

- Translation -

Thai Factory Development Public Company Limited
Information Memorandum regarding the connected transaction

1. The date on which the transaction occurs

Within Year 2016

2. The parties involved

Lender : CROWN Development Company Limited ("CROWN")
 (Its former name is VSSL Enterprise Company Limited.)

Borrower : JC Kevin Development Company Limited ("JC")

Relationship with the Company : CROWN is a subsidiary company of Thai Factory Development Public Company Limited ("the Company" or "TFD") which the Company holds 100% of paid-up capital and has connected persons such directors and shareholders in both of the Company and JC. (Please see details in "5. Details of connected person")

3. General Description of the Transaction

According to the resolution of the Shareholders' Meeting of the Company on 27 April 2014 approved CROWN to extend the repayment period amount of 320,000,000 Baht¹ out of original date which JC shall pay back within 29 December 2013 to be paid within 29 December 2014. Summary of the original agreement as following:

Outstanding payment : 320,000,000 Baht

Repayment period : Within 1 year

Interest rate : 7.00% per annum

The payment period : 1. *Principal* Repayment at one time in full amount or made the payment occasionally
 2. *Interest* Pay every month

Collateral : 1. *Property collateral*
 Mortgage the condominium units of JC in "the Sathorn Heritage Residence Project" building C located on Narathiwat-Ratchanakarin Road, Yannawa, Sathorn, Bangkok with the total of 30 units, total area of sale 3,288.49 square meters as collateral for the debt. Total mortgage amount of 342,400,000 Baht.
 JC will be responsible for the expense for mortgage and other expenses which will be occur.
 JC can sell units to be placed as collateral in whole or in part which JC shall get money of the proceeds from the sale to pay CROWN not less than 85.00% of the value of the collateral sold or not less than 105,000 Baht per square meter whichever is higher.

2. *Personal collateral*
 Mr. Apichai Taechaubol guarantees the payment of the full amount.

Cash penalty : JC shall pay cash penalty to CROWN at the rate of 2.00% of the outstanding principal loan (in full amount) within 30 days from the due date of payment.

¹ A payment of deposit as CROWN already paid in advance to JC but the Shareholders' Meeting of the Company on 30 September 2014 disapproved CROWN purchase land at Kao Yai from JC made JC should pay the deposit back to CROWN as in the loan agreement within 29 December 2014. Later on 27 April 2015 the Shareholders' Meeting of the Company approved CROWN extended the payment period of receives the deposit from JC to a further one year.

Later on 29 December 2015 and 15 February 2016 JC had informed by letter to waive repayment of the principal amount of 320,000,000 Baht and interest to CROWN for the original principal and interest that to be paid in full amount within 29 December 2015 to be within 29 December 2016. Moreover, JC requests exception to charge cash penalty for late payment of 2,800,000 Baht by JC shall increase the interest rate during the period of extended payment to 7.25% per annum. For other conditions shall be the same as according to the details provided in the original loan agreement. Summary of conditions, amount of payment that JC paid to CROWN and new conditions that propose in this time are as following:

Details	Amount of payment	Original conditions	Progress of payment	New conditions that propose
1. Principal Loan	320 Million Baht, divided to	Within 29 December 2015		
	<i>1.1 Amount of 140 Million Baht</i>		Paid on 30 December 2015 (Overdue 1 day)	-
	<i>1.2 Amount of 180 Million Baht</i>		Paid in partial amount of 40 Million Baht as following: - Amount of 15 Million Baht paid on 22 January 2016 - Amount of 25 Million Baht paid on 12 February 2016 Balance of the principal loan amount of 140 Million Baht	Extend the principal loan that do not pay to be within 29 December 2016 by JC has dated cheque payable in advance and delivered to CROWN on 29 December 2015 as collateral for the debt.
2. Interest	Calculate based on the payment period and amount of outstanding principal	7.00% per annum and pay every month	Paid every month	Increase to 7.25% per annum and pay every month
3. Cash penalty *	6.4 Million Baht	Pay cash penalty at the rate of 2.00% of the outstanding principal loan	Paid cash penalty amount of 3.6 Million Baht on 26 February 2016	Exception to charge cash penalty for late payment amount of 2.8 Million Baht
4. Collateral	-	- Property collateral ** Condominium of JC with the total of 18 units, total area of sale 2,013.86 square meters - Personal collateral Mr. Apichai Taechaubol guarantees the payment of the full amount	-	To be the same including JC has dated cheque payable in advance at the amount of the outstanding principal loan and delivered to CROWN as additional collateral

Note :* The loan payment of JC as mention above in 1. was pay delay from schedule specified in the loan agreement. The loan agreement requires that JC shall pay cash penalty at the rate of 2.00% of the outstanding principal loan to the Company within 30 days from the due date of payment or amount of 6,400,000 Baht (2%x320,000,000). JC requests an exception to charge cash penalty for late payment of 2,800,000 Baht (amount of the principle loan 140,000,000 Baht that JC already paid to CROWN on 30 December 2015) was pay delay one day after the due date of payment because of the delay in the approval

of loan finance to customers of JC, thus made JC cannot transfer ownership to the customers and repayment the partial principal loan on the due date of payment on 29 December 2015. The balance of the outstanding cash penalty that JC shall be pay to CROWN amount of 3,600,000 Baht which JC already paid to CROWN on 26 February 2016.

** Due to JC Has secured some of collateral 14 units with the total area of sale 1,644.39 square meters to sell and repayment to CROWN (as mention in 1.1 above). JC shall mortgage 2 units of that condominium as additional collateral with the total area of sale 369.76 square meters which make the collateral value is higher than the amount of the outstanding principal loan according to the terms specified in the original loan agreement. Thus, currently CROWN has the remaining 18 units with the total area of sale 2,013.86 square meters as collateral.

Therefore, such transaction is classified as the connected transaction on providing financial assistance under the Notification of Capital Market Supervisory Board No. Tor. Jor. 21/2551 Re: Rules of Entering into Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546. A transaction size is equal to 10.91% on net tangible assets of the Company in the consolidated financial statement ended 31 December 2015 which higher than 3% of net tangible assets of the Company that request the Company has a duty to disclose the transaction to the SET immediately and has to be approved from the Shareholders' Meeting hereunder consist of at least three-fourths of the total votes of shareholders attending the meeting and having voting right, excluding interested shareholders' equity. Moreover, the Company shall appoint an independent financial advisor to provide an opinion about the reasonability and benefits of the transaction, the fairness of price and conditions of the transaction to the shareholders for their consideration. Details of calculation of this transaction as following:

$$\frac{\text{Value of Consideration}}{\text{Net tangible assets of the Company (As of the consolidated financial statements ended 31 December 2015)}} = \frac{(180.00 + 13.05^* + 2.80) \times 100}{1,794.65} = 10.91\%$$

Note: * Amount of interest that occurs from extend the repayment period for another one year

4. The total value of consideration and conditions of payment

The total value of consideration for providing financial assistance equal to 193,850,000 Baht with summary of the important terms of the loan agreement are as following:

Amount of the outstanding principal loan: 180,000,000 Baht
(As of 22 January 2016 and 12 February 2016 JC already paid the principal loan in partial to CROWN amount of 15,000,000 Baht and 25,000,000 Baht respectively which make current the outstanding principal loan balance to 140,000,000 Baht)

Repayment period : Within 1 year (The due date will be on 29 December 2016)

Interest rate : 7.25% per annum (the total interest income for the period of 1 year equal to 13,050,000 Baht)

The interest rate based on the Company's average cost of capital at the present which approximately to 6% per annum.

The payment period	:	<p>1. <i>Principal</i> Repayment at one time in full amount or made the payment occasionally</p> <p>2. <i>Interest</i> Pay every month</p>
Collateral	:	<p>1. <i>Property collateral</i> Mortgage the condominium units of JC in “the Sathorn Heritage Residence Project” building C located on Narathiwat-Ratchanakarin Road, Yannawa, Sathorn, Bangkok with the total of 18 units, total area of sale 2,013.86 square meters as collateral for the debt.</p> <p>Therefore, when compared to the appraised value of Advance Appraisal Company Limited and Ultima Appraisal Company Limited which both are independent appraisers certified by the SEC to appraisal such property collateral. These two appraisals were hired by CROWN on February 2016 with appraisal value equal to 229.70 Million Baht and 247.73 Million Baht respectively.</p> <p>2. <i>Personal collateral</i> Mr. Apichai Taechaubol guarantees the payment of the full amount.</p>
Cash Penalty	:	JC shall pay cash penalty to CROWN at the rate of 2.00% of the outstanding principal loan (in full amount) within 30 days from the due date of payment by extending the exception to collect the cash penalty of 2,800,000 Baht.
Precedent condition	:	CROWN must receive an approval from the Shareholders’ Meeting of the Company before entering to the transaction.

