

Annual Report 2014





Super Tower

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G Land Tower Grand Rama 9

Message from the Chairman of the Board of Directors

To All Shareholders

Our Company “Grand Canal Land Public Company Limited” has heightened the Grand Rama 9 to be a world-class project with the construction of the Super Tower building. At 125 stories and 615 meters tall, the tower will be the highest in ASEAN and one of the top-ten tallest building in the world. An investment of 18,000 million Baht will enhance the Grand Rama 9 project to a total value of 100,000 million Baht. Furthermore, it is added toward 6 functionality, including; modern office building of international standard, residential building, luxury hotel, convention and exhibition building, retail spaces and shopping complex and a tourist attraction. The combination makes the Grand Rama 9 the largest multi-functional project in Thailand.

The Grand Rama 9 is a fully integrated real estate project that completely compliments and supports each other. It is fully accommodated with facilities and mass transportation. Apart from the existing blue line MRT on the Ratchadapisek road, the orange line will run along the Rama 9 road with a first interchange station connected to the project's retail spaces. The compound will be the new and largest Central Business District (CBD) of Bangkok with the quality of attracting domestic and foreign investors. The Grand Rama 9 will not only establish Thailand as the business center of ASEAN, and a global tourist attraction, but also a pride of all Thais’.

Moreover, the Company and its subsidiaries received revenue from many sources, revenue from the sales of the condominium units, single-detached houses and the revenue from the lease of office and retail spaces, which were recognized in 2014. The revenue from project management, for affiliates and other companies, delivers the Company with the stable and consistent revenue with less limitation from market conditions.

In 2015, the Company delays its projects along the red line railway, such as the Grand Canal Don Muang and Belle Sky project on Kampaengpetch road, in order to remodel the projects so that they conform to the railway path and the new comprehensive city plan. The construction is expected to begin in 2016.

On behalf of the Board of Directors, the Management Committee and all employees, I am confident and determined to increase the efficiency and effectiveness of the Company's operation as well as build a strong foundation for the Company. Particularly, in the property development business, we aim to be the center of AEC as an alternative CBD in the regional level, to generate a constant and stable return to all shareholders.

Finally, the Board of Directors, the Management Committee and all employees would like to thank all shareholders, customers, trade alliances, financial institutions and all stakeholders for always trusting and supporting the Company's operations, resulting in the success of the Company. The Management Committee would like to assure all of you that the Company will be operated under the policy and principles of good corporate governance, in order to move the Company forward and grow steadily, to create products and services that meet customer satisfaction and for the maximum benefit towards all stakeholders, in a return for their continued faith and trust in the Company.



(Mr. Yotin Boondicharearn)

Chairman of the Board of Directors



Belle Grand Rama 9

1. Mr. Yotin Boondicharern

- Position : Chairman and Chief Executive Officer
- Age : 73
- Number of Company shares held : None
- The relationship between directors and executives : Mr. Jatesiri Boondicharern , Miss Romani Boondicharern and Mr. Jatamongkol Boondicharern ' s farther .

Experience in the last 5 years

23 Dec 2009 - Present	Chairman and Chief Executive Officer	Grand Canal Land Plc.
2 July 2012 – Present	Chairman	Sterling Equity Co., Ltd.
10 June 2013 - Present	Chairman	Belle Assets Co., Ltd.
23 Aug 2013 – Present	Chairman	G Land Property Management Co., Ltd.
2007 – Present	Executive Director	Skyway Realty Co., Ltd.
2002 – Present	Chairman	Grand Fortune Co., Ltd.
2002 – Present	Executive Director	Pattanaaburi Co., Ltd.
1996 – Present	Director	Central Pattana Nine Square Co., Ltd.
1996 - Present	Chairman	Praram 9 Square Hotel Co., Ltd.
1995 – Present	Chairman and Chairman of the Executive Directors	Praram 9 Square Ltd.
1994 – Present	Chairman	Belle Development Co., Ltd.
2008 – Present	Chairman	Belle Development Co., Ltd.
2009 – Present	Chairman and Chairman of the Executive Directors	Belle Development Co., Ltd.
1994 – Present	Chairman	Charernkit Enterprise Co., Ltd.

2. Assoc. Prof. Prapanpong Vejjajiva

- Position : Vice Chairman
Nomination and Remuneration Committee Member
- Age : 79
- Education : B.A. In Political Science (Second Class Honor)
Chulalongkorn University
Master of Social Science (MsSc) Stockholm University

- Sweden
 - Certificate In Business Administration, Stanford University, USA
 - National Defence College Class 28
- **Training Course** : Director Accreditation Program (DAP)
The Role of Chairman Program (RCP)
Audit Committee Program (ACP)
The Role of Compensation Committee (RCC)
- **Number of Company shares held** : None
- **The relationship between directors and executives** : None

Experience in the last 5 years

14 Jan 2010 - Present	Vice Chairman	Grand Canal Land Plc.
23 Dec 2009 - Present	Director	Grand Canal Land Plc.
	Nomination and Remuneration Committee Member	Grand Canal Land Plc.
2007 – Present	Advisor to the President	Huachiew Chalermprakiet University
1992 – Present	Member of the University Council	Huachiew Chalermprakiet University
1986 – Present	Member of the Board of Property Management and Chairman	Red Cross Society of Thailand
2004 – Present	Chairman	C & C International Venture Co.,Ltd. (The company of Chulalongkorn University)
2004 – Present	Member of the Council	Saint Louis College
2001 – Present	Director	Belle Development Co., Ltd.
2001 – Present	Director	Charemkrit Enterprise Co., Ltd.
1992 – Present	Director	Praram 9 Square Ltd.
1987 – Present	Director	The Dhamnitti Plc.
2007 – Sep 2014	Member of The Board of Directors	SASIN International Business Graduate School of Chulalongkorn University
2007 – 31 Jul 2014	Chairman	The Krungthep Thanakom Co., Ltd. (Bangkok Metropolitan's Enterprise)

3. Mr. Nipon Visityuthasart

- Position : Independent Director and Chairman of the Audit Committee and Nomination and Remuneration Committee Member
- Age : 75
- Education : Bachelor of Law, Thammasart University
Master of Public Administration Program (NIDA)
- Training Courses : Director Accreditation Program (DAP)
Certificate for High Level Executive Capital Market Academy (CMA12)
Executive Program for Metropolitan Development (Mahanakorn 3) Navamindradhiraj University
- Number of Company shares held : None
- The relationship between directors and executives : None

Experience in the last 5 years

30 Apr 2014 - Present	Chairman of the Audit Committee and Nomination and Remuneration Committee Member	Grand Canal Land Plc.
14 Jan 2010 - Present	Independent Director	Grand Canal Land Plc.
14 Jan 2010 – 29 Apr 2014	Audit Committee Member and Chairman of Nomination and Remuneration Committee Member	Grand Canal Land Plc.
17 Nov 2011-Present	Independent Director	Country Group Assets Plc.
1999 – Present	Independent Director and Chairman of the Audit Committee	Wanachai Group Plc.
Present	Party-List Representative	Democrat Party
2000 - 2006	Senator, Ang Thong Province and The First Vice Chairman of the Senate	The Senate

4. Mr. Banphot Hongthong

- Position : Independent Director , Audit Committee Member and Chairman of Nomination and Remuneration Committee

- Age : 67
- Education : B.A. (Economics), Northeastern University, U.S.A.
M.A. (Economics Development), Northeastern University, U.S.A.
- Number of Company shares held : 915,200 Shares or 0.02 %
- The relationship between directors and executives : None

Experience in the last 5 years

30 Apr 2014 – Present	Chairman of Nominating and Remuneration Committee	Grand Canal Land Pcl.
14 Jan 2010 - Present	Independent Director and Member of Audit Committee	Grand Canal Land Pcl.
Aug 2011 - Present	Chairman of the Board of Director	Dhipaya Life Insurance Pcl.
Mar 2013 - Present	Chairman of the Board of Director	Exotic Food Pcl.
June 2009 - Present	Director	Evergreen Plus Co., Ltd.
Apr 2013 – Present	Independent Director	Standard Chartered Bank (Thai) Pcl.
Jan 2013 – Present	Advisor	Unicord Pcl.
June 2013 - Present	Advisor	National Power Supply Pcl.
Nov 2013 - Present	Advisor	Shop Global(Thailand) Co., Ltd.
Apr 2012 – Present	President	Royal Automobile Association of Thailand under Royal Patronage
Sep 2013 - Present	Director	University Council of Eastern Asia
Jan. 2013 – Present	Advisor to the Impelling Agriculture and Occupation Committee of Phu Fa Project Under the Royal Initiative of H.R.H. Princess Maha Chakri Sirindhorn	Ministry of Agriculture and Cooperatives
Apr 2012 – Present	Director	Foundation for Institute of Business Economics Research and Development
Feb 2012 – Present	Advisor to Nominating and Corporate Governance Committee of the Royal Water Project	Office of the Royal Development Project
Apr 2011 – Present	Director of Fund Raiser for Queen	Queen Sirikit National Institute of

	Sirikit's 80 th Anniversary Building	Child Health
Apr 2011 – Present	Advisor to the Board of the Directors and the Working Group of Development Project Under the Royal Initiative , Mae Hong Son Province	Ministry of Agriculture and Cooperatives
Dec 2010 – Present	Advisor to the Board of Directors and Working Committee of the Royal Fruit Development Project, Chanthaburi Province	Ministry of Agriculture and Cooperatives
Dec 2010 – Present	Advisor to the Permanent Secretary of Ministry Agriculture and Cooperatives	Ministry of Agriculture and Cooperatives
Dec 2010 – Present	Advisor to Cooperative Center of the Development Project Under the Royal Initiative	Office of the Royal Development Project
Aug 2010 – Present	Chairman of the Board	Foundation for Sericulture
Apr 2008 – Present	Advisor to Working Group of Royal Project's Administration Center, Amphur Sanpathong, Chiangmai Province	Ministry of Agriculture and Cooperatives
Jan 2008 – Present	Advisor to the Committee of Chaipattana Agriculture Development Sirindhorn Project	Chaipattana Foundation
Nov 2007 – Present	Advisor on Operation of Land Development Department	Land Development Department, Ministry of Agriculture and Cooperatives
23 Mar 2010 – 29 Apr 2014	Member of Nominating and Remuneration Committee	Grand Canal Land Pcl.
Nov 2010 – May 2011	Director of the Project to Renovate the Birth Place of Buddha, Lumpini, Nepal	Thai Pueng Thai Foundation
Sep 2009 – Sep 2011	Expert Member of Civil Servant Sub-Committee	Ministry of Agriculture and Cooperatives
Sep 2009 – June 2010	Advisor to the Minister of the Ministry of Labour	Ministry of Labour
May 2009 – Dec 2011	Member of Sub-Committee for Recruiting and Development of Listed Company	The Stock Exchange of Thailand

Oct 2007 – Feb 2009	Advisor to the Minister of Ministry of Agriculture and Cooperatives	Ministry of Agriculture and Cooperatives
July 2007 – June 2011	Expert Member to University Council	Rajamangala University of Technology Isan
2007	Member of the National Legislative Assembly	Parliament
2003 – 2007	Permanent Secretary	Ministry of Agriculture and Cooperatives

5. Mrs. Jitmanee Suwannapool

- **Position** : Independent Director and Audit Committee Member
- **Age** : 61
- **Education** : Bachelor of Business Administration (Accounting),
Ramkhamhaeng University
Bachelor of Laws, Ramkhamhaeng University
Master of Public Administration, The National Institute of Development Administration (NIDA)
- **Training Courses** : Director Certification Program (DCP)
Certificate for High Level Executive Capital Market Academy (CMA12)
- **Number of Company shares held** : None
- **The relationship between directors and executives** : None

Experience in the last 5 years

30 Apr 2014 - Present	Audit Committee Member	Grand Canal Land Plc.
25 Apr 2014 - Present	Independent Director	
2014	Advisor at the Commission of the Economy Finance and Treasury	The National Legislative Assembly
2012-2014	Principal Advisor on Tax Base Management	The Revenue Department
2010-2014	Committee and Investigation Committee	Central Laboratory (Thailand) Company Limited
2010-2011	Deputy Director General	The Revenue Department

6. Mr. Jarern Jirawisan

- Position : Director
- Age : 73
- Education : Bachelor Degree in Engineering, Chulalongkorn University
Master of Management, SASIN Graduate Institution of
Business Administration
- Training Courses : Director Accreditation Program (DAP)
- Number of Company shares held : None
- The relationship between directors and executives : None

Experience in the last 5 years

23 Dec. 2009 - Present	Director	Grand Canal Land Plc.
14 Jul 2010 – Present	Director	Exclusive Senior Care International Co., Ltd.
2009 – Present	Director	T – One Capital Co., Ltd.
2008 – Present	Director	Belle Development Co., Ltd.
2008– Present	Director	Praram 9 Square Hotel Co., Ltd.
2007 – Present	Director	BBTV New Media Co., Ltd.
2006 – Present	Director	Praram 9 Square Ltd.
2006 – Present	Director	Central Pattana Nine Square Co., Ltd.
2006 – Present	Director	Yook Chuan Co., Ltd.
2006 – Present	Director	The Bangkok Lighters Co., Ltd.
2006 – Present	Director	The Thai Tapioca Flour Produce Co., Ltd.
2004 – Present	Director	Dherakupt International Law Office Co., Ltd.
2003 – Present	Director	Cyber Venture Co., Ltd.
2002 – Present	Director	Great Fortune Equity Co., Ltd.
2002 – Present	Director	Grand Fortune Co., Ltd.
2002 – Present	Director	BBTV Satelvision Co., Ltd.
2002 – Present	Director	Belle Assets Co., Ltd.

2001– Present	Director	BBTV Productions Co., Ltd.
2000 – Present	Director	G Land Property Management Co., Ltd.
1999 – Present	Director	Bangkok Broadcasting & Television Co., Ltd.
1999 – Present	Director	Sunrise Equity Co., Ltd.
1998 – Present	Director	C.K.R. Co., Ltd.
1997 – Present	Director	BBTV Equity Co., Ltd.
1997 – Present	Director	Tun Rungrueng Co., Ltd.
1997 – Present	Director	GL Assets Co., Ltd.
1997 – Present	Director	Mahakij Holding Co., Ltd.
1996 – Present	Director	Super Assets Co., Ltd.
1996 – Present	Director	Sterling Equity Co., Ltd.
1996 – Present	Director	Stronghold Assets Co., Ltd.
1995 – Present	Director	BBTV Asset Management Co., Ltd.
1994 – Present	Director	Siam Puri Engineering Co., Ltd.
1992 – Present	Director	Siam Purimongkol Co., Ltd.
1990 – Present	Director	Khao Kheow Country Club Co.,Ltd.
1984 – Present	Director	Great Luck Equity Co., Ltd.
1982 – Present	Director	CKS Holding Co., Ltd.

7. Mr. Mongkol Pao-in

- Position : Director
- Age : 85
- Education : Bachelor of Law, Thammasat University
Barrister-at-Law, Thai Bar Association
- Number of Company shares held : 1,400,000 Shares or 0.03 %
- The relationship between directors and executives : Mr. Sakol Pao-in ' s Uncle

Experience in the last 5 years

23 Dec 2010 - Present	Director	Grand Canal Land Plc.
2001 – Present	Vice Chairman	Thaivivat Co., Ltd.
2004 – 20 Oct 2009	Chairman	Prinsiri Plc.

23 Dec 2010 - Present	Director	Grand Canal Land Plc.
2001 – Present	Vice Chairman	Thaivivat Co., Ltd.
2004 – 20 Oct 2009	Chairman	Prinsiri Plc.
1994 – Present	Executive Director	Charernkit Enterprise Co., Ltd.
2001 – Present	Executive Director	Belle Development Co., Ltd.
1995 - 6 May 2010	Executive Director	Praram 9 Square Ltd.

8. Mr. Jatesiri Boondicharern

- **Position** : Director and Managing Director
- **Age** : 43
- **Education** : Bachelor of Landscape Architect
California State Polytechnic University
Master of Real Estate Finance and International Business,
University of Southern California
- **Number of Company shares held** : 4.31
- **The relationship between directors and executives** : Mr. Yotin Boondicharern 's son , Ms. Romani Boondicharern and Mr. Jatamongkol Boondicharern's brother.

Experience in the last 5 years

23 Dec 2009 - Present	Director and Managing Director	Grand Canal Land Plc.
26 Oct 2012 – Present	Chief Executive Officer and Managing Director	Sterling Equity Co., Ltd.
10 Sep 2013 - Present	Director	Belle Assets Co., Ltd.
10 Sep 2013 - Present	Director	G Land Property Management Co., Ltd.
14 Jan 2010 – 22 Mar 2010	Nomination and Remuneration Committee Member	Grand Canal Land Plc.
2009 – Present	Executive Director	Praram 9 Square Hotel Co., Ltd.
2009 – Present	Managing Director	Belle Development Co., Ltd.
2008 – Present	Executive Director	Belle Development Co., Ltd.
2008 – Present	Director	Belle Development Co., Ltd.
2009 – Present	Managing Director	Charernkit Enterprise Co., Ltd.
2011 – Present	Executive Director	Charernkit Enterprise Co., Ltd.
2009 – Present	Managing Director	Praram 9 Square Ltd.

2008 – Present	Executive Director	Belle Park Residence Co., Ltd.
2008 – Present	Executive Director	Breguet Thai Co., Ltd.
2008 – Present	Executive Director	Skyway Realty Co., Ltd.
2006 – Present	Executive Director	Central Pattana Nine Square Co., Ltd.
2004 – Present	Executive Director	G C & T Co., Ltd.
2002 – Present	Executive Director	Grand Fortune Co., Ltd.
2002 – Present	Executive Director	Pattanaburi Co., Ltd.
2003 – 17 Dec 2009	Executive Director	Grand Canal Co., Ltd.

9. Ms. Romani Boondicharern

- **Position** : Director,
Deputy Managing Director of Accounting and Finance Group
- **Age** : 28
- **Education** : Bachelor of Engineering (Civil Engineering), Thammasat University
Master of Science Degree (Finance), Chulalongkorn University
- **Training Courses** : Director Certification Program (DCP)
Director Accreditation Program (DAP)
Executive Development Program (EDP)
Young Entrepreneur Program (YEP)
Executive Program for Metropolitan Development (Mahanakorn 3) Navamindradhiraj University
Difference 2014 : How to Harness Business Creativity (ABC) Sripatum University
- **Number of Company shares held** : 215,142,967 Shares or 3.89 %
- **The relationship between directors and executives** : Mr. Yotin Boondicharern' daughter , Mr. Jatesiri Boondicharern and Mr. Jatamongkol Boondicharern's sister.

Experience in the last 5 years

14 Jan 2010– Present	Director, Deputy Managing Director of Accounting and Finance Group	Grand Canal Land Plc.
4 July 2012 – Present	Director	Sterling Equity Co., Ltd.

	Deputy Managing Director of Accounting and Finance Group	
4 July 2012 – Present	Director	Sterling Equity Co., Ltd.
11 July 2013 - Present	Director	Belle Assets Co., Ltd.
23 Aug 2013 - Present	Director	BBTV Marketing Co., Ltd.
2009 – Present	Director, Deputy Managing (Acting)	Charernkit Enterprise Co., Ltd.
6 May 2010 - Present	Director	Belle Development Co., Ltd.
6 May 2010 - Present	Director	Praram 9 Square Ltd.
6 May 2010 - Present	Director	Praram 9 Square Hotel Co., Ltd.
2008 – Present	Executive Director	Skyway Realty Co., Ltd.
2008 – Present	Executive Director	The Future Asset Co., Ltd.
2008 – Present	Executive Director	Breguet Thai Co., Ltd.
2008 – Present	Executive Director	Belle Park Residence Co., Ltd.
Oct 2008 – 17 Dec 2008	Executive Director	Grand Canal Co., Ltd.



The Shoppes Grand Rama 9 @ Belle

1. Mr. Yotin Boondicharern	Chairman and Chief Executive Officer
(Please see the profile from the Board of Directors)	
2. Mr. Jatesiri Boondicharren	Director and Managing Director
(Please see the profile from the Board of Directors)	
3. Ms. Romani Boondicharern	Directors , Deputy Managing Director of Accounting and Finance Group
(Please see the profile from the Board of Directors)	
4. Mr. Vira Tanakornpakdi	
• Position	: Deputy Mananging (Acting) and Assistant Managing Director, Business Development Group
• Age	: 70
• Education	: Bachelor of Architecuture (Honor) Chulalongkorn University
• Number of Company shares held	: None
• The relationship between directors and executives	: None

Experience in the last 5 years

1 Jan 2010 - Present	Deputy Mananging (Acting) and Assistant Managing Director	Grand Canal Land Plc.
14 Jan 2010 – 31 Dec 2010	Assistant Managing Director, Project Management Group	Grand Canal Land Plc.
1 Nov 2009–17 Dec 2009	Assistant Managing Director, Project Management Group	Grand Canal Co., Ltd.
14 Oct 2009–31 Oct 2009	Assistant Managing Director, Project Management Group	Charernkit Enterprise Co., Ltd.
1995 – 13 Oct 2009	Architecture Advisor	Charernkit Enterprise Co., Ltd.

5. Mr.Jatemongkol Boondicharern

- Position : Senior Assistant Managing Director CEO Office
- Age : 24
- Training Courses : Director Certification Program (DCP)
- Number of Company shares held : 215,142,967 Shares or 3.89 %
- The relationship between directors and executives : Mr. Yotin Boondicharern 's son , Mr. Jatesiri Boondicharern and Ms. Romani Boondicharern's brother.

Experience in the last 5 years

1 Aug 2013 – Present	Senior Assistant Managing Director CEO Office	Grand Canal Land Plc.
2010 – Present	General Manager	Breguet Thai Co., Ltd.
2010 – Present	General Manager	Skyway Realty Co., Ltd.
2012 – Present	Executive Director and General Manager	Chareonkit Enterprise Co., Ltd.
2010 – Present	Executive Director and General Manager	Belle Park Residence Co., Ltd.

6. Mr. Surakit Thantananont

- Position : Senior Assistant Managing Director Finance and Accounting Group
- Age : 53
- Education : Master Degree in Accounting (Finance) , Chulalongkorn University
Bachelor Degree in Accounting (Accounting) , Chulalongkorn University
- Training Courses : Director Accreditation Program (DAP)
Director Certification Program (DCP)
- Number of Company shares held : None
- The relationship between directors and executives : None

Experience in the last 5 years

1 Aug 2013- Present	Senior Assistant Managing Director Finance and Accounting Group	Grand Canal Land Plc.
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16 Mar 2011 – 31 July 2013	Assistant Managing Director Finance and Accounting Group	Grand Canal Land Plc.
16 June 2005 – 15 March 2011	Director and Deputy Managing Director	B.P. Wire Rod Co.,Ltd.
1 Sep. 2004 – 15 June 2005	Deputy Vice President , Corporate Banking 3	Thai Military Bank Plc.
2 Jul 1994 – 31 Aug 2004	Deputy Vice President , Project Financing Department 4	Industrial Finance Corporation of Thailand

7. Mr.Sakol Pao-in

- Position : Senior Assistant Managing Director Legal Division
- Age : 51
- Education : Bachelor of Law, Thammasat University
Certificate of Thai Barristered The Thai Bar
- Training Courses : Director Accreditation Program (DAP)
Director Certification Program (DCP)
- Number of Company shares held : None
- The relationship between directors and executives : Mr. Mongkol Pao-in's nephew

Experience in the last 5 years

1 Aug 2013- Present	Senior Assistant Managing Director Legal Division	Grand Canal Land Plc.
2008 - 2011	Senior Vice President Corporate Service Division	Prinsiri Plc.
2004-2011	Director	Prinsiri Plc.
2003-2008	Assistant Managing Corporate Service Division	Prinsiri Plc.
1995-1998	Legal Vice President	Ekkapat Finance and Securities Plc.
1992-1995	Legal Manager	Ekthana Finance and Securities Plc.
1989-1991	Legal Assitant Manager	Ekthanakit Finance Plc.
1985-1988	Administrative Officer Debt Supervision	Phatra Thanakit Finance and Securities Plc.



The Ninth Tower Grand Rama 9

Vision and Mission

Policy and Overall of the Business Operation

Policy and Overall of the Business Operation

1.1 Vision and Mission

The Company aims to become a leader in real estate development business in Thailand and create products with qualities to the satisfaction of our customers. The focus is the development of residential single detached house and condominium projects, as well as commercial projects such as quality office buildings and retail space projects. These projects will be leased to target customers, according to their level, requirements with the respective price ranges, in order to accommodate for the various requirements of the customers.

1.2 Important Changes and Developments

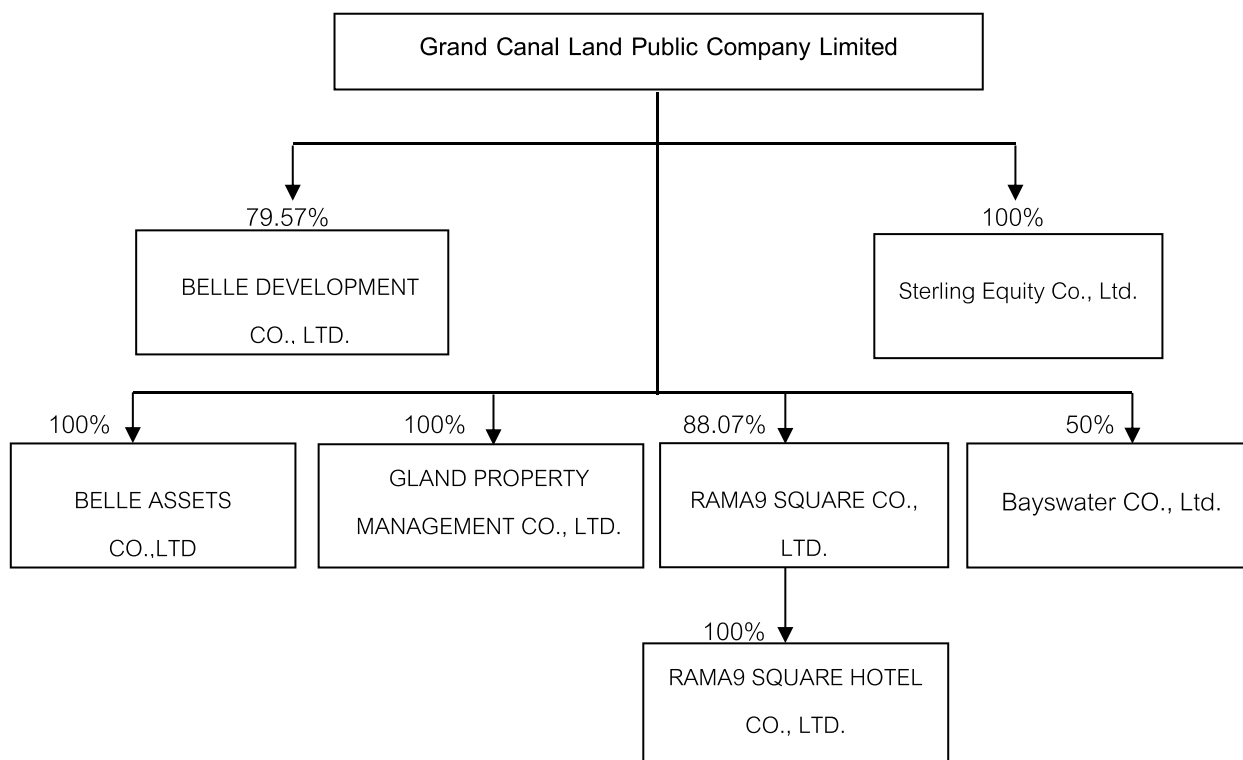
Grand Canal Land Public Company Limited ("the Company" or "G-Land"), formerly known as Media of Medias Public Company Limited ("Medias"), was incorporated on 22 April 1985 with an initial capital of Baht 200,000. The Company was listed in the Stock Exchange of Thailand since 8 February 1996. At that time, the Company was carrying on television program production business and commercial spot sales in television programs.

