,282)</b>	<b>(1,681,950)</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)

Consolidated financial statements						
(Charged) / credited to:						
	At 1 January 2018	Profit or loss	Other comprehensive income	Equity	Transfer out from disposal of subsidiaries	At 31 December 2018
	(Restated)					(Restated)
<b>Deferred tax assets</b>						
Trade accounts receivable						
<i>(doubtful accounts)</i>	7,114	7,898	-	-	-	15,012
Receivables under operating lease	1,756	(1,756)	-	-	-	-
Leasehold rights <i>(amortisation gap)</i>	407	655	-	-	-	1,062
Property, plant and equipment						
<i>(depreciation gap)</i>	-	2,110	-	-	-	2,110
Provision for vacation leave	1,536	(141)	-	-	-	1,395
Non-current provisions for employee						
benefits	22,343	3,210	-	-	-	25,553
Loss carry forward	249,475	(1,675)	-	-	(6,459)	241,341
Loss on sale of investments						
in subsidiaries	-	-	-	80,676	-	80,676
<b>Total</b>	<b>282,631</b>	<b>10,301</b>	<b>-</b>	<b>80,676</b>	<b>(6,459)</b>	<b>367,149</b>
<b>Deferred tax liabilities</b>						
Receivables under operating lease	(384)	384	-	-	-	-
Investment properties						
<i>(depreciation gap)</i>	(32,281)	(57,290)	-	-	4,484	(85,087)
Leasehold rights <i>(amortisation gap)</i>	(15)	(24)	-	-	-	(39)
Property, plant and equipment						
<i>(depreciation gap)</i>	(15,236)	(32,597)	-	-	-	(47,833)
Surplus from land measurement						
<i>(revaluation)</i>	-	-	(1,257,729)	-	-	(1,257,729)
Gain on sale of investments						
in subsidiaries	-	-	-	(62,590)	-	(62,590)
<b>Total</b>	<b>(47,916)</b>	<b>(89,527)</b>	<b>(1,257,729)</b>	<b>(62,590)</b>	<b>4,484</b>	<b>(1,453,278)</b>
<b>Net</b>	<b>234,715</b>	<b>(79,226)</b>	<b>(1,257,729)</b>	<b>18,086</b>	<b>(1,975)</b>	<b>(1,086,129)</b>



## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)				
<b>Separate financial statements</b>				
(Charged) / credited to:				
	<b>At</b>		<b>Other comprehensive</b>	<b>At</b>
	<b>1 January 2019</b>	<b>Profit or loss</b>	<b>income</b>	<b>31 December 2019</b>
<b>Deferred tax assets</b>				
Loss carry forward	-	7,021	-	7,021
Non-current provisions for employee benefits	1,185	8,060	767	10,012
<b>Total</b>	<b>1,185</b>	<b>15,081</b>	<b>767</b>	<b>17,033</b>

(in thousand Baht)				
<b>Separate financial statements</b>				
(Charged) / credited to:				
	<b>At</b>		<b>Other comprehensive</b>	<b>At</b>
	<b>1 January 2018</b>	<b>Profit or loss</b>	<b>income</b>	<b>31 December 2018</b>
<b>Deferred tax asset</b>				
Non-current provisions for employee benefits	-	1,185	-	1,185

## 25 Earnings per share

The calculations of basic earnings per share for the years ended 31 December 2019 and 2018 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

(in thousand Baht/ thousand share)				
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
(Restated)				
<b>Profit attributable to ordinary shareholders</b>				
<b>for the year ended 31 December</b>	<b>1,054,229</b>	<b>468,513</b>	<b>1,081,790</b>	<b>93,846</b>
<b>Loss attributable to other companies</b>				
<b>in the Group before business restructuring</b>	<b>(14,210)</b>	<b>(14,355)</b>	<b>-</b>	<b>-</b>
Number of ordinary shares outstanding at 1 January	24,000,000	900,000	24,000,000	900,000
Effect of shares issued	1,754,427	593,877	1,754,427	593,877
Effect of conversion of the par value	-	13,444,890	-	13,444,890
<b>Weighted average number of ordinary</b>				
<b>shares outstanding (basic)</b>	<b>25,754,427</b>	<b>14,938,767</b>	<b>25,754,427</b>	<b>14,938,767</b>
<b>Earnings per share (basic) (in Baht)</b>	<b>0.041</b>	<b>0.031</b>	<b>0.042</b>	<b>0.006</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### 26 Financial instruments

##### *Financial risk management policies*

The Group is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

##### *Capital management*

The Board of Directors' policy is to maintain a strong capital base so as to maintain investors and creditor and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

##### *Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Company is primarily exposed to interest rate risk from its borrowing (see note 15). The Group mitigates this risk by ensuring that the majority of its borrowings approximate to fixed interest rates.

The effective interest rates of loans receivable as at 31 December and the periods in which the loans receivable mature or re-price were as follows:

				(in thousand Baht)
Consolidated financial statements				
Effective interest rate	Within 1 year	After 1 year but within 5 years	Total	
				(% per annum)
<i>At 31 December 2018 - restated</i>				
<b>Current</b>				
Short-term loans to related parties	4.30	40,580	-	40,580

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)				
	Separate financial statements			
	Effective interest rate	Within 1 year	After 1 year but within 5 years	Total
	(% per annum)			
At 31 December 2019				
Non-current				
Long-term loans to related parties	3.60	-	63,177,383	63,177,383

<b>At 31 December 2018</b>				
<b>Non-current</b>				
Long-term loans to related parties	4.20	-	27,389,836	27,389,836

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

(in thousand Baht)				
	Consolidated financial statements			
	Effective interest rate	Within 1 year	After 1 year but within 5 years	Total
	(% per annum)			
At 31 December 2019				
Non-current				
Long-term loans from financial institutions	2.75 - 3.22	-	28,000,000	28,000,000
Total		-	28,000,000	28,000,000
At 31 December 2018 - restated				
Current				
Current portion of long-term loans from financial institutions	Fixed rates			
	3.50	20,330,692	-	20,330,692
Short-term loans from related parties	3.70 - 4.00	19,778	-	19,778
Non-current				
Long-term loans from financial institutions	2.71 - 3.50	-	42,794,046	42,794,046
Total		20,350,470	42,794,046	63,144,516

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

(in thousand Baht)

	Separate financial statements			
	Effective interest rate  (% per annum)	Within 1 year	After 1 year but within 5 years	Total
<b>At 31 December 2019</b>				
<b>Current</b>				
Short-term loans from related parties	2.00	1,304,062	-	1,304,062
<b>Non-current</b>				
Long-term loans from financial institutions	2.75 - 3.25	-	28,000,000	28,000,000
<b>Total</b>		<b>1,304,062</b>	<b>28,000,000</b>	<b>29,304,062</b>
<b>At 31 December 2018</b>				
<b>Non-current</b>				
Long-term loans from financial institutions	2.71 - 3.02	-	28,300,000	28,300,000
Long-term loans from related parties	2.00	-	16,570	16,570
<b>Total</b>		<b>-</b>	<b>28,316,570</b>	<b>28,316,570</b>

During the year 2019, the Company entered into interest rate swap agreement of long-term loan amounting to Baht 28,000 million with a local financial institution in order to exchange a floating interest rate at THBFIX + margin as specified on agreement to a fixed interest rate at 2.75% - 3.22% per annum.

The interest rate swap agreement is effective on 31 August 2019 and will be terminated on 21 May 2022.

Interest rate swaps are used to manage exposure to interest rate risk arising from financing activity. The Company entered into interest rate swap agreements to control exposure to fluctuations in interest rate.

#### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection over the allowance on doubtful debts.

# Asset World Corp Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2019

#### Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

#### Carrying amount and fair values

As at 31 December 2019 and 2018, fair values financial assets and liabilities is taken to approximately the carrying value, except the following items:

(in thousand Baht)							
Consolidates financial statements							
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
<b>At 31 December 2019</b>							
<b>Financial liabilities</b>							
Long-term loans from financial institutions	-	28,000,000	28,000,000	-	-	27,999,939	27,999,939
Interest rate swaps	-	-	-	-	207,315	-	207,315
<b>At 31 December 2018</b>							
<b>Financial liabilities</b>							
Long-term loans from financial institutions	-	42,794,046	42,794,046	-	-	42,692,652	42,692,652
(in thousand Baht)							
Separate financial statements							
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
<b>At 31 December 2019</b>							
<b>Financial assets</b>							
Long-term loans to related parties	-	63,177,383	63,177,383	-	-	64,103,210	64,103,210
<b>Financial liabilities</b>							
Long-term loans from financial institutions	-	28,000,000	28,000,000	-	-	27,999,939	27,999,939
Interest rate swaps	-	-	-	-	207,315	-	207,315
<b>At 31 December 2018</b>							
<b>Financial assets</b>							
Long-term loans to related parties	-	27,389,836	27,389,836	-	-	27,851,735	27,851,735
<b>Financial liabilities</b>							
Long-term loans from financial institutions	-	28,300,000	28,300,000	-	-	28,287,520	28,287,520
Long-term loans from related parties	-	16,570	16,570	-	-	16,135	16,135

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

Most of financial assets and liabilities of the Group were short-term. The fair value of financial assets and liabilities are taken to approximate the carrying value as determined in statement of financial position.

The fair value of interest rate swaps, which is determined for disclosure purpose, is based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and the Company and counterparty when appropriate.

#### Financial instruments not measured at fair value

Category	Valuation technique	Significant unobservable inputs
Loans	Discounted cash flows	Discount rate
Interest rate swaps	Discounted cash flows	Discount rate

## 27 Commitments with non-related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(Restated)				
<b>Capital commitments</b>				
<i>Contracted but not provided for:</i>				
System work	232,013	133,373	-	-
Investment properties	282,324	278,601	-	-
Buildings and other constructions	628,177	984,160	-	-
<b>Total</b>	<b>1,142,514</b>	<b>1,396,134</b>	<b>-</b>	<b>-</b>
<b>Future minimum lease payments under non-cancellable operating leases</b>				
Within 1 year	30,231	14,241	3,032	238
1 - 5 years	52,446	45,082	4,062	266
After 5 years	327,243	343,032	-	-
<b>Total</b>	<b>409,920</b>	<b>402,355</b>	<b>7,094</b>	<b>504</b>
<b>Other commitments</b>				
Service agreements	252,504	104,874	3,874	-
Guarantee agreements	140,075	120,776	-	-
Other agreements	16,245	36,347	-	5,250
<b>Total</b>	<b>408,824</b>	<b>261,997</b>	<b>3,874</b>	<b>5,250</b>

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### *Rental agreements*

Several indirect subsidiaries entered into land rental agreements with several local company, for a period of 21 to 30 years, commencing from February 2016 to July 2047. The indirect subsidiaries are obliged to pay monthly rental fee at the rate as specified in the agreements.

