



SPACE

FOR ALL JOURNEYS

2014 Annual Report



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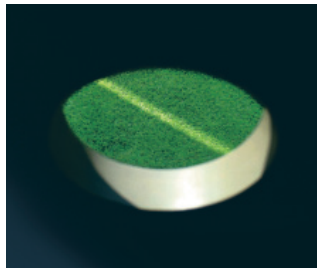
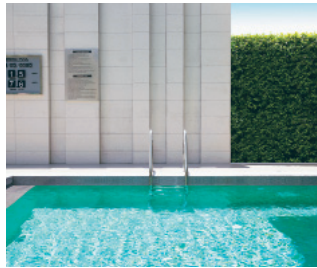
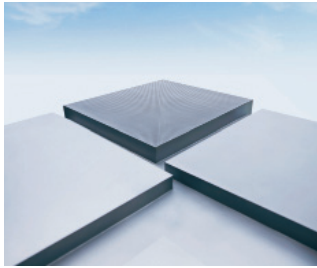
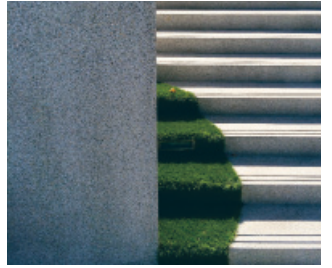
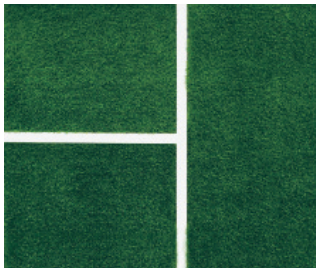
Relevant Information

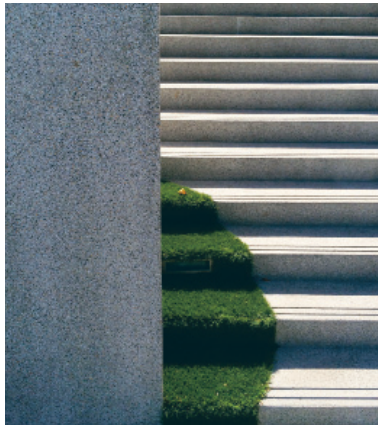
AP SPACE

An understanding in
different urban city
dwellers' psychographics.

AP SPACE DESIGN APPROACH

AP aims to understand not only the physical requirements of space for human practical functions but also the emotional needs, within timely urban contexts, evolving social contexts, changing environments and shifting aspirations. An understanding of different urban city dwellers' psychographics has resulted in AP's unique way of looking at space design, i.e, '**AP SPACE**'.





LOCAL YET CONNECTED SPACE

ASPIRE
Sathorn - Thapra



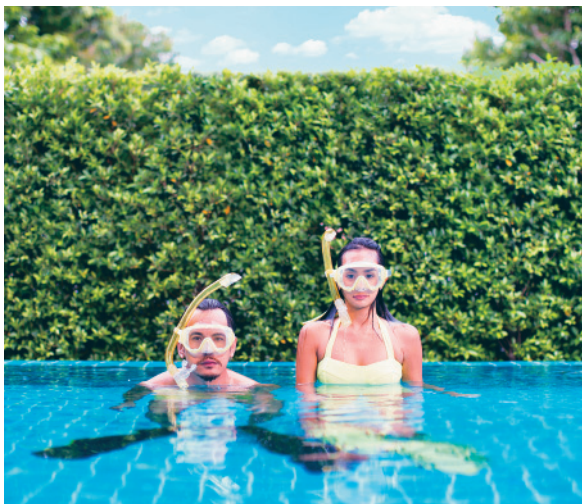
COLLECTION OF SLOW SPACES

RHYTHM
'The Slow Collection'