The Company has a significant change in the Company's business by the Extraordinary General Shareholders' Meeting No. 1/2009, held on 17 December 2009, approved the acquisition of assets in the real estate business through an entire business transfer (EBT) from Grand Canal Company Limited, a company in Charernkit Group, and the purchase of assets from Rattanak Group. The transaction was deemed as a backdoor listing which resulted in a major change, from the television business to the real estate development business. The Charernkit Group became the major shareholder as well as the executives of the Company. The Stock Exchange approved the listing of the Company's ordinary shares and reclassified the business category from the media and publication business category, under service industry group, to the property development category under property and construction industry group on 21 January 2010 and the Company changed its company name to Grand Canal Land Public Company Limited on 6 May 2010 and used the stock symbol "GLAND".

As of the end of 2014, the Company has registered capital of 5,919 million and registered and paid-up capital of 5,529 million Baht.

1.3 Shareholding structure

The Company and its subsidiaries operate in The Real Estate as a main business as per details below:



The Company engages in the property development business, a total of 8 companies, categorized into the following:

1. Grand Canal Land Public Co., Ltd. provides commercial services for rental office and retail areas enrolls in the office building project “The 9th Tower Grand Phra Ram 9” and project “Super Tower” with the Convention Center, development of condominium: “Belle Sky”, hotel and service apartment projects, and the management of sales, marketing, construction and general activities.
2. Belle Development Co., Ltd. develops properties for sale of Condominium projects enrolls in the development of residential condominium: “Belle Grand Rama 9”The shoppes @ Belle
3. Sterling Equity Co., Ltd develop property project for rental the entire building for “Unilever House”
4. Phra Ram 9 Square Co., Ltd. enrolls in the development of “G Land Tower Grand Rama 9 Project”, office building for rent.
5. Gland Property Management Co., Ltd. develop property project for retail areas “Arcade”
6. Belle Assets Co., Ltd. At present, there are no ongoing operations.
7. Phra Ram 9 Square Hotel Co., Ltd. At present, there are no ongoing operations.
8. Bay Water Co., Ltd. At present, there are no ongoing operations.

2. Nature of Business

Grand Canal Land Public Company Limited ("GLAND")

Presently, the Company has registered and paid-up capital of 5,529,215,704 Baht, divided into 5,529,215,704 ordinary shares, with a par value of 1 Baht each. The Company is currently operating the rental office building projects, namely The Ninth Towers, Grand Rama 9. The Super Tower, which includes the convention hall, and the real estate for sale project, namely Belle Sky Condominium are in process of project development. Moreover, the Company also provides the services relating to sales management service, marketing, construction work and residential project management.

Belle Development Co., Ltd. ("Belle")

Belle was incorporated in 1994. Currently, Belle has registered and paid-up capital of 2,064,261,300 Baht, divided into 20,642,613 ordinary shares, with a par value of 100 Baht each. Belle operates projects relating to the development of real estate for sale, namely the Belle Grand Rama 9 Project, as well as retail spaces for lease, The Shoppes @ Belle project.

Sterling Equity Co., Ltd. ("Sterling")

Sterling was incorporated on 22 April 1996. Currently, Sterling has registered and paid-up capital of 280 million Baht, divided into 2.8 million ordinary shares, with a par value of 100 Baht each. At present, Unilever House office building for rent has started operation. Other than that, the company is in the process of developing a hotel located around The Grand Rama 9.

Rama 9 Square Co., Ltd. ("Rama 9")

Rama 9 was incorporated in 1995. Currently, Rama 9 has registered and paid-up capital of 1,100 million Baht, divided into 11 million ordinary shares, with a par value of 100 Baht each. Rama 9 is in the process of developing office building for rent, namely G-LAND Tower Grand Rama 9.

G-Land Property Management Co., Ltd. ("GPROP")

GPROP was incorporated in 1995 under the name BBTV Marketing Co., Ltd. and was renamed to G-Land Property Management Co., Ltd. in 2014. Currently, GPROP has registered and paid-up capital of 5 million Baht, divided into 50,000 ordinary shares with a par value of 100 Baht each. GPROP owns land around the Rama 9 area and the company is planning to develop it into retail space for lease ("ARCADE") an Arcade project.

Belle Assets Co., Ltd. ("Belle Assets")

Belle Assets was incorporated in 2002 under the name Tonson Pleonchit Co.,Ltd. and was renamed to Belle Assets Co.,Ltd in 2014. Currently, Belle Assets has registered and paid-up capital of 11 million Baht, divided into 1,100,000 ordinary shares, with a par value of 10 Baht each. Belle Assets owns an empty plot of land surrounding Grand Canal Don Muang which is awaiting development.

Rama 9 Square Hotel Co., Ltd. (“Rama 9 Hotel”)

Rama 9 Hotel was incorporated in 1995. Currently, Rama 9 Hotel has registered and paid-up capital of 16 million Baht, divided into 1 million ordinary shares, with a par value of 16 Baht each. The function of Rama 9 Hotel is to develop hotel and service projects. At present, Rama 9 Hotel has not commenced operations.

Bayswater Co., Ltd. (“Bayswater”)

Bayswater was incorporated in 2014, which was the joint venture company between the Company and BTS Group Holding Public Company Limited (“BTSG”) in portion of 50%:50% shares. Bayswater has registered and paid-up capital of 10 million Baht, divided into 100,000 ordinary shares, with a par value of 100 Baht each. The Company and BTSG are intended to use this joint venture company as the vehicle through develop a specific property project. At present, Bayswater has not commenced operations.

Table of revenue structure of Company’s group during 2012 – 2014 according to the consolidated financial statement

Business	Operated by	% Shareholding as of (31 Dec 2014)	2014		2013		2012	
			Million Baht	%	Million Baht	%	Million Baht	%
Real estate for sale	Belle Development Co., Ltd.	79.57%	4,322.42	91.31%	3,287.59	95.23%	983.18	89.50%
	Sterling Equity Co., Ltd.	100.00%	18.22	0.38%	6.52	0.19%	-	-
Real estate for rent	Grand Canal Land Plc.	-	240.33	5.08%	13.85	0.40%	2.64	0.24%
	Belle Development Co., Ltd.	79.57%	37.20	0.79%	1.91	0.06%	-	-
	Sterling Equity Co., Ltd.	100.00%	10.45	0.22%	1.23	0.04%	-	-
	G Land Property Management Co., Ltd.	100.00%	1.25	0.03%	-	-	-	-
Real estate business – project management and services	Grand Canal Land Plc.	-	49.69	1.05%	74.05	2.14%	106.3	9.68%
Others		-	54.44	1.15%	67.28	1.94%	6.45	0.58%
Total			4,734.00	100.00%	3,452.43	100.00%	1,098.57	100.00%

2.1 Products and Services

The Company operates various real estate development projects which can be considerably categorized into 2 types; Real estate for sale and Real estate for rent. Part of the Company's revenue come from providing services relating to project management. The Company's projects can be classified as follow:



2.1.1 The Grand Rama 9 Project

Currently, the Company is developing the Grand Rama 9 Project which is a large scale real estate project with a size of 73 Rai, located at the intersection between Rama 9 Road and Ratchadapisek Road (connected to MRT – Rama 9 station). The Company plans to develop this project into a new Central Business District: New CBD of Bangkok. The Grand Rama 9 Project consists of office buildings, retail spaces, conference halls, hotels and condominiums. As detailed below:

Project	Type
1. Belle Grand Rama 9	Condominiums
2. The Ninth Towers Grand Rama	Office building and retail space
3. Unilever House Grand Rama 9	Office building and retail space
4. G-Land Tower Grand Rama 9	Office building and retail space
5. Hotel project	Hotel
6. Super Tower and conference hall	Office building and retail space Hotel and Conference Hall
7. Arcade project	retail space
8. The Shoppes Grand Rama 9	retail space (Located in every project in the Grand Rama 9 project)

Located in front of the project, on Ratchadapisek Road, is the Central Plaza Grand Rama 9 which was built and transferred to Central Pattana Nine Square Co., Ltd. at the end of year 2011.

Photo of the Grand Rama 9 project

The Grand Rama 9 Project

1. Belle Grand Rama 9 Project
2. The Ninth Towers Grand Rama 9 Project
3. Unilever House Grand Rama 9 Project
4. G-Land Tower Grand Rama 9 Project
5. Hotel Project
6. Arcade Project
7. Super Tower and Convention Hall Project

Central : Central Plaza Grand Rama 9 Shopping Complex



Details of the various projects in the Grand Rama 9 project

Belle Grand Rama 9 Project

Belle Grand Rama 9 Project is developed by Belle Development Co., Ltd. in which the Company holds 79.57 %



Photo of the Belle Grand Rama 9 project

The Belle Grand Rama 9 Project is a residential condominium for sale with areas for retail space for lease (The Shoppes Grand Rama 9 @ Belle). There are 8 residential buildings comprising of a total of 1,991 units with two 27-storey buildings, two 34-storey buildings, two 36-storey buildings, and two 43-storey buildings, all with basement levels and a total permitted construction area of 356,546 square meters. All buildings are built on 6-storey podiums in which 2 of the stories are developed as retail rental spaces and a 4 stories car park. The project is located at the Ratchada – Rama 9 intersection, close to the MCOT intersection and is approximately 400 meters away from Rama 9 MRT station.

The highlight of this project is that it is a resort - style condominium with a large recreational area, characterize like a hanging garden, located at the heart of Bangkok near the Ratchada - Rama 9 intersection, close to the expressway, the MRT and the Airport link. This project is expected to be one of the condominium projects with the highest potential residential demand in Bangkok, due to its perfect location, adjacent to the new CBD, comprising of residential buildings, office buildings, a shopping complex and Central Plaza Grand Rama 9. The project is a high potential condominium which targets middle to high income earners.

The average selling price is approximately 82,000 Baht per square meter. The unit size ranges from 43 to 320 square meters. Sales volume and transferred volume at the end of 2014 was 1,756 and 1,290 units respectively, or 87% and 65% of the total number of units.

For retail spaces, the Company plans to develop shopping areas under the concept of Urban Oasis with a total space of 11,945 square meters. The total reservation for retail spaces, as of December 2014, was 10,653 square meters or 87 percent of the total retail spaces.

The Ninth Towers Grand Rama 9



Photo of the Ninth Towers Grand Rama 9

The Ninth Towers Grand Rama 9 is an office building project with retail space for lease, ranging from grade B+ to A-. The office space comprises of 2 towers sharing the same base structure: Tower A having a height of 36 stories and Tower B having a height of 34 stories with one storey basement. The parking areas are located between the 3rd to 10th floors with a capacity of approximately 1,093 cars. The project is located in the Ratchada - Rama 9 intersection area, behind Central Plaza Grand Rama 9.

The Ninth Tower Grand Rama 9 Project covers an area of 130,000 square meters, which includes office for rent: 60,465 square meters, retail space: 5,920 square meters, conference halls: 3,068 square meters, public areas: 24,431 square meters and parking space: 33,228 square meters. The total investment is approximately Baht 3,600 Million.

The highlight of the project is its location, near the Ratchada - Rama 9 intersection, expressway, MRT station and Airport Link as well as its reasonable mid-range pricing rent offered to target tenants.

As of the end of 2014, the office building areas are fully occupied, for the retail spaces occupancy rate is at 95%.

Unilever House Grand Rama 9 Project



Photo of Unilever House Grand Rama 9 Project

Unilever House Grand Rama 9 Project is developed by Sterling Equity Co., Ltd. (the Company holds 100 % in Sterling). The project is an A grade office building and retail space, consisting of 12 stories with 1 basement level. The project is located near the Ratchada - Rama 9 intersection, with a total construction area of 46,290 square meters, divided into office space and retail space of approximately 22,000 square meters.

The total project investment is approximately 1,600 Million Baht and has already completed construction.

Targeted customers are grade A office tenants. Currently, the Unilever Group has executed an office lease agreement of the total area for 20 years. The rent according to the lease agreement is Baht 640 per square meter, with a provision for adjustments to the rent at every 3-year renewal at a rate of 12.5 percent.

G-Land Tower Grand Rama 9 Project



Photo of G-Land Tower Grand Rama 9 Project

This project is an A grade office building and retail spaces for rent, developed by Rama 9 Square Co., Ltd. (the Company holds 88.07 % in Rama 9) located on a plot of land under the long term lease agreement of 43 years, the total office and retail space for rent is 70,000 square meters. The building is designed as a “G” shape and comprises of 2 buildings, with 40 stories and 30 stories respectively, based on 14-floor podium and is located on Ratchada - Rama 9 intersection area. The project is connected to the Rama 9 MRT station and is located besides the Central Plaza Grand Rama 9 Shopping Complex. Targeted customers are Grade A office tenants.

The total project investment is approximately Baht 3,800 million. It is expected to be operated by the beginning of 2016

Super Tower, Convention Hall and Arcade



The project is developed within the Grand Rama 9 project, with a total area of 19 Rai 2 Ngan 40.91 Square Wah. The project is mixed-use, including 3 buildings; 125 stories Super Tower, Convention hall and Arcade building, totaling an area of 322,645 square meters. Once completed, it is expected to be the highest real estate in Thailand and one of the top ten highest building in the world. The construction duration and operation date is shown below:

Project	Type and Characteristic	Duration of Design/ Construction	Operation Date
1. Super Tower	<ul style="list-style-type: none">● Premium grade office building for rent● Hotel● Retail space for rent	6 years	Quarter 1 year 2021
2. Convention Hall	<ul style="list-style-type: none">● Convention area, trade and exhibition● Retail space for rent	2 years	Quarter 1 year 2017

Project	Type and Characteristic	Duration of Design/ Construction	Operation Date
3. Arcade	<ul style="list-style-type: none"> ● Retail space for rent ● Parking area 	1.5 year	Quarter 3 year 2016

In the development of the project, the Company have studied and design the project area to be most suitable. This is to accommodate the needs of every customer target group and businessmen. It will also respond to the needs of people residing in the surrounding areas. The total area for lease for; office building, convention hall and retail spaces (including hotel) will be approximately 149,083 square meters.

Central Plaza Grand Rama 9 Shopping Complex

Central Plaza Grand Rama 9 Shopping Complex (Rama 9 holds 3.27 percent of the total shares, and the major shareholder is Central Pattana Group). It was completely constructed and transferred to Central Pattana Nine Square Co., Ltd. at the end of 2011. This project acts as a good magnet which helps to support and attract tenants to the Grand Rama 9 Project, in particular for the office space and other spaces, which will be developed into a center for trading and business with increasing attractiveness.

2.1.2 Belle Sky Condominium Project

Belle Sky Condominium Project is a residential condominium project covering 94,149 square meters with residential area of 1,840 units located on Kampangpetch 6 Road (a Local Road to Vibhavadi Rangsit Road) parallel to the railway, and close to Miracle Grand Convention Hotel. The key selling point of this project is its prime location and the convenient transportation, as the location is adjacent to the Vibhavadi Rangsit Road, Don Muang Toll Way and the Government Complex at Chaengwattana and also next to the future Red-Line skytrain.

Currently, this project is being reviewed with respect to the project type in order to comply with Bangkok's new zoning policies.

2.1.3 Real Estate Management Services

Grand Canal Don Muang Project 1 and 2



Photo of Grand Canal Don Muang Project



Photo of train station, Grand Canal

The Grand Canal Don Muang Project 1 and 2 are single-detached housing projects located in the Don Muang area, opposite the Grand Canal railway station, the second level expressway and the Don Muang Toll Way. Project 1 consists of 194 plots and Project 2 consists of 199 plots. The single-detached houses in the project have a land area ranging from 73 - 250 square wah, with a usage area ranging from 197 - 408 square meters, and a selling price ranging from Baht 6.5 - 25 million.

The key selling point of these projects is that they are high quality single-detached housing projects with excellent environments and common facilities. Further, the design concept of the projects depicts the romantic atmosphere of Venice, Italy, and the projects offer competitive prices compared to other housing projects of similar quality. The target customers are middle to high income earners.

At present, the Company holds the right in management, marketing and sales, of both projects. The Company receives income from project management fee.

2.2 Marketing and Competition Circumstances

(1) Types of Customers and Target Group

Target customers for residential projects are general customers with an emphasis on individuals with middle to high income.

Target customers for office buildings will be customers who require A grade in G-Land Tower Grand Rama 9, Unilever House and Super Tower. In the case of The Ninth Towers Grand Rama 9, the target group will be B+ to A grade customers.

Target customers for retail space will cover all target groups: a long term rental tenants, short term rental tenants and minor tenants depending on the particular retail space.

(2) Pricing Policy

Prescription of the selling price of the real estate will take into account the market price, industry competitors in the same and nearby neighborhood and will also consider cost of the project investment. The increase in price will depend on market prices and project management cost.

(3) Industrial and Competition Conditions

The Ministry of Finance estimated that the Thai economy will grow 0.7% in 2014, which is less than that of 2013. The main reason is the shrinking of export of goods and services. Political unrest in the first half of 2014 affected the confidence of tourist which led to the decrease in number of tourists in 2014. Apart from that, governmental spending levels are low due to the delay in procurement from political unrest. However, the Thai economy have shown trends of recovery towards the end of the year, following a more stable political situation. Employment and income, those apart from the agriculture sector, are still good and governmental policy promoting spending by the people. However, due to low prices of agricultural goods, agriculturalist are having low income, thus the consumption in the private sector is growing slowly. Private sector investment has also shrink in the wait of political stability.

The Ministry of Finance also forecasted that the Thai economy in 2015 will grow by 3.4 % – 4.4 %. This is due to the investment in large infrastructure in transportation and tourism is expected to expand. The demand and investment from the private sector is also predicted to improve. However, global economy will affect consumption in the private sector, rendering a slow recovery. Trends in the recovery of the economy and clarity in governmental policies will play a key role in the recovery of private sector investment

that will increment the confidence of investors and consumers. In addition, the falling of oil prices and low interest rates have help keep the business' operating cost low. Governmental expenditure, through the disbursement of governmental funds, and the investment in large infrastructure project are a key factor in the continuous growth of the economy. Foreign demand will increase the export of goods and service by 4.4 % - 6.4 % from the previous year. The export of services is correlated to the income from tourism, which have recovered.

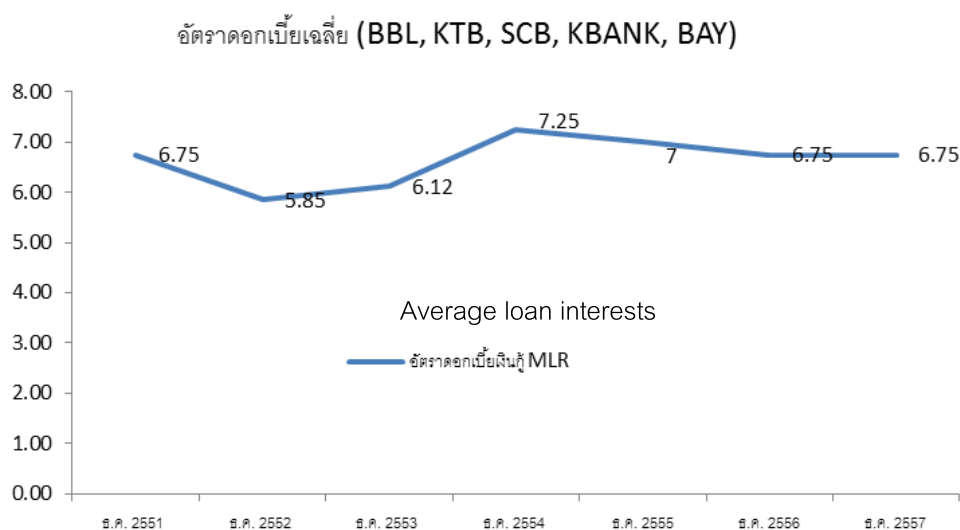
Graph 1 Average Price index of construction materials during 2001 - 2014



Source: Bureau of Trade and Economic Indices, Ministry of Commerce

The average price index for construction materials in 2014 moved up 0.7% compared to the previous year. Construction was slow in the first half of the year, due to political problems and economic slowdown, prohibiting the expansion of governmental spending in construction. Similarly in the private sector, even though global steel prices decreased and so did the oil prices, the rainy season prohibited construction work which led to a slump in demand of construction materials.

Graph 2 Average interest rates for loans between 2008 - 2014



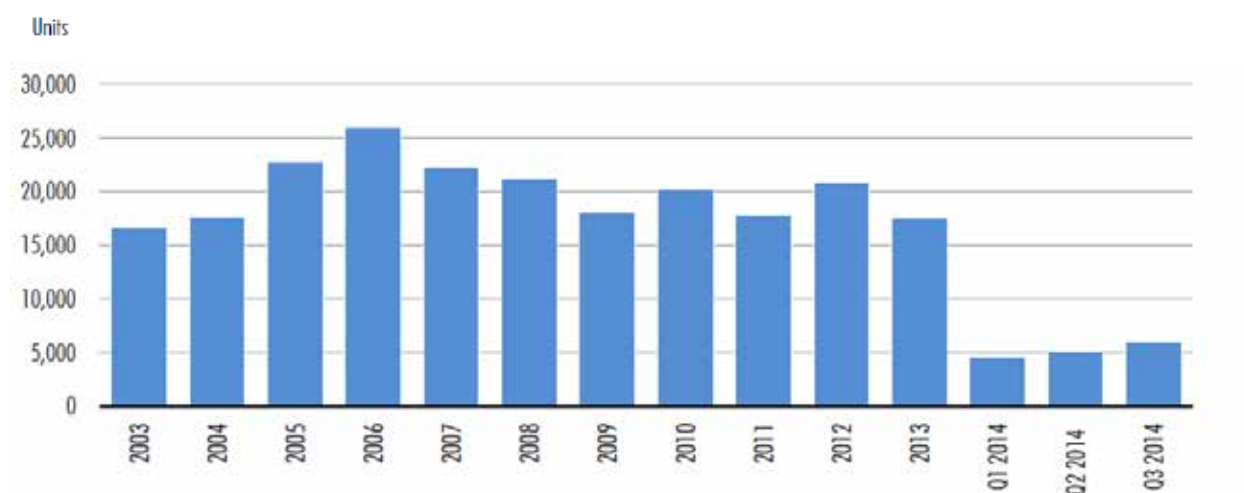
Source : Bank of Thailand

In 2014, there were no changes in the loan interest at MLR from 2013, following the Monetary Policy Committee to fix the interest rate at similar levels with 2013.

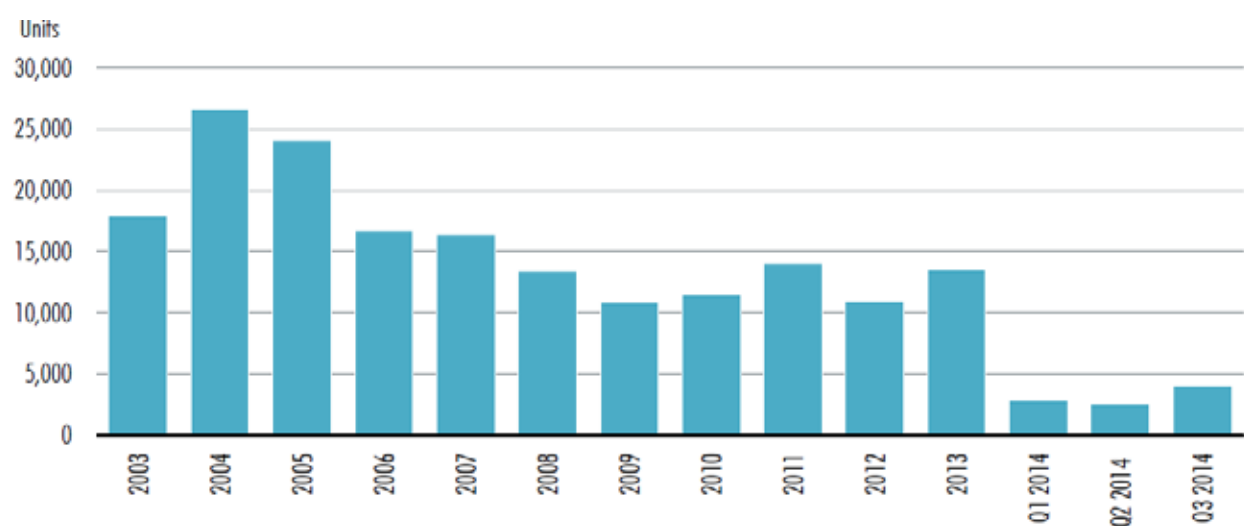
(3.1) Industrial Conditions of Residential Property Sector

Horizontal Projects (Single detached houses and town houses)

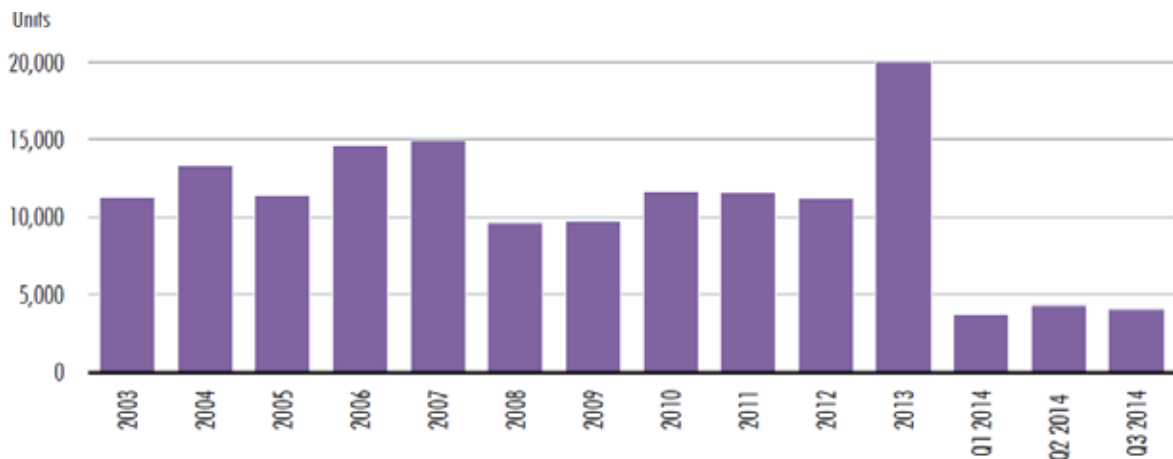
Graph 3 Number of single-detached houses developed for own use



Graph 4 The supply of single-detached houses developed by real estate developers (Bangkok)



Graph 5 The supply of town-houses developed by real estate developers (Bangkok)



Source : CBRE

There were 10,052 units of single-detached houses supplied in quarter 3 of 2014, an increase of 30 percent compared to quarter 2 with 6,007 units. 5,115 units of townhouses were constructed, a slight decrease compared to quarter 2 of the same year which is a 36.7 percent decrease when compared to the same quarter in 2013 where there were 8,086 units constructed. The reason is suspected to be high rate in the declination of housing loan, resulting in a delay of construction from the real estate developers.