The Group entered into equipment rental agreements with several local company, for a period until 2023. The Group is obliged to pay rental fee at the rate as specified in the agreements.

#### *Service agreements*

The Group entered into service agreements with other companies which commit to provide utility service. Period of the agreement is 1 to 5 years. The Group is obliged to pay service fee as specified in the agreement.

#### *Hotel management service agreements*

A subsidiary entered into hotel management service agreements with hotel management companies which commit to provide operations management and marketing services to the subsidiary. Period of the agreement is 10 to 20 years and can be renewed as specified in the agreements. The subsidiary is obliged to pay management and market share fees according to criteria specified in the agreements.

On 1 August 2017, a subsidiary, entered into debt conversion agreement between The Hotel Sukhumvit 50 Co., Ltd. (Formerly Dhamma Land Property Development Co., Ltd.) and Okura Nikko Hotel Management Company Limited ("hotel management company"). The subsidiary had duties and obligations transfer according to the hotel management agreements which hotel management company commit to provide management and marketing services to the subsidiary for the remaining term of service in the agreements which will be expired in May 2027. The renewal is subject to agreement. The subsidiary is obliged to pay management and market share fees according to criteria specified in the agreements.

## 28 Events after the reporting period

#### *Acquisitions from entities under common control*

The Company, through TCC Hotel Asset Management Co., Ltd., its direct subsidiaries signed a sale and purchase agreement on 1 March 2019 with its related parties to acquire a 100% stake in 11 entities whose operations are hotel and relating services and rental and rendering of commercial building services as follow.

- New Multi Mine Company Limited
- TCC Luxury Hotels & Resort Co., Ltd.
- TCC Hotel Collection Co., Ltd.
- Sirisub Patthana 1 Company Limited
- TCCCL Jomtien Co., Ltd.
- TCC Pattaya Co., Ltd.
- TCC Hotels Management Co., Ltd.
- Padung Larb Company Limited
- Retail World 8 Company Limited
- Concept Land 9 Co., Ltd. and
- Hotels World 7 Co., Ltd.



## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

The acquisition plan was approved by the Board of Directors on 22 January 2019 and disclosed in prospectus. The transaction has been completed on 1 January 2020, with the preliminary cash consideration paid of Baht 26,229 million. The value of shares in determination of the acquisition price is not yet completed as at the date of approval of these consolidated financial statements. Accordingly, the acquisition price have been provisionally determined at the acquisition date. The acquisition price will be adjusted subsequently.

#### *Loans and loan agreements*

On 3 January 2020, the Company drew down loans of Baht 1,512 million from the existing credit facility of Baht 2,000 million in loan agreement with a local bank. The loans bear floating interest rate at MMR per annum and are repayable at call.

On the same date, the Company drew down loans of Baht 11,300 million from the existing credit facility of USD 2,000 million (Baht 60,662 million) in long-term loan agreements with an overseas bank. The loan bears interest at THBFX + margin as specified on agreement and are repayable in January 2023.

On 25 February 2020, the Company entered into short-term loan agreements with two financial institutions in the form of unsecured promissory note totaling of Baht 3,020 million in order to use in the Group's operation. The loan bears interest at market rate.

#### *Reduction of share capital in subsidiary*

On 21 January 2020, Asiatique Riverfront Co., Ltd., an indirect subsidiary, registered the reduction of the issued and paid-up share capital from Baht 24.06 million (2.406 million shares of Baht 10 par value) to Baht 6.02 million (601,563 shares of Baht 10 par value). The indirect subsidiary already registered the reduction of share capital with the Ministry of Commerce on 21 January 2020. The Company and Asset World Retail Co., Ltd. received cash in regard to the capital reduction of Asiatique Riverfront Co., Ltd. for Baht 4.51 million and Baht 13.53 million respectively.

On 7 February 2020, the indirect subsidiary registered the reduction of the issued and paid-up share capital from Baht 6.02 million (601,563 shares of Baht 10 par value) to Baht 1.50 million (105,391 shares of Baht 10 par value). The indirect subsidiary already registered the reduction of share capital with the Ministry of Commerce on 7 February 2020. The Company and Asset World Retail Co., Ltd. have not received cash from the capital reduction.

#### *Purchase of buildings and constructions*

On 24 January 2020, Asset World Retail Co., Ltd., a direct subsidiary, entered into sale and purchase agreement for buildings and constructions with Toryod Fresh (Thailand) Co., Ltd., a related party, totaling payment was Baht 126 million. The Group had owned the building and constructions and sold on 1 June 2019 (see Note 5).

#### *Approval of dividend payment*

At the Board of Directors' meeting of the Company held on 27 February 2020, the Board of Directors resolve to propose a dividend payment from the net profit for the year ended 31 December 2019 of Baht 0.0125 per share, totaling Baht 400 million. The Board of Directors will propose this matter to the shareholders' meeting for further approval.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### *Transfer leasehold of land and building agreements and investments in related parties*

At the Board of Directors' meeting of the Company held on 27 February 2020, the Board of Directors resolved to take over a leasehold agreement of land and building related to the Gateway Ekamai project from a related party for a preliminary consideration of Baht 3,586 million (exclusive of VAT). The Group will take over the rights and obligations of the related party in the original leasehold agreement.

On the same day, the Board of Directors resolved to purchase 100% of the ordinary shares of Asiatic Hotel Collection Co., Ltd. and 100% of the ordinary shares of Watanasub Pattana 3 Co., Ltd. from related parties, for a preliminary consideration of Baht 769 million and Baht 690 million, respectively.

The Board of Directors will propose this matter to the shareholders' meeting for further approval.

#### *The bonus share plan for management and employees*

At the Board of Directors' meeting of the Company held on 27 February 2020, the Board of Directors approved a bonus share plan for management and employees of the Group for 150 million shares equal to 0.47% of issued and paid up share capital of the Company.

At the same time, the Board of Directors approved an increase of the registered share capital, for a bonus share plan for management and employees, amounting to Baht 150 million, thereby increasing the registered share capital of the Company from Baht 32,000 million to Baht 32,150 million by issuance new 150 million ordinary shares with a par value of Baht 1 per share.

The Board of Directors will propose this matter to the shareholders' meeting for further approval.

## 29 Financial reporting standards that will become effective in the future

New and revised TFRS, which are relevant to the Group's/Company's operations, expected to have material impact on the consolidated and separate financial statements when initially adopted, and will become effective for the financial statements in annual reporting periods beginning on or after 1 January 2020, are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

\* TFRS - Financial instruments standards

#### **(a) TFRS - Financial instruments standards**

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRS are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled. The impact from adoption of TFRS - Financial instruments are as follows:

## **Asset World Corp Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

### **For the year ended 31 December 2019**

(i) Classification - Financial assets

TFRS 9 classifies financial assets into three categories: measured at amortised cost, fair value to other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The standard eliminates the existing classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105. The classification under TFRS 9 will be based on the cash flow characteristics of the financial asset and the business model in which they are managed.

Under TFRS 9, derivatives will be measured at FVTPL. It shall replace current Group's accounting policy on recognition whenever derivative was exercised.

(ii) Measurement at amortised cost

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. TFRS 9 shall replace current accounting policies of the Group/Company on recognition of both finance cost and finance income at the rate specified in the contract.

(iii) Impairment - Financial assets and contract assets

TFRS 9 introduces forward-looking 'expected credit loss' (ECL) model whereas currently the Group/Company estimates allowance for doubtful account by analyzing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments.

(iv) Classification - Financial liabilities

TFRS 9 introduces a new classification and measurement approach for financial liabilities consisting of two principal classification categories: amortised cost and FVTPL. A financial liability is classified as financial liabilities measured at FVTPL if it is held for trading, a derivative or designated as such on the initial recognition.

Under TFRS 9, changes in fair value of financial liabilities classified as FVTPL are generally presented as follows:

- the amount of fair value that changes due to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of fair value changed is presented in profit or loss.

(v) Hedge accounting

TFRS 9 introduces guidance on hedge accounting while current TFRSs are silent. There are three hedge accounting models and the type of model applied depends on the hedged exposures consisting of a fair value exposure, a cash flow exposure or a foreign currency exposure on a net investment in a foreign operation. Under TFRS 9, the Group/Company is required to ensure that hedge accounting relationships are aligned with the Group's/Company's risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assess hedge effectiveness.

## Asset World Corp Public Company Limited and its Subsidiaries

### Notes to the financial statements

### For the year ended 31 December 2019

#### *Transition*

The Group/Company expects to initially adopt these TFRS by adjusting the impact to retained earnings or other component of equity on 1 January 2020. Therefore, the Group/Company will not apply the requirements of these TFRS to comparative information.

#### **(b) TFRS 16 Leases**

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

#### *Transition*

The Group/Company plans to apply TFRS 16 initially on 1 January 2020, using the modified retrospective approach. Therefore, the cumulative effect of adopting TFRS 16 will be recognised as an adjustment to the retained earnings at 1 January 2020, with no restatement of comparative information.

The Group/Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply TFRS 16 to all contracts entered into before 1 January 2020 and identified as leases in accordance with TAS 17 and TFRIC 4.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards and TFRS 16 on the consolidated and separate financial statements.

# Management Discussion and Analysis 2019 (MD&A)

## Thailand's economy in 2019

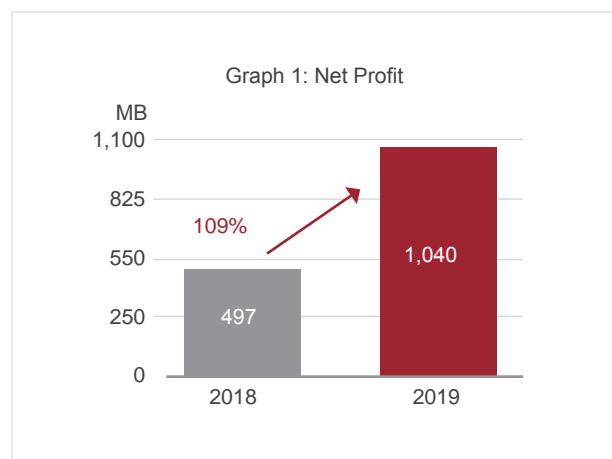
According to estimates by the Office of the National Economic and Social Development Board (NESDB), Thailand's economic growth in 2019 was 2.6 percent, reflecting a slowdown compared to 2018, which saw economic growth of four percent. In addition, a report by the Bank of Thailand indicated shrinking in various sectors during the 4th quarter of 2019.

