



Charting the Future with the THAI Community

ANNUAL REPORT
2013



20th
anniversary



Charting the Future with the THAI Community

Big C celebrated our 20th anniversary in 2013

Over the past 20 years, impressive growth of Big C has been observed in all dimensions: store expansion, incorporating Carrefour, introduction of new formats and services, among others. At the same time, we have been sustainable through the challenges, ranging from natural disasters to increasingly competitive market. We have been very active in responding to such challenges. Crisis and business continuity plans have been in place to cope with an unpredictable situation. Our dynamism also helps us react swiftly and effectively.

Charting the Future with the Thai Community

Having learned these experiences over the years, Big C family is ready to “chart the future” as the leading retail chain in Thailand. We are financially resilient and have strong foundation in all aspects for future growth. Moreover, Big C is ready to chart this future along with the Thai Community. We have stayed side by side with the Thai community in both good and bad times through Big C Foundation and corporate social responsibility work. Our social work has four focus areas: environment, education, health, social inclusion. Big C also pursues other social programs for our employees, including our employees with disabilities.



The 20th anniversary in 2013 was a chance to celebrate our strength, sustainability, and social responsibility. With our 20-year experiences, Big C is even more ready to continue charting the future with the Thai Community.



Financial Highlights

Income Statement

(Unit : Million Baht)

	(Adjusted) 2010	2011	2012	2013
Sales	69,859	102,563	112,136	118,177
Cost of sales and service	60,602	87,489	96,019	100,490
Gross profit	9,257	15,074	16,117	17,687
Rental, service and other income	6,350	11,116	11,596	12,794
Profit before finance cost and income tax expenses	3,988	8,286	9,136	9,545
Profit attributable to equity holders of the Company	2,816	5,242	6,074	6,976

Statement of financial position

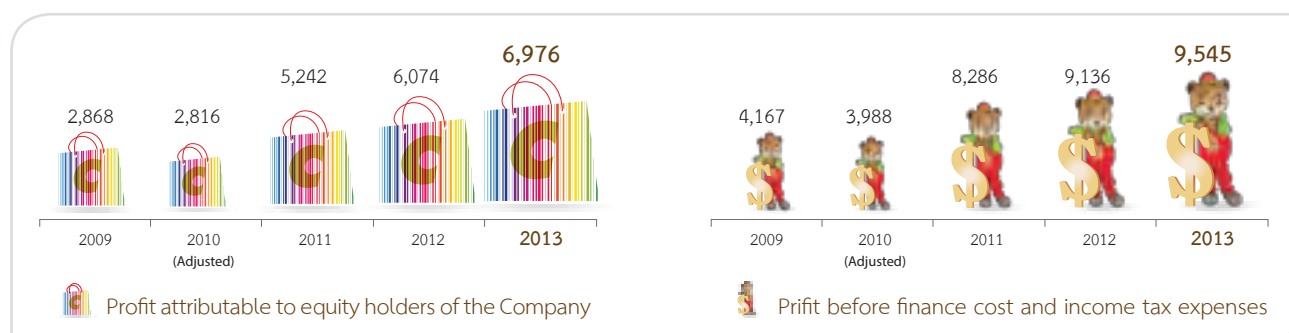
(Unit : Million Baht)

	(Adjusted) 2010	2011	2012	2013
Total assets	39,533	90,726	94,163	97,164
Total liabilities	19,438	67,206	62,276	60,126
Total shareholders' equity	20,095	23,520	31,887	37,038

Financial ratio

(Unit : Percent)

	(Adjusted) 2010	2011	2012	2013
Gross profit margin	13.3	14.7	14.4	15.0
Net profit margin	4.1	5.1	5.4	5.9
Return on equity	14.4	24.0	21.9	20.2
Return on assets	7.4	8.0	6.6	7.3
Debt to equity ratio	-	1.6	0.9	0.7
Earning per share (Baht)	3.5	6.5	7.4	8.5



Message from the Chairman



“

Our team is
currently working
hard to enhance
the convenience
for our valued
customers

”

Dear Shareholders,

Year 2013 was a special year for the Big C family as it marked our company's 20th anniversary. This is indeed a good time to look back and see how far Big C has come. From our first hypermarket in Wong Sawang area of Bangkok, we have spread our store network to cover the whole nation, bringing guaranteed low prices and excellent quality within everyone's reach. Our past achievements are only a stepping stone for us to move forward. Our team is currently working hard to enhance the convenience for our valued customers: opening smaller store formats closer to our customers; adding services to our offers; and further expanding our online presence.

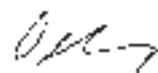
During 2013, we opened a record number of stores and ended the year with 119 hypermarkets, 30 Big C Market supermarkets, 278 Mini Big C proximity stores, and 132 Pure drugstores. In my letter last year, I introduced our partnership with Bangchak Petroleum. I am now pleased to inform you that we cemented this partnership in April 2013 when we signed a long-term and exclusive partnership agreement to open Mini Big C proximity stores at their service stations. We believe that this partnership has opened up a new and exciting avenue for Mini Big C store network growth. In fact, at the end of 2013, 62 of our total number of 278 Mini Big C are located at Bangchak stations.

Our sustainability over these past 20 years is worth noting. The Big C family has been through both good and challenging times. These challenges notwithstanding, every Big C family has risen to meet whatever has been put on its way. During 2013, our team exhibited once again its resilience in the face of challenging conditions. The economy was affected by both internal and external factors. These factors, coupled with the political unrest during the traditional high season at the end of the year, meant that the Thai consumer sentiment continued with its sluggish mood for most part of the year, hitting its 24 month low at December 2013. Nevertheless, Big C took on such a challenge heads on: concentrating our activities and promotions more on the necessity items and value for money while launching initiatives to excite our customers. At the end of the year, we were able to maintain our store-for-store sales levels on par with the high level of 2012. I must also extend my special thanks to every member of Big C family for their hard effort to fight the cost pressures during the year. In the end, I proudly say that we exceeded our very demanding margin targets for the year.

During the year, Big C also continued to be more than just a retailer. In order to celebrate our 20th year as a member of the Thai communities nationwide, we launched our projects to concretely implement our Corporate Social Responsibility. These projects, involving both the communities and stores from the beginning, prove once again the high importance we attach to the local community. Our Big C Foundation also continued to provide educational opportunities for underprivileged groups.

In the end, I want to extend my thanks to every member of Big C family, employees, business partners, and our valued customers. The year 2013 was by no means an easy year but with your efforts, hardwork, and support, we once again were able to showcase our resilience and are well positioned to “chart our future together with the Thai community.” Last but not least, I wish to thank all of the board members who were retired or left the board during 2013 for their hard work and dedication over the years.

Best regards,



Mr. Akani Thapthimthong
Chairman of the Board



Message from the CEO

The year 2013 marked the 20th anniversary of Big C's partnership with the Thai community. We have come a long way since the launch of our first hypermarket in Wong Sawang to a nation-wide network of multiple store formats today. We have always stayed true to being "more than just a retailer." We offer a fun shopping experience for all our customers and maintain our roots in the local community. Over the years, our Big C family has grown to include over 27,000 associates and 7.6 million loyal Big Card holders. I am proud to have had the privilege to steer the company for more than half of these years.

2013 was not an easy year by any means. However, as with difficult periods in the past, our resilience enabled us to endure and overcome the challenges we faced. The weak consumer sentiment arising from the turbulent economy and political environment meant that retailers had to quickly adapt to the circumstances. At Big C, we concentrated our marketing efforts on necessity items, value-for-money, and innovative campaigns such as Top 100 items, and Golden Day. We also tackled the rising cost pressures head-on through various cost-saving and productivity initiatives during the year. All of these efforts paid off.

At the end of the year, I can proudly say that Big C was once again able to rise to the challenge and showcase its resilience based on the following financial highlights: For the full year 2013, we were able to maintain our store-for-store sales on par with the high level achieved in 2012 and our continued store network expansion led to satisfactory sales growth of 5.4% from 112.1 billion baht to 118.2 billion baht. Our rental income continued on its robust double-digit growth trajectory with a 10.3% increase from 7.9 billion baht to 8.7 billion baht. I would like to draw special attention to our ability to maintain our operating margin at the high level of 8.1% achieved in 2012. This is a significant achievement when you take into account the sharp cost pressure we faced during the year. All these factors, accompanied by reduced finance costs and the 3% corporate tax rate cut during 2013, led to an impressive net income growth of 14.8% from 6.1 billion baht in 2012 to 7.0 billion baht in 2013.

During 2013, we continued our expansion in all our store formats by opening 6 hypermarkets, 12 Big C Markets, 153 Mini Big C stores and 41 Pure drugstores. These openings brought our total store numbers to 119 hypermarkets, 30 Big C Markets, 278 Mini Big C stores, and 132 Pure drugstores. In 2013 we also took another step towards strengthening our partnership with Bangchak Petroleum and in April 2013 we signed a long-term, mutually exclusive partnership agreement to open Mini Big C proximity stores at Bangchak service stations nationwide. This partnership opens a new and exciting growth avenue for our Mini Big C stores and combines the strengths of both companies to provide maximum savings and convenience for our customers. During the year, we opened 55 Mini Big C stores at Bangchak stations, in addition to the 7 pilot stores opened in 2012.

As we move into our 21st year in 2014, we are well positioned to chart the future and weather any economic challenges. Despite the economic slowdown, our expansion plan will continue, albeit at a pace that is appropriate to the current market conditions. Our two new state-of-the-art distribution centers will open during 2014. They will provide additional capacity and efficiency to facilitate our continued stores expansion. At the same time, we will continue to concentrate on cost optimization and productivity enhancement.

As part of our 20th anniversary in 2013 our Corporate Social Responsibility (CSR) projects took on a new direction by applying a bottom-up development approach in the four focus areas: education, environment, health, and community development. This approach allowed us to involve local communities in the selection, design and implementation of projects. We also actively promote equality and diversity amongst our associates. Once again, we maintained our position in 2013 as the first and only retailer to exceed the 1% legal requirement of employing persons with disabilities by more than 35%.

Lastly, we look forward to further strengthening our partnership with the Thai community and charting our future together in 2014. We keep our promise to be "more than just a retailer" for our family of associates, business partners, and customers, to whom I would like to extend my heartfelt appreciation for their continued support in making Big C the great company that it is!

Best regards,

Mr. Yves Bernard Braibant

CEO and President Big C Supercenter PCL



“

We offer a fun shopping experience for all our customers and maintain our roots in the local community

”

CONTENTS



FINANCIAL HIGHLIGHTS
MESSAGE FROM THE CHAIRMAN
MESSAGE FROM THE CEO

1-3

BOARD OF DIRECTORS
AND EXECUTIVE COMMITTEE

6-25



BUSINESS OF BIG C

26-71

72-83

CORPORATE SOCIAL RESPONSIBILITY



REPORTS FROM THE BOARD AND COMMITTEES

84-101

102-155

FINANCIAL DATA



APPENDIX

156-180



BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

• Board of Directors	8
• Executive Committee (EXCOM)	10
• Education & Working Experience of Directors and EXCOM	12
• Organization Chart	24



Board of Directors

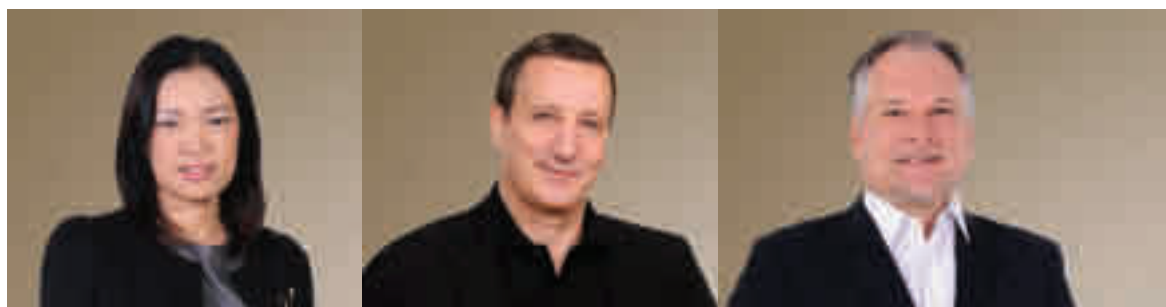


Mr. Akani Thapthimthong

Chairman of the Board
Audit Committee member
Independent Director

Dr. Uttama Savanayana Ph.D.

Chairman of Audit Committee
Corporate Governance member
Independent Director



Ms. Rumpa Kumhomreun

Corporate Governance
member & Secretary
Executive Director
Company Secretary

Mr. Yves Bernard Braibant

Executive Director
(Chief Executive Officer &
President)

Mr. Ian Longden

Executive Director

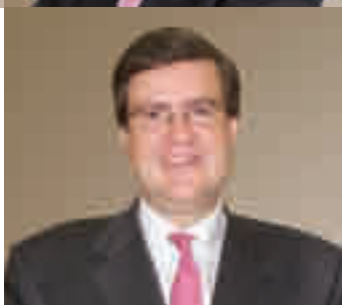
Mr. Rapee Sucharitakul
Chairman of Corporate
Governance Committee
Independent Director



Mr. Vachara Tuntariyanond
Audit Committee member
Independent Director



Mr. Christopher King
Corporate Governance member
Independent Director



Mr. Arnaud Daniel Charles
Walter Joachim Strasser
Non-executive Director



Mr. Guillaume Pierre
Antoine Marin Humbert
Non-executive Director

Mr. Praphan Eamrungrroj
Non Executive Director



Mr. Philippe Alarcon
Non-executive Director



Mrs. Josseline De Clausade
Non-executive Director



Mrs. Diane Coliche
Non-executive Director



Mr. Hervé Daudin
Non-executive Director



1. Mr. Yves Bernard Braibant
Chief Executive Officer
& President

2. Mr. Philippe Prejent
Vice President, Operations

3. Ms. Rumpa Kumhomreun
CFO & Vice President,
Accounting & Finance

4. Mr. Yotin Thavikulwat
Vice President, Properties

5. Mr. Stephen Camilleri
Vice President,
Human Resources

6. Mr. Arnaud Dupont
Vice President, Commercial



7. Mr. Ian Longden

Senior Vice President,
Small Store Format

8. Mrs. Anne -Ev Juetten Enzmann

Vice President,
Marketing & Communications

9. Mr. Neil McCann

Vice President,
Supply Chain Management

10. Mr. Prawet Prungtangki

Vice President , MIS

11. Sarintip Satitsatian, PhD

Vice President, Business
Development

12. Mr. Bruno Jousselin

Vice President,
General Merchandise

13. Mr. Joong Ho Hyun

Vice President, Procurement &
Operational Excellence

Education and Working Experiences of Directors and EXCOM (Directors)

Mr. Akani Thapthimthong

Current Positions

Chairman of the Board of Directors
(8/11/2011)

Member of Audit Committee
(10/4/2013)

Independent Director
(28/4/2010)

% holding in Company
None

Education

- Master of Business Administration, London Business School, England
- Bachelor Degree in Political Science and Philosophy from Queen's University of Belfast, Northern Ireland

Experiences

- 1991 – 1994 Executive Director , Goldman Sachs Hong Kong
- 1980 – 1990 Executive Director , Goldman Sachs London

Positions in other Listed companies

- None

Positions in other non listed companies

- Consultant to Goldman Sachs Thailand
- Director, Burda Thailand Co.,Ltd.
- Director, V Can Co.,Ltd.
- Director, Peangdao Garden Co.,Ltd.
- Director, Innophene Co.,Ltd.

Training with Thai IOD

- None

Dr. Uttama Savanayana

Current Positions

Chairman of the Audit Committee
(16/10/2013)

Member of Corporate Governance
(23/1/2013)

Independent Director
(30/4/2012)

% holding in Company
None

Education

- PhD in Business Administration, School of Management, University of Massachusetts-Amherst, USA.
- Master Degree in Finance & International Business, Kellogg School of Management, Northwestern University, USA
- Bachelor Degree in Electrical Engineering, Brown University, USA

Experiences

- Vice Minister at the Ministry of Commerce
- Vice Minister at the Office of the Prime Minister
- Advisor to the Minister of Finance
- Director of Business Development, GE Capital (Thailand) Ltd.
- Senior Vice President (Research & Development), Siam City Bank Public Company Limited
- Executive Chairman, Siam City-ING Asset Management Co.,Ltd.
- Associate Dean for Academic, Faculty of Business Management, NIDA

Positions in other Listed companies

- None

Positions in other non listed companies

- Director and Chairman of Investment Committee, Dhipaya Life Assurance Co.,Ltd.
- Director and Compensation Committee Member, KT Zmico Securities Co.,Ltd.
- Managing Director, Thai Prosperity Advisory Co.,Ltd.

Training with Thai IOD

- Director Accreditation Program (DAP) 60/2006

Mr. Vachara Tuntariyanond**Current Positions**

Member of Audit Committee

(24/4/2013)

Independent Director

(24/4/2013)

% holding in Company

None

Education

- Master of Science in Management Administration, Northrop University, California, U.S.A.

Experiences

- 2010 – Jan 2013 Member of the Board and Chairman of the Board of Executive Directors, MFC Asset Management Public Company Limited
- 2010 – 2011 Member of the Board of Directors, Thai Oil Public Company Limited
- 2010 – 2011 Advisor to the Board of Directors, Port Authority of Thailand
- 2008 – 2009 Member of the Board and Deputy Chairman of the Board of Directors, Government Housing Bank
- 2007 – 2008 Chairman of the Board Directors, Bangkok Metropolitan Administration Office of Pawnshop

Positions in other Listed companies

- None

Positions in other non listed companies

- Independent Director, Eastern Polymer Group PCL
- Member of the Board, Government Saving Bank
- Member of the Board, Corporate Governance member, National Credit Bureau Co.,Ltd

Training with Thai IOD

- Director Certificate Program (DCP) year 2007

Mr. Rapee Sucharitakul**Current Positions**Chairman of Corporate
Governance Committee

(16/10/2013)

Independent Director

(10/4/2013)

% holding in Company

None

Education

- LL.M. University of Bristol, England
- LL.B. (Legum Baccalaureus), University of Essex, England

Experiences

- 2013 Director, Thai Institute of Directors Association
- 2009 – 2011 Executive Chairman, Kasikorn Asset Management Company
- 2005 – 2008 Chairman, Kasikorn Securities Public Company Limited

Positions in other Listed companies

- Member of the Board, Kasikornbank Public Company Limited

Positions in other non listed companies

- Chairman of Risk Committee, Independent Director, Stock Exchange of Thailand
- Director, Association of Investment Management Companies
- Advisor to the President, Muang Thai Life Assurance Co., LT

Training with Thai IOD

- Chartered Director Course Year 2009
- Role of the Chairman Program (RCP) Year 2005
- Director Certification Program (DCP) Year 2000

Education and Working Experiences of Directors and EXCOM (Directors)

Mr. Christopher King

Current Positions

Member of Corporate Governance
(10/4/2013)

Independent Director
(10/4/2013)

% holding in Company
None

Education

- Bachelor of Laws (LL.B) (Honors), University of Bristol, UK
- Postgraduate Practical Certificate in Law, University of Singapore

Experiences

- 1997 – 2004 Partner, Linklaters Bangkok

Positions in other Listed companies

- Independent Director, Chairman of Nomination and Remuneration Committee and member of Audit Committee, Singer Thailand PCL
- Independent Director, member of Audit Committee and Nomination, Remuneration and Corporate Governance Committee, TMB Bank PCL

Positions in other non listed companies

- Member of the Board, Singer Leasing (Thailand) Ltd.
- Director, Kingfisher Holdings Limited and subsidiaries

Training with Thai IOD

- Director Certification Program (DCP), 2005

Mr. Praphan Eamrungrroj

Current Positions

Non Executive Director
(28/4/2010)

% holding in Company
None

Education

- Master of Business Administration, Thammasat University, Thailand
- Master of Science in Engineering, Asian Institute of Technology (AIT)
- Bachelor Degree in Mechanical Engineering, Chulalongkorn University

Experiences

- 2013 Director, Chiangmai Big C (2001) Co.,Ltd.
- 2013 Director, Chiangrai Big C Co.,Ltd.
- 2013 Director, Big C Distribution Co.,Ltd.
- 2013 Director, CenCar Limited
- 2013 Director, SSCP (Thailand) Limited
- 2013 Director, Nava Nakarintr Limited
- 2013 Director, Inthanon Land Co.,Ltd.
- 2013 Director, Phisanulok Big C Limited
- 1999 – 2000 Vice President (Asset Management), Bangkok Capital Alliance Co., Ltd.
- 1990 – 1999 Executive Director (Asset Management), Pacific Assets Public Co., Ltd.

Positions in other Listed companies

- None

Positions in other non listed companies

- None

Training with Thai IOD

- Director Certification Program (DCP), 169/2013

Mr. Ian Longden**Current Positions**

Executive Director (30/4/2012)

Senior Vice President,

Small Store Format

(2009)

% holding in Company

None

Education

- Ashville College, Harrogate, England

Experiences

- 2007 - 2009 Express Director, Tesco China
- 2004 - 2007 Express & Supermarkets Director, Tesco Thailand
- 2001 - 2004 Express Director, Tesco Thailand
- 1999 - 2001 Managing Director, Watson Thailand
- 1996 - 1998 Director & General Manager, Watson Thailand
- 1993 - 1996 Operations & Distribution Director, Watson HongKong
- 1990 - 1993 Logistics Director, Watson Hong Kong
- 1987 - 1990 Space & Merchandising Manager, Watson HongKong

Positions in other Listed companies

- None

Positions in other non listed companies

- Business Investment Consultant to Lom Talay House Co.,Ltd.

Training with Thai IOD

- Director Certification Program (DCP), 182/2013

Ms. Rumpa Kumhomreun**Current Positions**

Authorized Director

Executive Director (30/4/2012)

Member of Corporate Governance

and Secretary to the Corporate

Governance Committee

(23/1/2007)

Company Secretary

(18/6/2008)

CFO and Vice President,

Accounting and Finance (1995)

% holding in Company

None

Education

- Master of Business Administration, Thammasat University, Thailand
- Bachelor Degree in Accounting, Kasetsart University, Thailand
- Certified Public Accountant, Thailand

Experiences

- Accounting Director, Seagate Technology (Thailand) Ltd.
- Accounting Manager, National Starch & Chemical (Thailand) Ltd.

Positions in other Listed companies

- None

Positions in other non listed companies (Subsidiaries)

- Director, Chiangmai Big C (2001) Co., Ltd.
- Director, Central Superstore Limited.
- Director, Theparak Big C Limited.
- Director, Chiangrai Big C Co., Ltd.
- Director, Surat Big C Limited.
- Director, Big C Distribution Co., Ltd.
- Director, CenCar Limited
- Director, SSCP (Thailand) Limited
- Director, Central Pattaya Co., Ltd.
- Director, Udon Big C Co., Ltd.
- Director, Inthanon Land Co., Ltd.
- Director, Big C Fairy Limited.
- Director, Pharam II Big C Co., Ltd.
- Director, Phisanulok Big C Limited

Training with Thai IOD

- Director Certification Program (DCP), 169/2013

Education and Working Experiences of Directors and EXCOM (Directors)

Mr. Yves Bernard Braibant

Current Positions

Authorized Director

Executive Director

(23/12/2001)

CEO & President of

Executive Committee

(2001)

% holding in Company

None

Education

- Business School, Lyon, France
- Master of Business Administration, Lindenwood University
- Certificate EM, Lyon, France
- Certificate IMD, Switzerland

Experiences

- Chief Executive Officer, Libertad, Argentina

Positions in other Listed companies

- Member of the Executive Committee, Groupe Casino, France

Positions in other non listed companies (Subsidiaries)

- Director, Chiangmai Big C (2001) Co.,Ltd.
- Director, Central Superstore Limited.
- Director, Theparak Big C Limited.
- Director, Chiangrai Big C Co.,Ltd.
- Director, Surat Big C Limited.
- Director, Big C Distribution Co.,Ltd.
- Director, SSCP (Thailand) Limited
- Director, Central Pattaya Co.,Ltd.
- Director, Udon Big C Cp.,Ltd.
- Director, Inthanon Land Co.,Ltd.
- Director, Big C Fairy Limited.
- Director of Pharam II Big C Co.,Ltd.
- Director, Phisanulok Big C Limited

Training with Thai IOD

- None

Mr. Arnaud Daniel Charles Walter

Joachim Strasser

Current Positions

Authorized Director

Non Executive Director

(10/10/2007)

% holding in Company

None

Education

- E.N.A. (High School of Civil Services)
- School of HEC (Hautes Etudes Commerciales)
- School of the "Institut d' Etudes Potiques de Paris"

Experiences

- Director of Corporate Development and Holdings, Groupe Casino, France
- Advisor to the Chairman, in charge of International Development, Groupe Casino, France

Positions in other Listed companies

- Member of the Management Board, Groupe Casino, France

Positions in other non listed companies

- None

Training with Thai IOD

- None

Mr. Philippe Henri Alarcon**Current Positions**

Authorized Director

Non Executive Director

(30/4/2012)

% holding in Company

None

Education

- H.E.C. International trainee
- Trainees in Finance, management, Organization, Legal
- Saint-Etienne University Technology Institute : Degree in Finance and Accountancy

Experiences

- 2005 - 2011 General Manager of CASINO Real Estate
- 1998 - 2005 Chief Operation Officer & CFO of CASINO POLAND Real Estate
- 1995 - 1998 CFO of CASINO Catering activities
- 1994 - 1995 Member of the steering committee in charge of the RALLY activities integration : Process, IT, financial analysis, HR
- 1990 - 1994 CFO Supermarket business
- 1986 - 1990 CFO Casino Abattoirs business
- 1984 - 1986 Project Manager in the CASINO GROUP financial analysis team
- 1979 - 1984 COLAS : Construction business – Project manager

Positions in other Listed companies

- Chief Operation Officer of the CASINO Group International Activities

Positions in other non listed companies

- Cavi Ltd (Director)
- Cavi Retail Ltd (Director)
- Cavi Real Estate Ltd (Director)
- DTC Finance BV (Member of Supervisory Board)
- DTC Development 1 (Member of Supervisory Board)
- DTC Development 2 (Member of Supervisory Board)
- DTC Development 3 (Member of Supervisory Board)
- Mayland R.E. SARL (Chairman of Management Board)
- Bienaly Commercial development SARL (Member of Management Board)
- Polska Korp. SA (Director)
- Aplauz SARL (Director)
- Sun Resort (Member of Supervisory Board)
- Espace Gdansk (Director)
- NRG SARL (Legal Manager)
- Geant Kredyt (Member of Supervisory Board)
- Delta Project PL SARL (Member of Management Board)
- Espace Management SARL (Legal Manager)
- Centrum Handlowe Jantar SARL (Chairman of Management Board)
- Centrum Handlowe Koniczynka SARL (Chairman of Management Board)
- Multi Investors (Chairman of Management Board)

Training with Thai IOD

- None



Education and Working Experiences of Directors and EXCOM (Directors)

Mr. Guillaume Pierre Antoine

Marin Humbert

Current Positions

Authorized Director

Non Executive Director
(20/10/2010)

% holding in Company

None

Education

- Toulouse Graduate School of Management, France

Experiences

- CFO of Real Estate Investment Trust Fonciere des Regions, Paris
- Credit Agricole Corporate and Investment Bank, Milan, New York and Paris
- BHP Billiton, Johannesburg

Positions in other Listed companies

- Senior Vice President, Corporate Finance, Groupe Casino, France

Positions in other non listed companies

- None

Training with Thai IOD

- None

Mrs. Josseline de Clausade

Current Positions

Authorized Director

Non Executive Director
(10/4/2013)

% holding in Company

None

Education

- Executive management Session (Stanford)
- Executive Finance Session (Harvard)
- National Administration School (ENA)
- Political Institute in Paris (Institut d'Etudes Politiques – Master)
- Master in business at Paris IX- Dauphine

Experiences

- 2008 – 2011 Senior Vice President AVERA
- 2007 – 2008 General Secretary of the Commission (Jacques Attali)

Positions in other Listed companies

- CEO Advisor , Groupe Casino, France

Positions in other non listed companies

- None

Training with Thai IOD

- None

Mrs. Diane Coliche**Current Positions**

Non Executive Director

(10/4/2013)

% holding in Company

None

Education

- Masters Degree in Corporate Law and Tax, University of Paris II (Assas)
- Masters Degree from ESSEC, Paris (Electives: Corporate Finance and Law)

Experiences

- 2004 – 2010 Executive Director – Real Estate and lodging, Morgan Stanley, Paris and London
- 2003 – 2004 Associate, Morgan Stanley, London
- 2000 – 2003 Analyst, Morgan Stanley, London

Positions in other Listed companies

- Corporate Development Director, Groupe Casino, France

Positions in other non listed companies

- None

Training with Thai IOD

- None

Mr. Hervé Daudin**Current Positions**

Non Executive Director

(24/7/2013)

% holding in Company

None

Education

- Ecole normale supérieure (Sciences), PARIS
- Ecole des Ponts et Chaussées, PARIS
- MSc, Physics, University of PARIS VI
- PhD, Economics, European Doctoral Program

Experiences

- 2006 - 2008 Supply Chain Director, Groupe Casino, France

Positions in other Listed companies

- Merchandise & Supply Chain Director, Groupe Casino, France
- Member of the Executive Committee, Groupe Casino, France
- Chairman, EMCD

Positions in other non listed companies

- None

Training with Thai IOD

- None



Education and Working Experiences of Directors and EXCOM (EXCOM)

Mr. Yotin Thavikulwat

Current Positions

Vice President, Properties
(1/10/2013)

% holding in Company

None

Education

- MBA, International Business Management, American Graduate School
- BBA, Marketing, Assumption University

Experiences

- 2011 - 2013 Director of Mall and Media, Tesco Lotus Thailand
- 2009 - 2011 -Mall Leasing Director Tesco, Lotus Thailand
- 2008 - 2009 Trading Manager/Commercial Manager, Food & Express Format, Tesco Lotus Thailand
- 2007 - 2008 Store Directing Manager, Tesco Lotus Thailand
- 2005 - 2007 Head of Property Acquisition, Tesco Lotus Thailand

Relationship with BOD or Executives

- None

Mr. Stephen Camilleri

Current Positions

Vice President, Human Resources
(1/4/2011)

% holding in Company

None

Education

- Master Degree of Education (Specializing in Audit and Continuing Professional Education), University of New South Wales, Sydney Australia
- Graduate Diploma in Audit Education, University of Technology, Sydney Australia
- Bachelor Degree of Arts, University of Sydney, Sydney Australia

Experiences

- 2008 – 2011 Associate Director, PricewaterhouseCoopers FAS Ltd.
- 2005 – 2007 Senior Partner, Development Edge Consulting Ltd.
- 2003 – 2005 Director, HR &, OD Zuellig Pharma Thailand
- 2002 – 2003 Director, HR &, OD GlaxoSmithKline Thailand/Myanmar
- 2000 – 2001 Regional Director, HR & OD GlaxoSmithKline Asia Pacific
- 1995 – 1999 Regional HRD, Manager GlaxoSmithKline Asia Pacific

Relationship with BOD or Executives

- None

Mr. Philippe Prejent**Current Positions**

Vice President, Operations
(07/11/2011)

% holding in Company
None

Education

- BTS Hotel Management, France

Experiences

- 2006 – 2011 COO (Chief Operation Officer),
Hypermart : Indonesia for Matahari Food Business
- 1995 – 2006 Regional Director Carrefour in Asia
- 1980 – 1995 Director Carrefour in France

Relationship with BOD or Executives

- None

Mr. Arnaud Dupont**Current Positions**

Vice President, Commercial
(2/5/2012)

% holding in Company
None

Education

- Master of Business Administration in Management, ESSEC Business School
- Bachelor Degree of Engineering, Ecole Centrale Paris

Experiences

- 2011 – 2012 Merchandise Director, Carrefour Turkey
- 2007 – 2011 Regional Manager, Carrefour China
- 2006 – 2007 Controlling Director, Carrefour China
- 2000 – 2005 Merchandise Director, Carrefour Group

Relationship with BOD or Executives

- None

Mrs. Anne-Ev Juetten Enzmann**Current Positions**

Vice President, Marketing
and Communications
(13/3/2013)

% holding in Company
None

Education

- Master of Business Administration, INSEAD

Experiences

- 2010 – 2011 Marketing Strategy Director, Tesco Lotus Thailand
- 2008 – 2010 Head of Price and Promotions, Tesco Lotus Thailand
- 2006 – 2008 Head of Brand Communications and Customer Insight, Tesco Lotus Thailand
- 2000 – 2005 Marketing Director, Tesco Taiwan Co

Relationship with BOD or Executives

- None

Education and Working Experiences of Directors and EXCOM (EXCOM)

Mr. Neil McCann

Current Positions

Vice President, Supply Chain
Management
(8/5/2012)

% holding in Company

None

Education

- Bachelor Degree of Politics & Economics, Newcastle Upon Tyne University

Experiences

- 2009 – 2012 Supply Chain Director Asia Pacific, Danone
- 2007 – 2008 Logistics Director, M.H. Alshaya W.L.L.
- 2000 – 2006 Vice President, Supply Chain & Distribution, Tesco Lotus
- 1984 – 2000 Regional Director, Exel Public Co.,Ltd

Relationship with BOD or Executives

- None

Mr. Prawet Prungtangki

Current Positions

Vice President, MIS
(15/7/1997)

% holding in Company

None

Education

- Bachelor Degree of Art in Political Science, Ramkhamhaeng University, Thailand
- Diploma in Computer Science, Chulalongkorn University

Experiences

- 1997 - Present Vice President, MIS Big C Supercenter Public Co.,Ltd.
- Present Director, Chiangmai Big C (2001) Co.,Ltd.
Director, Central Superstore Limited.
Director, Theparak Big C Limited.
Director, Chiangrai Big C Co.,Ltd.
Director, Surat Big C Limited.
Director, Big C Distribution Co.,Ltd.
Director, CenCar Limited
Director, SSCP (Thailand) Limited
Director, Central Pattaya Co.,Ltd.
Director, Udon Big C Cp.,Ltd.
Director, Inthanon Land Co.,Ltd.
Director, Big C Fairy Limited.
Director, Pharam II Big C Co.,Ltd.
Director, Phisanulok Big C Limited

- 1994 – 1997 Senior Manager, Information System Division,
Siam Makro Public Co., Ltd., Thailand
- 1990 – 1994 Professional Service Director, Siam Unisys Co.,Ltd.
- 1979 – 1999 Sale Support Manager, Summit Computer Co.,Ltd.

Relationship with BOD or Executives

- None

Mr. Bruno Jousselin**Current Positions**

Vice President,
General Merchandise
(16/6/2009)

% holding in Company

None

Education

- Master of Business Administration, Marketing and Management Institut de Recherche et d' Actions Commerciales, Paris, France

Experiences

- Director, Hard Goods Business Model Development Carrefour Group, Paris, France

Relationship with BOD or Executives

- None

Ms. Sarintip Satitsatian, PhD.**Current Positions**

Vice President, Business
Development
(9/6/2010)

% holding in Company

None

Education

- PhD in Industrial Engineering, University of Washington, Seattle, USA
- Master of Science in Industrial Engineering, University of Washington, Seattle, USA
- BA in Mechanical Engineering, KMITL

Experiences

2006 – 2009 Managing Director, KCS Advertising Co., Ltd, Thailand
2008 – 2009 Managing Director / Partner, PNH Distribution Co., Ltd , Phnom Penh, Cambodia
2001 – 2006 Teaching Assistant, Industrial Engineering, University of Washington, USA
1997 – 1998 Associate Marketing Engineer, KPN Trading Co.,Ltd.

Relationship with BOD or Executives

- None

Mr. Joong Ho Hyun**Current Positions**

Vice President, Procurement &
Operational Excellence
(1/12/2013)

% holding in Company

None

Education

- MS Information Technology, Northwestern University; summa cum laude
- MBA, Carnegie Mellon University; summa cum laude
- BS Engineering, Verginia Tech

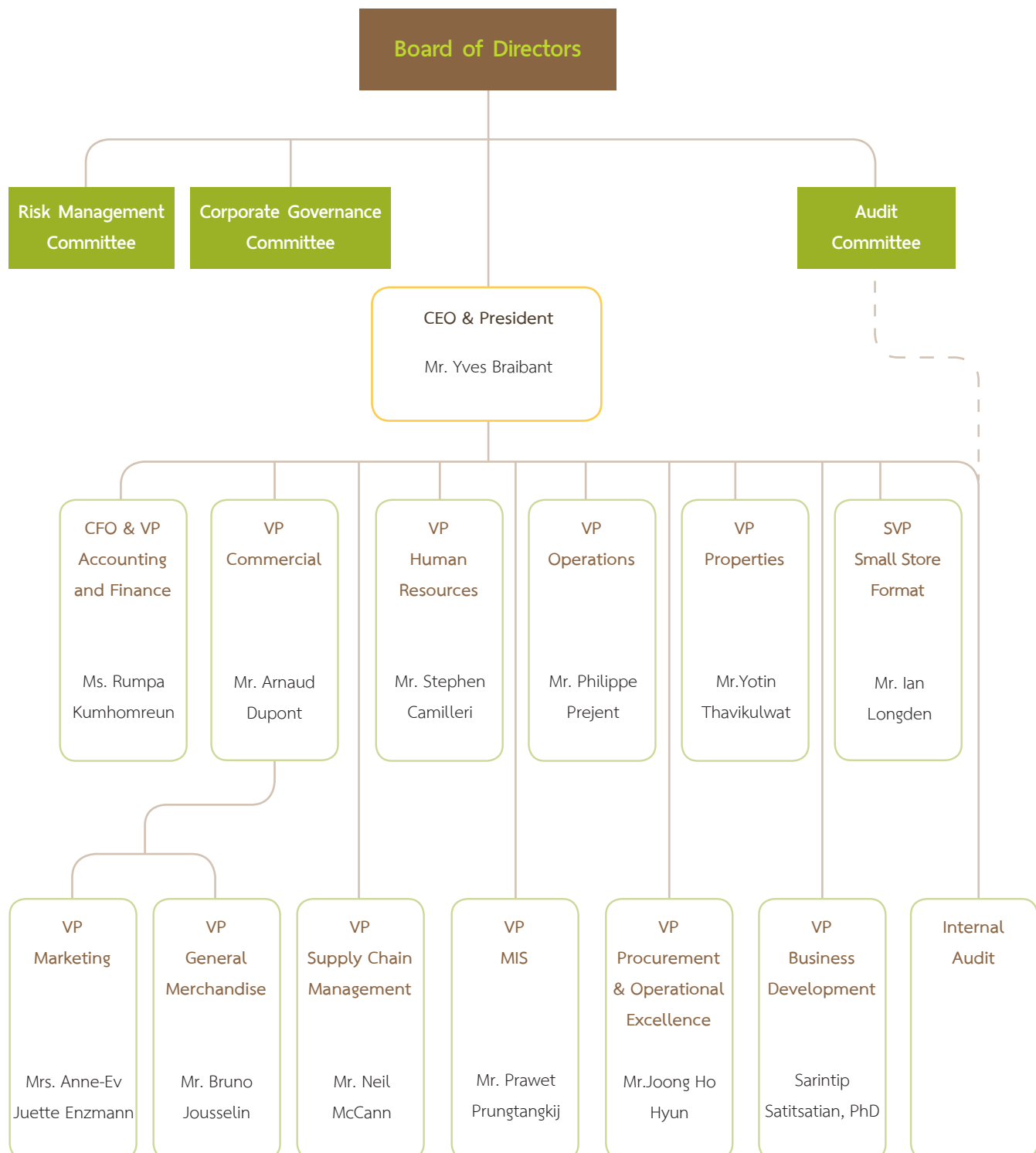
Experiences

- 2010 – 2013 Vice President, Global Business Process DKSH
- 2004 – 2009 Vice President, Asia Region Bausch & Lomb
Vice President, Corporate Strategy and Global Head of Lean and Six Sigma Initiative, Bausch & Lomb

Relationship with BOD or Executives

- None

Organization Chart







BUSINESS OF BIG C

• Our Vision and Mission	28
• The Business of Big C	32
• Competitive Situation	42
• Management	44
• Corporate Governance at Big C	52
• Risk Management and Internal Control	68



Our Vision and Mission

Vision

To be number one modern retailer in Thailand and a major player in the region



Mission

To provide our valued customers with a complete selection of everyday products at low prices, an outstanding service, and a fun shopping experience



Promise

Strive to satisfy
customers

Provide rewarding careers for
employees

Foster sound relationships
with **partners**

Contribute to the betterment
of **society**

Deliver enhanced value to
shareholders

Adhere to good **corporate governance**



Core Values

People

Treats all people with dignity and respect



Teamwork

Work together as a team to achieve shared goals and create a friendly environment and a happy workplace



Customer

Anticipates, understands and responds to customer and stakeholder needs and eagerly serve them with sincerity



Excellence

Strive to achieve superior results and actively seek and apply best practice



Guide by our Vision we strive to expand our multi-format store network nationwide. We are also keeping our eyes open for opportunities in neighboring countries, and our stores along the border areas of Thailand are already regularly serving visitors from Laos, Cambodia, and Myanmar.

Our Mission statement serves as a framework for our business. We strive to offer maximum satisfaction and value to our customers nationwide through a wide selection of quality products, outstanding service, one-stop shopping convenience and multiple store formats that fit the need of all customer segments. To strengthen our position as a retailer that provides a fun shopping experience to our customers, we work continuously on our hallmark Thai-ness that the Big C brand is associated in Thai consumers' mind, and we are always looking for opportunities to create excitement and fun shopping experience beyond normal shopping for our customers.

Major Changes and Developments

2011

Big C acquires Carrefour's Thailand operations (43 stores), and assumes its position as co-leading hypermarket operator in Thailand.

15 ex-Carrefour stores are converted to Big C Extra, a new premium hypermarket format targeting mid to high income customers.

Introduced Big C Jumbo, a new large format store targeting professional customers such as hotels, restaurants and caterers (HORECA), small and medium-size retailers, companies and institutions, as well as large families.



2012

Entered into an "Exclusive Retail Agreement" with Bangchak Petroleum to set up Mini Big C proximity stores in Bangchak filling stations, and opened 7 pilot stores during the year.

Executed a successful private placement of 26.4 million shares in May 2012.



“

Launched many types of "Online Platform" to satisfy modern digital living style by enabling ordering via mobile application for smart phones, QR code, Virtual Shelf

”



“

In April 2013, continued our partnership with Bangchak Petroleum by signing an exclusive long-term "retail partnership agreement" to open Mini Big C proximity stores in Bangchak filling stations.

”

2013

As part of the celebration of our 20th anniversary, Big C launched a bottom-up Corporate Social Responsibility program that brings the local community to work with the store in the area to develop projects that best suit their interest.

Launched many types of “Online Platform” to satisfy modern digital living style by enabling ordering via mobile application for smart phones, QR code, Virtual Shelf (first in Thailand) located between the connection of BTS and Airport Link Phayathai station and also Airport Link Makkasan station under the slogan “Load – Scan – Shop – Ship”, Moving Virtual Store on BTS train by attaching QR code to the straphangers and wrapping the Company’s logo over the body of the train to create Big C Moving Virtual Store.

In April 2013, continued our partnership with Bangchak Petroleum by signing an exclusive long-term "retail partnership agreement" to open Mini Big C proximity stores in Bangchak filling stations.

Started construction of new distribution center for Mini Big C, and secured site for new fresh food distribution center.



Ramped-up our cost optimization and productivity improvement initiative.

Successfully converted Big C Supercenter Navanakorn Store to second Big C Jumbo store, and opened second Big C Jumbo Station at our Big C Supercenter Ayutthaya store.

Launched Big C assurance services

Continued expansion in all store formats during the year.



Relationship with Business of Major Shareholder

Casino Group, a leading French retailer and one of the world's foremost food retailers, is a major shareholder of the Company. The Company benefits from sharing of knowledge and expertise of Casino Group as a strategic partner with experience from multiple store formats and distribution channels in various countries. The Company and Group Casino are also sharing experience and best practices on their respective CSR work.

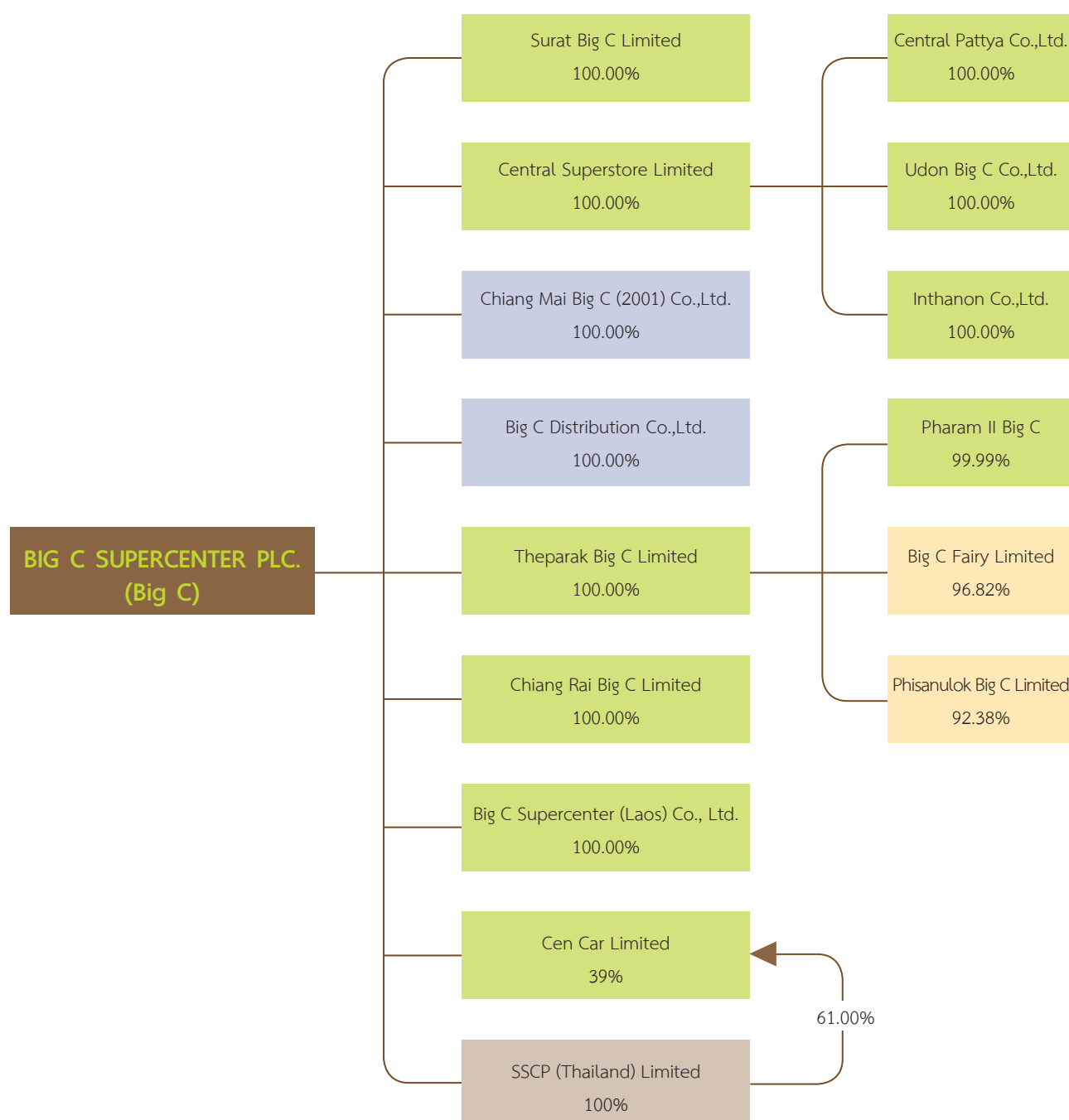
The Company adheres with good corporate governance principles. Business consideration aims at best interest for both the Company and for all shareholders. In this regard, the Company strictly follows SEC regulation in relation to related party transactions with major shareholder.