Supply of single-detached houses and town-house in Bangkok

CB Richard Ellis (Thailand) Co., Ltd. ("CBRE") speculated that there will be large numbers of single-detached housing and townhouse projects to be release into the market. This was evaluated from the number of construction permits, land allocation permits and the volume of loans approved by financial institutes. CBRE evaluates that the number of horizontal projects approved in Bangkok and its surrounding area is 43 projects and 37 projects respectively.

In quarter 4 of 2014, there were 1,548 units of land allocation permits approved for single-detached houses in quarter 4 of 2014. This is a decrease of 9.4 percent from quarter 4 of 2013 at 1,708 approvals. While 4,372 units of land allocation permits for town houses were approved in quarter 4 of 2014. It is an increase of 133.5 percent from 2013 quarter 4 approval of 1,872 units.

Vertical Projects (Condominiums)

Political unrest in the first half of 2014 affected the number of condominium projects in the down town area. There were 7,306 units, down 37 percent compared to 2013. Likewise, the sub urban area saw a decrease of new condominium units of 49,380 units a reduction of 29%.

The area with the highest number of condominium launches in 2014 were along the purple-line sky train. It is forecasted that the line will start operation within August 2016. In 2014 there were 14 new projects launched with a total of 7,480 units. This is 58% of the total 12,861 units that are being constructed along the line. Most are between 20 – 30 square meters in size with a price of 75,000 Baht per square meters.

Graph 6 The supply and demand and availability of residential condominiums



Source : CBRE

In the sub-urban area, there's a total of 78,000 units of condominium units to be completed in 2015 and 26,600 units to be completed in 2016. This will have a large impact on the sub-urban condominium market.

In 2015, CBRE has forecasted that condominium market in Bangkok will be dependent on the recovery of Thailand's economy, the ability of developers to transfer units to customers and including the boost of sales under the situation of high public dept.

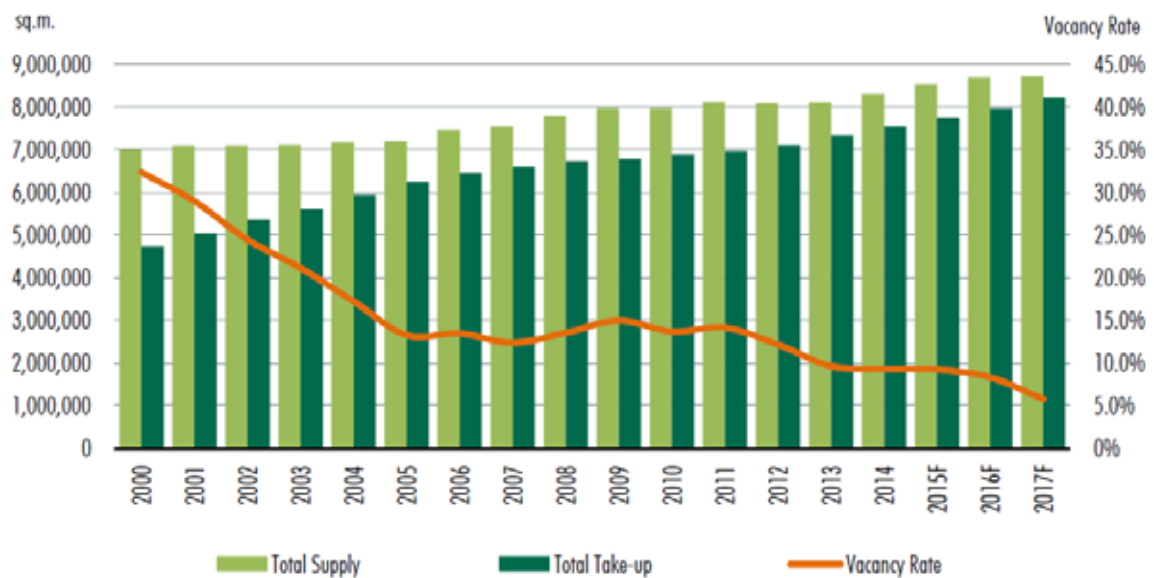
(3.2) Industrial Conditions of Commercial Real Estates

The commercial real estate can be categorized into 2 main types, namely office buildings and retail spaces

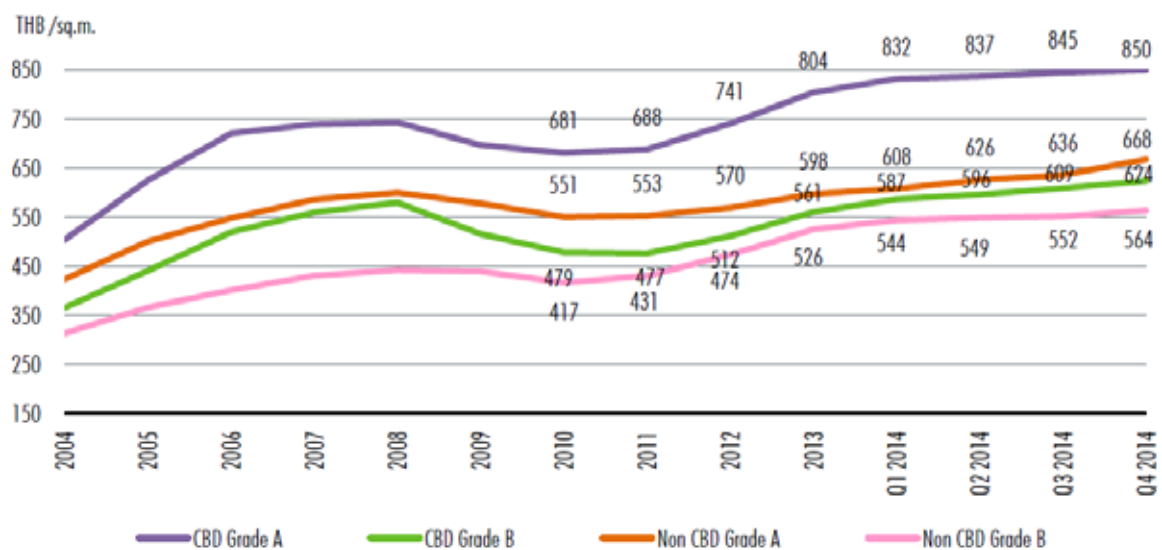
Office Buildings

There is a consistent increase of office building occupation rates in Bangkok, from 90.4% in 2013 to 90.7 % in 2014. This shows that there is strong demand for office building spaces even though unstable political situation has affected the demand for office buildings spaces since the beginning of 2014. The unwinding of the situation have led to a consistent increase in occupancy rate. In the next 2 – 3 years, even though there will be more office spaces for rent, CBRE forecasted that there will be a consistent increase in occupancy rate.

Graph 7 The supply and demand and rate of availability of office spaces in Bangkok Metropolitan region



Graph 8 The rental rate of office spaces in Bangkok Metropolitan region



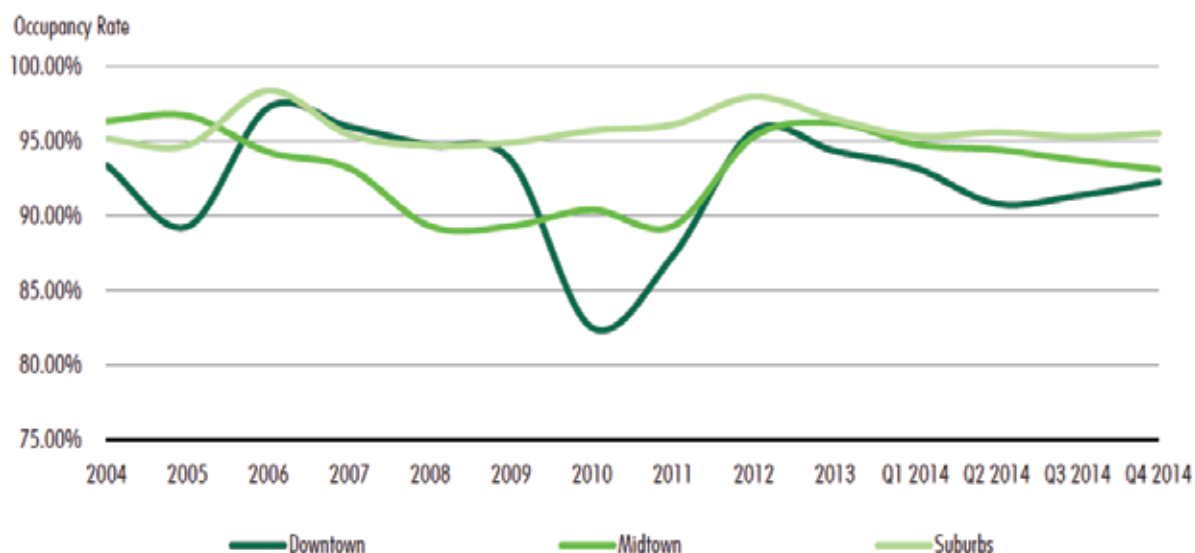
Rental rates of office spaces of any grade in the CBD and non CBD had the tendency to increase consistently throughout 2014. The rental rate of grade A office spaces in non CBD area increased to 668 Baht per square meter per month, following the opening of the AIA office building. The highest rental rate in Bangkok is the Park Ventures building at 1,000 Baht per square meters per month, which is currently fully occupied.

CBRE forecasted that there will be a constant increase in rental rate, but may be slower for grade A office buildings in the CBD as the premium grade office buildings are fully occupied.

Retail Space

Occupancy rate for retail spaces in Bangkok stands at 94 percent, or 1.9 percent lower than that of 2013. Sub urban areas had an increase in occupancy rate as there were closure for renovation and maintenance for retail spaces in the down town area. Superstore retail spaces had the highest occupancy rate at 99.35 percent, while department stores and shopping malls had an occupancy rate of 95.13 percent and 92.07 percent respectively.

Graph 9 The occupancy rate of retail spaces in Bangkok Metropolitan region



Source : CBRE

Table 1 Rental rate of retail spaces (2014)

Area	Ground floor (Baht/Sq.meters/Month)	Upper floors (Baht/Sq.meters/Month)
Inner Bangkok		
(Silom, Sathorn, Ratchadamri, the beginning of Sukhumvit)		
Commercial Building	1,200 – 2,000	640 – 1,500
Shopping Malls	1,800 – 4,200	1,520 – 2,700
Large Super Centres	1,000 – 1,500	800 – 1,200
Outer Bangkok		
(Ladprao, the end of Sukhumvit, Ramkhamhaeng, Bangkok, Jatujak)		
	1,500 – 3,000	1,040 – 2,100
Sub-Urban Area		
(Laksi, Don Muang, Rangsit, Ramintra, Sukhapiban, Bangna)		
	1,200 – 3,300	800 – 1,100

Source : CBRE

Rental rates in 2014 is particularly stable compared to 2013. Grade A retail spaces have high rental rates due to the location, quality of the project and the credibility of the project developer. Meanwhile, retail spaces in commercial spaces have been less popular, resulted from the quality of the location and the lack of parking area in the project. Therefore there was a decrease in rental rates in 2013 and still stands at that level at the end of 2014.

(4) Environmental Impact

Single-Detached Housing Projects

The Company's development projects will be divided into phases. Each phase will develop an area of approximately 100 Rai, with less than 500 houses. Thus, this will not be subject to environmental laws. However, the Company has a system of managing the utilities for the projects in order to avoid detrimental environmental effects, in particular, a system for wastewater treatment and management to ensure that there is adequate green spaces.

Condominium Projects

The Company is required to conduct an environmental impact assessment and provide a report on the environmental impacts to the relevant government department in order to support applications for construction licenses. The Company have practiced accordingly to the laws, rules and regulations.

Office Building and Retail Spaces Projects

The Company's projects have receive approval for construction before the enactment of the environmental impact assessment criteria. However, for projects that require the environmental impact assessment, the Company have proceed accordingly to the laws, rules and regulations.

2.3 Provision of Products or Services

(1) Selection of land for development

The Company acquires land for development from direct sales as well as indirectly through real estate brokers. In the selection of land, the Company will consider the location and the potential for development and will compare the price with the appraisal value and market value before every purchase, to ensure that a reasonable price is obtained. Apart from this, prior to each acquisition, the Company will conduct a feasibility study of the laws and limitations regarding construction, including the demand of customers in the area as well as business competitors to ensure that the land development will be in accordance with the plans and that the targeted returns on investment are achieved.

(2) Selection of contractors

The Company does not have an internal construction division. Therefore, the Company outsources contractors for project construction. The contractors can be divided into two main groups as follows:

(2.1) Contractors for single detached housing projects In the procurement of contracts, the Company will select contractors from medium and large size contractors with qualifications according to the standards set by the Company. Contractors to be hired by the Company must have a good history of completing good quality work, completing projects on schedule and at a price within the budget. As the Company places great importance on management of construction cost, the company recruited internal engineers to closely monitor the quality of the work performed by the contractors.

(2.2) Contractors for Office Buildings and Condominium The Company will hire main contractors through an open bid for the structural work, architectural work and M&E system of the building or turn-key projects, as deemed appropriate for each project. The selected contractor will generally be a large scale contractor who can ensure that the construction will be in accordance with the set standards and completed within the timeframe. This is because a large contractor has the technology and capability to construct large buildings, as well as potential and sufficient funding in order to construct large buildings when compared with medium and small size contractors. Apart from this, the Company will also hire other companies to monitor the construction and manage the projects to ensure that the construction of the buildings will be in accordance with the set standards, set budget and completed in a timely and efficient manner.

(3) Procurement of Construction Materials

The Company's policy is to procure some of the main construction materials by itself with the reasons stipulated below:

- To minimize risk of fluctuation in the price of construction materials, which may have a tendency to increase e.g. cement, steel rods, and aluminum alloy.
- The Company often receives better offers or conditions from having a long-term relationship with distributors of the construction materials. This facilitates the control of the construction material costs. Apart from this, the Company needs flexibility in specifying design, and types of materials that are to be used in decorating customers' projects. Thus, the Company procures some types of materials directly such as tiles, wood floor, sanitary ware, air conditioning, furniture and paint, etc. The Company offers a choice for customers to choose such materials after reserving houses or condominiums project.

(4) Distribution Channels for Sales and Services

(4.1) Sale of Real Estate

The sale of the Company's real estate is completed by direct sales through the Company's sales office. Real estate brokers may be recruited when necessary or when special expertise is required. The details are as follows:

4.1.1 Single Detached Houses Sales are conducted through a direct sale through the Company's sales office. The product can be divided into 3 categories as follow:

- Empty plot of land in the project
- Housing estate with fixtures, in the form of constructed houses, ready to be transferred to customers
- Housing estate with a construction contract – Customers will purchase a house from standard housing models of the project after purchasing housing estate in the project. Customers can choose housing models where it is deemed fit for the size of the demanded land.

4.1.2 Condominiums Sales are conducted through a direct sale through the Company's sales office and the sales agents represented by real estate brokers. The project will be available for sale in the initial phase of the construction. Customers will pay a down payment and ownership is transferred to the customers once the condominiums have completed construction and opened for use. Customers can decide on the design of the units from the mocked up rooms and floor plans shown by the project.

(4.2) Lease of Real Estate

4.2.1 Office Building spaces The Company will hire brokers having expertise in selling office building spaces.

4.2.2 Retail Spaces The Company will organize a special working team to sell retail space of each project by selling directly to each target group of customers.

2.4 Undelivered Work

- None -

Risk Factors

3. Risk Factors

3.1 Real Estate Development Business Risks

3.1.1 Risk of inadequate source of finance for project development

Real estate development is considered as a high-investment business as funds are required for the purchasing of lands, developing and construction of projects. Therefore, it is indispensable for the Company to depend on loans from financial institutions as the main source of finance for its operations. Inability to procuring adequate funds may inevitably effect to operational plans and business performance.

However, throughout the Company's operational record, the Company has always been financially supported by multiple leading financial institutions, which have been the Company's business allies for an extensive period of time. For previous projects, the Company had secured finance from financial institutions before commencing the project. Furthermore, holding the status as a listed company on the Stock Exchange of Thailand alongside a reputable management committee, all of whom have vast experience in the real estate development industry, the Company has immensely earned such reputable image with investors' confidence. Consequently, investors can be confident that the Company will be able to procure adequate financing for the development of its projects.

3.1.2 Risk regarding interest rate fluctuation and the policies of commercial banks' on credit facilities

The increase of domestic interest rate has a direct effect to Company's capital cost since its source of finance partly comes from financial institutions. However, considering all relevant factors and project plans, the Company has a policy to raise funds via Project Finance, in order to efficiently control the cost of interest which might be occurred. Moreover, as all Company's projects have been set upon the high-qualified benchmark with distinguished designs and excellent locations, as well as the Company's performance record and good reputation of its executive team, the Company has received attractive interest rate offers from financial institutions.

Another point to be considered is that a higher interest rate may affect the ability to purchase, and to repay loans for minor customers. However, according to a comparative

study regarding the effects of increased interest rates with liabilities for installment repayments of the Company's customers, there may not be any severe effects resulting in the Company's customers having reduced purchasing power. This is because the Company's target customers are in the middle and upper income brackets who have only a delicate impact from such issue.

The rules regarding Loan to Value Ratio (LTV) for a detached-house, single house, semi-detached house, and a townhouse had become effective in 2013. The rules state that a loan cannot exceed 90-95 percent of the property value. However, the implementation of this rule had not delivered any significant impact on the Company's income since, as mentioned earlier, most of the Company's target customers are in the middle and upper income brackets. Moreover, there has been a relaxation on many restrictions and regulations in order to alleviate financial problems for businesses and the population. This, in addition to the government's policy to stimulate the real estate sector by lowering interest rates or providing interest free loans, are factors which increase the competition between commercial banks with respect to interest rates. Therefore, the Company will continue to closely monitor the economic situation and the commercial banks' lending policies which will affect the Company's business performance. This is so that the Company can adapt its strategies to conform to the changing business environment in time.

3.1.3 Risk from a shortage of contractors and quality labor pool

The quality of products leading to customer's satisfaction is utmost purpose of the Company's policy. The Company therefore places great importance on the supervision of the infrastructure of its projects in order to maintain high-standard construction quality. Higher qualified and expertise contractors, labor, architects, consultant engineers, engineers, as well as foremen are recruited and higher-quality buildings will be constructed with a competitive price and on schedule. Thus, the Company may have a risk in not being able to procure such contractors and labors during certain periods, in particular, periods of continuous economic growth, where there is a high demand for high-qualified contractors and labor. This may result in the Company not being able to proceed with the projects in accordance with its standards of quality, within the schedule and in accordance with the budgeted costs, which may in turn affect the performance of the Company.

However, to manage this risk, the Company has a policy to continuously build and maintain good relationships with contractors, by selecting only those highly qualified contractors who have worked with the Company over a long period of time. This means that the Company has a certain level of confidence that the construction will be completed and met with the Company's standards and projects can be delivered according to the proposed timeframe. Furthermore, it is the Company's policy for contractors to invoice the Company in installments, and only when each slot of works has been completed. This method allows the Company to maintain control over such payments to contractors to ensure that the payments do not exceed the amount of work actually completed. This, in turn, reduces the Company's risk where the contractor abandons the project as well as allows the inspection to the quality of work and whether the contractors will be able to complete the project within the timeline. Where the Company determines that project may not be delivered within proposed time, the Company can provide personnel in order to support and carry on the project to be completed on time. This will be done by hiring special labor to assist the construction. Further, to supervise the construction and to be continuously assured of the contractor's quality of work, the Company will assign project managers, project engineers, and foremen to verify the contractor's work on a regular basis.

3.1.4 Risk of fluctuation of Construction Material Price

In the real estate development business, construction materials are the principal and most significant cost in the development of a project. There was an increase in price for some construction materials. Due to the growth of the real estate development business for residential projects located near the BTS expansion areas, various government projects and recovery of the domestic economy. This will affect real estate developers for the prepared budget and price forecasts, as there may be errors which impacts the Company's future performance.

Despite this, the Company has a policy to pass on the risk to the contractor by specifying the amount of construction materials in the construction contract. For construction materials which the Company procures itself, such as steel rods and concrete, the Company's policy is to order large quantities for use in the project, resulting in cost savings in relation to the construction materials as well as increased bargaining power over the seller. This assists the Company in forecasting its costs and profits with a certain amount of accuracy and allows the Company to set its prices in accordance with its costs.

In addition, to lower the risk from the increase in construction costs, the Company utilizes Value Engineering in the design and construction stage of the project. This technique allows the Company to reduce construction costs and at the same time maintain construction quality and standards. In relation to risk of fluctuation in the cost of construction materials, in entering into contracts with contractors, the Company will clearly set out the value of the work by specifying the details of the material i.e. the type, quantity and features of the work, allowing the Company to reduce the risk from a fluctuation in the cost of construction materials.

3.1.5 Risk of Land Procurement for Future Development Projects

The Company has a policy not to hold vacant land which is not ready to be developed but estimates to purchase lands pursuant to amount of the Company's projects. The Company will consider each plot individually based on the target customer, if this is the case the Company will develop the project. Therefore, the Company does not have a large amount of vacant land which is not ready to be developed. As a result of this, the Company may have risks in relation to land procurement for future development projects. However, the majority of company's shareholders are those who possess lands in prime areas so the Company could take this as an advantage in order to find the most efficient land to develop in each project.

3.1.6 Risk of amendment of Laws, Regulation, Rules and Ministerial Regulations relating to the Real Estate Development Business

Amendments to the laws, regulations, rules, and ministerial regulations relating to the real estate development business may lead to an increase in the project's operational costs. For example, where there is a change of the town planning regulation in relation to the Floor Area Ratio (FAR), new policies on common areas, or the scope and preparation of Environmental Impact Assessment reports (EIA), these may have an adverse effect on the Company's performance.

Despite this, the Company has studied and will continue to study any changes in the laws, rules, and regulations in order to prepare for a change in the government policy. The Company has always developed its projects in accordance with any changed policies, allowing the Company to reduce a certain amount of this risk.

3.1.7 Risk in relation to Leasehold Rights

The “G-Land Tower Grand Rama 9” office building project, operated by Phraram 9 Square Co., Ltd., is located on a plot of land in which the Company has a 43-year lease agreement. Even though this is a long-term contract, the landlord could terminate the agreement at any time before expiry if the Company breaches the lease agreement. Therefore the Company must avoid actions which might abuse or breach the lease agreement which may lead to termination or a fine.

3.1.8 Risk from lack of experience and expertise in construction control of mega-tall building projects

There are certain differences in construction of general office buildings and the real estate development of a 125-storey building with 615 meters tall. The latter one has to use special machinery, tools and equipment through to distinctive construction technique and building material for the security and safety of the building. This new project development of a mega-tall building utilizes a special construction technique which is not widespread. As the Company lacks experience and expertise in controlling the development and construction of a mega-tall building, there are risks on the quality of construction and the safety of the environment, personnel and stakeholders related to the development of the project. This includes the risk of the delay in the development of the project, in which the Company will not be able to recognize rental and service income as according to plan, resulting in a lower project return on investment.

However, the Company plans to hire international specialist who has experience and expertise in consulting for overseas mega-tall building as a project's engineering design consultant. This consulting include structural design and the selection of material and technology, such as the foundation, pillar and bearing walls, for the building's safety and confidence of the lessee. Moreover, the Company's policy is to hire construction supervisor with experience and expertise in a similar project development by considering former project supervision accomplishments, credibility and appropriate remuneration rates. This is to ensure that the construction will be completed within specified period and budget. Therefore, the Company is confident that the development of various real estate projects will go according to the plan.

3.2 Investor Risk

3.2.1 Risks from Major Shareholders Holding More than 50 Percent of the Shares

At present, the Charernkit Group holds more than 50 percent of the Company's registered and paid up shares. Thus, the minority shareholders might be suspicious of major shareholders manipulating the Company policy, moving the Company in a certain direction, and the risk of not being able to accumulate the required number of votes to veto, review or balance the major shareholder's power.

However, presently, the audit committee consists of 3 directors who are independent directors, from a total of 9 directors. This assists and increases the efficiency and transparency in the Company management and the balance of power within the Board of Directors. Further, these directors are also representatives of minority shareholders in monitoring and reviewing the Board of Directors' management of the Company. Moreover, the Board of Directors is profoundly realizes the Principles of Good Corporate Governance and will strictly comply with these guidelines. Thus, investors can be assured that all shareholders, including any stakeholders in the Company, will be treated fairly and equally.

3.3 Risk of External Factors

3.3.1 Flood

The impact of the flood in 2011 significantly affected the customers' choice in choosing their residence, especially with regards to location. Some of the Company's projects were affected by the change of purchasing factors. Therefore, the Company has to consider improving the land quality i.e. implementing a higher land fill, additional strengthening of the land, and preparation of an efficient water dispensing system both inside and around the project, as well as by taking into account the risk of future flooding when designing the projects. For The Grand Rama 9 Project, it was not affected by the flood.

4. Corporate Information

General Information

Company name	Grand Canal Land Public Company Limited
Company Registration Number	0107538000118
Location	33/4 Rama 9 Road, Huaykwang, Bangkok 10310
Business Type	Property Development
Home Page	www.grandcanalland.com
Authorized Share Capital	5,919,366,933 ordinary shares, 1.00 baht par value Total 5,919,366,933 .00 Baht
Issued and Paid-up Capital	5,529,215,704 ordinary shares, 1.00 baht par value Total 5,529,215,704.00 Baht
Home Page	www.grandcanalland.com
Tel	66 (0) 2 246 2323
Fax	66 (0) 2 246 1082

Other References

Share Registrar	Thailand Securities Depository Company Limited (TSD) 62 The Stock Exchange of Thailand Building Rachadapisek Road, Klongtoey, Bangkok 10100 Tel : 66 (0) 2 229 2800 Fax : 66 (0) 2 359 1259
Auditor	EY Office Limited 193/136-137 Lake Rajada Building , Klongtoey, Bangkok 10110 Tel : 66 (0) 2 264 0777 Fax : -
Investor Relation	Mr. Jatesiri Boondicharern Mr. Surakit Thantananont Tel : 66 (0) 2 246 2323 Fax : 66 (0) 2 246 1082



Unilever House Grand Rama 9

Management and Corporate Governance

5. Securities and Shareholder Information

5.1 The number of registered capital and paid-up capital

At present, the Company has registered capital 5,919,366,933 Baht , the issued and paid-up share capital of 5,529,215,704 Baht which consists of 5,529,215,704 common shares, at 1.00 Baht par value.