For the tourism industry: In 2019, following the election in the 1st quarter and the voting results in the 2nd quarter, the number of tourists visiting, especially for group meetings and seminars, slowed down as many decided to defer their travel to Thailand to the second half of the year. Overall, there was an increase in the number of tourists, although for some, the appreciation of the Thai Baht shortened the duration of their stay in Thailand. This had an effect on the market's RevPAR in the 4th quarter of 2019. Furthermore, the Bank of Thailand reported that the service sector contracted by seven percent due to increasing market competition, a reduction in tourists resulting from the economic slowdown, and the appreciation of the Baht.

As for the commercial and retail industry: Overall, the retail market sector remained stable in terms of occupancy rate and rental rate per square meter, as it did in 2018. In the 4th quarter of 2019, an overview of merchant segments shows it was down nine percent, which means the retail business remained relatively stable. However, in 2019, including the 4th quarter of the year, the commercial building sector grew continuously.

**ASSET WORLD CORPORATION OVERVIEW:** The company's net profit in 2019 was 1,040 million baht, which represents a 109 percent increase. In the 4th quarter of 2019, profit was 482 million baht, representing 140 percent growth from the 4th quarter of last year. The growth was higher than the market due to the company's strategies of focusing on business growth, improvement in the business positioning of existing assets, and the development of various operational efficiencies including investment portfolio adjustment in order to focus on investment return as per the targeted goal.

In this regard, the high growth of the company was from the assets group during the initial phase (Ramp Up) with revenue ramp up, such as the Bangkok Marriott Marquis Queen's Park Hotel (MICE hotel segment), the Gateway at BangSue, and Lasalle's Avenue (community shopping mall and community market segments). Both business segments had increased growth and made a significant revenue contribution to the total revenue of the business groups.



Based on the size of revenue contribution, MICE accounted for 60 percent revenue contribution to the total revenue of the Hotel Group. The MICE segment's revenue grew by 6.8 percent and net operating profit grew by 14.5 percent. In addition, community shopping malls and community markets generated a 71 percent revenue contribution to the Retail Group revenue with 13 percent revenue growth and 21 percent net operating profit growth, which reflected the company's continuous growth potential.

## Operating Summary

### Revenue

Total revenue\* for the company in the year 2019 and the 4th quarter of the year were 11,475 million baht and 2,914 million baht, which represent a decline of 1.8 percent and 7.4 percent respectively. Considering the company's operating assets\*\*, the company's revenue increased by 3.4 percent compared to the previous year and increased by 1.2 percent compared to the 4th quarter of the previous year.

The strategy for Ramp Up assets: The company has selected, developed, and took in quality assets with an aim to continuously enhance its revenue potential. The company's quality assets include the Bangkok Marriott Marquis Queen's Park (revenue grew 13 percent from last year); Gateway at BangSue (revenue grew 1,036.7 percent from last year); and the Lasalle's Avenue project (revenue grew 175 percent from last year).

Overall growth of all business groups of the company stayed at an outstanding level compared to the market growth. The company has a strategic plan for asset management to generate income and cash flow for each asset type and a frame asset structure for risk diversification that will lead to an increase in revenue growth in the future. The company has also implemented proper tailor-made strategies for its asset management in order to generate revenue and cash flow for each category of asset as follows:

Table 1 : Revenue Growth Rate (%YoY)

%YoY 2018 - 2019	Unit %	
	Growth Rate according to Financial Statement	Growth rate according to the operating assets of the company**
Total Revenue	-1.8	+3.4
Hospitality Revenue	-0.3	+1.3
Retail and Commercial Revenue	-3.4	+7.7

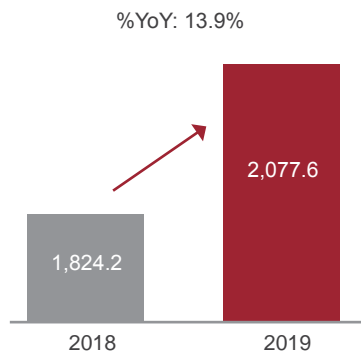
Table 2 : Revenue Growth Rate (%YoY)

%YoY 2018 - 2019	Unit %	
	Growth Rate according to Financial statement	Growth rate according to the operating assets of the company**
Total Revenue	-7.4	+1.2
Hospitality Revenue	-0.9	-0.7
Retail and Commercial Revenue	+2.5	+3.2

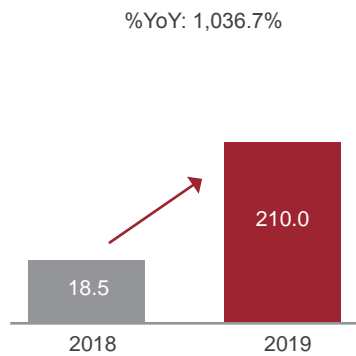
\* Revenue excluding interest income

\*\* The operating assets of the company means the operating properties excluding the CW Tower, Pantip Plaza Bangkok, CH Hotel, and The Tantawan Hotel Surawong. These properties were sold off according to the investment adjustment plan to emphasize the targeted return on investment. Moreover, the operating assets also exclude the Imperial Boat House Beach Resort, which was undergoing renovation to improve its facilities starting in the middle of the year 2018, management fees, and interest income.

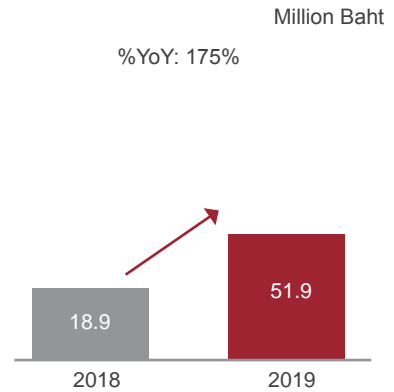
Graph 2: Revenue of Bangkok Marriott Marquis Queen's Park hotel



Graph 3: Revenue of Gateway at Bangsue



Graph 4: Revenue of Lasalle's Avenue



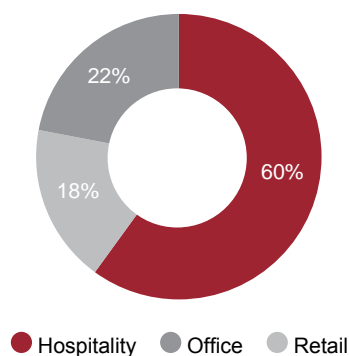
The investment adjustment plan aims to emphasize the targeted return on investment, which helped AWC to dispose of unjustified investments. The company disposed of the CW Tower, Pantip Plaza Bangkok Project, CH Hotel, and The Tantawan Hotel Surawong, Bangkok, which led to a decline in revenue of 477 million baht. This divestment, however, created a better return on investment.

Additionally, although the company has an asset management strategy to generate revenue and cash flow in each category, the company also has created a property structure to diversify risk that helped to reduce fluctuations in income levels. Based on financial statements, 60 percent of the company's total revenue comes from the hotel business, which has high growth but depends on the season. Another 22 percent of the company's revenue is from the office building business, which had stable income growth. The remaining 18 percent of the company's revenue was from the retail business, which showed constant growth and benefitted from the government's economic initiatives. When considering the details of each business, each business group is divided into sub-groups to diversify risk. For example, the hotel business is divided into

four categories (MICE; city hotels in Bangkok; luxury resorts; and other hotels outside Bangkok). The retail business is divided into three categories (tourism destination malls; community shopping malls; and community markets), while the commercial business is for office buildings.

**Hospitality:** The hospitality business faced an economic slowdown and the tourism industry has seen decreased growth. However, the company's hotel and service business maintained income levels similar to last year. The revenue for the Hotel Group in the year 2019 and the 4th quarter of the year was 6,661 million baht and 1,730 million baht, representing decreases of 0.3 percent and 0.9 percent respectively. However, considering the company's operating assets\*\*, hotel revenue increased by 1.3 percent on a year-on-year basis and decreased by 0.7 percent compared to the 4th quarter of the previous year. This growth was the result of the company's business strategy focusing on hotels in the convention group (MICE), including organizing corporate meetings, reward tourism, and international conferences and trade shows, which generated a revenue proportion of more than 60 percent of the company's hotel business group. Within the MICE sector, the Bangkok Marriott Marquis Queen's Park had strong growth in its performance. In 2019, its revenue grew by 13.9 percent and accounted for 52 percent of the revenue in the hotel segment. In general, the company had an average revenue per room (RevPar) higher than the overall hotel industry, with a scorecard of 108 (RGI Index).

Graph 5 : Revenue contribution of each Business





**Table 3: Revenue from the Hospitality Group and related services\*\*\***

Categories	2018	2019	YoY%	4Q18	4Q19	QoQ %	Explanation
MICE (59%;50%) ****	3,706	3,958	6.8%	1,034	1,077	4.2%	Revenue grew steadily, especially the Bangkok Marriott Marquis Queen's Park, which was in the Ramp Up stage, with revenue growth of 13.9 percent.
Bangkok City (17%;19%) ****	1,188	1,162	-2.2%	322	297	-7.7%	This group of hotels was affected by the decline in tourist numbers. However, Le Meridien Bangkok's RevPAR increased by three percent while the market was down 1.8 percent. The Hilton Sukhumvit Bangkok's RevPAR was equal to 3,785 baht, which was higher than the market by five percent, and it had an occupancy rate equal to 88 percent, which was six percent higher than the market.
Luxury Resorts (12%;16%) ****	866	770	-11.1%	174	163	-6.2%	Hotels in Koh Samui were affected by strong competition. However, the Vana Belle, A Luxury Collection Resort, Koh Samui, had an improvement in RevPAR of 1.6 percent (opposite to that of the market, which decreased by 12.8 percent). The Banyan Tree Koh Samui had RevPAR higher than the market at 1,718 baht.
Non-Bangkok City (12%;15%) ****	824	778	-5.6%	214	195	-8.7%	Hotels in Koh Samui were affected by strong competition, while hotels in Chiang Mai were affected by a decline in the number of Chinese tourists. However, the Metropole Phuket increased its revenue by 79 percent while Le Meridien Chiang Mai's occupancy rate increased by 1.4 percent, compared to the market decline of 7.8 percent.
<b>Total</b>	<b>6,584</b>	<b>6,668</b>	<b>1.3%</b>	<b>1,744</b>	<b>1,732</b>	<b>-0.7%</b>	

\*\*\* Revenue in the above table is before the elimination transaction.

\*\*\*\* The proportion of revenue from hotel operating assets and related services; and proportion of asset value of operating assets of hotel and related services.

#### Retail & Commercial Business:

Revenue for this business group in the year 2019 and the 4<sup>th</sup> quarter of the year was 4,208 million baht and 1,071 million baht, which represent a decrease of 3.4 percent and an increase of 2.5 percent respectively. If considering the operating assets\*\*, revenue increased by 7.7 percent compared to the previous year and increased by 3.2 percent compared to the 4th quarter of the previous year. The company successfully launched two new

projects: the Gateway at BangSue and Lasalle's Avenue, with a growth in turnover of more than 200 percent. Also, the office business launched new rental strategies to better accommodate the needs of customers and businesses. The result of initiating this process supported revenue growth of six percent (excluding the operating performance of the assets that the company sold off from the group during the year 2018).