5. Details on connected persons

Name list of shareholders of the Company with being the connected persons and the conflict of interest which are not entitled to vote at the meeting to approve this transaction consists as following:

Name of the connected persons	Position	Percentage of shares holding In the Company (As of 30 December 2015)		Percentage of shares holding In the Company (As of 27 January 2016)	
		Numbers of shares	Percentage of paid-up capital	Numbers of shares	Percentage Of paid-up capital
1. Mr. Apichai Taechaubol	Director of the Company Director of CROWN Director of JC	302,283,275	23.55%	2,500,000	31.25%
2. Mrs. Chalida Taechaubol ^{1/}		170,325,172	13.27%	1,900,000	23.75%
3. Mr. Kittawat Taechaubol ^{2/}	Director of the Company Director of CROWN	43,995,000	3.43%	600,000	7.50%

4. Mr. Chotiwit Taechaubol ^{2/}	Director of JC	33,541,359	2.61%	600,000	7.50%
5. Mr. Akarawin Taechaubol ^{2/}	Director of JC	5,000,000	0.39%	600,000	7.50%
6. JC Asset Company Limited ^{4/}		7,128	0.00%	0.00	0.00%
7. Mr. Attawut Taechaubol ^{2/}		0.00	0.00%	600,000	7.50%
8. Mr. Noppavee Taechaubol ^{3/}		0.00	0.00%	600,000	7.50%
9. Miss Aorranut Taechaubol ^{3/}		0.00	0.00%	600,000	7.50%
Total		555,151,934	43.25%	8,000,000	100.00%

Remarks ^{1/} is a wife of Mr. Apichai Taechaubol who classified as a person in section 258

^{2/} is the maturity son of Mr. Apichai and Mrs. Chalida Taechaubol

^{3/} is the minor son and daughter of Mr. Apichai and Mrs. Chalida Taechaubol

^{4/} is an juristic entity which its shares are held by sons and daughters of Mr. Apichai and Mrs. Chalida Taechaubol

6. To attend and vote at the Directors' Meeting of the connected persons

The agenda in the Directors' Meeting for entering such transaction, directors with conflict of interest as stated in No.5 do not attend and vote in the Directors' Meeting for consideration on such agenda.

7. Opinion of the Board of Directors about a decision to enter into the connected transaction

When consider the necessity and intention of JC to repayment the loan and history of interest payment to CROWN during the past, the Board of Directors considered and gave an opinion that waiver of the repayment conditions and exception some of the cash penalty to JC is acceptable and fair to the Company. The reasons are as following:

1. JC paid an interest to CROWN as the increasing rate of 7.25% per annum to compensate for the payment period that JC has requested an extension of time to pay the loan off and in the past JC paid interest to CROWN regularly and as schedule every month. Moreover, the Company shall recognize interest payments received from JC to be as revenue of the Company.
2. Interest rate that received is higher than current of the Company's average cost of capital which approximately 6% per annum.
3. The condominium units that are collateral have higher value when compare to the outstanding loan in the present and due to Mr. Apichai Taechaubol guarantees the repayment of such a personal as before. Therefore, JC has dated cheque payable in advance at the amount of the outstanding principal loan and delivered to CROWN as additional collateral. The Board of Directors of the company is confident that JC will definitely pay back to CROWN before the extended due date or shall be able to collect from the guarantee cheque.
4. The exception some of the cash penalty amount of 2,800,000 Baht which occurred from the principal loan amount of 140,000,000 Baht that JC already paid to CROWN on 30 December 2015 is acceptable because CROWN received this loan payment delay just one day and a reason of the delay caused by a force majeure which out of control of JC. The main perceived reason should be to exempt the cash penalty to JC by the amount of 2,800,000 Baht because it is only one day delay of payment which is an acceptable limit. And for the interest rate to be collected from JC will increase by 0.25 per cent to compensate for the extended payback period.
5. The conditional waiver about repayment the loan for JC is a benefit to CROWN, the Company and JC more than prosecution in both time and expenses that might be happen include helping reduce the impact on the reputation of the Company, directors and major shareholders of the Company. From the collateral made by JC or Khun Apichai as the guarantor both with respect to time and potential expenses as well as mitigation of the impact on the reputation of the company, its directors and major shareholders of the company.

In addition, such providing financial assistance will not affect the liquidity and financial position of the Company. When considering the consolidated financial statements ended 31 December 2015, the Company had net cash and cash equivalents equal to 304.16 Million Baht which is enough for use as working capital. For the reasons as mentioned above, the Board of Directors has confidence that the Company will receive repayment of the principal loan from JC. Thus, the Board of Directors has made a decision to approve the Company to providing financial assistance to JC and propose to the Shareholders' Meeting for approval.

8. Opinion of the Company's Audit Committee and/or directors which are different from the opinion of the Board of Directors

- None -

9. Delivery of the Shareholders' Meeting Invitation to the shareholders

The Company will submit an invitation to the 2015 Annual General Meeting of Shareholders together with an opinion of an independent financial advisor to the SET at least 5 business days prior to delivering such documents to the shareholders, and deliver such invitation to the shareholders at least 14 days prior to the date of the Shareholders' Meeting.

10. Comments of Independent Specialists

The company has appointed Ultima Appraisal Co., Ltd. and Advance Appraisal Co., Ltd., which are independent appraisers certified by SEC, and are not any associated or connected with the Company, appraise such land. This objective appraisal is set for the public purpose. The summary of appraisal details are as follows:

- | | |
|------------------------------------------------------------------|---------------------------------------------------------|
| 1. Ultima Appraisal Co., Ltd. appraised as of February 25, 2016 | |
| Appraisal Value equal (Residual Method) | 247.73 Million Baht
(or equal to 123,010 Baht/sq.m.) |
| 2. Advance Appraisal Co., Ltd. appraised as of February 25, 2016 | |
| Appraisal Value equal (Market Approach) | 229.70 Million Baht
(or equal to 114,060 Baht/sq.m.) |

11. Nature of Business of the Company

History and background of the Company

Thai Factory Development Company Limited (Public) ("TFD") was incorporated in the date on 11 November 1977 as the multi-investment between Industry Fund Corporation of Thailand (IFCT) and Commonwealth Development Corporation (CDC) of England in proportion of shareholding at 55% and 45% respectively which having the objectives of property development of standard instant industrial factories for sale or to the investors in industries states.

At the present, the Company operates the major business of land development and construction of standard instant factories in Industrial Estate of the Company including other industrial estates and industrial parks. Moreover, the Company also has a business of construction of condominium for sale in the business areas of the downtown of Bangkok and other provinces including investment in business of office building for rent and being a project management of real estate in type of office building and SME industrial factory and warehouse. Summary of background and business operations is below;

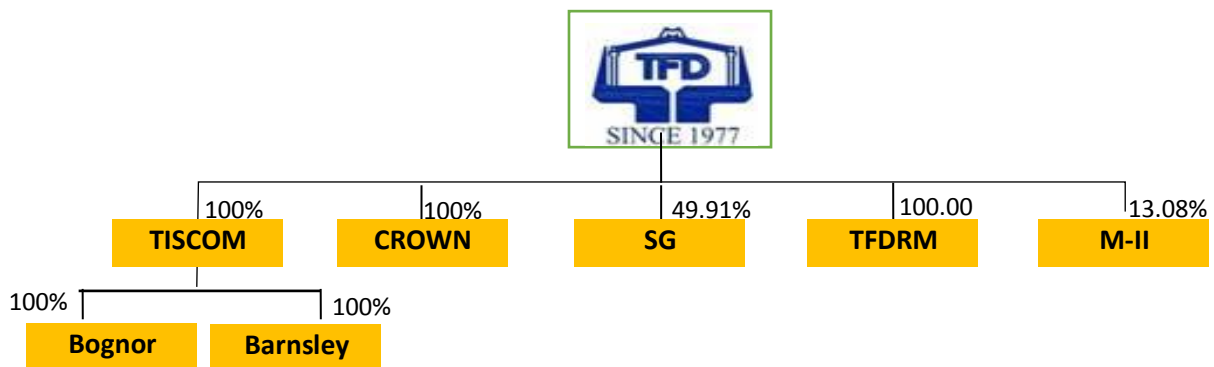
- The Company was registered at the date on 11 November 1977 having the objectives of construction of standard instant industrial factories for sale or rent to the investors in several industry estates.
- In 1991, the Company was registered as Listed Company in the Stock of Exchange of Thailand and transformed as Public Company at the date on 4 February 1994.
- In 2003, the Company expanded the development of industrial factory passing subsidiary as Total Industrial Services Company Limited (TISCOM) to develop the assets of the Industrial Estate Authority of Thailand and expand the business of residence in the downtown.
- During 2007 - 2008, the Company sold most of land and factories to Thai Industrial Real Estate Mutual Fund 1 (TIF1) and was appointed as the manager to manage every factory of TIF1.