5.2 Shareholders

List of top 10 shareholders as at 18 November 2014, the latest date the Company closed the registration book:

	Number of Shares	%
1. Charemkrit Enterprise Co., Ltd. Group		
Charernkit Enterprise Co., Ltd.	1,876,551,761	33.94
Belle Park Residence Co., Ltd.	247,546,609	4.48
Grand Fortune Co., Ltd.	44,289,432	0.80
Mr. Jatesiri Boondicharearn	238,462,967	4.31
Ms. Romani Boondicharearn	215,142,967	3.89
Mr. Jatamongkol Boondicharearn	215,142,967	3.89
Mr. Mongkol Pao-in	1,400,000	0.03
Total Charemkrit Enterprise Co., Ltd. Group	2,838,536,703	51.34
2. Bangkok Broadcasting & Television Co., Ltd. Group		
Bangkok Broadcasting & Television Co., Ltd.	1,015,202,661	18.36
Great Fortune Equity Co., Ltd.	260,955,397	4.72
BBTV Asset Management Co. Ltd.	131,063,628	2.37
GL Assets Co. Ltd.	107,046,882	1.94
BBTV Satelevision Co., Ltd.	8,934,190	0.16
Total Bangkok Broadcasting & Television Co., Ltd. Group	1,523,202,758	27.55
3. KR & Associates Co., Ltd	349,601,602	6.32
4. Kim Eng Securities(Hong Kong) Limited	170,909,924	3.09
5. Mr. Chattri Sophonpanich	156,000,000	2.82
6. Thai NVDR Co.,Ltd	42,232,835	0.76
7. Mr. Kiat Srichomkwan	29,517,608	0.53
8. Ms.Kanthong Udommahuntisuk	15,550,000	0.28
9. BTS Group Holding Pcl.	14,565,690	0.26
10. Mr. Prakrit Laovisit	12,577,467	0.23
รวม	5,152,694,584	93.18

(Investors may view updated list of top 10 shareholders information at the Company website prior to the Annual General Shareholders' Meeting)

5.3 Issuance of other securities

■ Warrants to purchase the ordinary shares No.1

Warrant	G LAND – W1
Duration (Years)	3
Expire Date	May 26, 2014
Total issued warrants (Units)	164,375,658
Total Allotted warrants (Units)	164,375,658
Offering Date	May 27, 2011
Exercise Ratio (Update)	1 : 1.029
Exercise Price (Baht/share) (Update)	1
Total number of exercised warrants as of May 26, 2014 (Units)	164,071,897

■ Warrants to purchase the ordinary shares No.2

Warrant	G LAND – W2
Duration (Years)	3 years 53 days
Expire Date	June 30, 2016
Total issued warrants (Units)	212,655,816
Total Allotted warrants (Units)	212,655,816
Offering Date	May 9, 2013
Exercise Ratio (Update)	1 : 1.047
Exercise Price (Baht/share) (Update)	1
Total number of exercised warrants as of Dec31,2014 (Units)	201,341,831
Total number of non.exercised warrants as of Dec31,2014 (Units)	11,313,985

■ Warrants to purchase the ordinary shares No.3

Warrant	G LAND – W3
Duration (Years)	2 years 343 days
Expire Date	June 30, 2017
Total issued warrants (Units)	369,389,486
Total Allotted warrants (Units)	369,389,486
Offering Date	July 23 , 2014
Exercise Ratio (Update)	1 : 1
Exercise Price (Baht/share) (Update)	1
Total number of exercised warrants as of Dec31,2014 (Units)	None

5.4 Dividend Policy

Dividend payout policy of the Company and its subsidiaries is at least 50 percent of net profit after tax and legal reserve under the consolidated financial statements. Nonetheless, the Board of Directors is authorized in considering to omit this policy or to change it from time to time, under condition that it will be made highest benefit to the shareholders, e.g. reserving for loan payments, business expansion, or market impact which will lead to the Company and its subsidiaries' future cash flows.

6. Management Structure

6.1 The Board of Directors

The Board of Directors (qualified under Section 68 of the Companies Act 2535 and announcement according by the Office of Securities and Exchange Commission) comprise of 9 members, 3 of whom are independent directors and appointed as Audit Committee members by the Board of Directors

1.	Mr. Yotin	Boondicharern	Chairman and Chief Executive Officer
2.	Assoc. Prof. Prapanpong	Vejjajiva	Director, Vice Chairman and Nomination and Remuneration Committee Member
3.	Mr. Nipon	Wisityuthasart	Independent Director , Chairman of the Audit Committee and Nomination and Remuneration Committee Member
4.	Mr. Banphot	Hongthong	Independent Director, Chairman of Nomination and Remuneration Committee and Audit Committee Member
5.	Mrs. Jitmanee	Suwannapool	Independent Director and Audit Committee Member
6.	Mr. Jarern	Jirawisan	Director
7.	Mr. Mongkol	Pao-in	Director
8.	Mr. Jatesiri	Boondicharern	Director and Managing Director
9.	Ms. Romani	Boondicharern	Director, Deputy Managing Director of Accounting and Finance Group

Ms. Supapan Wisaruetapa is appointed as the Company secretary.

The Authorized Directors

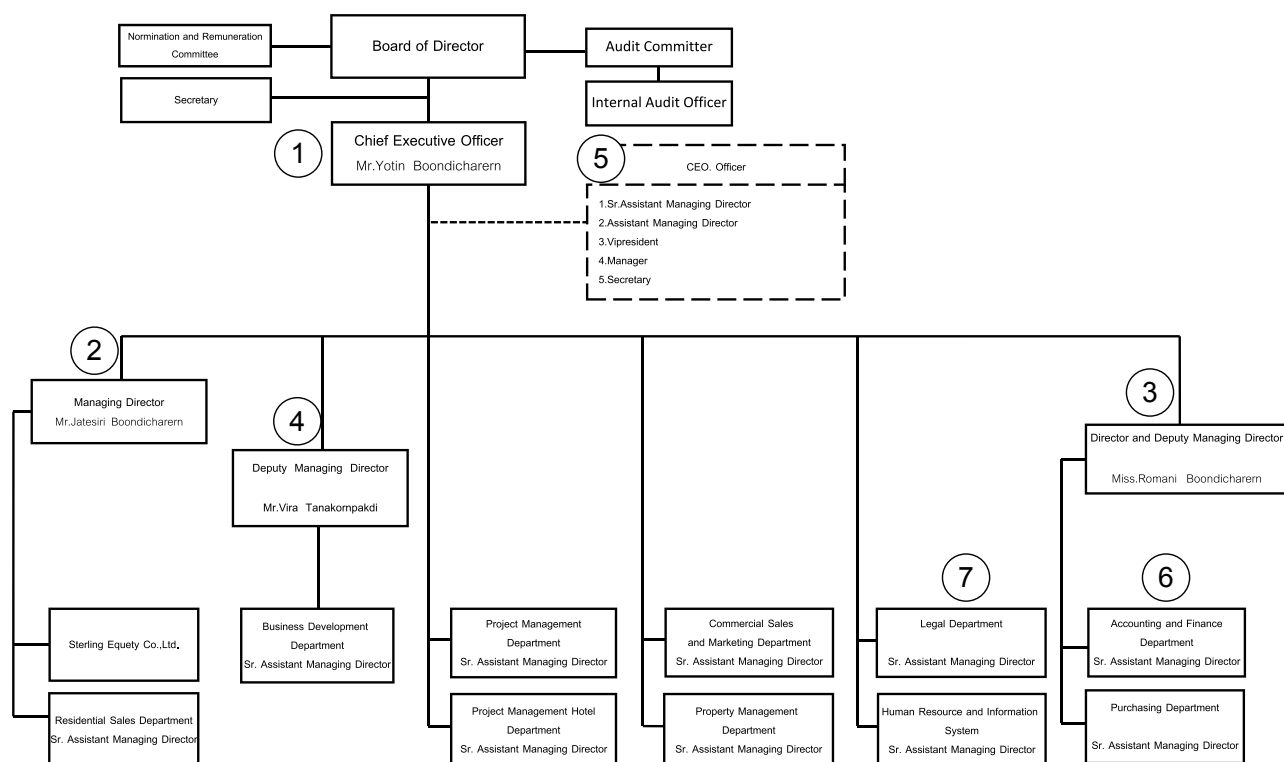
The Authorized Directors of the Company are Mr. Yotin Boondicharern or Mr.Jatesiri Boondicharern or Associate Professor PrapanpongVejjajiva or Mr. Jarern Jirawisan or Mr. Mongkol Pao-in or Ms. Romani Boondicharern, two directors from six directors above co-signed and seal with the Company Seal

6.2 Management Team

As of 31 December 2014 the Company has 7 members of the management team as follow ;

Name	Position
1. Mr. Yotin Boondicharern	Chairman and Chief Executive Officer
2. Mr. Jatesiri Boondicharern	Director and Managing Director
3. Ms. Romani Boondicharern	Director, Deputy Managing Director of Accounting and Finance Group
4. Mr. Vira Tanakornpakdi	Deputy Managing (Acting) and Assistant Managing Director, Business Development Department
5. Mr. Jatamongkol Boondicharern	Senior Assistant Managing Director CEO Office
6. Mr. Surakit Thantananont	Senior Assistant Managing Director Finance and Accounting Department
7. Mr. Sakol Pao-in	Senior Assistant Managing Director Legal Department

Company Management Structure as of 31 December 2014



6.3 The Company Secretary

Ms. Supapan Wisaruetapa is appointed as the Company secretary.

Ms. Supapan Wisaruetapa		
● Position	:	Company Secretary
● Age	:	52
● Education	:	Bachelor of Accounting Chulalongkorn University
		Master of Accounting Thammasat University
● Training Course	:	Director Certification Program (DCP)
		Corporate Secretary Development Program
		CFO (Certification Program)
● Number of Company shares held	:	None
● The relationship between Directors and Executives	:	None
Experience in the last 5 years		
21 Mar 2008 – Present	Company Secretary	Grand Canal Land Plc.
Aug 2007 – Present	Secretary of The Board of Directors	Grand Canal Land Plc.
Apr 2009 -13 Jan 2010	Director	Media of Medias Plc.
Mar 49 – Dec 2009	Deputy Managing Director of Accounting and Investment	Media of Medias Plc.
Sep 2011 – Present	Managing Director	Media Studio Co.,Ltd.
June 2010 – Present	Director	Media Studio Co.,Ltd.
Dec 2012 – Present	Director and Managing Director	Media Now Co.,Ltd.
May 2013 – Present	Director	Media Scene Co.,Ltd.
Sep 2010 - Present	Director	BBTV Production Co.,Ltd.
Sep 2010 - Present	Director	Razorfish & Partner Co.,Ltd.

6.4 Remuneration for Directors and Executives

In 2014, the Company paid the remunerations to Directors and Executives as follow:

(1) Remuneration in form of cash

(a) Remuneration for the Company Directors

(Unit : Baht)

Directors	Transportation Allowances for Directors	The meeting Allowances for Directors	Total
Mr. Yotin Boondicharern	690,000.00	180,000.00	870,000.00
Mr. Yongyuth Withyawongsaruchi	218,500.00	96,000.00	314,500.00
Assoc. Prof. Prapanpong Vejjajiva	690,000.00	160,000.00	850,000.00
Mr. Nipon Visityuthasart	667,200.00	252,000.00	919,200.00
Mr. Bunphot Hongtong	621,600.00	220,000.00	841,600.00
Mrs. Jitmanee Suwannapool	424,000.00	134,000.00	558,000.00
Mr. Jarern Jirawisan	483,600.00	142,000.00	625,600.00
Mr. Mongkol Pao- In	483,600.00	142,000.00	625,600.00
Mr. Jatesiri Boondicharern	483,600.00	130,000.00	613,600.00
Ms. Romani Boondicharern	483,600.00	130,000.00	613,600.00
Total	5,245,700.00	1,586,000.00	6,831,700.00

(b) Total remuneration for Directors as an Executive and Executives in total 10 persons is:

Salary 28,488,878.33 Baht

(2) Other remunerations:

(a) Other remunerations for Directors – None

(b) Other remuneration for Directors as an Executive and Executives in total 10 persons is:

Provident Fund 704,649.60 Baht

7. Corporate Governance

7.1 Policy of corporate governance

The Board of Directors has realized the importance of good corporate governance as a vital factor for strong and sustainable business operations. It means that the Company has efficient, transparent, and able to audit management systems that create trust and confidence amongst its shareholders, investors, other stakeholders and all relevant parties.

The Board of Directors sets a written policy on good corporate governance and business ethics that is reviewed annually. Also, this information is disclosed on the Company's website and Intranet as guidelines for directors, executives, and employees to follow. These guidelines include transparency of work procedure, provision of fair and equitable treatment to all shareholders and stakeholders involved in operations according to the law, punctual disclosure of reliable information, as well as the creation of internal control and internal audit system.

In addition, the Company complies with the Principles of Good Corporate Governance for Listed Companies that the Stock Exchange of Thailand has adopted as specified in the following five categories:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board

1. Rights of Shareholders

The Company recognizes the importance of the rights of shareholders to attend meetings to obtain the Company's information. The Company discloses the financial statements and the annual overview of the Company's operations to shareholders through SET. The Company will distribute invitation notice and documents for the Shareholders' Meeting to shareholders at least 7 days prior to the meeting date, of which include opinion of the Board of Directors in every session. The Company also advertises the invitation notice on its website: www.grandcanalland.com. In addition, the Company will organize the meeting place, date, time of the meeting, and coordinate the advance registration period of 1 hour prior to the beginning of the meeting. During the meeting, the Company facilitates each session, allowing shareholders to express their opinions and ask their questions. On 25 April 2014 the Company held an Annual General Shareholders' Meeting, shareholders and proxies attended representing 4,731,188,173 shares, accounting for 88.96 percent of the total number of paid-up ordinary shares.

2. Equitable Treatment of Shareholders

The Company gives the importance and pays respect to rights of shareholders by implementing a policy to treat all shareholders on an equitable basis. The Company protects not only the basic rights of every shareholder but also gives equal treatment toward shareholders during meetings and protect inside trading.

2.1 Shareholders' meetings

To show the transparency of management and operations and be fair to all shareholders, shareholders are entitled to express their opinions or make inquiries to executives and also participate in decision making. Therefore, important issues must be submitted to the shareholders meeting for consent or approval such as operating results, last year's profit appropriation, election of Directors, the appointment of auditors, etc. Aiming to give all shareholders equal rights, the Company gives shareholders advance notice of agenda items to be raised in the meetings.

Besides the invitation notice and list of documents submitted to shareholder, the Company also provides proxy forms to shareholders unable to attend the meeting. The proxy form is prepared such that shareholders can dominate the direction of the vote and assign proxies to attend the meeting to vote on their behalf. For the meeting in 2014, the Company offered additional alternatives to shareholders by proposing a list of Independent Directors for shareholders to choose as proxies to attend the meeting.

In the meeting, the Company Secretary informs all shareholders attending, the list of criteria for casting votes before starting with the meeting. Shareholders have the right to vote for or against or abstain, as they deem appropriate. On the election of Directors, it is specified that shareholders can vote in favor, vote against, or abstain each Director. During the meeting, the chairman of the meeting shall give the opportunity to all attending shareholders on equal basis to fully examine the Company's operations, make inquiries, express opinions/comments and give recommendations. In this respect, the directors and the related executive officers shall reply to the shareholders' queries while accepting the shareholders' opinions and suggestions for further consideration and action as deemed necessary.

With the shareholders' meeting decision, the Company Secretary shall inform all shareholders of each meeting agenda item, how many votes were cast by the shareholders in favor, how many against, and how many abstentions. All resolutions shall be decided by the majority vote. The resolutions, with the number of votes cast on each agenda item, are recorded and the minutes of the meeting are recorded accurately and completely. Copies of minutes of the meeting are then delivered to the related agencies concerned within a specified time and are disseminated on the Company's website: www.grandcanalland.com, for the shareholders and the general public to examine.

The Company has a commitment to seek and support shareholders' rights to attend meetings and check the equitable treatment of shareholders.

2.2 Measures to curb inside trading

To prevent Directors and executives from trading inside or gaining advantages for themselves or others, the Company has implemented section 59 of the Royal Decree on Securities and Exchange, B.E. 2535. Directors and executives have to report their transactions in a timely manner in the Board of Directors' meeting. In addition, the Company prohibits the executives or employees to neither disclose internal information to the

public nor trade the Company's security a month before being made public. Directors and executives will strictly carry out the policy.

3. Role of Stakeholders

The Company recognizes the importance of rights of every stakeholder including shareholders, customers, trading partners, Company's employees and the society. In addition, the Company treats stakeholders in each group with fairness, transparency, and in line with provisions or requirements of the laws, rules, and regulations concerned. These are for cooperation between the Company and all groups of stakeholders to bring about advantages in operating performance and the stability of the organization. The Company has taken actions relating to stakeholders as follow:

- **Shareholders.** The Company respects shareholders' right and treats all shareholders fairly and equitably.
- **Customers.** The Company focuses on conducting business that is honest and responsive to customers' need by providing quality product. The Company also provides complete and accurate information.
- **Trading partners** The Company treats trading partners in accordance with trading conditions. The Company is responsible for contracts and agreement that are made with their trading partners.
- **Employees.** The Company treats its employees fairly, provides appropriate compensation and welfare, and continuously promotes and develops all employees.
- **Society.** The Company aims for the awareness of the environment, well being and the quality of living of the society. Our architecture and landscape design is specially developed and carefully planned to be environmentally friendly and also in compliance with the laws and regulations set by the law. The Company has projected the main central park to be spacious and is specially designed to give the community a recreational area, with a peace of mind, a jogging space and a friendly relaxing green zone.

4. Disclosure and Transparency

4.1 Disclosure of information

The Company recognizes the importance of disclosing accurate, complete, timely, and transparent information, following the financial rules of SEC and SET, the general information to investors through various channels of SET and the Company website. The Company assigns the Managing Director to be responsible for informing all information to investors, shareholders, and related government sectors.

Disclosure of the Company's information includes financial and non-financial reporting (under the regulations of SEC, SET) and related information, i.e., policy and implementation on corporate governance, information related to the Board of Directors, the responsibility of the Board of Directors, and policy and compensation given to Directors.

4.1.1 Financial Reports and Responsibility of the Board of Directors for financial reporting

The Board of Directors is responsible for the Company's financial statements, the consolidated financial statements of the Company and its subsidiaries, and all financial information appearing in the annual report. These financial statements have been prepared in accordance with the accounting principles and there is adequate disclosure of important information in the notes of the financial statements. In addition, the financial statement have passed the examination of Certified Public Accountants and verified by Audit Committee. The Board of Directors has also prepared a report entitled "Responsibility of the Board of Directors for Financial Reporting" as attached herewith in the annual report.

4.1.2 Policy and Implementation on Corporate Governance

The Board of Directors always follows the Principles of Good Corporate Governance in the same approach specified by SET to ensure confidence of shareholders, investors, and related parties.

4.1.3 Policy and Compensation given to Directors and Executives

The Nomination and Remuneration Committee proposes directors' remuneration for the shareholders' approval on a yearly basis. Compensation for top executives is proposed by the Nomination and Remuneration Committee to the Board of Directors for approval, depending on the responsibilities and the Company's annual earnings performance. In 2013, remuneration payment to the Board of Directors and the Executives are mentioned under the topic of "Remuneration for Directors and Executives".

4.2 Relationship with Investors

The Company assigns the tasks of information dissemination and investor relations to the Managing Director, who oversees relationships with both existing shareholders and potential shareholders. Interested investors could contact the Company's Investor Relation Department at 0-2246-2323 for more details. During 2014, the Investor Relation Department together with the Company's top executives, occasionally organized analysts meetings

5. Responsibilities of the Board

5.1 Committee Structures

The Company's committee structure consists of three committee bodies: the Board of Directors, Audit Committee Nomination and Remuneration Committee, and Executive Committee.

- **Board of Directors** - In 2014, there are 9 members of the Board of Directors, consisting of 3 independent directors. The Board of Directors has limited period ruled by the Company's regulation and is able to be re-appointed after retirement.
- **Audit Committee** - consists of 3 independent directors. Each member is in charge for a period of 3 years, the member may be re-appointed after retirement.

- **Nomination and Remuneration Committee** - consists of 2 independent directors and 1 director. Each member is in charge for a period of 3 years, the member may be re-appointed after retirement.

The composition, membership, selection method, and scope of authority for each of the committee, along with the name of the committee members were mentioned under the topic of “Management Structure”.

5.2 Roles, duties and responsibilities of the Board of Directors

The scope of authority of the Company's committee has been mentioned under the topic of a sub-committee – “Corporate Governance”. The Board of Directors plays a vital role to determine and approve the visions, goals, strategies, and budget of the Company, to follow up the executives' performance, to ensure the appropriate internal control system including the appropriate risk management. The Board of Directors is responsible for the preciseness, completion, and appropriate accounting principles of the financial report.

The Board of Directors sets a written policy on good corporate governance which is reviewed annually.

The Board of Directors sets a written policy on business ethics, which is disclosed on the Company's website as guidelines for directors, executives, and employees of all levels to follow.

The Board of Directors was informed and/or approved the appropriate connected transactions and conflict-of-interest transaction in accordance with the SET regulation and disclosed in the annual report and Form 56-1.

The Board of Directors realizes the importance of the internal control system of the Company. An independent internal audit team is set up to review work performance in accordance with the Company policies and to suggest solutions and improvement. To ensure that the audit team has independence and full control, the team is to report directly to the Audit Committee. In addition, the Board of Directors requires the Audit Committee to follow the regulations as operational guideline.

Risk management is the responsibility of the Chief Executive Officer, Managing Director and the Executives. The Company arranges risk evaluation, reviews, and tries to prevent risk that may occur. The Company realizes the significance of risk and obstructions affecting the business and strives for the success of the Company.

5.3 The Board of Directors' Meeting

The Board of Directors usually schedules meetings on a quarterly basis. The Chairman and the Group of the Executive will set agendas for the meeting. The Company Secretary is responsible for meeting appointments, preparing meeting agendas including the consideration of operations, preparing any documents submitted to the Board of Directors not less than 7 days prior to the meeting date and taking minutes of meeting. In the meeting, directors can express their opinions independently. In some occasions, the top executives are invited to attend the meeting to present their work assigned completely.

In 2014, there were a total of 11 meetings and the number of the Board of Directors attended is as follow:

Name		Number of Meetings Attended/Number of Meeting
1. Mr. Yothin	Boondicharern	11 / 11
2. Assoc. Prof. Prapanpong	Vejjajiva	11 / 11
3. Mr. Yongyuth	Withayawongsaruchi	4 / 4
4. Mr. Nipon	Wisityuthasart	10 / 11
5. Mr. Banphot	Hongtong	11 / 11
6. Mrs. Jitmanee	Suwannapool	7 / 7
7. Mr. Jarern	Jirawisan	11 / 11
8. Mr. Mongkol	Pao-in	11 / 11
9. Mr. Jatesiri	Boondicharern	10 / 11
10. Ms. Romani	Boondicharern	10 / 11

Remark Mr. Yongyuth Withayawongsaruchi resigned on 25 April 2014

Mrs. Jitmanee Suwannapool appointed on 25 April 2014

As for the Audit Committee's meeting, there is an Audit Committee Charter indicating that the meeting will be held at least 4 times a year. In 2014, there were a total of 8 meetings and the number of Audit Committee attended is as follow:

Name		Number of Meeting Attended /Number of Meeting
1. Mr. Yongyuth	Withayawongsaruchi	3 / 3
2. Mr. Nipon	Wisityuthasart	8 / 8
3. Mr. Banphot	Hongtong	8 / 8
4. Mrs. Jitmanee	Suwannapool	5 / 5

Remark Mr. Yongyuth Withayawongsaruchi resigned on 25 April 2014

Mrs. Jitmanee Suwannapool appointed on 30 April 2014

Board of Directors Meeting appointed Mr.Nipon Wisityuthasart to be a Chairman of the Audit Committee on 30 April 2014

For the Nomination and Remuneration Committee's meeting, there is a rule from the Committee indicating that the meeting will be held at least 2 times a year or as necessary and appropriately. In 2014, there were 2 meetings and the number of Nomination and Remuneration Committee attended is as follow:

Name		Number of Meeting Attended /Number of Meeting
1. Mr. Nipon	Wisityuthasart	2/2
2. Assoc.Prof. Prapanpong	Vejjajiva	2/2
3. Mr. Banphot	Hongtong	2/2

Remark Board of Directors Meeting appointed Mr.Banphot Hongtong to be a Chairman of the Nomination and Remuneration Committee on 30 April 2014.

5.4 Remuneration

The Board of Directors oversee the practices and rules relating to remuneration policies and schemes which are equitable and reasonable based on the consideration of comparable experiences, duty, the scope of actions, and the responsibility that is equivalent to other companies in the similar industry. The task includes:

1. Considering and reviewing the remuneration scheme for directors and sub-committee members and submitting it to the shareholder's meeting for approval, and
2. Considering and reviewing the remuneration scheme for top executives and submitting it to the Board of Directors for approval.

5.5 Development of Directors and Executives

The Company is aware of the importance of the Board of Directors looking after shareholders' rights in a corrective and fair manner to gain the confidence of the people concerned and also for the Company's long-term growth. Therefore, the Company has nominated persons with knowledge and competency as well as experiences to perform the duties of the members of the Board of Directors and the Management team.

The Company encouraged Directors, executives, and staff to attend seminars and workshops to help them better serve and contribute to the Company.