**Table 4: Revenue for the Retail & Commercial Business\*\*\***

Categories	2018	2019	YoY%	4Q18	4Q19	QoQ %	Explanation
Community Shopping Malls (23%;26%) ****	896	1,024	14.3%	222	242	8.9%	Revenues for the year and the 4th quarter increased from the opening of the Gateway at BangSue project, with an increase of 1,037 percent and 189 percent respectively.
Tourist Destinations (13%;11%) ****	563	569	1.1%	137	138	0.2%	Although the company is in the process of implementing a new rental strategy for existing low-price tenants at the Asiatique The Riverfront project, the company has maintained income levels close to the previous year.
Community Markets (8%;13%) ****	321	356	10.9%	88	78	-10.5%	Income for the year increased from last year due to the opening of the Lasalle's Avenue project. Revenue increased by 175 percent. However, revenue in the 4th quarter compared to the 4th quarter of the previous year declined by 10.5 percent due to the Tawanna project implementing a strategy of tenant reclassification to be in line with the company's target customers, which will generate long-term revenue and consistent growth.
Offices (56%;50%) ****	2,321	2,466	6.2%	605	629	3.9%	Revenue grew steadily when compared to the income for the year and the 4th quarter because rents per square meter increased by seven percent, which is close to the market growth.
Total	4,101	4,415	7.7%	1,052	1,087	3.2%	

\*\*\* Revenue in the above table is before the elimination transaction.

\*\*\*\* The income proportion of the retail and commercial business; the proportion of the asset value of the retail and commercial business.

## Operating expenses

Total operating expenses for the year 2019 and the 4th quarter of the year were 5,759 million baht and 1,340 million baht, which represent a decrease of 6.7 percent and 14.3 percent respectively. Considering the company's operating assets\*\*, operating expenses were 5,467 million baht and 1,286 million baht, which represent a decrease of 1.2 percent and 15.5 percent respectively, and are the result of the company's strategy of emphasizing cost efficiency, continuous improvement, and maximizing economies of scale. The operating expense-to-revenue ratio improved from 52 percent to 49 percent, supporting a net operating profit margin increase from 48 percent to 51 percent.

**Hospitality Business:** Operating expenses for the year 2019 and the 4th quarter of the year were 4,159 million baht and 1,051 million baht, which represent a decrease of 3.3 percent and 5.7 percent respectively. Considering the company's operating assets\*\*, operating expenses for the year 2019 and the 4th quarter of the year were 4,129 million baht and 1,030 million baht, which represent a decrease of one percent and 6.5 percent respectively. With the company's policy of enhancing operational efficiency, business revenue to staff expense improved from 3.9 times to 4.06 times. In addition, the company focused on economic cost management, especially volume purchasing. As a result, operating expense to revenue improved from 63 percent to 62 percent. In the 4th quarter of the year 2019, operating expense to revenue improved from 63 percent to 59 percent. The Bangkok Marriott Marquis Queen's Park performed very well, with total revenue increasing by 13.9 percent while operating expenses only increased by 8.1 percent (in the Ramp Up stage). This performance confirmed the efficiency and success of the company's cost management strategies. As a result, the net operating profit margin for the year 2019 and the 4th quarter of the year increased from 37 percent to 38 percent and from 37 percent to 41 percent respectively, representing continuous improvement of the net operating profit margin. The net operating profit margin for the Vana Belle Luxury Collection Resort, Koh Samui increased from 29.7 percent to 35.04 percent. The net operating profit margin for the Le Meridien Bangkok Hotel increased from 40 percent to 43 percent, and the net operating profit margin for the Bangkok Marriott Marquis Queen's Park increased from 32 percent to 35 percent.

**Retail & Commercial Business:** In the year 2019 and the 4th quarter of the year, operating expenses were 1,600 million baht and 289 million baht, which represent decreases of 15 percent and 35.8 percent respectively. Considering the company's operating assets\*\* in the year 2019 and the 4th quarter of the year, operating expenses were 1,338 million baht and 255 million baht, which represent decreases of 1.7 percent and 39.1 percent respectively. The company focused on maximizing economies of scale supporting continuous improvement of cost efficiency. Operating expense-to-revenue ratio for the 4th quarter of the year decreased from 33 percent to 30 percent. In addition, with an organizational restructuring to enhance the productivity of processes, the company was able to reduce its number of employees from 734 to 506, resulting in business revenue to staff expenses improving from 8.0 times to 13 times. Considering the company's operating assets\*\*, the net operating profit margin for the year 2019 improved from 67 percent to 70 percent. The net operating profit margin for the 4th quarter of the year significantly improved from 60 percent to 76 percent. In the year 2019, the net operating profit margin for the Retail Business increased from 60.3 percent to 63.7 percent, and the net operating profit margin for the Commercial Business increased from 74.4 percent to 75.4 percent. Empire Tower contributed 61 percent of the total net operating profit for the Commercial Business, which improved its net operating profit from 75 percent to 78 percent.

## Net Operating Profit<sup>(1)</sup>

The company's net operating profit was 5,110 million baht in 2019 and 1,425 million baht in the 4th quarter of 2019, an increase of five percent and 19 percent respectively. Considering the operating assets\*\*, net operating profit increased 8.4 percent from the year 2018, with a 20.3 percent increase in the 4th quarter compared to the previous year. This increase in profit from operations demonstrated the company's competency in accordance with its strategy for rapid and continuous growth. Significantly, the proportion of net operating profit can be broken down as 45 percent from the operations of the Hospitality Group; 33 percent from the operations of office buildings; and 22 percent from the operations of retail activities. As such, a comparison of the net operating profit proportion between hospitality and retail & commercial represents a proportion of 45 percent to 55 percent respectively.

Graph 6: Net Operating Profit Proportion of Each Segment

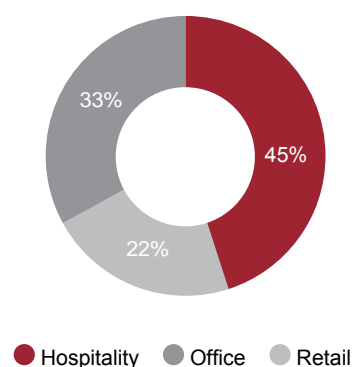


Table 5 : Growth Rate of Net Operating Profit (%YoY)

	Unit %	
%YoY 2018 - 2019	Growth Rate according to Financial Statement	Growth rate according to the operating assets of the company
Net operating Profit	+5%	+8.4%
Hospitality	+5.0%	+5.3%
Retail and Commercial Building Business	+5.1%	+11.2%

Table 6 : Growth Rate of Net Operating Profit (QoQ)

	Unit %	
%YoY 2018 - 2019	Growth Rate according to Financial Statement	Growth rate according to the operating assets of the company
Net operating Profit (Total Company)	+19%	+20.3%
Hospitality	+7.6%	+9.3%
Retail and Commercial Building Business	+32.3	+31.5

**Hospitality:** Net operating profit for the year 2019 and the 4<sup>th</sup> quarter of 2019 were 2,502 million baht and 679 million baht, which represents growth of 5.0 percent and 7.6 percent from the previous year respectively. When considering the operating assets of the company\*\*, net operating profit increased by 5.3 percent and 9.3 percent respectively. This increase was mainly driven by

the MICE group, led by the Bangkok Marriott Marquis Queen's Park, which increased its net operating profit for the year 2019 by 26 percent. Also, the Vana Belle Luxury Collection Resort, Koh Samui increased its net operating profit for the year 2019 by 22 percent, and the Metropole Phuket Hotel increased its net operating profit by 52 percent.

(1) Net Operating Profit means total income (excluding interest income and other income) with all expenses deducted (excluding financial costs) and before the elimination transaction.

**Table 7: Net Operating Profit for Hospitality\*\*\***

Categories	2018	2019	YoY%	4Q18	4Q19	QoQ %	Explanation
MICE (59%;50%) ****	1,307	1,496	14.5%	372	432	16.3%	Net operating profit continued to grow, especially for the Bangkok Marriott Marquis Queen's Park, which was in the Ramp Up stage, with 26 percent growth in net operating profit.
Bangkok City (19%;19%) ****	478	490	2.5%	136	143	5.3%	This group is affected directly by Chinese and European tourists. However, the Le Meridien Bangkok Hotel had effective cost controls, so was able to maintain net operating profit at the same level as the previous year due to a highly cost-effective operation.
Luxury Resorts (12%;16%) ****	348	292	- 16.1%	57	55	-3.6%	The market was under pressure from new competitors in Samui. However, Vana Belle, a Luxury Collection Resort, Koh Samui adjusted its pricing strategy and implemented greater cost controls, resulting in efficiencies that led to net operating profit surging by 22 percent, the opposite direction to other hotels in the Koh Samui market.
Other (10%;15%) ****	278	261	-6.3%	77	72	-6.5%	Hotels in Samui were affected by strong competition. However, the Le Meridien Chiang Mai increased its occupancy rate to 80 percent and had effective cost controls. In addition, the Metropole Phuket had a 52 percent increase in net operating profit. In the future, the hotel plans to rebrand as a Marriott Courtyard.
Total	2,411	2,539	5.3%	642	702	9.3%	

\*\*\* Net operating profit in above table is before the elimination transaction.

\*\*\*\* Proportion of net operating profit from hotel operations and related services; proportion of asset value of operating assets of hotel and related services.

**Retail & Commercial:** Net operating profit amounted to 2,608 million baht for 2019 and 746 million baht for the 4th quarter of the year 2019, representing a 5.1 percent and 32.3 percent increase respectively. When considering only the operating assets\*\*, the rate increased by 11.2 percent and 31.5 percent respectively due

to the opening of two new projects, Gateway at BangSue and Lasalle's Avenue, with turnover growth of more than 269 percent, and the effective control of expenses helping to maintain the level of net operating profit.

Table 8: Net Operating Profit for Retail & Commercial\*\*\*

	2018	2019	YoY%	4Q18	4Q19	QoQ %	Explanation
Community Shopping Malls (19%;26%) ****	457	566	24%	59	177	199%	Net operating profit increased dramatically with the opening of the Gateway at BangSue project, with a 225 percent and 174 percent increase in net operating profit for the year 2019 and the 4th quarter of the year, respectively.
Tourist Destinations (12%;11%) ****	347	374	8%	74	83	12%	Net operating profit increased due to a new rental strategy to match with customer expectations at Asiatique The Riverfront and efficient cost controls.
Community Markets (8%;13%) ****	224	259	16%	58	60	3%	Net operating profit increased with the opening of the Lasalle's Avenue project, with net operating profit increasing by 9,245 percent compared to the previous year.
Offices (61%;50%) ****	1,712	1,847	8%	440	510	16%	Net operating profit grew strongly, with the Empire Tower having net operating profit growth of 10 percent due to a strategy to acquire new tenants.
Total	2,740	3,046	11.2%	631	830	31.5%	

\*\*\* Net operating profit in above table is before the elimination transaction.