- In 2007, the Company joined the Industrial Estate Authority of Thailand to establish TFD Industrial Estate situated at Tha Sa Arn, Bang Pakong, Chacherngsao to develop land supporting the investors as land and instant factories receiving the interest from the investors consecutively especially the business owners in the business of auto spare part and electronic part manufacturers.
- In 2008, the Company invested with the business associate to establish SG Land Company Limited (SG) to operate the business of office building for rent.
- In 2009, the Company operated the business of construction of the Condominium Project 59 Heritage and transferred the ownerships to the residential unit owners in 2012 completely. Furthermore, the Company sold all of ordinary shares of Princeton Park Sweet Company Limited to Vibhavadi Medical Center Public Company Limited in total value of 266.9 Million Baht.
- In 2010 and 2012, the Company increased registered capital from the amount of the former registered capital of 760,000,000 Baht to be 836,000,000 Baht and 902,879,943 Baht respectively to support the distribution of dividend payment for the existing shareholders of the Company and accommodate the potential change in exercise of rights of TFD-W1.
- In 2012 and 2013, the Company sold land along with factory building and leasehold rights with factory of TISCOM to MFC Industrial Investment Property and Leasehold Fund (M-II).
- In 2013, the Company acquired 100% of the ordinary shares of VSSL which being in the construction business and owner of the 15 Sukhumvit Residences Project. The investment value was 497 Million Baht.
- In 2013, the Extraordinary General Meeting of Shareholders No. 2/2013 on 24 June 2013 had resolution to approve the issuance and offering of debentures in the amount not exceeding 3,500 Million Baht which has maturity of not exceeding 5 years to institutional investors and private placement basis or public offering. On July and November 2013, the Company issued and offered unsubordinated and unsecured Tranche 1 - 2 debentures which maturity of 1 year total value 1,350 Million Baht. Furthermore, on July 2014, the Company issued and offered unsubordinated and unsecured Tranche 3 debentures which maturity of 2 years total value 1,693 Million Baht.
- In 2013 and 2014, the Company increased registered capital from the amount of the former registered capital of 902,879,943 Baht to be 1,264,029,396 Baht and 1,499,861,190 Baht respectively to be reserve for the exercise of TFD-W2, issue and offer ordinary shares to public offering and reserve for the exercise of TFD-W3.
- The Company invested increasing shares in TISCOM for another 300 Million Baht and on April 2014, TISCOM invested in a new subsidiary company named Barnsley Warehouse Limited, a company corporate in United Kingdom, holds 630,000 shares with a par value of GBP 1 each (a total approximately of 34.30 Million Baht), representing 100% of the registered capital of such company in order to operate the investment in land and warehouse for lease and sale.
- On 24 September 2014, the Company signed a Memorandum of Understanding (MOU) with SPCG Public Company Limited (SPCG) to jointly study and business plan of Solar PV Roof on warehouses and industrial buildings.
- On 30 September 2014, the Extraordinary General Meeting of Shareholders No. 2/2014 has not approve VSSL to purchase 6 plots of land as 138-3-51 rai located on a rural highway. (Tha Maprang - Nongkrum), Pak Chong, Nakhon Ratchasima at 755 Million Baht from JC.
- In November 2014, the Company allotted new ordinary shares to Private Placement in amount of 200 Million shares. As a result, current paid-up capital of the company increased to be 1,283.50 Million Baht.
- On 15 December 2014, the Company allotted 3rd right warrant to the existing shareholders (TFD-W3) in amount of 256.56 Million units as ratio of 5 existing shares per 1 unit of TFD-W3 in offering price of 0.00 Baht per unit.
- On 18 December 2014, Board of Directors of the Company has approved VSSL to purchase the land and buildings of TWIN TOWER at total value of 385 Million Baht.
- On 27 January 2015, TISCOM has established a new subsidiary company in United Kingdom called Bognor Regis Warehouse Limited with a registered capital of 1,620,000 pound sterling in order to operate the investment in land and warehouses for lease and sale.
- On 11 February 2015, CROWN has invested in the acquisition of land and buildings in the Twin Tower Project, Na Ranong Road, Khlong Toey Sub-district, Khlong Toey District, Bangkok in order to develop into a condominium building of 472 rooms for sale.

- On 27 February 2015, the company has issued debentures No. 1/2015 by the amount of 1,200,000,000 Baht with the due date of 27 February 2017 at the interest rate of 6.00 per cent per annum.
- On 14 March 2015, the company has issued debentures No. 2/2015 by the amount of 200,000,000 Baht with the due date of 10 April 2017 at the interest rate of 6.00 per cent per annum.
- On 27th April 2015, the General Meeting of Shareholders of the company has approved JC (the connected company) to extend the period of deposit payback of 320 million baht for the land until 29th December 2015.
- On 7 May 2015, VSSL Enterprises Co., Ltd. has changed its name to CROWN Development Co., Ltd. (CROWN)
- On 14 July 2015, the company has established TFD Real Estate Management Co., Ltd. (TFDRM) with the registered capital of 10,000,000 Baht. The company holds 100 per cent of shares of the paid-up capital in order to run a business of trust management for the investment in real estate and leaseholds.

Business Overview

As of 31 December 2015, the Company has subsidiaries and associated companies as follows;



Company	Proportion of Shares (%)	Main Character of Business
1. Total Industrial Services Company Limited (TISCOM) Paid-up capitals of 400.00 Million Baht	100.00	Standard factory and warehouse buildings for sale and rent
2. Crown Development Company Limited (CROWN) Paid-up capitals of 701.00 Million Baht	100.00	Property Development for sale
3. Barnsley Warehouse Limited (Barnsley) Paid-up capitals of 0.63 Million GBP	100.00	Invest in business of land and warehouse for lease and sale in United Kingdom
4. Bognor Regis Warehouse Limited (Bognor) Paid-up capitals of 1.62 Million GBP	100.00	Invest in business of land and warehouse for lease and sale in United Kingdom
5. TFD Real Estate Management Company Limited (TFDRM) Paid-up capitals of 10.00 Million		
6. SG Land Company Limited (SG) Paid-up capitals of 100.45 Million Baht	49.91	Office building for rent
7. MFC Industrial Investment Property and Leasehold Fund (M-II) Paid-up capitals of 1,720.00 Million Baht	13.08	Invest in real estate in part of industry warehouse for rent

At present, the business operation of the company consists of 6 business group are as follows;

- Industrial estate – operated by the Company
- Standard factory/warehouse – operated by TISCOM Barnsley and Bognor
- Residential project (condominium) – operated by the Company and CROWN
- Office building for rent – operated by SG (SG owns the right to lease the land and the SG Tower 1 office building as well as the right to sub-lease the land and the Millennia office building.)
- Property management service – operated by the Company
- Managing Real Estate Investment Trust (REIT) – by TFDRM

Note: In the past, the business of land with standard factory/warehouse was operated by the company and TISCOM. However, in 2013, the company planned to register TISCOM in the Stock Market of Thailand, so it restructured and ensured clear business operations by having TISCOM to focus and run all of the business of land with standard factory/warehouse from 2013 onwards.

Structure of incomes of the Company and subsidiaries in year 2013 – 2015 as follows;

	2013		2014		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
1 Land and factory building business at the TFD Industrial Estate and other industrial estates						
- Sales incomes	460.00	48.66	-	-	-	-
- Rent and service incomes	48.21	5.09	44.70	3.06	116.55	13.33
2 Office space for rent business						
- Rent and service incomes	199.93	21.14	188.90	12.89	179.17	20.49
3 Residential condominium business	40.36	4.27	1,151.35	78.58	480.50	54.95
4. Profit from sales of properties for investment purpose	134.33	14.21	-	-	-	-
5 Other incomes	62.60	6.62	80.18	5.47	98.22	11.23
Total incomes	945.42	100.00	1,465.13	100.00	874.44	100.00

Development of real estate of industrial estate for sale of land and construction of industrial factory

In 2007, the Company set up the TFD Industrial Estate at Bangpakong District, Chachoengsao Province, to develop land, set up basic infrastructure and build standard factory buildings. The Company signed a joint-operation contract with the Industrial Estate Authority of Thailand (IEAT) and provided for Thai and foreign investors lands for rent in two zones; namely, General Zone and Free Zone. Target groups of customers were businesses in the auto part industry, electronics and manufacturing industry not generating pollution.

As of December 31, 2015, the TFD Industrial Estate is operated in two phases as follows.

(1) Phase 1

Of the project's entire area totaling 302.86 rai, 230.47 rai of the Phase 1 Project are generating incomes. Of this, 74.59 rai are in Free Zone and 155.88 rai are in General Zone. Since 2011, the Company has recognized incomes from the project both from sales of vacant land and sales of land along with completed factory buildings between 1,500-3,000 square meters. As of December 31, 2015, the Phase 1 TFD Industrial Estate sold as many as 225.48 rai of its areas. There remained only 4.99 rai or 2.17 percent of the total income-generating lands left unsold.

(2) Phase 2

The Company plans to expand the TFD Phase 2 Industrial Estate project area which is adjacent to its Phase 1 by another 2,500 rai. The project is currently under development, having landscape architecture and infrastructure systems designed while an environment impact assessment (EIA) report is

under preparation to seek permission from the authorities as well as approval to use the land for an industrial purpose. As of December 31, 2015, the Company has already bought approximately 1,757.70 *rai* of vacant land for the Phase 2 project. During the 2016 - 2018 investment plan, it expects to buy 750 additional *rai* of land which will cost the Company around Baht 3 billion. The total project value is around Baht 7 billion and the Company expects to debut its in Q3, 2016.

Standard factory/warehouse building

TISCOM's business is to build standard ready-built factories and warehouses for sales in industrial estates and industrial zones at various locations to offer to investors where commuting conveniences, transport, communications, infrastructure, safety and appropriate surrounding environment are taken into consideration. Besides, factories are built both in the industrial zones and at free-trade zone as required by investors. TISCOM set up a subsidiary named Barnsley Warehouse Limited was established on April 22, 2003 and the second subsidiary company, Bognor Regis Warehouse Limited was established on January 27, 2015 for investment in land and warehouse for sale and rent in the UK.

(1) Completed factory building

The standard completed factory is typically offered as a one-floor building with mezzanine floor for use as office in varying sizes from 1,000 square meters to 3,000 square meters. The factory is built at a fenced-in site to also include a security guard's house and parking space. The factory floor can accommodate 3 metric tons per square meter. In addition, TISCOM also provides customized factory buildings according to customer demand. TISCOM has made available various alternatives for investors, for example acquisition of land with factory building, or lease of land with factory building, or having a right to buy at a later date, etc. Most of the lease contracts between TISCOM and customers are 3 years contracts where customers can renew the contracts with TISCOM and customers are required to pay a deposit of the 6 – month rent. As of 31 December 2015, TISCOM has 5 remaining completed factory buildings located in Laem Chabang Industrial Estate with the space of 7,650 square meters where the average area per factory building is 750 – 3,330 square meters. At present, 4 of the completed factories are leased, or equivalent to the area of 6,900 square meters, and TISCOM is constructing further 21 completed factories at Tambon Bang Sao Thong, Samutprakan which is expected to open for operations by 2016.

(2) Completed warehouse

TISCOM's standard warehouse building is a one-storey building with mezzanine floor for use as office offered in various sizes from 2,000 square meters to 10,000 square meters. The warehouse is built at a fenced-in site with a security guard's house, parking space and loading space. The warehouse's floor can accommodate up to 3 metric tons per square meter. In addition, TISCOM also provides customized warehouse buildings according to customer demand. TISCOM has made available various alternatives for investors, for example acquisition of land with factory building, or lease of land with factory building, or having a right to buy at a later date, etc. Most of the lease contracts between TISCOM and customers are 3 years contracts where customers can renew the contracts with TISCOM and customers are required to pay a deposit of the 4 – month rent. As of 31 December 2015, TISCOM has 8 remaining completed warehouse buildings located in TFD Industrial Estate with the space of 57,575 square meters which have been just completed and no lessee.