The following board members and executive officers went through training/seminar programs organized by the Thai Institute of Directors Association (IOD):

Directors and Executive	Topics / Curriculum / Seminars
Assoc. Prof. Prapanpong Vejajiva Director, Vice Chairman, Nomination and Remuneration Committee	<ul style="list-style-type: none"> • Director Accreditation Program (DAP) • The Role of Chairman Program (RCP) • Audit Committee Program (ACP) • The Role of Compensation Committee (RCC)
Mr. Nipon Wisityuthasart Independent Director, Audit Committee Member and Chairman of Nomination and Remuneration Committee	<ul style="list-style-type: none"> • Director Accreditation Program (DAP) • Executive Program for Metropolitan Development (Mahanakorn 3) Navamindradhiraj University
Mrs. Jitmanee Suwannapool Independent Director and Audit Committee Member	<ul style="list-style-type: none"> • Director Certification Program (DCP)
Mr. Jarern Jirawisan Director	<ul style="list-style-type: none"> • Director Accreditation Program (DAP)
Ms. Romani Boondicharern Director, Deputy Managing Director of Accounting and Finance Group	<ul style="list-style-type: none"> • Director Accreditation Program (DAP) • Director Certification Program (DCP) • Executive Development Program (EDP) • Young Entrepreneur Program (YEP) • Executive Program for Metropolitan Development (Mahanakorn 3) Navamindradhiraj University • Deference 2014 : How to Harness Business Creative (ABC)
Mr. Jatemongkol Boondicharern Senior Assistant Managing Director CEO Office	<ul style="list-style-type: none"> • Director Certification Program (DCP)
Mr. Surakit Thantananont Senior Assistant Managing Director of Finance and Accounting Department	<ul style="list-style-type: none"> • Director Accreditation Program (DAP) • Director Certification Program (DCP)
Mr. Sakol Pao-in Senior Assistant Managing Director Legal Department	<ul style="list-style-type: none"> • Director Accreditation Program (DAP) • Director Certification Program (DCP)

7.2 Sub-committee

The structure of the Board of Directors comprises of 3 committees: Board of Directors, Audit Committee and, Nomination and Remuneration Committee.

The Board of Directors

The Board of Directors (qualified under Section 68 of the Companies Act 2535 and announcement according by the Office of Securities and Exchange Commission) comprise of 9 members, 3 of whom are independent directors and appointed as Audit Committee members by the Board of Directors. A list of the Board of Directors and the Authorized Directors (- “Management Structure - 6.1 The Board of Directors”)

The Roles and Duties of the Board of Directors

1. To perform with honest and careful, under the law, objectives, and rules of the Company and the legally resolution of the Shareholders, expect those matters which priory granted approval from the shareholders' meeting as well as regulations of the Stock Exchange of Thailand (SET) and / or other related matters, e.g., connected transaction, acquisition and disposal of major assets.
2. To have authorities to designate directors and/or top executives as a management team to operate one and/or multi duties delegated from Board of Directors. Moreover, their authorities include the designation for Chief Executive Offer who is authorized to appoint Managing Director and any management committees such as audit committees and nomination and remuneration committees as appropriated. Furthermore, their authorities can be appointed and delegated to any persons to perform on behalf of Board of Directors with control by Board of Directors to cancel, revoke, amend and charge any authorities and roles as appropriated.
3. To appoint and replace the Director who is authorized to sign Company documents.
4. To order sub-committees to monitor and control the Company's management and internal control as regulated by the Company's policies.
5. To determine the Company's policies, methods, strategies and budget, as well as, to conduct the management and other authorized persons' work to comply with the Company's policies.
6. To consider, reconsider, investigate and approve the Company's policies, directions, strategies and plans for operations as proposed by the Management.
7. To follow up the Company's operation to continually comply with the strategies and budget.
8. To consider and approve investments, diversify, and thoroughly join investment with other companies.
9. To consider and approve other matters for the Company's benefits and interest.
10. To regulate and oversee conflict of interests between the Company and interested persons.
11. To consider and approve borrowing, pledge, mortgage, guaranty and financial transaction with financial institution, shareholders or related persons with approval credit line.
12. To consider and approve to pay the shareholders such interim dividends as appeared to the directors to be justified by the profits of the company and report such interim dividends to the next shareholders' meeting.

Audit Committee

The Board of Directors appoints the Audit Committee, which is a sub-committee of the Company, consisting of one Chairman and at least 2 but not exceeding 4 members. Each member is in charge for the 3 - year period; after the end of the contract, the member may be re-appointed.

The Audit Committee comprised of 3 independent directors with expertise in accounting and finance and experiences in the financial statement review, as follows:

No.	Name	Position
1	Mr. Nipon Wisityuthasart	Chairman of the Audit Committee
2	Mr. Banphot Hongthong	Member of the Audit Committee
3	Mrs. Jitmanee Suwannapool	Member of the Audit Committee

Mr. Sakol Pao-in is appointed as the Audit Committee's Secretary .

Duties and Responsibilities of Audit Committee

- 1 Carry out auditing to verify that the quarterly and annually financial reports correctly follow the accounting standard and are sufficiently disclosed to co-operate between the Company management and the auditor. The Audit committee has duties to highlight financial statement, accounting practice, continuing of firm, the major change of accounting standard, and indicating reasons of change to Management before presentation and publication to the shareholders and investors.
- 2 Develop internal control guidelines and carry out internal auditing to ensure that the Company has appropriate and effective internal control and auditing in cooperation with both external and internal auditors. Review the internal control year plan (Audit Plan) and evaluate the result with auditors and internal controller on the problem and constrain of the financial statement, including computer security systems to prevent the corruption and un-lawful activities of employees.
- 3 To review the Company and its subsidiaries to ensure that their operations are in accordance with the security laws and the Stock Exchange of Thailand's ("SET") legal requirements, the SET rules and regulations, as well as other laws that may be related to the Company's business.
- 4 Consider the selection and proposals to appoint an independent person as an auditor of the Company and consider the auditors' remuneration by highlighting on the trustiness, resourceful, and workload of that audit firm with the auditor's experience. The Audit committee needs to set up meetings with the auditor by having no management team's involvement at least once a year.
- 5 Consider the completeness and correctness of the disclosure of Company information regarding the transactions, transactions with conflicts of interest and the acquiring/disposal of asset. Also to approve the transaction and reporting to the Board of Director and/or shareholder's meeting in accordance to related rule and regulation.
- 6 Consider the independency of the internal control division or related division; appoint, transfer, and termination of the contract.
- 7 Carry legally audit committee report to be disclosed in the Company's annual report which shall consist of complete information and be signed by Chairman of audit committees.
- 8 To take care of any other matters assigned by the Board of Directors approved by audit committee.

Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee, which is a sub-committee of the Company, consisting of one Chairman and at least 2 members. The Audit Committee and Board of Directors must be an independent director and each member is in charge for a 3 year period; after the termination of the 3 year period, the member may be re-appointed.

The Nomination and Remuneration Committee comprise of 2 independent directors and 1 director as follows:

No.	Name	Position
1	Mr. Banphot Hongthong	Chairman of the Nomination and Remuneration Committee
2	Assoc. Prof. Prapanpong Vejajiva	Member of the Nomination and Remuneration Committee
3	Mr. Nipon Wisityuthasart	Member of the Nomination and Remuneration Committee

Mr. Jatamongkol Boondicharern was appointed as the Nomination and Remuneration Committee's Secretary .

Duties and Responsibilities of the Nomination and Remuneration Committee

1. To consider criteria and procedures to nominate qualified, knowledgeable, competent and high experiences candidates to act as directors, audit committee, the nomination and remuneration committee and the risk management committee (if any), and seek the approval in the Company's Board of Directors and/or Shareholders meeting.
2. To consider an appropriate remuneration scheme for directors, members of sub-committees, and top executives, as well as overseeing that such remuneration schemes are in line with their duties and responsibilities, comparable and equitable with the industrial and other business piers, and seek for approval in the shareholders' meeting.
3. Assist in other matters assigned by the Board of Directors.

7.3 Nominations and Appointment of Directors and Executive Officers

(1) Independent Directors

The independent directors have the following qualifications:

1. Not holding shares in their own names or on behalf of the related persons in the amount exceeding 0.5 percent of voting shares in the Company, its subsidiaries or affiliated companies.

2. Not participating in the management, not being employees or consultants who receive regular salary or any other benefit from the Company, its subsidiaries or affiliated companies, not having a control over the Company, its subsidiaries or affiliated companies, not having a conflict of interest with the said entities, including not having a relationship with persons who provide professional services to the Company, its subsidiaries or affiliated companies. If a nominated person has been in any above mentioned positions, such person must have vacated such positions for at least one year.

3. Not having a business relationship, benefit or interest, neither direct nor indirect, both in terms of finance and management of the Company, its subsidiaries or affiliated companies or persons who may have conflict of interest, in a way that can lead to the lack of independence.

4. Not being relatives of executives or major shareholders of the Company, its subsidiaries or affiliated companies or persons who may have conflict of interest and not being nominated as representatives to ensure the benefit of directors or major shareholders.

(2) Recruitment of Directors and Executive Officers

To recruit persons to be directors of the Company, the Nomination and Remuneration Committee will nominate persons who have knowledge and understanding of business of the Company, proper qualifications, and whom do not have prohibited characteristics under the laws and regulations of regulatory agencies for public companies, in order to take up a position of directors. The Committee will present such persons to the Board of Directors for consideration and later to the shareholders' meeting for appointment.

The rules and procedures relating to the appointment of the Company's directors at the shareholders' meeting is in accordance with the relevant articles of the Articles of Association of the Company, Section 3 Directors, Articles 13 to 15. Specifically, the Company's Board of Directors consists of no less than 5 persons. The maximum number of the Company directors is not specified. No less than half of the directors must reside in Thailand.

The appointment of directors must be conducted together at once in the shareholders' meeting. Each shareholder shall have a right to one vote per one share held and may use all of his/her votes to elect one or more persons to be directors. However, shareholders are not allowed to divide votes between candidates. The persons who have receive the most number of votes will be elected to be directors, equal to the number of directors the shareholders must elect in such meeting. Where persons who were elected in the later order received the same number of votes and the number exceeds the number of directors to be elected in that shareholders' meeting, the Chairman of the meeting shall have the casting vote.

At every Annual General Meeting, one-third of the directors must retire. The director with the longest term must retire first, or if there is more than one director with the longest term, the name of the director to retire shall be drawn by lots. If this number is not a multiple of three, then the number nearest to one-third, must retire. A retiring director is eligible for re-election.

The removal of directors can only be done with the approval of the shareholders' meeting with the majority of votes of not less than three-fourth of the total votes of shareholders attending the meeting and eligible to cast the votes.

For the nomination of sub-committees and executives, the Nomination and Remuneration Committee shall nominate a list of candidates with proper qualifications to take up each position in order to present to the Company's Board of Directors for approval.

7.4 Governance over Operations of Subsidiaries and Affiliated Companies

To govern the operations of subsidiaries and affiliated companies, the Company has assigned the Company's directors as representatives to act as directors in its subsidiaries according to the shareholding ratio. This is in order to manage and be responsible for the operation of subsidiaries and affiliated companies, resulting in the optimum benefit of those subsidiaries or affiliated companies.

Apart from this, for subsidiaries, directors that have been appointed by the Company must ensure that the subsidiaries disclose its financial information, performance and transactions between the subsidiaries and its connected persons, acquisition or disposal of assets or any other transactions of the subsidiaries. The information must be complete, accurate and use the same criteria which the Company uses for the disclosure of details and undertaking of transactions with the same nature.

7.5 Monitoring the Handling of Information

According to the Company's regulation, section 3 Board of Directors, stating in the prohibition for the Board of Directors in issue 27, that the director must inform the Company once the director interferes in any transaction, gain or loss, and possesses more or less share in the Company or any related Company. As announced in issue 28, the director is prohibited to run similar business or acts as a competitor against the Company. The director is also prohibited to be a director in any private or public Company which commences the same or related business and is likely to be competitors for the Company. This point will be put into consideration only if this has been brought up in the shareholders' meeting before making an election.

The Directors of the Company and all the executives must strictly follow rules and regulations as set in the SET and SEC, concerning the preparation and disclosure the stock report. The Directors or executives must inform the Company Secretary once they sell or purchase stocks of the Company, in order to report to SET and SEC.

7.6 The Accuracy of Auditor's Remuneration Details

FOR THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Audit Fee)

NO.	Company's Name	Auditor's Name	Audit fee (Baht)
1	Grand Canal Land Plc.	Ms. Waraporn Prapasirikul	1,485,000.-
2	Belle Development Co., Ltd.	Ms. Waraporn Prapasirikul	930,000.-
3	Praram 9 Square Co., Ltd.	Ms. Waraporn Prapasirikul	400,000.-
4	Praram 9 Square Hotel Co., Ltd.	Ms. Waraporn Prapasirikul	70,000.-
5	Sterling Equity Co., Ltd.	Ms. Waraporn Prapasirikul	350,000.-
6	Belle Assets Co., Ltd.	Ms. Waraporn Prapasirikul	210,000.-
7	G Land Property Management Co., Ltd.	Ms. Waraporn Prapasirikul	225,000.-
Total audit fee			3,670,000.-

Non-Audit Fee

- None -

8. Corporate Social Responsibility

The Company's Board of Directors places importance in relation to our responsibility to our community and the environment, which is considered as part of the Company's business operations. The Company imposes this policy on itself and its subsidiaries, to express its corporate social responsibility from setting our vision, objectives, strategies, operational risk assessment and business operations, such as construction process, treatment of employees, treatment of customers and contractors, etc. Moreover, the Company also monitors itself to ensure that its business operations comply with all relevant laws.

Fair Business Practices

The Company's policy is to engage in business with all stakeholders through the principle of honesty and transparency. Conducting business with customers or contractors must never be detrimental to the Company's reputation or violate any laws.

- Procurement is done through Closed Bidding and the sealed documents will only be opened by appointed committee members.
- All relevant information relating to customers or contractors will remain confidential and will not be used for the benefit of the Company or third parties.
- The Company will not infringe any form of intellectual property and encourage the Company's executives and employees to respect copyrighted products and services.
- The Company will treat its contractors in accordance with the conditions and the terms agreed upon.

Anti-corruption

The Company operates its business by adhering to justice and integrity, and places importance on anti-corruption by stating as such in the employee's code of conduct. The Company's Board of Directors also imposes the following guidelines on the internal anti-corruption as follows:

- Encourage the employees to strictly comply with rules, regulations, the Company's articles of association and relevant laws.
- Prohibit the Company's directors, executives and employees from taking any action which requests or accepts properties or any other benefits for themselves or other persons which may lead to performing or omitting to perform duties in an abusive way or may cause the Company losses of rightful benefits.
- Prohibit the Company's directors, executives and employees from giving or offering properties or any other benefits to third parties in order to persuade persons to take or omit to take any action which violates the laws or conflicts with their positions.

Respect for Human Rights

The Company supports the use of foreign labors in accordance with Thai laws, and will ensure that the treatment of those foreign labors is fair and equal in respect of safety, health and reasonable benefits.

Fair Treatment of Labors

The Company will treat its employees fairly and equally without prejudice, bias or double standard. The Company also provides decent welfares and profit to the employees and encourages them to learn and develop their own skills to be more efficient and successful.

Consumer Responsibility

The Company will conduct its business on the basis of honesty and sincerity by complying with terms and conditions under the agreements concluded with its customers. Further, the Company will supply the customers with quality products in accordance with the standards specified by laws. The Company also provides intelligible precise and fair information relating to houses or condominium to the costumers, inclusive of establishing the customer relation division to handle with the after sale services which will support and assist the customers to promptly solve any problem which may occur in houses or condominiums and will be a center to communicate with the community in order to ensure convenience and peace in the community.

Environmental Protection

The Company places importance on both sustainable development and environmental protection. Therefore, the Company not only determines layout of its projects and designs in respect of the architecture and landscape architecture in accordance with laws and regulations under relevant government agencies but also takes into account living quality of the customers and the community surrounding the projects developed by the Company, such as, provision of common spaces in the amount exceeding that specified by laws in order to increase the space for green zones, sporting area and other social activities. The Company has also planned to manage and protect any pollution caused from construction by using all anti-dust materials and control smoke, noise and contaminated chemical elements in restricted area under the law.

Furthermore, the Company annually organizes several kinds of social activities, apart from those regular business operations, which benefit the community and the environment on a regular basis. Those activities are as follows:

- 1) Religious - Holding the merit events in temples to provide foods and those other basic needs to monks and nun in various occasions i.e. New Year Festival, Song Kran Festival and other religious days.
- 2) Traditional and Cultural - Organizing the traditional events such as Loy Krathong, Song Kran, etc.
- 3) Public Contributions – G Land Volunteer “Share Kindness, Share Smiling” for HIV Infected and construct buildings other religious places, etc.

Internal Controls and Risk Management

9. Internal Controls and Risk Management

During the Company's Board of Directors' Meeting No. 3/2015 held on 12 March 2015, three members of the Audit Committee also participated in this meeting. The Board reviewed and assessed the adequacy and competency of the Company's internal control system in the five following aspects;

1. The Internal Control: the Company set up appropriate bodies to oversee the Company's operation and management. Among these bodies is the Board of Directors, which comprises of nine members, three of whom are independent directors. The Audit Committee and the Nomination and Remuneration Committee formed to assist the Board as a subcommittee with suitable qualifications as prescribed by regulatory concerns. The operations of the Company are directed under a prescribed budget and in accordance with corporate objective which periodically monitored and reviewed

2. Risk Management: Even though the Company has not formed a Risk Management Committee to administer its risk factors, the current Board of Directors, and other executives certainly realize and are fully aware of possible problems that may relate to the risk aspects, and take care to mitigate and manage them. The Board of the Company has approved and announced the Risk Management Policy in the Company and the executives often analyze, evaluate and report, to the Board of Directors, external risk factors which may effected to the Company's operations. As well as the Accounting and Finance Group work together to assist the management in assessing the corporate risk exposure and find measures to protect the Company against possible risks, such as an operational risk. In this regard, appropriate measures are prescribed to guard the Company against occurrence of any operational errors, and to lay down acceptable levels for operational risk.

3. Management Control: The Board of Directors to appoint 2 sub-committees consists of the Audit Committee and the Nomination and Remuneration Committee. Approval procedures and authorized limits are set to control management's actions. The scope of authorization is prescribed in writing and the appropriate authority is reviewed frequently and notified to all parties concerned for compliance. Executives and officers from all levels are subject to these prescribed authorization rules. In cases whereby an excess of prescribed authorization limit, or out of scope activities is required, approval from the Board of Directors is then required. In principle, the Chief Executive Officer has operational power to make authorization decisions. The Accounting and Finance Group is in charge of bookkeeping and taking records of the transactions. The Administration Group oversees the corporate assets. Transactions undertaken with major shareholders, directors and their related parties are made in compliance with rules and regulations of SET and SEC. Including bring the Information Technology System to control the operation processes. The Company also prescribes in writing, relevant charters for the Audit Committee and Internal Audit Division which are applied to control and monitor work performed by various internal functions.

4. Information Technology & Communication: Matters presented to the Board of Directors for consideration are submitted through the Company Secretary who will issue meeting notifications and send

them to the Board members, together with relevant attachments, that require the Board's perusal. The notifications and its attachments are submitted to the Board members within the time frame prescribed by law. Minutes of meetings are issued and records are kept for future review and reference. The Company applies the generally accepted accounting principles and accounting procedures which are appropriate and accountable for its business operation. Accounting records are completed and properly safeguarded. Moreover, the adequate information in concern with shareholders and investors is posted on the Company's website.

5. Follow-up System: The Company set operational objectives and report its actual performance in comparison with its targeted objectives. The Internal Audit Unit reviews the compliance of the prescribed internal controls and regularly reports its findings to the Audit Committee for further presentation to the Board of Directors for adjustment method determination within time. Moreover the Internal Audit Unit evaluated the internal controls as a plan quarterly and annually.

The Board of Directors views that the Company adequately and effectively follows the prescribed guidance and assessment criteria set by SEC. In addition, it also concludes that the Company has adequate internal controls that govern transactions with its major shareholders, directors, executives, and their related parties.

The Company's auditor, EY Office Limited, who audited the Company's 2014 financial statement also expressed opinion that there is no material imperfection in the Company's internal control system as reported on 31 December 2014.

The Company appointed Burapha Accounting Office which has the internal auditing service and advisory for the operation system, to be the internal auditor of the Company. Burapha Accounting Office has appoint Mr. Pravut Wongkanit, Managing Partner as Team Leader.

Educational Background / Experience / Training of Mr.Pravit WongKanit

Degree / Certificate

- Education BBA (Accounting) 2nd Class Honor, Ramkhamheang University.
- M.S. (Applied Statistics), National Institute of Development Administration.
- Graduate Diploma (Auditing), Chulalongkorn University.
- CPA of Thailand.

Experience

- 25 years working in the field of accounting and internal audit and external audit.

Training

- Certified Professional Internal Auditor of Thailand (CPIAT – 19)

In this regard, the appointment, dismissal or removal of the chief of the internal audit division is subject to the approval of the Audit Committee. The Audit Committee is of the opinion that Mr. Prawit Wongkanit, the chief of the internal audit division of the Company, has the necessary qualifications for effectively performing such duties. This is because he is an expert in internal audits and operating systems, independent, and has performed his assigned duties in an excellent manner.

Transactions with related parties

10. Transactions with related parties

The Company has business transactions with its related parties, which are within the scope of normal business and general trading conditions. Details of the relationship between the Company and related companies (excluding subsidiaries and associates) are as follow:

Company	Relationship
- Central Pattana Nine Square Co., Ltd.	Co – directors / Co - shareholders
- BBTV Equity Co., Ltd.	Co – directors / Co - shareholders
- Bangkok Broadcasting & Television Co., Ltd.	Co – directors / Co - shareholders
- Brequet Thai Co., Ltd.	Co – directors / Co - shareholders
- Charernkit Enterprise Co., Ltd.	Co – directors / Co - shareholders
- Dhipaya Life Assurance Pcl.	Co – directors
- C.K.S Holding Co., Ltd. and Super Asset Co., Ltd.	Co – directors / Co - shareholders
- Italian - Thai Development Pcl.	Co – shareholders in subsidiary company
- BBTV Asset Management Co., Ltd.	Co – directors
- GL Assets Co., Ltd.	Co – directors
- Great Fortune Equity Co., Ltd.	Co - directors / Co-shareholders' related Company
- Grand Fortune Co., Ltd.	Co – directors / Co - shareholders
- K Group Co., Ltd.	Co - shareholders
- Tun Rungrueng Co., Ltd.	Co – directors
- Ms. Romani Boondicharern	Director of the Company and Director of subsidiary
- Mr. Krit Ratanarak	company
- Assoc. Prof. Prapanpong Vejajiva	Director of Shareholders
	Director of the Company
Subsidiary which its shares held by Praram 9 Square Ltd.	
- Praram 9 Square Hotel Co., Ltd.	Co - directors / Co - shareholders



Hotel Grand Rama 9

Financial Status and Operational Results

11. Summary of Important Financial Information

Financial Ratios

Grand Canal Land Public Limited Company and its subsidiaries

<u>(Liquidity Ratio)</u>	Units	2014	2013	2012
Liquidity Ratio	times	1.06	0.96	1.31
Quick Ratio	times	0.27	0.07	0.04
Receivable Turnover	times	7.75	4.37	6.52
Average Collection Period	day	46.46	82.41	55.22
Payable Turnover	times	2.28	3.25	4.12
Payment Period	day	157.61	110.62	87.45

<u>(Profitability Ratio)</u>	Units	2014	2013	2012
Gross Profit	%	46.29	37.82	32.24
Net Profit	%	22.97	16.99	5.50
Return on Equity : ROE	%	13.47	8.16	0.92

<u>(Efficiency Ratio)</u>	Units	2014	2013	2012
Return on Asset : ROA	%	6.21	3.74	0.498
Return on Fixed Asset	%	10.72	7.33	1.74
Total Asset Turnover Ratio	times	0.27	0.22	0.09

<u>(Financial Policy Ratio)</u>	Units	2014	2013	2012
Debt to Equity Ratio	times	1.07	1.28	1.08

Data per share and growth rate

Data per Share	Units	2014	2013	2012
Book value per share	Baht	1.59	1.43	1.36
Earning per share	Baht	0.157	0.088	0.012
Dividend per share (Baht)	Baht	(Waiting for approval)	0.04	-

Growth Rate	Units	2014	2013	2012
Total Assets	%	3.33	21.39	40.77
Total Liabilities	%	4.79	31.13	95.54
Revenues	%	38.24	210.00	1,527.63
Operating Expense	%	265.37	164.28	464.08
Net Profit	%	85	871	327

Analysis of Operating Results and Financial Status

12. Analysis of Operating Results and Financial Status

12.1 Operating Results

(a) Overview of operating results

In 2014, the Company and its subsidiaries obtained net profits of 848.83 million Baht, increasing from the previous year at 83% in which the Company obtained net profits of 464.51 million Baht due to the increase in the transfer of condominium units. In addition, the company received rental and service fees from the operation of The Ninth Towers Grand Rama 9 office building.

(b) 2014 Income Structure

	2014		2013		Increase/(Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from sales of condominium units	4,340.65	91.69%	3,294.11	95.41%	1,046.54	31.77%
Revenue from Rent and Service	338.93	7.16%	91.05	2.64%	247.88	272.25%
Other revenues	54.44	1.15%	67.27	1.95%	(12.83)	(19.07%)
Total revenues	4,734.01	100.00%	3,452.43	100.00%	1,281.58	37.12%

Revenues from sales of condominium units

In 2014, the Company received revenue from the transfer of 599 condominium units. This is an increase in revenue from last year which 514 condominium units were transferred.

Rental and service revenues

In 2014, the Company received higher revenue from rental and service fees from the operation of the Ninth Towers Grand Rama 9. The building has an area of 66,385 square meter for rent. Cuurently, 99% of the building is rented.

(c) Gross profit

In 2014, the Company's gross profit was 2,220 million Baht. The gross profit margin was 46.89%. This increases from last year which gross profit margin was 39.02%, due to the increase of selling price of condominium unit.

(d) Expenses

There is an increase in the Company's selling expense of 64.63 million Baht and administrative expenses of 73.21 million Baht, due to the increase in sales volume.

(e) Net profit

The Company's net profit (shareholder's equity) is 848.83 million Baht. This increases from the last year

at 83%, which the net profit was 464.51 million Baht, as a result of the increase in number of condominium units transferred and from rental and service fees from the operation of The Ninth Tower Grand Rama 9 office building.

12.2 Financial Status

(a) Assets

In 2014, the Company and its subsidiaries had current assets of 4,677.79 million Baht, a decrease from 6,109.79 million Baht in 2013, which was resulted from the transfer 2,217.06 million Baht of condominium units to cost of sales. Therefore, there is a decrease in real estate development project (inventories).

The Non-current assets in 2014 is equivalent to 13,118.55 million Baht, while it was 11,112.91 million Baht in 2013. The majority of the increase came from the investment in investment properties (Office buildings and rental spaces). Progress of the construction of the buildings for rent are as follow:

— Unilever House building	Increased	995	Million Baht
— G Land Tower building	Increased	612	Million Baht
— The Ninth Towers building	Increased	<u>318</u>	Million Baht
Total increase of the construction		<u>1,925</u>	Million Baht

(b) Liabilities

In 2014, the Company's current liabilities was 4,409.69 million Baht. A decrease of 6,343.14 million Baht from 2013 due to the transfer of condominium units and bank's debt repayment.

Non-current liabilities in 2014 was equivalent to 4,793.17 million Baht, an increase of 1,470.79 million Baht from 3,322.38 million Baht in last year, due to the increase of building construction volumes.