\*\*\*\* Proportion of net operating profit for the Retail and Commercial business; proportion of asset value of operating assets of the Retail and Commercial business.

In the year 2019, the AEC Trade Center project was still in the strategic planning and development phase to ensure it is ready for the new market direction and meets customer requirements.

Therefore, the project had a cash outflow of 174 million baht during the period of preparation for opening.

## Administrative Expenses

**Administrative Expenses:** Total administrative expenses for the year 2019 and the 4th quarter of the year were 806 million baht and 275 million baht, which represent an increase of 15 percent and a decrease of 25 percent respectively. Throughout the year 2019, the company prepared its people and organization to support future growth, including the Group 3 acquisition in the beginning of 2020. However, in the 4th quarter of the year, the company was able to control overall expenses effectively through a cost management strategy and organizational restructuring to enhance the productivity of processes and increase efficiency in line with both short-term and long-term business strategies, which emphasize maximizing people's potential and ensuring a smooth operation. Total operating and corporate expenses for the year 2019 and the 4th quarter of the year decreased by five percent and 16 percent respectively, confirming the effectiveness of the company's cost management strategy. In addition, with an employee benefit adjustment as stated in Thailand's Labor Law (increasing severance pay from 300 days to 400 days) amounting to 44.67 million baht, the company was able to generate a higher EBITDA margin, increasing from 39.4 percent to 43 percent (considering the company's operating assets\*\*). This demonstrated the continuous improvement of the company's efficiency.

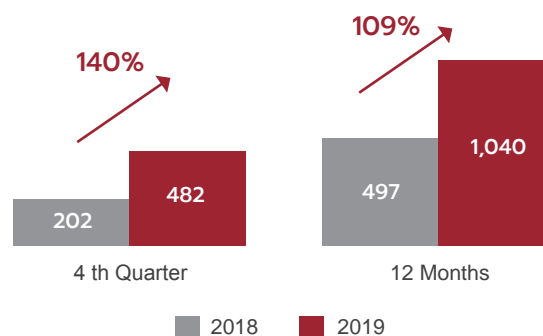
## AWC EBITDA

The company's EBITDA, considering only operating assets\*\*, for the year 2019 and the 4th quarter of the year were 4,912 million baht and 1,299 million baht, an increase of 7.4 percent and seven percent respectively. When compared to the previous year, the various strategies previously described, including a company repositioning strategy, an effective cost control strategy, and strategies to meet the needs of target customers, continuously increased the company's EBITDA.

## NET PROFIT

The company's net profit was 1,040 million baht for the year 2019, an increase of 109 percent from the previous year, and 482 million baht for the 4th quarter, an increase of 140 percent. This increase was due to the funds management for the company, which benefitted from the capital increase from offering new shares to the public (IPO) in October 2019. Using the IPO proceeds to repay financial institution loans in the amount of 33,719 million baht helped to reduce financing costs. The cost saving from the loan repayment was 263 million baht (83 days cost saving). The remaining IPO proceeds were used as a reserve for the acquisition of Asset Group 3.

Graph 7: Net Profit (MB)



## Capital Structure

### Total assets

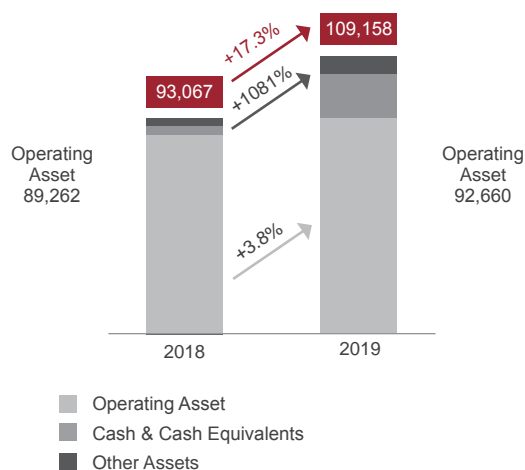
The company had total assets at the end of the year 2019 in the amount of 109,157.8 million baht, an increase of 16,090.8 million baht, equal to a 17.3 percent increase from the previous year, consisting of major assets as follows:

1. Cash and cash equivalents of the company were 14,362.4 million baht, an increase of 1,081.6 percent due to funds raised through the initial public offering (IPO), which will be used to acquire Asset Group 3 in early 2020 (1 January 2020) in accordance with the company's strategic plan of focusing on strong continuous growth.
2. The company's fixed assets (before accumulated depreciation) consisted of property, plant and equipment; investment property; and leasehold rights at the end of the year 2019, in the amount of 99,362.4 million baht, which included operating assets of 99,343.11 million baht (according to Graph 9) and accumulated depreciation and amortization for the previous year of 6,702.3 million baht.

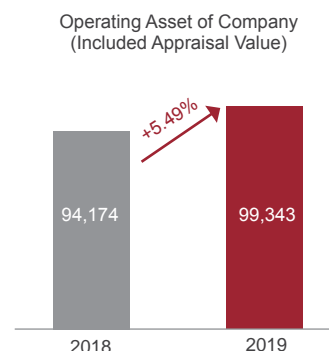
In 2019, the company's land revaluation of its hospitality business was increased by approximately 2,883 million baht to reflect a higher fair market value. (However, the company has not yet recognized the revaluation of investment property, which increased from the book value of 1,689.29 million baht). The operating assets of the company are classified into normal operating assets and other assets with the following details (according to Table 9).



Graph 8 : Asset Size (Million Baht)



Graph 9 : Fixed Asset Value Before Depreciation



- 2.1 Assets in Business as Usual period (BAU) in amount of 28,998.91 million baht, equal to 29.19 percent of the company's total assets, which is normal growth for operating assets.
- 2.2 Other assets, in the amount of 70,344.20 million baht, equal to 70.81 percent of the company's total assets (according to Table 9). They consist of assets in the initial phase (RAMP UP), assets in the repositioning phase (REPOSITIONING); and assets under development (DEVELOPMENT). This demonstrates assets in the initial phase and assets in the repositioning phase will generate continuous growth. Moreover, assets under development will enter into the initial phase of future operations, which will result in the company having continuous improvement of its performance.

3. Other assets at the end of the year 2019 in the amount of 2,135.3 million baht, consisting of current assets, which is a variance based on the normal operation of the company, and other non-current assets such as withholding tax and undue input tax.

The return on investment from the ratio of operating profits to fixed assets was equal to 5.5 percent (according to Table 9). Fixed assets value was 96,460 million baht, which is the investment value before accumulated depreciation excluding appreciation of the appraised land value of the Hospitality Business. In addition, considering the return on land appreciation from the appraised land value of the Hospitality Business shows growth of 5.49 percent compared to last year (according to Graph 9). Accordingly, the total return of both operating return and land appreciation return was 11.07 percent.

Table 9: Return on net operating assets from business as usual and assets undergoing renovation in 2019.

Assets	Net Operating Profit	Asset Value		Return on Assets
		Amount	%	
Hospitality				
Assets in Business as Usual period (BAU)	1,244.26	15,349.01	35.37%	8.11%
Assets in initial period (RAMP UP)	868.28	16,294.86	37.55%	5.33%
Assets under repositioning (REPOSITIONING)	433.95	6,490.33	14.96%	6.69%
Assets under development (DEVELOPMENT)	(33.51)	5,256.79	12.11%	-0.64%
Total	2,512.98	43,390.99	100.00%	5.79%
Retail and Commercial				
Assets in Business as Usual period (BAU)	1,076.33	12,709.81	23.95%	8.47%
Assets in initial period (RAMP UP)	1,209.85	19,504.16	36.75%	6.20%
Assets under repositioning (REPOSITIONING)	729.59	12,963.06	24.43%	5.63%
Assets under development (DEVELOPMENT)	(143.98)	7,892.07	14.87%	-1.82%
Total	2,871.78	53,069.10	100.00%	5.41%
Grand Total	5,384.76	96,460.09		5.58%
Normal operating assets				
Assets in Business as Usual period (BAU)	2,320.59	28,058.81	29.09%	8.27%
Assets in initial period (RAMP UP)	2,078.12	35,799.02	37.11%	5.80%
Assets under repositioning (REPOSITIONING)	1,163.53	19,453.40	20.17%	5.98%
Assets under development (DEVELOPMENT)	(177.49)	13,148.86	13.63%	-1.35%
Grand Total	5,384.76	96,460.09	100%	5.58%

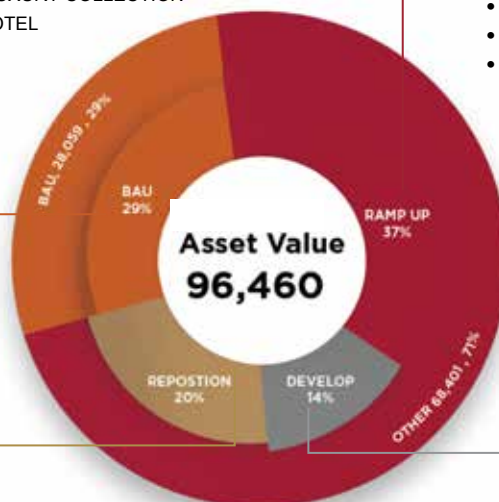
**\* Remarks**

1. Net operating profit means total income (not including interest income and other income) with all expenses deducted (excluding financial costs). Has been taken from financial information shown in the consolidated financial statements or consolidated financial statements for specific purposes and excludes related transactions.
2. Total fixed assets before deducted accumulated depreciation and before land revaluation for the Hospitality Business (showing the return on investment).
3. The return is 6.68% of net operating profit per assets excluded asset under development.