Company Structure

The Company's business model is dual retail-property model, and its subsidiaries are conducting their businesses in property rental (store), joint-venture, and holding company (Carrefour Thailand operations structure prior to acquisition) categories.

In 2013, the Company closed one subsidiary, Nava Nakarintr Limited, a holding company.

Big C Share Holding Structure



Remarks

Real Estate Business

Holding Company

Joint Venture Company

Dormant



The Business of Big C



The year 2013 marked the 20th year anniversary of Big C Supercenter as Thailand's leading modern trade retailer. Over time, Big C has strived to offer maximum satisfaction and value to our customers nationwide through a wide selection of quality products,

outstanding service, one-stop shopping convenience and multiple store formats that fit the need of all customer segments. Since the beginning, Big C Supercenter has been renowned for our price leadership. At the same time, we have spared no efforts to offer **"More Than Just Low Prices"** to our customers. We have stressed the values of Thai-ness in all aspects of our service. Our dual retail-rental business model has enabled our shopping centers to answer to customers' needs and preferences through a carefully selected tenant mix.

From our first hypermarket opening in 1993 at Wong Sawang area of Bangkok, our store network has expanded nationwide and our formats have expanded from hypermarkets to cover

“
Today, Big C has over 27,000 members and cardholders.
Big Cards to 7.6 million
”

multiple formats. In 2011, our network leaped forward when we integrated Carrefour's operations in Thailand. The integration gave us access to key catchments in both Bangkok and upcountry, enhanced our ability to offer our customers the best price available, and widened our reach to cover all customer segments from low to high income.

Whether you shop in our stores or work with us, you are a part of the Big C family. Over the years our family has grown significantly. We currently employ over 27,000 members of communities across Thailand. As for the customers, our popular Big Card loyalty program has grown rapidly into a big family since its inauguration in 2009, reaching 7.6 million members by the end of 2013.

Multi format retailer

Our multiple store formats enable Big C to be of service whenever and wherever customers do their shopping. Whether it is a major weekly shopping trip or a walk to a neighborhood store simply for top-up shopping, our multiple-format store network provides better and greater customer reach. It also helps us to offer the same maximum value for money and outstanding service to customers regardless of which store format they do their shopping.

Our store formats are:

Hypermarket

Our business started 20 year ago from a hypermarket. It in fact still makes up for a majority of our business with 119 stores in 2013. We currently have three hypermarket formats: Big C Supercenter and Big C Extra, and our "wholesale & professional-oriented" format named Big C Jumbo.

Big C Supercenter is our hypermarket, targeting mid-to-low income customer segments. It offers maximum value through a

combination of low prices, wide selection of goods and services, clean and efficient shopping environment, and outstanding service. At the end of 2013, we have 101 Big C Supercenter stores located throughout Thailand.

Big C Extra is our hypermarket targeting mid-to-high income customer segments. While keeping Big C's signature low prices, Big C Extra offers a wider range of premium fresh and dry food items; imported products, including Casino private label products, technology gadgets, and wine than that of Big C Supercenter. It also provides many more "extra" products and services. At the end of 2013, we have 16 Big C Extra stores located in Bangkok and in large cities of every region.

Big C Supercenter and Big C Extra are our largest stores offering over 100,000 SKUs of consumer products and food items. Their sizes vary from 4,000 to 12,000 sqm of retail space. After the Carrefour integration, our hypermarket locations are distributed more evenly between greater Bangkok and the upcountry.

“

Currently, there are 278 Mini Big C outlets and plans to open 500 stores by 2018, in Bangchack stations

”

Big C Jumbo is Big C's new wholesale membership format. It offers an "all-under-one-roof solution" not only to professional customers such as hotels, restaurants and caterers (HORECA), but also to small and medium-size retailers, companies and institutions, as well as any households which buy in large volumes.

The first Big C Jumbo store was opened in December 2011 with the sale area of 10,000 sqm and 17,000 SKUs. The second Big C Jumbo conversion was done in August 2013 at Navanakorn, bringing the number of Big C Jumbo stores to 2 at the end of 2013. We also have two Big C Jumbo Stations implanted in our Hypermarkets in Pattaya and Ayutthaya with 3,000 SKUs tailoring for HoReCa (Hotel, Restaurant, and Catering) customers in addition to the normal hypermarket assortment.

Supermarket

Big C opened our first supermarket format called Big C Junior in 2010. With Carrefour integration in 2011, we added 8 more supermarkets to our store network and renamed them “**Big C Market**”.

Big C Market offers the same price-leadership and promotions as our hypermarkets, and are targeting mid to low income customer segment. These stores have smaller selling area of 750 to 2,000 sqm and carry lesser number of items ranging from 8,000 to 15,000 SKUs.

A relatively smaller size of Big C Market enables Big C to penetrate the areas that are not in the main district of a province while it is designed to be the largest modern retailer in its catchment area. These stores differ from more traditional supermarkets concentrating mainly on food offering a wide range of products from fresh food to electronics.

At the end of 2013, we had 30 stores under the Big C Market format in greater Bangkok and up country locations.

Proximity Store

Customers nowadays increasingly tend to combine smaller top-up-shopping at a convenient store close to where they live with their monthly stock-up-shopping trips at a large format stores. To offer Big C's signature savings for our customers' daily top-up needs, we launched Mini Big C concept in 2007. In 2012, we accelerated Mini Big C's expansion with the opening of 76 Mini Big C stores, and then again ramped-up the expansion speed in 2013 with opening of 153 Mini Big C stores.

Mini Big C targets mid to low income customer segment and carries up to 4,800 SKUs with the average size of 160 sqm. Unlike other convenience stores, Mini Big C also offers fresh food items and carries selected same-price promotional items as in our hypermarkets – making it an ideal place for top-up shopping.

In March 2012 Big C Surpercenter and Bangchack Petroleum PCL signed a 1 year MOU and opened 7 pilot stores in Bangchak service stations during 2012. These stores received positive responses from both commuters and shoppers and in April 2013 we continued our partnership by signing an exclusive long-term “**retail partnership agreement**”. During 2013 we ramped-up Mini Big C expansion in Bangchak service stations by opening 55 Mini Big C stores and bringing the total number of stores at Bangchak stations to 62 stores at the end of 2013. We are very excited about the potential of this partnership and foresee an opportunity for up to 500 Mini Big C stores in Bangchak service stations by 2018.



In 2013, we opened a total of 153 Mini Big C stores and have a total of 278 Mini Big C stores by the end of the year. Most of these stores are located in Greater Bangkok and vicinity.

Drugstore

Pure is our drugstore format with approximately 45 sqm offering 2,000 SKUs of pharmaceutical, health, beauty and wellness products. While most of the current Pure drugstores are implanted into existing Big C hypermarkets and Big C Markets, we also opened a few standalone stores and at the end of 2013 had 11 of them.

In 2012, our first 17 Pure drugstores were awarded the “**Quality Drug Store**” accreditation from Thai Pharmacy Council, and by the end of 2013 a total of 65 stores had received this accreditation.

During 2013, Big C opened 41 Pure drugstores – making up the total of 132 Pure drugstores (121 implanted, and 11 standalone stores) by the end of the year.

“our first 17 Pure drugstores were awarded the “Quality Drug Store” accreditation from Thai Pharmacy Council

”



Dual retail-property model

Shopping mall also has a vital role in making Big C a “one-stop shopping destination.” The wide-ranging services and products offered by vendors and tenants at Big C’s rental space, inside and outside a store, not only draw customer traffic to stores but also provide rental income which is an important part of Big C’s revenues.

The size of shopping malls varies depending on store format and location. Tenant occupancy rates have been traditionally high. During 2013, Big C opened 18 new shopping malls with a total space of approximately 39,000 sqm. At the end of the year, Big C has 143 shopping malls with a total space of approximately 744,000 sqm.

Tenants’ Composition

Our tenants mix can be classified into five categories, based on lease terms and types of business.

Commercial Retail Unit: Consisting of mainly well-known brand name apparels, restaurants, cafes, banks and major chains, commercial retail unit tenants help enhance image, attractiveness and product varieties of Big C shopping centers. Their lease terms are usually medium term of 3 years.

Junior Anchor: Consisting of large-scale tenants such as home improvement stores, cinemas and IT mall, junior anchor tenants help satisfy customers’ need beyond Big C’s product and service offerings. This type of tenants plays an important role in drawing additional traffic to our stores and making our shopping centers a one-stop shopping destination for customers. They hold long-term leases, ranging from 3 to 15 years.

Food court: All Big C shopping malls feature food courts where customers can find a variety of quality food and beverages at low prices. The lease term for food court vendors is 1 year.

Big Bazaar: Big Bazaar tenants are small stores that sell a wide range of items including fashion, accessories, local products, mobile phone, toys etc. The lease term for these tenants is 1 year.

Casual Leasing: A variety of small kiosks with ever-changing and in-demand products located both inside and outside store building helps add fun and excitement to our customers’ shopping experience. Their lease terms are usually short: 1-month prepaid leases.

Alcudia Store Renovations

Renovations play a crucial role in maintaining the success of Big C's dual retail-property model. On average, we renovate our hypermarkets every 5 to 8 years. While our normal renovations mainly are aimed at updating the look and feel of our properties, our "Alcudia" renovations maximize our hypermarket's productivity and to introduce a refreshed shopping mall experience through enlarged mall footprint and more attractive tenant mix to our customers. Especially with our older hypermarkets, we can increase the store's productivity by analyzing the store layout

and redefining the ratio of space dedicated between the retail and rental area – thus optimizing sales density and rental income. Alcudia renovations also revitalize the shopping mall experience by analyzing the mall's size and tenant mix to maximize our attractiveness to customers.

In 2013, Big C completed an Alcudia renovation project at our stores in Srinakarin, Khon Kaen, and Phitsanulok (completed in early 2014) -- bringing the total number of completed Alcudia renovations to 7 stores.



Our Vision

“

To be the number one modern retailer in Thailand
and a major player in the region

”



Our mission

To provide our valued customers with a complete selection of everyday products at low prices, outstanding service, and fun shopping experience while maintaining our Thai characters.

Complete selection of everyday products at low prices:

Big C's expert merchandise teams continuously search and expand our network to acquire quality products from over 3,600 domestic and international suppliers to fulfill the need and preference of all customer segments. As a result, Big C carries over 100,000 SKUs with prices ranging from opening price point to premium high-end items in every product category. For example, customers can choose from Big C's "Happy Baht" opening price point quality house brand to imported upscale products such as the "Casino Brand" on offer at Big C Extra stores.

“
Our aim is to strive Big C to be more.
than conventional retailer but will be
part of the society.

”



Our merchandise is divided into the following categories:

Fresh food	Meat, seafood, fresh fruits and vegetables, ready-to-eat and ready-to-cook meals, frozenfood, baked goods, and various herbs and spices
Dry food	Seasonings and condiments, beverages (soft drinks and liquor), snack foods, personal items, household chemicals, and pet food and accessories
Soft line	Clothing (men's, women's, and children's) and accessories
Hard line	Wide rage of electrical appliances including white goods, kitchen appliances, home entertainment equipment, automobile and motorcycle accessories, and home improvement and maintenance tools and supplies
Home line	Home decor and accessories, furniture, kitchenware, plastic storage items and utensils, decorative items, sporting goods, and toys.

Big C and our customers

For 20 years Big C's longstanding philosophy and commitment has been and is to deliver maximum savings to our customers via low price items. We are proud to be Thailand's low-price leader. Our "Check Price Tuk Sure" lowest-price guaranteed campaign offers our customers peace-of-mind that the daily 300 items are price-checked and marked down to guarantee to be cheaper or at least equal to other retailers' prices.

To continue further differentiation from other retail operators in Thailand, we pride ourselves in being a store that provides "valuable prices, friendly atmosphere, and a variety of products and related services." We want our customers to think of Big C as a friendly neighborhood store with Thai characters and service they can always count on. We emphasize the close link with the local community through both commercial and social activities. These strategies are meant to create strong ties between the stores and local customers as part of being the same family.

Our target customer group covers the whole spectrum of different customer types from low-to-high income customers. After the acquisition of Carrefour Thailand operations, we inherited the mid-to-high income customer segment on top of our traditional mid-to-low income target segment.

To capitalize on these factors, in 2013 we started an umbrella campaign called "Fun Retailer and Low Price Leader" to deliver maximum savings and an exciting shopping experience to customers nationwide. To strengthen our position as a retailer that provides a fun shopping experience to our customers, we worked not only on our low-price leadership but also on the hallmark Thai-ness that the Big C brand is associated in Thai consumers' mind. We are always looking for opportunities to create excitement and fun shopping experience beyond normal shopping for our customers and we ran various in-store fun fairs during the year.

Fun shopping experience:

In addition to our low-price leadership and value for money, we place a great emphasis on being a “**fun shopping destination**” by consistently creating excitement and fun shopping experience for all members of the family of our customers. Throughout 2013, our home-grown marketing campaigns -- such as Big C Anniversary, Big C Festival and One-Day-One-Price campaign and celebrations on special occasions-- generated fun and exciting shopping atmosphere for customers nationwide.

The highlights of our 20th year campaigns were:

Big C 20th Anniversary campaign To celebrate Big C’s low-price leadership, a wide variety of promotions were offered during the 20-day celebration of Big C’s 20th anniversary in August 2013. For example, Big C stores nationwide offered a product at an unseen low prices together with a buy-1-get-1 or buy-2-get-1 promotion.

Golden Saturday Sale Campaign to reinforce Big C’s low-price leadership position and to differentiate Big C from the competitors as being a Thai retailer while offering a fun and exciting shopping experience. For example, Big C stores nationwide opened at 6am (earlier than the normal hour at 9am) to offer up to 80% discount storewide.

Big C Festival Our traditional Big C Festival introduced fun games and fairs to our stores. In addition, it offers a raffle program to create excitement among customers with big rewards as incentives for participation. Once again in 2013 this program received a tremendous response from our customers who loved games and funfairs in our stores, many of them bringing their friends and families to spend time and having fun in our stores. We think this really highlights Big C being retailer, beyond of just a normal low-price offer.

Stamp collection campaigns During the year Big C continued its innovative marketing campaigns by launching stamp collection campaigns for premium items strengthening customer loyalty and spending. We ran two such campaigns during 2013, with knife campaign in February – July, and cookware campaign starting November and continuing to 2014. Both of these campaigns received very good feedback from our customers.



We also organized special activities on important occasions such as Children’s Day, the Chinese New Year, Valentine’s Day. In addition, we took active part in the celebration of each local tradition. Being part of the local community, we worked with both the public sector and the local community to strengthen its sense of community through a number of initiatives, including our Corporate Social Responsibility programs. As another promotional effort in 2013 we partnered with various government agencies to introduce seasonal activities to our stores in order to show our support to both the public sector and our customers. For example in 2013:

Cooperation with Ministry of Commerce

Big C joined hands with the Ministry of Commerce to provide savings for customers. Our “Big C – Ministry of Commerce helps the Thais Save” campaign that started in September 2013, helped our customers nationwide save in their daily expenses and received overwhelmingly positive responses from the customers. With recognition for our best values and quality, we received recognition from Ministry of Commerce to apply its “Blue Flag” label to a selection of our products. The Blue Flag label signifies for both affordable and good-quality products. Through this program, Big C was able to offer over 1,000 items of daily necessities, prepared food and delicatessen items, and food court dishes at 20-70% discount to support Thai consumers’ cost of living through great savings.

Thai-ness projects

For 20 years, being Thai is in the DNA of Big C. It reflects in all aspects, starting from the way our staff greets and serves our customers. A smiling face while saying “Big C -Sawasdeeka” – a Thai greeting from the staff can be commonly seen and heard at our stores nationwide. Such a traditional gesture has created friendly atmosphere and better relationship between the staff and customers. Still, Thai-ness is more than the way we treat our customers. Our staff takes active part in the celebrations of local traditions. We also promote local products and identity through our support for the sale of OTOP (One Tumbon One Product) products at Big C stores. In 2013 Big C launched the “Taste OTOP, Taste of Thailand” zone at Big C Rajdamri and at other 25 stores with a high number of foreign customers. The launch was aimed at promoting commercial opportunities of OTOP products among foreign visitors by using Big C’s experiences and distribution channels across the country. We also developed a mid-and-long-term plan to promote OTOP products. We have emphasized new marketing angles as well as created customers’ awareness and demand through convenient, fast and low-cost sale channels. These channels include cross-regional OTOP fairs and featuring OTOP products on our online shopping application. In addition, we worked closely with Ministry of Commerce to train OTOP producers on product and packaging development as well as business competency.

“

Big C is the first hypermart in Thailand who offers the full online purchase of experience to consumers.

”

Big C – Big Service:

Big C always strives to be “more than just a retailer” and the destination of choice for “one-stop-shopping” for the whole family. The 27,000 members of the Big C family are enthusiastic, friendly and eager to go beyond their normal mandate to satisfy customers. At Big C, we treat our customers as our “extended family” and always try to do our best to be of service in every way we can – both in happy and challenging times.

Big C uses the strength of its network of stores across Thailand to capture customers’ demand and offer special services to customers making it a one-stop destination. Through “Big C Big Service,” we offer, to our over 500,000 customers visiting our stores daily, services that provide convenience such as bill payment, mobile phone top-up, official documentation services at Amphor Yim (Smiley Government District) station. We also teamed up with Ministry of Public Health, provincial health care offices and other related foundations to regularly provide free basic medical check-ups such as diabetes check-up and dental check-up. We have always been there to help support the local community through such unexpected events as natural disasters. In 2013, we also added Big C Care retail assurance to services offered.

Big C Online: Big C also brings our in-store services and shopping experiences to customers’ doorstep through innovations and technologies. We are the first Thai hypermarket to launch a fully-integrated online shopping platform. It provides convenience from the moment the customers visit our online channel to the delivery at home. It offers 20,000 low-price and high demand items of all categories to customers with digital lifestyle through our online shopping site, smart phone mobile application, and QR code scanning system. Currently we are in the process of promoting customer awareness and trials through Asia’s first moving virtual stores in the mass transit systems, virtual shelves in residential and office areas and QR code in our newspaper advertisement and brochures.

At the same time, we are constantly upgrading our after-sales service. Pick-ups are available at all 119 hypermarket locations nationwide. We also offer free home delivery to customers in Bangkok and vicinity as well as major cities such as Khon Kaen, Chiang Mai, Pattaya, and Chonburi. We have also provided same-day free delivery by our motorcycle fleet, which takes less time to move around the city and can ensure on-time delivery even

during heavy traffic. We are also experimenting with one test site for drive-through pick-up service. We have developed “pick-up automation” tools to ease the pick-up process for online sales at store operations by leveraging the existing Big C IT infrastructure. Our strength lies in the emphasis on the human touch of the online shopping: our customer service is always available to address any concern.

During 2013, Big C Online grew fast. We ended the year with the sales up by 100% from 2012. During the year, over 1.5 million customers visited Big C Online website, and our mobile application already has 120,000 downloads.

Big C believes that e-tailing, e-commerce, m-commerce are the current trend which is becoming increasingly popular, particularly after 3G and better telecommunication technology have been in effect. We will constantly enhance our services and promote awareness as well as trials to maintain our leadership in the online shopping area.





Big Card: Big C's loyalty program, grew constantly and reached 7.6 million members in 2013. Big Card members enjoy instant cash coupons without having to wait for coupons or collect and redeem points. The strong growth in Big Card membership is the result of constant development in Big Card's benefits, convenience and savings that it offers to the members. In 2012 Big C has also teamed up with EYC, world's leading analytical and customer centric technology company, to understand our loyal customers even better and to be able to offer individual customer exactly what they need. In 2013 we enhanced our direct marketing approach to reach our valued customers through direct mailing, SMS messages, and even through coupon-at-till.

Merchandising Our suppliers are an integral part of Big C's operations. In 2013, Big C had over 3,600 suppliers providing over 100,000 SKUs of products – over 98% of which are sourced locally. We consider our suppliers as our long-term partners for growth.

Every year our merchandising team conducts category reviews to enhance the effectiveness of our merchandising. We continued these reviews in 2013 by using the information gathered through various sources and means in order to pinpoint the preferences of our customers. For example, we continued working with EYC customer insight and analysis software to enhance our understanding of our 7.6 million customers in our loyalty program. We used these insights to improve our merchandising processes as well as to determine joint business plans with our suppliers. We also improved our planogram system and our team is now able to draw planogram for every store in our network, improving efficiency and standardizing our displays.

During the later part of 2013, we relaunched our Big C private label products with a new, modern and refreshed labeling, which have received a very encouraging response from our customers. In order to increase the brand awareness and assure our customers of the quality of our private label products, we ran several activities in our stores during the relaunch such as on-booth tasting and free samples. We also introduced new private label signage and decoration at our stores. We started this re-branding from our key categories in July and by the end of 2013, we re-branded 333 out of over 1,300 Big C private label SKUs. We also introduced a new imported "Monoprix Gourmet" private label to our premium Big C Extra stores during the year, and currently offer 40 SKUs in this category.

We have also continued our focus on fresh food quality. In September 2013, we further strengthened our quality control by introducing f-Pad tablets at our fresh food distribution centers. The new f-Pad will help us to minimize errors in quality control as our staff can access full specification of every product arriving at our distribution centers in order to be sure to check product specific issues which vary from product to product. The system also automates the calculation of sample sizes, saves time by enabling specification sheet generation on screen, and in the case of rejection it automatically sends notification to supplier. It even allows our staff to see sample photos of each particular defects and so on gives them more confidence to make a call to reject defective items.

Supply Chain

Distribution centers: Products from over 3,600 suppliers make their way to Big C stores nationwide either through one of our distribution centers or through direct delivery to store. Currently, Big C has five distribution centers located close to the vicinity of Bangkok, in Ayutthaya and Nonthaburi.

In Ayutthaya, we have an ambient stocking and fresh food distribution center in Wang Noi, a fresh food distribution center in Bang Pa-in, and cross-dock deliveries at T-Park. In Nonthaburi, we have a designated distribution center for Mini Big C in Bang Yai. All our distribution centers are outsourced to third-party operators.

In May 2013 we started constructing a new Mini Big C distribution center located at the outskirts of Bangkok in Rangsit. This new distribution center will be purposefully built for the small-store-format operations and will have capacity to serve 1,000 Mini Big C stores. This distribution center is targeted to be opened during Q2 2014. We also secured a site for our new fresh food distribution center in the later part of the year. This distribution center is targeted to open in late 2014 and once opened, it will replace our current two small fresh food distribution centers.

The details of subsidiaries that the Company held more than 10% of shares

Name	Business	% Holding	Paid-up Capital (Million)
Phisanulok Big C Limited 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Retail	92.38	1,050
Big C Fairy Limited 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Retail	96.82	440
Chiang Rai Big C Limited 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Rental of immovable assets	100.00	180
Central Superstore Limited 96 Moo 1 Tungsonghong Laksi Bangkok	Rental of immovable assets and holding company	100.00	1,220
Inthanon Land Co.,Ltd 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Rental of immovable assets	100.00	841
Surat Big C Limited 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Rental of immovable assets	100.00	140
Central Pattaya Co.,Ltd 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Rental of immovable assets	100.00	80
Theparak Big C Limited 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Rental of immovable assets and holding company	100.00	80
Phraram II Big C Co.,Ltd 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Rental of immovable assets	99.99	5
Udon Big C Co.,Ltd 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Rental of immovable assets	100.00	738



Name	Business	% Holding	Paid-up Capital (Million)
Chiang Mai Big C (2001) Co.,Ltd 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Dormant	100.00	300
Big C Distribution Co.,Ltd 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Dormant	100.00	1
CenCar Limited 70/3 Moo 15, Phaholyothin Road,T. Khukhot, A. Lamlukka, Pathumthani	Retail	100.00	8,951
SSCP (Thailand) Limited 97/11 6th floor, Ratchadamri Road, Lumpini, Pathumwan, BKK	Holding company	100.00	162
Big C Supercenter (Lao) Co.,Ltd Hatsady Village, Chanthaboury District, Vientiane Capital City, Laos	Retail and wholesales	100.00	31

Structure of Revenues

The main sources of our revenues are retail sales, and rental and service income. In Year 2012 and 2011 in comparison, both revenues are shown below.

(Unit: Million Baht)

	2013		2012		2011	
Sales	118,177	90.2%	112,136	90.6%	102,563	90.2%
Rental and service Income	8,745	6.7%	7,926	6.4%	6,985	6.1%
Other Revenues	4,049	3.1%	3,670	3.0%	4,131	3.6%
Total Revenue	130,971	100.0%	123,732	100.0%	113,679	100.0%

Shareholder Details as of December 30, 2013

Number of Shares	Shareholders		Shares	
	Number	Percentage (%)	Number	Percentage (%)
1-100,000	4,396	96.91%	10,990,705	1.33%
100,001-1,000,000	75	1.65%	28,182,036	3.42%
1,000,001 - ไม่เกิน 0.5%	47	1.04%	80,026,581	9.70%
เกินกว่า 0.5% แต่ไม่ต่ำกว่า 5%	16	0.35%	222,723,078	27.00%
เกินกว่า 5%	2	0.04%	483,077,600	58.55%



Competitive situation

General

Thailand is one of the most promising retail markets in Southeast Asia, offering modern retailers' plenty of room to grow as traditional trade still holds approximately half of the total retail sales. Customers' changing lifestyles and growing urban population are offering modern retailers many growth opportunities. As people have less time for shopping and higher expectations, the convenience and quality of service modern retailers are offering makes them more attractive to a modern consumer.

However, the year 2013 was a challenging year for all Thai retailers as consumer sentiment continued sluggish for large part of the year, with consumer confidence declining continuously since March 2013 until the end of the year. To respond this situation, Big C worked hard to confirm its low-price leadership and its focus on customer satisfaction with unique marketing campaigns such as Golden Saturday Campaigns, long-term joint campaign with Ministry of Commerce to offer additional savings for customers amidst the slowdown economy, targeted marketing, as well as stamp collection campaigns for premium items strengthening customer loyalty and spending. During the year Big C also launched additional services with retail assurance services to enhance its one-stop shopping destination concept.

“

At the end of the year our
hypermarket network
reached 119 stores (including
16 Big C Extra, 101 Big C Supercenter,
and 2 Big C Jumbo stores)

”

Formats

The competitive landscape in modern retail market in Thailand is characterized by few major players in each store format categories. Year 2013 saw more consolidation in Thai retail market as CPALL acquired Siam Makro. This means that there are now three big players left in Thai retail market; Big C, Tesco Lotus, and CPALL. Big C as a multi-format retailer is present in multiple format categories and from below you can read more about competitive situation we are facing in our core store format categories:

Hypermarkets:

After Big C's acquisition of Carrefour's Thailand operation, Thai hypermarket sector has had two players; Big C and Tesco Lotus. Competition among us remains intense with both of us continuing expansion of our store networks. Siam Makro, which was acquired during the year by CPALL group, with their Cash and Carry format is our indirect competitor mainly targeting wholesalers and HoReCa customers.

During 2013 Big C opened 6 new hypermarkets reaching 119 stores (including 16 Big C Extra, 101 Big C Supercenter, and 2 Big C Jumbo stores) at the end of the year. Tesco Lotus had 157 hypermarkets at the end of 2013. Our hypermarket stores are located throughout Thailand, but the acquisition of Carrefour Thailand operations increased significantly our footprint in large cities and tourist destinations.

Siam Makro is indirect competitor to our hypermarket stores (Big C Extra, and Big C Supercenter) and directly competing with our Big C Jumbo store concept targeting professional customers (Mom & Pop shops, HoReCa, Service sectors, and big household customers buying in bulk). Big C converted its first store to this format at the end of 2011 and in August 2013 we converted our second store at Navanakorn to Big C Jumbo, ending the year with 2 Big C Jumbo stores. We also have 2 Big C Jumbo Stations at the end of 2013. These are implanted to our existing hypermarkets, by adding items targeting HoReCa customers to our normal hypermarket offering. Siam Makro had 64 Cash and Carry stores and 5 Siam Frozen stores at the end of 2013.

Supermarkets:

In traditional supermarket formats Thai market has more players than in hypermarkets. Big C, Tesco Lotus, Tops, MaxValu, Villa Market, Foodland, and The Mall have all their own supermarket formats. While most of these offerings are more traditional supermarket formats, Big C Market is more akin to a very small hypermarket than to traditional supermarket. We are offering wide range of products from food to non-food products in our Big C Market stores and they are generally designed for upcountry locations where they are the largest modern retailers in catchment area. Tesco Lotus's Talad format is only similar format in market place. At the end of 2013 Big C had 30 Big C Market stores and Tesco Lotus 184 Talad stores.

Small stores:

Small store sector is the fastest growing retail sector in Thailand with many players present. It can be roughly divided into two formats; pure convenience stores such as CPALL's 7eleven stores, FamilyMart, V-Shop, and Lawson 108 Shop, and to proximity stores such as Mini Big C, Tesco Express, Tops Daily, and MaxValu Tanjai. In this category CPALL is a clear leader with over 7,000 stores. During the year Tesco Lotus also launched its new convenience store concept called 365.

In proximity store formats Big C and Tesco Lotus are mainly targeting mid-to-low income customer segment, while other players are targeted more to mid-to-high income segment.

At the end of the year 2013 Big C had 278 Mini Big C stores and Tesco Lotus had over 1,304 Tesco Lotus Express stores. At the moment most of our Mini Big C stores are located in greater Bangkok area, but during 2013 we opened some stores outside Bangkok in a radius of few hundred kilometers.

One growth venue for convenience stores in Thailand is to open them with petrol stations. Big C signed an exclusive long-term retail partnership with Bangchak Petroleum to open Mini Big C stores at their service station network in April 2013 and at the end of the year we had 62 stores located at their service station network. From our competitors Tesco Lotus has their Tesco Lotus Express stores at Esso and 7eleven their stores with PTT service stations.



Retailer	Format	Number of Stores		
		End of 2012	Openings 2013	End of 2013
Big C	Big C Extra	16	-	16
	Big C Supercenter	96	6	101
	Big C Jumbo	1	1 ⁽¹⁾	2
	Big C Market	18	12	30
	Mini Big C	126	153	278 ⁽²⁾
Tesco Lotus	Tesco Lotus	116	-7 ⁽³⁾	109
	Tesco Lotus Extra	6	6	12
	Tesco Lotus Department Store	24	12	36
	Tesco Lotus Talad	167	17	184
	Tesco Lotus Express	1,071	233	1,304
Siam Makro	Makro	57	7	64
	Siam Frozen	5	-	5

Remark:

- 1) Converted Big C Supercenter Navanakorn to Big C Jumbo format in August 2013
- 2) Closed one Mini Big C store in 2013
- 3) Tesco Lotus converted 4 stores to "Tesco Lotus Extra", and 3 stores to "Tesco Lotus Department Store"

Source: The Nielsen Company (Thailand) Limited

Management Structure

Comprised of:

Board of Directors

Subcommittees:

1. Audit Committee
2. Corporate Governance Committee
3. Risk Management Committee

Executive Committee

Board of Directors as of December 31, 2013, consists of 15 persons:

- 12 Non Executive Directors
- 3 Executive Directors

The Chairman of the Board and the President / Chief Executive Officer is not the same person. We believe that this structure supports an effective balance of power between the Board of Directors and Management according to good corporate governance principle.

Following is composition of our Board of Directors

- 5 independent directors, which account to 1/3 of total directors
- The Audit Committee consists of 3 independent directors, with roles and responsibilities in line with SET rules and adequate knowledge and experiences to review the financial statements and conduct other duties of the Audit Committee.

Name-Surname / Position	Share holding (direct/indirect) as of				No. of BOD Attendance	Attendance rate
	Jan 1, 2013	Buy	Sell	Dec 31, 2013		
1. Mr. Akani Thapthimthong Chairman of the Board Audit Committee member Independent Director	-	-	-	-	4/5	80%
2. Dr. Uttama Savanayana Ph.D. Chairman of Audit Committee * Corporate Governance member Independent Director	-	-	-	-	5/5	100%
3. Mr. Vachara Tuntariyanond Audit Committee member Independent Director	-	-	-	-	3/3	100%
4. Mr. Rapee Sucharitakul Chairman of Corporate Governance Committee** Independent Director	-	-	-	-	3/3	100%
5. Mr. Christopher King Corporate Governance member Independent Director	-	-	-	-	3/3	100%
6. Mr. Praphan Eamrunroj Non Executive Director ***	-	-	-	-	4/5	80%

Name-Surname / Position	Share holding (direct/indirect) as of				No. of BOD Attendance	Attendance rate
	Jan 1, 2013	Buy	Sell	Dec 31, 2013		
7. Mr. Ian Longden Executive Director	-	-	-	-	5/5	100%
8. Ms. Rumpa Kumhomreun Corporate Governance member & Secretary Executive Director Company Secretary	-	-	-	-	5/5	100%
9. Mr. Yves Bernard Braibant Executive Director (Chief Executive Officer & President)	-	-	-	-	5/5	100%
10. Mr. Strasser Arnaud Daniel Charles Walter Joachim Non-executive Director	-	-	-	-	0/5	0%
11. Mr. Guillaume Pierre Antoine Marin Humbert Non-executive Director	-	-	-	-	3/5	60%
12. Mr. Philippe Alarcon Non-executive Director	-	-	-	-	4/5	80%
13. Mrs. Josseline De Clausade Non-executive Director	-	-	-	-	3/3	100%
14. Mrs. Diane Coliche Non-executive Director	-	-	-	-	3/3	100%
15. Mr. Hervé Daudin Non-executive Director	-	-	-	-	2/2	100%

Remark:

- * Dr. Uttama Savanayana was appointed as the Chairman of Audit Committee by the Board Meeting No. 3/2013
- ** Mr. Rapee Sucharitakul was appointed as director by AGM 2013 and appointed as the Chairman of Corporate Governance Committee by the Board Meeting No. 3/2013
- *** Mr. Praphan Eamrungrroj resigned from Executive with effective date of August 31, 2013
- **** Chairman of the Board joined AGM 2013, except Chairman of Audit Committee and Chairman of Corporate Governance Committee did not join the AGM due to their resignation prior to AGM
- ***** None of the Board have any direct or indirect interests in the Company, Subsidiaries, management or majority Shareholder in year 2013

Board resignation during the year

Name-Surname / Position	Share holding (direct/indirect) as of				No. of BOD Attendance	Attendance rate
	Jan 1, 2013	Buy	Sell	Dec 31, 2013		
1. Mr. Paitoon Taveebhol (1 April 2013) Chairman of Audit Committee Corporate Governance member Independent Director	-	-	-	-	1/1	100%
2. Mr. Nontaphon Nimsomboon (1 April 2013) Chairman of Corporate Governance Committee Independent Director	-	-	-	-	1/1	100%
3. Mr. Suthiluk Samranyoo (21 February 2013) Independent Director	-	-	-	-	1/1	100%

Board resignation during the year

Name-Surname / Position	Share holding (direct/indirect) as of				No. of BOD Attendance	Attendance rate
	Jan 1, 2013	Buy	Sell	Dec 31, 2013		
4. Dr. Chiradet Ousawat Ph.D. (1 April 2013) Audit Committee member Independent Director	3,000	-	-	3,000	1/1	100%
5. Mr. Pedro Antonio Arias Douce (4 April 2013) Non-executive Director	-	-	-	-	0/1	0%
6. Mr .Jacques Dominique Ehrmann (10 April 2013) Non-executive Director	-	-	-	-	0/1	0%

Meeting No.	Number of Directors attending meeting	Percent	Remark
1/2013	11/15	73	-
2/2013	8/9	89	Number of directors are less than normal as the meeting was held right after the AGM; not included new directors yet
3/2013	11/14	79	-
4/2013	12/15	80	-
5/2013	14/15	93	-

Binding Signatories:

Joint signatures of one member of Group 1, and one member of Group 2, and affix with the Company's seal.

Group 1 – Mr. Arnaud Daniel Charles Walter Joachim Strasser ,
Mr. Yves Bernard Braibant, and Mrs. Josseline de Clausade

Group 2 – Ms.Rumpa Kumhomreun, Mr. Guillaume Pierre Antoine
Marin Humbert and Mr. Philippe Alarcon

Term of the Company's Board of Directors

As stated on the Company's Articles of Association No. 18 that " one-third of the entire board must retire at every Annual General Meeting". If the total number of board member cannot be divided into one-third exactly then the number of board retirement should be the closest number to one-third. The director who may be reelected.

The powers and duties of the Company's Board of Directors

1. To oversee the Company's business administration and operations.
2. To supervise and perform the Company's operations to be in accordance with the law, objectives, and the Articles of Association of the Company as well as the resolutions of the shareholders' meetings.

3. To determine the policies and direction for the Company's operations and to supervise the management to effectively perform their duties as stated in the policies in order to maximize economical value for the Company and create added value for the shareholders.

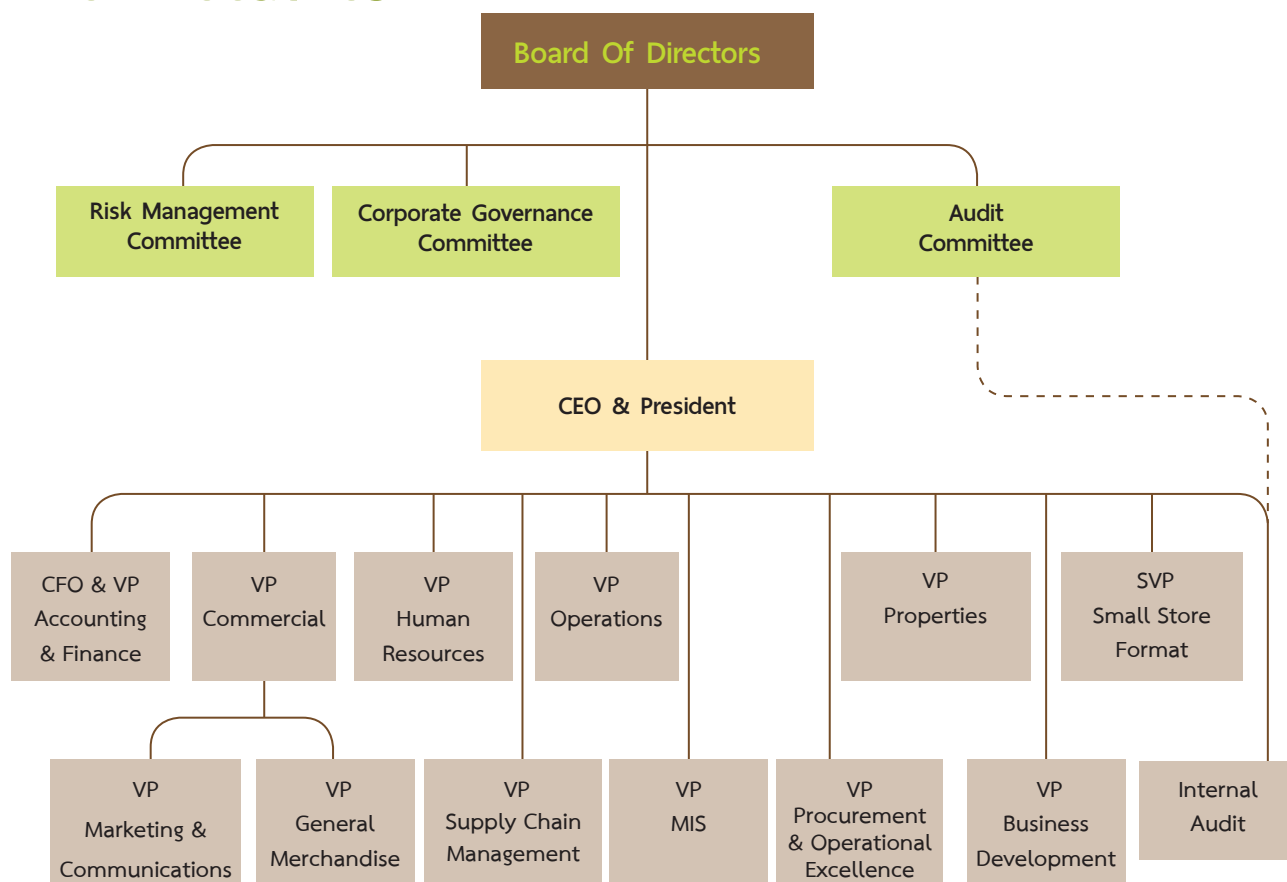
Board of Directors Meetings

Meeting schedules have been made in advance for the whole year, in 2013, there was 1 board meeting in each quarter plus an extra meeting so totally 5 meetings held this year.

Self-assessment of the Board of Directors

The Company had employed a self-assessment system for all members of the Board of Directors to review their performance after every meeting. This assessment enables the Board of Directors to review their own performance, recognize problems, and various challenges of the previous year. Its goal is to enhance the Board of Directors' performance in alignment with good corporate governance principles and responsibilities. Therefore, the Company compiled the results of the self-assessment to further develop the Board's performance for the benefit of the Company.

The Executives



List of executives with their shareholding as of December 31, 2013

Name - Surname	Position	Share holding (direct/indirect) as of			
		Jan 1, 2013	Buy	Sell	Dec 31, 2013
1. Mr. Yves Bernard Braibant	Chief Executive Officer & President	-	-	-	-
2. Mr.Philippe PREJENT	Vice President, Operations	-	-	-	-
3. Ms. Rumpa Kumhomreun	CFO & Vice President, Accounting & Finance	-	-	-	-
4. Mr. Yotin Thavikulwat	Vice President, Properties	-	-	-	-
5. Mr. Stephen Camilleri	Vice President, Human Resources	-	-	-	-
6. Mr. Arnaud Dupont	Vice President, Commercial	-	-	-	-
7. Mr. Ian Longden	Senior Vice President, Small Store Format	-	-	-	-
8. Mrs. Anne -Ev Juette Enzmann	Vice President, Marketing & Communications	-	-	-	-
9. Mr. Neil McCann	Vice President, Supply Chain Management	-	-	-	-
10. Mr. Prawet Prungtangki	Vice President , Management of Information System	-	-	-	-
11. Ms. Sarintip Satitsatian, PhD	Vice President, New Business and Innovations	-	-	-	-
12. Mr. Bruno Jousselin	Vice President, General Merchandise	-	-	-	-
13. Mr. Joong Ho Hyun	Vice President, Procurement & Operational Excellence	-	-	-	-

The powers, duties and responsibilities of the Management Team

The executives under the leadership of the President and the Chief Executive Officer are responsible for supervising the operations of the Company that are in accordance with the specified objectives and strategies in line with the related legal framework and within the scope of power assigned by the Board of Directors. The President and the Chief Executive Officer will present the strategic plan to the Board of Directors for approval, manage the operations of the Company as well as present the budget.

The Company's Secretary

Miss Rumpa Kumhomreun, the Executive Director and CFO, was appointed by the Board of Directors to be the Company Secretary since 2008, with Mrs. Phatchada Muenthong, Director of

Governance, Risk Management and Compliance, who graduated in Laws with experience as Company Secretary of listed company for more than 10 years, to supports the Company Secretary in providing recommendations in legal and regulatory aspects to the Board of Directors and management that they need to acknowledge for the Company's benefit, as well as oversee and coordinate all matters for the Board of Directors' meetings and shareholders' meeting. She also arranges for the collection of the Company's important documents including the records pertaining to the Board of Directors, letters of invitation to the meetings, and minutes of the Board of Directors' and shareholders' meetings, Annual Report, as well as maintaining reports of any profits and losses of the Board or shareholders, administer, evaluate and make suggestions for the Company and the Board to perform in accordance with the related regulations, rules, and laws.



Remuneration for directors and executives

(1) Remuneration

Board Remuneration

To adopted the Good Corporate Governance Practice, the Board of Directors assigned the Corporate Governance Committee to collect the remuneration of the Board of Directors and each sub-committee to compare with other listed companies under the same industry or other related business to be the guideline then also compare with the average of listed companies from Remuneration Report of IOD. Meanwhile, the Corporate

Governance Committee considers the rate of remuneration to be reasonable with the roles and responsibilities, knowledge, unique experiences of the Board of Directors and each sub-committee including the performance assessment in order to offer proper remuneration to the Board of Directors and each sub-committee for the year 2013 then propose to the Board of Directors to consider and propose to the AGM for approval on yearly basis.