(c) Shareholder's equity

Shareholder's equity in 2014 was 8,593.48 million Baht, an increase of 1,036.30 million Baht from 2013. This increase resulted from the exercising warrants at the amount of 211.60 million Baht and the remaining amount was from the profit in 2014.

12.3 Liquidity and capital sufficiency

(a) Cash Flow

(units : million Baht)

Cash flow statement	2014	2013
Cash flows from (used in) operating activities	2,843.43	1,024.61
Cash flows from (used in) investing activities	(1,902.88)	(2,266.67)
Cash flows from (used in) financing activities	(291.95)	1,494.21
Cash and cash equivalents on 31 December	1,030.54	381.94

In 2014 and 2013, the Company's cash and cash equivalent at the end of the year were 1,030.54 and 381.94 respectively

The Company's net cash flows from operating activities in 2014 and 2013 were 2,843.43 and 1,024.61, mainly from the sales of condominium units.

Net cash used in investing activities in 2014 and 2013 were investment in construction of office for rent; Unilever House building, G Land Tower building and the Ninth Towers building.

Net cash used in financing activities in 2014 was repayment of debt to banks and related business to reduce interest.

(b) Financial Ratios

Following to the decrease in total liabilities but an increase in shareholder's equity, the Debt to Equity Ratio decreased from 1.28 times to 1.07 times and the Current Ratio increased from 0.96 times to 1.06 times. This shows that the company have a strong financial status.

12.4 Factors which may affect operation results and financial status in the future

(a) The Extraordinary General Shareholders' Meeting No. 1/2015, on the 15 January 2015, approved the issue and offering of debentures (not exceeding 4,000 million Baht) for company reserves. This enables the management of financial cost to be more efficient.

(b) The company's investment project in the Grand Rama 9 is a 125-storey building with 615 meters tall which is one of the top ten highest building in the world. The project's construction cost is 18,000 million Baht and has a construction duration of 6 years. When the construction is completed, it will be the new Central Business District (CBD) of ASEAN, a major tourist attraction and the pride of Thai people as the owner of one of the Top Ten highest building in the world.



Audit Committee Report

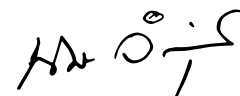
To Shareholders of Grand Canal Land Public Company Limited

The Audit Committee consists of three independent directors who are freed and authorized by The Board of Directors according to the rules and regulations of The Securities and Exchange Commission and The Stock Exchange of Thailand.

In 2014, the Audit Committee held total of 8 meetings, 3 Audit Committees members attended 8 meeting, together with internal auditor and auditor joined in related matters. Therefore, there was one special agenda with auditor without the Company's managements attended the meeting. The Audit Committee regularly reported to the Board of Directors which can be summarized as follow:

1. Reviewed the quarterly and annual financial statements and notes to the financial statements of the Company to accurately and completely in accordance with the accounting standards.
2. Reviewed and approved annual internal audit plan and, thus, monitored internal audit results and improvement of the Management in according to the Internal Auditor and Auditor's recommendations in order to achieve targeted plan.
3. Reviewed the Company to follow rules, regulation and laws related to listed company. The Audit Committee considered that there was no important issue regarding to this matter.
4. Considered and recommended Ms. Waraporn Prapasirikul CPA License # 4579 or Ms. Siraporn Ouaanunkun CPA License # 3844 or Mr. Supachai Phanyawattano CPA License # 3930 of EY Office Limited (Formerly known as Ernst & Young Office Limited) to be the Company's auditor in 2014 including the appropriated audit fee which had been approved in the Annual General Meeting of Shareholders.
5. Reviewed the connected transactions or conflict-of-interest transactions to operate reasonably in accordance with normal business practice and complied with related rules, regulations and laws, and also disclosed accurate, sufficient and transparent information.
6. Considered, selected and approved Burapa Accounting Office, by Mr. Pravit Vongkanit, Managing Partner as Team Leader, to be the Company's Internal Auditor in 2014 and proposed pros and cons between hiring outsource and in-house to be Internal Auditor to the Board of Directors.
7. Reviewed and monitored the adequacy, sufficiency and appropriation of the internal control system.

The Audit Committee considered that the Company has an accurate and adequate financial statement. Also its operations were complied with rules and regulations of The Securities and Exchange Commission and The Stock Exchange of Thailand. Meanwhile, with the existing operation manual and internal control system leaded to adequate, reliable and transparent disclosed financial information.



(Mr.Nipon Visityuthasart)

Chairman of Audit Committee

12 March 2015




Grand canal Donmuang

Responsibility of the Board of Directors for Financial Reporting

The Board of Directors is responsible for the Company's financial statements, the consolidated financial statements of the Company and its subsidiaries, and all financial information appearing in the annual report. These financial statements have been prepared in accordance with generally accepted accounting standards and practices under appropriate accounting policies applied on a consistent basis following the principles of prudence and impartiality. All important financial information about the Company has been sufficiently disclosed in the notes to the financial statements.

In this regard, the Board of Directors has appointed an Audit Committee, consisting of three independent members, to be responsible for the quality of the Company's financial reporting and internal control mechanisms. The opinion of the Audit Committee with regard to these matters appears in the Audit Committee Report contained in the annual report.



(Mr. Yotin Boondichareern)

Authorized Director



(Mr. Jareen Jirawisan)

Authorized Director



Grand Canal Donmuang

The Accuracy of Auditor's Remuneration Details

For the Fiscal Year Ended 31 December 2014

(Audit Fee)

NO.	Company's Name	Auditor's Name	Audit fee (Baht)
1	Grand Canal Land Plc.	Ms. Waraporn Prapasirikul	1,485,000.-
2	Belle Development Co., Ltd.	Ms. Waraporn Prapasirikul	930,000.-
3	Praram 9 Square Co., Ltd.	Ms. Waraporn Prapasirikul	400,000.-
4	Praram 9 Square Hotel Co., Ltd.	Ms. Waraporn Prapasirikul	70,000.-
5	Sterling Equity Co., Ltd.	Ms. Waraporn Prapasirikul	350,000.-
6	Belle Assets Co., Ltd.	Ms. Waraporn Prapasirikul	210,000.-
7	G Land Property Management Co., Ltd.	Ms. Waraporn Prapasirikul	225,000.-
Total audit fee			3,670,000.-

Non-Audit Fee

- None -

The foregoing information

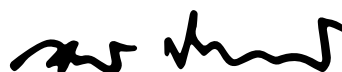


is complete and accurate, and I certify that to the best of my knowledge there is no other remuneration paid by the Company to me and related persons and to the Company I work for and its related persons.



is not complete and not accurate in respect of

After making any necessary adjustments to the information contained in this form, I hereby certify that such information presents complete and accurate details of all Audit Fees and Non-Audit Fees paid by the Company to me and the audit firm that I work for.



(Ms. Waraporn Prapasirikul)

EY Office Limited

Auditor of Grand Canal Land Public Co., Ltd.



Grand Canal Donmuang

Independent Auditor's Report

To the Shareholders of Grand Canal Land Public Company Limited

I have audited the accompanying consolidated financial statements of Grand Canal Land Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Grand Canal Land Public Company Limited for the same period.

Management's responsibility for the financial statements

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

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Grand Canal Land Public Company Limited and its subsidiaries and of Grand Canal Land Public Company Limited as at 31 December 2014, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.





Financial Statements

Grand Canal Land Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	7	1,030,536,469	381,944,077	493,307,436	142,981,188
Current investments	8	40,859,370	39,217,779	40,859,370	39,217,779
Trade and other receivables	6, 9	135,344,613	46,288,628	299,953,967	172,946,006
Short-term loans to related parties	6	-	-	1,504,000,000	347,000,000
Project development costs	10	3,343,473,577	5,298,476,616	613,158,967	799,070,684
Advance payment to contractors	6	89,087,349	297,467,627	1,067,968	28,862,055
Other current assets		38,489,390	46,392,258	5,719,938	41,074,778
Total current assets		4,677,790,768	6,109,786,985	2,958,067,646	1,571,152,490
Non-current assets					
Restricted bank deposits	11	119,359,811	89,187,074	37,944,002	37,259,723
Investments in subsidiaries	12	-	-	3,186,374,635	3,186,374,635
Investment in associate	13	4,999,900	-	4,999,900	-
Other long-term investments	14	104,520,000	104,520,000	-	-
Investment properties	15	12,402,570,509	10,405,517,035	6,396,575,157	5,967,139,246
Property, plant and equipment	16	137,189,005	124,322,752	48,590,005	31,745,879
Land leasehold right from related parties	17	141,221,223	150,360,794	-	-
Deferred tax assets	27	151,058,735	190,933,359	13,038,508	14,557,824
Intangible assets	18	5,392,992	7,695,384	5,013,736	7,344,975
Other non-current assets		52,241,733	40,376,087	5,029,305	4,584,129
Total non-current assets		13,118,553,908	11,112,912,485	9,697,565,248	9,249,006,411
Total assets		17,796,344,676	17,222,699,470	12,655,632,894	10,820,158,901

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

Grand Canal Land Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2014

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	19	1,662,453,461	1,345,491,900	1,662,453,461	820,000,000
Trade and other payables	6, 20	1,047,652,845	1,304,402,994	285,431,888	416,895,471
Retention payable	6	332,604,241	265,812,464	90,452,820	87,317,001
Short-term loans from related parties	6	866,097,530	1,780,347,530	200,000,000	-
Current portion of long-term loan					
from related party	6	-	100,000,000	-	-
Current portion of long-term loans					
from financial institutions	21	165,000,000	853,426,516	105,000,000	25,000,000
Deposits and advance received					
from customers		213,487,440	567,832,615	-	-
Corporate income tax payable		81,352,349	95,578,422	-	18,560,857
Other current liabilities		41,041,900	30,246,940	29,684,420	17,700,213
Total current liabilities		<u>4,409,689,766</u>	<u>6,343,139,381</u>	<u>2,373,022,589</u>	<u>1,385,473,542</u>
Non-current liabilities					
Long-term loans from financial institutions					
- net of current portion	21	4,371,482,200	3,225,160,500	2,394,155,900	2,188,403,000
Provision for long-term employee benefits	22	6,671,041	5,302,107	6,671,041	5,302,107
Other non-current liabilities					
Rental and service retention		126,411,253	54,926,116	103,648,316	36,987,546
Advance service income	6	284,234,164	31,285,570	227,145,301	-
Others		4,373,500	5,707,495	4,373,500	1,860,000
Total non-current liabilities		<u>4,793,172,158</u>	<u>3,322,381,788</u>	<u>2,735,994,058</u>	<u>2,232,552,653</u>
Total liabilities		<u>9,202,861,924</u>	<u>9,665,521,169</u>	<u>5,109,016,647</u>	<u>3,618,026,195</u>

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

Grand Canal Land Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2014

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Shareholders' equity					
Share capital					
Registered					
5,919,366,933 ordinary shares of Baht 1 each					
(2013: 5,540,977,447 ordinary shares					
of Baht 1 each)	23	<u>5,919,366,933</u>	<u>5,540,977,447</u>	<u>5,919,366,933</u>	<u>5,540,977,447</u>
Issued and fully paid					
5,529,215,704 ordinary shares of Baht 1 each					
(2013: 5,317,619,310 ordinary shares					
of Baht 1 each)	23	5,529,215,704	5,317,619,310	5,529,215,704	5,317,619,310
Share premium	23	1,532,320,430	1,532,320,430	1,532,320,430	1,532,320,430
Adjustment to present assets purchased					
under common control at book value	23	(423,185,000)	(423,185,000)	-	-
Adjustment of equity interests					
under reverse acquisition	23	<u>(129,336,263)</u>	<u>(129,336,263)</u>	-	-
Total equity interests		6,509,014,871	6,297,418,477	7,061,536,134	6,849,939,740
Share subscription received in advance		-	815,872	-	815,872
Retained earnings					
Appropriated - statutory reserve	25	75,400,000	21,100,000	76,100,000	58,800,000
Unappropriated		1,112,263,012	530,471,683	408,292,617	293,202,871
Other components of shareholders' equity		<u>(12,384,307)</u>	<u>(13,697,580)</u>	<u>687,496</u>	<u>(625,777)</u>
Equity attributable to owners of the Company		7,684,293,576	6,836,108,452	7,546,616,247	7,202,132,706
Non-controlling interests of the subsidiaries		<u>909,189,176</u>	<u>721,069,849</u>	-	-
Total shareholders' equity		<u>8,593,482,752</u>	<u>7,557,178,301</u>	<u>7,546,616,247</u>	<u>7,202,132,706</u>
Total liabilities and shareholders' equity		<u>17,796,344,676</u>	<u>17,222,699,470</u>	<u>12,655,632,894</u>	<u>10,820,158,901</u>
		-	-	-	-

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

Directors

Grand Canal Land Public Company Limited and its subsidiaries

Statements of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Profit or loss:					
Revenues					
Revenues from sales of real estate		4,340,645,397	3,294,112,547	-	-
Rental and service income	26	338,928,068	91,046,412	747,416,274	495,533,994
Gain on sales of assets	6	-	58,426,757	-	-
Dividend income	12, 14	26,130,000	-	197,104,596	-
Other income		28,306,093	8,845,601	54,230,821	24,498,620
Total revenues		4,734,009,558	3,452,431,317	998,751,691	520,032,614
Expenses					
Cost of sales of real estate		2,205,885,845	2,001,090,363	-	-
Cost of rent and services		307,574,314	103,888,995	322,486,234	166,432,292
Selling expenses		260,139,499	195,505,227	34,151,103	22,153,125
Administrative expenses		284,093,150	210,881,824	83,486,398	68,776,910
Loss on write offs and sales of assets		1,568,407	20,129,671	1,568,407	17,750,539
Impairment loss on assets		-	21,525,678	-	21,525,678
Total expenses		3,059,261,215	2,553,021,758	441,692,142	296,638,544
Profit before finance cost and income tax expenses		1,674,748,343	899,409,559	557,059,549	223,394,070
Finance cost		(279,118,179)	(150,263,547)	(174,101,464)	(51,451,694)
Profit before income tax expenses		1,395,630,164	749,146,012	382,958,085	171,942,376
Income tax expenses	27	(308,077,437)	(162,609,254)	(37,833,028)	(50,563,529)
Profit for the year		1,087,552,727	586,536,758	345,125,057	121,378,847
Other comprehensive income:					
Gain (loss) on change in value of available-for-sale investments, net of income tax		1,313,273	(729,923)	1,313,273	(729,923)
Other comprehensive income for the year		1,313,273	(729,923)	1,313,273	(729,923)
Total comprehensive income for the year		1,088,866,000	585,806,835	346,438,330	120,648,924

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

Grand Canal Land Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Profit attributable to:				
Equity holders of the Company	848,826,640	464,505,645	<u>345,125,057</u>	<u>121,378,847</u>
Non-controlling interests of the subsidiaries	<u>238,726,087</u>	<u>122,031,113</u>		
	<u>1,087,552,727</u>	<u>586,536,758</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	850,139,913	463,775,722	<u>346,438,330</u>	<u>120,648,924</u>
Non-controlling interests of the subsidiaries	<u>238,726,087</u>	<u>122,031,113</u>		
	<u>1,088,866,000</u>	<u>585,806,835</u>		
Earnings per share	29			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.157</u>	<u>0.088</u>	<u>0.064</u>	<u>0.023</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.151</u>	<u>0.085</u>	<u>0.061</u>	<u>0.022</u>

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity
For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements												
	Equity attributable to the parent's shareholders												
	Issued and fully paid share capital	Share premium	Adjustment to present assets purchased under common control at book value	Adjustment of equity interest under reverse acquisition	Share subscription received in advance	Retained earnings		Other components of shareholders' equity					
						Appropriated	Unappropriated	Gain (loss) on change in value of available-for-sale investments	Adjustment for change in interest in the subsidiary	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2013	5,163,882,276	1,532,320,430	(423,185,000)	183,163,577	-	15,000,000	(240,433,802)	104,146	-	104,146	6,230,851,627	585,966,933	6,816,818,560
Increase share capital (Note 23)	153,737,034	-	-	-	-	-	-	-	-	-	153,737,034	-	153,737,034
Share subscription received in advance	-	-	-	-	815,872	-	-	-	-	-	815,872	-	815,872
Total comprehensive income for the year	-	-	-	-	-	-	464,505,645	(729,923)	-	(729,923)	463,775,722	122,031,113	585,806,835
Unappropriated retained earnings transferred to statutory reserve	-	-	-	-	-	6,100,000	(6,100,000)	-	-	-	-	-	-
Decrease in subsidiary's share capital to write-off retained losses (Note 23)	-	-	-	(312,499,840)	-	-	312,499,840	-	-	-	-	-	-
Cumulative effect of the change in interest in the subsidiary (Note 12)	-	-	-	-	-	-	-	-	(13,071,803)	(13,071,803)	(13,071,803)	13,071,803	-
Balance as at 31 December 2013	5,317,619,310	1,532,320,430	(423,185,000)	(129,336,263)	815,872	21,100,000	530,471,683	(625,777)	(13,071,803)	(13,697,580)	6,836,108,452	721,069,849	7,557,178,301

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the year ended 31 December 2014

	Consolidated financial statements (continued)											(Unit: Baht)		
	Equity attributable to the parent's shareholders													
	Issued and fully paid share capital	Share premium	Adjustment to present assets purchased under common control at book value	Adjustment of equity interest under reverse acquisition	Share subscription received in advance	Other components of shareholders' equity					Total equity attributable to shareholders of the Company		Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
						Retained earnings		Gain (loss) on change in value of available-for-sale investments	Adjustment for change in interest in the subsidiary	Total other components of shareholders' equity				
					Appropriated	Unappropriated								
Balance as at 1 January 2014	5,317,619,310	1,532,320,430	(423,185,000)	(129,336,263)	815,872	21,100,000	530,471,683	(625,777)	(13,071,803)	(13,697,580)	6,836,108,452	721,069,849	7,557,178,301	
Increase share capital (Note 23)	211,596,394	-	-	-	(815,872)	-	-	-	-	-	210,780,522	-	210,780,522	
Total comprehensive income for the year	-	-	-	-	-	-	848,826,640	1,313,273	-	1,313,273	850,139,913	238,726,087	1,088,866,000	
Dividend paid (Note 31)	-	-	-	-	-	-	(212,735,311)	-	-	-	(212,735,311)	-	(212,735,311)	
Dividend paid by subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(50,606,760)	(50,606,760)	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	-	-	17,300,000	(17,300,000)	-	-	-	-	-	-	
Transfer subsidiary's unappropriated retained earning to statutory reserve	-	-	-	-	-	37,000,000	(37,000,000)	-	-	-	-	-	-	
Balance as at 31 December 2014	5,529,215,704	1,532,320,430	(423,185,000)	(129,336,263)	-	75,400,000	1,112,263,012	687,496	(13,071,803)	(12,384,307)	7,684,293,576	909,189,176	8,593,482,752	

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

Grand Canal Land Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2014

	Separate financial statements						(Unit: Baht)
	Issued and fully paid share capital	Share premium	Share subscription received in advance	Retained earnings		Other components of shareholders' equity Gain (loss) on change in value of available-for-sale investments	Total shareholders' equity
				Appropriated	Unappropriated		
Balance as at 1 January 2013	5,163,882,276	1,532,320,430	-	52,700,000	177,924,024	104,146	6,926,930,876
Increase share capital (Note 23)	153,737,034	-	-	-	-	-	153,737,034
Share subscription received in advance	-	-	815,872	-	-	-	815,872
Total comprehensive income for the year	-	-	-	-	121,378,847	(729,923)	120,648,924
Unappropriated retained earnings transferred to statutory reserve	-	-	-	6,100,000	(6,100,000)	-	-
Balance as at 31 December 2013	5,317,619,310	1,532,320,430	815,872	58,800,000	293,202,871	(625,777)	7,202,132,706
Balance as at 1 January 2014	5,317,619,310	1,532,320,430	815,872	58,800,000	293,202,871	(625,777)	7,202,132,706
Increase share capital (Note 23)	211,596,394	-	(815,872)	-	-	-	210,780,522
Dividend paid (Note 31)	-	-	-	-	(212,735,311)	-	(212,735,311)
Total comprehensive income for the year	-	-	-	-	345,125,057	1,313,273	346,438,330
Unappropriated retained earnings transferred to statutory reserve	-	-	-	17,300,000	(17,300,000)	-	-
Balance as at 31 December 2014	5,529,215,704	1,532,320,430	-	76,100,000	408,292,617	687,496	7,546,616,247

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

Grand Canal Land Public Company Limited and its subsidiaries

Cash flow statements

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash flows from operating activities				
Profit before tax	1,395,630,164	749,146,012	382,958,085	171,942,376
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	149,631,601	48,704,223	107,611,967	33,217,870
Reversal of allowance for doubtful accounts	-	(3,513,720)	-	(3,513,720)
Loss (gain) on write offs and sales of assets	(1,841)	20,129,671	(1,841)	17,750,539
Loss on sales of investment properties	1,570,248	-	1,570,248	-
Impairment loss on assets	-	21,525,678	-	21,525,678
Provision for long-term employee benefits	1,368,934	1,300,054	1,368,934	1,300,054
Realisation of advance service income	(2,187,360)	-	-	-
Interest income	(5,746,280)	(4,799,786)	(51,647,603)	(23,805,923)
Interest expenses	<u>279,032,549</u>	<u>148,948,587</u>	<u>174,015,834</u>	<u>50,136,733</u>
Profit from operating activities before changes in operating assets and liabilities	1,819,298,015	981,440,719	615,875,624	268,553,607
Operating assets decrease (increase)				
Trade and other receivables	(89,043,514)	30,820,035	(120,803,180)	(32,769,530)
Project development costs	1,806,423,219	999,038,023	(15,231,453)	(10,228,617)
Advance payment to contractors	208,380,278	62,390,615	27,794,087	173,925,575
Other current assets	15,357,472	(43,405,003)	39,624,360	(40,853,802)
Other non-current assets	(11,865,646)	(26,265,433)	(445,176)	(3,928,481)
Operating liabilities increase (decrease)				
Trade and other payables	(173,761,162)	(387,479,671)	(131,139,165)	(125,588,435)
Retention payable	66,791,777	101,494,157	3,135,819	58,673,112
Deposits and advance received from customers	(354,345,175)	(287,984,119)	-	-
Other current liabilities	10,794,960	9,990,057	11,984,207	848,840
Other non-current liabilities	<u>325,287,096</u>	<u>76,348,633</u>	<u>296,319,571</u>	<u>34,877,739</u>
Cash flows from operating activities	3,623,317,320	1,516,388,013	727,114,694	323,510,008
Cash paid for interest expenses	(489,679,117)	(314,351,883)	(194,159,737)	(134,478,114)
Proceed from refund of corporate income tax	-	16,694,927	-	329,211
Cash paid for corporate income tax	<u>(290,211,808)</u>	<u>(194,123,701)</u>	<u>(59,472,407)</u>	<u>(33,512,626)</u>
Net cash flows from operating activities	<u>2,843,426,395</u>	<u>1,024,607,356</u>	<u>473,482,550</u>	<u>155,848,479</u>

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

Grand Canal Land Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash flows from investing activities				
Increase in restricted bank deposits	(30,172,737)	(21,538,639)	(684,279)	(20,496,629)
Decrease (increase) in short-term loans to related parties	-	-	(1,157,000,000)	52,936,312
Interest income	5,733,808	4,798,589	45,442,822	24,396,285
Cash payment for investments in subsidiaries (Note 12.5)	-	(39,489,991)	-	(549,790,568)
Cash payment for investment in associate	(4,999,900)	-	(4,999,900)	-
Acquisition of property, plant and equipment	(27,859,960)	(25,857,245)	(24,330,110)	(19,190,888)
Proceed from sales of property, plant and equipment	37,882	90,000	37,882	90,000
Increase in investment properties	(1,845,483,701)	(2,183,789,716)	(307,865,882)	(1,272,533,489)
Proceed from sales of investment properties	16,822	853,464	16,822	3,944,260
Increase in intangible assets	(151,413)	(1,731,800)	(25,229)	(1,455,695)
Net cash flows used in investing activities	<u>(1,902,879,199)</u>	<u>(2,266,665,338)</u>	<u>(1,449,407,874)</u>	<u>(1,782,100,412)</u>
Cash flows from financing activities				
Increase in short-term loans from financial institutions	316,961,561	650,894,000	842,453,461	230,000,000
Increase (decrease) in loans from related parties	(1,014,250,000)	40,000,000	200,000,000	(110,000,000)
Increase in long-term loans from financial institutions	1,487,330,056	648,763,950	310,752,900	1,453,242,600
Repayment of long-term loans from financial institutions	(1,029,434,872)	-	(25,000,000)	-
Proceed from increase in share capital	210,780,522	153,737,034	210,780,522	153,737,034
Increase in share subscription received in advance	-	815,872	-	815,872
Dividend paid	(212,735,311)	-	(212,735,311)	-
Dividend paid by subsidiary to non-controlling interests	(50,606,760)	-	-	-
Net cash flows from (used in) financing activities	<u>(291,954,804)</u>	<u>1,494,210,856</u>	<u>1,326,251,572</u>	<u>1,727,795,506</u>
Net increase in cash and cash equivalents	<u>648,592,392</u>	<u>252,152,874</u>	<u>350,326,248</u>	<u>101,543,573</u>
Cash and cash equivalents at beginning of the year	<u>381,944,077</u>	<u>129,791,203</u>	<u>142,981,188</u>	<u>41,437,615</u>
Cash and cash equivalents at end of the year	<u>1,030,536,469</u>	<u>381,944,077</u>	<u>493,307,436</u>	<u>142,981,188</u>
	-	-	-	-

Supplemental cash flows information:

Non-cash transactions

Amounts due to related party increased due to

the purchases of investment properties - - - 867,059

Transfer project development cost to

investment properties 158,073,587 189,640,639 210,636,937 -

Transfer project development cost to

property, plant and equipment - 83,791,303 - -

Transfer investment properties to

property, plant and equipment - 5,448,953 - -

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

Grand Canal Land Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2014

1. General information

Grand Canal Land Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the property development. The registered office of the Company is at 33/4 Rama 9 Road, Huaykwang, Huaykwang, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) In 2009, Grand Canal Land Public Company Limited issued new ordinary shares to the existing shareholders of Grand Canal Co., Ltd., Belle Development Ltd. and Praram 9 Square Ltd., and transferred the entire business of Grand Canal Co., Ltd. to combine with the business of Grand Canal Land Public Company Limited. This business combination is treated as a reverse acquisition.