Residential project (condominium)

In 1996, the company started to develop residential real estate with 2 projects being completely sold out including LAKEGREEN APARTMENT Project and 59 HERITAGE Project, and currently there are 4 ongoing projects namely 15 SUKHUMVIT RESIDENCES Project, THE HARBOUR VIEW RESIDENCES Project, THE COLONIAL KAO TAO HUA HIN Project and MAHADLEK RESIDENCES Project with details of the condominium projects that are being developed and/or ongoing sale and/or waiting to transfer ownership to customers as follows:

(1) The 15 Sukhumvit Residence Project



Situated between Soi 13 and Soi 15 on Sukhumvit Road, the 2-3-73 *rai* project is a 25-floor reinforced concrete tower bought by CROWN in 2010. The total project value is Baht 3,900 million. The project's total useable area is 59,113 square meters of which 31,659.43 square meters are sellable areas. There are for sales of which 492 units. The total sellable space amounts to 28,339.95 square meters of which the commercial space amounts to 3,319.48 square meters or equivalent to 13 units. As of 31 December 2015, the project was completed and in the middle of transferring apartment ownership right to customers. The sales so far accounted for 48.88 per cent of the total value of the project.

(2) THE HARBOUR VIEW RESIDENCES



In February 11, 2015, Crown Development Co Ltd invested in a 1-3-31 *rai* of land with building located on Ranong Road, Kwaeng Klongtoey, Klongtoey District, Bangkok. The project will be developed as a 472-unit condominium with saleable area of 20,000 square meters. Currently under construction.

(3) The Colonial Kao Tao Hua Hin Project



A residential condominium, the project is located at Kao Tao, Tambon Paknam Pran, Pranburi District, Prachuab Kiri Khan Province, in the 9-0-42.3 *rai* of land. With a total value of around Baht 3.375 billion. The Company already completed the construction of the 3 -storey office building which was used as a sales office. The foundation of the two residential buildings and the parking lot building was being built. However, as of December 2015, TFD temporarily suspended the project which is currently subject to litigation.

(4) The Mahadlek Residence Project



A residential condominium project for sale with 1 building of 41 floors in 1-3-28 rai of land *, is located in Soi Mahadlek Luang 2, Ratchadamri Road. The project submitted the EIA report for approval to the Office which was granted on 10 June 2014. Currently, it is in the middle of submitting a request for the project construction permission to authorized agencies.

Note: * The company has invested in buying the right to sublease the land from Capital Planner Co., Ltd. with the total value of approximately 61.00 million baht which such land ownership is held by the Office of Privy Purse, in order to develop and build residential condominiums with the lease period of 30 years from the date of construction completion. (According to the contract, the building construction period of the project is 5 years from the date of being granted permission to construct buildings from Bangkok Metropolitan Administration, or from the date of building construction completion, whichever comes first.)

Office building for rent

In 2008, the Company jointly invested in the office for rent business via SG in which it holds 49.91 percent SG has two office buildings for rent located in Soi Mahadlek Luang 3, Rajdamri Road, and Langsuan Road for a total rentable area of 26,846.18 square meters. TFD meanwhile manages the two office buildings for rent. Details are as follows.



(1) SG Tower 1

The building is located on the 2-3-85 rai of land at No. 161/1 Soi Mahadlekluang 3, Rajdamri Road, Kwaeng Lumpini, Pathumwan District, Bangkok. SG Tower 1 is a 19-storey office tower plus two stories of underground parking space offering a total area of 30,752 square meters for rent. This could be broken down into 14,932.53 square meters of space for rent; 7,711.62 square meters of common areas and 8,107.85 square meters of parking space (for 220 cars). As of December 31, 2015, 80.03 percent of the tower's total rentable areas were rented.



(2) The Millennia (SG Tower 2)

The building which is located at 62 Langsuan Road, Kwaeng Lumpini, Pathumwan District, Bangkok is situated on the 1-3-22 rai of land and houses one 26-storey office building plus one underground parking space totaling 29,700 square meters. This consists of 11,913.65 square meters for rent, 7,916.35 square meters of common areas and 9,870 square meters of parking space (to accommodate 220 cars). As of December 31, 2015, 77.32 percent of The Millennia's total areas were rented.

Most of the rental terms of lease agreements between SG and its customers are three years with options for customers to renew the lease. SG requires customers to deposit three months' rent as a down payment.

Property management service

The Company and TISCOM started selling land and factory buildings to the TIF1 Property Fund for the first time in 2005 before selling additional assets to the TIF1 Property Fund and the M-II Property Fund again in 2007, 2012 and 2013. Aside from selling land, factory and warehouse buildings, the Company has been appointed as a property manager of the property funds as well as property manager of SG's office buildings for rent in return for management fees summarized as follows.

Trust management service for investment in real estate and leaseholds

On 14 July 2015, the company has established TFDRM to run the business of providing trust management service for investment in real estate and leaseholds. Currently, it is in the middle of preparing to submit a request for permission to the Office of Securities and Exchange Commission, Thailand to run the trust management business.

Registered capital and paid-up capital

As of 31 December 2015, the company had the registered capital of 1,914.91 million baht with the paid-up capital of 1,283.50 million baht, dividing into 1,283.50 million ordinary shares at the par value of 1.00 baht per share.

Name lists of shareholder

The name lists of the first 10 major shareholders of the company at closing date of shareholder accounts on 15 March 2016 are as follows:

Order	Name lists of shareholder	No of share	%
1	Mr. Apichai Techaubol Group	555,151,934	43.25
	1.1 Mr. Apichai Techaubol	306,283,275	23.86
	1.2 Mrs. Chalida Techaubol	166,325,172	12.96
	1.3 Mr. Kittawat Techaubol	43,995,000	3.43
	1.4 Mr. Chotiwit Techaubol	33,541,359	2.61
	1.5 Mr. Akarawin Techaubol	5,000,000	0.39
	1.6 JC Asset Company Limited	7,128	0.00
2	Viriyamettakul Group	20,460,000	1.59
	2.1 Mr. Pisuth Viriyamettakul	20,400,000	1.59
	2.2 Mrs. Niramol Viriyamettakul	60,000	0.00
3	Mrs. Pensri Rattananamkul	17,900,000	1.39
4	Mrs. Khanthong Udommahantisuk	15,187,200	1.18
5	Thai NVDR Company Limited	14,722,766	1.15
6	Santimataneedol Group	10,146,000	0.79
	6.1 Mrs. Supawan Santimataneedol	9,999,000	0.78
	6.2 Mr. Teerapat Santimataneedol	100,000	0.01

Order	Name lists of shareholder	No of share	%
	6.3 Miss Tunwan Santimataneedol	56,000	0.00
7	Mr. Papan Jarunanont	9,240,000	0.72
8	Thanawutwattana Group	8,168,480	0.64
	8.1 Mr. Thawat Thanawutwattana	7,150,000	0.56
	8.2 Miss Oranuch Thanawutwattana	600,000	0.05
	8.3 Miss Jintana Thanawutwattana	300,000	0.02
	8.4 Mr. Thanut Thanawutwattana	118,480	0.01
9	Thaifa Holding Company Limited	7,580,000	0.59
10	Mr. Anant Tanuthsurin	7,226,300	0.56
11	Others	617,718,725	48.13
	Total	1,283,501,405	100.00

Board of Directors of the Company

As of 31 December 2015, the name lists of Board of Directors of the Company are as follows;

Name - Surname	Position
1. Dr. Sunthorn Sathienthai	Chairman of the Board and Independent Director
2. Mr. Apichai Taechaubol	Director / Vice Chairman and Executive Chairman
3. Mr. Prasong Var-ratanakul	Independent Director/Chairman of Audit Committee Chairman of Corporate Governance, Nomination and Remuneration
4. Mr. Nan Kijalaksana	Independent Director/Audit Committee Director of Corporate Governance, Nomination and Remuneration
5. Mr. Sommart Sangkhasap	Independent Director/Audit Committee Director of Corporate Governance, Nomination and Remuneration
6. Mr. Gumpol Tiyarat	Director/Executive Director and Managing Director
7.. Mr. Anukul Ubonnuch	Director
8. Mr. Bunyong Visatemongkolchai	Director
9. Mr. Kritawat Taechaubol	Director / Executive Director

Connected Transactions between the Company and the Directors, Executives and Shareholders who hold shares (both directly and indirectly) for 10% and over

The Company and subsidiaries conducted transactions with related person. The transactions were those executed with directors, executives and/or shareholders of the Company and subsidiaries as well as those with related person of directors, executives and/or shareholders. Details of the transaction occurred in 2014 and 2015 are as follows:

Related persons and nature of relationship

Related Person	Nature of relationship
JC Kevin Development Co Ltd, (JC Kevin), (formerly named VCAL Business Group Co Ltd), a developer of condominiums for sale, office buildings for rent and hotels	Mr. Apichai Taechaubol Group holds 100% of JC Kevin's shares. Mr. Apichai Taechaubol Mr. Chotiwit Taechaubol and Mr. Akarawin Taechaubol (Mr. Apichai's son) are JC Kevin's directors.
JC Kevin Food & Beverage Co Ltd operates a hotel, restaurant, bar and nightclub business (JC Food).	JC Kevin holds 100% shares of JC Food. Mr. Apichai Techaubol, Mr. Chotiwit Techaubol and Mr. Akarawin Techaubol (Mr. Apichai's son) are JC Food's directors.
Mr. Apichai Taechaubol	CEO and major shareholder
Mr.s Chalida Taechaubol	Mr. Apichai Taechaubol's wife
Mr. Adisorn Taechaubol	Mr. Apichai Taechaubol's younger brother