The AGM 2013 approved the remuneration as follows:

	2013	
	Annual Remuneration*	Meeting Allowance**
Board of Directors		
• Chairman of the Board	286,000 Baht	38,500 Baht/meeting
• Member	198,000 Baht	38,500 Baht/meeting
Audit Committee		
• Chairman	195,000 Baht	30,000 Baht/meeting
• Member	180,000 Baht	25,000 Baht/ meeting
Corporate Governance Committee		
• Chairman	- Nil -	30,000 Baht/meeting
• Member	- Nil -	25,000 Baht/meeting
• Member who is employee of com	- Nil -	10,000 Baht/meeting

* Annual Remuneration :

a payment to persons serving in a position.

(a) Board of Directors: payable by quarter.

(b) The Audit Committee: payable twice a year.

In the case whereby any member of the Board of Directors, Audit Committee, and the Corporate Governance Committee is not serving in a position and is replaced by a new member, the proportion of payment will be in accordance with the time in that position.

** Meeting Allowance :

A payment to members of the Board of Directors or the Audit Committee or Corporate Governance Committee who attending a meeting.

In year 2013, the Company made the payment to the Board of Directors or the Audit Committee or Corporate Governance Committee by following:

Name-Surname / Position	Remuneration / No. of Attendance			Total
	BOD	AC	GCG	
1. Mr. Akani Thapthimthong Chairman of the Board Audit Committee member Independent Director	440,000 4/5	190,000 4/5	-	630,000
2. Dr. Uttama Savanayana Ph.D.* Chairman of Audit Committee Corporate Governance member Independent Director	390,500 5/5	305,000 6/6	140,000 6/6	835,500
3. Mr. Vachara Tuntariyanond Audit Committee member Independent Director	214,500 3/3	190,000 4/5	-	404,500
4. Mr. Rapee Sucharitakul** Chairman of Corporate Governance Committee Independent Director	214,500 3/3	-	105,000 4/4	319,500
5. Mr. Christopher King Corporate Governance member Independent Director	214,500 3/3	-	100,000 4/4	314,500
6. Mr. Praphan Eamrunroj*** Non Executive Director	352,000 4/5	-	-	352,000
7. Mr. Ian Longden Executive Director	390,500 5/5	-	-	390,500
8. Ms. Rumpa Kumhomreun Corporate Governance member & Secretary Executive Director Company Secretary	390,500 5/5	-	85,000 6/6	475,500
9. Mr. Yves Bernard Braibant Executive Director (Chief Executive Officer & President)	390,500 5/5	-	-	390,500
10. Mr. Arnaud Daniel Charles Walter Joachim Strasser Non-executive Director	0 0/5	-	-	Accrued
11. Mr. Guillaume Pierre Antoine Marin Humbert Non-executive Director	363,000 3/5	-	-	363,000
12. Mr. Philippe Alarcon Non-executive Director	352,000 4/5	-	-	352,000

Name-Surname / Position	Remuneration / No. of Attendance			Total
	BOD	AC	GCG	
13. Mrs. Josseline De Clausade Non-executive Director	214,500 3/3	-	-	214,500
14. Mrs. Diane Coliche Non-executive Director	214,500 3/3	-	-	214,500
15. Mr. Hervé Daudin Non-executive Director	126,500 2/2	-	-	126,500

Board resignation during the year

Name-Surname / Position	Remuneration / No. of Attendance			Total
	BOD	AC	GCG	
1. Mr. Paitoon Taveebhol (1 April 2013) Chairman of Audit Committee Corporate Governance member Independent Director	137,500 1/1	24,000 1/1	110,000 1/1	271,500
2. Mr. Nontaphon Nimsomboon (1 April 2013) Chairman of Corporate Governance Committee Independent Director	137,500 1/1	-	128,000 1/1	265,500
3. Mr. Suthiluk Samranyoo (21 Feb 2013) Independent Director	137,500 1/1	-	-	137,500
4. Dr. Chiradet Ousawat Ph.D. (1 April 2013) Audit Committee member Independent Director	137,500 1/1	20,000 1/1	-	157,500
5. Mr. Pedro Antonio Arias Douce (4 April 2013) Non-executive Director	148,500 0/1	-	-	148,500
6. Mr. Jacques Dominique Ehrmann (10 April 2013) Non-executive Director	148,500 0/1	-	-	148,500

* was appointed as the Chairman of Audit Committee by the Board Meeting No. 3/2013

** was appointed as director by AGM 2013 and appointed as the Chairman of Corporate Governance Committee by the Board Meeting No. 3/2013

*** resigned from Executive with effective date of August 31, 2013

Remark: Due to Mr. Arnaud Daniel Charles Walter Joachim Strasser was unable to join the meeting in 2013 so that the Company booked the accrued remuneration for year 2012 and 2013 in amount of Baht 297,000

The Executive Remuneration

In year 2013, the Company made the remuneration in term of salary and bonus to 16 executives totally Baht 239,550,310.44

(2) Other forms of remuneration

Other forms of remuneration to the Board of Directors

There was no other forms of remuneration to the Board except the Chairman of the Board is entitled to the reimbursement of travelling allowance in amount of Baht 1 million a year

Other forms of remuneration to the Executives

The Company has a policy to compensate the executives in a fair and reasonable manner including compensation in salary, bonus, and other benefits. Hence, this corresponds to the Company's performance as well as that of each individual based on their position and level of responsibility.

Provident Fund

The Company provided provident fund to the executives, the Company will pay 5.5% of the salary. In 2013, the Company made provident fund payment to 16 executives totally Baht 3,703,889.20



Human Resources

In 2013 (as of December 31, 2013)

Store Operation Employee (person)	24,682
Head Office Employee (person)	1,527
Total (person)	26,209
Salary (Million Baht)	6,600

Employee benefits

1. Short term employee benefits

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

2. Post-employment benefits

Defined contribution plans

The Company, its subsidiaries 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 and 5.5 percent of salary. The fund, which is managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. Total contributions by the Company and its subsidiaries for the year 2013 amounted to approximately Baht 134 million (2012: Baht 118 million).



Defined benefit plans

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

Other information regarding employees are available under topic "Human Resources"

Corporate Governance Matters for Big C

The Company recognizes the importance of good corporate governance to ensure business practices with moral, responsibility, transparent and able to be audited, together with the vision to open the opportunity to investors in ASEAN.

Business Ethics

The Company Code of Ethics/Conduct relies on the highest ethics standard such as abide by with the law, honesty of employee, relationship with suppliers, disclosure of information, competitiveness and maintaining of Company assets. The Board of Directors, executives and employees pay attention and adhere to these ethics on regular basis as stated on Code of Ethics/Conduct of the Company. In addition, the Company monitors closely and tries to develop these Ethics as the culture of organization and best practice for everyone.



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Our CG practices will be the enablers for the above objective. We will conduct business under high ethical standards and in accordance with the laws, whilst keeping competitiveness in our retail business.

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Corporate Governance Policy

The Board of Directors emphasizes on the important of Corporate Governance of the Company by adopting framework of CG Policy Statement as follow:

“The Board of Directors of Big C Supercenter Plc. (“the Board”) believes that good corporate governance will enhance and support the objective of maximizing shareholder value.

Our CG practices will be the enablers for the above objective. We will conduct business under high ethical standards and in accordance with the laws, whilst keeping competitiveness in our retail business.

As a leading Retail Operator in Thailand, our good governance approach shall encompass the following elements:

- accountability
- Transparency
- Responsibility
- Equality
- Community Support
- Ethics

The Company believes that the above CG Policy Statement is clearly communicating the CG direction from the Board of Directors to all stakeholders regarding our CG commitment.

Sub-committees

The Board of Directors has 3 sub-committees:

- (1) the Audit Committee
- (2) the Corporate Governance Committee and
- (3) the Risk Management Committee.

1. The Audit Committee

Background

The composition and qualifications of audit committee members of the Company are complied with requirement of SEC as listed below.

The Audit committee:

- must consist of at least three directors (at least one member having financial or accounting knowledge)
- must be appointed by the Board of Directors or shareholders.
- must not be an executive director, an executive officer, an employee or an advisor who receives a regular salary from the Company.
- must be free of any financial or other interest in the company's management and business.
- must not hold shares exceeding one per cent (including shares held by persons related to audit committee members) of the paid-up capital of the Company.

Functions and responsibilities of the Audit Committee of the Company is stricter than the requirement of SEC. The Audit Committee is responsible to the Board of Directors for the functions assigned to it by the Board. The scope of the Audit Committee's activities is as follows:

1. Review the sufficiency, credibility and objectivity of the Company's financial statements.
2. Review the adequacy and effectiveness of internal control systems and internal audit functions.
3. Consider and advise on the appointment of external auditors.
4. Review compliance with relevant laws.
5. Consider compliance in regard to disclosures concerning all connected transactions or conflict of interest.
6. Handle any other matters assigned by the Board of Directors.
7. Report the committee's activities in the company's annual report.



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Functions and responsibilities of the Audit committee of the Company is stricter than the requirement

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In 2013, members of the Audit Committee consist of :

- **Dr. Uttama Savanayana Ph.D.**
Position : Chairman of Audit Committee
Year started to serve the AC : 2012
Number of term with the AC : 1
- **Mr. Vachara Tuntariyanond**
Position : Audit Committee member
Year started to serve the AC : 2013
Number of term with the AC : 1
- **Mr. Akani Thapthimthong**
Position : Audit Committee member
Year started to serve the AC : 2013
Number of term with the AC : 1
- **Mr. Paitoon Taveebhol**
Position : Chairman of Audit Committee
(Resigned April 1, 2013)
- **Dr. Chiradet Ousawat, Ph.D.**
Position : Audit Committee member
(Resigned April 1, 2013)

All current 3 members have adequate knowledge and experiences in accounting and finance to review the financial statements of the Company. Ms. Nantavadee Santibanyut, Internal Audit Director acts as Secretary to the Audit Committee.

The Audit Committee Charter

The charter was last reviewed and approved by the Board of Directors in 2013, with following details.

1. Objectives

- 1.1. The Board of Directors has appointed the Audit Committee consisting of independent directors as an important tool or mechanism leading the Company to good corporate governance.
- 1.2. To ensure efficient performance of functions, compliance with law, adherence to operational practice and code of ethics and proper, effective, fair and transparent business management.
- 1.3. To ensure quality financial reporting, disclosure of complete and accurate information which meet the standards and relevant requirements so as to build confidence to and creditability with investors and stakeholders.

2. Composition and Qualifications

- 2.1. The Audit Committee comprises three independent directors of the Company.
- 2.2. At least one Audit Committee member shall have knowledge, comprehension or experience in accounting or finance and shall be continuously aware of a cause of change to financial reports.
- 2.3. Qualifications of Audit Committee members are as follows:
 - Possess qualifications as required by relevant laws, in particular the law on securities and exchange and regulations of the Stock Exchange of Thailand.
 - Hold not more than one percent share of the paid-up capital of the Company, its subsidiaries, affiliated companies or related companies, including shares held by their related persons.
 - Act as members of the Board of Directors but without participation in management of the Company, its subsidiaries, affiliated companies, related companies or major shareholders.
 - Not serve as employees, staff members or advisors receiving salaries from the Company, its subsidiaries, affiliated companies, related companies or major shareholders.
 - Not have any personal benefit or interest, directly or indirectly, both in finance and management of the Company, its subsidiaries, affiliated companies, related companies or major shareholders, including benefit or interest in any Company transactions for the period of two years before being appointed as Audit Committee members.
 - Not be related persons or close relatives of the Company's executives or major shareholders.
 - Not be appointed as representative to protect the benefit of the Company's directors, major shareholders or shareholders who are related persons of the Company's major shareholders.



- Be capable of independently performing the duties and providing opinions or reporting the result of performance of duties as assigned without being under control of any executives or major shareholders, including their related persons or close relatives.
- Not serve as political officials, political position holders, local council members, local administrators, political advisors, executive directors of political parties or officers of political parties.
- Be generally reliable and accepted.
- Be able to devote themselves sufficiently in performance of duties as Audit Committee member.

3. Appointment, Term of Office and Termination

3.1 Appointment of the Audit Committee

- The Board of Directors shall appoint independent directors of the company as Audit Committee members.
- The Board of Directors selects one (1) member of the Audit Committee to be Chairman of the Audit Committee
- The Director of Internal Audit Department of the Company shall act as Secretary to the Audit Committee.

3.2 Term of Office

- The term of office of each Audit Committee member shall be three years and members' terms coincide with their respective directors' terms
- Committee members that have completed their terms may be re-appointed to serve up to two consecutive terms and can then extend their terms by up to another.
- For continuity of committee performance, should a vacancy develop for reasons other than term completion, the Board is to appoint a qualified member to the committee immediately or, at most, three months from the date when such a vacancy develops, and the replacement member shall hold office for the remaining term of the member whom he/she replaces.

3.3 Termination

- Retirement by rotation
- Lack of qualifications of Audit Committee member
- Death
- Resignation
- Removal
- Imprisonment by a final court judgment or legitimate order of imprisonment, except for the case of negligent or petty offence
- Incompetence or quasi-incompetence
- Bankruptcy

4. Duties and Responsibilities

The Audit Committee has power and responsibilities as follows:

1. To review the Company's financial reports are prepared in accordance with the generally accepted accounting standards and relevant specific laws, including the adequate disclosure of complete, accurate and sufficient information and related party transactions and/or conflicts of interest.
2. To promote the development of financial reporting system so as to be consistent with and meet the requirements of the generally accepted accounting standards.
3. To select the external auditor by considering the independence, competency and experience in performance of duties for appointment and determination of auditor remuneration; and nominate to the Board of Directors for the approval in the Annual General Meeting
4. To review the external and internal auditors' observations on related party transactions and transactions which may cause a conflict of interest, in compliance with law and regulations of the Stock Exchange of Thailand so as to ensure reasonableness of such transactions and maximum benefit of the Company.
5. To review internal control and internal audit systems and provide recommendations to ensure the appropriateness, effectiveness and efficiency and in accordance with the international standards by considering worthiness and covering all key processes.
6. To oversee the Company's preventive control system to reduce or suspend a loss or waste of the Company's resources for the benefit and enhancement of effectiveness and efficiency in performance of the Company's functions.
7. To jointly consider with the CEO and President the appropriateness of the appointment, transfer, replacements of the Internal Audit Head including an annual performance evaluation. If any opposing view, it shall be considered by the Board of Directors or any person delegated by the Board of Directors. The decision of the Board of Directors or any person delegated by the Board of Directors will be final.
8. To coordinate with the external auditor for independence and fairness of auditing.
9. To review that the Company has established an appropriate risk management system and to provide recommendations to ensure that it is always up-to-date.
10. To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand, and the laws related to the Company's business.
11. To obtain regular updates from management and company legal counsel regarding compliance matters
12. To review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes
13. To approve the Internal Audit Charter and to regularly review it in an appropriate period determined by the Audit Committee.
14. To approve an annual audit plan and evaluate the performance of the internal audit function.
15. To approve an annual budget and a workforce planning of the internal audit function and present it to the Board of Directors or any person delegated by the Board of Directors for additional comment, if any. Then the approved budget and manpower of the internal audit function shall be submitted to the CEO and President for execution.
16. To have the power, subject to an approval of the Board of Directors or any person delegated by the Board of Directors, to engage any professional advisor to seek independent opinions if it seems necessary at the Company's expense, provided that the engagement shall be in adherence to the Company's procedures and rules on this matter.
17. To have the authority to invite Executives, Management and employees of the Company and related persons to attend a meeting with or to provide information to the Audit Committee. It shall be deemed as the duty of such persons to cooperate with the Audit Committee
18. To determine the remuneration of secretary to the audit committee and assistant secretary, if any, and propose to the Board of Directors for the approval
19. To perform other duties as assigned by the Board of Directors of the Company with the consent of the Audit Committee





5. Meeting

5.1 Number of meetings

- The Audit Committee shall hold at least 5 meetings a year.
- The Chairman of the Audit Committee may convene a special meeting upon request by an Audit Committee member, the auditor or the Chairman of the Board of Directors so as to consider any critical issue.
- At least once a year, the committee is to hold a meeting with the external auditor in the absence of the management

5.2 Meeting participants

- Not less than half of all Audit Committee members shall participate in each meeting to constitute a quorum. The Chairman of the Audit Committee shall preside over a meeting. The Audit Committee may invite any Company executive or related party to participate in a meeting and provide information.

5.3 Voting

- The Audit Committee's resolution shall be passed by a majority vote. One member shall have one vote. In case of a tie vote, the Chairman of the meeting shall have the casting vote. The Secretary to the Audit Committee shall have no right to vote.
- Any Audit Committee member who has interest in any matter to be considered shall abstain from voting on such matter.

5.4 The Secretary to the Audit Committee

- The Secretary to the Audit Committee or any designated person shall be in charge of taking the minutes at a meeting.

6. Reporting

6.1 The Audit Committee shall prepare an Audit Committee's report which will be disclosed in the Company's annual report and signed by the Chairman of the Audit Committee.

6.2 In performance of duties, if it is found or suspected that any of the following transactions or actions is undertaken or done which may materially affect the Company's financial status or operational result, the Audit Committee shall report to the Board of Directors in order to remedy within a specified period as will be mutually agreed:

- Conflict of interest
- Fraud or irregular circumstance or significant fault in the internal audit system.
- Violation of any law or regulation of the Stock Exchange of Thailand or other relevant regulations

6.3 Should the Audit Committee find any negligence of said remedy within the period as mutually agreed without any reasonable ground, any Audit Committee member may report such circumstance directly to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

7. Performance Evaluation

The Audit Committee shall, on a yearly basis, perform self-evaluation and report to the Board of Directors the evaluation result and performance difficulties which may prevent the Audit Committee from achieving the objectives in its establishment.

There are totally 6 Audit Committee meetings during 2013; its performance can be read under the Audit Committee Report 2013.

2. The Corporate Governance Committee

Numbers of Corporate Governance Committee

- **Mr. Rapee Sucharitakul**
Position : Chairman of Corporate Governance Committee
Year started to serve the CG : 2013
Number of term with the CG : 1
- **Dr. Uttama Savanayana Ph.D.**
Position : Corporate Governance member
Year started to serve the CG : 2013
Number of term with the CG : 1
- **Mr. Christopher King**
Position : Corporate Governance member
Year started to serve the CG : 2013
Number of term with the CG : 1
- **Ms. Rumpa Kumhomreun**
Position : Corporate Governance member & Secretary
Year started to serve the CG : 2007
Number of term with the CG : 3
- **Mrs. Phatchada Muenthong**
Position : Corporate Governance member & Assistant to Secretary
Year started to serve the CG : 2012
Number of term with the CG : 1
- **Mr. Nontaphon Nimsomboon**
Position : Chairman of Corporate Governance Committee
(Resigned on April 1, 2013)
- **Mr. Paitoon Taveebhol**
Position : Corporate Governance member
(Resigned on April 1, 2013)



The Corporate Governance Committee Charter

The Charter was last reviewed and approved by the Board of Directors in 2013, with following details:

1. Duties and Responsibilities

- 1.1 To recommend guidelines and policies concerning corporate governance to the Company's Board of Directors in accordance with generally accepted principles of good corporate governance, including transparency, accountability and verifiability.
- 1.2 To review the good corporate governance policies of the Company at least once a year and make recommendations to the Board as deemed appropriate.
- 1.3 Is entitled to hire external expert to act as advisor and to participate in the meeting of the Committee, under approval of the Board of Directors or a person designated by the Board of Directors.
- 1.4 To make recommendations on remuneration of the Board and subcommittees to the Board of Directors.
- 1.5 To make recommendations on the criteria and qualifications for membership of the Board and screen the qualifications for candidates for election to the Board.
- 1.6 To perform any other duties related to corporate governance as assigned by the Board of Directors.

2. Composition and Term of Office

- 2.1 The Chairman and members of the Committee shall be appointed by the Board of Directors of the Company.
- 2.2 A majority of the Committee should be independent directors or non-executive directors.
- 2.3 The members of the Corporate Governance Committee shall elect among themselves 2 members to act as secretary and assistant secretary to the Committee respectively.
- 2.4 The member of Committee shall vacate office upon;
 - Completion of term of office
 - Death
 - Resignation
 - Being removed by the Board of Directors' resolution
 - Having been imprisoned by a final judgment or legitimate order of imprisonment, except for an offense committed through negligence or a petty offense
 - Being an incompetent or quasi-incompetent person
 - Being a bankrupt
- 2.5 In the case the member of Committee is also a Director of the Company, membership on the Committee shall automatically end as the member cease to be a Director of the Company.
- 2.6 Members of Committee shall be in office for a term of 2 years and can be re-appointed, unless specified otherwise by the Board of Directors.
- 2.7 For resignation from the Committee, the resignation letter shall be submitted to the Chairman of the Company at least 30 days in advance except for the case of necessity.

3. Meeting

- 3.1 The Committee shall hold at least 2 meetings a year as deemed necessary and appropriate.
- 3.2 The agenda of the meeting and any supporting documents shall be sent to the Corporate Governance Committee in advance.
- 3.3 Not less than a half of all members of the Committee shall participate in each meeting to constitute a quorum.
- 3.4 In case the Chairman of the Committee is not present or is not able to perform his duty at a meeting, the members present shall elect one of them to chair the meeting.
- 3.5 The Committee may invite any relevant person to participate in a meeting and provide any related information.
- 3.6 The resolution of the Committee shall be passed by majority of votes. One member of the Committee shall have one vote.
- 3.7 Any member of the Committee who has an interest in any matter to be considered by the Committee shall abstain from the meeting on such matter.
- 3.8 The Secretary to the Committee or any designated person shall be in charge of taking the minutes at a meeting.
- 3.9 The Committee may request the Board of Directors to consider any special issue which it deems necessary.

4. Reporting

- 4.1 The Committee shall report to the Board of Directors the resolutions of its meeting and any other matter which it deems appropriate to be known by the Board of Directors in the next meeting of the Board of Directors.
- 4.2 The Chairman of the Committee shall report to shareholders on the practice of good corporate governance of the Company by disclosing in the Company's annual report with the following information;
 - Number of meeting
 - Frequency of attending meeting of each member of the Committee
 - Performance of the Committee according to the Charter

5. Performance Evaluation

The Committee shall, on a yearly basis, perform self-evaluation and report to the Board of Directors the evaluation result and performance difficulties which may prevent the Committee from achieving the objectives in its establishment.

There are totally 6 Corporate Governance Committee meetings during 2013; its performance can be read under the Corporate Governance Committee Report 2013.

3. Risk Management Committee (RMC)

The Risk Management of the Company consists of risk owner from each department who responsible for ensuring the risk is properly managed and monitored and the Corporate Risk Manager coordinates between risk owners and Executive Committee and Risk Management Committee by follow up on action plans, gather information on Key Risk Indicators, analyze and review the audit results of Internal Audit, prepare the report and make recommendation to Risk Management Committee on any corporate risks (if any).

Enterprise Risk Management begins with preparation of Annual Corporate Risk Profile done by Vice Presidents who identify Inherent Risk from business plan and business objective then review the controls in order to get residual risk for Enterprise Risk Management.

CEO is the Chairman of RMC who is the key person to ensure that Enterprise Risk Management will be implemented in organization and also offer additional activities that benefit the organization. RMC follows its charter, with some changes in 2013, which RMC was requested to report directly to the Board of Directors, without indirect report to the Board via subcommittee. (RMC previously reported to the Corporate Governance Committee.) The change indicated that the Board of Directors put specific attention on the Company's Risk Management.

RMC held 4 meetings during 2013; its performance can be read under the Risk Management Committee Report 2013.





The Risk Management Committee Charter

The Charter was last reviewed and approved by the Board of Directors in 2013, with following details:

1. Objectives

- 1.1 To establish and implement an enterprise-wide risk management framework that is suitable and practical for efficient business management with international standard.
- 1.2. To support the Board of Directors in overseeing risk management activities
- 1.3. To build confidence and credibility with investors and stakeholders in the Company's business.

2. Composition and Term

- 2.1 RMC Members shall be appointed by the Executive Committee.
- 2.2 RMC Members shall include Executives who are responsible for key risk areas of such particular period in order to fulfill the Company's objectives on risk management. RMC will review its member composition at least every other year, in order to align with the updated risk areas reviewed and proposed by the Risk Manager.
- 2.3 Chief Executive Officer (CEO) shall be the Chairman of RMC and Chief Financial Officer (CFO) shall be the Chief Risk Officer and Vice-Chairman of RMC.
- 2.4 Chief Risk Officer may appoint Secretary to the RMC for arrangement of meeting agenda, materials and minutes.
- 2.5 In the case that any RMC Member leaves the Office, or unable to perform the duties as RMC Member, the Executive Committee shall appoint replacement thereof within three (3) months.

3. Duties and Responsibilities

- 3.1 To approve Risk Management Policy for Big C and its subsidiaries and review the same at least on bi-annually basis, or promptly when there is any significant change.
- 3.2. To approve Risk Management Framework and Process for Big C and its subsidiaries and review the same on annually basis.
- 3.3. To monitor adequacy and efficiency of risk management processes and act as sponsors in promotion of risk management awareness across organization.
- 3.4. To ensure that each risk area has Risk Representative(s) and Risk Treatment Plan has been implemented appropriately and adequately, in accordance with the identified risk areas.
- 3.5. To make a summary report to the Board of Directors regarding efficiency on system, process, and implementation status of the Company's risk management.

4. Meeting

- 4.1 The Risk Management Committee shall hold at least 1 meeting per quarter.
- 4.2. Agenda of the Meeting shall be proposed by the Chief Risk Officer and approved by the Chairman of the Risk Management Committee.
- 4.3. Quorum of RMC Meeting requires a simple majority of the RMC Members.
- 4.4. The Chairman of the RMC shall chair the Meeting. If the Chairman of the RMC is not available, the Vice-Chairman shall chair the Meeting, or attending RMC Members may elect one of them to chair the Meeting.

5. Reporting and Disclosure

- 5.1 The RMC shall appoint a representative to present its report to the Board of Directors on a regular basis.
- 5.2. The RMC shall promote transparency and awareness of the Company's risk management by disclosure its report in the Annual Report and Company's website.

Nomination of the Board and Executives

Independent Director

Independent director is account to 1/3 of the Board, consists of;

- | | |
|--------------------------------|---------------|
| 1. Mr. Akani Thapthimthong | |
| was appointed on | 28 April 2013 |
| 2. Dr. Uttama Savanayana Ph.D. | |
| was appointed on | 30 April 2012 |
| 3. Mr. Vachara Tuntariyanond | |
| was appointed on | 24 April 2013 |
| 4. Mr. Rapee Sucharitakul | |
| was appointed on | 10 April 2013 |
| 5. Mr. Chistopher King | |
| was appointed on | 10 April 2013 |

None of independent directors hold the position of the Board of Director in Listed Company more than 5 companies. The Company provides definition of independent directors which is same as definition of the Securities and Exchange Commission, details as followings;

1. Holding shares not exceeding 0.5 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate or major shareholder or controlling person, including the shares held by related persons of the independent director;
2. Neither being nor used to be an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of assignment;
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the company or its subsidiary;
4. Neither having nor used to have a business relationship with the company, its parent company, subsidiary, affiliate, major shareholder or controlling person, in the manner which may interfere with his independent judgment.
5. Neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of assignment;
6. Not being a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the company's major shareholder;
7. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

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The Company also allows minority shareholders to nominate new directors at least 3 months (October to December) prior to the Directors meeting for setting agenda of general shareholders meeting.

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Board of Directors and Executives

Selection of the Board of Directors

The Corporate Governance Committee, working according to its Charter, made recommendations to the Board on the criteria and qualifications of the Directors and provides preliminary views on the qualifications of the nominees for these Directors.

Source of Information

The Company invites nominations for new directors from the current directors, management or advisors. Moreover, the Company selects qualified nominees from the database of the Securities and Exchange Commission of Thailand and other professionals. The Company also allows minority shareholders to nominate new directors at least 3 months (October to December) prior to the Directors meeting for setting agenda of AGM. In 2013, there was unfortunately no nomination proposed by the minority shareholders.

Selection process

The Company attaches importance to the diversity of the Board of Directors on the basis of professional and specific skills as well as gender. The missing qualification of the Board of Directors is also a key criterion for consideration. All of these considerations help to ensure a well balanced structure, size and composition of the Board and in turn, will lead to the effectiveness of the Board of Directors in performing their duties.

Appointment criteria and process

In case of a vacancy by rotation, the general meeting of the shareholders will consider the appointment of the Directors by the following process:

1. In voting for a Director, one share has one vote.
2. The Company organizes the voting of the Directors by allowing the shareholders to cast their votes for each candidate one-by-one.

In case of a vacancy due to other reasons, the Board of Directors will appoint a candidate with the appropriate qualifications and no legal prohibitions as the replacement at the next Board of Directors meeting, except in the case that the remaining term is less 2 months. The replacement will perform duties only for the remaining time. The decision on the appointment in this case needs to be approved by at least 3/4 of the remaining directors.

Selection of Executives

In selection of executives, the Company is looking for suitable person by considering their qualification; education, skills, experiences that will benefit for the Company, their understanding on the business. Finally, not having any prohibited qualifications as stated by the SEC.

Audit Fees

The Audit Committee considered qualifications of audit firms more than 1 proposal. Criteria included profile, experience, team, working standard, independence and creditability, also the proposed audit fees. In 2013, the Audit Committee proposed EY Office Limited as auditors of the Company and subsidiaries.

Audit Fees for 2013

Company	Auditor	Fees
1. Big C Supercenter Public Co.,Ltd.	Mr. Wichart Lokatekrawee	4,742,000
2. Phisanulok Big C Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	368,000
3. Big C Fairy Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	368,000
4. Chiang Rai Big C Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	80,000
5. Central Superstore Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	96,000
6. Inthanon Land Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	64,000
7. Surat Big C Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	80,000
8. Central Pattaya Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	80,000
9. Theparak Big C Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	80,000
10. Phraram II Big C Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	32,000
11. Udon Big C Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	80,000
12. Chiang Mai Big C (2001) Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	56,000
13. Big C Distribution Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	32,000
14. CenCar Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	1,310,000
15. SSCP (Thailand) Co.,Ltd.	Mrs. Sarinda Hirunprasurtwutti	25,000
16. บจ. นวนครินทร์ จำกัด	Mrs. Sarinda Hirunprasurtwutti	25,000
Total Audit Fees		7,518,000

In 2013, the Company paid audit fees to EY Office Limited, for having Mr. Wichart Lokatekrawee, certified no. 4451 reviewed and certified the financial statements of the Company, with the audit fee of Baht 4,742,000 and for having Mrs. Sarinda Hirunprasurtwutti, certified no. 4799 reviewed and certified the financial statements of 15 subsidiaries, with the audit fee of Baht 2,776,000, so the total audit fees was Baht 7,518,000.

Other service fee

The auditor is independent and no conflict of interest. The auditor did not provide other service to the Company.

Corporate Governance Compliance

Category I : Shareholders' Rights

The Company promotes shareholders rights beyond the basic rights of shareholders.

In particular, the Company protects and facilitates shareholders rights as follows:

- The Company has appointed TSD as the Company's share registrar to ensure security of our shareholders holdings.
- Ensure that our shareholders receive relevant and material information from the Company on a timely and regular basis.
- Our shareholders have the right to participate in fundamental corporate changes such as:
 - (1) amendments of the Company's objectives or Articles of Association;
 - (2) the issuance of additional shares; and
 - (3) extraordinary transactions, including the transfer or receipt of transfer of all or substantially all assets. The Company provided sufficient information to shareholders and did not propose the shareholders to consider matter during agenda "Other Business", in order to circumvent the obligation to inform our shareholders in advance
- The Company offered the opportunity for shareholders to send questions, to propose the agenda of AGM, and to propose the candidate for the Board, with reasonable criteria and procedures for minority shareholders by providing a much more lenient condition on number of shares entitled to proposing agenda. For example, while the law requires the shareholding of at least 5% of total shares outstanding, our criteria requires only holding of 100,000 shares which is 0.000118%.
- Providing sufficient time for shareholders, once the Board of Directors decided on date, location and agenda of general meetings, we disclose such information to SET online and the Company's website. The Notice of Meeting clearly indicated whether the agenda is for "acknowledgement" or for "consideration", and included opinion of the Board of Directors to support decision making of the Shareholders on each agenda. Notice also provided list of documentation that the shareholders shall bring to the Meeting.
- In 2013, the Company sent the notice of AGM to shareholders 28 days prior to AGM date (on line to SET on 14 March 2013) place on company's website on 13 March 2013
- Recognizing the diversity of its shareholders: various companies, institutional investors, individuals with a major or minor number of shares, Thai and foreign shareholders, the Company makes its best efforts to facilitate minority or foreign shareholders in equally exercising their rights. Information is prepared in both Thai and English. Additional public information is available on the Company website under the "Investor Relations" section. On the day of the shareholders' meeting, interpreter was also available for foreign shareholders.
- Shareholders have the opportunity to participate effectively and vote in general shareholders meeting. They have been informed of the rules, including voting procedures that govern general shareholder meetings. We remind our shareholders in various channels regarding voting procedures, both in writing and by reading out loud for shareholders at the beginning of meeting. Vote counting was done by barcode system. The Company also displayed the result of the votes on the screens soon after the voting takes place.



- Our shareholders are able to vote in person or in absentia through proxy with equal effect. The Company provided all proxy types as stated by the MOC and offered options for the shareholders to appoint the Audit Committee or CEO as their proxy-holders.
- In very transparent way, the Company invited a third party such as representative from Thai Investor Association or representative from shareholders to witness and ensure that vote counting has done correctly to protect rights of minority shareholders.
- The Company facilitates shareholders in participating and voting for director nomination agenda. The election of directors was done on individual nomination basis and ballots of all types (approve, disapprove, and abstain).
- The Company has a policy to promote participation of institutional investors in the general meeting of shareholders. The Company coordinates with the institutional investors to facilitate their pre-registration prior to the date of the meeting.
- The Board allocates sufficient time and gives shareholders opportunity to share their opinion and raise question in each agenda, and recorded key concerns in the minutes.
- All directors remunerations, both for the Board and subcommittees, i.e., the Audit Committee and the Corporate Governance Committee were approved by general shareholders meeting.
- At the shareholders meeting, the Company did not use agenda of "Other Business" to approve any matter.
- The Company did not create any obstacles to prevent shareholders to consult with each other on issues concerning their basic shareholder rights.
- The location of the meeting is convenience for shareholders to travel for shareholders to travel.

Category II : The Equitable Treatment of Shareholders

We ensure the equitable treatment of all shareholders, including minority and foreign shareholders.

- We treat all shareholders equally. All shares of Big C carry the same rights, one share one vote. Vote cast by custodians has been facilitated to reflect our equitable treatment of all shareholders. Our procedures don't make casting vote unnecessarily difficult or expensive.
- We prohibit insider trading (please see details under "Insider trading") and abusive self-dealing as part of the Confidential Agreement that is required to be signed on a yearly basis.
- At the Board of Directors meeting, conflict of interest report and shareholdings reports must be presented.
- The member of the Board will excuse from the meeting during the conflict of interest agenda (absence and no vote on that agenda).
- The Company did not provide financial assistance to any person or other company, except to its subsidiary that the Company holds more than 90% shares therein..
- The Company identified procedure on declaration of conflict of interest where all suppliers shall transparently identify facts regarding their relationship with the Company's directors and executives.

Other Shareholder Right Protection

Related Party Transactions (RPT)

A transaction with related party may draw unfair disadvantage to the Company if it is not considered fairly and in compliance with the law. The Company therefore has set procedure to ensure that transactions with related party are decided on a fair judgement basis and according to the law.

- 1. Ensure completed disclosure:** The Company fully disclosed transactions with related parties in Form 56-1 and Annual Report by following accounting standard, in addition to the law.
- 2. Ensure good judgment for the clean RPT.** Clean RPT refers to RPT under categories of normal business or support normal business transactions, which meets the principle of “general trading conditions” as approved by the Board. The Board reviews such principle on a yearly basis, and set an aggregate Capped amount for Management. Management will propose to the Board to review the transaction or reconsider the capped amount as the case may be, on a yearly basis, which indicated that the Board gives special attention on this matter on a regular basis.
- 3. Criteria for consideration of fair price aligns with the regulation of general trading conditions as follows:**
 - a. Price / Trading Conditions that have reference from a transaction between the Company (or its subsidiaries) and other person
 - b. Price / Trading Conditions that have reference from a transaction between the related party and other person
 - c. Price / Trading Conditions that have reference from a transaction between other persons

Insider Trading

Policy related to Insider Trading are as follows:

- The Board of Directors are not allowed to trade on the Company's shares.
- The Board of Directors and Executives were required to report any changes of the Company's stock trading to the Security Exchange Commission in compliance with Section 59 of the Stock Exchange of Thailand Act (No.3) B.E. 2535 within 3 business days from the date of purchase, sale, transfer, or receipt to the Company Secretary.
- The Board of Directors and Executives report the number of shares they hold in the Board of Directors' Meeting each quarter. This procedure has been continually conducted since the previous years.

- In 2013, the Company provided guideline on social media participation and communicated to executives and employees in order to raise awareness regarding handling the Company's information.

Category 3: The Role of Stakeholders in Corporate Governance

The company has set up the policy and measures, placing significant importance on all stakeholders as follows:

- **Employees:** The Company treated employees in a fair and just manner, as well as provided appropriate compensation that was similar to same industry and in accordance with employees' knowledge, performance, skills, and nature of work as well as increased the benefits to be in line with the changing economic situation. Moreover, the Company continually promoted and developed its human resources.
- **Business partners:** The Company had procedures for bidding, negotiation and selection of suppliers, vendors and service providers in a fair and transparent manners. A procurement committee will participate in major price consideration. The Company increased the principles for all parties to report their profit and loss in the way that the Company had specified, so to reaffirm the facts relating to the relations with the Company, Committee and/or management depending on the circumstances.
- **Creditors:** The Company strictly adhered to the terms and conditions of loans in accordance with the agreements and contracts with the creditors.
- **Customers:** The Company offered customers with good quality products and listened to customers' feedback. Complaints are used for both corrective and preventive actions. The Company gives importance to customers; in particular, customers' safety is on top priorities of the Company.



- **Competitors:** The Company conducted its operations within the appropriate framework for fair competition among competitors, and did not utilize any unfair tactics against them. The Company adhered to the principles that support free and fair trade.

Communication channels:

Whistle Blower's Channels

In overseeing all stakeholders including shareholders, customers, and other groups, the Company took into consideration and gave importance to having a cooperative mechanism.

Current contact channels for all stakeholders include email, website (www.bigc.co.th), call center (1756), whistle blower box at all branches, and post. Contact persons for each group of stakeholders are:

1. **Shareholders:** Company Secretary and GRC function
2. **Investors / Analyst:** CFO and Investor Relations function
3. **Media:** VP-Marketing and Corporate Affairs function
4. **All stakeholders including customers, business partners, employees and communities:** Business Development function (for Call Center, Website, and Post), Loss Prevention function (for whistle blower boxes)

Whistle Blowing Procedure

In the case where there are complaints lodged against the Company's Management, the Company Secretary will scrutinize and compile the facts from related functions, then report to the CEO. However, if the Complaints relate to fraudulence and/or misconduct by management or employees in management level, the Company Secretary will also report the investigation result to the CEO or to the Chairman of the Audit Committee, who shall consider materiality of the issue and bring the same to the consideration of the Board of Directors.



Category 4: Disclosure and Transparency

We ensure timely and accurate disclosure on all material matters regarding the Company, including its financial information, performance, shareholding and governance.

Main channels for our information disclosures are

- (1) SET website www.set.or.th
- (2) the Company website www.bigc.co.th.
- (3) Annual Report (form 56-2)
- (4) Annual Statements (form 56-1) which are complied with requirements of SEC.

- We prepared and disclosed information in accordance with high quality standards both in the category of (i) accounting and financial disclosure and (ii) non-financial disclosure.
- The audit of Company's financial statements have been reviewed by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects. (For more details, please refer to Report from the Audit Committee Report)
- Our external auditors are accountable to shareholders and exercised due professional care in the conduct of the audit. For example, the external auditors requested for a meeting with the CEO in order to review the case of major fraudulence (if any).
- The Company has Investor Relation Department to take care, support, prepare presentation such as business performance to analyst, organize analyst meeting days, publish MD&A on quarterly basis, arrange company visit, and participate roadshow both local and international. Company's investor relations contact person is Mr. Rami Piirainen, Director of Investor Relations. Investors can enquire any information disclosed by the company by telephone: 02-655-0666 ext: 7416 or via email at: pirami@bigc.co.th. Company's media contact is Dr. Netithorn Praditsarn, Director of Corporate Affairs. Any enquiries related to television, printed media, or advertising should be directed to him by telephone: 02-655-0666 ext: 7192 or via email at: prnetithorn@bigc.co.th.

- The Company will disclose information to general public via the Stock Exchange of Thailand as well as through various channels to offer more choice to shareholders, investors, stakeholders, and other interested persons. These channels are:

www.bigc.co.th

Through its website company disseminates its quarterly performance, annual reports, shareholders meeting reports, financial information, annual information disclosure form (Form 56-1), news reported to the Stock Exchange of Thailand, and corporate news. Shareholders can also find information related to shareholders meeting from here.

Periodic Report

For example, Quarterly Financial Result and MD&A have been disclosed on SET website on timely basis.

Non Periodic Report

We follow disclosure guideline and ensure that our shareholders and public have received equal and adequate information. In 2013, we reported 16 items of non-periodic reports on SET website.

Investor Presentation

The Company holds quarterly investor presentation to strengthen its relation with investors and analysts and to give them an opportunity to learn more about Company's business and ask related questions. In these presentations Company announces its quarterly performance and operational developments. High-ranking Company executives join these events. The presentation slides are uploaded to Company's website.

Shareholders Meeting

Annual General Meeting of Shareholders is organized on an annual basis to give shareholders an opportunity to obtain relevant information, offer opinions, ask questions, and vote. We encouraged the shareholders to share their opinion,

under standard procedure to ensure that all shareholders are facilitated on a fair basis.

Company Visit

The Company offers an opportunity for institutional investors and analysts to request a meeting with the Company's management to learn about Company, its performance, and trends. During 2013 we conducted 145 company meetings at our head office.

International Road Shows and Conferences

The Company conducts road shows and participates to overseas conferences to meet with foreign institutional investors who are interested to learn more about the Company. During 2013 company conducted total of 4 road shows to Singapore, Paris, London, New York, and Boston. Company also participated to 6 conferences held in Hong Kong, Singapore, London, and New York.

Local Road Shows and Conferences

The Company chooses to attend some conferences during the year to meet with many institutional investors during the event in one-on-one or small group meetings. During 2013 company attended 6 conferences held in Bangkok. Company also conducted 2 day non-deal road show in Bangkok to meet with local institutional investors.

Conference Call

The Company provides conference calls for foreign institutional investors and analysts to give them a chance to learn more about the Company and its business. During 2013 we conducted 30 scheduled calls with institutional investors and analysts.

Category 5: The Responsibilities of the Board

The Company is confident in identification of the strategic guidance for the Company, the effective monitoring of management by the board, and the board's accountability to the Company and shareholders.

- Our Board members act in good faith, with due diligence and care, and in the best interest of the Company and the shareholders. They studied meeting material before the meeting.
- The Board treated all shareholders fairly.
- Big C's board applies high ethical standards and takes into account the interests of stakeholders, as shown in the CG Policy Statement that becomes CG Framework for the Company.
- The Board of Directors and Executives never been an employee or associate of the Audit Firm
- In addition to the Board of Directors and the Executive Committee, the Board appoints 3 subcommittees as stated under Management Structure. The subcommittees provide their performance report in the Annual Report according to their responsibilities prescribed in the Charters. The Board shall consider and discussed issues and recommendations rendered by the subcommittee.

Induction for new Directors

Induction training is conducted for new directors, both for residence and non-residence directors. Information provided includes resolutions of the Board and Shareholders' Meetings in the previous years in order to give an update to new Directors on key decision made; also, organization structure and main activities of the Company, legal responsibilities of Directors of a listed company / public company, and specific legal requirements for the Company. Directors' Handbook was given to the new directors for reference or review.

Participation with the Project on CG Development, sponsored by the Stock Exchange of Thailand

The project provided recommendations to the Company after a certain survey and assessment were made, for the purpose of sustainable development in the area of corporate governance. The Company applied for the assessment in 3 areas:

1. Good Corporate Governance and Board Practice
2. Risk Management
3. Internal Audit

The Company used recommendations thereof for action planning in relevant areas, both for short and long terms.

Internal Audit and Compliance Functions

In order to ensure compliance of employees, the Company established an internal audit function, in charge by Ms. Nantavadee Suntibunyut. HR compliance unit has also provided knowledge and awareness to employees in relation to compliance of Company's regulations. Also, a compliance unit in relation to the Company's risk is under a function called governance, risk management and

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The Company used recommendations thereof for action planning in relevant areas, both for short and long terms.

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compliance, in charge by Ms. Phatchada Muenthong (details of responsible persons are shown in attachment 3 of form 56-1).

Continuous development for the Board of Directors and Executives

The Company encourages and coordinates with directors, executives and company secretary to join the seminar on related parameter on regular basis, especially the training organized by the Institution of Directors so that all relevant can understand their roles, responsibilities. In 2013, 3 board members attended the Director Certification Program (DCP); Mr. Praphan Eamrunroj, Ms. Rumpa Kumhomreun and Mr. Ian Longden.

Promote the right of minority shareholder

The Corporate Governance Committee set clear criteria and procedure for considering agenda or names of director candidate and communicated to all shareholders through the Stock Exchange of Thailand and the Company's website. The CG Committee shall revise the criteria and procedure on a yearly basis. (please see the details on the website under investor relation, topic “shareholder information”)



CG Principles that the Company cannot comply

In 2013, the Company complied with majority of CG principles. However, there are a few items that the Company cannot comply, and we would like to explain as follows:

1. Recommendation on establishment of Nomination and Remuneration Committee

In the past, the Corporate Governance Committee has considered and made recommendations to the Board of Directors in accordance with special request from the Board of Directors. And in 2013, the Board of Directors approved the adding of this area of supervision into the Charter of the CG Committee, in order to meet the substance of the principle, even though it cannot meet the form.