These consolidated financial statements are prepared for a reverse acquisition, for which Grand Canal Land Public Company Limited is the legal parent company (accounting acquiree) and Belle Development Ltd. and Praram 9 Square Ltd. are the legal subsidiaries (accounting acquirers). In addition, these consolidated financial statements include the financial statements of the following subsidiary companies of the legal parent company and the legal subsidiaries, which are incorporated in Thailand:

Company's name	Nature of business	Percentage of shareholding	
		<u>2014</u>	<u>2013</u>
		Percent	Percent
Owned by the Company			
Sterling Equity Co., Ltd.	Property development	100.00	100.00
Belle Assets Co., Ltd.	Property development	100.00	100.00
G Land Property Management Co., Ltd. (Formerly known as BBTV Marketing Co., Ltd.)	Property development	100.00	100.00
Owned by Praram 9 Square Ltd.			
Praram 9 Square Hotel Ltd.	Hotel business	99.99	99.99

- b) The consolidated financial statements as at the date of the reverse acquisition were prepared as follows:
1. The assets and liabilities of the legal subsidiaries are recognised and measured in the consolidated financial statements at their pre-combination carrying amounts.
 2. Deficit and the outstanding balance of other equities in the consolidated financial statements are recognised at the last amounts of deficit and outstanding balance of other equities of the legal subsidiaries before the business combination.
 3. Equity interests, as presented in the consolidated financial statements, represent the sum of the issued equity interests of the legal subsidiaries (accounting acquirers) outstanding before the business combination and the cost of the business combination (Note 23.3).
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the shares of profit or loss and net assets of the subsidiaries that do not belong to the group of the Company (including the shares of shareholders of the legal subsidiaries that do not exchange their equity interests with the legal parent company under the reverse acquisition) and are presented separately in consolidated profit or loss and within equity in the consolidated statement of financial position.

- 2.3 The separate financial statements, which present investments in subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

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

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the financial reporting standards. These financial reporting standards do not have any significant impact on the financial statements.

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

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of financial reporting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 *Consolidated and Separate Financial Statements*. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

4. Significant accounting policies

4.1 Revenue recognition

Sales of houses and residential condominium units

Revenues from sales of houses and residential condominium units are recognised as revenues when significant risks and rewards are transferred to the buyer.

Project management fee, selling management fee and other service income

Project management fee, selling management fee and other service income are recognised when services have been rendered taking into account the stage of completion.

Rental and related service income

Rental income is recognised on a straight-line basis over the lease term, and related service income is recognised on an accrual basis.

Interest income

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

Dividends

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

4.2 Cost of houses and residential condominium units sold

In determining the cost of houses and residential condominium units sold, the anticipated total development costs (after recognising the costs incurred to date) are attributed to units already sold on the basis of the salable area and then recognised as costs in profit or loss.

4.3 Cash and cash equivalents

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

4.4 Trade accounts receivable

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

4.5 Project development costs

Project development costs are valued at the lower of cost and net realisable value.

Project development costs consist of the costs of land, land development, construction, land lease and related interest.

4.6 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in comprehensive income, and will be recorded in profit or loss when the securities are sold.
- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- c) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

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

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

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

4.7 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 - 50 years
Building improvements	-	3 years
Building systems	-	10 - 43 years

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land awaiting development and project under construction.

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

4.8 Property, plant and equipment/Depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 years, except for swimming pools and equipment, which have estimated useful lives of 10 - 20 years.

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

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

4.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.10 Intangible assets and amortisation

Intangible assets (computer software) are carried at cost less accumulated amortisation and accumulated impairment losses (if any). They are amortised over a period of 5 years.

4.11 Leasehold rights and amortisation

Leasehold right is stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any).

Amortisation of leasehold right is calculated by reference to its cost on a straight-line basis over the leasehold period.

Amortisation is included in determining income and is capitalised as part of project costs for leasehold rights of project under development.

4.12 Long-term leases

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

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

4.13 Related party transactions

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

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

4.14 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.15 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and other assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

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

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

4.17 Provisions

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

4.18 Income tax

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

Current tax

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

Deferred tax

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

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

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

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgements and estimates

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

Property plant and equipment/ Investment properties/ Depreciation

In determining depreciation of plant, equipment and investment properties, the management is required to make estimates of the useful lives and residual values of the plant, equipment and investment properties, and to review estimate useful lives and residual values when there are any changes.

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

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Classification of long-term loans

In classifying the current portion of long-term loans from banks, the management of the Company and its subsidiaries has used judgement to estimate collateral redemptions and loan settlement in accordance with the terms and conditions stipulated in the loan agreements.

Post-employment benefits under defined benefit plans

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

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2014	2013	2014	2013	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Project management fee	-	-	324	256	As stipulated in agreements
Selling management fee	-	-	130	92	As stipulated in agreements
Commission fee (Note 26)	-	-	-	58	As stipulated in agreements
Rental and related service income	-	-	3	1	As stipulated in agreements
Interest income	-	-	48	21	MLR - 0.5% per annum
Interest expenses (including interest expenses capitalised as assets)	-	-	1	-	MLR - 1.5% per annum and 5% per annum
Sales of investment properties	-	-	-	3	Cost plus margin
Purchases of investment properties	-	-	-	1	As stipulated in agreements
<u>Transactions with related companies</u>					
Project management fee	45	25	45	25	As stipulated in agreements
Selling management fee	2	3	2	3	As stipulated in agreements
Design service fee	-	46	-	46	As stipulated in agreements
Rental and related service income	4	1	2	-	As stipulated in agreements
Interest expenses (including interest expenses capitalised as assets)	99	97	-	-	MLR - 1% per annum and 4% per annum
Gain on sales of assets (Note 26)	-	58	-	-	As stipulated in agreements
Purchases of investment properties	-	183	-	-	As stipulated in agreements
Revenue from sales of residential condominium units	1,010	334	-	-	Similar to market price
Construction service expenses (capitalised as assets)	176	420	-	-	As stipulated in agreements

As at 31 December 2014 and 2013, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Trade and other receivables - related parties				
Subsidiaries	-	-	190,675	140,381
Related companies				
(related by common directors)	47,362	17,517	47,362	17,517
Total trade and other receivables - related parties	<u>47,362</u>	<u>17,517</u>	<u>238,037</u>	<u>157,898</u>
Advance payment to contractors				
Related company				
(related by common directors)	<u>17,974</u>	<u>50,154</u>	<u>-</u>	<u>-</u>
Trade and other payables - related parties				
Subsidiaries	-	-	143,907	143,263
Related companies				
(related by common directors)	147,832	247,047	-	1,120
Total trade and other payables - related parties	<u>147,832</u>	<u>247,047</u>	<u>143,907</u>	<u>144,383</u>
Retention payable				
Related company				
(related by common directors)	<u>72,459</u>	<u>67,687</u>	<u>-</u>	<u>675</u>
Other non-current liabilities - rental and service retention				
Subsidiary	-	-	281	-
Related companies				
(related by common directors)	2,801	1,164	-	-
Total rental and service retention - related parties	<u>2,801</u>	<u>1,164</u>	<u>281</u>	<u>-</u>

Loans to related parties and loans from related parties

As at 31 December 2014 and 2013, the balance of loans to related parties and loans from related parties and the movement of these loans are as follows:

(Unit: Thousand Baht)

Short-term loans to related parties	Related by	Separate financial statements			
		Balance as at 31 December 2013	Increase during the year	Decrease during the year	Balance as at 31 December 2014
Belle Development Ltd.	Subsidiary	167,000	433,000	(600,000)	-
Praram 9 Square Ltd.	Subsidiary	30,000	384,000	-	414,000
Belle Assets Co., Ltd.	Subsidiary	-	200,000	-	200,000
Sterling Equity Co., Ltd.	Subsidiary	150,000	897,500	(727,500)	320,000
G Land Property Management Co., Ltd.	Subsidiary	-	570,000	-	570,000
Total		347,000	2,484,500	(1,327,500)	1,504,000

Short-term loans to subsidiaries carried interest at MLR - 0.5% per annum and repayable at call.

(Unit: Thousand Baht)

Short-term loans from related parties	Related by	Consolidated financial statements			
		Balance as at 31 December 2013	Increase during the year	Decrease during the year	Balance as at 31 December 2014
Bangkok Broadcasting & T.V. Co., Ltd.	Common directors	416,098	-	-	416,098
BBTV Equity Co., Ltd.	Common directors	247,100	-	(247,100)	-
BBTV Asset Management Co., Ltd.	Common directors	648,000	-	(198,000)	450,000
GL Assets Co., Ltd.	Common directors	169,150	-	(169,150)	-
Tun Rungrueng Co., Ltd.	Common directors	300,000	-	(300,000)	-
Total		1,780,348	-	(914,250)	866,098

Short-term loans from related companies carry interest at MLR - 1% per annum and are repayable on 1 April 2015, except for the short-term loan from Bangkok Broadcasting & T.V. Co., Ltd. which is repayable at call. However, during the current year, subsidiaries fully repaid their short-term loans from BBTV Equity Co., Ltd., GL Assets Co., Ltd. and Tun Rungrueng Co., Ltd.

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loan from related party	Related by	Balance as at 31 December 2013	Increase during the year	Decrease during the year	Balance as at 31 December 2014
Belle Development Ltd.	Subsidiary	-	260,000	(60,000)	200,000

Short-term loans from the subsidiary carried interest at 5% per annum and repayable at call.

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loan from related party	Related by	Balance as at 31 December 2013	Increase during the year	Decrease during the year	Balance as at 31 December 2014
Great Fortune Equity Co., Ltd.	Common directors	100,000	-	(100,000)	-

Long-term loan from related company carries interest at MLR - 1% per annum. In May 2014, the related company agreed to extend the due date of this loan from 29 June 2014 to 29 June 2016. However, a subsidiary fully repaid this loan in December 2014.

Directors and management's benefits

During the years ended 31 December 2014 and 2013, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term employee benefits	30	21	29	20

Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with its related parties, as described in Note 33.4 to the financial statements.

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash	141	96	47	6
Bank deposits	1,030,395	381,848	493,260	142,975
Total	<u>1,030,536</u>	<u>381,944</u>	<u>493,307</u>	<u>142,981</u>

As at 31 December 2014, bank deposits in saving accounts and fixed deposits carried interests between 0.30 and 1.85 percent per annum (2013: between 0.50 and 1.88 percent per annum).

8. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Subordinated debentures	40,000	40,000	40,000	40,000
Add: Gain (loss) on valuation of available-for-sale securities	<u>859</u>	<u>(782)</u>	<u>859</u>	<u>(782)</u>
Total	<u>40,859</u>	<u>39,218</u>	<u>40,859</u>	<u>39,218</u>

Current investments represent investments in subordinated debentures of Bangkok Bank Public Company Limited. The debentures carry interest at 4.375% per annum and mature in 2022. The Company expects to dispose of these debentures in the near future, and therefore classifies them as investments in available-for-sale securities.

9. Trade and other receivables

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	7,516	-	75,123	-
Past due				
Up to 3 months	-	8,155	12,636	108,488
3 - 6 months	36,904	6,420	94,684	44,940
6 - 12 months	-	-	25,680	-
Over 12 months	-	111	19,260	111
Total	44,420	14,686	227,383	153,539
Less: Allowance for doubtful debts	-	(111)	-	(111)
Total trade receivables - related parties, net	44,420	14,575	227,383	153,428
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	46,042	5,385	30,351	478
Past due				
Up to 3 months	21,635	3,551	18,394	3,551
3 - 6 months	5,547	129	3,402	129
6 - 12 months	4,622	186	2,835	186
Over 12 months	54,728	54,306	54,724	54,306
Total	132,574	63,557	109,706	58,650
Less: Allowance for doubtful debts	(54,402)	(54,291)	(54,402)	(54,291)
Total trade receivables - unrelated parties, net	78,172	9,266	55,304	4,359
Total trade receivables - net	122,592	23,841	282,687	157,787
<u>Other receivables</u>				
Advances - related parties	2,940	2,940	2,940	2,940
Advances - unrelated parties	1,130	823	698	277
Interest receivables - related parties	-	-	7,712	1,528
Interest receivables - unrelated parties	328	315	313	292
Amounts due from related parties	2	2	2	2
Others	18,267	28,282	15,516	20,034
Total	22,667	32,362	27,181	25,073
Less: Allowance for doubtful debts	(9,914)	(9,914)	(9,914)	(9,914)
Total other receivables - net	12,753	22,448	17,267	15,159
Total trade and other receivables - net	135,345	46,289	299,954	172,946

10. Project development costs

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land and construction under development	2,810,953	3,929,690	613,159	799,071
Land and construction developed	<u>532,521</u>	<u>1,368,787</u>	<u>-</u>	<u>-</u>
Total	<u>3,343,474</u>	<u>5,298,477</u>	<u>613,159</u>	<u>799,071</u>

During the current year, the Company included borrowing costs of Baht 9 million (2013: Baht 5 million) as part of project development costs in the separate financial statements, and the Company and subsidiary included borrowing costs of Baht 9 million (2013: Baht 37 million) as part of project development costs in the consolidated financial statements.

During the current year, the Company transferred project development costs amounting to approximately Baht 211 million to investment properties (the book value of such assets presented in the consolidated financial statement was Baht 158 million).

In 2013, a subsidiary transferred project development costs amounting to approximately Baht 190 million to investment properties, and approximately Baht 84 million to property, plant and equipment.

The Company and subsidiary have mortgaged their land and construction thereon with banks to secure their long-term loans from the banks.

11. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure credit facilities.

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
			(%)	(%)		
Belle Development Ltd.	2,064,261	2,064,261	79.57	79.57	1,920,104	1,920,104
Praram 9 Square Ltd.	1,100,000	1,100,000	88.07	88.07	971,016	971,016
Sterling Equity Co., Ltd.	280,000	280,000	100.00	100.00	245,464	245,464
Belle Assets Co., Ltd.	11,000	11,000	100.00	100.00	11,000	11,000
G Land Property Management Co., Ltd. (Formerly known as BBTV Marketing Co., Ltd.)	5,000	5,000	100.00	100.00	38,791	38,791
Total investments in subsidiaries					<u>3,186,375</u>	<u>3,186,375</u>

- 12.1 During the current year, the Company received dividend amounting to Baht 197 million from Belle Development Ltd.
- 12.2 On 27 March 2013, Praram 9 Square Ltd. reduced its registered and paid-up share capital from Baht 1,000 million (10 million ordinary shares of Baht 100 each) to Baht 600 million (6 million ordinary shares of Baht 100 each) by canceling 4 million shares of Baht 100 per share, in order to write-off retained losses. Subsequently, on 28 March 2013, Praram 9 Square Ltd. increased its registered and paid-up share capital from Baht 600 million (6 million ordinary shares of Baht 100 each) to Baht 1,100 million (11 million ordinary shares of Baht 100 each), through the issuance of 5 million additional ordinary shares with a par value of Baht 100 each, for offer to existing shareholders at Baht 100 per share. The Company has invested in all additional ordinary shares. As a result, the Company's interest in Praram 9 Square Ltd. increased from 78.12% to 88.07%. The cumulative effect of the change in the interest in this subsidiary, amounting to Baht 13.1 million, has been presented in other components of shareholders' equity in the consolidated financial statements.

12.3 In May 2013, the Company invested Baht 11 million in Belle Assets Co., Ltd. As a result, the Company has 100% interest in this company.

The value of acquired assets and liabilities as at the acquisition date, based on the value allocated from the acquisition cost of the group of assets, and the cash payment made to purchase the investment in subsidiary are summarised below.

	<u>Thousand Baht</u>
Cash payment for purchase of investment in subsidiary	<u>11,000</u>
Value of assets and liabilities, based on value allocated from the acquisition cost of the group of assets	
Cash and cash equivalents	10,144
Project development costs	265,769
Other current assets	1
Other payables	(57,814)
Short-term loans from related party	<u>(207,100)</u>
Total net assets	<u>11,000</u>

12.4 In August 2013, the Company invested Baht 38.79 million in G Land Property Management Co., Ltd. (formerly known as BBTv Marketing Co., Ltd.). As a result, the Company has 100% interest in this company.

The value of acquired assets and liabilities as at the acquisition date, based on the value allocated from the acquisition cost of the group of assets, and the cash payment made to purchase the investment in subsidiary are summarised below.

	<u>Thousand Baht</u>
Cash payment for purchase of investment in subsidiary	<u>38,791</u>
Value of assets and liabilities, based on value allocated from the acquisition cost of the group of assets	
Cash and cash equivalents	157
Other current assets	1,216
Investment properties	1,173,028
Short-term loans from related parties	(1,117,150)
Other current liabilities	<u>(18,460)</u>
Total net assets	<u>38,791</u>

12.5 Net cash payments for purchases of investment in subsidiaries, as mentioned in Notes 12.3 and 12.4 to the financial statements, can be summarised as follows:

	Thousand Baht
Cash payments for purchases of investment in subsidiaries	49,791
Less: Cash and cash equivalents of subsidiaries	(10,301)
Net cash payments for purchases of investment in subsidiaries	<u>39,490</u>

13. Investment in associate

Company's name	Nature of business	Country of incorporation	Shareholding percentage	(Unit: Thousand Baht)			
				Consolidated financial statements		Separate financial statements	
				Carrying amounts based on equity method		Cost	
			(%)	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Bayswater Co., Ltd.	Property development	Thailand	50	5,000	-	5,000	-

On 18 March 2014, the Company paid Baht 5 million to invest in 50% shareholding interest of Bayswater Co., Ltd.

Financial information of the associated company is summarised below.

Company's name	(Unit: Million Baht)									
	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the year ended		Loss for the year ended	
	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Bayswater Co., Ltd.	5	5	5	5	-	-	-	-	-	-

On 7 November 2014, a meeting of the Company's Board of Directors passed a resolution for the Company to provide financial support at credit facility of Baht 1,500 million to Bayswater Co., Ltd., an associated company, to develop the future project.

14. Other long-term investments

Other long-term investments represent investments in ordinary shares of Central Pattana Nine Square Co., Ltd., in which Praram 9 Square Limited, a subsidiary, holds a 3.27% interest.

In July 2014, Praram 9 Square Limited received dividend amounting to Baht 26.1 million from Central Pattana Nine Square Co., Ltd.

15. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land, office project and unit for rent				Project under construction			Total
	Land	Office buildings	Building systems	Building improvements	Land	Office buildings	Land awaiting development	
Cost:								
1 January 2013	328,471	645,148	102,230	2,240	2,895,385	2,642,262	320,760	6,936,496
Additions	-	-	1,770	-	184,153	1,920,881	76,986	2,183,790
Disposals	-	-	(22,143)	-	-	-	-	(22,143)
Transfers	-	1,530,700	510,592	-	-	(1,861,711)	-	179,581
Capitalised amortisation of leasehold right	-	-	-	-	-	9,356	-	9,356
Capitalised interest	-	-	-	-	-	174,958	-	174,958
Acquisition of subsidiary during the year	-	-	-	-	1,157,252	15,776	-	1,173,028
31 December 2013	328,471	2,175,848	592,449	2,240	4,236,790	2,901,522	397,746	10,635,066
Additions	-	5,869	15,065	-	-	1,824,550	-	1,845,484
Disposals	-	1,133,532	267,014	-	-	(1,404,335)	-	(3,789)
Transfers	158,074	706,941	614,645	-	-	(1,321,586)	-	158,074
Capitalised amortisation of leasehold right	-	-	-	-	-	9,139	-	9,139
Capitalised interest	-	-	-	-	-	118,164	-	118,164
31 December 2014	486,545	4,022,190	1,489,173	2,240	4,236,790	2,127,454	397,746	12,762,138
Accumulated depreciation:								
1 January 2013	-	69,542	13,865	2,240	-	-	-	85,647
Depreciation for the year	-	27,206	6,425	-	-	-	-	33,631
Depreciation on disposals	-	-	(3,655)	-	-	-	-	(3,655)
Transfers	-	-	(4,611)	-	-	-	-	(4,611)
31 December 2013	-	96,748	12,024	2,240	-	-	-	111,012
Depreciation for the year	-	80,961	51,259	-	-	-	-	132,220
Depreciation on disposals	-	-	(523)	-	-	-	-	(523)
Transfers	-	(1,175)	1,175	-	-	-	-	-
31 December 2014	-	176,534	63,935	2,240	-	-	-	242,709
Allowance for impairment loss:								
1 January 2013	-	-	-	-	-	97,011	-	97,011
Increase during the year	-	21,526	-	-	-	-	-	21,526
31 December 2013	-	21,526	-	-	-	97,011	-	118,537
Decrease during the year	-	(1,679)	-	-	-	-	-	(1,679)
31 December 2014	-	19,847	-	-	-	97,011	-	116,858
Net book value:								
31 December 2013	328,471	2,057,574	580,425	-	4,236,790	2,804,511	397,746	10,405,517
31 December 2014	486,545	3,825,809	1,425,238	-	4,236,790	2,030,443	397,746	12,402,571
Depreciation for the year								
2013 (Baht 32 million included in cost of rent and services, and the balance in administrative expenses)								33,631
2014 (Baht 128 million included in cost of rent and services, and the balance in administrative expenses)								132,220

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	Land, office project and unit for rent				Project under construction			
	Land	Office buildings	Building systems	Building improvements	Land	Office buildings	Land awaiting development	Total
Cost:								
1 January 2013	328,000	857,476	92,170	2,240	1,935,359	1,220,710	320,760	4,756,715
Additions	-	-	-	-	-	1,196,414	76,986	1,273,400
Disposals	-	-	(22,143)	-	-	(3,091)	-	(25,234)
Transfers	-	688,249	463,406	-	-	(1,151,655)	-	-
Capitalised interest	-	-	-	-	-	80,647	-	80,647
31 December 2013	328,000	1,545,725	533,433	2,240	1,935,359	1,343,025	397,746	6,085,528
Additions	-	-	-	-	-	307,866	-	307,866
Disposals	-	-	(3,789)	-	-	-	-	(3,789)
Transfers	210,637	915,586	458,296	-	-	(1,373,882)	-	210,637
Capitalised interest	-	-	-	-	-	10,326	-	10,326
31 December 2014	538,637	2,461,311	987,940	2,240	1,935,359	287,335	397,746	6,610,568
Accumulated depreciation:								
1 January 2013	-	61,563	10,260	2,240	-	-	-	74,063
Depreciation for the year	-	21,528	4,927	-	-	-	-	26,455
Depreciation on disposals	-	-	(3,655)	-	-	-	-	(3,655)
31 December 2013	-	83,091	11,532	2,240	-	-	-	96,863
Depreciation for the year	-	57,497	40,309	-	-	-	-	97,806
Depreciation on disposals	-	-	(523)	-	-	-	-	(523)
31 December 2014	-	140,588	51,318	2,240	-	-	-	194,146
Allowance for impairment loss:								
1 January 2013	-	-	-	-	-	-	-	-
Increase during the year	-	21,526	-	-	-	-	-	21,526
31 December 2013	-	21,526	-	-	-	-	-	21,526
Decrease during the year	-	(1,679)	-	-	-	-	-	(1,679)
31 December 2014	-	19,847	-	-	-	-	-	19,847
Net book value:								
31 December 2013	28,800	1,441,108	521,901	-	1,935,359	1,343,025	397,746	5,967,139
31 December 2014	38,637	2,300,876	936,622	-	1,935,359	287,335	397,746	6,396,575
Depreciation for the year								
2013 (Baht 25 million included in cost of rent and services, and the balance in administrative expenses)								26,455
2014 (Baht 94 million included in cost of rent and services, and the balance in administrative expenses)								97,806

The Company and its subsidiaries have mortgaged their investment properties with a total net book value as at 31 December 2014 of Baht 11,637 million (2013: Baht 9,825 million) to secure their credit facilities obtained from banks (The Company only: Baht 5,284 million, 2013: Baht 5,405 million).

In 2013, the Company sold investment properties amounting to Baht 3 million to a subsidiary, and purchased investment properties amounting to Baht 1 million and Baht 183 million from a subsidiary and a related company, respectively. In addition, a subsidiary transferred investment properties amounting to approximately Baht 5 million to property, plant and equipment.

The fair value of the Company's and subsidiaries' investment properties, presented in the consolidated financial statements as at 31 December 2014 amounted to approximately Baht 13,747 million (2013: Baht 11,245 million). This fair value comprised of the fair values of land for rent, land awaiting development and projects under construction amounted to Baht 5,868 million (2013: Baht 4,905 million), which the Company's and subsidiaries' management estimated approximate their net book values, and the fair values of the office rental project, units for rent, and land awaiting development amounting to Baht 7,879 million (2013: Baht 6,340 million), determined based on valuations performed by independent valuers. These valuations were performed using the market approach for land awaiting development, and the income approach under the assumption that the construction of office building was completed, as well as other assumptions that included the rate of return, discount rate and occupancy rate for the office rental project and units for rent.

The fair value of the Company's investment properties as at 31 December 2014 amounted to approximately Baht 7,470 million (2013: Baht 6,590 million). This fair value comprised of the fair values of land for rent and land awaiting development, amounting to Baht 2,831 million (2013: Baht 2,580 million), which the Company's management estimated approximate their net book values, and the fair values of the office rental project, amounting to Baht 4,639 million (2013: Baht 4,010 million), determined based on valuations performed by independent valuer, using the income approach under the assumption that the construction of office building was completed, as well as other assumptions that included the rate of return, discount rate and occupancy rate.

16. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Land	Mock-up room and fence	Furniture, fixtures and office equipment	Swimming pools and equipment	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2013	300	16,494	14,426	-	7,789	1,542	40,551
Additions	-	-	15,009	1,324	2,849	6,675	25,857
Disposals	-	(14,787)	(542)	-	-	-	(15,329)
Transfers	-	-	(800)	94,651	-	-	93,851
31 December 2013	300	1,707	28,093	95,975	10,638	8,217	144,930
Additions	-	-	11,712	5	-	16,143	27,860
Disposals	-	-	(112)	-	-	-	(112)
Transfers	-	-	4,000	-	-	(4,000)	-
31 December 2014	300	1,707	43,693	95,980	10,638	20,360	172,678
Accumulated depreciation:							
1 January 2013	-	10,553	4,915	-	246	-	15,714
Depreciation for the year	-	3,155	3,412	4,430	1,730	-	12,727
Depreciation on disposals	-	(12,410)	(335)	-	-	-	(12,745)
Transfers	-	-	(12)	4,623	-	-	4,611
31 December 2013	-	1,298	7,980	9,053	1,976	-	20,307
Depreciation for the year	-	322	7,044	5,621	1,971	-	14,958
Depreciation on disposals	-	-	(76)	-	-	-	(76)
31 December 2014	-	1,620	14,948	14,674	3,947	-	35,189
Allowance for impairment loss:							
1 January 2013	300	-	-	-	-	-	300
31 December 2013	300	-	-	-	-	-	300
31 December 2014	300	-	-	-	-	-	300
Net book value:							
31 December 2013	-	409	20,113	86,922	8,662	8,217	124,323
31 December 2014	-	87	28,745	81,306	6,691	20,360	137,189
Depreciation for the year							
2013 (Baht 6 million included in cost of rent and services, and the balance in administrative expenses)							12,727
2014 (Baht 10 million included in cost of rent and services, and the balance in administrative expenses)							14,958

(Unit: Thousand Baht)

Separate financial statements

	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:				
1 January 2013	12,810	7,789	1,542	22,141
Additions	12,516	-	6,675	19,191
Disposals	(533)	-	-	(533)
31 December 2013	24,793	7,789	8,217	40,799
Additions	8,187	-	16,143	24,330
Disposals	(112)	-	-	(112)
Transfers	4,000	-	(4,000)	-
31 December 2014	36,868	7,789	20,360	65,017
Accumulated depreciation:				
1 January 2013	4,644	246	-	4,890
Depreciation for the year	3,089	1,402	-	4,491
Depreciation on disposals	(328)	-	-	(328)
31 December 2013	7,405	1,648	-	9,053
Depreciation for the year	6,049	1,401	-	7,450
Depreciation on disposals	(76)	-	-	(76)
31 December 2014	13,378	3,049	-	16,427
Net book value:				
31 December 2013	17,388	6,141	8,217	31,746
31 December 2014	23,490	4,740	20,360	48,590
Depreciation for the year				
2013 (Baht 2 million included in cost of rent and services, and the balance in administrative expenses)				4,491
2014 (Baht 5 million included in cost of rent and services, and the balance in administrative expenses)				7,450

17. Land leasehold right from related parties

Land leasehold right from related parties, as presented in the consolidated financial statements, were advance rental fees that a subsidiary paid to two related companies under a land lease agreement with a term of 43 years, which matures on 30 June 2050. The outstanding balances as at 31 December 2014 and 2013 can be summarised as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2014</u>	<u>2013</u>
Land leasehold right	221,000	221,000
Less: Accumulated amortisation	(79,778)	(70,639)
Net	<u>141,222</u>	<u>150,361</u>

A subsidiary has pledged its land leasehold right to secure its credit facilities obtained from bank.