Connected transactions between the Company and subsidiaries vs. connected person with possible conflict of interest

Transactions relating to the general operation

Connected person with possible conflict of interest	Company	Nature of Transaction	Value (Million Baht)		Necessity and rationality
			2014	2015	
JC Food	TFD	<u>Entertainment fees</u> : TFD used JC Kevin's hotels and restaurants to entertain guests and meeting rooms to hold the Board of Directors' meeting and the Shareholders' meeting. <u>Account payable</u>	0.86 0.75	2.80 0.27	JC Kevin offered a 10% discount from normal rates given to general customers. <u>The Audit Committee's opinion:</u> The transaction was found reasonable and it was convenient to TFD as both the resautrants and meeting rooms were close to TFD's office while TFD also enjoyed a special discount.
JC Kevin	TFD	<u>Office rent</u> : TFD signed an agreement to rent a total of 2,497 square meters of office space on the 2 nd , 4 th to 6 th Floor of JC Kevin's building for use as TFD's headquarters. The rent and the service fees totaled Baht 1,123,650 a month (Baht 450 per square meter). The	10.47	22.90	With business expansion, TFD and subsidiaries needed more space. As the existing office space was not large enough to accommodate an increasing staff number together with the fact that the lease agreement was expiring on June 30, 2013, TFD decided to rent office space from JC Kevin as the building was

Connected person with possible conflict of interest	Company	Nature of Transaction	Value (Million Baht)		Necessity and rationality
			2014	2015	
		three-year rent will end on December 31, 2016. <u>Advance down payment</u> <u>Account payable</u>	6.98 -	6.98 0.15	new with enough required space and the rent was competitive with other office buildings in the proximity. <u>The Audit Committee's opinion:</u>
JC Kevin	TISCOM	<u>Office rent:</u> TISCOM signed an agreement to rent a total of 196 square meters of office space on the 3 rd floor of JC Kevin's building for use as its headquarters, of which the rent and the service fees totaled Baht 88,200 a month (Baht 450 per square meter). The three-year rent will end on December 31, 2016. <u>Advance down payment</u>	0.83 0.53	0.83 0.53	The Audit Committee's Meeting No. 2/2556 held on March 14, 2013 viewed that the connected transaction was reasonable since not only because JC Kevin's office building was new and offered enough office space, but TFD was also given a lower rent from what it was paying at the moment. Meanwhile, the rent was competitive to what other office buildings in the same area offered.
JC Kevin	CROWN	<u>Other receivables:</u> On December 25, 2013, Crown signed an agreement to sell and buy 138 <i>rai</i> of land totaling Baht 800 million with JC Kevin under the following terms of payment: 1. 1 st installment of Baht 300 million to be paid on the agreement date. 2. 2 nd installment of Baht 20 million and Baht 180 million to be paid on January 30, 2014 and March 31, 2014, respectively. 3. The remaining Baht 300 million to be paid within June 30, 2014, which was the ownership transfer date. As of January 30, 2014, Crown paid a total of Baht 320 million to JC Kevin. On December 30, 2015, JC Kevin made a partial payment of Baht 140 million to Crown. <u>Accrued interest</u>	320.00 0.15	180.00 0.07	1) Purchase of the Khao Yai Land CROWN signed an agreement to sell and buy 138 <i>rai</i> of land totaling Baht 800 million with JC Kevin to develop a real estate project for sale. The TFD Board of Directors felt that the transaction was normal with general business conditions. It would also benefit TFD since the project would allow Crown to continue developing a residential project after its 15 Sukhumvit Residences Project had been completed. Prior to the purchase, TFD had hired a land appraisal firm to acquire required information for making such a decision. Subsequently, Asia Plus Co Ltd, TFD's financial advisor who oversaw the filing of documents for the offering of TFD's securities to the Securities and Exchange Commission (SEC), viewed that the transaction, was normal, without business condition in general of which the value exceeded 3% of the net tangible assets which, according to relevant notifications, required TFD to seek approval from its Board of Directors, disclose the information to the Stock Exchange of Thailand (SET) and seek approval from the Shareholders' Meeting. TFD meanwhile felt that the transaction, if realized, would need an opinion from an independent financial advisor in order to seek approval from the Shareholders' Meeting which could have delayed the land purchase and affected its capital-mobilizing plan. It's Board of Directors' Meeting No. 3/2557 on March 3, 2014, as a result, resolved to allow Crown to terminate the land purchase and ask JC

Connected person with possible conflict of interest	Company	Nature of Transaction	Value (Million Baht)		Necessity and rationality
			2014	2015	
					<p>Kevin to return the down payment to Crown. Yet, the SEC suggested TFD to seek an opinion from the Shareholders' Meeting for the purpose of transparency and compliance with corporate governance, notifications of the SEC and the SET. TFD submitted the transaction to its Board of Directors No. 14/2557 held on July 30, 2014 to review its approval decision. This time, TFD re-adjusted its project development plan to reflect the ongoing economic and political uncertainty. Two independent land appraisers were hired to assess the land price, which resulted in two appraisal prices of Baht 808.20 million and Baht 777.71 million, respectively. The management then persuaded JC Kevin to reduce its sales price to suit the newly-appraised prices and together with the fact that Crown had an opportunity cost for not being able to seek other benefits from the down payment placed with JC Kevin. The following two scenarios were foreseen based on conditions of the new agreement:</p> <p><i>1. If shareholders resolved to approve the land purchase</i></p> <p>In this scenario, JC Kevin would reduce the land price to Baht 755 million. When deducted with Baht 320 million worth of down payment already paid, the remaining amount to be paid within 90 days from the approval date of the Shareholders' Meeting would be Baht 435 million.</p> <p><i>2. Shareholders resolved not to approve the land purchase</i></p> <p>In this scenario, JC Kevin agreed to return Baht 320 down payment and a 5.5% interest per annum to Crown from the day JC Kevin received the down payment from Crown to the day Crown would be duly repaid the down payment within 90 days from the day the Shareholders' Meeting resolved not to approve the land purchase. TFD Board of Directors meanwhile approved Crown to buy the land from JC Kevin and to seek approval from TFD Shareholders' Meeting.</p>

Connected person with possible conflict of interest	Company	Nature of Transaction	Value (Million Baht)		Necessity and rationality
			2014	2015	
					<p>2) Terminating the land purchase agreement</p> <p>On September 30, 2014, the Extraordinary Shareholders' Meeting No. 2/2557 resolved to not approve Crown to buy the land. This means JC Kevin had to return Baht 320 million down payment plus an interest of 5.5% per annum to Crown within 90 days from the date of such resolution (due on December 29, 2014).</p> <p>3) 1st repayment extension of the down payment</p> <p>On December 29, 2014, JC Kevin paid an accrued interest totaling Baht 17.68 million to Crown. It also negotiated to extend the repayment period of this down payment of which details of terms and conditions were as follows.</p> <ol style="list-style-type: none"> 1. The repayment period of Baht 320 million down payment would be extended for another year from its due payment date on December 29, 2014. 2. A 7.0% interest per annum rate would be paid on a monthly basis from December 29, 2014 to the day JC Kevin completely repays both the principal and the interest to Crown. 3. 30 units of condominiums in Building C of the "Sathorn Heritage Residences" project located on Narathiwat Rajanagarinda Road, Kwaeng Yannawa, Sathorn District, Bangkok, for a total saleable area of 3,288.49 square meters would be mortgaged as a payment guarantee. JC Kevin would solely responsible for mortgage fees and other expenses. Besides, Mr. Apichai Taechaubol, who guaranteed the payment, agreed to remain a guarantor. The transaction was a connected one under the category of financial assistance of which the size exceeded 3% of the net tangible asset, which, based on related notifications, required TFD to seek approval from its Board of Directors' Meeting, disclose information to the SET and also seek approval from the Shareholders' Meeting. TFD Board of Directors' Meeting No. 2/2558 held on February 23, 2015 resolved to approve Crown to extend the repayment period of the down payment and to seek an

Connected person with possible conflict of interest	Company	Nature of Transaction	Value (Million Baht)		Necessity and rationality
			2014	2015	
					<p>approval from the Shareholders' Meeting to be convened on April 27, 2015.</p> <p>4) 2nd repayment extension of the down payment</p> <p>Subsequently, on December 29, 2015 and February 15, 2016, JC Kevin issued a letter asking to delay its payment of Baht 320 million principle together with the interest thereon to Crown from the original deadline of December 29, 2015 to December 29, 2016. JC Kevin also asked that Bath 2.8 million penalty from late payment be exempted where JC Kevin would compensate this delay by paying an interest rate during this extended period which would be raised to 7.25% per annum while other conditions shall remain the same as in the original contract. On December 30, 2015, JC Kevin made a partial payment of Baht 140 million to Crown, leaving Baht 180 million remained unpaid.</p> <p>The transaction was a connected one under the category of financial assistance of which the size exceeded 3% of the net tangible asset, which, according to related notifications, required TFD to seek approval from its Board of Directors' Meeting, disclose information to the SET and also seek approval from the Shareholders' Meeting. TFD Board of Directors' Meeting No. 2/2559 held on February 29, 2016 resolved to approve Crown to extend the repayment period of the down payment and to seek an approval from the Shareholders' Meeting to be convened on April 29, 2016.</p> <p><u>The Audit Committee's opinion:</u></p> <p>1) The purchase of the Khao Yai land</p> <p>The Audit Committee's Meeting No. 10/2557 held on July 30, 2014 viewed that purchasing the land from JC Kevin would be another way to generate new incomes and profits to both Crown and TFD. The new land price was also lower than what had been appraised by independent appraisors. In addition, contractual conditons were corresponding with the land purchase criteria in general. The Audit Committee felt appropriate to propose the matter to TFD Board of Directors' Meeting for consideration and for seeking approval from its Shareholders' Meeting.</p>