2. Recommendation on Multi-directorship Policy that prevents directors to serve more than 5 companies

The Company has more than 5 subsidiaries and the subsidiaries did not have independent operational team. In other words, support functions were performed by personnel of the Company. Executive Directors of the Company are board members of its subsidiaries in order to ensure that transactions done in the name of subsidiaries are in line with the Company's policies. Therefore, the Company has necessity for not able to apply this recommendation especially for the purpose of overseeing its subsidiaries. Nonetheless, there is no board member or executive serves multi directorship in other listed companies for more than 3 organizations.

As a conclusion, although the form is not met, but the Company met substance of the CG guideline on having a subcommittee review the director nomination and not having directors serve in more than 3 other listed companies.

Internal Control

The Company recognizes importance of internal control system. The Company, therefore, has continually improved its internal control system to enhance its effectiveness and efficiency with emphases on: the adequacy and suitability taking into account the associated risks; the proper, transparent and auditable business management and work performance. This is to reasonably assure the Company's achievement of its set targets. The Audit Committee has been entrusted with the responsibility to review the Company's internal control system provided by the management to see if it is suitable and efficient, based on the results of the auditing exercise conducted by the Internal Audit Department and the external auditor's opinion on the Company's internal control system. This is to ensure that the Company's internal control system is suitable, adequate, and extensive with coverage in all respects, including the management control, operational control, financial and accounting control, and legal compliance.

Assessment of the Company's internal control system has been conducted according to the Adequacy Assessment Form for Internal Control System. The assessment was made on the aspects categorized by the components of the internal control as follows:

The Environment of the Control

The Company encourages good control environment by setting the vision, mission and organizational value, with an aim to propel a sustainable growth and top-notch operational performance of the organization, having in place clear short-term and long-term business operation targets and strategies that have been approved by the Board of Directors. The operational performance has been measured periodically, using the Balanced Scorecard and the Key Performance Indicators (KPIs), to monitor the business operation performance, comparing them with the set targets. The Company is prepared to adjust its business plans and strategies according to the current circumstance and consistently changing associated risks.

The Company has established the suitable organizational structure, line of control, and relationship between the intra-company units that are conducive to effective business operations. The suitable delegation of power and responsibility has been implemented.

The Company has in place the policies, rules, procedures and instructional manuals for the work performance of the operational



units in all functions, including, for example, finance, procurement, human resources, and administrative work units. Those policies, rules, procedures and manuals have been communicated to, and recognized by, all employees. Non-compliant employees could be subjected to disciplinary punishments. Improvement of the aforesaid policies, rules, procedures and manuals has been made from time to time to maintain their suitability.

With respect to the personnel—the Company's most important resource, the Company has in place the job descriptions for all job positions, standardized assessment of employees' work performance and fair, clear and reasonable compensation schemes with the relevant internal and external factors are factored in. Trainings have been organized to improve employees' knowledge, skills and ability suitable for the employees' respective existing tasks and for the employees to be prepared for future changes. Various trainings are also made available electronically on-line continuously for employees' self-learning according to their preference to accomplish their respective career goals.

The Company has in place the policies on the occupational health, safety and working environment, which are in compliance with the applicable laws, to enhance the efficiency and effectiveness of the work safety management.

The Company has established the Code of Conduct, which has been acknowledged in writing by all employees, including those at the management level. Copies of the Code of Conduct have been distributed to all employees and directors for their use as guidelines in performing their jobs with honesty, integrity, transparency and ethic.

The Company has the rules in dealing with all business counterparties fairly and indiscriminately in accordance with the customary business practice. The Company's procurement staff and suppliers as well as other business counterparties are bound by the confidentiality agreement/policy to determinedly do the business with accountability and fair to all stakeholders, based on the believe that sustainable growth of the Company should go hand-in-hand with the growth and development of all stakeholders.

The Corporate Governance Committee was established and entrusted with the supervisory task to assure that the Company's business operations are conducted in compliance with the good governance policy, placing importance on honesty and business ethic. Channels are made available for expression of opinions and suggestions in connection with the service provision, for "whistleblowing" in connection with violation of law or business ethic, or suspicious dishonest or illegitimate behavior of employees, officers and other interested parties. These include raising incorrect financial reports, defective internal control system via ordinary mail, telephone, facsimile, e-mail, and internet to the website of the Company.

Risk Assessment and Management

The Risk Management Committee was established and entrusted with the responsibility to set policy framework and directions for the systematic risk management and handling. The Company's Risk Management Policy and Guidelines set the steps to be taken to identify risk indicators and risk factors, both inside and outside of the Company. Risk assessment is conducted on two aspects in order to determine the risk level (high, medium or low) as follows: the impact magnitude (both quantitative and qualitative) to assess how much damage could be done; and the occurrence probability (or likelihood). The assessment results are compared with the Risk Appetite to determine which are acceptable, and which are not. For the risks identified as needed to be more intensively controlled, the respective 'risk treatment plans' for those risks will be made, which include the key risk indicators for use by the risk manager to monitor the results of risk management and to make the risk management progress report to the Risk Management Committee, and further report to the Corporate Governance Committee and the Board of Directors, consecutively.

Importance is placed on preparation for the dynamic circumstance influenced or affected by the economic and political situations, the changes in laws, natural disasters, and environmental and safety regulations. The Company has in place the Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) to cope with the potential risks and critical situations, to assure the Company's uninterrupted business operations, and to mitigate damage and adverse effects suffered.

For details of risk management, please refer to the topic "Risk Management"



Control Activities

Control activities have been implemented. The areas covered include major operations which are material in carrying on the business, including those related to the critical information systems. The control activities are mainly of preventive nature to ensure that the risk management method or the control activities are pragmatic, realistically help prevent or minimize exposure to the risks that potentially causes damage to the business operations. In addition, the policies, rules and controlling activities are reviewed and revised periodically to make them suitable for the changing situations and associated risk profiles. The control activities are summarized as follows:

- The framework of the delegation of approving power to the managements at different cascading levels is clearly set in writing, and is reviewed and revised to maximize its suitability according to the change of organizational structure, while maintaining good check-and-balance mechanism and flexibility in business operations and internal control.
- Job segregation principle is adhered to in defining the responsibilities of the authorised approvers, transaction recording staff, information processing staff, and asset keeping staff to constitute the cross-checking and balancing of power mechanisms. Appropriate power distribution has been implemented to promote work performance flexibility. Staff rotation policy has been adopted and implemented appropriately in terms of suitable job positions and timing.
- In the case of activities classified as connected transactions or activities that potentially give rise to conflict of interest, tight measures in the form of policies and practicing rules which require that approvals must be obtained from the designated authorised persons. The approval process is in line with the requirements of The Stock Exchange of Thailand and the Securities and Exchange Commission and for the best interest of the Company. To uphold this principle, the authorised approvers are barred from participating in the approval granting process if they have interest in the proposed activities in question. Each interested director and interested management is required to file within the prescribed time period a report of her/his relevant interest as well as the relevant interest of her/his 'related persons.' Such report must be made in the prescribed form, which the reported information also include the equity interest in the Company.
- Information Security Policy and Manual were made and communicated via the Company's intranet and were sent by e-mail directly to each employee. This is to promote employees awareness of information security. Security standards were set to control access to the information and

utilization of information. Information has been classified, and the access to the classified information has been appropriately controlled. Computer data traffic information has been recorded according to the applicable regulations of the Information Technology and Communication Ministry. The Company accomplished the successful completion of its ISO 27001 Project in the context of Data Centre, being granted with the ISO 27001 Certificate on 15th March 2012.

- The Legal Department and Corporate Governance Department have been entrusted with the responsibility to ensure full law compliant operations of the Company's business. This is to minimize exposure to the non-compliance risk. To accomplish this objective, the Company has in place various law compliance measures or process, e.g. compilation and development of law compliance database, development of law compliance management system and warning system to prevent untimely actions that need to be taken within the time period, and organization of trainings and provision of advices for staff of all units within the Company.

Information and Communication

The Company has continuously developed and improved its information system and provided channels for efficient intra-company communication with systematic data processing which is accurate, reliable, operates in a timely and suitable manner to accommodate the users' demand for the purposes of work execution and analytical usage. As a result, important information needed for decision-making by the Board of Directors and Management can be made available adequately well in advance. For example, the materials and information necessary for Board of Directors meetings can be provided to the Board members not less than 7 days before the meeting, giving them ample time for preparation and being ready for the meeting and making the decisions. In addition, the questions, discussion, debate, observations, and decisions on the matters raised for consideration at the meetings can be completely recorded in detail.

The supporting information and documents for account book recording and financial statements preparing and other important documents are kept and retained in an organised fashion and for the period of time as required by law. The Company has never received comment from the external auditor about any deficiency in document keeping. The Audit Committee has reviewed the quarterly and yearly financial statements of the Company, and has discussed with the management and the auditor the significant information in the Notes to the Financial Statements, e.g. the accounting policy, assessment and judgement process used in

preparing the financial statements. The Audit Committee was of the opinion that the financial statements have been prepared in accordance with the generally accepted accounting principles, containing accurate, complete, and reliable information. The adopted accounting policies were reasonable. The information disclosure was sufficient, timely and beneficial to the shareholders, investors and other financial statements users.

Intra-company communication via e-mails and intranet has been used to communicate to employees the information about the Company's policies, rules and orders. Internal meetings at all levels of the organization are held and exploited as communication channel for employees to express their opinions to develop work operations and improve work system efficiency. Company's website is available for employees and outside stakeholders as channel of communication with the Company.

Monitoring

The Company has in place the work operation monitoring and assessment processes. The set KPIs are used to measure



the performance and the results thereof are reported to the Management and Board of Directors regularly. If the performance results negatively deviate from the plan or targets, analyses is conducted to identify the cause(s) and rectification measures be established and implemented to solve the problem within the reasonable time fixed.

Monitoring activities were organised and implemented by a separately different work unit to continuously monitor and assess the internal control system. The continuous monitoring and assessment activities are set as routine works in the course of the Company's business operations to enable the Company to be responsive to the changing situations, whereas the monitoring and assessment by a separately different work unit, under the Internal Audit Department, is set to assess the adequacy and effectiveness of the internal control system for the important administration and operation processes, in accordance with the annual audit plan approved by the Audit Committee. The monitoring and assessment results are reported to the Audit Committee on a quarterly basis. The follow up conduct to measure the progress of work process improvement according to the recommendations stated in the audit report.

At the Board of Directors Meeting No. 2/2014, held on 11 February 2014, the meeting approved, as recommended by the Audit Committee, the summarized opinion on the adequacy of the internal control system. That is to say: the Company's internal control system was designed and implemented with adequacy and suitability for the business operations without material deficiency the Company's financial reports were prepared in accordance with the generally accepted accounting standards with adequate information disclosure; the Company's business operations have been conducted in compliance with the Securities and Exchange Act and other applicable laws.



Risk Management

The Company adopted Enterprise Risk Management as a tool to handle with uncertainty that may have impact on business goals which the Risk Management Policy was already set up, together with the regularly update and promote Risk Management Process entire Company to ensure that the Company can accomplish its goals, to deal with the changes and risks that may occur immediately and to create more shareholders and stakeholders confidence.

Board of Directors approved Risk Management Policy and authorized Risk Management Committee for this responsibility. Also note that the Company's executives have to do the Risk Assessment on yearly basis which cover Operational risk, Financial Risk, Strategic Risk, Compliance Risk and Fraud Risk. Risk Manager will be a coordinator who analyzes and evaluates the results whether particular risk is at acceptable level or not. Risk Manager is required to report and provide the solution (if any) to Risk Management Committee for consideration and then to propose to Board of Directors.



Corporate Social Responsibility

• Overview of our CSR	74
• Human Resource	75
• The Environment and The Customers	78
• Social Development	80





Corporate Social Responsibility Overview of our CSR

From Vision to Corporate Social Responsibility

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From our vision **“To be number one modern retailer in Thailand and a major player in the region”**, Big C visualizes its involvement with Thai society. The establishment of CSR unit in our organization manifests commitment of Management in this respect.

The 20th anniversary in 2013 was a chance to celebrate our strength, sustainability, and social responsibility. With our 20-year experiences, Big C is even more ready to continue charting the future with the Thai Community.

Our social work has four focus areas:

1. Environment
2. Education
3. Health
4. Community Development

As we mentioned under topic “Major Changes and Developments in 2013, that we had a good start of cost optimization and productivity improvement. Cost optimization is only a part of its results, but what matters for our Big C employees is that we are proud to take part of environment and natural resources preservation, social contribution and the application of the **“Sufficiency Economy”** philosophy of our beloved King Bhumibhol Adulyadej.

Reporting Guideline

This CSR report applied guideline of CSR principles of the Stock Exchange of Thailand.

At international level, CSR’s performance of Big C was contributed to the annual Communication on Progress (CoP) Report of Groupe Casino, our major shareholder who signed the United Nations Global Compact in 2009. For more information, please refer to www.groupe-casino.fr/en/Reports.html

we are proud to take part of environment and natural resources preservation, social contribution and the application of the **“Sufficiency Economy”** philosophy

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Stakeholders Under CSR Report

Our Stakeholders

We will identify our main stakeholders for CSR performance as follow:

- **Employees**, who are significantly important for the success of Big C
- **Customers**, who are significantly important for the growth of Big C
- **Communities and governmental authorities**, who are significantly important in encouraging Big C to live happily in each location

At Big C, People Drive Success

At Big C, employees are the key drivers of the company's success. Our Human Resources Division is focused on identifying, attracting and onboarding great new talent, as well as developing and rewarding the outstanding people who are already members of the Big C family.

We focus on career satisfaction, nurturing talent and encouraging professional development in tandem with the growth of the business. With this vision in mind, we aim to attract and retain the best people in the retail industry.

An Employer of Choice

A cornerstone of Big C's HR policy is to sustain our position as an employer of choice - a place where people want to contribute their best and grow to achieve their full potential.

In 2013, Big C devoted time and effort to building mutually beneficial relationships with a number of universities and participating in several public job fairs. As a result we were able to identify, attract and strengthen our candidate pipeline with new university graduates, student interns and experienced alumni.

“We are committed to fostering equal opportunity in employment and promoting diversity in our work force”



“A cornerstone of Big C's HR policy is to sustain our position as an employer of choice - a place where people want to contribute their best and grow to achieve their full potential.”

Championing Equal Opportunity and Diversity

We are committed to fostering equal opportunity in employment and promoting diversity in our work force. Our policies and practices focus on countering discrimination (based on gender, age and nationality, etc.), and removing barriers to employment for persons with disabilities or other non-conventional issues.

In 2012 Big C was proud to be named the first and only retailer in Thailand to meet and even exceed the national mandatory ratio of 1% disabled employees in our workforce, by a noteworthy 17%. In 2013 we exceeded this target by 35%, demonstrating Big C's ongoing commitment to the successful and sustainable integration of disabled people into our Big C family.

In 2013 Big C received the CSR Award from the Ministry of Social Development and Human Security for the 11th year, for being **“the organization responsible for social betterment, granting opportunities for people with disabilities”**.

And on 13 December 2013 Big C received an award for being **“the business organization with responsibility in supporting physically challenged people”** by the Deputy Prime Minister to commemorate the International Day of Persons with Disabilities. This is the second consecutive year that Big C has received this award and it is a tribute to Big C's impactful contribution to the improvement of the lives and opportunities of disabled persons.

Rewarding the Right People

Our Compensation and Benefits team functions as a business partner to support our organization's growth. We design compensation and benefits programs to attract and retain the best people to drive Big C's business success. Our principle is to pay for performance and to motivate people to grow with the Company and to contribute their best. We recognize and reward performance that is aligned with achieving company goals. Our Compensation and Benefits Philosophy ensures that our pay practices remain competitive within the industry.



C&B Philosophy:

Competitive -- Attract, retain and motivate exceptional and effective individuals and teams

Fair -- Maintain fair, consistent and equitable total remuneration practices

Flexible -- Be flexible enough to adjust to changing economic conditions and to the needs of our business operations

Lean -- Meet the Company's objectives whilst maintaining a lean cost base to deliver exceptional shareholder value.

We provide a provident fund for all employees who have passed probation although participation in this program is on a voluntary basis. A comprehensive provident fund review and benchmarking exercise takes place annually, to ensure the best fund management strategy to generate optimal return and benefit for our employees.

The Big C Compensation and Benefits Policy and Program are managed based on the company's business performance. We manage merit increases for employees based on their performance, in order to sustain a high performance culture in the organization. Our annual merit review is managed within a budget, as well as benchmarked to that of our market competitors. Our special incentive program (SIP) and other incentive programs

are also managed with metrics against the achievement of business growth and profitability. These efforts aim to significantly retain and motivate our employees.

Championing Internal Career Progression

We provide numerous internal career opportunities throughout our Head Office and retail stores to enable our people to progress at Big C. In addition to fostering equal opportunity for advancement, this helps promote diversity among our employees. Employees who have potential talent will find opportunities to be promoted within their group or across functions or formats in the company.

With our career management plans, Big C aims to create a better and more equitable career growth trajectory for our employees. In 2013, we fully implemented new promotion guidelines in order to build a systematic advancement framework and approach for all employees. Over 3,708 employees, or 16% of our workforce, were promoted in 2013.

Newly promoted employees take on new roles with expanded responsibilities and higher remuneration packages.

Investing in and realizing Talent

At Big C, we invest in our talent and believe that our success relies on having the best employees in our organization. We identify, develop, engage and retain talent in Big C, as well as develop our leaders' capabilities so that they can be ready to step up and assume positions that are key to Big C's future success.

In 2013 we selected a pool of outstanding graduates, who we see as potential talent, and groomed them with Big C's comprehensive development and coaching programs to rapidly fulfill the high demand for Buyers in the retail business. In May 2013 Big C successfully launched a 6-month accelerated Buyer Management Trainee program and placed 5 program graduates in different merchandise areas in October 2013.

Continuous Development of our Leadership Pipeline

New Leadership Programs were developed and implemented in 2013 to support store operations in the areas of customer service excellence, engagement and motivation, leadership, CSR and core values. Our goal is to provide Big C leaders with updated "Modern Leadership Concepts" that they can integrate into their daily work practices. Key initiatives and activities in 2013 included:



Firstly, we began a formal cooperation with Mahidol University, one of the top 5 universities in Thailand with a long standing tradition of academic excellence. Together we developed and began implementing an Executive Degree in Leadership Program for Store General Managers and Store Operations Management Teams. This rolling 12 month program features intakes of only 30 participants to ensure maximum learning outcomes.

Secondly, we launched a Leadership Program for our Mini Big C leaders to build store manager experience and competence to support the accelerated expansion of the Mini Big C format. In 2013 approximately 209 Mini Big C Store Managers successfully completed the program and we are projecting that in excess of another 120 Store Managers will be trained in 2014.

At Big C, We Grow Together Learning at Big C Academy

It is important that our people have the opportunity to grow and develop throughout their careers. We aim at ensuring that our people have appropriate levels of skill, knowledge and the right attitudes to perform their roles and excel in achieving their objectives.

In 2013 we initiated the development of a company-wide “Learning Roadmap” that builds a clear picture of employee development direction based on the Company’s values, competencies and business requirements. Once completed, new and existing members of the Big C family will see clearly how they can progress their careers – vertically within their own teams or functions, across functions and across the numerous formats in Big C. They will also see the comprehensive suite of learning and development programs, tools and assessments to help them achieve their career aspirations.

Late 2012 saw the initial development of an e-learning channel within Big C’s learning and development Academy. This new and exciting channel enables Big C to transcend distance and other organizational and cost constraints by providing a virtual learning environment. In this way we can ensure that our

entire Big C family has access to our learning and development offerings, regardless of which store they are based in and in what part of Thailand they reside. In 2013 we successfully launched the comprehensive, multi-module orientation course across all stores. In 2014 several more courses will be launched including Leadership, Core Values and functional courses for Fresh Food, Dry Food and the Operations Divisions.

Listening to Our People - Every Voice Counts

At Big C we believe that every employee is important. In 2013 we strengthened our previous programs to gather more information and evaluate our employee engagement levels within the company. A formal and confidential electronic Employee Engagement Survey (EES) was launched for the first time for our Head Office. With 93% of our employees participating, this survey really does represent the voice of our workforce.

We understand that the real value of the survey is not only to hear what our people think and feel, but more importantly the follow-up process that translates data into action. Our Employee Engagement program enables us to generate specific, targeted reports for corporate, divisions and departments, hence action plans can be collaboratively formulated at these levels. In other words, our people are empowered to take action and be responsible for enhancing the engagement levels of their workgroups.

Sustaining Environmental Health and Safety

Our most valuable asset is our people and Big C focuses on the importance of employee health and safety in our workplace. Our EHS policy and procedures are reviewed and updated annually in order to meet the highest standards.

“Big C Goes Green” has been created to build environmental awareness by focusing on safety and efficiency surrounding energy consumption in the workplace, the use of eco-friendly office materials and equipment, and sustainable waste management processes. To support these goals, our employees are educated through various internal activities and in 2013 Big C managed to reduce its energy consumption in the Head Office and across the Hypermarket format by 6 % compared to 2012. We continue to introduce more initiatives over the coming years

In 2013 we developed a “Safety Training Center”, in compliance with government regulations, to provide in-house safety training, enhancing safety standards for all employees. Big C consistently implements proactive and effective action plans to decrease the number of workplace accidents. In 2013, the rate of workplace accidents declined by 40%, compared to that of the previous year.

THE ENVIRONEMENT:

“

Examples of three initiatives, all about respect of the world.

”

Continued from 2012 when Big C launched a wide Co2 reduction operation across all stores and the head office. This operation is mainly focus on improving the impact (energy efficiency, waste management and logistic improvement) of our business on the environment. Throughout the year, Big C implemented creative ideas and action plan in order to lower the greenhouse gas emissions impact (from energy consumption), simultaneously, we try to identify and workout new ecological process in order to become cleaner and better for the environment.

1. Energy Efficiency:

To develop and improve a safe and clean business, Big C has put in place during this year many ecological initiatives. These projects have been put into action by the special unit to ensure success of the initiatives and their sustainability by providing training program to employees of stores nationwide. Although the saving was attractive, yet most importantly, we were able to raise employee awareness. The energy awareness was therefore team achievement.

2. Waste and energy management:

As part of becoming more environmental care, Big C initiated new process in order to save product and energy waste. These process as part of many others, For example a software for tracking individual consumption on poster or printing, with colour's restriction access to key function like marketing, paper consumption awareness on stores and canteen, use of consolidated invoice and E-invoicing, all of which could tremendously save paper per year. As part from process green care improvement, the organisation is also putting in place new loss prevention initiatives, order improvement management to avoid over ordering and therefore waste of food. On the side of recycling waste, packaging and food, Big C is at the moment putting together new process to first of all reduce packaging waste for product and secondly to use the opportunity of this waste to recycle and create clean energy to run distribution center.



3. LOGISTIC IMPROVEMENT:

On the side of Logistic, Big C saw opportunity of improvement for Co2 emission reduction in three areas :

- **Transportation:** Team at big C is putting in place innovative initiatives to reduce the waste. This waste reduction program is rethinking and touched upon all process from truck unloading time, space and scheduling management to a centralization delivering store program to avoid and reduce truck in circulation delivery stores and distribution centers.
- **Air con chiller:** An investment program is the air con system of hypermarket stores. On the side of Mini Big C, new temperature control system is implemented. In 2013, Big C achieved a target of 20-25% of electricity reduction. Market stores will on their side benefit on the coming year of new inverter air-con system.
- **Leakage in frozen food department:** Replacement of the sliding glass of frozen shelf to preserve and better the isolation was therefore introduced.

Consumer Responsibility

"The Company recognizes its responsibility to protect consumers especially for the safety of the products sold to our consumers. Our responsibility is not only products, but also the hygiene standards of our manufacturing areas and employees."

Safe Products



We test for the contamination of pesticides and other contaminants in our products more than 200 tests every weeks.

Our policy is to select only safe products, good quality with consistency, weight/volume compliance, and labeling compliance. This policy is including goods that are certified with various national and international standards. In particular, our fresh food distribution centers have provided pesticide checking and food contaminant monitoring such as bleaching agent, formalin, and mould prevention substance on daily basis by our own laboratories that were certified with Department of Medical Science, Ministry of Public Health.

Manufacturing facilities and stores



We regularly check our manufacturing facilities and stores (2 times per store per year).

In addition to GMP (Good Manufacturing Practices) standard that has been certified by Ministry of Public Health at our stores. Our company has embraced the Retail Audit Standard (RAS) from Europe as a guideline to determine hygiene and food safety standards at stores. The audits are conducted by a team with expertise in hygiene and food safety areas at the frequency of 2 times per store per year.

Product Recall

Advanced system to manage product recall.

In case we found that the products sold are not safe or suspect that they are not safe. Our company has advanced systems to manage the situation like this by suspended our sales of particular products online. Therefore, our staffs at all stores cannot sell the suspended products to our customers immediately just after suspended in the system including efficiently collecting unsafe products off the shelves.

Channels for Complaint

Many channels to gather customer complaints.

Our company places great importance on customer complaints. It is our company responsibility to resolve customer complaints and to improve our products and services even better. We have the following channels for customer complaints.

- Customer Service : Tel.1756 from 8.00 - 22.00 hrs.
- Website : <http://www.bigc.co.th/th/contact/>
- Big C branches
- Facebook : BigCBigService

Procuring of Products and services

Innovation that enhance quality and food safety to help our customers and communities live safer.

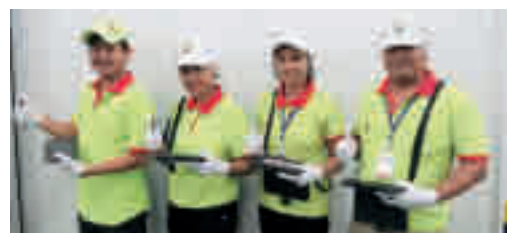


Our company is fully aware that we have a major part in providing products and services that help our customers and communities live safer and also hygienic improving regardless the price.

In the year 2013, our company has invested in developing an innovative program to monitoring quality of fresh produces by examining fresh produces through small portable computers (tablets) via the application named "f-Pads", in which our QCs who conduct quality checks can browse delivered items daily via tablets and the system will automatically match the items delivered with the product information required for quality and safety inspections. After that, QCs will perform sampling and inspection as specified in the program including taking defective pictures and keying in the inspection results. Then, the f-Pads system will calculate the percentage of defective allowance to indicate that the products meet Big C quality standards or not. In addition, the f-Pads system will automatically report the inspection results to stakeholders and the suppliers and kept the history of accepted and rejected lots of each supplier as information for continuous improvements.

As the results from f-Pads implementation, more than 2,000 fresh food specifications are always updated. The products through our fresh food distribution centers are more consistent quality and safe because the inspection process is controlled by the system. This can significantly reduce human errors. The system also allows us to monitor the performance of our QCs and the conditions of products inspected from f-Pads database.

This shows our high commitment to providing better products and services to our customers.





Corporate Social Responsibility Social Development

Over 20 years of standing side by side with Thai community, Corporate Social Responsibility (CSR) is in the DNA of everyone working at Big C. Given its location throughout Thailand and close proximity to the local community, Big C attaches great importance to strengthening the ties between each store and the community, around which the store is located. In doing so, it will allow Big C to understand better the needs of its local customers as well as promoting ties with the employees. Many of the employees are in fact from the local area. Creation of the sense of engagement among the employees as well as between the employees and their local area therefore helps to promote both the sense of community and strong camaraderie.

In 2013, Big C focused the CSR work in 4 different areas:
community development, education, health, and environment.



1. Community Development:

BIG C 20th Anniversary “We are Here for Good”

As part of its 20th anniversary, Big C initiated collaboration with the Department of Provincial Administration under the Ministry of Interior and Thailand’s famous actress and model, “Pancake” (Ms. Khemanit Jamikorn) to launch a new bottom-up CSR campaign entitled “Big C 20th Anniversary: We are here for Good”.

By doing so, Big C focuses our efforts on “Bottom-up CSR” to enhance more involvement between the community and Big C. It means that the local community has been involved in both designing and implementing the CSR project based on the particular need of each community. It is based on the idea that the best CSR projects should be accomplished by the collaboration between Big C and the local community.

To implement such an idea, Big C organized a competition to select 5 projects to be financed by Big C. Each project was initiated by each Big C store in cooperation with the local community. Big C received 132 CSR proposals from communities throughout Thailand. As part of the selection process of the finalists, Big C also engaged its customers by giving them an opportunity to vote for their 5 popular projects on Facebook. The selection also involves a committee comprising representatives of the Ministry of Interior, Big C and Ms. Jamikorn as mentioned earlier. Each of the five selected projects will be funded in the amount of 200,000 baht per project by Big C for its implementation.

The finalists were projects from all over the country.

- 1) **Community Learning Center** in Chumphon Province;
- 2) **Blue Crab Habitat** on Phangan Island in Surat Thani Province;
- 3) **Peacock Sanctuary** in Lamphun Province;
- 4) **Sensory Integration Room** for Persons with Disabilities in Nakhon Sawan Province;
- 5) **Clean Drinking Water** for Kids in Chiang Mai Province; and,
- 6) **Community Kitchen** for Klong Toey Slum Foundation in Bangkok. (Due to the tie score, six projects were selected for implementation.)

Big C also views that the CSR projects should make real impact on the ground in the long run. Part of the consideration for these programs was therefore to support self-sustainability and possibility for future self-funding for these projects.



“Bottom-up CSR” It is based on the idea that the best CSR projects should be accomplished by the collaboration between Big C and the local community

Big C received 132 CSR proposals from communities throughout Thailand. As part of the selection process of the finalists”



Support for Persons with Disabilities

Big C attaches great importance to promoting the rights of persons with disabilities, especially their right to work, in a concrete manner and in accordance with the Universal Declaration of Human Rights.

Big C is the first and only retail chain in Thailand to create more permanent jobs for persons with disabilities than that is required by law, exceeding such a requirement by 35%. The Company has also set a target to hire persons with disabilities twice of the legal requirement – at the ratio of 50:1. The Company will then become the first retail chain to achieve the target.

From our 11 years of experience working with persons with disabilities, we learn that they do not need sympathy, but “a chance” to show their full potential and shine. It is very important that we understand their abilities and needs. We should also find the right jobs for them.

With such principles in mind, Big C currently employs 327 persons with disabilities nationwide, and the hire rate has increased by 10% each year. Its policy has been recognized two years in a row in 2012 and 2013 by the Ministry of Social Development and Human Security with an award as the “Outstanding Organization on the Excellent Support to Persons with Disabilities.”

Our employees with disabilities at Big C are also satisfied with their working conditions and have encouraged other persons with disabilities to apply for jobs at Big C.

Smile District (Amphur-Yim)

In cooperation with Ministry of Interior, Big C set up a one-stop government's service office in 16 Big C stores in order to provide convenient services of government documentation for people in the community.



“Big C is the first retailer in Thailand which achieved over legal requirement for hiring disabilities workers by 35%.”

Big C has been recognized twice in a row in 2012 and 2013 by Ministry of Social Development and Human Security as “Outstanding Organization on the Excellent Support for Person with Disabilities.”



OTOP Promotion Program

To enhance the concept of growing together between local manufacturers and the store. The OTOP program has been one of our main target strategies.

Big C has encouraged stores nationwide to support OTOP products by distribution in our stores.

Disaster Relief

With an intention to be “more than just a retailer”. Big C has been part of the community by standing side by side through all disasters. The support has mostly accomplished by cooperating with both the public and private sectors to provide any necessary relief.



In 2013, more than 2.5 million baht was spent to provide relief for disaster victims nationwide.

Supporting Local Traditions

One of Big C objectives in strengthening the community is to preserve local traditions through our participation in the local events by supporting complementary event space and products.

“In 2013, Big C supports 327 local events nationwide.”

2. Education:

Education is a foundation for a strong society. Promotion of educational opportunities for underprivileged students has been the focus of the Big C Foundation, since its establishment 11 years ago.



With the concept “Big C Foundation working for the dream, the happiness and the smile of Thai society” the Foundation has initiated various educational projects for the Thai society since its establishment in 2002. The Big C Foundation has built 37 school buildings for underfunded schools all over Thailand and has granted over 28,000 continuous scholarships to underprivileged students nationwide.

The foundation also handed over 71 AEC (ASEAN Economics Community) book sets with cases to 71 rural schools nationwide. Moreover, it donated a basketball court at His Majesty the King's 84th Birthday Anniversary Park, Ayuthaya Province and raised funds for Farther's Ray foundation and Thai Rath foundation for supporting education of disabled children and underprivileged students.

So far, a total of 29.78 million baht were donated to promote better education for the Thai community.



“

Big C Foundation works for the dream, the happiness and the smile of the Thai society” The Foundation has initiated various educational projects for the Thai society since its establishment in 2002.

”

“Big C Foundation spent 29.78 million baht in 2013 for many educational-related projects.”

BIG C BIG KINDS are the hope of our community.

Big C came up with in-store activities called “Big C Big Kids” that help create positive attitude among children.

“In 2013, total 5,045 kids joined the program.”

So far, 5,045 kids have joined the program. The program will be further expanded to promote a long-term relationship between the children and our stores.



3. Health Promotion:

A healthy community is a stronger community. Hence, Big C works directly or indirectly to create projects that promote better health among community members.

Primary Health Check up

Big C works with Ministry of Public Health, Provincial Health Office and Bangkok Metropolitan Administration in providing an in-store health inspection unit for customers. The checkups mostly focus on diabetes, dental, core bone mass, and blood pressure.

Big C Mini Marathon for people with low vision for a trophy by HRH Princess Maha Chakri Sirindhorn

Big C in cooperation with Ratchasuda Foundation and Low Vision Association (Thailand) held a Mini Marathon which was aimed to provide a better standard of living and opportunities for persons with disabilities as well as support for their dignity, rights, and well-being.

The event took place at Big C Supercenter Rajdamri, Bangkok. Activities included exercising, walking and running along the designated routes. They were held to raise funds to support projects for people with low visibility and raise awareness on the situation of people with visual impairment.



"The Mini Marathon raised a total of 900,000 baht"



Blood Donation

Big C monthly invites the Thai Red Cross Society to set up blood donation unit at Big C stores nationwide. This allows both employee and customers to participate the donation easily.

Donation to Heart Disease with Big C and Dutchmill DNA Soy Milk

Annually, 7,000 – 8,000 new born children are suffering from a heart disease. 20% of them must receive an operation before 1 month - 1 year old to avoid any deadly complications.

Through the sale of Dutchmill DNA Soy Milk, Big C Supercenter and Dutchmill Group then donated the funds to the Cardiac Children Foundation of Thailand to support its project to provide surgery for children with a heart disease on the occasion of the 60th birthday anniversary of Her Royal Highness Princess Maha Chakri Sirindhorn in 2015. The program raised 400,000 baht to support the cardiac surgery of 20 children nationwide.



"Big C works with various government agencies to regularly provide health-checkups at our stores throughout the country."



4. Environment:

Green Roof Project

To encourage consumers to recycle under the concept called "Easy things you can do to save the earth" Big C introduced a project that has collected over 500 tons of used drink cartons and recycled them into eco-friendly foiled roofs called "Green Roof". The project is in partnership with Tetrapak Thailand Co., Ltd, FiberPattana Co., Ltd, the local recycle companies and the Friends in Need (Pa) Royal Foundation who brought the green roof to build houses for victims of natural disasters nationwide. With stores located throughout the country, Big C took an important role in collecting used drink cartons by providing collecting boxes at every branch of Big C Supercenter.



The success of the project can be identified by the number 52% of used cartons in the 2013 were collected by Big C and they were turned into 10,430 sheets of green roofs for helping victims throughout Thailand.

At the present, more than 2,000 volunteers also support the project in collecting used cartons and send them to many branches of Big C nationwide.



REPORTS FROM THE BOARD AND COMMITTEES

• Statement of Directors' Responsibilities	86
• Management Discussion and Analysis	87
• Risk Factors	94
• Report of the Audit Committee	96
• Report of the Corporate Governance Committee	98
• Report of the Risk Management Committee	100



Statement of Directors' Responsibilities

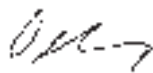


The Board of Directors is responsible for overall financial statements of the company and its subsidiaries and any financial information shown in the Annual Report. The financial statement was prepared in accordance with the accounting standard as generally accepted in Thailand, which comply with major international accounting standards. The company chooses appropriate accounting policy and always acts accordingly together with careful discretion and the best estimation for such arrangements. This includes adequate disclosures of necessary information in remarks and appendix of the financial statements.

The Board of Directors maintains the efficiency of the internal audit control system in order to be reasonably confident that records of any accounting information are accurate, through, complete and enough to maintain the company's assets. It is also aimed at substantially identify and acknowledge weaknesses to prevent malfeasance or inappropriate performances.

In this regard, the Board of Directors of the company has appointed an Audit Committee, comprising the Independent Directors who are not Executives. The Audit Committee shall have the responsibilities relating to the quality of the report on financial statement and internal control system. The opinion of the Audit Committee with regard to these subjects appeared in the report of the Audit Committee as shown in the Annual Report.

The Board of Directors considered that, in general, the internal control system of the company has achieved satisfactory level. It can also reasonably ensure the reliability of the company and its subsidiaries' accounting system as of December 31, 2013.



(Mr. Akani Thapthimthong)
Chairman of the Board



(Mr. Yves Bernard Braibant)
Chief Executive Officer & President



Management's Discussion and Analysis

General

Business environment

Year 2013 was a year of many challenges; the slowing economy, political instability, soft consumer sentiment, increased cost pressures from second round of minimum wage increase and climbing utility expenses. However Big C once again exhibited its resilience in challenging conditions. You can find out more from the discussion and analysis below;

Slowing economy:

Thai export industry was suffering from the Thai Baht appreciation for the first part of the year, and although Baht started its decline against US Dollar after the worries that Federal Reserve Bank would start tapering its quantitative easing program emerged in late May, Thai exports did not reach the expected growth rate prompting GDP growth expectation cuts during the year from various organizations and government authorities. On the private spending side consumer confidence kept declining 9 straight months in 2013 from March until December, hitting its 24 month low of 73.4 points for December 2013. Public spending was also slower than originally anticipated as Governments planned mega infrastructure projects were still at hold at the end of the year. Tourism sector was doing well for most part of the year but started to get affected at the end of the year by continued anti-government protests which raised worries among foreign tourists.

Impact on Big C: Big C was well positioned to weather this slowdown as it is considered the price leader in Thailand. Since the first half of the year our various marketing campaigns successfully targeted customers with main focus on activities and promotions that created value for customers on necessity items. The Carrefour acquisition in 2011 has also increased significantly our exposure to resilient Greater Bangkok spending. Due to these factors Big C was able to achieve flat same-store-sales growth for FY2013.

Cost pressures:

Following the first round of minimum wage increases in April 2012 Thai government raised the minimum wage in rest of the country to 300 Baht starting on January 2013. This increase represented approximately 26% increase to minimum wage nationwide when compared to previous minimum wages. Other main cost increases during the year were increases in electricity prices as government adjusted the fuel adjustment tariff (FT) rate which corresponds to increases in electricity charges.

Impact on Big C: In preparation to minimum wage increase, we have been working on our operational excellence and cost optimizing initiatives since the beginning of 2012. During 2013 we had over 60 initiatives to improve our productivity and optimize our costs. For full year 2013 our selling and administrative expenses were Baht 20,936 million or an increase of Baht 2,359 million or 12.7% over the 2012. When comparing these numbers it should be noted that minimum wage hike was not fully implemented during 2012, while 2013 had the full impact of this increase. Also, as the Company entered into final acceptance regarding 2011 flood insurance it caused a non-recurring one-time insurance receivable write-off of approximately Baht 248 million, which was recorded in selling expenses during Q3 2013. Even with these previously mentioned pressures, Big C is pleased to report that it achieved a stable operating margin from 2012 as the reported operating margin for 2013 was same 8.1% it achieved in 2012, and 8.1% in 2011.



Business of Big C

Big C has been operating under dual retail-property model since the beginning, and we continue building rental areas to most of the hypermarkets and Big C Markets we open.

Retail:

Even that hypermarket format continues to be our main source of retail sales, we operate in multiple store formats including Big C Supercenter and Big C Extra hypermarkets, Big C Market supermarkets, Mini Big C proximity stores, and various specialty store under development such as Pure drugstores. During 2013 our total retail sales were Baht 118,177 million, which represented an increase of Baht 6,041 million, or 5.4% over the same period in 2012, arising from new store openings during the year while the store-for-store sales level was maintained at par from 2012. When compared to 2011 this performance represented an increase of Baht 15,614 million, or 15.2%.

Rental:

Rental areas at our Hypermarkets and Big C Market stores are our main sources of rental income with other formats such as Mini Big C having very limited rental income contribution. During 2013 rental and service Income from our tenants was Baht 8,745 million, an increase of Baht 819 million or 10.3% over the same period in 2012. This is increase is due to added rental space and increased rental rates during the year. When compared to 2011 this performance represented an increase of Baht 1,760 million, or 25.2%.

Business performance:

Despite challenging business conditions during 2013 we are satisfied with our operational and financial performance during 2013. For more information about our financial performance please refer to following financial analysis section.



Expansion:

During 2013 we continued our store expansion in all store formats and opened 6 hypermarket, 12 Big C Market, 153 Mini Big C, and 41 Pure drugstores. This brought our store network to 119 hypermarkets, 30 Big C Market, 278 Mini Big C, and 132 Pure drugstores, or a total of 559 stores.

Big C in 2014:

The challenging economic conditions carried over from last year to the beginning of 2014. While this slowdown may continue for a short-term and affect the Company, the Company feels that it is well placed to weather another year of potentially slow economic growth by continuing on its mission to offer its valued customers with a complete selection of everyday products at low prices, outstanding service, and fun shopping experience. The Company will also continue its serious strive to cost optimization and productivity improvements for the full year of 2014 in order to secure its bottom line. In the light of this situation the Company is going to be carefully selecting its new investment projects during the year based on the market situation. The Company is confirming its projects that are already underway and work on its new Mini Big C, and Fresh Food distribution centers that are scheduled to open during the year.

Auditor's recommendation:

The Company's financial statements have received unqualified opinion which means that in auditor's opinion they present fairly the financial position of the Company.

Accounting policies:

The Company's consolidated financial statements include the financial statements of Big C Supercenter Public Company Limited ("the Company"), and the various subsidiary companies¹. During 2013 the Company did not adopt or change any new accounting standards or policies. For more details about significant accounting policies please refer to note 4 in Notes' to Financial Statements.

¹ For complete list of subsidiaries included in consolidated financial statements please refer to Notes to Financial Statements note 2.2

Financial Analysis

Income Statement

The operating results of the Company and its subsidiaries for the year ended 2013 reflected a net profit of Baht 6,976 million, compared to a net profit of Baht 6,074 million over the same period in 2012, which represents an increase of Baht 902 million, or 14.8%. When compared to same period in 2011, this performance represents an increase of Baht 1,734 million or 33.1%. The operating profit for 2013 amounted to Baht 9,545 million, an increase of Baht 409 million or 4.5% over the same period in 2012. When compared to same period in 2011, this performance represents an increase of Baht 1,259 million or 15.2%. These excellent results reflect the continued good performance of the Company and exhibit its resilience during a year with challenging economic and political conditions, and increasing cost pressures. This year's performance is based on the following items:

1. Net Sales

Net sales in 2013 amounted to Baht 118,177 million for the Company and its subsidiaries, which represented an increase of Baht 6,041 million, or 5.4% over the same period in 2012. When compared to 2011 the increase was Baht 15,614 million or 15.2%. Retail sales growth in 2013 was driven by Company's ability to maintain store-for-store sales at par with high base achieved in 2012, and the continuing opening of new stores (6 hypermarket, 12 Big C Market, 153 Mini Big C, and 41 Pure drugstores) as well as the full year impact of 2012 openings.



2. Rental and Service Income from tenants

	2013	2012	2011	% chang 2013/2012	% chang 2013/2011
Rental and Service Income	8,745	7,926	6,985	10.3%	25.2 %
Other Income	4,049	3,670	4,131	10.3%	-2.0%
Total	12,794	11,596	11,116	10.3%	15.1%

Rental and Service Income from tenants amounted to Baht 8,745 million in 2013 which represented an increase of Baht 819 million or 10.3% over the same period in 2012. When compared to 2011 the increase is Baht 1,760 million or 25.2 %. This increase was mainly the result of successful management of lettable space, additional lettable space from 18 new shopping malls opened during 2013, full impact from 10 new shopping malls opened in 2012, and the maintained high occupancy rate.

3. Other Income

Other Income include such income as compensation income, advertising income from suppliers for the advertisements placed in the Company and its subsidiaries' brochures, cash discounts received from suppliers, after sale service income and interest income. It amounted to Baht 4,049 million in 2013, which represented an increase of Baht 379 million or 10.3% over the same period in 2012 arising largely from the increased brochure advertising income during the year. When compared to 2011 the decrease of Baht 82 million or 2.0% is a result of the compensation income booked in 2011 relating to flooding and 2010 fire incident.



4. Segment performance

Starting from Q1 2013 the Company has been reporting its segment performance. Operating segment information is reported in a manner consistent with our internal reports that are regularly reviewed by our Chief Executive Officer in order to make decisions about the allocation of resources to the segment and assess its performance. For management purposes, the Company and its subsidiaries are organized as business units based on their store formats and have two reportable segments:

1) **Hypermarket segment which include Big C Supercenter,**
Big C Extra and Big C Jumbo stores, and

2) **Small store segment including Big C Market,**
Mini Big C and Pure drugstores.

During 2013 large store segment contributed Baht 116,942 million or 89.3% of total revenues, down from 91.9% in 2012. While small store segments contribution to total revenues grow to 7.1% in 2013 from 4.5% in 2012, being Baht 9,364 million at the end of 2013 or a growth of Baht 3,851 million. The growth in small store segment is due to a rapid expansion particularly in Big C Market and Mini Big C formats with 2013 openings of 12 Big C Market and 153 Mini Big C.