18. Intangible assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Computer software - cost	12,445	12,294	11,892	11,867
Less: Accumulated amortisation	(7,052)	(4,599)	(6,878)	(4,522)
Net book value	<u>5,393</u>	<u>7,695</u>	<u>5,014</u>	<u>7,345</u>

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Net book value at beginning of year	7,695	8,310	7,345	8,161
Additions	151	1,732	25	1,456
Amortisation expenses for the year	(2,453)	(2,347)	(2,356)	(2,272)
Net book value at end of year	<u>5,393</u>	<u>7,695</u>	<u>5,014</u>	<u>7,345</u>

19. Short-term loans from financial institutions

		(Unit: Thousand Baht)			
		Consolidated		Separate	
Interest rate		financial statements		financial statements	
<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
(% per annum)	(% per annum)				
Short-term loans	MLR - 1% and				
from banks	MOR - 1%	-	1,045,492	-	520,000
Bill of exchange	4.05 - 4.15	1,662,453	300,000	1,662,453	300,000
Total		<u>1,662,453</u>	<u>1,345,492</u>	<u>1,662,453</u>	<u>820,000</u>

Short-term loans from financial institutions of the Company are guaranteed by the Company's investment properties. Short-term loans from financial institutions of the subsidiary are guaranteed by the land leasehold right and premises of the subsidiary.

20. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Trade payables - related parties		143,602	161,768	-	1,120
Trade payables - unrelated parties		732,976	929,951	74,656	240,617
Other payables for purchase of assets - related party		-	-	143,263	143,263
Accrued interest expenses to related parties		4,230	85,279	644	-
Accrued interest expenses to unrelated parties		1,398	3,922	1,398	2,366
Accrued expenses		92,575	102,326	43,157	14,490
Advance received from customers		9,075	1,763	7,825	1,763
Others		63,797	19,394	14,489	13,276
Total trade and other payables		<u>1,047,653</u>	<u>1,304,403</u>	<u>285,432</u>	<u>416,895</u>

21. Long-term loans from financial institutions

			(Unit: Thousand Baht)			
Loan	Interest rate (%)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2014	2013	2014	2013
1	MLR - 1.25 for the 1 st - 4 th years and MLR -1 for the remaining years	Quarterly installments starting from the last business day of November 2014	2,319,156	2,033,403	2,319,156	2,033,403
2	MLR - 1.5	Repayment at 70% of the redemption price of properties foreclosed, with the loan to be repaid in full no later than April 2017.	180,000	180,000	180,000	180,000
3	MLR - 1 for the 1 st - 3 rd years, MLR - 0.5 for the 4 th - 6 th years and MLR for the remaining years	Quarterly installments starting from the last business day of June 2016	650,806	298,310	-	-
4	MLR	Repayment at 75% of the redemption price of properties foreclosed	-	593,926	-	-
5	MLR	Quarterly installments starting from the last business day of December 2014, or repayment at 75% of the redemption price of properties foreclosed when loan No. 4 is repaid in full	-	277,948	-	-
6	MLR - 2 for the 1 st - 3 rd years and MLR -1 for the remaining years	Quarterly installments starting from the last business day of June 2014	1,386,520	695,000	-	-
Total			4,536,482	4,078,587	2,499,156	2,213,403
Less: Current portion			(165,000)	(853,427)	(105,000)	(25,000)
Long-term loans, net of current portion			4,371,482	3,225,160	2,394,156	2,188,403

The Company's loans are secured by the mortgage of the land and premises of the Ninth Towers Grand Rama 9 project and the Belle Sky Condominium project, and the pledge of the Company's bank deposits.

The subsidiaries' loan facilities are secured by the mortgage of their land and premises and the pledge of their land leasehold right, investment properties and bank deposits, and are guaranteed by the Company.

The loan agreements contain several covenants which, among other things, require the Company and its subsidiaries to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements

As at 31 December 2014, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 3,365 million (2013: Baht 5,188 million) (The Company only: Baht 878 million 2013: Baht 1,189 million).

22. Provision for long-term employee benefits

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

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Defined benefit obligation at beginning of year	5,302	4,002	5,302	4,002
Current service cost	1,198	1,091	1,198	1,091
Interest cost	171	209	171	209
Provisions for long-term employee benefits at end of year	<u>6,671</u>	<u>5,302</u>	<u>6,671</u>	<u>5,302</u>

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

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current service cost	1,198	1,091	1,198	1,091
Interest cost	171	209	171	209
Total expense recognised in profit or loss	<u>1,369</u>	<u>1,300</u>	<u>1,369</u>	<u>1,300</u>
Line items under which such expenses are included in profit or loss:				
Cost of rent and services	1,034	1,060	1,034	1,060
Administrative expenses	335	240	335	240

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.1	4.1	4.1	4.1
Future salary increase rate	7.5	7.5	7.5	7.5
Staff turnover rate				
(depending on age)	12.2 - 26.0	12.2 - 26.0	12.2 - 26.0	12.2 - 26.0

Amounts of defined benefit obligation for the current and previous four periods are as follows:

	(Unit: Thousand Baht)	
	Defined benefit obligation	
	Consolidated financial statements	Separate financial statements
Year 2014	6,671	6,671
Year 2013	5,302	5,302
Year 2012	4,002	4,002
Year 2011	1,554	1,554
Year 2010	1,157	1,157

23. Share capital

- 23.1 On 6 May 2014, the Company registered the increase in its registered share capital from Baht 5,540,977,447 (5,540,977,447 ordinary shares of Baht 1 each) to Baht 5,919,366,933 (5,919,366,933 ordinary shares of Baht 1 each) with the Ministry of Commerce. The additional share capital of Baht 378,389,486 (378,389,486 ordinary shares of Baht 1 each) was to be used to support the issuance of the warrant No. 3 (GLAND-W3) and the adjustments of exercise ratio and exercise price of warrant No. 2 (GLAND-W2).
- 23.2 As at 31 December 2014, the Company's issued and fully paid share capital amounted to Baht 5,529,215,704, consisting of 5,529,215,704 ordinary shares of Baht 1 each (2013: Baht 5,317,619,310, consisting of 5,317,619,310 ordinary shares of Baht 1 each). The increase of Baht 211,596,394 is the result of the exercise of warrants (GLAND-W1) in December 2013, March 2014 and May 2014 and the exercise of warrants (GLAND-W2) in June 2014. On 7 July 2014, the Company registered the increase in its issued and fully paid share capital to Baht 5,529,215,704 with the Ministry of Commerce.
- 23.3 In the preparation of the consolidated financial statements for a reverse acquisition (which occurred in 2009), for which Grand Canal Land Public Company Limited is the legal parent company (accounting acquiree) and Belle Development Ltd. and Praram 9 Square Ltd. are the legal subsidiaries (accounting acquirers), equity interests, as presented in the consolidated financial statements, represent the sum of the issued equity interests of the legal subsidiaries (accounting acquirers) outstanding before the business combination, the cost of business combination and the equity interests of the legal parent company (accounting acquiree) issued after the business combination. The details are as follows:

	(Unit: Thousand Baht)	
	<u>2014</u>	<u>2013</u>
Issued equity interests of the legal subsidiaries, net of non-controlling interests due to business combination		
Issued equity interests of the legal subsidiaries as at the acquisition date		
- Belle Development Ltd.	1,621,967	1,621,967
- Praram 9 Square Ltd.	781,250	781,250
	<u>2,403,217</u>	<u>2,403,217</u>
Change of issued equity interests of the legal subsidiaries from the acquisition date		
- Praram 9 Square Ltd.	(312,500)	(312,500)
Total	<u>2,090,717</u>	<u>2,090,717</u>
Cost of business combination		
Cost of business combination as at the acquisition date	1,611,416	1,611,416
Change of accounting acquiree's equity from the acquisition date	(271,617)	(271,617)
Total	<u>1,339,799</u>	<u>1,339,799</u>
Adjustment to present assets purchased under common control at book value	<u>(423,185)</u>	<u>(423,185)</u>
Equity interests of the legal parent company issued after the business combination		
- Share capital issued during 2014	211,597	-
- Share capital issued during 2010 - 2013	2,337,355	2,337,355
- Increase in share premium due to share issue in 2011 - 2013	952,732	952,732
Total	<u>3,501,684</u>	<u>3,290,087</u>
Equity interests in the consolidated financial statements	<u>6,509,015</u>	<u>6,297,418</u>

The above transactions are presented as follows in the consolidated financial statements to reflect the equity structure of the Company which is the legal parent company:

	(Unit: Thousand Baht)	
	<u>2014</u>	<u>2013</u>
Issued and fully paid share capital	5,529,216	5,317,619
Share premium	1,532,321	1,532,321
Adjustment to present assets purchased under common control at book value	(423,185)	(423,185)
Adjustment of equity interests under reverse acquisition	(129,337)	(129,337)
Total	<u>6,509,015</u>	<u>6,297,418</u>

In March 2013, Praram 9 Square Ltd. reduced its registered and paid-up share capital by Baht 400 million to write-off retained losses, as mentioned in Note 12.2 to the financial statements. This registered and paid-up share capital was the registered and paid-up share capital outstanding before the business combination, which is a reverse acquisition. The Company therefore decreased the issued equity interests, net of non-controlling interests due to business combination, of Praram 9 Square Ltd. by Baht 312.5 million and offset it with retained losses in the consolidated financial statement. As a result, issued equity interests of the legal subsidiaries decreased from Baht 2,403.2 million to Baht 2,090.7 million, and retained losses in the consolidated financial statement decreased by Baht 312.5 million.

- 23.4 In 2013, the Company's issued and fully paid-up capital increased by Baht 153,737,034 as a result of the exercise of warrants (GLAND-W1) and warrants (GLAND-W2) in March, June and September 2013

24. Warrants

- 24.1 In May 2011, the Company issued 164,375,658 registered, transferable warrants (GLAND-W1) with a term of three years from the issue date (27 May 2011) to its shareholders, without charge. The warrants can be exercised to subscribe to new ordinary shares in a ratio of 1 warrant per 1 ordinary share, at an exercise price of Baht 1 per share, with the exercise period being every 30th of March, June, September, and December (the first exercise date being 30 September 2011).

In May 2013, the Company issued 212,655,816 units of warrant No. 2 (GLAND-W2), to its shareholders without charge, at a rate of 1 warrant for every 25 existing shares. The warrants are registered, transferable warrants with a term of three years and 53 days from the issue date (9 May 2013) and can be exercised to subscribe to new ordinary shares in a ratio of 1 warrant per 1 ordinary share, at an exercise price of Baht 1 per share, with exercise dates every 30th of June. Pursuant to the Terms and Conditions of warrant No.1 (GLAND-W1), the Company has therefore adjusted the exercise ratio of GLAND-W1 from 1 warrant per 1 ordinary share, at an exercise price of Baht 1 per share, to 1 warrant per 1.029 ordinary shares, at an exercise price of Baht 1 per share. The new exercise ratio will be effective from 2 May 2013.

In July 2014, the Company issued 368,610,059 units of warrant No. 3 (GLAND-W3), to its shareholders without charge, at a rate of 1 warrant for every 15 existing shares. The warrants are registered, transferable warrants with a term of 2 years and 343 days from the issue date and can be exercised to subscribe to new ordinary shares in a ratio of 1 warrant per 1 ordinary share, at an exercise price of Baht 1 per share, with exercise dates every 30th of June. Pursuant to the Terms and Conditions of warrant No.2 (GLAND-W2), the Company has therefore adjusted the exercise ratio of GLAND-W2 from 1 warrant per 1 ordinary share, at an exercise price of Baht 1 per share, to 1 warrant per 1.047 ordinary shares, at an exercise price of Baht 1 per share. The new exercise ratio will be effective from 17 July 2014.

24.2 In March 2014 and May 2014, 9,841,646 warrants (GLAND-W1) were exercised and in June 2014, 200,653,551 warrants (GLAND-W2) were exercised. The Company has issued shares to support the exercise of these warrants, as mentioned in Note 23.2 to the financial statements. The last exercise date of warrant No. 1 (GLAND-W1) was on 26 May 2014, and 303,761 warrants (GLAND-W1) expired without being exercised.

As at 31 December 2014, a total of 11,313,945 warrants (GLAND-W2) (2013: 211,967,496 warrants) and 368,610,059 warrants (GLAND-W3) remained unexercised

25. Statutory reserve

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

26. Rental and service income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Project management fee and selling				
management fee	49,694	27,850	503,777	376,221
Design service fee	-	46,200	-	46,200
Commission fee	-	-	-	58,427
Rental and related service income	289,234	16,996	243,639	14,686
Total	<u>338,928</u>	<u>91,046</u>	<u>747,416</u>	<u>495,534</u>

In 2013, the Company received commission fees of Baht 58 million from a subsidiary, for arranging for a related company to purchase residential condominium units from the subsidiary.

27. Income tax

Income tax expenses for the year ended 31 December 2014 and 2013 are made up as follows:

	(Unit: Thousand Baht)			
	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current income tax:				
Current income tax charge	268,531	182,778	36,642	47,148
Adjustment in respect of current income tax of previous year	-	10,789	-	10,759
Deferred tax:				
Relating to origination and reversal of temporary differences	39,546	(30,958)	1,191	(7,343)
Income tax expense reported in the statements of comprehensive income	<u>308,077</u>	<u>162,609</u>	<u>37,833</u>	<u>50,564</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Deferred tax relating to gain (loss) on change in value of available-for-sale investments	328	(183)	328	(183)

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Accounting profit before tax	<u>1,395,630</u>	<u>749,146</u>	<u>382,958</u>	<u>171,942</u>
Applicable tax rate	<u>20%</u>	<u>20%</u>	<u>20%</u>	<u>20%</u>
Accounting profit before tax				
multiplied by applicable tax rate	279,126	149,829	76,592	34,388
Adjustment in respect of current				
income tax of previous year	-	10,789	-	10,759
Utilisation of previously				
unrecognised deferred tax				
assets on impairment loss on				
assets	(336)	-	(336)	-
Effects of:				
Income which is not taxable	(2,613)	-	(39,421)	-
Non-deductible expenses	2,476	23,167	1,094	6,179
Additional expense deductions allowed	(100)	(903)	(96)	(762)
Tax losses	29,524	(20,273)	-	-
Total	<u>29,287</u>	<u>1,991</u>	<u>(38,423)</u>	<u>5,417</u>
Income tax expenses reported in the				
statement of comprehensive				
income	<u>308,077</u>	<u>162,609</u>	<u>37,833</u>	<u>50,564</u>

As of 31 December 2014 and 2013, the components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2014</u>	<u>2013</u>
	<u>2014</u>	<u>2013</u>
Allowance for doubtful accounts	12,205	12,205
Allowance for diminution in value of project development costs	11,135	14,115
Accumulated depreciation - property, plant and equipment	1,396	1,752
Accumulated depreciation - Investment properties	(5,937)	(3,670)
Allowance for impairment loss on investment properties	46,054	35,174
Reserve for expenses on the transfers of residential condominium units	9,960	11,808
Provision for long-term employee benefits	1,334	1,061
Revenue and expense recognitions of real estate business	21,857	90,043
Unused tax losses	53,227	28,289
Unrealised loss (gain) on change in value of investments	(172)	156
Total	151,059	190,933

As at 31 December 2014, the Company and subsidiaries have deductible temporary differences and unused tax losses totaling Baht 492 million (2013: Baht 366 million) (The Company only: Baht 8 million, 2013: Baht 29 million), on which deferred tax assets have not been recognised as the Company's management believes that they might not be used to offset taxable income in the future.

28. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Salaries, wages and other employee benefits	138,054	124,278	125,511	116,490
Depreciation and amortisation	149,631	48,704	107,612	33,218
Reserve for expenses on the transfers of residential condominium units	-	23,889	-	-
Penalty for delay in transferring rental building to lessee	30,000	-	-	-
Specific business tax and transfer fees	175,486	142,206	-	-
After-sales expenses	1,880	18,341	-	-
Loss on write offs and sales of assets	1,568	20,130	1,568	17,751
Impairment loss on assets	-	21,526	-	21,526
Cost of sales of real estate	2,205,886	2,001,090	-	-

29. Earnings per share

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

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

The following table sets forth the computation of basic and diluted earnings per share for the year ended 31 December 2014 and 2013:

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	848,827	464,506	5,421,659	5,276,064	0.157	0.088
Effect of dilutive potential ordinary shares						
Warrants (GLAND-W2) 11,313,945 units and Warrants (GLAND-W3) 368,610,059 units (2013: Warrants (GLAND-W1) 10,145,407 units and Warrants (GLAND-W2) 211,967,496 units)	-	-	199,186	193,913		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>848,827</u>	<u>464,506</u>	<u>5,620,845</u>	<u>5,469,977</u>	0.151	0.085
	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	345,125	121,379	5,421,659	5,276,064	0.064	0.023
Effect of dilutive potential ordinary shares						
Warrants (GLAND-W2) 11,313,945 units and Warrants (GLAND-W3) 368,610,059 units (2013: Warrants (GLAND-W1) 10,145,407 units and Warrants (GLAND-W2) 211,967,496 units)	-	-	199,186	193,913		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	345,125	121,379	5,620,845	5,469,977	0.061	0.022

30. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker. The chief operating decision maker has been identified as chief executive officer. The basis that used to measure operating profit or loss of segment is same as the basis that used to measure operating profit or loss in the financial statements.

For management purposes, the Company and its subsidiaries have two reportable segments, which are real estate for sale business, consisting of land and house projects and residential condominium projects, and real estate for rental and service business, consisting of office building for rent project.

The revenue and profit information by segment in the consolidated financial statements for the years ended 31 December 2014 and 2013 are as follows:

(Unit: Million Baht)								
	Real estate for sale business		Real estate for rental and service business		Elimination of inter-segment revenues		Consolidation	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues from external customers	4,341	3,294	796	499	(457)	(408)	4,680	3,385
Segment profit	2,134	1,293	31	(13)	-	-	2,165	1,280
Unallocated income (expenses):								
Other income							54	67
Other expenses							(545)	(448)
Finance cost							(279)	(150)
Income tax expenses							(308)	(163)
Profit for the year							<u>1,087</u>	<u>586</u>
<u>As at 31 December</u>								
Project development costs	3,454	5,476	-	-	(110)	(178)	3,344	5,298
Investment properties	-	-	12,746	10,648	(343)	(243)	12,403	10,405
Property, plant and equipment	3	3	134	121	-	-	137	124
Other assets							<u>1,912</u>	<u>1,396</u>
Total assets							<u>17,796</u>	<u>17,223</u>

Transfer prices between business segments are as set out in Note 6 to the financial statements.

The Company and its subsidiaries operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

For the year 2014, the Company and its subsidiaries have revenue from Grand Fortune Co., Ltd., a related company, in amount of Baht 1,060 million, arising from sales of residential condominium units, project management fee, selling management fee and rental and related service income.

31. Dividends

On 25 April 2014, the Annual General Meeting of the Company's shareholders resolved to pay a dividend of Baht 0.04 per share, or a total Baht 212.7 million, to the shareholders. This dividend was paid to the shareholders on 23 May 2014.

32. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by Ayudhaya Master Fund Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the Company contributed Baht 3.1 million (2013: Baht 2.7 million) to the fund.

33. Commitments and contingent liabilities

33.1 Capital commitments

As at 31 December 2014, the Company and its subsidiaries had commitments of approximately Baht 1,219 million (2013: Baht 2,256 million) in respect of design and building construction work services and project construction contracts (The Company only: Baht 118 million, 2013: Baht 330 million).

33.2 Operating lease commitments

As at 31 December 2014, a subsidiary had commitments totaling Baht 301 million under a land lease agreement (2013: Baht 304 million). This agreement expires in June 2050. The details are as follows:

	(Unit: Million Baht)	
	As at 31 December	
	<u>2014</u>	<u>2013</u>
Payable:		
In up to 1 year	3	3
In over 1 and up to 5 years	20	15
In over 5 years	278	286

As at 31 December 2014, the details of future rental income of the Company and subsidiaries under lease agreements are as follows:

(Unit: Million Baht)

	The Company and subsidiaries		The Company only	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Receivable:				
In up to 1 year	309	70	205	49
In over 1 and up to 5 years	677	135	306	92
In over 5 years	3,621	-	125	-

33.3 Service agreements

As at 31 December 2014, the Company had commitments totaling Baht 86 million under various service agreements (2013: Baht 81 million) (The Company only: Baht 59 million, 2013: Baht 77 million).

33.4 Guarantees

- a) As at 31 December 2014, the Company has provided guarantees of Baht 1,694 million for the long-term loans obtained by a subsidiary.
- b) As at 31 December 2014, a subsidiary has provided guarantees totaling Baht 0.5 million (2013: Baht 0.5 million) for a loan repayment on behalf of a related company.
- c) As at 31 December 2014, there were outstanding bank guarantees of approximately Baht 31 million (2013: Baht 69 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of businesses (The Company only: Baht 16 million, 2013: Baht 53 million).

33.5 Litigation

The Company has been sued by a company seeking payment of hiring fees of approximately Baht 5.9 million. The Court of First Instance and the Court of Appeal have ruled that the Company is not liable for such hiring fees. At present, the suit is being considered by the Supreme Court. Although the final outcome of this suit cannot be determined at this stage, it is the management's opinion that its resolution will not have any material effect on the Company's financial statements as a whole.

34. Financial instruments

34.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade receivables, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade receivables, loans and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade receivables, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, loans and short-term and long-term borrowings. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

Consolidated financial statements														
	2014					2013								
	Fixed interest rates			Floating interest rates	Non-interest bearing	Effective interest rate	Fixed interest rates			Floating interest rates	Non-interest bearing	Effective interest rate		
	Within 1 year	1 - 5 years	Over 5 years				Within 1 year	1 - 5 years	Over 5 years					
	(Million Baht)					(% per annum)	(Million Baht)					(% per annum)		
Financial assets														
Cash and cash equivalents	-	-	-	1,031	-	1,031	-	-	-	-	382	-	382	See Note 7
Current investments	-	-	41	-	-	41	-	-	39	-	-	-	39	See Note 8
Trade and other receivables	-	-	-	-	135	135	-	-	-	-	-	46	46	-
Restricted bank deposits	-	-	-	-	119	119	-	-	-	-	89	-	89	1.50 - 2.00
	-	-	41	1,150	135	1,326	-	-	39	-	471	46	556	
Financial liabilities														
Short-term loans from financial institutions	-	-	-	1,662	-	1,662	300	-	-	-	1,046	-	1,346	See Note 19
Trade and other payables	-	-	-	-	1,048	1,048	-	-	-	-	-	1,304	1,304	-
Retention payable	-	-	-	-	333	333	-	-	-	-	-	266	266	-
Loans from related parties	-	-	-	866	-	866	-	-	-	-	1,880	-	1,880	See Note 6
Long-term loans from financial institutions	-	-	-	4,536	-	4,536	-	-	-	-	4,079	-	4,079	See Note 21
	-	-	-	7,064	1,381	8,445	300	-	-	-	7,005	1,570	8,875	

Separate financial statements													
	2014					2013							
	Fixed interest rates			Floating	Non- interest bearing	Effective interest rate	Fixed interest rates			Floating	Non- interest bearing	Effective interest rate	
	Within 1 year	1 - 5 years	Over 5 years			Within 1 year	1 - 5 years	Over 5 years					
	(Million Baht)					(% per annum)	(Million Baht)					(% per annum)	
Financial assets													
Cash and cash equivalents	-	-	-	493	-	493	See Note 7	-	-	143	-	143	See Note 7
Current investments	-	-	41	-	-	41	See Note 8	-	-	39	-	39	See Note 8
Trade and other receivables	-	-	-	-	300	300	-	-	-	-	173	173	-
Short-term loans to related parties	-	-	-	1,504	-	1,504	See Note 6	-	-	347	-	347	See Note 6
Restricted bank deposits	-	-	-	38	-	38	1.13 - 1.55	-	-	37	-	37	1.50 - 1.88
	-	-	41	2,035	300	2,376		-	-	39	173	739	
Financial liabilities													
Short-term loans from financial institutions	1,662	-	-	-	-	1,662	See Note 19	300	-	520	-	820	See Note 19
Trade and other payables	-	-	-	-	285	285	-	-	-	-	417	417	-
Retention payable	-	-	-	-	90	90	-	-	-	-	87	87	-
Short-term loans from related party	200	-	-	-	-	200	See Note 6	-	-	-	-	-	See Note 6
Long-term loans from financial institutions	-	-	-	2,499	-	2,499	See Note 21	-	-	2,213	-	2,213	See Note 21
	1,862	-	-	2,499	375	4,736		300	-	2,733	504	3,537	

Foreign currency risk

The Company considers itself no foreign currency risk because it has no foreign currency transactions, and no financial assets and liabilities denominated in foreign currencies outstanding at the date of statements of financial position.

34.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

35. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2014, the Group's debt-to-equity ratio was 1.1:1 (2013: 1.3:1) and the Company's debt-to-equity ratio was 0.7:1 (2013: 0.5:1).

36. Events after the reporting period

On 15 January 2015, on Extraordinary meeting of the Company's shareholders passed a resolution for the Company to issue and offer up to Baht 4,000 million of debentures in order to use the money raised from the issue in the Company's operations and to fund future investment plans.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2015.

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