Connected person with possible conflict of interest	Company	Nature of Transaction	Value (Million Baht)		Necessity and rationality
			2014	2015	
					<p>2) Termination of the land purchase agreement On September 30, 2014, the Extraordinary Shareholders' Meeting No. 2/2557 resolved not to approve Crown to buy the land.</p> <p>3) 1st repayment extension of the down payment The Audit Committee's Meeting No. 2/2558 held on February 20, 2015 viewed that JC Kevin offered 7.0% interest rate per annum to Crown in exchange for the repayment extension, which was higher than TFD's average financial cost. Besides, JC Kevin had already paid the accrued interest in 2014 to Crown. It had also agreed to mortgage its asset to guarantee such payment, of which the value appraised by an independent appraiser was higher than the outstanding debt. Moreover, Mr. Apichai Taechaubol personally guaranteed the repayment. The Audit Committee felt appropriate to seek an approval from the Board of Directors' Meeting and to submit the matter to seek approval from TFD Shareholders' Meeting.</p> <p>4) 2nd repayment extension of the down payment Having reviewed JC Kevin's necessity and intention to repay Crown and JC Kevin's history of interest payment, the Audit Committee's Meeting No. 2/2559 held on February 26, 2016 viewed that JC Kevin's request to relax a payment condition and to be exempted from a penalty was acceptable and fair to the firm based on the following reasons:</p> <ol style="list-style-type: none"> 1. JC KEVIN had paid a higher interest rate by raising it to 7.25% per annum to compensate for an extended period it had asked to repay the amount. In the past, JC Kevin constantly repaid the interest to Crown on time on the due date each month. Besides, Crown could recognize the interest paid by JC Kevin as its revenue. 2. The interest received from JC Kevin was higher than the Company's average financial cost, which was around 6% per annum. 3. The value of condominium units currently mortgaged was higher than the outstanding debt. Mr. Apichai Taechaubol continued to be the co-

Connected person with possible conflict of interest	Company	Nature of Transaction	Value (Million Baht)		Necessity and rationality
			2014	2015	
					<p>guarantor. JC Kevin also delivered a post-dated cheque as an additional guarantee of debt payment to Crown.</p> <p>4. A request for an exemption of Baht 2.8 million penalty incurred from Baht 140 million principal that JC Kevin eventually paid to Crown on December 30, 2015 was acceptable as it was late for only one day, not considering that the late payment was due to force majeure beyond JC Kevin's control.</p> <p>5. Relaxing the term of payment for JC Kevin would benefit both Crown and JC Kevin than pursuing a legal action as the latter would cost a lot of time and expenses. The alternative would also minimize impact to reputation of the Company, its directors and major shareholders.</p> <p>Besides, this financial assistance would not affect TFD's liquidity and financial position. Based on the consolidated financial statements as of December 31, 2015, TFD registered cash and cash equivalents of Baht 304.16 million, which was enough as its working capital. The Audit Committee felt appropriate to seek approval from the Board of Directors' Meeting and to submit the matter to seek approval from TFD Shareholders' Meeting.</p>
Mr. Adisorn Taechaubol	TFD	<u>Down payment:</u> On April 5, 2012, Mr. Adisorn Taechaubol signed an agreement to buy and sell a condominium unit at The Colonial Khao Tao Hua Hin totaling Baht 5.19 million where Baht 0.78 million had been paid as a down payment. TFD returned the sum to Mr. Adisorn on March 27, 2015.	0.78	-	<p>The sales price of the unit represented a normal transaction with the same price and other conditions being offered to other customers.</p> <p><u>The Audit Committee's opinion:</u> The Audit Committee viewed that the two transactions were normal business transactions.</p>

Loans between the Company and subsidiaries vs. connected person with possible conflict of interest

- None -

Guarantee of financial institution loans

Connecte d person with possible conflict of interest	Borrowe r	Guarant ee	Total amount (Million Baht) as of Dec 31 2015	Outstanding (million Baht)		Nature of Transactio n	Necessity and Rationale
				as of Dec 31, 2014	As of Dec 31, 2015		
Mr. Apichai Taechaubol	TFD	✓	990.00	150.00	95.00	Personal guarantee	<p>This guarantee was corresponding to borrowing conditions of a financial institution of which the project loan was used as a working capital and for buying lands and building projects operated by TFD and its subsidiaries. The transaction would benefit their businesses.</p> <p><u>The Audit Committee's opinion:</u></p> <p>The guarantee was necessary and reasonable. The transaction would benefit performances of both TFD and its subsidiaries.</p>
	TFD	✓	800.00	513.35	312.06		

Summary of the financial position and result of operations

Profit and Loss Statement

Profit and loss statement	Financial Statement Audited by 31 December					
	2013		2014		2015	
	million baht	%	million baht	%	million baht	%
Revenue						
Revenue from selling of land and factory buildings	460.00	48.66%	-	0.00%	-	0.00%
Revenue from selling condominiums	40.36	4.27%	1,151.35	78.58%	480.50	54.95%
Revenue from leases and service fees	248.13	26.25%	233.60	15.94%	296.72	33.82%
Profits from selling real estate for investment purpose	134.33	14.21%	-	0.00%	-	0.00%
Dividend received	7.82	0.83%	16.06	1.10%	21.23	2.43%
Interest received			30.97	2.11%	27.28	3.12%
Profits from exchange rates					26.33	3.01%
Other revenue	54.78	5.79%	33.15	2.26%	23.39	2.67%
Total revenue	945.42	100.00%	1,465.13	100.00%	874.45	100.00%
Expenses						
Cost of selling land and factory buildings	244.23	25.83%	-	0.00%	-	0.00%
Cost of selling condominiums	32.20	3.41%	878.14	59.94%	376.49	43.05%
Cost of leasing and services	148.91	15.75%	152.14	10.38%	169.15	19.34%
Selling expenses	52.76	5.58%	65.26	4.45%	34.72	3.97%
Administrative expenses	158.15	16.73%	233.58	15.94%	223.97	25.61%
Losses from the measurement of the value of investment in trading securities	-	0.00%	18.67	1.27%	40.46	4.63%
Losses from exchange rates	-	0.00%	26.24	1.79%	-	0.00%
Total expenses	636.25	67.30%	1,374.03	93.78%	844.79	96.61%
Earnings (Loss) before financial expenses and income tax	309.17	32.70%	91.10	6.22%	29.66	3.39%
Financial expenses	113.14	11.97%	305.06	20.82%	346.07	39.58%
Earnings (Loss) before income tax	196.03	20.73%	(213.96)	-14.60%	(316.41)	(36.18%)
Income tax	42.17	4.46%	(56.15)	-3.83%	(41.86)	(4.79%)
Earnings (Loss) for the period	153.86	16.27%	(157.81)	-10.77%	(274.55)	(31.40%)
Shareholder's equity of the company	151.32	16.01%	(169.15)	-11.55%	(278.13)	(31.81%)
Major shareholder's equity of the company	(1.77)	(0.19%)	-	0.00%	-	0.00%
Equity of Stakeholders without control power of the subsidiary	4.31	0.46%	11.33	0.77%	3.57	0.41%
Earnings (Loss) per share - Shareholder's equity of the company						
Earnings (Loss) per basic share	0.1275		(0.1529)		(0.2515)	
Earnings (Loss) per discounted share	0.1206		(0.1470)		(0.2515)	

Statement of Financial Position

Statement of Financial Position	Financial Statement Audited by 31 December					
	2013		2014		2015	
	million baht	%	million baht	%	million baht	%
Assets						
Cash and cash equivalents	1,268.66	16.51%	157.88	2.14%	304.16	3.15%
Short-term loans - Fixed income funds	-	0.00%	27.37	0.37%	28.56	0.30%
Investment in trading securities	-	0.00%	84.05	1.14%	51.37	0.53%
Trade and other account receivables	20.44	0.27%	30.51	0.41%	21.62	0.22%
Short-term loans and accrued interest - connected businesses	-	0.00%	320.15	4.34%	180.07	1.86%
Cost of real estate project development	4,824.25	62.79%	5,202.86	70.47%	6,461.08	66.90%
Deposit payable - buying land from connected businesses	300.00	3.90%	-	0.00%	-	0.00%
Deposit payable - buying land	54.64	0.71%	46.50	0.63%	197.07	2.04%
Deposit payable for acquisition of ordinary shares in subsidiary	-	0.00%	-	0.00%	-	0.00%
Construction guarantee	79.00	1.03%	9.97	0.14%	29.30	0.30%
Refundable corporate income tax	-	0	25.45	0.34%	37.85	0.39%
Other current assets	58.83	0.77%	15.29	0.21%	19.25	0.20%
Total current assets	6,605.83	85.98%	5,920.04	80.19%	7,330.33	75.90%
Deposits at financial institutions with guarantee obligations	13.21	0.17%	64.04	0.87%	83.86	0.87%
Investment in available for sale securities	243.00	3.16%	225.00	3.05%	208.12	2.15%
Lease rights	440.98	5.74%	401.11	5.43%	364.12	3.77%
Real estate for investment	232.19	3.02%	535.95	7.26%	1,392.71	14.42%
Equipment	60.70	0.79%	90.68	1.23%	82.33	0.85%
Deferred income tax	60.63	0.79%	131.52	1.78%	182.38	1.89%
Other non-current assets	26.46	0.34%	14.50	0.20%	14.12	0.15%
Total non-current assets	1,077.18	14.02%	1,462.80	19.81%	2,327.64	24.10%
Total assets	7,683.01	100.00%	7,382.84	100.00%	9,657.97	100.00%
Liabilities						
Short-term loans from financial institutions	2,560.20	33.32%	1,532.09	20.75%	2,191.50	22.69%
Short-term loans from other persons	-	0.00%	-	0.00%	-	0.00%
Trade and other account payables	585.50	7.62%	331.77	4.49%	256.62	2.66%
Debentures due within one year	1,344.55	17.50%	-	0.00%	1,691.07	17.51%
Liabilities under financial lease due within one year	3.45	0.04%	6.96	0.09%	5.55	0.06%
Long-term loans from financial institutions due within one year	894.22	11.64%	516.56	7.00%	983.92	10.19%
Debt restructuring contract account payables due within one year	47.18	0.61%	-	0.00%	-	0.00%
Long-term loans from connected businesses due within one year	13.33	0.17%	-	0.00%	88.14	0.91%
Accrued income tax	50.35	0.66%	1.58	0.02%	6.72	0.07%
Other current liabilities	7.50	0.10%	13.11	0.18%	13.19	0.14%
Total current liabilities	5,506.28	71.67%	2,402.07	32.54%	5,236.71	54.22%