5. Gross Profit

Gross Profit in 2013 stood at Baht 17,687 million an increase of Baht 1,570 million or 9.7% over the same period in 2012. When compared to 2011 the increase is Baht 2,612 million or 17.3%. This reflects the Company's increased sales, successful cost optimization and productivity enhancement initiatives, and continued supplier negotiations.

6. Selling and Administration Expenses

Selling and Administration Expenses amounted to Baht 20,936 million in 2013 which represented an increase of Baht 2,359 million or 12.7% over the same period in 2012. When compared to 2011 the increase was Baht 3,079 million or 17.2%. This increase is due to increases in wages and utilities expenses, and from accelerated expansion in all formats during the year.

Selling expenses for year 2013 also include Baht 248 million of non-recurring insurance receivable write-off as the Company entered the final acceptance with foreign insurance company regarding its insurance claim relating to 2011 flooding.

7. Finance cost

Finance cost for 2013 amounted to Baht 1,053 million which represented a decrease of Baht 242 million or 18.7% over the same period in 2012. When compared to 2011 the decrease was Baht 218 million or 17.2%. This decrease is due to reduced debt level and low interest rate environment the Company enjoyed during 2013.

8. Corporate income tax

The Company's corporate income tax for 2013 amounted to Baht 1,502 million, a decrease of Baht 246 million compared to last year. This is due to the 3% tax cut since the beginning of 2013 to offset the impact of second round of minimum wage increase that took effect at the beginning of January 2013. When compared to 2011 the decrease was Baht 251 million or 14.4%. This is due to a corporate income tax being 10% lower in 2013 than in 2011 due to corporate income tax cuts in 2012 and 2013 (7% and 3% respectively). The Company's slightly lower effective tax rate of 18% in 2013 was due to a one-off effect from the liquidation process of one of the Company's subsidiaries during Q3 2013.



Statement of Financial Position

Total Assets:

As of December 31, 2013, the Company and its subsidiaries had total assets of Baht 97,164 million, an increase of Baht 3,002 million when compared to the year 2012 and an increase of Baht 6,438 million when compared to year 2011.

Total Liabilities:

As of December 31 2013, the Company and its subsidiaries had total liabilities of Baht 60,126 million, a decrease of Baht 2,149 million when compared to the same period in 2012, and a decrease of Baht 7,080 million when compared to 2011. The decrease is mainly due a partial repayment of the long term loan that the Company entered into in 2012 when it refinanced short term loan it took to acquired Carrefour's Thailand operations in 2011. The total trade accounts and other payables increased slightly by Baht 53 million from the same period in 2012 and by Baht 2,018 million from the year 2011. Deferred tax liabilities decreased slightly by Baht 18 million from 2012 and increased by Baht 151 million from 2011. The year-on-year decrease from 2012 to 2013 is due to the further 3% cut to corporate tax rate during the year.

Cash Flow:

The net cash flows from operating activities of the Company and its subsidiaries for year 2013 accounted for Baht 10,072 million or 8.5 percent of sales with an decrease of Baht 1,606 million Baht or 13.8 percent over 2012. When compared to 2011 the increase was Baht 1,627 million or an increase of 19.3%. At the end of 2013, cash and cash equivalents of the Company and its subsidiaries decreased by Baht 1,606 million to Baht 7,175 million at the end of 2013. When compared to 2011 this represents a decrease of Baht 247 million. This decrease is largely due to the Company's rapid store expansion during the year as it used its internally generated cash to fund its expansion. During 2013 the net cash flow used in investment activities reached Baht 7,156 million in 2013, an increase of Baht 1,938 million from 2012 and a decrease of Baht 33,913 million from 2011². The Company also continued partial repayment of its long term debt it took to refinance short-term bridge loan used to acquire Carrefour Thailand operation in 2011

Selected Financial Ratios

Average inventory days and account payable days:

In 2013, the Company and its subsidiaries have maintained the efficiency in working capital management during the year. In 2013 the Company's average account payable days were 98 days and average inventory days were 34 days. These ratios stayed relatively stable from 2012 as the Company's average account payable days (trade payables – unrelated parties) were 99 days and the average inventory days were 34 days.

Current ratio:

The current ratio derived from current assets divided by current liabilities, was 0.6 times as of 31 December 2013. This compares with 0.6 times in 2012 and 0.3 times in 2011. The increasing current ratio is due to the Company refinancing its short term loan, it took to acquire Carrefour Thailand operations, in 2012 to long term loan, and due to continued debt repayment in 2013 and 2012.

Total liabilities to shareholders equity:

At of 31 December 2013, the capital structure of the Company and its subsidiaries was composed of total liabilities in the amount of Baht 60,126 million and total shareholders' equity of Baht 37,038 million. The ratio of total liabilities to shareholders equity was 1.6 times a decrease from 2.0 times in 2012 and 2.9 times in 2011. The decrease is largely due to a decrease in liabilities from the continued repayment of the loan used to acquire Carrefour Thailand operations in 2011.

Profitability ratios:

For the internal benchmarking purposes the Company is particularly concentrated on its operating margin and for past two years it has used operating margin of 8.1% it achieved in 2011 as a benchmark. This has been not an easy comparison as the Company has experienced major cost pressures in 2012 and during 2013 it continued facing cost pressures from minimum wage increase, and utility expense increases. In the light of these pressures, the Company's ability to maintain its profitability ratios at similar level to 2012 and 2011 numbers is due to its successful cost controls and efficiency improvements. Gross profit margin increased to 15.0% for full year 2013 from 14.4% in 2012, and 14.7% in 2011. Operating profit margin remained at 8.1% in 2013 for a third year in a row despite significant cost pressures, and net profit margin increased to 5.9% in 2013, from 5.4% in 2012 and 5.1% in 2011 due to lower finance cost arising from lower debt levels and from corporate tax cut of further 3% in 2013 to 20% on top of 7% cut in 2012 to 23%.



² The decrease in the net cash flow used in investment activities when compared 2013 with 2011 is due to the Company's acquisition of Carrefour Thailand operations in 2011.

Management of Company's assets

Debtor quality:

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 the collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

Inventory management:

Inventories are valued at the lower of cost on an average and net realisable value. Costs of inventories are presented net of cash receipts from suppliers which are related to the purchase of inventories. The determination of allowance for diminution in the value of inventory, requires management to make judgments and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

Investment properties:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any). Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives within 20 - 30 years or lease period. Depreciation of the investment properties is included in determining income. On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised. In determining depreciation of investment property, the management is required to make estimates of the useful lives and residual values of the investment property and to review estimate/useful lives and residual values when there are any changes. In addition, the management is required to review investment property 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 judgment regarding forecast of future revenues and expenses relating to the assets subject to the review. At the end of December 2013 the Company's investment properties were Baht 16,285 million, an increase of Baht 507 million or 3.2% over the same period in 2012. When compared to 2011 the increase was Baht 702 million or 4.5%.

The Company also discloses the fair value of its investment properties in its Notes to Financial Statements. The fair value of the investment properties opened in the previous years have been estimated based on former appraisal made by an independent

valuer and updated with the level of net operating income and update of market conditions given by the appraiser. The fair value of the Investment properties opened during the fiscal year 2013 was estimated by an independent appraiser based on income approach. The fair value of investment properties as at 31 December 2013 was approximately Baht 48,800 million. The main assumptions used in the valuation are yield rate, inflation rate, projected rent increases and vacancy rates, as well as other forecast parameters such as the duration of the leases. The appraisal relies on the theoretical hypothesis where the investment properties will be separated from the retail stores to value them as if they were fully independent.

Property, plant and equipment:

In property, plant and equipment land is stated at cost while building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets. Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over their estimated useful lives³. Depreciation is included in determining income. No depreciation is provided for land and construction in progress and project under development. 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 the profit or loss when the asset is derecognised.

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimated useful lives and residual values when there are any changes. In addition, the management is required to review property, plant and equipment 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 judgment regarding forecast of future revenues and expenses relating to the assets subject to the review. At the end of December 2013 the Company's property, plant and equipment were Baht 26,195 million, an increase of Baht 3,318 million or 14.5% over the same period in 2012. When comparing to 2011 the increase was Baht 4,894 million or 23.0%. These increases are reflecting the Company's continued store expansion over the past two years.

Capital expenditure:

During 2013 the Company's net cash flow used in investing activities was Baht 7,156 million which was financed through the Company's internal cash flow as the Company's net cash flows from operating activities were Baht 10,072 million for the same period. This capital expenditure represents an increase of Baht 1,938 million or 37.1% over the same period in 2012 and a decrease of Baht 33,913 million or 82.6% over 2011. The large decrease when compared to 2011 is due to the Company's acquisition of Carrefour Thailand operations in 2011.

³ Please see note 4.7 from the notes to financial statements for more details about estimated useful lives.

Capital Adequacy

Capital structure:

At the end of 2013 the Company's net debt amounted Baht 19,150 million which represents a decrease of Baht 1,069 million or 5.3% from 2012, and Baht 9,928 million or 34.1% from 2011. This is due to a continued debt repayments during the year. The gearing ratio the Company is following internally is net debt to recurring EBITDA. At the end of December 2013 this ratio was 1.4 times down from 1.6 times at the end of 2012 and 2.5 times at the end of 2011.

Loan

Short-term loans from financial institutions:

As at 31 December 2013, the short-term promissory notes issued with three local financial institutions amounted to Baht 6,000 million (2012: Baht 6,000 million) carries interest at 2.65 - 2.80 percent per annum with a maturity on 3 January 2014. (Subsequently at the maturity date, the Company issued the short-term promissory notes with four local financial institutions amounted to Baht 6,000 million with a maturity on 3 July 2014.)

Long-term loans from financial institutions:

On 28 June 2012, the Company had entered into two long-term loan agreements for the purpose of refinancing the short-term loan for funding the business acquisition in 2011. The detail of the loan agreements are as follows:

- a) A loan agreement with three local financial institutions for total credit facilities of Baht 27,000 million for the period of 2-7 years. The loan carries interest at THBFIX 3 months or 6 months or BIBOR 3 months plus margin per annum. Repayment is to be made by a mixture of amortization of annual installment, revolving promissory notes and full repayment at maturity. In 2012, the Company drew down Baht 19,000 million and repaid Baht 1,000 million. In 2013, the Company repaid another Baht 1,000 million. Subsequently, on 27 December 2013, the Company refinanced a partial facility and extended maturity date by entering into a supplement and amendment of existing long-term loan agreement with the two local financial institutions. Under this agreement, there was a repayment of Baht 4,000 million by drawing down the full amount of the Baht 3,000 million new loans (as detailed in point C below) and using the Company's own funds of Baht 1,000 million. As at 31 December 2013 the credit facilities of the Company which have not yet been drawn down amounted to Baht 8,000 million (2012: Baht 8,000 million) and the long-term loan amounted to Baht 13,000 million (2012: Baht 18,000 million).
- b) A loan agreement with a local financial institution for credit facility of Baht 5,000 million for the period of 5 years. The loan carries interest at THBFIX 6 months plus margin per annum. Repayment is to be made in annual installments commencing from January 2013 to July 2017. During 2012, the Company had drawn down the full amount and during 2013 the Company had repaid Baht 675 million. As at 31 December 2013, the long-term loan amounted to Baht 4,325 million (2012: Baht 5,000 million).

- c) On 27 December 2013, the Company entered into a long-term loan agreement with a local financial institution for total credit facilities of Baht 3,000 million with a maturity of two years. The loan carries interest at THBFIX 6 months plus margin per annum. Repayment is to be made by full repayment at maturity. This facility is fully drawn as of 31 December 2013. As at 31 December 2013, the long-term loan amounted to Baht 3,000 million (2012 : nil).

The above long-term loan agreements are unsecured. Under the terms of the agreements, the Company must comply with certain conditions and restrictions stipulated in the agreements i.e. to maintain net debt to EBITDA ratio and to maintain net debt to equity ratio.

Financial risk

According to the Accounting Standards of Thailand No. 107 regarding Financial Instruments, the Company and its subsidiaries' financial instruments include cash and cash equivalents, trade account receivables, rental and other income, loans given to subsidiaries/loans from subsidiaries, short-term loans and trade accounts payable. The financial risks related to these financial instruments and risk management policies are as follows:

1. Credit risk

Credit risk includes trade accounts receivable, loans given to subsidiaries, and rental and other income receivable. The Company has a strict administration policy and credit controls of an appropriate level with close monitoring of debt collection; thus, the Company's credit risk was low.

2. Interest rate risk

Interest rate risk includes primarily risks related to the Company's cash and cash equivalents, trade accounts receivable, rental and other services receivable, loans to subsidiaries, accounts payable and loans from financial institutions. As the Company has not hedged any of these abovementioned assets or liabilities the Company was exposed to an interest rate risk during the year because of the fluctuating interest rate. However the Company is closely monitoring interest rate trends in the market and in the case the market conditions justify it, it may hedge them in the future.

3. Exchange rate risk

Exchange rate risk arises from the exchange rate movements' impact to the Company's revenues, expenses, and costs, denominated in foreign currencies. Due to the Company's foreign currency revenues and expenses, and its import activities the Company experienced a risk from the exchange rate movements during the year. However as foreign currency denominated revenues and expenses are low, and the total amount of its imports is relatively small when compared to its total sales, the Company's exchange rate risk was not material. Company doesn't have loans denominated in foreign currencies.

In 2013, the Company has improved the risk management process and line of reporting structure to be more efficient including take more focus on corporate risks than detail process risks.

From the result of key risk indicator monitoring, the Company has no significant risks which will impact Company's operation or investor's investment. Below are the examples of focused risks which were regularly monitored by Risk Management Committee.

The Company believed that the existing risk management policy and process together with the follow up and checking on risk treatment plans by Risk Manager then report to the executives by level as usual can control and reduce the risk with minimum effect to the Company to reach the goal "create value to shareholder, customer and employee" which are the core components of the Company.

1. Strategic Risk:

Risk on Market and Competition

Now a day, people have change their shopping behaviors as a result of changing life style, to adapt with the new technology and trend combined with high competition in the retail market, if the Company are unable to offer the goods and services that satisfied with the customer needs, the Company may loss the revenues and market shares to our competitor.

In this respect, the Company is ready to handle the situation with using market research analysis to develop marketing strategy, offer variety products and services that in trend with changing life style and circumstances as always and also keep eyes on market situation in order to response correctively with the right strategy promptly.



2. Laws and Regulation Risk:

Risk from Products is incompliance with related laws and regulations

As the customer is important person for the business, the Company tries to select the quality and variety products to serve customer's need. In addition, the Company has process to inspect the products details and specification as required by related laws and regulations in order to make customers confident and also prevent Company's loss.

3. Financial Risk:

Interest rate risk

The Company has long term loans agreement with floating interest rate from the business acquisition, Carrefour (Thailand), which the Company may have risk from the fluctuation of the interest rate. In year 2013, the Company gets positive impact from the interest rate situation and the said term loan agreements were unsecured. However the Company regularly monitors interest loan rate and related market factors. If there is any significant change in interest loan rate, the Company prompt response to the situation.

4. Operational Risk:

4.1 Business Interruption Risk

As the Company has branches throughout the country and has past experience from fire and flood, the Company recognizes the importance of continuing the business during the crisis situation so the Company hired a specialist who has expertise in this area to develop a proper plan for Business Continuity and Crisis Management. The plans cover the activity in head office, branches and distribution centers, and were already implemented and tested (table-top test) in the first quarter of 2013. The table-top test will be done once a year.

During the situation of political unrest at end of year 2013, the Company has actively executed the plans accordingly to the crisis situations with a proper formalized and active process, in order to ensure smooth continuity of the business and the safety of staff which are the important concerned points of the Company.



4.2 Safety Risk

Customer safety is something that the Company paid attention to and deeply concern, even the minor hurt or death, including employee safety. Any accident happened intentionally or unintentionally, the Company taking action in many ways to make sure that our customer and employee are safely, such as

Equipments: improve and maintenance equipment to be in good condition and ready for use, safety seminar for employee and also adding more security equipment like CCTV.

Employee: organize training course and build employee awareness related to health and safety

Organize Safety, Health and Environment Committee in all stores

4.3 Fraud Risk

Due to the Company has branches throughout the country and need employee's honesty to protect Company's assets, even there is no sign which will lead to significant fraud case, the Company still pay attention to risk from employee fraud. Employee fraud risk is an important issue that needed to build fraud awareness throughout the Company. The fraud protection procedure, such as

Build employee fraud awareness: by using written Code of ethics, business Conduct and communicate to all employee

Protection equipment and security procedure: implemented CCTV system and put security guard at employee entrance door

Hotline: channel to receive case which lead to fraud, the received information will keep confidential

In addition, the Company's effective internal control system e.g. segregation of duty, line of approval authority, etc. will help to protect fraud efficiently including detect abnormal event which lead to fraud.

Dear Big C Supercenter Public Company Limited's Shareholders,

The Audit Committee of Big C Supercenter Public Company Limited consists of three independent directors with combined experience in accounting, finance, and business administration: Dr. Uttama Savanayana, as Chairman, Mr. Akani Thapthimthong and Vachara Tuntariyanond as Committee members. All members possess adequate qualifications for their posts as specified by the Audit Committee Charter and in accordance with the Securities and Exchange Commission, Thailand, and the Stock Exchange of Thailand regulations and best practice guidelines. Further details of the Audit Committee Charter are available at www.bigc.co.th

In 2013, the Audit Committee convened a total of 6 meetings, during all which all of Audit Committee members were present together with the external auditors, the internal auditors, and when relevant with other members of executives such as Accounting and Finance Department, Management Information System Department, Legal Service Department, and Governance, Risk Management and Compliance Department. The meetings were convened pursuant to the relevant agenda in order to allow for deliberation and exchanges of opinions. In addition, the Audit Committee also held a meeting with the external auditors without any member of management present so as to independently discuss significant issues with regard to the preparation of the Company's financial statements, acknowledgement of auditor's performance, and deliberate upon observations raised, as well as any difficulty during the course of audit. In this regard, the Audit Committee has regularly reported the results of the meeting and the performance to the Board of Directors on a quarterly basis. Essentials of the Audit Committee's performance can be summarized as follows;

Review of the Company's Financial Statements

The Audit Committee reviewed the Company's quarterly and annual financial statements as well as the disclosures in the notes to the Company's financial statements, which had been reviewed and audited by the external auditor. In addition, the Audit Committee deliberated on significant accounting policies, estimate, and discretions relating to the preparation of the Company's financial statements in conjunction with the relevant executives and the external auditors.

The Audit Committee is of the opinion that the Company's financial report is prepared in accordance with the generally accepted accounting principles (GAAP) with a high degree of accuracy, completeness, and reliability. The accounting policy chosen is based on the principle of rationality, while relevant data and information are revealed adequately in a timely manner, and in the most beneficial way to the shareholders, investors and users of the financial statements.

Review of Connected Transactions or Transactions with Potential Conflict of Interest

The Audit Committee puts an emphasis on the consideration of connected transactions or transactions that may lead to conflicts of interest in order to comply with the requirements of the Stock Exchange of Thailand. The external auditor was required to report such transactions on a quarterly basis.

The Audit Committee concluded that the aforementioned transactions were carried out under a normal course of business and were subject to reasonable pricing as should have been the case suited to any dealings with outside third parties (on an arms' length basis) in the best interests to the Company and shareholders. In addition, all relevant data and

information were adequately disclosed as required by the laws and requirements of the Securities and Exchange Commission and other relevant supervising agencies.

Review of the Internal Control System and Internal Audit System

Based on the review of the Company's internal control system according to the reports prepared by internal auditor and the external auditor, covering the Company's accounting and finance, safeguarding of assets, operations as well as legal and regulatory compliance monitoring, it has been found that the Company's internal control practices involving the major operational processes and work systems are suited to the business operation environment. No material deficiencies have been found. The recommendations for improvement have, in the main, been implemented as scheduled or have shown satisfactory progress. The Audit Committee concluded that the Company has put an emphasis on its internal control. Therefore it may be justifiably inferred that the Company's internal control system is adequate and effective.

With regard to the Company's internal auditing, the Audit Committee reviewed and approved the Internal Audit Charter in order to consider the appropriateness of duties and responsibilities, the scope of work, authority, and independence in the performance of duties, as well as approved the annual audit plan. The Audit Committee also monitored the results of internal audit and the progress of the audit plan on a quarterly basis. In addition, the Audit Committee reviewed the adequacy of all the resources required for the internal audit function, continuously promoted the internal auditors' capability building and encouraged them to participate in professional certificate examinations as well as evaluated the performance of the Director of Internal Audit.

Accordingly, the Audit Committee is of the opinion that the Company's internal auditing has been implemented independently, adequately and appropriately. The performance of the internal audit function has achieved the determined goals. Also, the quality of internal auditing with regards to the personnel in charge and audit practices has been continuously improved in order to conform to the International Standards for the Professional Practice of Internal Auditing.

Review of the Company's Risk Management

The Company's Board of Directors and management take as a priority the Company's risk management as is evident in the establishment of a Risk Management Committee. This Committee is in charge of developing a risk management policy framework as well as the oversight of the enterprise-wide risk management implementation. The risk assessment is conducted by taking into consideration both internal and external risk factors, and the risk mitigation plan has been developed to minimize potential negative impacts to an acceptable level. The Audit Committee reviewed the Company's risk management system based on the information acquired during a meeting from Vice President, Accounting and Finance, who represented the Risk Management Committee. The Company's key risk factors are included in this annual report.

The Audit Committee is of the opinion that the Company has a set of procedures to systematically prevent potential risks, and also has an algorithm to response to changes and events that might present risks in connection to its business.

Review of the Company's Corporate Governance

The Company upholds the importance of continued good corporate governance. In this connection, the Company's Corporate Governance Committee plays a supportive role and provides creative advice to the management in terms of good corporate governance policy framework to ensure that the Company's operations are implemented based on the principles of transparency and equity, whereby the stakeholders' confidence and trust are enhanced and cherished. Additionally, the Company has established a 'whistleblower' system that functions as a channel through which the Company's staff members, customers, and stakeholders may inform the management of details of or leads pertaining to fraud, malfeasance cases or business misconducts, and services. In this process, particular individuals have been designated and entrusted with this governance mandate in a transparent manner as appropriate.

The Audit Committee is of the opinion that the Company's corporate governance process is to enhance the stakeholders' confidence and the Company's operational efficiency.

Review of the Company's Compliance with Securities and Exchange Commission (SEC) Laws, The Stock Exchange of Thailand's (SET's) Requirements, and Applicable Laws

The Audit Committee reviewed the Company's practices with the Securities and Exchange Commission Laws, The Stock Exchange of Thailand's Requirements, and applicable laws, as well as the requirements, encumbrances which might have ensued as a result of contracts enter with third parties, and other claims. In this regards, the Audit Committee deliberated on any such matters in conjunction with the

Director of Legal Service and Director of Governance, Risk Management and Compliance, who reported, as well as provided explanations and answers pertaining to the afore-mentioned relevant legal issues.

The Audit Committee is of the opinion that the management has adopted a clear policy in compliance with Securities and Exchange Commission Laws, The Stock Exchange of Thailand's Requirements, and applicable laws, as well as commitments vis-à-vis parties outside the Company, whereby particular individuals are designated therewith. In this regard, no actions in violation of the laws and regulations have been found nor established.

Selection and Appointment of the External Auditor

The Audit Committee selected the external auditor pursuant to the Company's criteria, taking into consideration its independence, skills, competencies, knowledge, expertise, and experience as well as the competitiveness of the audit fee in order to ensure that the external auditor's performance would be satisfactory and would be such that the auditor's opinion would prove the beneficial to all stakeholders. The Audit Committee proposed EY Office Limited to the Board of Directors to seek approval at the General Shareholders' Meeting for the appointment of Ms. Kamontip Lertwitworatop, CPA (Thailand)- Licence no. 4377, Mr. Wichart Lokatekrawee, CPA (Thailand)- Licence no. 4451, and Ms. Siriwan Suratepin, CPA (Thailand)- Licence no. 4604; all of EY Office Limited, as the Company's auditors for the year 2014 with a total audit fee of Baht 7,493,000.

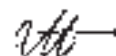
Overall View and Remarks as a result of Performance under the Charter

The Audit Committee reviewed the Audit Committee Charter and proposed amendments to the Board of Directors for approval in order to be in line with the Notification of The Stock Exchange of Thailand and the Securities Exchange Commission. Additionally, the Committee conducted annual performance self-assessment for the year 2013, using the Audit Committee's self-assessment form pursuant to a set of best practices as prescribed by the Securities and Exchange Commission so as to ensure that the Committee's duties are efficiently implemented and that the objectives set forth in the Audit Committee Charter are achieved as appropriate.

The Audit Committee is of the opinion that, in aggregate, it performed its duties cautiously and independently as assigned by the Board of Directors. Additionally, it has provided professional opinions and suggestions in a creative manner so as to equally benefit all the stakeholders.

February 6, 2014

On behalf of the Audit Committee



Dr. Uttama Savanayana

Chairman of the Audit Committee

Report of the Corporate Governance Committee

During 2013, the Corporate Governance (CG) Committee held 6 meetings, with 100% attendance from its members at each meeting. Among these meetings, an induction meeting for the new CG Committee members was conducted. The induction was for reviewing roles and responsibilities and relevant information provided to the CG Committee in the past, as to a transition from the new CG members. This is because the CG Committee's responsibilities include making recommendations to the Board and the Company over various elements, such as, good governance, risk management, corporate social responsibilities, and director nomination and director remuneration for consideration of the Shareholders Meeting.

Composition of the CG Committee

- In January 2013**, the CG Committee comprised of 4 members;
2 independent directors, 1 executive director and 1 employee (GRC Director).
 Chairman of the CG Committee is an independent director
- In February 2013**, the CG Committee comprised of 5 members;
3 independent directors, 1 executive director and 1 employee (GRC Director).
 Chairman of the CG Committee is an independent director
- After AGM 2013**, the Board of Directors appointed 2 independent directors to replace 2 independent directors retiring the office by rotation.
 The meeting with new members started from CG Committee Meeting No. 3/2013 onwards.

Performance according to CG Charter

Objective in the Charter	Number of meetings that CG Committee discussed on this topic / numbers of total meetings
To recommend guidelines and policies concerning corporate governance to the Company's Board of Directors in accordance with generally accepted principles of good corporate governance, including transparency, accountability and verifiability.	6/6
To review the good corporate governance policies of the Company at least once a year and make recommendations to the Board as deemed appropriate.	3/6
To make recommendations on remuneration of the Board and subcommittees to the Board of Directors.	2/6
To make recommendations on the criteria and qualifications for membership of the Board and screen the qualifications for candidates for election to the Board.	2/6
To make suggestion and support for improving the efficiency in risk management of the Company	2/6
Remark: CG Charter was changed in the 4 th quarter, in order to have the Risk Management Committee report directly to the Board of Director	

Summary of Opinions and Recommendations from the CG Committee in 2013

1. Proposing a composition of CG Committee in line with good corporate governance principles

Having independent directors as a majority of the CG Committee has ensured good balance between the view and priority over good governance activities also supported good cooperation between the Board and Management of the Company.

2. Reviewing compliance of agenda for an annual shareholders meeting

The CG Committee is aware of the importance of the rights of minority shareholders and equitable treatment of stakeholder, which include the right to vote at a shareholders' meeting as to a basic right of shareholders.

3. Recommending criteria and qualifications for candidates that the Board shall propose to the AGM for election

The CG committee made recommendations to the Board on the criteria and qualifications for membership of the Board and screened qualifications of candidates for the Board.

4. Recommending on the importance of reviewing corporate risk directly to the Board of Directors

The CG Committee recommended having the Risk Management Committee report directly to the Board, without having to report via the CG Committee. This is to strengthen the importance of risk management at the board level and to provide a better opportunity for the Board to enquire on any important risk issues.

In addition, the CG Committee made recommendations to the Risk Management team on coverage of risk areas that should be added to risk assessment process, activity to reduce risk occurrence and activity to mitigate risk after impact occurs (if any).

5. Reviewing CG Charter

The CG Committee reviewed its charter and proposed to the Board for approval in October 2013. The proposed changes

focus on strengthening the overseeing areas of the CG Committee under good practice. For instance, the Company did not establish specific subcommittee to consider director nomination and remuneration. Nonetheless, the Board has assigned the CG Committee to extend its responsibilities into such area for over the long period. Therefore, it is deemed more transparent to the Company's stakeholders to prescribe such assignment into the CG Charter.

6. Additional good governance activities

In particular, the CG Committee recommended that the Company should have a documentation clearly specifies roles and responsibilities between the Board, subcommittee, and executive committee. This activity is under preparation and expected to be completed soon.

7. Recommending on board assessment form and its feedback

The CG Committee recommended a review of board assessment form and discussion of assessment results from the Board and subcommittees on a regular basis, in order to strengthen efficiency of the Board and subcommittees. This activity is also expected to be completed soon.

In 2013, result of good corporate governance rating conducted by Thai Institution of Directors Association (IOD) showed that corporate governance of the Company is in the range of "Very Good". The CG Committee believes that governance at Big C Supercenter will help the Company to achieve its business goal in a sustainability way.



Mr. Rapee Sucharitkul

Chairman of the Corporate Governance Committee

Report of the Risk Management Committee

Risk Management Committee consists of 6 executive members from various departments that relate to the Company's key risks. During the year the Risk Management Committee performed its duties under the Charter of the Risk Management Committee. The work of the Risk Management Committee was enabled by the continued efficient enterprise risk management system, and supported by the cooperation from all levels of the Company.

In 2013, the Risk Management Committee held four meetings. When deemed necessary, the Company executives were also asked to attend. The Committee's significant undertakings in 2013 are detailed below:

1. Change the Risk Management Committee Reporting Structure

The Company changed the Risk Management Committee reporting structure from reporting to Good Corporate Governance Committee and then to Board of Directors, to reporting directly to Board of Directors.

2. Revise Risk Management Policy and risk Management Committee (RMC)

The Company's Risk Management Policy and RMC Charter have been revised to align with the change of Risk Management Committee Reporting structure.

3. Perform Risk Assessment and Risk Prevention / Treatment

The Company has defined risk profiles by evaluating all risks in areas of Operation Risk, Financial Risk, Strategic Risk, Compliance Risk and Fraud Risk with the criteria of magnitude and likelihood that may impact to the achievement of business performance goal's and effectiveness of internal control system. The results of evaluation will be prioritized base on residual risk level. The Risk Manager shall facilitate the risk owners for preparation of Risk Treatment Plan and ensure that risks and internal control have been managed appropriately and adequately.

4. Monitor the progress of Risk Treatment Plans

Risk Manager followed up the progress of Risk Treatment Plans from related parties in quarterly basis in order to make sure that the Risk Treatment Plans was continuously implemented.

5. Business Continuity Management

The Company recognizes the importance of continuing the business during the crisis situation so the Company hired a specialist who has expertise in this area to develop a proper plan for Business Continuity and Crisis Management. The plans cover the activity in head office, branches and distribution centers, and were already implemented in the first quarter of 2013. During the situation of political unrest at end of year 2013, the Company has actively executed the plans accordingly to the crisis situations with a proper formalized and active process, in order to ensure smooth continuity of the business and the safety of staff.

In accordance with the aforementioned, the Company believes that risk management procedures have been implemented and can be carefully followed up. Thus, this will further help the Company to accomplish its set objectives in accordance with the set business plan, and furthermore, this can create value added for the Company. The shareholders and stakeholders of the Company will be informed of these initiatives as well.



(Mr. Yves Bernard Braibant)

Chairman of the Risk Management Committee





FINANCIAL DATA

• Report of Independent Auditor	104
• Summary of Financial Data Analysis	105
• Statement of financial position	107
• Income statement	110
• Statement of comprehensive income	111
• Statement of changes in shareholders' equity	112
• Cash flows statement	114
• Notes to consolidated financial statements	117





Report of Independent Auditor

To the Shareholders of Big C Supercenter Public Company Limited

I have audited the accompanying consolidated financial statements of Big C Supercenter Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2013, and the related consolidated statements of income, 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 Big C Supercenter 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 Big C Supercenter Public Company Limited and its subsidiaries and of Big C Supercenter Public Company Limited as at 31 December 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Wichart Lokatekrawee

Certified Public Accountant (Thailand) No. 4451

Ernst & Young Office Limited

Bangkok: 11 February 2014

Summary of Financial Data Analysis

Statements of Financial Position

(Unit: Million Baht)

	2013	%	2012	%	2011	%
Assets						
Cash and cash equivalents	7,175	7	8,780	9	7,421	8
Inventories	9,535	10	9,196	10	8,941	10
Other current assets	5,072	5	4,435	5	4,539	5
Total current assets	21,782	22	22,411	24	20,901	23
Property, plant and equipment	26,194	27	22,877	24	21,300	23
Goodwill	26,722	28	26,722	28	26,722	29
Other non-current assets	22,466	23	22,153	24	21,803	24
Total assets	97,164	100	94,163	100	90,726	100
Liabilities and shareholders' equity						
Short-term loans	6,000	6	6,000	6	36,500	40
Trade and other payables	26,998	28	26,944	29	24,980	27
Other current liabilities	4,158	4	4,036	4	2,462	3
Total current liabilities	37,156	38	36,980	39	63,942	70
Other non-current liabilities	22,970	24	25,295	27	3,264	4
Total liabilities	60,126	62	62,276	66	67,206	74
Shareholders' equity	37,038	38	31,887	34	23,520	26
Total liabilities and shareholders' equity	97,164	100	94,163	100	90,726	100

Consolidated Income Statements

(Unit: Million Baht)

	2013	%	2012	%	2011	%
Sales	118,177	100	112,136	100	102,563	100
Cost of sales and service	100,490	85	96,019	86	87,489	85
Gross profit	17,687	15	16,117	14	15,074	15
Rental, service and other income	12,794	11	11,596	10	11,117	11
Total income	30,481	26	27,713	25	26,191	26
Selling, services and administrative expenses	20,936	18	18,577	17	17,905	17
Profit before finance cost and income tax expenses	9,545	8	9,136	8	8,287	8
Finance cost	1,053	1	1,295	1	1,271	1
Profit before income tax expenses	8,492	7	7,841	7	7,016	7
Income tax expenses	1,502	1	1,749	2	1,754	2
Profit of the year	6,989	6	6,092	5	5,262	5
Profit attributable to non-controlling interests of the subsidiaries	14	0	-19	0	-19	0
Profit attributable to equity holders of the Company	6,976	6	6,073	5	5,243	5

Summary of Financial Data Analysis

Statements of Cash Flows

(Unit: Million Baht)

	2013	2012	2011
Cash flows from operating activities			
Profit before tax	8,492	7,841	7,015
Adjustments to reconcile profit before tax to net cash provided by operating activities	2,320	1,302	2,184
Operating liability increase	-740	2,535	-753
Net cash flows from operating activities	10,072	11,678	8,446
Net cash flows used in investing activities	-7,156	-5,219	-41,069
Cash flows from financing activities			
Loans	-2,682	-3,513	36,500
Dividend paid	-1,821	-1,571	-1,571
Dividend paid to non-controlling interest of the subsidiaries	-18	-17	-16
Net cash flows from (used in) financing activities	-4,521	-5,101	34,913
Net increase (decrease) in cash and cash equivalents	-1,606	1,358	2,290
Cash and cash equivalents at the beginning of year	8,780	7,422	5,132
Cash and cash equivalents at the end of year	7,175	8,780	7,422

	2013	2012	2011	2010	2009	2008
				(Adjusted) ¹		
Average inventory days	34.0	34.0	29.0	33.0	31.0	30.0
Average account payable days	98.0	99.0	86.0	90.0	73.0	71.0
Current ratio	0.6	0.6	0.3	0.7	0.6	0.4
Gross profit margin	15.0	14.4	14.7	13.3	6.3	7.5
Net profit margin	5.9	5.4	5.1	4.1	4.2	4.3
Return on equity	20.2	21.9	24.0	14.4	15.8	17.3
Return on assets	7.3	6.6	8.0	7.4	7.8	7.9
Debt to equity ratio	0.7	0.9	1.6	-	-	0.2
Earning per share	8.5	7.4	6.5	3.5	3.6	3.6
Net book value per share	44.9	38.7	29.3	25.1	23.6	21.7

¹ The Company and its subsidiaries adopted the revised and new accounting standards and the changes in accounting policies



Big C Supercenter Public Company Limited and its subsidiaries

Statement of financial position

Assets As at 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Current assets					
Cash and cash equivalents	6	7,174,631,817	8,780,405,551	7,050,037,270	8,615,024,740
Trade and other receivables	7	322,850,822	314,894,779	875,371,828	1,103,572,966
Rental and other service receivable	8	3,258,110,181	1,677,599,632	3,224,354,588	1,645,307,703
Inventories	9	9,535,318,775	9,195,808,305	9,377,920,089	8,890,432,724
Other current assets	10	1,490,955,906	2,442,124,066	1,392,208,963	2,031,392,297
Total current assets		21,781,867,501	22,410,832,333	21,919,892,738	22,285,730,430
Non-current assets					
Loans to subsidiary companies	11	-	-	4,148,043,939	4,631,979,007
Investments in subsidiaries	12	-	-	36,731,810,960	36,615,618,137
Investment properties	13	16,284,647,682	15,777,653,954	9,413,994,034	8,503,696,270
Property, plant and equipment	14	26,194,652,355	22,876,691,505	19,075,498,313	15,607,168,276
Goodwill	12.2	26,722,032,240	26,722,032,240	-	-
Leasehold rights	15	5,058,135,186	5,150,538,690	3,455,224,382	3,420,135,600
Other intangible assets	16	110,156,274	95,939,139	109,970,817	95,633,992
Deferred tax assets	29.3	607,492,661	648,993,169	462,200,542	472,897,708
Other non-current assets	17	405,408,385	480,120,101	374,924,449	411,672,294
Total non-current assets		75,382,524,783	71,751,968,798	73,771,667,436	69,758,801,284
Total assets		97,164,392,284	94,162,801,131	95,691,560,174	92,044,531,714

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

Big C Supercenter Public Company Limited and its subsidiaries

Statement of financial position (Continued)

Liabilities and shareholders' equity As at 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Current liabilities					
Short-term loans from financial institutions	18	6,000,000,000	6,000,000,000	6,000,000,000	6,000,000,000
Trade and other payables	19	26,997,613,415	26,944,261,120	27,741,881,439	27,507,714,497
Current portion of unearned leasehold rights		37,164,848	19,331,973	34,209,676	16,876,800
Current portion of long-term loans from financial institutions	20	1,675,000,000	1,675,000,000	1,675,000,000	1,675,000,000
Loans from subsidiary companies	11	-	-	2,119,123,144	1,797,419,079
Income tax payable		286,621,658	379,115,824	248,664,051	308,385,062
Short-term provisions		78,561,576	131,592,396	43,104,473	81,914,529
Other current liabilities	21	2,080,768,666	1,831,034,165	1,825,929,384	1,581,064,765
Total current liabilities		<u>37,155,730,163</u>	<u>36,980,335,478</u>	<u>39,687,912,167</u>	<u>38,968,374,732</u>
Non-current liabilities					
Unearned leasehold rights - net of current portion		186,122,225	175,115,209	172,817,609	160,241,622
Long-term loans from financial institutions - net of current portion	20	18,650,000,000	21,325,000,000	18,650,000,000	21,325,000,000
Liabilities under a finance lease agreement - net of current portion	22	247,890,815	255,325,758	247,890,815	255,325,758
Provision for long-term employee benefits	23	387,504,236	335,575,430	377,230,158	326,736,762
Deferred tax liabilities	29.3	1,458,241,149	1,476,224,630	427,899,173	427,871,727
Other non-current liabilities	24	2,040,699,492	1,727,978,021	1,854,590,697	1,492,239,264
Total non-current liabilities		<u>22,970,457,917</u>	<u>25,295,219,048</u>	<u>21,730,428,452</u>	<u>23,987,415,133</u>
Total liabilities		<u>60,126,188,080</u>	<u>62,275,554,526</u>	<u>61,418,340,619</u>	<u>62,955,789,865</u>

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

Big C Supercenter Public Company Limited and its subsidiaries

Statement of financial position (Continued)

Liabilities and shareholders' equity As at 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Shareholders' equity					
Share capital	25				
Registered					
825,000,000 ordinary shares of Baht 10 each		8,250,000,000	8,250,000,000	8,250,000,000	8,250,000,000
Issued and fully paid up					
825,000,000 ordinary shares of Baht 10 each		8,250,000,000	8,250,000,000	8,250,000,000	8,250,000,000
Share premium		5,955,654,575	5,955,654,575	5,955,654,575	5,955,654,575
Retained earnings					
Appropriated - statutory reserve	26	901,959,479	901,959,479	825,000,000	825,000,000
Unappropriated		21,977,170,517	16,821,600,484	19,242,564,980	14,058,087,274
		22,879,129,996	17,723,559,963	20,067,564,980	14,883,087,274
Other components of shareholders' equity		(65,753,698)	(65,753,698)	-	-
Equity attributable to owners of the Company		37,019,030,873	31,863,460,840	34,273,219,555	29,088,741,849
Non-controlling interests of the subsidiaries		19,173,331	23,785,765	-	-
Total shareholders' equity		37,038,204,204	31,887,246,605	34,273,219,555	29,088,741,849
Total liabilities and shareholders' equity		97,164,392,284	94,162,801,131	95,691,560,174	92,044,531,714

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

Directors



Big C Supercenter Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Revenues					
Sales		118,176,964,849	112,136,114,369	117,025,648,109	105,790,456,832
Rental and service income		8,744,775,416	7,926,276,510	8,438,699,713	6,745,976,387
Dividend income	12.3	-	-	1,949,076,100	1,952,012,798
Other income	27	4,048,948,232	3,670,137,075	4,271,455,095	4,269,809,191
Total revenues		<u>130,970,688,497</u>	<u>123,732,527,954</u>	<u>131,684,879,017</u>	<u>118,758,255,208</u>
Expenses	28				
Cost of sales and service		100,490,043,053	96,019,494,869	99,972,649,505	92,539,412,712
Selling and services expenses		18,584,817,304	16,477,262,202	18,951,101,602	15,326,460,445
Administrative expenses		2,350,988,844	2,099,603,400	3,386,620,117	2,184,816,877
Total expenses		<u>121,425,849,201</u>	<u>114,596,360,471</u>	<u>122,310,371,224</u>	<u>110,050,690,034</u>
Profit before finance cost and income tax expenses		9,544,839,296	9,136,167,483	9,374,507,793	8,707,565,174
Finance cost		(1,053,129,723)	(1,294,877,798)	(1,117,484,764)	(1,416,621,839)
Profit before income tax expenses		8,491,709,573	7,841,289,685	8,257,023,029	7,290,943,335
Income tax expenses	29	(1,502,299,200)	(1,748,651,763)	(1,253,020,257)	(1,202,234,832)
Profit for the year		<u>6,989,410,373</u>	<u>6,092,637,922</u>	<u>7,004,002,772</u>	<u>6,088,708,503</u>
Profit attributable to:					
Equity holders of the Company		6,975,581,876	6,073,767,966	7,004,002,772	6,088,708,503
Non-controlling interests of the subsidiaries		13,828,497	18,869,956		
		<u>6,989,410,373</u>	<u>6,092,637,922</u>		
Earnings per share	30				
Basic earnings per share Profit attributable to equity holders of the Company		<u>8.46</u>	<u>7.44</u>	<u>8.49</u>	<u>7.46</u>
Weighted average number of ordinary shares (Shares)		<u>825,000,000</u>	<u>816,612,717</u>	<u>825,000,000</u>	<u>816,612,717</u>

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

Big C Supercenter Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Profit for the year		<u>6,989,410,373</u>	<u>6,092,637,922</u>	<u>7,004,002,772</u>	<u>6,088,708,503</u>
Other comprehensive income:					
Actuarial gain (loss)	23	4,047,696	(99,246,016)	4,656,168	(119,978,854)
Income tax effect	29.1	<u>(809,539)</u>	<u>15,677,916</u>	<u>(931,234)</u>	<u>21,966,011</u>
Other comprehensive income for the year		<u>3,238,157</u>	<u>(83,568,100)</u>	<u>3,724,934</u>	<u>(98,012,843)</u>
Total comprehensive income for the year		<u><u>6,992,648,530</u></u>	<u><u>6,009,069,822</u></u>	<u><u>7,007,727,706</u></u>	<u><u>5,990,695,660</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		6,978,820,033	5,990,199,866	<u>7,007,727,706</u>	<u>5,990,695,660</u>
Non-controlling interests of the subsidiaries		<u>13,828,497</u>	<u>18,869,956</u>		
		<u><u>6,992,648,530</u></u>	<u><u>6,009,069,822</u></u>		

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



Big C Supercenter Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

Consolidated financial statements For the year ended 31 December 2013

(Unit: Baht)

		Equity attributable to the Company's shareholders								
	Note	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity - other comprehensive income	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
				Appropriated	Unappropriated					
Balance as at 31 December 2011	31	8,013,865,740	2,245,689,584	901,959,479	12,402,118,303	(65,753,698)	23,497,879,408	22,275,549	23,520,154,957	
Dividend paid		–	–	–	(1,570,717,685)	–	(1,570,717,685)	–	(1,570,717,685)	
Increase share capital by issuing ordinary shares	25	236,134,260	3,709,964,991	–	–	–	3,946,099,251	–	3,946,099,251	
Profit for the year		–	–	–	6,073,767,966	–	6,073,767,966	18,869,956	6,092,637,922	
Other comprehensive income		–	–	–	(83,568,100)	–	(83,568,100)	–	(83,568,100)	
Decrease in non-controlling interests of the subsidiaries										
Decrease in non-controlling interests of the subsidiaries resulting from dividend paid										
Balance as at 31 December 2012	31	8,250,000,000	5,955,654,575	901,959,479	16,821,600,484	(65,753,698)	31,863,460,840	23,785,765	31,887,246,605	
Dividend paid		–	–	–	(1,823,250,000)	–	(1,823,250,000)	–	(1,823,250,000)	
Profit for the year		–	–	–	6,975,581,876	–	6,975,581,876	13,828,497	6,989,410,373	
Other comprehensive income		–	–	–	3,238,157	–	3,238,157	–	3,238,157	
Decrease in non-controlling interests of the subsidiaries										
Decrease in non-controlling interests of the subsidiaries resulting from dividend paid										
Balance as at 31 December 2013		8,250,000,000	5,955,654,575	901,959,479	21,977,170,517	(65,753,698)	37,019,030,873	(18,440,931)	37,038,204,204	