**Overview 1: Portfolio Analysis and Return of Asset According to Table 9**

- DOUBLETREE BY HILTON SUKHUMVIT BANGKOK
- HILTON SUKHUMVIT BANGKOK
- BANYAN TREE SAMUI
- THE ATHENEE HOTEL BANGKOK, A LUXURY COLLECTION
- THE OKURA PRESTIGE BANGKOK HOTEL
- ASIATIQUE THE RIVERFRONT
- TAWANNA BANGKAPI
- 208 WIRELESS
- ATHENEE TOWER

- LE MERIDIEN BANGKOK
- LE MERIDIEN CHIANG MAI
- PANTIP PLAZA NGAMWONGWAN
- PANTIP PLAZA PRATUNAM
- PANTIP PLAZA CHIANGMAI
- O.P. PLACE
- INTERLINK TOWER



- BANGKOK MARRIOTT MARQUIS
- QUEEN'S PARK HOTEL
- GATEWAY BANGSUE
- LASALLE'S AVENUE
- EMPIRE TOWER
- SHERATON SAMUI RESORT
- VANA BELLE, A LUXURY COLLECTION
- RESORT, KOH SAMUI

- MELIA KOH SAMUI, THAILAND
- THE METROPOLE HOTEL PHUKET
- BANYAN TREE KRABI
- INNSIDE BANGKOK SUKHUMVIT
- COMMUNITY MARKET BANGKAPI

In this regard, if considering only the assets of normal operations, which accounted for 29.09 percent of fixed assets, the return on operating profit to fixed assets is 8.27 percent. With the company's ability to grow in the future from other fixed asset groups that will

enter normal operations. The company expects to see the leaping growth from other fixed asset groups which worth up to 70.9% of total fixed assets.

## Liabilities and shareholder's equity

Subsequent to the company's capital increase and the revaluation of the above assets, the company's equity in 2019 is equivalent to 75,661 million baht, an increase of 50,663 million baht, or 203 percent. Nevertheless, the company has applied some of its capital from the capital increase of 47,327 million baht to managing liquidity and loan repayments to financial institutions. As result, total debt of the company has been reduced by 50.7 percent from

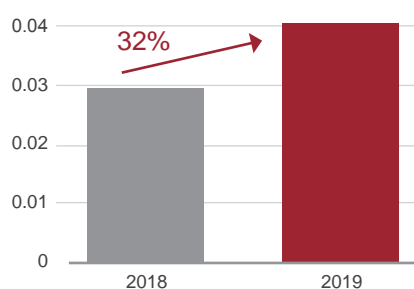
the previous year, remaining at 33,496 million baht, as well as loans from financial institutions amounting to 28,000 million baht. The current interest rate for the company is approximately 3.015 percent, which reflects the strength of the company's financial structure and debt creation through investing in projects with future potential.

Table 10 : Financial ratio

Financial ratio	For the year	
	2018	2019
EBITDA margin	(39%)** 41%	(43%)** 42%
Earnings per share	0.031	0.041
Total debt to equity ratio	2.7	0.4

\*\* Operating asset portfolio with corporate expenses deducted.

Graph 10 : Earnings per share Growth Rate



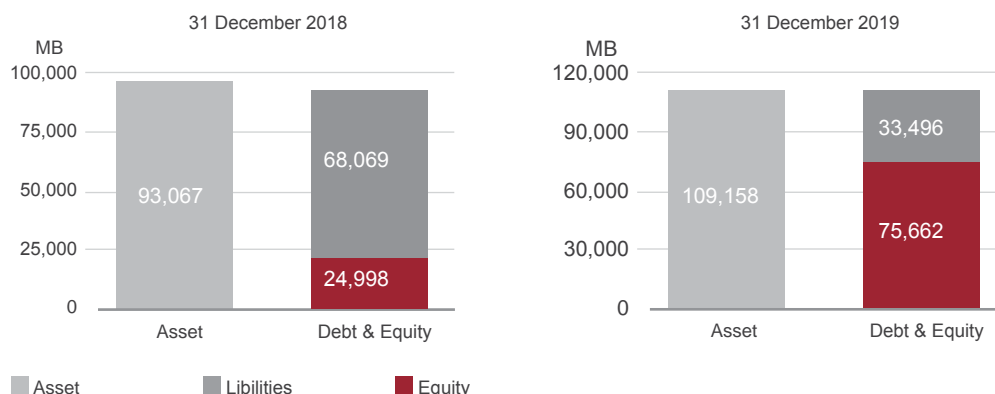
EBITDA margin for the year 2019 was 42 percent, an increase of 2.4 percent, as the company's portfolio management strategy was appropriate\*\* for generating income and cash flow for each asset type. As a result, the EBITDA margin for the year 2019 increased from 39 percent to 43 percent due to: (a) The operating performance of the company being 10.3 percent higher than the previous year; (b) The efficiency of the company's asset diversification strategy; (c) Effective cost management; and (d) Organizational restructuring that increased work efficiency. As a result, the company had an increase in its EBITDA margin.

Earnings per share for the year 2019 was 0.041 baht per share, an increase of 32 percent from 0.031 baht per share in the previous year. The company's effective strategic plan defining

a clear target, a strategy for asset structure including cost control strategies, and an effective organizational structure, resulted in net profit for the year 2019 and the 4th quarter growing by 109 and 140 percent respectively.

The total debt to equity ratio for the year 2019 was 0.4 times, which is an improvement from the previous year of 2.7 times (Table 10 and Graph 11). In October 2019, the company brought a portion of the proceeds received from the IPO for the payment of loans from financial institutions, which decreased the total liabilities of the company. Considering the company's ability to pay interest expenses in the year 2019 was 3.14 times<sup>(2)</sup> from 1.85 time<sup>(2)</sup>, an increase of 69.7 percent, this indicates the company's ability to find additional funding sources for project development in future.

Graph 11: Proportion of Assets, Liabilities, and Equity



<sup>2</sup> Interest Coverage Ratio is calculated from the cash flow from operation/ interest expense.

## Significant Sustainability Development

The company has prioritized corporate transformation through a strategic framework to ensure sustainability in various dimensions under a corporate culture of building unity as One Spirit, driven by the company's core values, which are: Integrity, Passion, Goal Oriented, Customer Centric, and Caring.

The company also creates sustainable long-term value with a human resource development plan to make it a Performance Based Organization to maximize work efficiency, with performance indicators to create the highest sustainable value for society. In addition, the company has built a strong foundation to achieve standards at all stages of the work process. The company also has an efficient information system which includes risk management for sustainability (Process & IT) as well as database analysis for an in-depth understanding of the overall business and customers (Information Based Organization).

As for sustainability, the company has developed a sustainable project management framework that upholds the highest standards throughout all processes. It is certified as an Integrated Management System by Bureau Veritas Enterprise in recognition of the company's compliant risk management framework and balanced scorecards.

In addition, the company has received Bureau Veritas certification in recognition of being the first company in Thailand certified for ISO45001:2018 under the following scope: project management, design management, cost and contract management, and construction management of all projects from inception through construction to completion and handover to customers. AWC is the first company in Thailand to achieve the three major ISO9001:2015, ISO14001:2015, and ISO45001:2018 certifications. To reinforce our belief in sustainability, AWC is an active member of society, investing in and developing the community so that we live and grow together, creating long-term value for generations to come.

## Significant Environmental Development

With a commitment to conducting its business for sustainability as well as reducing its impact on the environment, the company has a sustainability development plan for every project, both operating projects and projects that are under development in both major business segments. In this regard, the company leads and aims to continuously improve its sustainability practices throughout the industry, in its own businesses, and with its partners by focusing on the strict management of environmental problems such as waste management, environmental management, pollution reduction, and the cleanliness of local beaches. In addition, the company has also increased green areas in numerous projects and nearby areas, reduced the use of plastic, especially single-use plastic, and reduced its carbon footprint in various real estate projects. The company has received awards such as The Athenee Hotel,

A Luxury Collection, being the first hotel in the world to achieve ISO 20121 Event Sustainability Management System (SMS) certification, which has been twice recertified. The Okura Prestige Bangkok was the first mix-used structure in Thailand to receive the Leadership in Energy and Environmental Design platinum rating. The Empire Tower office building holds a Thailand Building Energy Efficiency: In Operation A+ rating from the Department of Alternative Energy - Development and Energy Conservation.

## Significant Community Development

The company is committed to building a better future for the whole of society and the communities surrounding its projects through the Asset World Foundation for Charity, which was founded with the objective of supporting, developing, and promoting charitable and sustainable development activities for local communities in Thailand. To be in line with the company's "Sustainable Management" policy, the Asset for Charity Foundation is inspired to reflect the values of operating a business sustainably to create a harmonious society. It is also a good role model for the private sector that cares about society as well as being the centerpiece of every company subsidiary for creating social responsibility initiatives, along with providing direction and coordination for charitable activities, achieving unity, and maximizing the benefits for all stakeholders in all sectors.

"The Gallery," a social enterprise created under the concept of "Giving Art, Art of Giving," sells art, designs, and gift collections from a network of more than 30 SMEs and local entrepreneurs. It is a non-profit organization which is part of a social project under the Asset for Charity Foundation that adheres to the company's social responsibility mission. The Gallery's initial opening date was in June 2015, and it has since expanded to seven locations. Presently, The Gallery customers are part of helping to develop various communities, as all the profits from the sale of the items are donated to supporting and developing communities in terms of artistic works, together with the conservation and promotion of local culture as well as other areas to continue building a better future and encourage economic development to improve the quality of life throughout Thailand.

"Give Green CBD Synergy Power" is another project that has been organized for the seventh consecutive year with various activities. The project was created by the synergy of business partners in the Sathorn and nearby areas, together with the cooperation of the Bangkok Metropolitan Administration and the general public, to raise awareness of and encourage environmental responsibility. Being conscious of one's responsibility to the environment helps to reduce pollution and maximize resources, which are benefits that contribute to society and maximize the use of resources to give the gift of happiness back to society while encouraging the dreams of underprivileged children. Last year, more than 4,000 runners participated in "WE RUN 2019", one of the project's main activities.

All income after deduction of expenses for the project, more than one million baht, was used to fund educational opportunities and medical treatments for underprivileged children.

Other projects, such as the AWC Charity Market Around, also contribute income after deducting expenses to the underprivileged; Book-A-Round, a project that collects books to pass on to schools and community libraries; and the “Pun Fun” Project that has helped build libraries and central meeting areas for communities.

The company is committed to conducting its business in a transparent and fair way for all stakeholders. Therefore, the company has developed plans and important policies regarding corporate governance which include the determination of business ethics, plus various policies as guidelines for directors, executives, and all employees to operate the business with efficiency, transparency, and sustainability. This includes an Anti-corruption Policy, Corporate Social Responsibility Policy, Insider Trading Policy, and Whistleblower Policy

In this regard, the company pays attention to effective corporate governance which will support its drive for sustainable growth. The company has established a regulatory process through its Board of Directors. By having an independent committee and various sub-committees including the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Risk Management Committee, the company has a system to build trust with stakeholders and society.