Statement of Financial Position	Financial Statement Audited by 31 December					
	2013		2014		2015	
	million baht	%	million baht	%	million baht	%
Debentures - net from the part due within one year	-	0.00%	1,687.45	22.86%	1,392.05	14.41%
Liabilities under financial lease - net from the part due within one year	3.74	0.05%	11.51	0.16%	7.39	0.08%
Long-term loans from financial institutions - net from the part due within one year	155.00	2.02%	733.33	9.93%	893.59	9.25%
Debt restructuring contract account payables - net from the part due within one year	19.53	0.25%	-	0.00%	-	0.00%
Long-term loans from connected businesses and accrued interest - net from the part due within one year	300.04	3.91%	312.72	4.24%	154.24	1.60%
Lease deposit received	53.06	0.69%	48.53	0.66%	47.20	0.49%
Deferred income tax liabilities	3.91	0.05%	2.23	0.03%	3.27	0.03%
Long-term benefit reserves for employees	8.94	0.12%	11.91	0.16%	17.02	0.18%
Long-term liability estimates	2.37	0.03%	2.37	0.03%	2.37	0.02%
Other non-current liabilities	2.03	0.03%	1.69	0.02%	2.00	0.02%
Total non-current liabilities	548.62	7.14%	2,811.74	38.08%	2,519.13	26.08%
Total liabilities	6,054.90	78.81%	5,213.81	70.62%	7,755.84	80.31%
Shareholder's Equity						
Registered capital	1,264.03	16.45%	1,914.91	25.94%	1,914.91	19.83%
Issued and fully paid-up capital	1,083.50	14.10%	1,283.50	17.38%	1,283.50	13.29%
Premium on share	147.78	1.92%	955.10	12.94%	955.10	9.89%
Deferred share payment	-	0.00%	-	0.00%	-	0.00%
Accumulated earnings - legal reserve	50.66	0.66%	50.66	0.69%	50.66	0.52%
Accumulated earnings - unallocated	421.12	5.48%	(40.85)	-0.55%	(318.98)	(3.30%)
Other components of shareholder's equity	(172.34)	-2.24%	(188.16)	(2.55%)	(180.50)	(1.87%)
Shareholder's equity of the company	1,530.72	19.92%	2,060.25	27.91%	1,789.78	18.53%
Equity of stakeholders without control power of the subsidiary	97.38	1.27%	108.78	1.47%	112.35	1.16%
Total shareholder's equity	1,628.10	21.19%	2,169.03	29.38%	1,902.13	19.69%

Cash Flow Statement

(Unit : million baht)	2013	2014	2015
Net cash used in operational activities	(1,562.23)	(792.78)	(1,785.59)
Net cash from (used in) investment activities	(56.38)	(483.15)	(712.04)
Net cash from financing activities	2,483.38	167.32	2,652.84
Net increase (decrease) in cash and cash equivalents	864.77	(1,110.79)	146.28
Cash and cash equivalents at the beginning of the period	403.90	1,268.66	157.88
Cash and cash equivalents at the end of the period	1,268.66	157.88	304.16

Key financial ratios

Financial Ratio		2013	2014	2015
<u>Liquidity Ratio</u>				
Liquidity ratio	(times)	1.20	2.46	1.40
Quick ratio	(times)	0.23	0.12	0.08
Account receivable turnover	(times)	37.75	54.36	29.78
Average collection period	(days)	9.54	6.62	12.09
Inventory turnover	(times)	0.10	0.21	0.09
Average holding period	(days)	3,600.00	1,714.29	4,000.00
Account payable turnover	(times)	0.55	2.25	1.85
Debt payment period	(days)	654.55	160.00	194.59
Cash cycle	(days)	2,954.99	1,560.91	3,817.50
<u>Profitability Ratio</u>				
Gross profit margin	(%)	43.17%	25.61%	29.71%
Operating profit margin	(%)	15.00%	0.79%	-8.83%
Other profit margin	(%)	20.83%	5.47%	11.23%
Net profit margin	(%)	16.01%	(11.55%)	(31.81%)
Return on equity	(%)	8.55%	(9.42%)	(14.45%)
<u>Efficiency Ratio</u>				
Return on assets	(%)	2.58	(2.09%)	(3.22%)
Return on fixed assets	(%)	27.87%	(6.21%)	(19.15%)
Asset turnover	(times)	0.14	0.19	0.10
<u>Leverage Ratio</u>				
Debt to equity ratio	(times)	3.72	2.40	4.08
Dividend payout ratio	(%)	78.93%	0.00%	0.00%

Management Explanation and Analysis of Financial Status & Results of Operation

Results of Operation

Revenue.

Total revenues	2013		2014		2015	
	Million baht	%	Million baht	%	Million baht	%
Sales revenues of land and factory buildings	460.00	48.66	-	0.00	-	0.00
Sales revenues of condominiums	40.36	4.27	1,151.35	78.58	480.50	54.95
Revenues from rent and service	248.13	26.25	233.60	15.94	295.72	33.82
Profits from sales of property for investment purpose	134.33	14.21	0	0.00	0	0.00
Dividends	7.82	0.83	16.06	1.10	21.22	2.43
Other revenues	54.78	5.79	64.12	4.38	77.00	8.81
Total revenues	945.42	100.00	1,465.13	100.00	874.44	100.00

For consideration of a structure of revenues of the Company in 2013 - 2015, it is founded that the Company mainly earned the revenues from 4 kinds of business as 1) Revenues from sale of land and building 2) Revenue from sale of condominium units 3) Revenue from rental and services and 4) Gain from sell of investment properties. TFD's total incomes were Baht 945.42 million, Baht 1,465.13 million and Baht 874.44 million, respectively. In 2014, this represented 54.97% increase from the previous year as TFD started to earn incomes from sales of the 15 Sukhumvit Residences project, which completed its

construction in late 2013 and gradually transferred ownership to customers who bought units in 2012 and 2013. Incomes in 2015 however fell 40.32% from a year earlier as sales incomes from the project declined due to the weakening economic condition. Details of the change of revenues of the Company are as follow;

- In 2013, TFD generated Baht 460 million incomes from sales of land and factories compared to no income during 2014-2015 since the TFD Industrial Estate Phase 2 Project was at the time asking for permission from the authorities as the Ministerial Regulation Re: Town and city planning remained pending to turn the project's land into industrial zone (Violet Zone). At present, the land has already been approved for industrial development (Violet Zone) since December 2015. TFD expects to develop this project and starts recognize incomes from land and factory sales in Q3 of 2016.
- Revenues from sale of condominium units totaled Baht 40.36 million, Baht 1,151.35 million and Baht 480.50 million in 2013, 2014 and 2015, respectively. All revenues came from sales of the 15 Sukhumvit Residences project of which the construction had been completed since late 2013. With its ownership gradually transferred since 2013 to customers who reserved the units in 2012 and 2013, this contributed to a drastic increase of sales incomes of condominium units from the previous year. The 2015 sales however fell 58.27% following the decline of ownership transfer of the project's condominium units after most had been transferred in 2014 as well as impacts from the sluggish economy.

In late 2015, TFD purchased land and building of the Harbor View Residences project located at Na Ranong Road, Bangkok, for development of condominium units for sale. At present, the project is under construction.

Regarding progress of the Mahadlek Residences project, currently being approved for its Environmental Impact Assessment (EIA) by the Office of Natural Resources and Environmental Planning and Policy, the project is seeking a construction permit. Meanwhile, the Colonial Khao Tao Huahin Project has its construction temporarily suspended as it is currently under litigation.

- Revenues from rental and services totaled Baht 248.13 million, Baht 233.60 million and Baht 295.72 million, in 2013, 2014 and 2015, respectively. This represented a 5.86% decline in 2014 since in late 2013, TISCOM had sold factories and warehouses for rent to the M-II Property Fund. Although in April 2014, TISCOM set up Barnsley, a subsidiary in the UK, to invest in lands and warehouses for sales to start earning warehouse rental incomes there, this still could not compensate incomes generated from assets already sold to the M-II Fund. In 2015, TISCOM expanded its warehouse for rent business in the UK by setting up Bognor in January to invest in land and the second warehouse for sale, resulting in a 26.59% increase in revenues from rental and services.
- In 2013, TFD's gain from sales of properties for investment totaled Baht 134.33 million after TISCOM had sold the rights to lease lands and factories to the M-II Property Fund. TFD sold no property for investment in 2014 and 2015.