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

Big C Supercenter Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (Continued)

Separate financial statements For the year ended 31 December 2013 (Unit: Baht)

	Note	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
				Appropriated	Unappropriated	
Balance as at 31 December 2011		8,013,865,740	2,245,689,584	825,000,000	9,638,109,299	20,722,664,623
Dividend paid	31	-	-	-	(1,570,717,685)	(1,570,717,685)
Increase share capital by issuing ordinary shares	25	236,134,260	3,709,964,991	-	-	3,946,099,251
Profit for the year		-	-	-	6,088,708,503	6,088,708,503
Other comprehensive income for the year		-	-	-	(98,012,843)	(98,012,843)
Balance as at 31 December 2012		8,250,000,000	5,955,654,575	825,000,000	14,058,087,274	29,088,741,849
Dividend paid	31	-	-	-	(1,823,250,000)	(1,823,250,000)
Profit for the year		-	-	-	7,004,002,772	7,004,002,772
Other comprehensive income for the year		-	-	-	3,724,934	3,724,934
Balance as at 31 December 2013		8,250,000,000	5,955,654,575	825,000,000	19,242,564,980	34,273,219,555

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

Big C Supercenter Public Company Limited and its subsidiaries

Cash flows statement

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Cash flows from operating activities					
Profit before tax		8,491,709,573	7,841,289,685	8,257,023,029	7,290,943,335
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation		3,618,253,477	3,411,001,799	2,545,023,920	2,258,373,212
Unearned leasehold rights recognised during the year		(26,573,597)	(14,178,989)	(24,004,625)	(10,530,881)
Allowance for doubtful debt (reversal) and bad debt		228,925,044	(78,435,676)	164,925,774	12,103,529
Reduction of inventory to net realisable value (reversal)		13,641,004	(157,470,056)	17,527,294	90,542
Reversal of provision for contingent liabilities		(53,030,820)	(119,445,746)	(38,810,056)	(52,512,683)
Provision for long-term employee benefits		59,832,742	33,652,497	58,872,454	33,142,069
Unrealised loss (gain) on exchange		2,331,216	(144,920)	2,331,216	(144,920)
Loss on investment in liquidated subsidiary	12.2	-	-	1,044,348,104	-
Loss on disposals/written off of property, plant and equipment and investment properties		5,361,762	17,457,758	5,533,328	4,674,572
Reversal of allowance for impairment of property, plant and equipment and leasehold rights		(9,396,909)	(75,679,966)	-	(13,474,709)
Loss on written-off of leasehold rights		-	6,318,896	-	6,287,383
Loss on written-off of intangible assets		1,705	3,308	9,251	3,308
Dividend income from subsidiaries		-	-	(1,949,076,100)	(1,952,012,798)
Interest income		(23,124,908)	(67,151,374)	(183,265,835)	(214,229,466)
Interest expenses		1,015,871,641	1,257,555,880	1,080,226,682	1,379,299,921
Profit from operating activities before changes in operating assets and liabilities		13,323,801,930	12,054,773,096	10,980,664,436	8,742,012,414

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

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Cash flows from operating activities (continued)					
Operating assets (increase) decrease					
Trade and other receivable		(7,761,809)	(40,296,688)	337,761,960	2,457,361,296
Rental and other service receivable		(1,561,644,683)	656,480,165	(1,584,595,038)	326,447,594
Inventories		(353,151,474)	(97,226,980)	(505,014,659)	(2,630,115,384)
Other current assets		696,381,583	(522,007,855)	472,798,609	(506,389,164)
Other non-current assets		64,446,666	(9,629,531)	27,335,662	(45,280,923)
Operating liabilities increase (decrease)					
Trade and other payables		(137,884,534)	2,111,815,271	96,956,402	6,142,143,004
Other current liabilities		247,218,065	282,828,505	242,348,183	295,710,436
Other non-current liabilities		368,134,959	182,683,172	416,264,921	327,437,659
Cash flows from operating activities		12,639,540,703	14,619,419,155	10,484,520,476	15,109,326,932
Cash paid for interest expenses		(991,422,610)	(1,164,153,130)	(1,056,619,225)	(1,262,024,894)
Cash paid for employee benefits		(3,856,240)	(9,238,899)	(3,722,890)	(9,057,219)
Cash paid for income tax		(1,572,085,878)	(1,767,650,612)	(1,302,947,890)	(1,229,759,530)
Net cash flows from operating activities		10,072,175,975	11,678,376,514	8,121,230,471	12,608,485,289
Cash flows from investing activities					
Decrease in loans to subsidiary companies		-	-	483,935,068	166,783,657
Decrease (increase) in investments in subsidiary	12.1	-	-	(1,161,888,823)	245,210
Proceed from investments in liquidated subsidiary		-	-	1,347,896	-
Proceeds from disposal of property, plant and equipment and investment properties		11,364,126	5,789,798	4,658,155	2,510,693
Acquisition of property, plant and equipment and investment properties		(6,930,912,563)	(4,881,633,153)	(6,595,907,605)	(4,760,229,791)
Increase in leasehold rights		(226,032,940)	(391,615,714)	(226,032,940)	(391,615,714)
Increase in other intangible assets		(40,879,469)	(21,812,900)	(40,847,701)	(22,053,058)
Cash received from interest income		30,120,575	70,734,819	80,906,351	211,285,397
Dividend income from subsidiaries		-	-	1,949,076,100	1,952,012,798
Net cash flows used in investing activities		(7,156,340,271)	(5,218,537,150)	(5,504,753,499)	(2,841,060,808)

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



Big C Supercenter Public Company Limited and its subsidiaries

Cash flows statement (Continued)

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Cash flows from financing activities					
Increase in short-term loans from financial institutions		-	6,000,000,000	-	6,000,000,000
Repayment of short-term loans from financial institutions		-	(36,500,000,000)	-	(36,500,000,000)
Increase (decrease) in loans from subsidiary companies		-	-	321,704,065	(769,995,065)
Repayment of liabilities under a finance lease agreement		(7,108,385)	(5,565,857)	(7,108,385)	(5,565,857)
Increase in long-term loans from financial institutions		3,000,000,000	24,000,000,000	3,000,000,000	24,000,000,000
Repayment of long-term loans from financial institutions		(5,675,000,000)	(1,000,000,000)	(5,675,000,000)	(1,000,000,000)
Proceed from increase in share capital		-	4,155,962,976	-	4,155,962,976
Cash paid for transaction costs relating to increase share capital		-	(163,432,308)	-	(163,432,308)
Dividend paid		(1,821,060,122)	(1,570,610,373)	(1,821,060,122)	(1,570,610,373)
Dividend paid to non-controlling interest of the subsidiaries		(18,440,931)	(17,359,740)	-	-
Net cash flows used in financing activities		<u>(4,521,609,438)</u>	<u>(5,101,005,302)</u>	<u>(4,181,464,442)</u>	<u>(5,853,640,627)</u>
Net increase (decrease) in cash and cash equivalents		(1,605,773,734)	1,358,834,062	(1,564,987,470)	3,913,783,854
Cash and cash equivalents at beginning of year		<u>8,780,405,551</u>	<u>7,421,571,489</u>	<u>8,615,024,740</u>	<u>4,701,240,886</u>
Cash and cash equivalents at end of year		<u>7,174,631,817</u>	<u>8,780,405,551</u>	<u>7,050,037,270</u>	<u>8,615,024,740</u>
Supplemental cash flow information:					
Non cash items:					
Acquisition of property, plant and equipment and investment properties for which no cash has been paid		459,317,483	295,055,135	388,380,347	277,302,714
Acquisition of property, plant and equipment under a finance lease agreement		-	262,434,143	-	262,434,143

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



Big C Supercenter Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2013

1. General information

Big C Supercenter Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Casino Guichard Perrachon which was incorporated in France. The Company is principally engaged in the hypermarket business. The registered address of the Company is at 97/11, 6th Floor, Rajadamri Road, Lumpini, Pathumwan, Bangkok.

As at 31 December 2013, the Company and its subsidiaries operate 559 stores (the Company only: 555 stores) (2012: 348 stores and the Company only: 339 stores).

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation of the financial statements 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) The consolidated financial statements include the financial statements of Big C Supercenter Public Company Limited (“the Company”), and the following subsidiary companies (“the subsidiaries”):



Subsidiaries which were directly held by the Company

Company's name	Nature of business	Country of incorporation	Registered share capital (Million Baht)		Equity interest of the Company (Percent)	
			2013	2012	2013	2012
Chiangmai Big C (2001) Co., Ltd.	Dormant	Thailand	300	300	100.00	100.00
Central Superstore Ltd.	Rental of immovable assets and holding company	Thailand	1,300	1,300	100.00	100.00
Theparak Big C Ltd.	Rental of immovable assets and holding company	Thailand	80	80	100.00	100.00
Chiangrai Big C Ltd.	Rental of immovable assets	Thailand	180	180	100.00	100.00
Surat Big C Ltd.	Rental of immovable assets	Thailand	200	200	100.00	100.00
Big C Distribution Co., Ltd.	Dormant	Thailand	1	1	100.00	100.00
CenCar Ltd.	Retail and rental of immovable assets	Thailand	10,000	10,000	39.00	39.00
SSCP (Thailand) Ltd.	Holding company	Thailand	162	162	100.00	49.00
Nava Nakarintr Ltd.	Holding company (Liquidated in 2013)	Thailand	-	1	-	100.00
Big C Supercenter (Lao) Co., Ltd.	Retail and wholesale business (not yet commence operation)	Lao People's Democratic Republic	157	157	100.00	100.00

Indirect subsidiaries which were held by the Company's subsidiaries

Company's name	Nature of business	Country of incorporation	Registered share capital (Million Baht)		Equity interest of the Company (Percent)	
			2013	2012	2013	2012
Investment through Central Superstore Ltd.						
Central Pattaya Co., Ltd.	Rental of immovable assets	Thailand	80	80	100.00	100.00
Udon Big C Co., Ltd.	Rental of immovable assets	Thailand	850	850	100.00	100.00
Inthanon Land Co., Ltd.	Rental of immovable assets	Thailand	841	841	100.00	100.00
Investment through Theparak Big C Ltd.						
Big C Fairy Limited	Retail	Thailand	440	440	96.82	96.82
Pharam II Big C Co., Ltd.	Rental of immovable assets	Thailand	5	5	99.99	99.99
Pitsanulok Big C Ltd.	Retail	Thailand	1,050	1,050	92.38	92.38
Investment through SSCP (Thailand) Ltd.						
CenCar Ltd.	Retail and rental of immovable assets	Thailand	10,000	10,000	61.00	61.00
Investment through Nava Nakarintr Ltd.						
SSCP (Thailand) Ltd.	Holding company	Thailand	-	162	-	51.00



- b) 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.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period.

The financial statements of Big C Supercenter (Lao) Co., Ltd., whose total assets included in the consolidated statement of financial position as at 31 December 2013 and 2012 amounted to approximately Baht 32 million and Baht 31 million, respectively (or 0.03% and 0.03% of the consolidated respective assets), were the management accounts which had not been audited by the auditor of this subsidiary.

- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
 - f) For the books of account, upon acquisition of additional shares of subsidiaries (repurchase shares from minority interest), the excess of cost of the investment at the acquisition date over the fair value of the net asset has been presented as other components of shareholders' equity in statement of changes in shareholder's equity under "Difference resulting from additional purchase of investments in a subsidiary at a price higher than the net book value".
 - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. New accounting standards

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

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

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance are not relevant to the business of the Company and its subsidiaries, and TFRS 8 does not have any significant impact on the financial statements. In addition, the Company and its subsidiaries have early adopted TAS 12.

(b) Accounting standards that will become effective in the future

		Effective date
Accounting Standards:		
TAS 1 (revised 2012)	Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012)	Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012)	Income Taxes	1 January 2014
TAS 17 (revised 2012)	Leases	1 January 2014
TAS 18 (revised 2012)	Revenue	1 January 2014
TAS 19 (revised 2012)	Employee Benefits	1 January 2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012)	Related Party Disclosures	1 January 2014
TAS 28 (revised 2012)	Investments in Associates	1 January 2014
TAS 31 (revised 2012)	Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012)	Interim Financial Reporting	1 January 2014
TAS 38 (revised 2012)	Intangible Assets	1 January 2014
Financial Reporting Standards:		
TFRS 2 (revised 2012)	Share-based Payment	1 January 2014
TFRS 3 (revised 2012)	Business Combinations	1 January 2014
TFRS 4	Insurance Contracts	1 มกราคม 2559
TFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (revised 2012)	Operating Segments	1 January 2014
Accounting Standard Interpretations:		
TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

The management of the Company and its subsidiaries believe that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations will not have any significant impact on the financial statements for the year when they are initially applied. In addition, the Company and its subsidiaries have early adopted TFRIC 13.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Sales of goods - Customer loyalty programmes

The Company and its subsidiaries operate a loyalty programme which allows customers to accumulate points when they purchase products in the Company's and its subsidiaries' retail stores. The points can then be redeemed for discounted goods in the future.

Certain sales consideration is allocated to the points issued, at their fair value. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed and the Company and its subsidiaries fulfill their obligations to supply awards.

Rental and service income

Rental and service income are recognised proportionately over the term of the lease and service agreements.

Commission income

Commission income is recognised when services have been rendered.

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 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.

4.3 Trade accounts receivable and allowance for doubtful accounts

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

4.4 Inventories

Inventories are valued at the lower of cost on an average and net realisable value. Costs of inventories are presented net of cash receipts from suppliers which are related to the purchase of inventories.

4.5 Investments

Investments in subsidiaries are accounted for in the separate financial statements using cost method.

4.6 Investment properties and depreciation

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives within 20 - 30 years or lease period. Depreciation of the investment properties is included in determining income.

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

The fair value of investment properties are disclosed in the notes to the financial statements.

4.7 Property, plant and equipment and depreciation

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

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

Land improvements	5 - 20 years
Leasehold improvements	5 years or lease period (maximum of 30 years)
Freehold and leasehold building and improvements	5 years and 30 years or lease period (maximum of 30 years)
Furniture, fixtures and office equipment	3 - 20 years
Utility systems	5 years and 20 years or lease period (maximum of 20 years)
Vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided for land and construction in progress and project under development.

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.

4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other case are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

The useful lives of intangible assets is 5 years.

4.9 Business combinations and goodwill

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest, if any, in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related cost are accounted for as expenses in the periods in which the costs are incurred and the services are received.

Goodwill is initially recorded at cost, which equal to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognized as gain in profit or loss.

Goodwill is subsequently carried at cost less any accumulated impairment losses with impairment being tested annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Related party transactions

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

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

4.11 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 other long-term payables, while the interest element is charged to profit or loss over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the useful life of the asset.

Lease 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.

4.12 Leasehold rights

Leasehold rights are stated at cost less accumulated amortization and allowance for loss on impairment (if any).

Leasehold rights are amortised on the straight-line basis over the lease period.

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

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.

4.14 Impairment of assets

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

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

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

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

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

The defined benefits liability comprises the present value of the defined benefit obligation less unrecognised past service cost.

4.16 Provisions

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

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences, and the carry forward of unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

5. Significant accounting judgments and estimates

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

5.1 Allowance for doubtful accounts

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

5.2 Allowance for diminution in value of inventory

The determination of allowance for diminution in the value of inventory, requires management to make judgments and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

5.3 Leases

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

5.4 Investment property/Depreciation

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

In addition, the management is required to review investment property 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 judgment regarding forecast of future revenues and expenses relating to the assets subject to the review.

In determining the fair value disclosure of investment property, the management used the income approach supported by current and previous valuations by an independent appraiser. The key assumptions used in estimating the fair value are described in Note 13.

5.5 Property, plant and equipment/Depreciation

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

In addition, the management is required to review property, plant and equipment 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 judgment regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.6 Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

5.7 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 estimated future taxable profits.

5.8 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.

5.9 Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The Company and its subsidiaries' management have used judgment to assess the results of the litigation and believe that the Company and its subsidiaries will receive favorable ruling for the cases. However for prudent reason, the management has used judgment to set up certain provision for litigation as at the end of reporting period.

5.10 Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash	3,356,176	2,745,950	3,285,909	2,642,229
Bank deposits	<u>3,818,456</u>	<u>6,034,456</u>	<u>3,764,128</u>	<u>5,972,796</u>
Total	<u>7,174,632</u>	<u>8,780,406</u>	<u>7,050,037</u>	<u>8,615,025</u>

As at 31 December 2013, bank deposits in saving accounts carried interests between 0.13 and 2.00 percent per annum (2012: between 0.10 and 2.50 percent per annum).

7. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade and other receivables - related parties (Note 11)				
<u>Trade accounts receivable</u>				
Aged on the basis of due dates				
Not yet due	81,251	127,641	385,924	657,726
Past due				
Up to 3 months	-	2,879	131,770	254,198
3 - 6 months	-	36	3	2,655
6 - 12 months	-	247	-	564
Over 12 months	-	183	37	297
Total trade accounts receivable - related parties	<u>81,251</u>	<u>130,986</u>	<u>517,734</u>	<u>915,440</u>
<u>Other receivable</u>				
Interest receivable	-	-	121,133	11,766
Total other receivable - related parties	<u>-</u>	<u>-</u>	<u>121,133</u>	<u>11,766</u>
Total trade and other receivables - related parties	<u>81,251</u>	<u>130,986</u>	<u>638,867</u>	<u>927,206</u>
 Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	213,802	159,550	209,267	152,518
Past due				
Up to 3 months	26,138	24,260	25,582	23,774
3 - 6 months	191	46	191	46
6 - 12 months	1,444	53	1,444	29
Over 12 months	25	-	21	-
Total trade accounts receivable - unrelated parties	<u>241,600</u>	<u>183,909</u>	<u>236,505</u>	<u>176,367</u>
Total trade and other receivables	<u>322,851</u>	<u>314,895</u>	<u>875,372</u>	<u>1,103,573</u>

8. Rental and other service receivable

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Age on the basis of due dates				
Not yet due	2,950,260	1,388,522	2,903,056	1,336,393
Past due				
Up to 3 months	327,111	333,916	324,132	329,831
3 - 6 months	36,809	22,910	36,146	21,423
6 - 12 months	12,398	13,492	11,828	8,026
Over 12 months	45,079	51,173	26,908	21,802
Total	3,371,657	1,810,013	3,302,070	1,717,475
Less: Allowance for doubtful debts	(113,547)	(132,413)	(77,715)	(72,167)
Total rental and other service receivable, net	3,258,110	1,677,600	3,224,355	1,645,308

In 2013, the Company sold accounts receivables of approximately Baht 2,351 million (2012: Baht 1,805 million) at a discount to a financial institution without recourse. The Company derecognised such accounts receivables from the financial statements.

9. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	2013	2012	2013	2012	2013	2012
Consolidated financial statements						
Finished goods	9,838,900	9,485,827	(387,425)	(373,784)	9,451,475	9,112,043
Goods in transit	83,844	83,765	-	-	83,844	83,765
Total	9,922,744	9,569,592	(387,425)	(373,784)	9,535,319	9,195,808
Separate financial statements						
Finished goods	9,676,223	9,171,776	(379,426)	(361,898)	9,296,797	8,809,878
Goods in transit	81,123	80,555	-	-	81,123	80,555
Total	9,757,346	9,252,331	(379,426)	(361,898)	9,377,920	8,890,433

10. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Insurance claim receivable (Note 10.1 and 10.2)	424,222	1,339,389	424,222	1,017,611
VAT refundable	744,388	719,393	715,147	699,089
Prepaid insurance	150,312	192,265	146,880	184,794
Prepaid rental	127,451	101,738	63,377	43,466
Others	44,583	89,339	42,583	86,432
Total other current assets	1,490,956	2,442,124	1,392,209	2,031,392

10.1 Insurance claim receivable - Political unrest event

Due to the political unrest in Bangkok during April to May 2010, one store of the Company had faced a negative impact as a result of the fire incident on 19 May 2010. The damages from the fire incident are estimated to be approximately Baht 1,478 million which consist of damages to fixed assets of Baht 946 million (net from unclaimed portion), damage to inventory of Baht 96 million, business interruption loss of Baht 352 million and other damages of Baht 84 million.

For all of the above stated damages, the management is virtually certain that there is insurance recovery for all of the losses and had therefore recorded the insurance recovery income in the financial statements in the same period.

During the year 2010 and 2011, the Company received cash recovery for the insurance claim totally approximately Baht 1,063 million. The Company recorded such advance as a reduction from insurance claim receivable. As at 31 December 2013 and 2012, insurance claim receivable from the political unrest event in the consolidated and separate financial statements amounted to approximately Baht 415 million.

10.2 Insurance claim receivable - Flood event

As a result of the critical flood in many provinces during October to November 2011, 4 distribution centers, 5 hypermarkets and 15 small stores of the Company and its subsidiaries had faced a negative impact as a result of the flood incident. The damages from the flood incident are estimated to be as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Business interruption loss	561	561	268	268
Others damages	763	763	607	607
Total damages	1,324	1,324	875	875

The estimated damages mentioned above were originally determined on a conservative basis and virtually certain view by the management that all of the losses are recoverable under the insurance policies. The Company and its subsidiaries therefore recorded the insurance recovery income in the financial statements.

During the year 2012 and 2013, the Company and its subsidiaries received cash recovery for the insurance claim of approximately Baht 400 million (The Company only: Baht 272 million) and Baht 337 million (The Company only: Baht 337 million), respectively. The Company and its subsidiaries recorded such advance as a reduction from insurance claim receivable. Subsequently, on 1 October 2013, the Company entered into Final Acceptance Form with an insurance company and received final cash recovery for the insurance claim of approximately Baht 330 million (the Company only: Baht 97 million). The difference of Baht 248 million (the Company only: Baht 160 million) between insurance claim receivable and cash recovery for the insurance claim is recognized in income statements for the year 2013.

As at 31 December 2013, insurance claim receivable from the flood event amounted to approximately Baht 9 million (The Company only: Baht 9 million) (2012: Baht 924 million and the Company only: Baht 603 million).

11. 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, its subsidiaries and those related parties. Pricing policy is summarised below:

1. Sales and cost of goods transactions, the prices will be based on the agreed prices between the parties.
2. Rental and service income and expenses will be based on the contract prices between the parties and according to market price.
3. Management fee income and expenses, and inventory management fee income will be based on the agreed prices between the parties and/or market price.
4. Interest rate of inter-company loan will be based on the interest rate close to those charged by commercial bank to normal customer.
5. Dividend income is recognized when declared.

During the second quarter of 2013, certain groups of individuals and companies are no longer involved in the Company's operations and as such have not been regarded as related parties as defined by the accounting standard. The financial statements for the year ended 31 December 2013 have therefore presented outstanding balances of receivables and payables and business transactions of June 2013 onward with such groups of individuals and companies as unrelated party transactions.



Significant transactions between the Company and its subsidiaries and related companies are summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Transactions with subsidiary companies (eliminated from the consolidated financial statements)				
Sales of goods	-	-	2,159	8,184
Inventory management fee income	-	-	23	70
Rental and service income	-	-	115	79
Interest income	-	-	161	165
Dividend income (Note 12.3)	-	-	1,949	1,952
Management fee income	-	-	197	722
Purchases of goods	-	-	175	3,797
Rental and service expenses	-	-	1,477	1,515
Interest expense	-	-	64	122
Transactions with related companies				
Other income	109	121	108	127
Rental and service income	175	385	163	331
Purchases of goods	106	83	106	71
Rental and service expenses	99	248	88	223
Management fee expense and other expenses	133	101	132	100
Tax consulting fee	1	2	1	2

As at 31 December 2013 and 2012, those balances of the accounts are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade and other receivable - related parties (Note 7)				
Subsidiary companies	-	-	557,042	798,071
Related companies (related by common shareholders)	81,251	130,986	81,825	129,135
Total trade and other receivable - related parties	81,251	130,986	638,867	927,206
Trade and other payables - related parties (Note 19)				
Subsidiary companies	-	-	1,264,787	1,435,809
Related companies (related by common shareholders)	162,290	130,068	160,016	119,028
Total trade and other payables - related parties	162,290	130,068	1,424,803	1,554,837

Loans to and loans from subsidiary companies

As at 31 December 2013 and 2012, the balance of loans to and loans from subsidiary companies and the movements are as follows:

Separate financial statements

(Unit: Thousand Baht)

	Balance as at	Movement During the year		Balance as at
	31 December 2012	Increase	Decrease	31 December 2013
Loans to subsidiary companies				
Central Superstore Ltd.	-	41,113	(41,113)	-
Udon Big C Co., Ltd.	-	14,745	(14,745)	-
Pitsanulok Big C Ltd.	728	1,737,314	(1,737,896)	146
Big C Fairy Ltd.	2,308	1,859,517	(1,861,379)	446
Surat Big C Ltd.	-	2,772	(2,772)	-
Theparak Big C Ltd.	-	7,984	(7,984)	-
Chiengrai Big C Ltd.	1,957	8,328	(8,328)	1,957
Phraram II Big C Co., Ltd.	-	945	(945)	-
Chiengmai Big C (2001) Co., Ltd.	-	3,284	(3,152)	132
Central Pattaya Co., Ltd.	-	22,094	(22,094)	-
Inthanon Land Co., Ltd.	-	13,670	(13,670)	-
Big C Distribution Co., Ltd.	-	167	(167)	-
Cencar Ltd.	1,272,706	1,933,481	(3,203,804)	2,383
Nava Nakarintr Ltd.	93,600	95	(93,695)	-
SSCP (Thailand) Ltd.	3,260,680	883,965	(1,665)	4,142,980
Total loans to subsidiary companies	4,631,979	6,529,474	(7,013,409)	4,148,044
Loans from subsidiary companies				
Central Superstore Ltd.	290,734	313,788	(79,929)	524,593
Surat Big C Ltd.	49,086	40,972	(6,757)	83,301
Theparak Big C Ltd.	923,489	787,679	(942,637)	768,531
Chiengrai Big C Ltd.	98,252	351,614	(308,353)	141,513
Big C Distribution Co., Ltd.	3,418	3,836	(3,888)	3,366
Chiengmai Big C (2001) Co., Ltd.	312,964	13,434	(3,933)	322,465
Pitsanulok Big C Ltd.	259	2,166	(1,853)	572
Big C Fairy Ltd.	234	28,266	(27,707)	793
Cencar Ltd.	108,739	1,038,594	(873,536)	273,797
Nava Nakarintr Ltd.	25	101	(126)	-
SSCP (Thailand) Ltd.	10,219	26,558	(36,585)	192
Total loans from subsidiary companies	1,797,419	2,607,008	(2,285,304)	2,119,123

Directors and management's benefits

During the year ended 31 December 2013 and 2012, 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	
	2013	2012	2013	2012
Short-term employee benefits	859	897	863	901
Post-employment benefits	40	32	40	32
Total	899	929	903	933

12. Investments in subsidiaries

12.1 Transfer of all business of a subsidiary to the Company and a subsidiary's liquidation

On 16 August 2013, the Company entered into an entire business transfer agreement with Nava Nakarintr Limited, a subsidiary company. Such transfer of business includes the transfer of all assets, liabilities, rights and obligations as at 30 August 2013 in order to restructure the group of companies under common control. The Company executed the transfer during the current year and payment has been made. As a result, the direct equity interest of the Company in SSCP (Thailand) Limited has increased from 49 percent to 100 percent.

Details of the assets and liabilities transferred from such subsidiary company can be summarised as follows:

		(Unit: Thousand Baht)
Investments in SSCP (Thailand) Limited		1,161,886
Short-term loans		(93,600)
Accrued interest expenses		(7,435)
Other current liabilities		(41)
Net cash payment from the business transfer (according to the agreement)		<u>1,060,810</u>

On 19 August 2013, a meeting of the Board of Directors of the subsidiary company approved the dividend payment to the shareholders at the rate of Baht 111,400 per share, a total of approximately Baht 1,058 million, and such amount has already been paid. In addition, on 30 August 2013, an extraordinary meeting of the shareholders of Nava Nakarintr Limited passed a resolution to liquidate the company. The subsidiary company registered its dissolution with the Ministry of Commerce on 30 August 2013 and completely liquidation on 27 December 2013.

The Company recognized that the recoverable amount of the investment in such subsidiary company is less than its carrying amount of the investment of approximately Baht 1,044 million in the income statements of the Company only for the year 2013; and compensated by the dividend income from such subsidiary before the liquidation. However, it has no impact on the net profit in the consolidated financial statements.

12.2 Goodwill

Goodwill mainly consists of goodwill on the share purchase agreement for acquiring shares of CenCar Limited, Nava Nakarintr Limited, and SSCP (Thailand) Limited in 2010. Goodwill of approximately Baht 26,361 million comprises the value of expected synergies and cost saving arising from the acquisition and other benefits from combining the acquirer's and acquiree's business.

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

	Paid-up capital (Million Baht)		Shareholding percentage (%)		Cost (Thousand Baht)		Dividend received during the year (Thousand Baht)	
	2013	2012	2013	2012	2013	2012	2013	2012
Local subsidiaries								
Chiangmai Big C (2001) Co., Ltd.	300	300	100.00	100.00	190,979	190,979	-	7,200
Central Superstore Ltd.	1,220	1,220	100.00	100.00	1,301,998	1,301,998	-	431,409
Theparak Big C Ltd.	80	80	100.00	100.00	380,137	380,137	-	599,995
Chiengrai Big C Ltd.	180	180	100.00	100.00	284,995	284,994	-	105,120
Surat Big C Ltd.	140	140	100.00	100.00	140,301	140,300	-	116,645
Big C Distribution Co., Ltd.	1	1	100.00	100.00	1,001	1,000	-	-
CenCar Ltd.	8,950	8,950	39.00*	39.00*	13,370,949	13,370,949	-	691,644
SSCP (Thailand) Ltd.	162	162	100.00	49.00*	21,030,109	19,868,223	890,999	-
Nava Nakarintr Ltd.	-	1	-	100.00	-	1,045,696	1,058,077	-
Foreign subsidiary								
BigC Supercenter (Lao) Company Limited	31	31	100.00	100.00	31,342	31,342	-	-
Total investment in subsidiary companies					<u>36,731,811</u>	<u>36,615,618</u>	<u>1,949,076</u>	<u>1,952,013</u>

* These shareholding percentage are directly held by the Company while the remaining portions are held by Nava Nakarintr Limited and SSCP (Thailand) Limited.



13. Investment properties

The net book value of investment properties as at 31 December 2013 and 2012 is presented below.

(Unit: Thousand Baht)		
	Consolidated financial statements	Separate financial statements
31 December 2013		
Cost	27,043,436	13,805,278
<u>Less</u> Accumulated depreciation	<u>(10,758,788)</u>	<u>(4,391,284)</u>
Net book value	<u>16,284,648</u>	<u>9,413,994</u>
31 December 2012		
Cost	25,816,876	12,455,870
<u>Less</u> Accumulated depreciation	<u>(10,039,222)</u>	<u>(3,952,174)</u>
Net book value	<u>15,777,654</u>	<u>8,503,696</u>

A reconciliation of the net book value of investment properties for the years 2013 and 2012 is presented below.

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Net book value at beginning of year	15,777,654	15,582,276	8,503,696	8,029,993
Acquisitions	137,401	172,729	131,534	162,675
Transfer from property, plant and equipment - net	1,206,776	821,472	1,246,810	735,689
Disposals/written-off - net book value	(2,838)	(197)	(1,588)	(122)
Depreciation charged	<u>(834,345)</u>	<u>(798,626)</u>	<u>(466,458)</u>	<u>(424,539)</u>
Net book value at end of year	<u>16,284,648</u>	<u>15,777,654</u>	<u>9,413,994</u>	<u>8,503,696</u>

The fair value of the investment properties (including related leasehold rights) of the Company and its subsidiaries as at 31 December 2013 was approximately Baht 48,800 million (The Company only: Baht 28,825 million). Such fair value included fair value of leasehold rights of land of the investment properties of Baht 4,311 million (The Company only: Baht 2,307 million). Net book value of the leasehold rights of land of the investment properties as at 31 December 2013 was approximately Baht 1,971 million (The Company only: Baht 1,135 million) was included in "Leasehold rights" in Note 15 to the financial statements.

The fair value of the investment properties opened in the previous years have been estimated based on former appraisal made by an independent valuer and updated with the level of net operating income and update of market conditions given by the appraiser. The fair value of the Investment properties opened during the fiscal year 2013 was estimated by an independent appraiser based on income approach. The main assumptions used in the valuation are yield rate, inflation rate, projected rent increases and vacancy rates, as well as other forecast parameters such as the duration of the leases. The appraisal relies on the theoretical hypothesis where the investment properties will be separated from the retail stores to value them as if they were fully independent.

As at 31 December 2013, certain investment property items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2,775 million (2012: Baht 2,718 million) (The Company only: Baht 809 million (2012: Baht 721 million)).

As at 31 December 2013, two subsidiaries have land with easement to other companies for passageway, pathway, road, tunnel of approximately 2 rai 3 ngan 89.3 sq.wah since 1997 and 2000 without finite term. Their carrying value amounted to approximately Baht 33 million (2012: Baht 33 million).

14. Property, plant and equipment

Consolidated financial statements

(Unit: Thousand Baht)

	Land	Land improvements	Leasehold improvements	Freehold and leasehold building and improvements	Furniture, fixture and office equipment	Utility systems	Vehicles	Construction in progress and projects under development	Total
Cost values:									
31 December 2011									
Acquisition	5,047,748	109,332	2,007,459	14,427,350	11,552,781	9,325,436	1,156	440,033	42,911,295
Transfer in	367,784	4,213	110,849	325,110	947,445	207,611	15	2,773,418	4,736,445
Transfer to investment properties	16,048	63,643	175,856	538,320	402,730	535,205	-	277	1,732,079
Transfer to other assets	(61,448)	-	-	(17,610)	-	-	-	(679,313)	(758,371)
Disposals/Transfer out/ Written off	-	-	(19,759)	(16,895)	(671,401)	(67,048)	-	(93,353)	(93,353)
31 December 2012									
Acquisition	5,370,132	177,188	2,274,405	15,256,275	12,231,555	10,001,204	1,171	734,084	46,046,014
Transfer in	647,650	3,491	303,345	92,045	1,414,669	357,780	4	4,138,789	6,957,773
Transfer from (to) investment properties	30,987	34,500	269,957	741,762	382,884	599,916	-	-	2,060,006
Transfer to intangible assets	(85,033)	4,743	14,724	98,545	-	12,479	-	(1,181,358)	(1,135,900)
Disposals/Transfer out/ Written off	-	-	-	-	-	-	-	(14,137)	(14,137)
31 December 2013									
	5,963,736	219,922	2,859,563	16,187,229	13,559,409	10,917,576	1,175	(2,061,257)	(2,589,025)
								1,616,121	51,324,731

Accumulated depreciation:

31 December 2011	-	55,161	969,368	5,874,584	9,006,335	5,537,782	649	-	21,443,879
Depreciation for the year	-	21,487	135,699	499,866	1,130,938	479,982	112	-	2,268,084
Transfer to (out) investment properties	-	528	-	(2,700)	-	65,273	-	-	63,101
Reclassification	-	-	302	3,293	123,978	(127,573)	-	-	-
Depreciation on disposals/Transfer out/Written off	-	-	(15,531)	(15,997)	(651,337)	(44,365)	-	-	(727,230)
31 December 2012	-	77,176	1,089,838	6,359,046	9,609,914	5,911,099	761	-	23,047,834
Depreciation for the year	-	31,440	180,043	538,159	1,158,941	501,833	107	-	2,410,523
Transfer from investment properties	-	382	8,008	39,472	-	23,014	-	-	70,876
Reclassification	-	(6,657)	6,579	78	(1)	1	-	-	-
Depreciation on disposals/Transfer out/Written off	-	-	(1,456)	(1,275)	(462,555)	(49,845)	-	-	(515,131)
31 December 2013	-	102,341	1,283,012	6,935,480	10,306,299	6,386,102	868	-	25,014,102
Allowance for impairment loss:									
31 December 2011	63,000	-	-	77,483	6,255	20,323	-	-	167,061
Decrease during the year	-	-	-	(18,995)	(6,255)	(20,323)	-	-	(45,573)
31 December 2012	63,000	-	-	58,488	-	-	-	-	121,488
Decrease during the year	-	-	-	(5,511)	-	-	-	-	(5,511)
31 December 2013	63,000	-	-	52,977	-	-	-	-	115,977
Net book value:									
31 December 2012	5,307,132	100,012	1,184,567	8,838,741	2,621,641	4,090,105	410	734,084	22,876,692
31 December 2013	5,900,736	117,581	1,576,551	9,198,772	3,253,110	4,531,474	307	1,616,121	26,194,652

Depreciation for the year:

2012 (Baht 9 million included in cost of sales and service, and the remaining balance in selling and services expenses, and administrative expenses)

2013 (Baht 11 million included in cost of sales and service, and the remaining balance in selling and services expenses, and administrative expenses)

Separate financial statements

(Unit: Thousand Baht)

	Land	Land improvements	Leasehold improvements	Freehold and leasehold building and improvements	Furniture, fixture and office equipment	Utility systems	Vehicles	Construction in progress and projects under development	Total
Cost values:									
31 December 2011									
Acquisitions	3,006,543	87,703	1,634,505	7,288,655	7,230,734	5,500,844	1,101	414,517	25,164,602
Transfer in	367,784	4,470	110,935	324,869	918,694	197,862	15	2,740,078	4,664,707
Transfer to investment properties	16,048	61,092	175,856	508,430	371,882	531,183	-	-	1,664,491
Transfer to other assets	(64,482)	-	-	-	-	-	-	(671,207)	(735,689)
Disposals/Transfer out/ Written off	-	-	(15,580)	(16,894)	(119,587)	(39,071)	-	(93,353)	(93,353)
31 December 2012									
Acquisitions	3,325,893	153,265	1,905,716	8,105,060	8,401,723	6,190,818	1,116	723,361	28,806,952
Transfer in	647,650	3,491	303,345	91,716	1,395,003	347,363	4	3,786,879	6,575,451
Transfer from (to) investment properties	30,987	34,500	269,956	717,359	337,442	577,290	-	-	1,967,534
Transfer to intangible assets	(85,033)	4,743	14,724	12,437	-	(26,548)	-	(1,160,284)	(1,239,961)
Disposals/Transfer out/ Written off	-	-	-	-	-	-	-	(14,137)	(14,137)
31 December 2013									
	-	-	(2,430)	(235)	(203,908)	(30,754)	-	(1,968,785)	(2,206,112)
	3,919,497	195,999	2,491,311	8,926,337	9,930,260	7,058,169	1,120	1,367,034	33,889,727

Accumulated depreciation:

31 December 2011	-	36,968	848,792	2,855,713	5,414,939	2,579,812	650	-	11,736,874
Depreciation for the year	-	19,953	107,673	242,455	858,932	357,050	98	-	1,586,161
Depreciation on disposals/ Transfer out/ Written off	-	-	(14,364)	(16,244)	(117,754)	(37,889)	-	-	(186,251)
31 December 2012	-	56,921	942,101	3,081,924	6,156,117	2,898,973	748	-	13,136,784
Depreciation for the year	-	29,843	162,047	270,893	981,009	393,683	96	-	1,837,571
Transfer from (to) investment properties	-	382	8,008	399	-	(1,940)	-	-	6,849
Reclassification	-	(6,657)	6,579	78	(1)	1	-	-	-
Depreciation on disposals/ Transfer out/ Written off	-	-	(1,019)	(118)	(200,146)	(28,692)	-	-	(229,975)
31 December 2013	-	80,489	1,117,716	3,353,176	6,936,979	3,262,025	844	-	14,751,229
Allowance for impairment loss:									
31 December 2011	63,000	-	-	1,722	-	1,104	-	-	65,826
Decrease during the year	-	-	-	(1,722)	-	(1,104)	-	-	(2,826)
31 December 2012	63,000	-	-	-	-	-	-	-	63,000
31 December 2013	63,000	-	-	-	-	-	-	-	63,000
Net book value:									
31 December 2012	3,262,893	96,344	963,615	5,023,136	2,245,606	3,291,845	368	723,361	15,607,168
31 December 2013	3,856,497	115,510	1,373,595	5,573,161	2,993,281	3,796,144	276	1,367,034	19,075,498
Depreciation for the year:									
2012 (Baht 9 million included in cost of sales and service, and the remaining balance in selling and services expenses, and administrative expenses)									1,586,161
2013 (Baht 11 million included in cost of sales and service, and the remaining balance in selling and services expenses, and administrative expenses)									1,837,571

Depreciation for the year:

2012 (Baht 9 million included in cost of sales and service, and the remaining balance in selling and services expenses, and administrative expenses)

2013 (Baht 11 million included in cost of sales and service, and the remaining balance in selling and services expenses, and administrative expenses)

- As at 31 December 2013, the Company had a building under a finance lease agreement with net book value of approximately Baht 252 million (2012: 262 million).
- As at 31 December 2013, certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 14,022 million (The Company only: Baht 9,339 million) (2012: Baht 12,667 million and the Company only: Baht 8,062 million).

15. Leasehold rights

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
31 December 2013		
Cost	9,050,244	5,371,225
<u>Less</u> Accumulated amortisation	(3,960,413)	(1,916,001)
Allowance for impairment	(31,696)	-
Net book value	5,058,135	3,455,224
31 December 2012		
Cost	8,837,311	5,158,292
<u>Less</u> Accumulated amortisation	(3,652,707)	(1,738,156)
Allowance for impairment	(34,065)	-
Net book value	5,150,539	3,420,136

A reconciliation of the net book value of leasehold rights for the years 2013 and 2012 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Net book value at beginning of year	5,150,539	5,046,727	3,420,136	3,184,442
Acquisitions	226,033	391,615	226,033	391,615
Transfer of construction in progress from property, plant and equipment	-	23,410	-	23,410
Transfer out	-	(89,214)	-	-
Written-off - net book value	-	(6,319)	-	(6,288)
Amortisation charged	(320,806)	(279,921)	(190,945)	(183,692)
Decrease in allowance for impairment	2,369	28,589	-	10,649
Reclassification of allowance for impairment	-	35,652	-	-
Net book value at end of year	5,058,135	5,150,539	3,455,224	3,420,136



16. Other intangible assets

Other intangible assets which are computer software are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
31 December 2013		
Cost	507,213	505,215
<u>Less</u> Accumulated amortisation	<u>(397,057)</u>	<u>(395,244)</u>
Net book value	110,156	109,971
31 December 2012		
Cost	456,510	450,242
<u>Less</u> Accumulated amortisation	<u>(360,571)</u>	<u>(354,608)</u>
Net book value	95,939	95,634

A reconciliation of the net book value of intangible assets for the years 2013 and 2012 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Net book value at beginning of year	95,939	114,405	95,634	113,193
Acquisitions	40,880	21,813	40,848	22,053
Transfer of construction in progress from property, plant and equipment	14,137	13,835	14,137	13,835
Transfer out	-	(277)	-	-
Written-off - net book value	(2)	(3)	(9)	(3)
Amortisation charged	<u>(40,798)</u>	<u>(53,834)</u>	<u>(40,639)</u>	<u>(53,444)</u>
Net book value at end of year	110,156	95,939	109,971	95,634

As at 31 December 2013, certain intangible assets have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 298 million (2012: Baht 233 million) (The Company only: Baht 297 million (2012: Baht 232 million)).



17. Other non-current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Prepaid services	188,920	195,408	169,965	175,541
Rental guarantee	131,451	137,802	125,584	94,899
Deposits	57,572	58,117	57,539	58,084
Project advance	-	66,109	-	66,109
Others	27,465	22,684	21,836	17,039
Total other non-current assets	405,408	480,120	374,924	411,672

18. Short-term loans from financial institutions

As at 31 December 2013, the short-term promissory notes issued with three local financial institutions amounted to Baht 6,000 million (2012: Baht 6,000 million) carries interest at 2.65 - 2.80 percent per annum with a maturity on 3 January 2014. (Subsequently at the maturity date, the Company issued the short-term promissory notes with four local financial institutions amounted to Baht 6,000 million with a maturity on 3 July 2014.)

19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Related parties (Note 11)				
Trade payable	30,237	13,519	30,237	12,452
Other payables and accrued expense	132,053	116,549	1,394,566	1,542,385
Total	162,290	130,068	1,424,803	1,554,837
Unrelated parties				
Trade payable	22,763,319	22,809,128	22,434,771	22,203,743
Other payables and accrued expense	4,072,004	4,005,065	3,882,307	3,749,134
Total	26,835,323	26,814,193	26,317,078	25,952,877
Total trade and other payables	26,997,613	26,944,261	27,741,881	27,507,714

20. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2013	2012
Long-term loans from financial institutions	20,325,000	23,000,000
Less: Current portion	(1,675,000)	(1,675,000)
Long-term loans, net of current portion	18,650,000	21,325,000

20.1 On 28 June 2012, the Company had entered into two long-term loan agreements for the purpose of refinancing the short-term loan for funding the business acquisition in 2011. The detail of the loan agreements are as follows:

- a) A loan agreement with three local financial institutions for total credit facilities of Baht 27,000 million for the period of 2-7 years. The loan carries interest at THBFIX 3 months or 6 months or BIBOR 3 months plus margin per annum. Repayment is to be made by a mixture of amortization of annual installment, revolving promissory notes and full repayment at maturity. In 2012, the Company drew down Baht 19,000 million and repaid Baht 1,000 million. In 2013, the Company repaid another Baht 1,000 million. Subsequently, on 27 December 2013, the Company refinanced a partial facility and extended maturity date by entering into a supplement and amendment of existing long-term loan agreement with two local financial institutions. Under this agreement, there was a repayment of Baht 4,000 million by drawing down the full amount of the Baht 3,000 million new loans (as mentioned in 20.2) and using the Company's own funds of Baht 1,000 million. As at 31 December 2013, the credit facilities of the Company which have not yet been drawn down amounted to Baht 8,000 million (2012: Baht 8,000 million) and the long-term loan amounted to Baht 13,000 million (2012: Baht 18,000 million).
- b) A loan agreement with a local financial institution for credit facility of Baht 5,000 million for the period of 5 years. The loan carries interest at THBFIX 6 months plus margin per annum. Repayment is to be made in annual installments commencing from January 2013 to July 2017. During 2012, the Company drew down the full amount and during 2013 the Company had repaid Baht 675 million. As at 31 December 2013, the long-term loan amounted to Baht 4,325 million (2012: Baht 5,000 million).