## Events after the reporting period

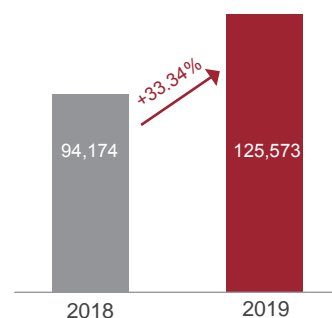
The company continues to increase its competitiveness and ability to continuously increase future performance. It has developed projects to support the needs of target customers and enhance future cash flow growth. The company has improved assets and collaborates with global business partners, such as rebranding hotels for global operators and the acquisition of quality assets (such as Asset Group 3). The key major events include:

On January 1, 2020, AWC acquired shares in companies that own Asset Group 3 assets under a Grant of Right from the TCC Group (TCC GOR Agreement). Asset Group 3 assets include four operating hotels and assets under development such as mixed-use properties in Pattaya (Marriott Pattaya) and others. The operating hotels from Asset Group 3 are the Bangkok Marriott Hotel The Surawong; Phuket Marriott Resort and Spa, Nai Yang Beach; the Hua Hin Marriott Resort and Spa; and the Holiday Inn Express Bangkok Sathorn, with a total of 989 rooms. The outstanding hotel in this group is the Bangkok Marriott Hotel The Surawong, which is an upscale hotel in its initial operating phase (Ramp Up). In 2019, the revenue from this group of hotels grew by approximately 10

percent and operating profits grew by 33 percent. If taking Asset Group 3's performance into consideration in the calculation of the RGI Index, it will increase to 113.

When including the assets of Asset Group 3 that are in the Ramp Up stage and the Development stage, the company would have additional fixed assets in the amount of 125,573 million baht, which grew 33.34 percent from last year (as per Graph 12). Considering the growth potential of the company, the fixed asset value before accumulated depreciation and before land revaluation of hotel assets would be 122,689.63 million baht. This indicates the future growth that will come from Ramp Up assets, Repositioning assets, and Development assets (representing 77.13 percent of total fixed assets, which are valued at 94,630.82 million baht (according to Table 11)). When including the approved investment plan after deducting the invested amount of 29,335.8 million baht, the value of the high-growth assets will grow to a total of 123,966.62 million baht in the future. These assets will be able to generate cash flow from their future operations with the achievement of the target rate for return on investment.

Graph 12 : Fixed Asset Value before Depreciation



With its strong debt-to-equity ratio, the company has the debt capacity to fund and invest in assets under the Grant of Rights from the TCC Group, as well as other investment opportunities that the company is considering, in order to ensure continuous growth and achieve the targeted rate of return.

**Table 11 : Fixed Asset Value after acquiring Asset Group 3**

Asset Company	Net Operating Profit	Asset Value		EBITDA Margin
		Amount	%	
Asset in Business as Usual period (BAU)	2,320.59	28,058.81	22.87%	6.45%
Asset in initiation period (RAMP UP)	2,737.32	48,895.49	39.85%	
Asset under repositioning (Repositioning)	1,163.53	19,453.40	15.86%	
Asset under development (DEVELOPMENT)	(177.49)	26,281.93	21.42%	
Grand Total	6,043.95	122,689.63	100.00%	4.93%

**Remarks**

1. Other operating assets that will generate cash flow for the company in the future have a value of up to 77.13 percent of the company's operating assets.
2. Total fixed assets before deducting accumulated depreciation and before land revaluation for the Hospitality Business (showing the return on investment).
3. Return of 6.45 percent of net operating profit per assets excluding assets under development.

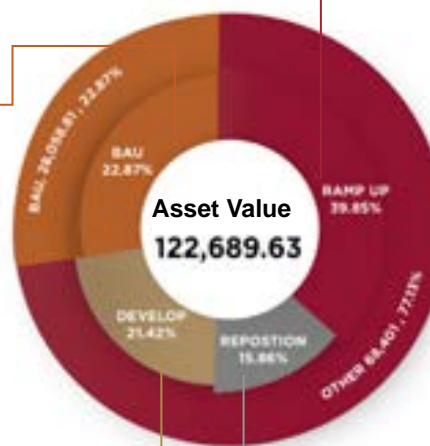
**Overview 2: Portfolio Analysis and Return of Asset According to Table 11**

- DOUBLETREE BY HILTON SUKHUMVIT BANGKOK
- BANYAN TREE SAMUI
- THE ATHENEE HOTEL BANGKOK, A LUXURY COLLECTION HOTEL
- THE OKURA PRESTIGE BANGKOK HOTEL
- ASIATIQUE THE RIVERFRONT
- TAWANNA BANGKAPI
- 208 WIRELESS
- ATHENEE TOWER

- MELIA KOH SAMUI, THAILAND
- THE METROPOLE HOTEL PHUKET
- BAYAN TREE KRABI
- INSIDE BANGKOK SUKHUMVIT
- 17 CONDOMINIUM UNITS IN THE MAJESTIC MANSION
- COMMUNITY MARKET BANGKAPI
- AEC TRADE CENTER
- AEC TRADE CENTER ONLINE

**HOSPITALITY GROUP 3**

- HUAHIN BEACHFRONT
- GRANDSOLE HOTEL
- CHIANG MAI MAE PING HOTEL
- MELIA CHIANG MAI
- BANYAN TREE JOMTIEN BEACH PATTAYA
- JW MARRIOTT THE PATTAYA BEACH RESORT & SPA AND PATTAYA MARRIOTT MARQUIS HOTEL
- CHAREONKRUNG 93
- EAC PROJECT



- VANA BELLE, A LUXURY COLLECTION RESORT, KOH SAMUI
- BANGKOK MARRIOTT MARQUIS QUEEN'S PARK HOTEL
- SHERATON SAMUI RESORT
- GATEWAY AT BANGSUE
- LASALLE'S AVENUE
- EMPIRE TOWER

**HOSPITALITY GROUP 3**

- BANGKOK MARRIOTT HOTEL THE SURAWONGSE
- PHUKET MARRIOTT RESORT & SPA, NAI YANG BEACH
- HUAHIN MARRIOTT RESORT AND SPA
- HOLIDAY INN EXPRESS BANGKOK SATHORN
- LE MERIDIEN BANGKOK
- LE MERIDIEN CHIANG MAI
- PANTIP PLAZA NGAMWONGWAN
- PANTIP PLAZA PRATUNAM
- PANTIP PLAZA CHIANGMAI
- O.P. PLACE
- INTERLINK TOWER

On January 10, 2020, the Hotel Melia Samui, which previously was the Imperial Boat House Beach Resort, opened with 200 rooms. Managed by the Melia Group, it is the largest beach resort hotel in the world. In addition, the Banyan Tree Krabi, which is under development, is scheduled to open during 2020. It has 72 rooms and is a luxury resort that will lead to an increase in room rates per night (ADR) and total revenue per room (RevPAR) for the company.

When including Asset Group 3, the Hotel Melia Koh Samui, and the Banyan Tree Krabi, the company's operating assets will grow from 11 hotels in 2019 to 17 hotels in 2020, increasing the number of rooms from 3,680 to 4,941, a 34 percent growth rate.

Moreover, the company has plans to not only continually launch new projects, but to also tailor marketing strategies for its assets and speed up development to strengthen its foundation to increase its cash flow capacity and ensure continuous and sustainable growth.



A low-angle, upward-looking photograph of several tall skyscrapers. The image is heavily tinted with a deep red color. A prominent grid of dark, thick lines, resembling a window frame or a structural overlay, is superimposed over the entire scene, creating a complex geometric pattern that intersects with the building's architecture. The perspective makes the buildings appear to converge towards the top of the frame.

# General Information



# General Information

## General Information

<b>Company Name</b>	Asset World Corp Public Company Limited
<b>Symbol</b>	AWC
<b>Head Office Location</b>	56 <sup>th</sup> Floor, Empire Tower, No. 1, South Sathorn Road Yannawa, Sathorn, Bangkok 10120
<b>Registration Number</b>	0107561000412
<b>Share Capital</b>	Registered capital: 32,000,000,000 Baht, divided into 32,000,000,000 ordinary shares with par value at 1 Baht each Paid up capital: 32,000,000,000 Baht, divided into 32,000,000,000 ordinary shares with par value at 1 Baht each
<b>Tel:</b>	+662 180 9999
<b>Fax</b>	+662 180 9966
<b>Website:</b>	<a href="http://www.assetworldcorp-th.com">www.assetworldcorp-th.com</a>
<b>Type of Business</b>	The Company is the holding company of Thailand's leading integrated lifestyle real estate group with a sustainable development pipeline for future growth and the potential for long-term capital appreciation.

## Information of subsidiaries which the Company's shareholding more than 10%

As of January 15, 2020, there are 37 subsidiaries which develops or operates as business relating to hospitality properties as follows:

No.	Company Name / Registration Number	Head Office	Registered Capital (Baht)	Total Shares (shares)	Issued Shares Type/Type of Shares held	Number of Shares held		% of shareholding
						Direct (shares)	Indirect (shares)	
1.	Asiatique Entertainment Co., Ltd. 0105537141077	52 <sup>nd</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	300,000	3,000	Ordinary Shares	750	2,250	100
2.	TCC Hotel Asset Management Co., Ltd. 0105549106859		15,000,000,000	1,500,000,000	Ordinary Shares	1,499,999,998	2	100
3.	TCC Pattaya Co., Ltd. 0105549114789		2,000,000,000	200,000,000	Ordinary Shares	51,099,999	148,900,001	100
4.	TCC Hotels Management Co., Ltd 0105549093722	54 <sup>th</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	200,000,000	20,000,000	Ordinary Shares	5,000,000	15,000,000	100
5.	New Muti Mine Co., Ltd. 0105527043021		405,000,000	4,050,000	Ordinary Shares	1,012,500	3,037,500	100
6.	Padung Larb Co., Ltd. 0105557139264		100,000	10,000	Ordinary Shares	2,500	7,500	100
7.	Retail World 8 Co., Ltd. 0105557176429		3,000,000	300,000	Ordinary Shares	75,000	225,000	100
8.	Hotels World 7 Co., Ltd. 0105557177441		6,000,000	600,000	Ordinary Shares	150,000	450,000	100
9.	Sub Queen's Park Bangkok 1 Co., Ltd. 0105560078572		100,000	10,000	Ordinary Shares	2,500	7,500	100
10.	Sub Queen's Park Bangkok 2 Co., Ltd. 0105560078602	55 <sup>th</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	100,000	10,000	Ordinary Shares	2,500	7,500	100
11.	Sub Hotel Sukhumvit 1 Co., Ltd. (Former Name: Sub Double Tree Sukhumvit 1 Co., Ltd) 0105560078637		100,000	10,000	Ordinary Shares	2,500	7,500	100
12.	Sub Hotel Sukhumvit 2 Co., Ltd. (Former Name: Sub Double Tree Sukhumvit 2 Co., Ltd.) 0105560078645		100,000	10,000	Ordinary Shares	2,500	7,500	100