Costs of sale and services

Cost of sale	2012		2013		2014	
	million baht	% of sales*	million baht	% of sales*	million baht	% of sales*
Cost of selling land and factory buildings	244.23	53.09%	0	0.00%	0	0.00%
Cost of selling condominiums	32.20	79.78%	878.14	76.27%	376.49	78.35%
Cost of lease and services	148.91	60.01%	152.14	65.13%	169.16	57.20%
Total cost of sale	425.34	56.83%	1,030.28	74.39%	545.65	70.30%

Note : * The ratio of cost of sale in each category

During 2013 – 2015, the company had the cost of sale and services totaling of 425.34 million baht, 1,030.28 million baht and 545.65 million baht, respectively. In 2014, the company saw an increase in the cost of sale amounting to 604.94 million baht as a result of an increase in the cost of selling condominiums of 845.94 million baht and in the cost of lease and services of 3.23 million baht. For the year 2015, the company had a decrease in the cost of sale to 545.65 million baht, a decrease of 484.63 million baht from the previous year which were varied with the sale of condominiums that slowed down following the economic situation.

When considering the ratio of the cost of sale to each category of revenue, it is found that the ratio of the cost of sale to revenue increases from 56.83 per cent in 2013 to 74.39 per cent in 2014. This is a result from the year 2014 when the company had no revenue from sales of land and factory buildings which caused the overall cost was higher than that of 2013. Moreover, the cost of land rent increased due to the modifications of the office building during 2014. In 2015, the ratio of the cost of sale to revenue decreased to 70.30 per cent with the main reason being a decrease in the office building's modification expenses in 2015.

Selling and administrative expenses

Selling and administrative expenses	2013		2014		2015	
	million baht	% of total revenue	million baht	% of total revenue	million baht	% of total revenue
Selling expenses	52.76	5.58%	65.26	4.45%	34.72	3.97%
Administrative expenses	158.15	16.73%	233.58	15.94%	223.97	25.61%
Total	210.91	22.31%	298.84	20.39%	258.69	29.58%

During 2013 – 2015, the company had selling and administrative expenses of 210.91 million baht, 298.84 million baht and 258.69 million baht, respectively. The main reasons that contributed to an increase in the selling and administrative expenses in 2014 from that of 2013 by 87.93 million baht included expenses on the selling of condominiums at 15 SUKHUMVIT RESIDENCES Project, as well as the increased administrative expenses due to the upward adjustment of the office rent, financial consultancy fee, vacant factory rent compensation and expenses on behalf of the condominium juristic person. In 2015, the company had a decrease in the selling and administrative expenses by 40.15 million baht, mainly due to a slowdown in ownership transfer resulting in a fall in the selling expenses by 30.54 million baht.

Financial expenses

Financial costs include, among a few, interest expenses and fees. TFD's financial costs in 2013, 2014 and 2015 totaled Baht 113.14 million, Baht 305.06 million and Baht 346.07 million, respectively. This represented an increase of 169.63% in 2014 after TFD issued a debenture totaling Baht 1,693.50 million. Besides, Crown also booked a loan interest as its expense as construction of its condominium project had already been completed and therefore the interest could no longer be booked as part of its property development costs. In 2015, the financial costs increased 13.45% after TFD issued a debenture totaling Baht 1.4 billion and borrowed an additional Baht 627.62 million loan from financial institutions.

Net earnings

During 2013 – 2015, the company had net earnings (loss) amounting to 153.86 million baht (157.81) million baht and (274.55) million baht, respectively. The main reasons for the losses experienced during 2014 – 2015 were decreases in the sales of land and factories, financial expenses and increased selling and administrative expenses. However, after the empty land of TFD Industrial Estate Phase 2 has been approved to be an industrial land (Purple Zone), it is expected that the company will have higher revenue from selling land and factory buildings in 2016 and that will result in an improvement in the earnings from operations of the company.

Profitability ratio

When considering the profitability ratio during 2013 – 2015 equaling to 16.01 per cent, -11.55 per cent, and -31.81 per cent, respectively, it reflects that the rate of net earnings of the company fluctuates and varies with revenue from selling of land and factory buildings and from selling of condominiums, which have higher rates of gross earnings but the sale volumes are uncertain. Moreover, the selling and administrative expenses and financial expenses have been rising since 2013. Such expenses are used for the purpose of expanding the business of the company and its subsidiary to compensate for the loss of revenue from selling of land in the industrial estate, of which Phase 1 has been almost sold up, and revenue from warehouses and factories that have been almost sold to real estate funds during 2012 – 2013 while currently some projects are in the process of requesting permission or incomplete construction, resulting in revenue not being generated from such projects. Nonetheless, the company is confident that when the projects that the company has invested have completely developed, the rate of net earnings of the company will improve in the future.

Financial Position

Assets

TFD's main assets include development costs of property projects, lease rights and property for investment. Total assets were Baht 7,683.01 million, Baht 7,382.84 million and Baht 9,657.97 million in 2013, 2014 and 2015, respectively. This was down Baht 300.17 million in 2014 or 3.91% as cash and cash equivalents spent in the operation and investments fell from Baht 1,268.66 million in 2013 to Baht 157.88 million a year later. In 2015, project development costs include the reduction of the transfer of ownership of residential apartments project 15 Sukhumvit Residences process for clients, total assets rose 30.81% to Baht 2,275.13 million after TFD managed to secure additional loans to expand investments. Development costs of property projects and property for investment increased from 2014 by Baht 1,258.22 million and Baht 856.76 million, respectively.

Liabilities

Major liabilities are short-term loans from financial institutions, debentures and long-term loans from financial institutions. Total liabilities in 2013, 2014 and 2015 were Baht 6,054.90 million, Baht 5,213.82 million and Baht 7,755.85 million, respectively. This fell Baht 841.09 million or 13.89% in 2014 after capital-increase shares had been offered in the private placement to repay short-term loans from financial institutions. In 2015, total liabilities went up 48.76% or Baht 2,542.03 million following the issue of P/N and debentures to secure funding as working capital and for investment expansion.

Shareholders' equity

Shareholders' equity amounted to Baht 1,628.10 million, Baht 2,169.03 million and Baht 1,902.13 million in 2013, 2014 and 2015, respectively. This represented an increase of 33.22% or Baht 540.93 million in 2014 after TFD had issued a total of 200 million shares in the private placement in November 2014 at Baht 5.32 per share. In 2015, shareholders' equity fell Baht 266.90 million or 12.31% due to operating loss.

Debt to Equity ratio (D/E ratio)

The D/E ratio totaled 3.72 times, 2.40 times and 4.08 times in 2013, 2014 and 2015, respectively. The declining ratio as of end of 2014 reflected the issuance of capital-increase shares in the private placement. The D/E ratio's increase in 2015 was a result of the issuance of P/N and debentures to secure operation funds and for the purpose of investment expansions of several projects in 2015.

Liquidity

Cash flows

During 2013 – 2015, the company had net cash and cash equivalents totaling of 864.77 million baht, -1,110.79 million baht and 146.28 million baht, respectively. The main reasons contributed to changes in such cash flows included the fact that since 2013, the company had negative cash flows from operations during 2013 – 2015, specifically -1,562.23 million baht, -792.78 million baht and -1,785.59 million baht, respectively. In 2014, cash used in development projects increased by 277.29 million baht and cash used to pay interest amounted to 320.43. Cash used in operational activities in 2015 resulted from an increase in cash used in development projects by 1,153.27 million baht, for example investment in The Harbour View Residences Project developed by CROWN and investment in buying land and building factories and

warehouses in Bang Sao Thong and Tha Sa-aan by TISCOM, etc. as well as cash used to pay interest during the year 2015 of 436.29 million baht.

Regarding investment activities during 2013 – 2015, the company had cash flows from investment activities amounting to -56.38 million baht, -483.15 million baht and -712.04 million baht, respectively. Cash used in investment activities in 2014 resulted mainly from the fact that TISCOM had invested in buying land and warehouses in United Kingdom for the first location via Bransley by the amount of 341.79 million baht, and used cash to invest in securities to trade more during the period of 79.62 million baht. In 2015, cash flows were mainly used in investment activities by TISCOM investing in buying land and warehouses in United Kingdom for the second location via Bognor by the amount of 891.51 million baht while there were cash flows received from repayment of debt from JC (connected company) of 140.00 million baht.

Moreover, during 2013 – 2015, the company mainly financed its operations and investment expansion from financing activities totaling of 2,483.38 million baht, 167.32 million baht and 2,652.84 million baht, respectively. Cash flows received from financing activities in 2014 resulted mainly from cash received from issuance of increased-capital ordinary shares to specific persons by the amount of 1,007.32 million baht, and from net increased issuance of debentures of 350.81 million baht. On the other hand, there was repayment of short-term loans from financial institutions of 1,012.20 million baht. As for cash flows received from financing activities in 2015 resulted mainly from a net increase in loans from financial institutions to be used to invest in projects in United Kingdom by 623.63 million baht, short-term loans from financial institutions to be used as working capital of 670.00 million baht and an increase in issuance of debentures to be used to develop more projects by the amount of 1,386.39 million baht.

Liquidity Ratio


As of end of 2013, 2014 and 2015, the current ratio was at 1.20 times, 2.46 times and 1.40 times, respectively. The increase in 2014 mainly reflected the fall of short-term loans from financial institutions and debentures due within one year following TFD's repayment during the fiscal year. The 2015 ratio represented an increase of short-term loans from financial institutions and debentures for the purpose of business expansion.

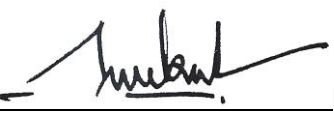
The Board of Directors of the Company has reviewed this Information Memorandum with caution and certify that the Information Memorandum is accurate and complete and no false information can cause significant errors in essence or a lack of information that should be disclosed.

Please be informed accordingly.

Yours sincerely,
Thai Factory Development Public Company Limited



Sign  Director
(Mr.Gumpol Tiyarat)

Sign  Director
(Mr.Anukul Ubonnuch)