20.2 On 27 December 2013, the Company entered into a long-term loan agreement with a local financial institution for total credit facilities of Baht 3,000 million with a maturity of two years. The loan carries interest at THBFIX 6 months plus margin per annum. Repayment is to be made by full repayment at maturity. This facility is fully drawn as at 31 December 2013. As at 31 December 2013, the long-term loan amounted to Baht 3,000 million (2012: nil).

The above long-term loan agreements are unsecured. Under the terms of the agreements, the Company must comply with certain conditions and restrictions stipulated in the agreements i.e. to maintain net debt to EBITDA ratio and to maintain net debt to equity ratio.

21. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Vat payable	943,702	887,969	889,375	850,194
Accrued property tax	529,142	501,127	346,478	312,024
Deferred income	231,799	163,071	226,097	156,778
Gift vouchers liabilities	202,394	140,820	202,394	140,820
Accrued withholding tax	128,369	52,887	119,884	44,621
Current portion of liabilities under a finance lease agreement (Note 22)	7,435	7,108	7,435	7,108
Others	37,928	78,052	34,266	69,520
Total other current liabilities	2,080,769	1,831,034	1,825,929	1,581,065

22. Liabilities under a finance lease agreement

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2013	2012
Liabilities under a finance lease agreement	351,160	369,932
Less : Deferred interest expenses	(95,834)	(107,498)
Total	255,326	262,434
Less : Portion due within one year (Note 21)	(7,435)	(7,108)
Liabilities under a finance lease agreement - net of current portion	247,891	255,326

The Company has entered into finance lease agreements with a company for rental of a department store for use in its operation, whereby it is committed to pay monthly rental at a fixed rental rate and at a percentage of sales and sublease revenue of the Company. The term of the agreement is 28 years.

Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Million Baht)

As at 31 December 2013	Less than 1 year	1-5 years	Over 5 years	Total
Future minimum lease payments	18	88	245	351
Deferred interest expenses	(11)	(41)	(44)	(96)
Present value of future minimum lease payments	7	47	201	255

(Unit: Million Baht)

As at 31 December 2013	Less than 1 year	1-5 years	Over 5 years	Total
Future minimum lease payments	19	83	268	370
Deferred interest expenses	(12)	(43)	(53)	(108)
Present value of future minimum lease payments	7	40	215	262

23. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2013 and 2012, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Define benefit obligation at beginning of year	335,575	211,916	326,737	182,673
Current service cost	46,890	25,460	46,274	25,229
Interest cost	12,943	8,192	12,598	7,913
Actuarial losses (gain) recognised in other comprehensive income during the year	(4,048)	99,246	(4,656)	119,979
Benefits paid during the year	(3,856)	(9,239)	(3,723)	(9,057)
Define benefit obligation at end of year	387,504	335,575	377,230	326,737

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Current service cost	46,890	25,460	46,274	25,229
Interest cost	12,943	8,192	12,598	7,913
Actuarial losses (gain) recognised during the year	(4,048)	99,246	(4,656)	119,979
Total expenses recognised in profit or loss	55,785	132,898	54,216	153,121

Such expenses are included in selling and administrative expenses in profit or loss.

The cumulative effect of actuarial loss of the company and its subsidiaries as recognised in other comprehensive income as at 31 December 2013 was approximately Baht 137 million (2012: loss of Baht 141 million) (The Company only: loss of Baht 135 million (2012: loss of Baht 140 million)).

Principal actuarial assumptions at the reporting date are as follows:

(% p.a.)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Discount rate	4.3	3.9	4.3	3.9
Future salary increase rate	3.5 - 10	3.5 - 10	3.5 - 10	3.5 - 10
Staff turnover rate (depending on age)	0 - 35	0 - 40	0 - 35	0 - 40

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

(Unit: Thousand Baht)

Year	Consolidated financial statements	Separate financial statements
2013	387,504	377,230
2012	335,575	326,737
2011	211,916	182,673
2010	133,724	133,724
2009	137,916	137,916

24. Other non-current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Retention payables	141,510	70,329	127,934	67,337
Deposits for rental and others	1,899,189	1,657,649	1,726,657	1,424,902
Total other non-current liabilities	2,040,699	1,727,978	1,854,591	1,492,239

25. Share capital

On 29 March 2012, the Company's Board of Directors' meeting No. 2/2012 approved the following resolutions.

- a) To approve the cancellation of the resolution of the Company's Board of Directors' meeting No. 5/2011 on 19 October 2011 regarding the reduction of the registered share capital of the Company from the existing registered capital of Baht 8,250 million to approximately Baht 8,014 million by cancelling the authorised but unissued 23,613,426 shares with par value of Baht 10 each.
- b) To approve the allocation of up to 23,613,426 authorised but unissued ordinary shares with par value of Baht 10 each to specific investors and/or institutional investors under a private placement scheme.

On 30 April 2012, the Annual General Meeting of the Company's shareholders approved the above allocation of unissued ordinary shares. The Company registered the increase in its share capital with Ministry of Commerce on 10 May 2012.

- c) To approve the postponement of implementing an increase in the registered share capital of the Company from approximately Baht 8,014 million to approximately Baht 11,514 million by issuing 350 million new ordinary shares with par value of Baht 10 each as approved by the Company's Board of Directors' meeting No. 5/2011 on 19 October 2011 and to reconsider it at an appropriate time.

26. Statutory reserve

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

27. Other income

Other income mainly consists of advertising income which is charged to suppliers for the advertisements placed in the Company and its subsidiaries' brochures, insurance recovery and interest income.

28. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Purchase of goods	98,692,837	93,621,584	98,323,495	92,654,904
Salary and wages and other employee benefits	6,600,154	5,710,019	6,500,537	5,617,051
Utilities expenses	3,455,223	3,152,218	3,335,043	2,674,173
Depreciation expense	3,244,868	3,066,710	2,304,029	2,010,700
Inventory management	1,793,328	1,643,715	1,769,351	1,487,409
Professional and management fee	1,475,650	1,419,034	1,478,939	1,371,931
Rental and service expenses	1,467,067	1,353,044	3,214,013	2,344,203
Amortisation expenses	371,016	344,292	240,995	247,673
Other expenses	4,325,706	4,285,744	5,143,969	1,642,646
Total expenses	121,425,849	114,596,360	122,310,371	110,050,690

29. Income tax

29.1 Income tax expenses for the years ended 31 December 2013 and 2012 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Current income tax				
Current income tax charge	1,483,994	1,520,832	1,249,048	1,186,666
Adjustments in respect of current income tax of previous year	(4,402)	2,685	(5,821)	(948)
Deferred tax				
Relating origination and reversal of temporary differences	371,016	344,292	240,995	247,673
	22,707	225,135	9,793	16,517
Income tax expenses reported in the income statement	1,502,299	1,748,652	1,253,020	1,202,235

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2013 and 2012 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Income tax relating to actuarial gain (losses) charged directly to other comprehensive income	810	(15,678)	931	(21,966)

29.2 Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2013 and 2012.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Accounting profit before tax	8,491,710	7,841,290	8,257,023	7,290,943
Applicable tax rate	20%	23%	20%	23%
Accounting profit before tax multiplied by applicable tax rate	1,698,342	1,803,497	1,651,405	1,676,917
Unrecognised tax losses	23,253	37,117	-	-
Adjustment in respect of current income tax of previous year	(4,402)	2,685	(5,821)	(948)
Non-taxable items	7,808	(43,568)	7,326	(17,971)
Tax effect on applicable tax rate when recover assets or settle liabilities	-	(38,130)	-	(5,893)
Recognition of previously unrecognized deferred tax assets	2,193	(10,285)	2,193	-
Tax effect of non-taxable dividend income	-	-	(388,645)	(448,963)
Tax exemption from political unrest	(16,609)	-	(16,609)	-
Tax effect on liquidation of a subsidiary	(208,914)	-	-	-
Others	628	(2,664)	3,171	(907)
Income tax expenses reported in the income statement	1,502,299	1,748,652	1,253,020	1,202,235

29.3 As at 31 December 2013 and 2012, the components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Deferred tax assets				
Allowance for doubtful debts	22,710	26,483	15,543	14,433
Allowance for diminution in value of inventory	77,485	74,757	75,885	72,380
Allowance for impairment of assets	36,058	37,938	12,600	12,600
Provision for suppliers' discounts	194,420	216,755	191,169	209,518
Provision for long-term employee benefits	77,501	67,115	75,446	65,347
Fair value adjustment of subsidiary's assets regarding business combination	97,044	103,941	-	-
Short-term provisions	15,712	26,318	8,621	16,383
Provision for customer loyalty program	8,706	12,028	8,706	11,945
Effect from long-term lease agreement	25,216	15,711	21,589	12,628
Liabilities under financial lease agreement	51,065	52,487	51,065	52,487
Others	1,576	15,460	1,576	5,177
Total	607,493	648,993	462,200	472,898
Deferred tax liabilities				
Fair value adjustment of subsidiary's assets regarding business combination	(746,488)	(781,318)	-	-
Change in useful lives of assets	(491,021)	(352,892)	(207,167)	(147,559)
Insurance claim receivable	(170,328)	(289,696)	(170,328)	(227,994)
Assets under financial lease agreement	(50,404)	(52,319)	(50,404)	(52,319)
Total	(1,458,241)	(1,476,225)	(427,899)	(427,872)
Net	(850,748)	(827,232)	34,301	45,026

In October 2011, the Cabinet passed a resolution to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2013. In addition, in order to comply with the resolution of the Cabinet, in December 2011, the decrease in tax rates for 2012-2014 were enacted through a Royal Decree. The Company and its subsidiaries reflected the changes in tax rates in its deferred tax calculation, as mentioned above.

As at 31 December 2013, the subsidiaries have unused tax losses of approximately Baht 515 million (2012: Baht 792 million) in which deferred tax assets have not been recognized as the subsidiaries believe that future taxable profits may not be sufficient to allow the utilization of the unused tax losses.

30. Earnings per share

Basic earnings per share are calculated by dividing the net income for the year of the equity holders of the Company (excluded other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

31. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)	Paid on
2012				
Final dividend from 2011 income	Annual General Meeting of the shareholders on 30 April 2012	1,570,718	1.96	May 2012
Total dividends for 2012		<u>1,570,718</u>		
2013				
Final dividend from 2012 income	Annual General Meeting of the shareholders on 10 April 2013	1,823,250	2.21	May 2013
Total dividends for 2013		<u>1,823,250</u>		

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 and 5.5 percent of salary. The fund, which is managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. Total contributions by the Company and its subsidiaries for the year 2013 amounted to approximately Baht 134 million (2012: Baht 118 million) and Baht 132 million for the Company (2012: Baht 114 million).

33. Financial information by segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Chief Executive Officer.

For management purposes, the Company and its subsidiaries are organized as business units based on their store formats and have two reportable segments as follows:

- 1) **Hypermarket segment** comprises large stores operated under Big C Supercenter, Big C Extra and Big C Jumbo trade names.
- 2) **Small store segment** consists of supermarkets operated under the name Big C Markets, community shops operated under the name Mini Big C and drugstores operated under the name Pure.

The Company and its subsidiaries have aggregated the retail and property business in their respective stores according to the above store formats as they share the same group of customers and are located in the same location. In addition, they also have similar economic characteristics that the chief operating decision maker makes a decision pertaining to investment and resources allocation and monitors performance of each store format by considering together the retail and property business.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Company and its subsidiaries' financing activities (including finance costs and finance income), income taxes, other income and expenses are managed on a group basis and are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2013 and 2012, respectively.

(Unit: Thousand Baht)

For the year ended 31 December 2013	Hypermarket	Small store format	Total segments	Report grouping differences and other adjustments	Consolidated
Revenue					
External customers	116,942,024	9,363,910	126,305,934	4,664,754	130,970,688
Results					
Segment profit (loss)	9,922,372	13,297	9,935,669	(390,830)	9,544,839
Finance cost					(1,053,130)
Profit before income tax expenses					8,491,709
Income tax expenses					(1,502,299)
Profit for the year					<u>6,989,410</u>
Depreciation and amortisation	3,179,500	392,700	3,572,200	46,053	3,618,253

(Unit: Thousand Baht)

For the year ended 31 December 2012	Hypermarket	Small store format	Total segments	Report grouping differences and other adjustments	Consolidated
Revenue					
External customers	113,666,998	5,512,422	119,179,420	4,553,108	123,732,528
Results					
Segment profit (loss)	9,191,501	17,194	9,208,695	(72,527)	9,136,168
Finance cost					(1,294,878)
Profit before income tax expenses					7,841,290
Income tax expenses					(1,748,652)
Profit for the year					<u>6,092,638</u>
Depreciation and amortisation	3,098,800	232,700	3,331,500	79,502	3,411,002

The following table presents main assets consisting of investment property and property, plant and equipment of the operating segments:

(Unit: Thousand Baht)

	Hypermarket	Small store format	Total segments	Unallocated assets	Consolidated
Main assets as at 31 December 2013	37,848,657	3,095,914	40,944,571	1,534,729	42,479,300
Main assets as at 31 December 2012	36,150,543	1,874,174	38,024,717	629,629	38,654,346

Geographic information

The Company and its subsidiaries are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

For the year 2013 and 2012, the Company and its subsidiaries have no major customer with revenue of 10 per cent or more of an entity's revenues.

34. Commitments and contingent liabilities

Commitments and contingent liabilities as at 31 December 2013 are summarised as follows:

34.1 Capital commitment

The Company was committed to obligations under agreements with several companies for the construction of office buildings, department stores and distribution center totaling approximately Baht 1,230 million (2012: Baht 396 million). (The Company only: Baht 1,192 million (2012: Baht 396 million)).

34.2 Operating lease commitments

a) The Company and its subsidiaries entered into land lease and sub-lease agreements with individuals, and other companies for the construction of office buildings and stores for periods ranging from one year to thirty years.

The future minimum lease payments required under non-cancellable agreements were as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Payable within:				
Less than 1 year	1,012	789	1,187	984
1 to 5 years	3,552	2,862	2,671	1,994
More than 5 years	8,246	7,135	5,996	4,649

In addition, under certain lease and sub-lease agreements, the Company and its subsidiaries have commitments to make rental or additional rental payment, at a percentage of sales and sublease revenue of the Company and its subsidiaries.

As at 31 December 2013, the Company and its subsidiaries have subleased part of the space under non-cancellable agreements and expects to receive sublease payments of approximately Baht 84 million (2012: Baht 93 million) (The Company only: Baht 71 million (2012: Baht 70 million)).

The above lease agreements stipulated certain covenants which the Company and its subsidiaries must comply.

b) The Company also entered into agreements relating to the transfer of leasehold right and sub-lease arrangements covering part of buildings from existing lessors. The lease contracts were made with two local companies. The compensation for the transfer of leasehold right and leasing charges during the first eight years starting from 2000, are in the range of approximately Baht 688 million to Baht 1,202 million, depending on sales volume. Subsequent sub-leasing charges from the ninth year would be based on the market rate for such period, depending on conditions to be agreed between the parties.

c) The Company entered into the renewal of the land lease contract and the lease and service agreement of Wongsawang Town Center Department store with a company. These agreements cover a period of 10 years, commencing from 1 April 2006 and extendable for another two years. The rental is to be paid at the rates of Baht 458,544 per month for the 1st - 3rd year and will be increased by 15% every three years, while the 11th - 12th year rental will be paid at same rate as that of the tenth year (in accordance with the resolution of the Annual General Meeting of Shareholders of the Company on 27 April 2006).

- d) The Company and its subsidiaries entered into the land lease contract with a company. This agreement generally covers a period of 30 years, commencing from 17 July 1996. In consideration thereof, the Company and its subsidiaries agree to pay annual rental fee under the calculation by using initial land cost multiply by average Minimum Loan Rate of commercial banks. In 2013 the average loan rate is 6.88 - 7.38 percent per annum (2012: 7.08 - 7.33 percent per annum).
- e) The Company entered into a Memorandum of Understanding to lease the shopping center with a company in Lao People's Democratic Republic for a period of twenty years, commencing from the soft opening of the mall and for another twenty years. The Company agrees to pay rental fees revenue sharing at the rate based on net sales.

34.3 Long-term service commitment

- a) The Company entered into a logistics and distribution services agreement with a company resulting in a commitment to pay for the service fee at a percentage of goods purchased.
- b) The Company entered into a technical assistance and management agreement with a related company resulting in a commitment to pay for the service fee on a quarterly basis. The term of agreement for 1 year commencing from 1 January 2012 and automatically be extended for a further term of 1 year. Subsequently, on 1 January 2014 the Company and the related company entered into amendment agreement to extend term of service for one further year until 31 December 2014.

34.4 Guarantees

The Company and its subsidiaries had outstanding guarantees of approximately Baht 456 million (2012: Baht 501 million) and approximately Baht 415 million for the Company (2012: Baht 388 million) as issued by the banks on behalf of the Company and its subsidiaries for the government agencies in respect of guarantee for electricity usage and others as required in the normal course of business.

34.5 Commitments in uncalled portion of investments

The Company and its subsidiaries have outstanding commitment in respect of uncalled portion of investment in subsidiaries of approximately Baht 1,301 million and USD 4 million (2012: Baht 1,301 million and USD 4 million) (The Company only: Baht 559 million and USD 4 million (2012: Baht 559 million and USD 4 million)).

34.6 Litigation

The Company and its subsidiaries have been sued by other entities as co-defendant for breach of contracts, penalty claim and other cases in which the cases are currently being considered by the Civil Court. Furthermore, the Company and its subsidiaries have been sued by certain individuals. The management believes that the Company and its subsidiaries will receive favorable ruling for the cases. However, for prudent reason the Company and its subsidiaries have set up certain provision for litigation in its accounts.

35. Debentures

On 10 November 2003, the Extraordinary shareholder's meeting had passed the resolution to approve the issuance of debentures of not exceeding Baht 3,000 million or in other currency with the equivalent amount due within 6 years. The debenture will be sold to specific investor and or public in accordance with the regulation of the Securities and Exchange Commission. However, as at 31 December 2013 and 2012 the Company has not issued debentures under the above resolution.

36. Financial instruments

36.1 Financial risk management

The Company and its subsidiary companies' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, rental and other services receivable, loans from/loans to subsidiaries, and accounts payable. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiary companies are exposed to credit risk primarily with respect to trade accounts receivable, rental and other income receivable, and loans to subsidiary companies. They manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, they do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, rental and other income receivable, and loans to subsidiary companies, stated in the statement of financial position.

Interest rate risk

The Company and its subsidiary companies are exposed to interest rate risk related primarily to their cash and cash equivalents, trade accounts receivable, rental and other services receivable, loans from/loans to subsidiaries, accounts payable and loans from financial institutions.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

(Unit: Million Baht)

Consolidated financial statements	Fixed interest rate over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate (% p.a.)
As at 31 December 2013					
Financial Assets					
Cash and cash equivalent	-	2,977	4,198	7,175	0.13 - 2.00
Trade and other receivables	-	-	323	323	-
Rental and other income receivable	-	-	3,258	3,258	-
	-	2,977	7,779	10,756	
Financial liabilities					
Short-term loans from financial institutions	-	6,000	-	6,000	2.65 - 2.80
Trade and other payables	-	-	26,998	26,998	-
Long-term loans from financial institutions	-	20,325	-	20,325	THBFIX 6 months plus 1.60
Liabilities under finance lease agreement	255	-	-	255	4.5
	255	26,325	26,998	53,578	
As at 31 December 2012					
Financial Assets					
Cash and cash equivalent	-	5,479	3,301	8,780	0.10 - 2.50
Trade and other receivables	-	-	315	315	-
Rental and other income receivable	-	-	1,678	1,678	-
	-	5,479	5,294	10,773	
Financial liabilities					
Short-term loans from financial institutions	-	6,000	-	6,000	2.99 - 3.40
Trade and other payables	-	-	26,944	26,944	-
Long-term loans from financial institutions	-	23,000	-	23,000	THBFIX 3 months plus 1.25 - 1.60
Liabilities under finance lease agreement	262	-	-	262	4.5
	262	29,000	26,944	56,206	

(Unit: Million Baht)

Separate financial statements	Fixed interest rate over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate (% p.a.)
As at 31 December 2013					
Financial Assets					
Cash and cash equivalent	-	2,940	4,110	7,050	0.13 - 2.00
Trade and other receivables	-	-	875	875	-
Rental and other income receivable	-	-	3,224	3,224	-
Loans to subsidiary companies	-	4,148	-	4,148	3.40 - 3.67
	-	7,088	8,209	15,297	
Financial liabilities					
Short-term loans from financial institutions	-	6,000	-	6,000	2.65 - 2.80
Trade and other payables	-	-	27,742	27,742	-
Loans from subsidiary companies	-	2,119	-	2,119	3.40 - 3.67
Long-term loans from financial institutions	-	20,325	-	20,325	THBFIX 6 months plus 1.60
Liabilities under finance lease agreement	255	-	-	255	4.5
	255	28,444	27,742	56,441	
As at 31 December 2012					
Financial Assets					
Cash and cash equivalent	-	5,446	3,169	8,615	0.10 - 2.50
Trade and other receivables	-	-	1,104	1,104	-
Rental and other income receivable	-	-	1,645	1,645	-
Loans to subsidiary companies	-	4,632	-	4,632	3.40 - 4.00
	-	10,078	5,918	15,996	
Financial liabilities					
Short-term loans from financial institutions	-	6,000	-	6,000	2.99 - 3.40
Trade and other payables	-	-	27,508	27,508	-
Loans from subsidiary companies	-	1,797	-	1,797	3.40 - 3.67
Long-term loans from financial institutions	-	23,000	-	23,000	THBFIX 3 months plus 1.25 - 1.60
Liabilities under finance lease agreement	262	-	-	262	4.5
	262	30,797	27,508	58,567	

Foreign currency risk

The Company and its subsidiaries have exposure in foreign currency rates related to revenues and administrative expenses from/to the related parties that are denominated in foreign currency.

As at 31 December 2013, The Company and its subsidiaries had the following financial assets and financial liabilities denominated in foreign currency that have not been hedged.

(Unit: Thousand Baht)

Foreign currency	Financial assets		Financial liabilities		Average exchange (rate as at 31 December)	
	2013	2012	2013	2012	2013	2012
Consolidated financial statements						
US Dollar	1,149	1,131	-	-	32.8136	30.6316
Euro	1,689	2,252	2,915	2,219	45.0217	40.5563
Separate financial statements						
US Dollar	149	131	-	-	32.8136	30.6316
Euro	1,689	2,252	2,915	2,219	45.0217	40.5563



36.2 Fair values of financial instruments

Since the majority of the Company and its subsidiary companies 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 the statement of financial positions.

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 instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

37. Capital management

The primary objectives 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 2013, the Group's debt-to-equity ratio was 1.62:1 (2012 was 1.95:1) and the Company's was 1.79:1 (2012 was 2.16:1).

38. Events after the reporting period

38.1 On 14 January 2014, the Board of Director's meeting had passed the resolution to approve the investments in e-commerce business comprising as follows:

- a) Investment in C-Distribution Asia Pte. Ltd., which was incorporated and operated in Singapore to be the parties' investment vehicle for e-commerce business in the ASEAN region (initially for Thailand and Vietnam) and provide certain management and headquarter functions and financial support to its operating affiliates. This company has a registered share capital of Euro 4.5 million in which the Company holds 40% interest (jointly with Cdiscount International BV and Quinam BV, both of which are connected persons of the Company). On 15 January 2014, the Company paid for this investment of Euro 1.8 million or equivalent to approximately Baht 81 million. As at 31 December 2013, this company has not yet commenced commercial operations.
- b) Investment in C Distribution (Thailand) Limited which was incorporated and operated in Thailand to operate the e-commerce business in Thailand. This company has a registered share capital of Baht 100 million. On 17 January 2014, the Company paid for the share capital totaling Baht 30 million for 30% interest (jointly with C-Distribution Asia Pte. Ltd.). As at 31 December 2013, this company has not yet commenced its commercial operations.

38.2 On 11 February 2014, the Board of Director's meeting passed a resolution to approve a dividend for 2013 of Baht 2.55 per share, or a total sum of approximately Baht 2,104 million. The dividend will be paid to the shareholders on 7 May 2014 and will be recorded in the second quarter of 2014. The dividend payment is subject to the approval of the Annual General Meeting of the Shareholders.

39. Approval of financial statements

The financial statements were authorised for issuance by the authorised directors on 11 February 2014.



APPENDIX

• Summary of Transactions with Related Companies	158
• Company's Major Shareholders	163
• Big C Store Information in 2013	164
• Adequacy Assessment Form for the Internal Control System 2013	170
• Board of Directors of the Company and Subsidiaries	178
• Summary of Specified Items Per Form 56-2	179



Summary of Transactions with Related Companies

Additional information is available in Notes to consolidated financial statements, **clause 11 - Related Party Transaction**, and Corporate Governance Compliance Section, under topic Other Shareholder Right Protection.

1. Purchase of goods

Related Companies

Customer :

- Big C Supercenter PCL.
- Big C Fairy Ltd.
- Big C Pitsanulok Ltd.
- CenCar Ltd.

Supplier :

- Distribution Casino France
- Central Trading Co., Ltd.
- Textral Textile Co., Ltd.

Relationship

Condition/Pricing Policy

Rationale

Contract Detail

Amount (Million baht)

Company of Central Group* and Groupe Casino

Market price

Normal business

-

Purchase 106.4 Trade Payable 30.2

2. Tax management service

Related Companies

Service receiver :

- Big C Supercenter PCL.

Service provider :

- Central Marketing Group
Intertrade Co., Ltd

Relationship

Condition/Pricing Policy

Rationale

Contract Detail

Amount (Million baht)

Company of Central Group*

Negotiated price based on arms' length

Support normal business

Contract commencing on 1 Jan 2013
to 31 Dec 2013, monthly fee of Bt 150,000

Service charge 0.8

3. Land leasehold contract at Big C Store (Korat branch)

Related Companies

Lessee :

- Big C Supercenter PCL.

Lessor :

- Tieng Chirathivat Co., Ltd.

Relationship

Condition/Pricing Policy

Rationale

Contract Detail

Amount (Million baht)

Company of Central Group*

Negotiated price based on arms' length

Normal business

30-year contract commencing from Dec-1-1996
to Nov-30-2026 Amount of leasing option is Bt 105
million with monthly rental and service charge
of Bt 275,000 which will be increased by 10%
for every 3 years
Rental fee 2.2

4. Building lease of Big C store (Wongsawang branch)

Related Companies

Lessee :

- Big C Supercenter PCL.

Lessor :

- Central Department Store Co., Ltd.

Relationship

Condition/Pricing Policy

Rationale

Contract Detail

Amount (Million baht)

Company of Central Group*

Market price

Normal business

10-year contract commencing from Apr-1-2006
to Mar-31-2016 with monthly rental and service
charge based on rental area and will be increased
by 10% for every 3 years
Rental fee and Service Charges 23.9

5. Land lease in Big C store (Ratburana branch)

Related Companies

Lessee :

- Central Superstore Ltd.

Lessor :

- Central Thonburi Co., Ltd.

Relationship

Company of Central Group*

Condition/Pricing Policy

Market price

Rationale

Normal business

Contract Detail

30-year contract commencing on May-1-1995 to Apr-30-2025 Amount of leasing option is Bt 119.9 million with yearly rental of Bt 1.2 million which will be increased by 10% for every 3 years

Amount (Million baht)

Rental fee 0.8

6. Parking area leasing contract at Big C store (Ratburana branch)

Related Companies

Lessee :

- Central Superstore Ltd.

Lessor :

- Central Thonburi Co., Ltd.

Relationship

Company of Central Group*

Condition/Pricing Policy

Market price

Rationale

Normal business

Contract Detail

3-year contract commencing from Jan-1-2012 to Dec-31-2014, monthly rental of Bt 170,000, payable 6 months in advance

Amount (Million baht)

Rental fee 0.9

7. Land lease of Big C store (Khon Kaen branch)

Related Companies

Lessee :

- Big C Fairy Ltd.

Lessor :

- Central Pattana (Khonkaen) Co., Ltd.

Relationship

Company of Central Group*

Condition/Pricing Policy

Market price

Rationale

Normal business

Contract Detail

30-year contract commencing on Jul-17-1996 with yearly rental of Bt 25.8 million

Amount (Million baht)

Rental fee 6.1

8. Space service agreement for “Western Union”

Related Companies

Service receiver :

- Central Department Store Co., Ltd.

Service provider :

- Big C Supercenter PCL.
- Big C Fairy Ltd.

Relationship

Company of Central Group*

Condition/Pricing Policy

Market price

Rationale

Normal business

Contract Detail

4-year contract

Amount (Million baht)

Service Income 3.6

9. Land lease and service rendering contract at each branch of Big C store

<p>Related Companies</p> <p>Lessee :</p> <ul style="list-style-type: none"> • Central Restaurant Group Co., Ltd. (K.F.C.) • Central Restaurant Group Co., Ltd. (Mr. Donut) • Central Restaurant Group Co., Ltd. (Auntie Anne's) • Office Club (Thai) Co., Ltd • CRC Sports Co., Ltd. • Central Restaurant Group Co., Ltd. (Pepper Lunch) • Central Watson Co., Ltd. • Central Trading Co., Ltd. • Power Buy Co., Ltd. • B2S Co., Ltd. <p>Lessor :</p> <ul style="list-style-type: none"> • Big C Supercenter PCL. and subsidiaries 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Market price</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Leasing term ranges from 3 years to 15 years</td></tr> <tr> <td>Amount (Million baht)</td><td>Rental fee 174.8</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Market price	Rationale	Normal business	Contract Detail	Leasing term ranges from 3 years to 15 years	Amount (Million baht)	Rental fee 174.8
Relationship	Company of Central Group*										
Condition/Pricing Policy	Market price										
Rationale	Normal business										
Contract Detail	Leasing term ranges from 3 years to 15 years										
Amount (Million baht)	Rental fee 174.8										

10. Assignment of building rental right of Central's building at Hua Mark

<p>Related Companies</p> <p>Assignee :</p> <ul style="list-style-type: none"> • Big C Supercenter PCL. <p>Assignor :</p> <ul style="list-style-type: none"> • Ramindra Department Store Co., Ltd. <p>Lessor :</p> <ul style="list-style-type: none"> • Harn Central Department Store Co., Ltd. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Negotiated price based on arms' length</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Lease term is 15 years and one month commencing from Apr-25-2000 to May-31-2015 Amount of monthly assignment option is Bt 4.02 million with the service charges is Bt 1.7 million. The rental fee during first eight years depends on sales volume with the minimum and maximum rental fee, after that the rental fee depends on the agreed condition</td></tr> <tr> <td>Amount (Million baht)</td><td>Assignment option and service fee 30.2</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Negotiated price based on arms' length	Rationale	Normal business	Contract Detail	Lease term is 15 years and one month commencing from Apr-25-2000 to May-31-2015 Amount of monthly assignment option is Bt 4.02 million with the service charges is Bt 1.7 million. The rental fee during first eight years depends on sales volume with the minimum and maximum rental fee, after that the rental fee depends on the agreed condition	Amount (Million baht)	Assignment option and service fee 30.2
Relationship	Company of Central Group*										
Condition/Pricing Policy	Negotiated price based on arms' length										
Rationale	Normal business										
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Amount (Million baht)	Assignment option and service fee 30.2										

10-1. Services and facilities contract in Central's building at Hua Mark

<p>Related Companies</p> <p>Service receiver :</p> <ul style="list-style-type: none"> • Big C Supercenter PCL. <p>Service provider :</p> <ul style="list-style-type: none"> • Central Department Store Co., Ltd. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Negotiated price based on arms' length</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Contract term is 15 years and one month commencing on Apr-25-2000 with renewal period of 4 years and 11 months, service charge based on service area and service rate per area as determined in the contract</td></tr> <tr> <td>Amount (Million baht)</td><td>-</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Negotiated price based on arms' length	Rationale	Normal business	Contract Detail	Contract term is 15 years and one month commencing on Apr-25-2000 with renewal period of 4 years and 11 months, service charge based on service area and service rate per area as determined in the contract	Amount (Million baht)	-
Relationship	Company of Central Group*										
Condition/Pricing Policy	Negotiated price based on arms' length										
Rationale	Normal business										
Contract Detail	Contract term is 15 years and one month commencing on Apr-25-2000 with renewal period of 4 years and 11 months, service charge based on service area and service rate per area as determined in the contract										
Amount (Million baht)	-										

11. Sub-leasing contract of Fashion Island Department Store

<p>Related Companies</p> <p>Lessee :</p> <ul style="list-style-type: none"> • Big C Supercenter PCL. <p>Lessor :</p> <ul style="list-style-type: none"> • Central Department Store Co., Ltd. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Negotiated price based on arms' length</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Leasing term of 15 years commencing from Oct-20-2000 to Oct-19-2015 with renewal period of 9 years, monthly rental fee is Bt 792,000 ; yearly rental fee is Bt 9.5 million</td></tr> <tr> <td>Amount (Million baht)</td><td>Rental fee and service charge 34.8</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Negotiated price based on arms' length	Rationale	Normal business	Contract Detail	Leasing term of 15 years commencing from Oct-20-2000 to Oct-19-2015 with renewal period of 9 years, monthly rental fee is Bt 792,000 ; yearly rental fee is Bt 9.5 million	Amount (Million baht)	Rental fee and service charge 34.8
Relationship	Company of Central Group*										
Condition/Pricing Policy	Negotiated price based on arms' length										
Rationale	Normal business										
Contract Detail	Leasing term of 15 years commencing from Oct-20-2000 to Oct-19-2015 with renewal period of 9 years, monthly rental fee is Bt 792,000 ; yearly rental fee is Bt 9.5 million										
Amount (Million baht)	Rental fee and service charge 34.8										

11-1. Service contract for building facility system in Fashion Island Department Store

Related Companies Service receiver : <ul style="list-style-type: none"> • Big C Supercenter PCL. Service provider : <ul style="list-style-type: none"> • Central Department Store Co., Ltd. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Negotiated price based on arms' length</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>15-year contract commencing from Oct-20-2000 to Oct-10-2015 with renewal period of 9 years. Service charges divided into two parts: First : based on serviced area and service rate per area as determined in the agreement Second : during first eight years, service charge depends on sales volume with minimum and maximum charge, after that service charge depends on agreed condition</td></tr> <tr> <td>Amount (Million baht)</td><td>-</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Negotiated price based on arms' length	Rationale	Normal business	Contract Detail	15-year contract commencing from Oct-20-2000 to Oct-10-2015 with renewal period of 9 years. Service charges divided into two parts: First : based on serviced area and service rate per area as determined in the agreement Second : during first eight years, service charge depends on sales volume with minimum and maximum charge, after that service charge depends on agreed condition	Amount (Million baht)	-
Relationship	Company of Central Group*										
Condition/Pricing Policy	Negotiated price based on arms' length										
Rationale	Normal business										
Contract Detail	15-year contract commencing from Oct-20-2000 to Oct-10-2015 with renewal period of 9 years. Service charges divided into two parts: First : based on serviced area and service rate per area as determined in the agreement Second : during first eight years, service charge depends on sales volume with minimum and maximum charge, after that service charge depends on agreed condition										
Amount (Million baht)	-										

12. Land sub-leasing contract for the implementation of Central Festival Center at Pattaya

Related Companies Lessee : <ul style="list-style-type: none"> • Central Pattana PCL. Lessor : <ul style="list-style-type: none"> • Central Pattaya Co., Ltd. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Market price</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Leasing term of 21 years and 6 months commencing from Nov-1-1993 to Apr-30-2015, monthly rental fee ranging from Bt 167,500 (first year) to Bt 834,000 (last year), deposit for rental guarantee of Bt 61.7 million (partially returned for 80 times every three months to lessee on quarterly basis of Bt 771,625)</td></tr> <tr> <td>Amount (Million baht)</td><td>Rental fee 3.9</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Market price	Rationale	Normal business	Contract Detail	Leasing term of 21 years and 6 months commencing from Nov-1-1993 to Apr-30-2015, monthly rental fee ranging from Bt 167,500 (first year) to Bt 834,000 (last year), deposit for rental guarantee of Bt 61.7 million (partially returned for 80 times every three months to lessee on quarterly basis of Bt 771,625)	Amount (Million baht)	Rental fee 3.9
Relationship	Company of Central Group*										
Condition/Pricing Policy	Market price										
Rationale	Normal business										
Contract Detail	Leasing term of 21 years and 6 months commencing from Nov-1-1993 to Apr-30-2015, monthly rental fee ranging from Bt 167,500 (first year) to Bt 834,000 (last year), deposit for rental guarantee of Bt 61.7 million (partially returned for 80 times every three months to lessee on quarterly basis of Bt 771,625)										
Amount (Million baht)	Rental fee 3.9										

13. Leasing contract for some areas of Big C store (Pattaya branch)

Related Companies Lessee : <ul style="list-style-type: none"> • Central Pattana PCL. Lessor : <ul style="list-style-type: none"> • Central Pattaya Co., Ltd. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Market price</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Leasing term of 19 years and 4 months commencing on Dec-29-1995</td></tr> <tr> <td>Amount (Million baht)</td><td>Leasehold 19.2</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Market price	Rationale	Normal business	Contract Detail	Leasing term of 19 years and 4 months commencing on Dec-29-1995	Amount (Million baht)	Leasehold 19.2
Relationship	Company of Central Group*										
Condition/Pricing Policy	Market price										
Rationale	Normal business										
Contract Detail	Leasing term of 19 years and 4 months commencing on Dec-29-1995										
Amount (Million baht)	Leasehold 19.2										

14. Contract on infrastructure system services of Big C store (Pattaya branch)

Related Companies Lessee : <ul style="list-style-type: none"> • Central Realty Service Co., Ltd. Lessor : <ul style="list-style-type: none"> • Central Pattaya Co., Ltd. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Market price</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Service term of 19 years and 4 months commencing on Dec-29-1995</td></tr> <tr> <td>Amount (Million baht)</td><td>Service charge 12.8</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Market price	Rationale	Normal business	Contract Detail	Service term of 19 years and 4 months commencing on Dec-29-1995	Amount (Million baht)	Service charge 12.8
Relationship	Company of Central Group*										
Condition/Pricing Policy	Market price										
Rationale	Normal business										
Contract Detail	Service term of 19 years and 4 months commencing on Dec-29-1995										
Amount (Million baht)	Service charge 12.8										

15. Leasing contract of some area in Central Festival Center at Pattaya

Related Companies Lessee : <ul style="list-style-type: none"> • Central Pattaya Co., Ltd. Lessor : <ul style="list-style-type: none"> • Central Pattana PCL. 	<table> <tr> <td>Relationship</td><td>Company of Central Group*</td></tr> <tr> <td>Condition/Pricing Policy</td><td>Market price</td></tr> <tr> <td>Rationale</td><td>Normal business</td></tr> <tr> <td>Contract Detail</td><td>Leasing term of 19 years and 9 months commencing on Jul-29-1995</td></tr> <tr> <td>Amount (Million baht)</td><td>Leasehold 1.2</td></tr> </table>	Relationship	Company of Central Group*	Condition/Pricing Policy	Market price	Rationale	Normal business	Contract Detail	Leasing term of 19 years and 9 months commencing on Jul-29-1995	Amount (Million baht)	Leasehold 1.2
Relationship	Company of Central Group*										
Condition/Pricing Policy	Market price										
Rationale	Normal business										
Contract Detail	Leasing term of 19 years and 9 months commencing on Jul-29-1995										
Amount (Million baht)	Leasehold 1.2										

16. Contract of sharing expenses of Big C store (Pattaya branch)

Related Companies	Relationship	Company of Central Group*
Service receiver : • Central Pattaya Co., Ltd.	Condition/Pricing Policy	Negotiated price based on arms' length
Service provider : • Central Pattana PCL.	Rationale	Normal business
	Contract Detail	Contract commencing on Jan-1-2010 to Apr-30-2015, monthly service charge is Bt 701,285.50 and will be annually increased by 5%
	Amount (Million baht)	Service charge 4.9

17. Technical assistance and management agreement

Related Companies	Relationship	Company of Groupe Casino
Service receiver : • Big C Supercenter PCL.	Condition/Pricing Policy	General Trading Terms/Comparative Pricing with similar business
Service provider : • Distribution Casino France	Rationale	Support normal business
	Contract Detail	Contract commencing on Jan-1-2012 and automatically be extended for a further term of 1 year. Service charge depends on agreed condition Management Fee and reimbursement based on actual charge 99.7 Payable 132.1
	Amount (Million baht)	

18. Service mark license agreement

Related Companies	Relationship	Company of Groupe Casino
Licensee : • Cavi Retail Limited (Big C Vietnam)	Condition/Pricing Policy	General Trading Terms/Comparative Pricing with similar business
Licensor : • Big C Supercenter PCL.	Rationale	Normal business
	Contract Detail	5-year contract
	Amount (Million baht)	Income 18.2 Receivable 4.8

19. Pool agreement

Related Companies	Relationship	Company of Groupe Casino
Service receiver : • Casino International	Condition/Pricing Policy	General Trading Terms/Comparative Pricing with similar business
Service provider : • Big C Supercenter PCL.	Rationale	Normal business
	Contract Detail	Compensate income from goods purchasing (IRTS Income), base on product type and purchase amount.
	Amount (Million baht)	Income 86.0 Service charge 25.5 Receivable 76.8

20. Merchandise sourcing service

Related Companies	Relationship	Company of Groupe Casino
Service receiver : • Big C Supercenter PCL.	Condition/Pricing Policy	General Trading Terms/Comparative Pricing with similar business
Service provider : • Group Casino Limited	Rationale	Normal business
	Contract Detail	Annual management fee
	Amount (Million baht)	Service charge 7.6

* After 2nd quarter of 2013, no longer a related party under accounting standard.

Company's Major Shareholders

Major Shareholders as of December 30, 2013

No. / Name	Shares	Percent
1. Geant International B.V. ⁽¹⁾	264,797,600	32.097
2. Saowanee Holdings Limited ⁽¹⁾	218,280,000	26.458
3. THAI NVDR	67,872,050	8.227
4. Mrs. Arunee Chan	37,619,714	4.560
5. UBS AG Singapore Branch	17,710,500	2.147
6. Barclays Bank PLC, Singapore	15,900,000	1.927
7. Deutsche Bank AG Singapore - PWM	14,000,000	1.697
8. Credit Suisse (Hong Kong) Limited	10,872,000	1.318
9. The Bank of New York (Nominees) Limited	10,209,238	1.237
10. State Street Bank Europe Limited	8,991,801	1.090
11. Mr. Niti Osthannugrah	7,475,400	0.906

⁽¹⁾ Shareholders having influence on management policy of the Company including by nominating persons as directors.

Dividend Policy

The Company has set a policy to pay dividends at the rate of 30 per cent of annual stand-alone net profit after deduction of legal reserve. The Company had paid dividends for the year 2009, 2010, 2011, 2012 and 2013 at the rate of 59%, 56%, 30%, 30% and 30% respectively.

The subsidiaries have set a policy to pay the dividends at maximum rate as possible in order to allow Big C to fully realize revenue from its subsidiary

	2013**	2012	2011	2010	2009
Dividend Payment (Baht / Share)	2.55	2.21	1.96	1.96	1.96
Dividend Amount (Baht)	2,103,750,000	1,823,250,000	1,570,717,685	1,570,717,685	1,570,717,685
Dividend Payout Ratio	30%	30%	30%	56%	59%
Legal Reserve (Baht)	- *	- *	- *	17,400,000	140,900,000
Number of Shares	825,000,000	825,000,000	801,386,574	801,386,574	801,386,574

* In 2011, the legal reserve was fully allocated, i.e., ten (10) percent of the Company's registered capital.