No.	Company Name / Registration Number	Head Office	Registered Capital (Baht)	Total Shares (shares)	Issued Shares Type/Type of Shares held	Number of Shares held		% of shareholding
						Direct (shares)	Indirect (shares)	
13.	Sub Hotel Sukhumvit 3 Co., Ltd. (Former Name: Sub Hilton Krungthep Co., Ltd.) 0105560078688	55 <sup>th</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	100,000	10,000	Ordinary Shares	2,500	7,500	100
14.	Sub TCC Hotel BKK Co., Ltd. (Former Name: Sub Le Meridien Hotel Bangkok Co., Ltd) 0105560078939		100,000	10,000	Ordinary Shares	2,500	7,500	100
15.	Sub Hat Lamai Co., Ltd. (Former Name: Sub Banyan Tree Koh Samui Co., Ltd.) 0105560078980		100,000	10,000	Ordinary Shares	2,500	7,500	100
16.	Sub Chaweng Beach Hotel Co., Ltd. (Former Name: Sub Sheraton Koh Samui Co., Ltd.) 0105560078696		100,000	10,000	Ordinary Shares	2,500	7,500	100
17.	Sub Vana belle A Luxury Samui Co., Ltd. 0105560078548		100,000	10,000	Ordinary Shares	2,500	7,500	100
18.	Sub Boat House Koh Samui Co., Ltd. 0105560078955		100,000	10,000	Ordinary Shares	2,500	7,500	100
19.	Sub TCC Hotel Chiangmai Co., Ltd. (Former Name: Sub Le Meridien Hotel Chiangmai Co., Ltd.) 0105560078904		100,000	10,000	Ordinary Shares	2,500	7,500	100
20.	Sub The Metropole Phuket 1 Co., Ltd. 0105560078921		100,000	10,000	Ordinary Shares	2,500	7,500	100
21.	Sub The Metropole Phuket 2 Co., Ltd. 0105560078882		100,000	10,000	Ordinary Shares	2,500	7,500	100
22.	The Hotel Sukhumvit 50 Co., Ltd. 010555104854		100,000,000	10,000,000	Ordinary Shares	2,500,000	7,500,000	100
23.	Asiatique Hotel Co., Ltd. 0105559088012		100,000	10,000	Ordinary Shares	2,500	7,500	100
24.	Andaman Resort Asset Co., Ltd. 0105560063192		100,000	10,000	Ordinary Shares	2,500	7,500	100
25.	Pattaya Resort Asset Co., Ltd. 0105560063095		100,000	10,000	Ordinary Shares	2,500	7,500	100

No.	Company Name / Registration Number	Head Office	Registered Capital (Baht)	Total Shares (shares)	Issued Shares Type/Type of Shares held	Number of Shares held		% of shareholding
						Direct (shares)	Indirect (shares)	
26.	Value Hotels Co., Ltd. 0105532028949	55 <sup>th</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	330,000,000	3,300,000	Ordinary Shares	825,000	2,474,998	100
27.	TCC Luxury Hotels & Resort Co., Ltd. 0625526000014		2,055,000,000	205,500,000	Ordinary Shares	51,375,000	154,125,000	100
28.	TCC Hotel Collection Co., Ltd. 0105546025131		2,003,000,000	200,300,000	Ordinary Shares	50,075,000	150,225,000	100
29.	Sirisub Patthana 1 Co., Ltd. 0105557007716	54 <sup>th</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	16,000,000	1,600,000	Ordinary Shares	400,000	1,200,000	100
30.	New Market Enterprise Co., Ltd. 0105552049429		4,930,000	493,000	Ordinary Shares	-	493,000	100
31.	Peaceful Enterprise Co., Ltd. 0105552049232		4,675,000	467,500	Ordinary Shares	-	467,500	100
32.	Phummarin Resort and Spa Co., Ltd. 0105552049518		4,845,000	484,500	Ordinary Shares	-	484,500	100
33.	Wanvana Development Co., Ltd. 0105552049364		4,675,000	467,500	Ordinary Shares	-	467,500	100
34.	Jarungset Co, Ltd. 0105552049186		4,760,000	476,000	Ordinary Shares	-	476,000	100
35.	TCCCL Andaman Resort Co., Ltd. 0105548162895		492,000,000	49,200,000	Ordinary Shares	12,300,000	36,899,998	100
36.	TCCCL Jomtien Co., Ltd. 0105548162861		1,010,000,000	101,000,000	Ordinary Shares	25,250,000	75,750,000	100
37.	Concept Land 9 Co., Ltd. 0105553129337	46/48 Charoen Prated Road, Chang Khlan, Mueang Chiang Mai, Chiang Mai	280,000,000	28,000,000	Ordinary Shares	7,000,000	21,000,000	100

As of January 15, 2020, there are 29 subsidiaries which develops or operates under Retail and Commercial Business Segment comprising of Shopping Malls, Offices and Tourist Lifestyle

No.	Company Name / Registration Number	Head Office	Registered Capital (Baht)	Total Shares (shares)	Issued Shares Type/Type of Shares held	Number of Shares held		% of shareholding
						Direct (shares)	Indirect (shares)	
1.	T.C.C. Commercial Property Management Co., Ltd. 0215529000027	No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	2,000,000,000	20,000,000	Ordinary Shares	5,000,000	15,000,000	100
2.	Asset World Trading Co., Ltd. 0105537141085	No. 1, Empire Tower, South Sathorn Road, Yannawa Sathorn, Bangkok	10,000,000	100,000	Ordinary Shares	25,000	75,000	100
3.	Asset World Retail Co., Ltd. 0105549105305	52 <sup>nd</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	9,000,000,000	900,000,000	Ordinary Shares	899,999,998	2	100
4.	Sup Pantip Pratunam 1 Co., Ltd. 0105560077983		100,000	10,000	Ordinary Shares	2,500	7,500	100
5.	Sup Pantip Pratunam 2 Co., Ltd. 0105560077975		100,000	10,000	Ordinary Shares	2,500	7,500	100
6.	Sub Asiatique 1 Co., Ltd. 0105560077967		100,000	10,000	Ordinary Shares	2,500	7,500	100
7.	Sub Asiatique 2 Co., Ltd. 0105560077894		100,000	10,000	Ordinary Shares	2,500	7,500	100
8.	Sub Asiatique 3 Co., Ltd. 0105560077908		100,000	10,000	Ordinary Shares	2,500	7,500	100
9.	Sub Asiatique 4 Co., Ltd. 0105560077886		100,000	10,000	Ordinary Shares	2,500	7,500	100
10.	Sub Talad Tawanna 1 Co., Ltd. 0105560078131		100,000	10,000	Ordinary Shares	2,500	7,500	100
11.	Sub Talad Tawanna 2 Co., Ltd. 0105560078114		100,000	10,000	Ordinary Shares	2,500	7,500	100
12.	Sub Talad Tawanna 3 Co., Ltd. 0105560078122		100,000	10,000	Ordinary Shares	2,500	7,500	100
13.	Sub Talad Tawanna 4 Co., Ltd. 0105560078084		100,000	10,000	Ordinary Shares	2,500	7,500	100
14.	Sub Retail OP Place Bangkok Co., Ltd. 0105560078106	52 <sup>nd</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	100,000	10,000	Ordinary Shares	2,500	7,500	100
15.	Sub Pantip Plaza Ngamwongwan Co., Ltd. 0105560078050		100,000	10,000	Ordinary Shares	2,500	7,500	100
16.	Sub Retail Pantip Chiangmai Co., Ltd. 0105560078076		100,000	10,000	Ordinary Shares	2,500	7,500	100
17.	Asiatique Riverfront Co., Ltd. 0105562068205	Yannawa Sathorn, Bangkok	24,062,500	2,406,250	Ordinary Shares	601,625	1,804,625	100

No.	Company Name / Registration Number	Head Office	Registered Capital (Baht)	Total Shares (shares)	Issued Shares Type/Type of Shares held	Number of Shares held		% of shareholding
						Direct (shares)	Indirect (shares)	
18.	Sub 208 Office Building 1 Co., Ltd. 0105560078343	53 <sup>rd</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	100,000	10,000	Ordinary Shares	2,500	7,500	100
19.	Sub 208 Office Building 2 Co., Ltd. 0105560078408		100,000	10,000	Ordinary Shares	2,500	7,500	100
20.	Sub Empire Tower Building 1 Co., Ltd. 0105560078432		100,000	10,000	Ordinary Shares	2,500	7,500	100
21.	Sub Empire Tower Building 2 Co., Ltd. 0105560078327		100,000	10,000	Ordinary Shares	2,500	7,500	100
22.	Sub Empire Tower Building 3 Co., Ltd. 0105560078297		100,000	10,000	Ordinary Shares	2,500	7,500	100
23.	Sub Empire Tower Building 4 Co., Ltd. 0105560078271		100,000	10,000	Ordinary Shares	2,500	7,500	100
24.	Sub Interlink Tower Bangna Co., Ltd. 0105560078459		100,000	10,000	Ordinary Shares	2,500	7,500	100
25.	Tor Yod Market AEC Co., Ltd. 0105556132096	54 <sup>th</sup> Floor, Empire Tower No. 1 South Sathorn Road, Yannawa Sathorn, Bangkok	10,000,000	1,000,000	Ordinary Shares	250,000	750,000	100
26.	Num Sub Pattana 2 Co., Ltd. 0105559040168		5,000,000	500,000	Ordinary Shares	125,000	375,000	100
27.	TCC Interlink Co., Ltd. 0105549113537		100,000	10,000	Ordinary Shares	2,500	7,500	100
28.	Wanna Charoenkij Co., Ltd. 0105559088268		100,000	10,000	Ordinary Shares	2,500	7,500	100
29.	Surasate Co., Ltd. 0105522009348	No. 162/1-2, 168/10 Pracharat 2 Road Bang Sue, Bangkok	200,000,000	20,000,000	Ordinary Shares	5,000,000	15,000,000	100

## Reference

### Registrar of Securities

Thailand Securities Depository Company Limited (TSD)  
93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400  
Tel: +662 009 9999  
Website: [www.set.or.th/tsd](http://www.set.or.th/tsd)

### Auditor

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50<sup>th</sup> Floor, Empire Tower Building  
No. 1, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120  
Tel: +662 677 2000  
Website: [www.kpmg.co.th](http://www.kpmg.co.th)

Investors can find more information in Form 56-1 on the  
SEC website: [www.sec.or.th](http://www.sec.or.th) or the Company website : [www.assetworldcorp-th.com](http://www.assetworldcorp-th.com)



“Together, We Build  
**A BETTER FUTURE”**





BUILDING  
A BETTER FUTURE



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