** Subject to approval of AGM 2014 to be held in April 2014.



Big C Store

Information in 2013

BKK and Vicinity



Northern Region



North-Eastern Region



Central and Eastern Region



Southern Region



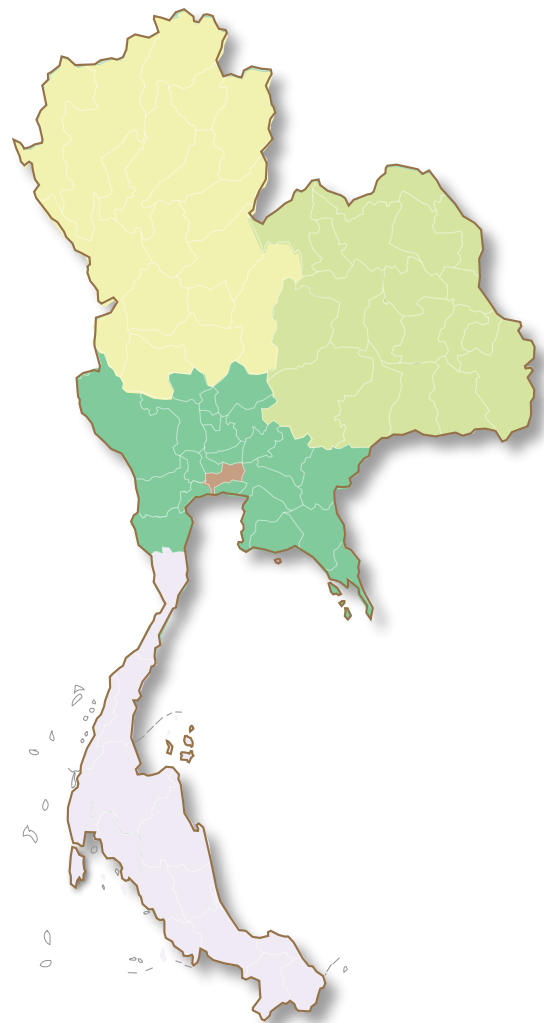
MINI BIG C

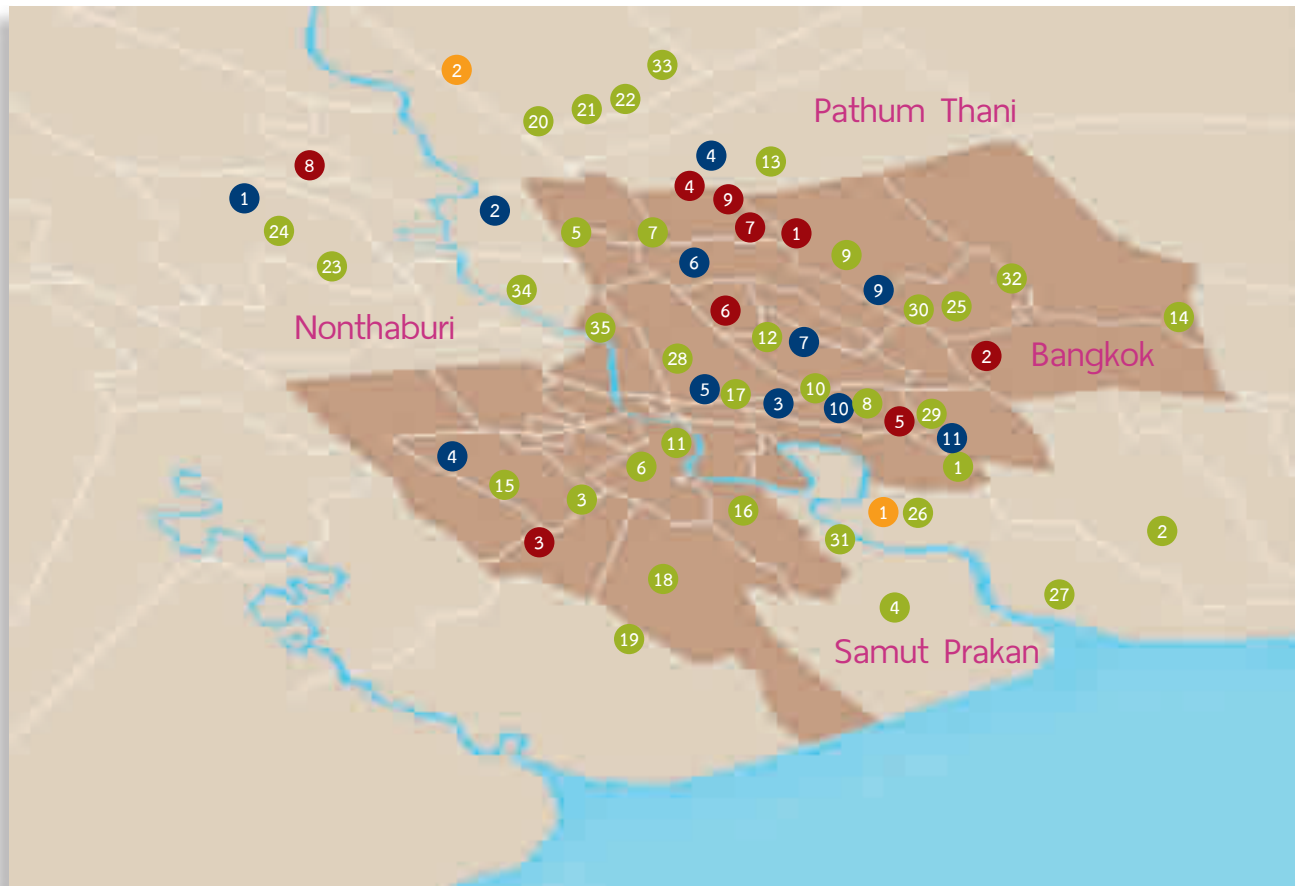
165

BKK and Vicinity

113

Upcountry





BIG C in BKK and Vicinity



Big C Supercenter

- | | |
|-------------------|----------------------|
| 1. Bangna | 19. Rama 2 (2) |
| 2. Bangplee | 20. Rangsit |
| 3. Bangbon | 21. Rangsit 2 |
| 4. Bangpakok | 22. Rangsit Khlong 3 |
| 5. Chaengwattana | 23. Rattanathibeth |
| 6. Dao Kanong | 24. Rattanathibeth 2 |
| 7. Donmuang | 25. Romklao |
| 8. Ekkamai | 26. Samrong |
| 9. Fashion Island | 27. Samutprakarn |
| 10. Huamark | 28. Saphan Kwai |
| 11. Issaraphap | 29. Srinakarin |
| 12. Ladprao | 30. Sukhaphiban 3 |
| 13. Lam Lukka | 31. Suksawat |
| 14. Nongchok | 32. Suwintawong |
| 15. Phetkasem | 33. Rangsit Khlong 6 |
| 16. Rat Burana | 34. Tiwanon |
| 17. Rajdamri | 35. Wong Sawang |
| 18. Rama 2 | |



Big C Extra

1. Bangyai
2. Chaengwattana 2
3. Rama 4
4. Phetkasem 2
5. Ratchadaphisek
6. Ramindra
7. Ladprao 2
8. Lam Lukka Khlong 4
9. Sukhaphiban 3 (2)
10. Onnuch
11. Mega Bangna



Big C Market

1. Hatairat
2. Kecha Romklao
3. Pracha Uthit
4. Saimai
5. Suanluang
6. Sukhaphiban 1
7. Sukhaphiban 5
8. Ratchapreuk
9. Khubon



Big C Jumbo

1. Jumbo Samrong
2. Jumbo Navanakorn

BIG C in Northern Region



Big C Supercenter

1. Phitsanulok
2. Chiang Mai
3. Chiang Rai
4. Hang Dong
5. Hang Dong 2
6. Lampang
7. Lamphun
8. Phetchabun
9. Phrae
10. Sukhothai
11. Tak
12. Kamphaeng Phet
13. Nakhon Sawan
14. Nakhon Sawan 2



Big C Extra

1. Chiang Mai 2



Big C Market

1. Lomsak
2. Takhil
3. Taphanhin
4. Sawankhalok



BIG C in North-Eastern Region



Big C Supercenter

1. Buriram
2. Chaiyaphum
3. Korat
4. Khon Kaen
5. Maha Sarakham
6. Sakon Nakhon
7. Sisaket
8. Surin
9. Ubon Ratchathani
10. Udonthani
11. Warin Chamrap
12. Yasothon
13. Amnat Charoen
14. Udonthani 2
15. Loei
16. Mukdahan
17. Roi Et
18. Kalasin



Big C Market

1. Phibulmangsaharn
2. Chiangkhan
3. Trakan Phuet Phon
4. Prasat
5. Rasiisalai



BIG C in Central and Eastern Region



Big C Supercenter

1. Ayutthaya
2. Ban Pong
3. Ban Bueng
4. Chachoengsao
5. Chachoengsao 2
6. Chantaburi
7. Chonburi
8. Chonburi 3 Central
9. Lopburi
10. Lopburi 2
11. North Pattaya
12. South Pattaya 2
13. Phetchaburi
14. Prachinburi
15. Ratchaburi
16. Rayong
17. Sa Kaeo
18. Mahachai
19. Laem Thong
20. Nakhon Pathom
21. Omyai



Big C Extra

1. Chonburi 2
2. Pattaya 3



Big C Market

1. Saraburi
2. Pluak Daeng
3. Tha Rue
4. Banpae
5. Cha am



Big C Jumbo

1. Ayutthaya
2. Pattaya 2

BIG C in Southern Region



Big C Supercenter

1. Hatyai
2. Krabi
3. Pattani
4. Phuket
5. Samui
6. Surat Thani
7. Chumporn
8. Nakhon Si Thammarat
9. Satun



Big C Extra

1. Hatyai 2
2. Phuket 2



Big C Market

1. Phang Nga
2. Thepkasattri
3. Kamala
4. Hua Hin
5. Koh Pha-ngan
6. Si Chon
7. Ranot



MINI BIG C

BKK and Vicinity

1. Senanikom	43. Soi Bearing 34	85. Soi Ekkachai 99/1	127. Talad Tumru
2. Udomsook	44. Soi Srisamith	86. Nikom Samutsakorn	128. BCP Bangbuatong Bangpoon
3. Bo Tong (Samutprakarn)	45. Uar Arthorn Ladkabang 2	87. Phaholyothin 54	129. BCP Phiboonsongkram
4. Lat Phrao130	46. Rat Pattana	88. Ladprao 80	130. BCP Chalermphrakiat 7
5. Chinnaket	47. Wat Na Wong	89. Pracha U Thit 90	131. BCP Pradit Manutham (2)
6. Nikom bangplee	48. Safari World	90. BCP Phaholyothin KM.38	132. BCP Pradit Manutham (3)
7. Chalamnimit	49. Laemfapa	91. BCP Sukhumvit 99	133. BCP Ramintra Km.14
8. Pattanakarn 20	50. Nana Charoen	92. Auarethorn Suvarnabhumi	134. BCP Bangna Km.13
9. Prapin 3 (Nonthaburi)	51. Auarethorn Klong 1	93. BCP Pradit Manutham	135. BCP Petch PhraRam
10. Lasalle 24	52. Watcharapol	94. Auarethorn Setthakit 3	136. Wat Suansom
11. Tha-it (Nonthaburi)	53. Baan Sue Trong	95. Talad Pong - iam	137. BCP Rama 2 Km.52
12. RangsitKlong 2	54. Auarethorn Bangkhen	96. Soi Phokaew	138. Tiantalay 28 (BKK)
13. Moo Ban Sahakorn	55. Keha Klongluang	97. Kamnunman 24	139. Bangpu Nakorn
14. Talad Krungthon	56. Nikom Navanakorn	98. Hathairat 25	140. BCP Eakachai 69
15. Prachachuen 12	57. Talad Airport Plaza	99. Chalermprakiat 65	141. BCP Rama 2 Soi 28
16. Thippimarn	58. Paolo Hospital	100. The Tree (Pathumthani)	142. BCP Krungthep Kreetha
17. Chalermphakiat	59. Keha Thani 4	101. Vipavadee 64	143. BCP Issaraphap
18. Moo Ban Bua Thong	60. Keha Samutprakarn	102. Soi Udomdej	144. Sor nor Kokkram
19. Serithai 41	61. Tarad Numthai	103. Ban Fha Rangsit Klong 4	145. Nikom Ladkrabang
20. Wat Nam Daeng	62. Keha Ramintra	104. Phutthasakorn	146. Rangsit Klong 6
21. Auarethorn Wat Goo	63. Petchsiam 3	105. BCP Borom KorMor 15	147. Suan Phak soi 1
22. Prayasurent 38	64. Bansuan Laktee5	106. Intravat buddhammonthon 1	148. Tessaban Bangpu 59
23. Wongwaen center	65. Wang Hin	107. Soi Yuwitthaya	149. BCP Rama 2 Km.11
24. Nimit Mai	66. Sukontasawat	108. BCP Keha Bangplee	150. Ur_Arthorn Minburi
25. Muang Thong Thani	67. BCP Sukhapiban 1 (2)	109. Talad Khunta Ploy	151. Ur_Arthorn Nhongkhaem
26. Sukaphibal 2	68. BCP Charoenkrung	110. Wat Sai Ma (Nonthaburi)	152. BCP Rama 2 Km.20
27. Soi Nhongyai	69. Mooban Nukkeela	111. Keha Klong Chan	153. BCP Bangna Km.4.5
28. Talad Suchart	70. Phaholyothin52	112. Talad Lad Lum Kaew	154. BCP Chaeng Wattana
29. Soipearnon	71. BCP Pattanakarn	113. Chalong Krung 53	155. BCP Udomsuk 45
30. Rattanakosin 200	72. BCP Rama 3 (3)	114. Talad Lan Sai	156. BCP Suksawat 39
31. Praksa (Samutprakarn)	73. Ladprao 101 (2)	115. Tumbon Lat Yai	157. Keha Ramkhumhaeng (BKK)
32. Luangphaeng 5	74. Nikombangpoo	116. Wat Buaroe	158. Ramkhumheang 53
33. Petkasem 81	75. Moobanprueksachart	117. BCP Pattanakarn 27	159. Tambon Lumpo
34. Luangphaeng 1	76. Ladprao 107	118. BCP Bangna Km. 27	160. BCP Rama 2 Km. 33
35. Pruksa 3 Village	77. Bangkradee	119. Muban Poomjai Niwet	161. Soi Jaturamit
36. Talad Petch Aree	78. Suayaiutis	120. BCP Theparak Km. 9	162. BCP Vipavadee Km.12
37. Tarad Bangkok	79. Talad Phimon Rat	121. BCP Kingkaew	163. 163.BCP Vipavadee Km.17
38. Soi Khunpra	80. Chokchai 4 Soi 31	122. BCP Soi Mahatthai	164. 164.BCP Tessaban Bangpu 77
39. Soi Pool Charoen	81. Auarethorn Ramintra	123. BCP Rama 2 Km.50	165. BCP Charan Sanitwong 95/2
40. Tarad Orngearn	82. Mooban Sripetch	124. Talad Samyaek Chedi	
41. Soi Puengmee 17	83. Mooban Prapin5	125. Muban Wisetsuk Nakorn	
42. On Nut 17	84. Thanon Samrej Pattana	126. Tanon Tai Baan	



MINI BIG C

Upcountry

- | | | |
|---|---------------------------------------|-------------------------------------|
| 1. Salaya Mahidol (Nakhon Pathom) | 43. Family Land (Chonburi) | 85. BCP Wang Takhian (Chachoengsao) |
| 2. Donwai (Nakhon Pathom) | 44. Bangsai (Chonburi) | 86. BCP Pattaya Klang (Chonburi) |
| 3. Klongphayom (Ayutthaya) | 45. Yaekmappong (Chonburi) | 87. Talad Mhonnang (Chonburi) |
| 4. Talad Sikhwa (Ayutthaya) | 46. Siam Country Club (Chonburi) | 88. Talad Hua Ror (Ayutthaya) |
| 5. Talad Wangnoi Mueng Mai (Ayutthaya) | 47. Kao Kilo (Chonburi) | 89. Soi Bangkok (Chonburi) |
| 6. Tha Rue (Ayutthaya) | 48. Yeak Sam Tahan (Prachinburi) | 90. Banglen (Nakhon Pathom) |
| 7. Phachi (Ayutthaya) | 49. Family Town (Chonburi) | 91. Saphan-si (Rayong) |
| 8. Pa Mok (Angthong) | 50. Talad Siri phanom (Chachoengsao) | 92. Sriprachan (Suphanburi) |
| 9. Khan Harm (Ayutthaya) | 51. Angsila (Chonburi) | 93. Nong Muang (Lopburi) |
| 10. Sena (Ayudthya) | 52. Talad Mai Naklua (Chonburi) | 94. Samkrabuephuerk (Nakhonpathom) |
| 11. Talad Kaset Pattana (Lopburi) | 53. Nernplubwan (Chonburi) | 95. Keha Laem Chabang (Chonburi) |
| 12. Keha Saraburi (Saraburi) | 54. Takhian Tia (Chonburi) | 96. Tanon Na Jomtien 13 (Chonburi) |
| 13. Phak Hai (Ayutthaya) | 55. Soi Petch Baan Suan (Chonburi) | 97. Talad Wat Muang (Angthong) |
| 14. Talad Jompol (Ayutthaya) | 56. Sri Mahapho (Prachinburi) | 98. Hang Nam Sakhon (Chainat) |
| 15. Talad Kokratin (Saraburi) | 57. Talad Khao Noi (Chonburi) | 99. Sawaengha (Angthong) |
| 16. Moo Baan Sinthiwathani (Ayutthaya) | 58. Nong Kla Mai (Chonburi) | 100. Surasak (Chonburi) |
| 17. BCP Petkasem Km 61 (Nakhon Pathom) | 59. Talad Panway (Prachinburi) | 101. Khao Khayaai (Chonburi) |
| 18. Talad Wat Lad Hoy (Suphanburi) | 60. Talad Udomkit 2 (Chonburi) | 102. Bang Sa ray (Chonburi) |
| 19. Chum Chon Baan Aoi (Saraburi) | 61. Yeak Nikom Gateway (Chachoengsao) | 103. Nongketyai (Chonburi) |
| 20. BCP Petkasem Km 47 (Nakhon Pathom) | 62. Tarad Udomsuk (Prachinburi) | 104. Huai Yai (Chonburi) |
| 21. BCP Sai Asia Km.62 (Ayutthaya) | 63. Talad Rongsi (Chachoengsao) | 105. Wat Sing (Chainat) |
| 22. BCP Petkasem Km.61-OB (Nakhon Pathom) | 64. BCP Banglamung (Chonburi) | 106. Wat Suddhavasa (Chonburi) |
| 23. BCP Borommaratchachonnani Km.23 (Nakhon Pathom) | 65. Chaiyapornvitee Road (Chonburi) | 107. Soi Allie (Chonburi) |
| 24. BCP Sai Asia Km.69 (Ayutthaya) | 66. Talad Klong 16 (Chachoengsao) | 108. Sapphaya(Chainat) |
| 25. BCP Petkasem Km 41 (Nakhon Pathom) | 67. Na Phrao (Chonburi) | 109. Borthong (Chonburi) |
| 26. Sao Hai (Saraburi) | 68. Ban Phaeo (Samutsakhon) | 110. Sala Lumduan (Sakaeo) |
| 27. Talad Boonsrisuan (Suphanburi) | 69. Saen Bhu Dat (Chachoengsao) | 111. Phothong (Angthong) |
| 28. BCP Phahonyothin Km.106 (Saraburi) | 70. Koa Ta Loh (Chonburi) | 112. Talad Sattahip (Chonburi) |
| 29. BCP Kaeng Khoi (Saraburi) | 71. Baan Amphoe (Chonburi) | 113. Talad Srakao (Lopburi) |
| 30. BCP Sai Asia Km.150 (Singburi) | 72. Prachin Takham Road (Prachinburi) | |
| 31. BCP Petchkasem Km.192 (Phetchaburi) | 73. Tarad Kabinburi | |
| 32. BCP Oam Yai (Nakhon Pathom) | 74. BCP Bangpakong (Chachoengsao) | |
| 33. Tha Khlong (Lopburi) | 75. Na Jomtien (Chonburi) | |
| 34. BCP Baan Khoang (Suphan) | 76. Talad Phraphrom (Chonburi) | |
| 35. BCP Wang Yang (Suphan) | 77. Amphoe Baan Saang (Prachinburi) | |
| 36. BCP Sam Phran (Nakhon Pathom) | 78. BCP Pattaya Nua (Chonburi) | |
| 37. BCP Kaeng Khoi 2 (Saraburi) | 79. BCP By Pass Chonburi Km.13 | |
| 38. Bangpakong Power Plant (Chachoengsao) | 80. BCP Sukhumvit Km.101 (Chonburi) | |
| 39. Donkhunwang (Chonburi) | 81. Amphoe Prachantakam (Prachinburi) | |
| 40. Wat Wang Hin (Chonburi) | 82. Tanon Bangsaen- Angsila | |
| 41. Moobanmaneekeaw (Chonburi) | 83. Amphoe Si Mahosot (Prachinburi) | |
| 42. Talad Kaset Ruamjai (Chonburi) | 84. Wat Bang Kluea (Chachoengsao) | |



Adequacy Assessment Form for the Internal Control System

Big C Supercenter Public Company Limited

11 February 2014

This Assessment Form was prepared by the Board of Directors which represents the opinion of the Board on the Adequacy of the Company's Internal Control System For the Year 2013

Part 1 : Organization Control and Environment Measure

Organization and Environment denote the availability of a good organizational structure and a suitable environment which provide an important foundation for establishing an effective internal control system. Therefore, it is necessary to create the conditions or factors that facilitate the continuance of an internal control system in the direction prescribed by the Company, thus creating a controlling atmosphere that encourages everyone in the Company to become aware of the necessity of an internal control system, for example, an emphasis placed by the management on integrity and ethics in business operation, the proper management of the structure of an organization, a clear description of duties, the availability of written policy and regulations, etc.

- 1.1 Has the Board of Directors supervised the setting of goals for business operation in a clear and measurable manner to be followed as a guideline for employees in their operation?

☒ Yes ☐ No

The management of the Company has set business goals clearly both on a short term (1 year) and long term (3 years) basis. The Company and executives of each particular department have jointly set, consider and approve a strategy, budget and a business goal in a clear and measurable manner for implementation so that such goals can be achieved. Furthermore, the Company and executive of each department will regularly and jointly review the goal and follow up its progress in all steps in order to ensure that such goal is suitable to the changing situation. Such business goal has been reported to the Board of Directors for acknowledgment and suggestion.

- 1.2 Has the Board of Directors reviewed its operational goals in such a way that the setting of said goals was performed with care as well as the feasibility of such goals was also taken into consideration and analysis was also carried out with regard to the provision of incentives or benefits to employees to justify that it was performed duly without motivation or there were no excessive benefits given that might lead to dishonesty or misconduct (for example, the setting of the Company's exaggerated sales targets that led to a makeup of sales figures, etc.)?

☒ Yes ☐ No

The Board of Directors has supervised the determination of the Company's goals for business operation of the management, whereby the management set up and carried out the policy based on a "cautious estimation". The rules for determining the Company's business goals were based on 3 fundamental facts, namely; the actual sales volume from the past, information relating to the country's overall economy and competition conditions forecasts in a particular year. The management of the Company would carefully maintain the rules for determining business goal, performance indicator, executive's strategy and operation policy by comparing to the performance evaluation data, results of operation by the plan in the previous year, statistics and best practice including realistic business goal so as to such business goal will be a challenge as well as can be practice and achieve without causing exaggerated pressure to employee.

- 1.3 Has the Company organized its structure that facilitates the management to carry out its operation efficiently?

☒ Yes ☐ No

The Company has a well-defined organizational structure with a clear and appropriate line of command. The management has set the role, authority, duty and responsibility in writing so that all employees acknowledge their roles, duties and responsibilities.

- 1.4 Did the Company establish a written code of conduct and regulations prohibiting the management and its employees to conduct in such a manner that causes a conflict of interest with the Company's businesses including penalties in case of violation?

☒ Yes ☐ No

The management of the Company has implemented the Code of Conduct to be effective for all employees of the Company whereby the management and employees have signed as acceptance. In order to comply with the good corporate governance principle, the Board of Directors has created the Code of Conduct Guidebook as a specific guideline for the Board of Directors and the management to conduct their duties with transparency, moral and responsibility to all stakeholders all the time and continuously.

- 1.5 Did the Company set a written policy and operational procedures concisely to prevent dishonesty for its financial transactions, purchasing and general administration?

☒ Yes ☐ No

The Board of Directors trusts that the policy and operational procedures prescribed by the management which all concerned employees have a duty to strictly comply have been effective in preventing on dishonesty, such as the operational procedures or the manual of "Cash Management System", the "E-Disbursement System", the purchasing system and the merchandize administration system. Moreover, the management has set an additional process for each business unit to monitor their own performance and to be monitored by the internal and external auditor as well as set a channel for a whistle blower, so that the prevention of dishonesty will be more effective.

- 1.6 In setting its policy and action plan, did the Company consider fairness to its counterparts for long-term benefits?

☒ Yes ☐ No

The Board of Directors has given order to the management of the Company to set up requirements in equal treatment for all its counterparts. There was no discrimination from normal practice. Under the principle of fair and equal treatment and transparency, the Company intends to operate its business with responsibility and fairness to all stakeholders such as shareholder, executive, counterparts, competitors, employees, creditors, customers including community and society based on the belief that the sustained growth of the Company should be coming along with the growth and development of the stakeholders. The Company also set up and entered into confidentiality agreement/ policy between the Company, employees, purchasing staffs and counterparts in order to jointly maintain the long-term benefits of each party.

Part 2 : Risk Management Measure

The Company's business operation is undertaken under risk exposures all the time. Risks may be caused by internal factors, for example in cases where the management lacks honesty and ethics or the Company expands too quickly and thus causes the work system unsupported or insufficient supervision. Risks may also be caused by external factors such as changes in technology or consumer behavior may affect market shares. Accordingly, to lead the Company safe from risks, the management shall proceed with the following regularly:

- (1) Consider or contemplate the nature of risk that the Company is meeting or is expect to experience (Identification of Risk).
- (2) Analyze the impact of risk on the Company and the chance that such risk may occur (Analysis of Risk).
- (3) Determine measures to reduce the risk to be in an acceptable level (Management of Risk).

- 2.1 In undertaking its business, does the Company carry out an assessment regularly to define risk factors, either external or internal ones that may significantly affect its business operation?

☒ Yes ☐ No

The Board of Directors of the Company has realized the importance of risk management. Therefore, the establishment of the Risk Management Committee has been approved. The Risk Management Committee is consisted of the Executive Committee who supervises functions that have been identified with high risk. The President or Chief Executive Officer (CEO) chairs the Risk Management Committee. Chief Risk Officer has been appointed together with senior manager as Risk Manager to drive effective implementation of Risk Mitigation Plan, monitor the implementation of such policy by relevant business unit as well as to report risk management progress to the Board of Director.

The Executive Committee will review composition of the Risk Management Committee on a yearly basis in order to ensure involvement of related functions that is the key success factor for Risk Mitigation Implementation.

Risk management process starts from risk identification which has significant impact to the principal management plan. The risk has been categorized into 3 levels; High risk, Medium risk and Low risk. The measure to prevent all risks has been set up in order to provide the control levels; Good, Moderate or Poor. Then, the risks which need active management have been determined and the risk treatment plan and key risk indicator has been set up to regularly monitor such risk management. The Company has assigned a Risk Manager to periodically monitor such risk management and report to the management.

In addition, the Company has recognized the important of uncertain situation response from economic, political, law, natural disaster and environment and safety regulation. So the Company has established Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) in order to prepare and response the crisis situation including ensuring that the company will continue key operation processes and can reduce loss and impact.

2.2 Did the company analyze which events might cause the occurrence of risk factors?

☒ Yes ☐ No

Same as 2.1 and the Company adopt the enterprise risk management, each department recognize of their own responsibilities regarding the risk that related to their functions.

2.3 Has the Company adopted standards in following the events that might become risk factors including standards to reduce such risks?

☒ Yes ☐ No

The Board of Directors has assigned the management who are also the Risk Management Committee to be responsible for the risk management policy. In this regard, the management has to regularly assess the risk every year, with the coordination by the Risk Manager, to ensure that the risk is in acceptable level and then, make a report of the problem and resolution (if any) to the Risk Management Committee for consideration. After consideration, the problem will be reported to the Corporate Governance Committee and Board of Directors respectively

2.4 Has the Company notified all concerned employees of its risk management measures for their compliance?

☒ Yes ☐ No

The Company has conducted the training courses for concerned employees such as the employee in high and intermediate level to acknowledge and follow the risk management policy and measures. Moreover, all new employees will be trained to understand the Company's risk management as a part of a New Employee Orientation Program.

2.5 Does the Company monitor that every division has complied with the specified risk management plan?

☒ Yes ☐ No

The Risk Management Committee has assigned the Risk manager to coordinate and monitor all departments where the risk has been assessed in order to ensure that such departments regularly follow up the risk management plan every year.

Part 3 : Management Control Activities

Management control is an important activity, ensuring that the guidelines determined by the management will be complied and followed by everyone in the Company. These guidelines should describe in such a way that :

- (1) The assignment of authority and level of approval should be appropriately carried out.
- (2) Duties that may facilitate dishonesty should be classified and divided clearly from one another.
- (3) Procedures and methods of transactions with major shareholders, directors, the management or someone who is related to these persons should be prescribed properly to prevent transfer of benefits.
- (4) Methods should be established to ensure that the Company will be in compliance with laws and related regulations.

3.1 Does the Company specify the scope of authority and credit limit that can be approved by the management in each level clearly and in writing?

☒ Yes ☐ No

The Company has established the Line of Approval Authority in written. The Line of Approval Authority will be reviewed and revised to be accordance with changing organization in order to set balance between the flexible work flow and good internal control. In addition, the management of the Company has applied the online approval system in order to make approval for any purchasing and applied the E-Disbursement for any expense payment according to a scope of authority for management at each level. The Company also develops the system to expand implementation in many other departments in order to monitor the working process systematically and easily follow up the outcome and collect the data.

3.2 Does the Company divide the authority and responsibility of work in the following 3 aspects clearly and completely for checking one another:

- (1) Approval duty;
- (2) Duty of recording accounting entries and information; and
- (3) Duty of keeping assets?

☒ Yes ☐ No

The management of the Company divides the authority and responsibility of work in 3 above-mentioned aspects clearly and completely whereas every division of the Company will have a scope of authority for approval differently. There are specific divisions for handling each duty of recording accounting entries, storing information and the duty of keeping assets. Thus, there is a suitable verification process for cross checking among them in good system.

3.3 In case the Company has transactions with major shareholders, directors, the management or someone who is related to these persons, does the Company has tightened measures available to monitor that each transaction has undergone the specified procedures for approval properly?

☒ Yes ☐ No ☐ none of such cases

The Board of Directors set the policy for relating transactions that all transactions shall be strictly followed the company's regulation and approved by the authorized person in the same way as the transaction with the third person and shall be in accordance with the Notification of the Securities Exchange of Thailand Re: Rules, Procedures and Disclosure of Relating Transactions of Listed Companies as well as the Notification of the Securities Exchange Commission issued under the revised Securities and Security Exchange Act. The Board of Director's member and management has continuously followed the announcement of the Board of directors, especially the new appointed Board of Director's members and the management have to fill in the Report Form of Director's and Executive's Interest to declare the amount of shares of the Company and other companies held by themselves and related person and to submit such Form to the Company at the time set by the Company.

In case of transactions relating to the sale and purchase of the Company's land, each transaction shall be approved by the Board of Directors.

Moreover, the Company's Audit Committee has received the relating transactions report from external auditor by quarterly basis and The Company also summarizes such relating transactions in the Company's annual report.

3.4 In case of a transaction under 3.3, is the approval given by a person who has no interest in such transaction?

☒ Yes ☐ No ☐ none of such cases

According to the policy set by the management, the Company does not allow any interested person to participate in the consideration or to approve any transaction falls under the criteria requiring approval as described in 3.3.

3.5 In case of a transaction under 3.3, did the approval for such transaction involve the consideration of the Company's maximum benefits and was it deemed as a transaction concluded with a third person (based on arms' length basis)?

☒ Yes ☐ No ☐ none of such cases

In approving the connected transaction, the Company by the policy of the Board of Director strictly followed the regulation and considered the Company's maximum benefits and has received favorable terms and conditions from such transactions.

3.6 In case approval is given to transactions with related persons has caused a long-term binding effect with the Company (such as the entering into a sales contract, loan contract or guarantee contract etc.), is there any monitoring action to ensure that all concluded conditions in the contracts will be complied with throughout the contract term (such as the monitoring of loan repayment to be carried out in the agreed term, the reviewing of contract suitability)?

☒ Yes ☐ No ☐ none of such cases

In case of long-term lease contracts, the Company shall comply with all commitments throughout the contract term and shall periodically review the appropriateness of performance of the contract.

3.7 In case the Company establishes standards relating to transactions in 3.3, do such measures extend to the case where such related person exploits the Company's opportunity and benefits for his own interest?

☒ Yes ☐ No ☐ none of such cases

The Company by the policy of the Board of Directors does not allow any director, management and employee to conduct any activity that may cause conflict of interest to the Company and the code of conduct. Moreover, any director or management is not allowed to utilize the Company's information which has not been publicized for its own benefit. However, until now none of such case occurs in the Company.

3.8 In cases where the Company has investments in a subsidiary company or associated company, does the Company monitor the operation of such subsidiary company or associated company regularly including the determination of a direction to be followed by a person whom is appointed by the Company to be a director or an executive in such company?

☒ Yes ☐ No ☐ none of such cases

The management of the Company will be responsible for supervising the operation of all subsidiary companies by determining management policies from the head office. The operation result of all subsidiary companies will also be periodically reported by the management to the Board of Directors' meeting.

3.9 Does the Company has measures to monitor the Company's operation to be in compliance with relevant laws in order to reduce risks in business operation and maintain its reputation?

☒ Yes ☐ No

The Company under the policy of the management still maintains the measures on procedure regularly by the in-house legal department who will be responsible for looking after and supervising on the completeness of all required licenses for proper business operation as well as will be responsible directly for legal matters and for following up any change or issuance of new rules, regulations or laws which come into force and have impacted to the Company's business operation. Thus, the Company will perform its business operation in accordance with the updated law requirement at all times. In addition, the legal department has a duty to provide training on basic legal knowledge to Company's staff so that all staffs will acknowledge their rights and duties as well of the Company and can perform their duty properly.

The Company always asks for primary legal advises internally from the legal department if there is any expansion of the Company's business either in manufacturing lines or distribution of goods or services. In case where it has more complexities on such business expansion, the Company will hire a reputable and reliable legal consulting company for second opinion. Moreover, the internal audit department will be responsible for regularly reviewing the performance of other departments in order to ensure that all departments perform in accordance with regulation or legal requirement.

In addition, for the meeting with any legal issue, the Audit Committee always invites the representative from Legal department for providing explanation.

3.10 In cases where the Company commits an act in violation of law, does the Company has corrective and preventive measures to ensure such similar act will not occur again?

☐ Yes ☐ No ☒ none of such cases

The Company has never intentionally committed any act or committed any act that is in significant violation of law. The Company has created more preventive measures and inspection by arranging internal training courses for any concerned section regularly in order to create better knowledge and understanding on any legal issue relating to the Company's operation. As such, they will not make any action in violation with the laws and will have more understanding on how to relieve the damages in case of any violation. This is because the Company always practices under the Good Citizen of Thailand policy.

Part 4 : Information and Communication Measure

One of the principles underlying the performance of duties with care whether it is carried out by directors, the management, shareholders or concerned persons is the making of decision based on the availability of sufficient information having quality, whether being financial information or other data. As a result, communication of such information to the concerned person is important and this will enhance the effectiveness of the internal control system. Information having suitable quality should be as follows:

- (1) provides sufficient contents for making decision
- (2) contains integrity.
- (3) be updated.
- (4) present in an easy format for understanding.
- (5) provide good storage and handling.

4.1 In submitting a matter for the Board's consideration, does the Company provide sufficient and essential information to the Board for making decision (important information includes the particulars of such proposed matter, reasons, impacts on the Company, alternatives etc.)?

☒ Yes ☐ No

In submitting a matter for the Board's consideration, the management will prepare all details of information and present to the Board prior to its meeting for decision making. The management and related staff will attend all meeting in order to explain and answer the question to the Board. Moreover, the Company also prepares the short summary of the minutes of the last meeting and reports its progress to the Board in every meeting.

In case of insufficient or unclear information, the Board will order the management to provide additional information, until the Board has sufficient information for further consideration.

4.2 Does the Company's director receive a written notice calling for a meeting or documents relating to a meeting which specifies essential information in a sufficient amount for decision before a meeting at least within the specified period of time as prescribed by law?

☒ Yes, with an average of not less than 7 days prior to the meeting ☐ No

Normally, the Company will notify the Board of the schedule for the Board's next meeting in the following year 1 year in advance. A written notice calling for the meeting and documents relating to some agendas of the meeting will be sent to the Board at least 7 days in advance. The details of financial and investment data including the result of operation will be presented in the meeting and the Board will has an opportunity and time for questioning. Moreover, the Company has created "The Efficiency and Satisfaction Assessment Form for the Board of Director Meeting" in order to regularly improve the arrangement of the meeting.

- 4.3 Do the Board of Directors' minutes contain appropriate particulars that enable the shareholders to examine the appropriateness of operation carried out by the Board or not, such as the record of a director's inquiry, the opinion or remarks of a director concerning the matter under consideration, the opinion of the director who disagreed with the proposed matter with his reason and so on?

☒ Yes ☐ No

In practice, the Board of Directors' minutes contain the record of a director's inquiry, the opinion or remarks of a director, the opinion of the director who agreed and disagreed with the proposed matter (if any) with his reason as an evidence for examination of the appropriateness of performance of the director all the time.

- 4.4 Does the Company provide the complete filing of documents relating to accounting records and other accounting items in a well-defined classification pattern so that the Company has never been notified by the external auditor of any errors or has been notified of such errors but the Company completely proceeded with the rectification of such errors?

☒ Yes ☐ No

The Company has assigned the accounting department to be responsible for storage of the accounting documents in a well-defined classification pattern and in accordance with the period prescribed by the law. The Company has never been notified by the external auditor of any errors in this matter.

- 4.5 Has the Board of Directors already concluded that the management used an accounting policy in accordance with the generally accepted accounting principles in which are suitable for the nature of its business without selecting an accounting policy that might cause deviated data on its performance?

☒ Yes ☐ No

The Board of Directors has assigned the Audit Committee to review quarterly and year end Financial Statement Report which are already reviewed and audited by external auditor including consult with management external auditor related to important information presented in noted to Financial Statement e.g. accounting policy, estimation and judgment on financial statement. The Audit Committee has agreed with the external auditor's opinion that Company's Financial Statement Report comply with Generally Accepted Accounting Principles (GAAP), correct, complete, reliable, use appropriate accounting method, adequately disclose and on time which will give benefits to shareholders, investors and the person who use financial statement.

Part 5 : Monitoring

To carry out its operation in an efficient and effective manner, the Company has to place an emphasis on monitoring to ensure that the set goals have been complied with, its internal control system is still functional and improvements and corrections have been carried out to cope with the changing conditions including all errors have been rectified in time.

- 5.1 In cases where the Company has set a policy for business operation, does the Board of Directors compare the performance of the management to see if it is in line with the Company's determined goals or not?

☒ Yes ☐ No ☐ none of such cases

The Board of Directors has given order to the management to present the abovementioned in the Board's meeting by making a clear comparison between an actual performance and the determined goals and budgets on a quarterly basis and on an annual basis respectively as well as the explanation and the way to rectify the situation in the case it is not in the line with the determined goal.

- 5.2 In cases where the result of actual performance is different from the determined goals, does the Company rectify the situation within a reasonable period of time or not?

☒ Yes ☐ No ☐ none of such cases

According to the Company's performance in 2010, the Company could satisfactorily achieve the whole determined goals. This is because the Company set its goals based on a "conservative estimate" that could be translated to actual practice. In cases where the result of actual performance is different from the determined goals, the department in charge will find out the cause and will rectify the situation within a period of time which the Board of Directors thinks fit.

5.3 Does the Company provide a checking process to monitor that the internal control system is complied with regularly or not?

☒ Yes ☐ No

The Company selects, develops, and performs a mix of monitoring activities usually including both ongoing and separate evaluations. Ongoing evaluations are generally defined, routine operations, built in to business processes and performed on a real-time basis, reacting to changing conditions. Separate evaluations are conducted through the internal audit function. The internal audit function develops each year an internal audit plan of projects that are selected based on a risk-based approach aligned with the Company objectives.

Apart from the internal audit function, the Company also has a loss prevention department in charge of establishing the store operating policies and procedures as well as measuring the compliance

5.4 In case of an internal audit, does the Company specify that the result of an audit shall be reported directly to the Board of Directors or the audit committee so that the internal auditor can perform his duties independently and making an aboveboard report?

☐ Yes ☐ No ☒ none of such cases

The Internal Audit Department has the responsibility to report the audit result directly to the Chief Executive Officer (CEO) and to the Audit Committee. Internal Audit Department can perform audit work independently and presents the candid audit report.

5.5 When significant deficiency has been discovered, is the matter reported to the Company's Board of Directors / the audit committee for consideration and correction in a reasonable period of time?

☐ Yes ☐ No ☒ none of such cases

Since the establishment of the internal audit function up to now, the Company has never experienced significant deficiency. If such deficiency is found, It will be reported to top management and the audit committee for the committee's submission to the Company's Board of Directors. Deficiencies will be communicated to parties responsible for taking corrective action and to at least one level of management above. Management is responsible for tracking whether deficiencies are remediated on a timely basis

5.6 Does the Company have to report the progress of its improvement to the Board of Directors/ the audit committee?

☒ Yes ☐ No

In addition to Management tracking,, the internal audit unit will also conduct a follow up audit to ensure that the corrective action has been implemented as planned. . The result of follow-up audit will be reported to Management, and summarized to Chief Executive Officer (CEO) and Audit Committee respectively. In case of important issue, the Audit Committee will report to the Board of Directors.

5.7 Does the Company has a policy requiring the management to make a report to the Board of Directors immediately in cases where it has found dishonesty, or suspected that dishonesty is likely to occur, acts in violation of law and other irregular acts that may significantly affect its reputation and financial position?

☒ Yes ☐ No ☐ none of such cases

In case where it has found dishonesty, or suspected that dishonesty is likely to occur or acts in violation of law that may significantly affect reputation and financial position of the Company, the Company's management set the guidelines that the management who is in charge for the department concerned has to report to the Company's chief executive officer (CEO) and the audit committee immediately. Then, the audit committee will report to the Board on the first occasion when a Board of Directors meeting is held.

Subsidiaries

Board of Directors

	Big C Supercenter PCL	Phisanulok Big C Co.,Ltd.	Big C Fairy Co.,Ltd.	Chiang Rai Big C Co.,Ltd.	Central Superstore Co.,Ltd.	Inthanon Land Co.,Ltd.	Surat Big C Co.,Ltd.	Central Pattaya Co.,Ltd.	Theparak Big C Co.,Ltd.	Pharam II Big C Co.,Ltd.	Udon Big C Co.,Ltd.	Chiang Mai Big C (2001)Co.,Ltd.	Big C Distribution Co.,Ltd.	CenCar Co.,Ltd.	SSCP (Thailand) Co.,Ltd.	Big C Supercenter (Laos) Co.,Ltd.
Board of Directors																
Mr. Akani Thapthimthong	⬢															
Dr. Uttama Savanayana Ph.D.	⊙															
Mr. Vachara Tuntariyanond	⊙															
Mr. Rapee Sucharitakul	⊙															
Mr. Christopher King	⊙															
Mr. Praphan Eamrunroj	⊙															
Mr. Ian Longden	⬢															
Ms. Rumpa Kumhomreun	⬢	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	
Mr. Yves Bernard Braibant	⬢	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙		⊙	
Mr. Arnaud Daniel Charles Walter Joachim Strasser	⊙															
Mr. Guillaume Pierre Antoine Marin Humbert	⊙															
Mr. Philippe Alarcon	⊙															
Mrs. Josseline De Clausade	⊙															
Mrs. Diane Coliche	⊙															
Mr. Hervé Daudin	⊙															
Executive Committee																
Mr. Philippe Prejent																
Mr. Yotin Thavikulwat																
Mr. Stephen Camilleri																
Mr. Arnaud Dupont																
Mrs. Anne -Ev Juetten Enzmann																
Mr. Neil McCann																
Mr. Prawet Prungtangki		⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	
Sarintip Satitsatian, PhD																
Mr. Bruno Jousset																
Mr. Joong Ho Hyun																
Board of Subsidiaries																
Mr. Therapong Raubbanjerd		⊙														
Mr. Veranon Raubbanjerd		⊙														
Mr. Jiravit Jitatisil														⊙		
Mr. Boris Then		⊙	⊙	⊙												

⬢ = Chairman of the Board, ⊙ = Member of the Board, ⬢ = Executive Director

SUMMARY OF SPECIFIED ITEMS PER FORM 56-2

PAGE	SUBJECT
Part 1	Business of the Company
28-37	Policy and Overview of Business
28	Business Policy
29-30, 37	Major Development
31	Shareholding Structure
30	Relationship with major shareholder
32-43	Nature of Business
32-41	Characteristics of business
42-43	Market and its competition
94-95	Risk Factors
92, 136-139	Assets
175	Legal Dispute
Back Cover	General Information and Other Important Information
Part 2	Management and Corporate Governance
163, Back Cover	Shares and Shareholders
Back Cover	Registered capital and paid-up shares
163	Top 10 major shareholders
163	Dividend Policy
8-52, 75-77	Management Structure
44-46	Board of Directors
47	Executive Committee
8, 15, 45	Company Secretary
48-51	Remuneration of Directors and Executives
51, 75-77	Human Resource
52-67	Corporate Governance
52	CG Policy
53-59	Subcommittee
60-61	Nomination of Directors and Executives
64	Protection of insider trading
61	Remunerations of auditors
67	Areas unable to comply with code of best practice
74-83	Corporate Social Responsibilities : CSR
74	Policy
74	Reporting process
75-83	CSR in process
83	CSR after process
68-71, 170-177	Internal Control and Risk Management
158-162	Related Party Transaction
Part 3	Financial Performance
1, 105-155	Financial Data
87-93	Management Discussion and Analysis
Back Cover	Statement referring to disclosure of Form 56-1 in the Company's website





Reference

Security Registrar

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20th Floor, Capital Tower, 87/1 All Seasons Place
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Company Name : Big C Supercenter Public Company Limited
Type of Business : Retail
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Lumpini, Pathumwan, Bangkok 10330
Registered No. : 0107536000633
Telephone : 02-655-0666
Fax. : 02-655-6801
Website : www.bigc.co.th
Registered Capital : Baht 8,250,000,000
Paid-up Capital : Baht 8,250,000,000
(including 825,000,000 shares at
par value Baht 10)

*Investor can get more information of the Company from 56-1
form at www.sec.or.th or www.bigc.co.th*

20th
anniversary



บริษัท บิ๊กซี ซูเปอร์เซ็นเตอร์ จำกัด (มหาชน)

ชั้น 6 เลขที่ 97/11 ถนนราชดำริห์

แขวงลุมพินี เขตปทุมวัน กรุงเทพฯ 10330

โทร. 0-2655-0666

โทรสาร. 0-2655-5801

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