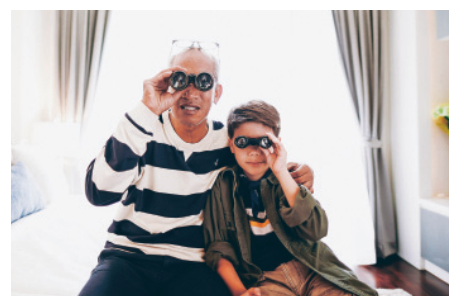
FUNCTIONAL MODERNIST SPACE

Baan Klang Muang
Sukhumvit 77



SPACE OF FLEXIBLE JOURNEY

Baan Klang Muang
Ratchayothin



EXTENDED GEN-X FAMILY SPACE

MIND
Tiwanon



SPACE OF SERENE GENERATIONS

MIND
Rama 7



CREATIVE ENVIRONMENT SPACE

DISTRICT
Sriwara



SPACE OF NEW ROMANTICISM

THE PALAZZO
Ratchaphreuk



CEO Talk

2014 is another successful year of AP (Thailand) Public Company Limited. The success in business operation has exceeded our expectations. We expected annual earnings of approximately 21,000 million Baht and could bring in a total of 23,149 million Baht, up 15.8%. The net profit margin grew from 10.1% in 2013 to 11.3% in 2014. The debt-to-equity ratio (D/E ratio) decreased from 1.04x to 0.9x. The success resulted from our commitment to continuously develop our potentials in various aspects in the past year.

Despite the political instability in Thailand around the end of 2013 to mid-2014 and the economic crisis, AP continued to pursue its policies and develop new projects. We started the marketing right from the beginning of 2014 without delaying our sales and project launches, because we believed in the economic foundations of Thailand and believed that everything would return to normal condition sooner or later.

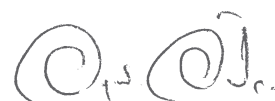
Moreover, in cooperation with Mitsubishi Estate Group, we also launched four condominium projects, worth 10,750 million Baht, which were successful beyond our expectations. In May 2014, we launched three projects, worth 7,250 million Baht, and in September we launched another project, worth 3,500 million Baht. The total turnover from the condominium sales was 10,927 million Baht, up 63.0%.

Regarding the horizontal real estate projects, our business has grown at a satisfactory rate. The annual turnover in 2014 was 11,752 million Baht, up 38.6%. Our success derived from continuous launching of new products, ranging from new three-story single-detached houses in the outskirts under the brand "Mind" or home offices under the brand "District" to new models of houses for the existing brands, for example downtown houses under the project "Pleno" or "The Palazzo", in order to attract new target groups and better serve the needs of our customers. With regard to the business operation, our sales and marketing team has created new experience and impressions for our customers. For example, we organized the sales event "Space Odyssey" by closing the whole Parc Paragon for this event, which was the first time in the real estate sector. The event received good responses from customers.

Our total turnover of 2014 was 22,679 million Baht, up 49.4%. The outstanding performance proves that our policies are starting to yield profits and gain recognition in the market.

This year, we aimed at building a corporate culture of "Trust". From our observation, it is obvious that we can work more efficiently. Internal cooperation as well as working methods and concepts of our staff, who come from different places, are well connected and contribute to better mutual understanding, so that we can maintain reasonable costs and high quality. We have improved the speed of our performance monitoring and presentation system by using information technology, in order to ensure that we can evaluate situations and adjust our work plans in time.

I believe that when our teams work together closely, help each other, and exchange knowledge and experience directly, AP shall be a strong company, which is full of innovative products adjusted to serve the customers' needs. Our company shall be able to manage capitals effectively and make sustainable profits for shareholders, while our staff enjoy working at the same time. In the name of AP (Thailand) Public Company Limited, I would like to express my sincere thanks to all shareholders and debenture holders as well as our alliances for their continuous support. I hope that we will walk together and achieve success together in the future.



Anuphong Assavabhokhin
Chief Executive Officer

Board of Directors



Mr. Siripong Sombutsiri
Director /
Executive Director



Mr. Pichet Vipavasuphakorn
Director / Managing Director



Mr. Anuphong Assavabhokhin
Vice Chairman /
Chief Executive Officer



Mr. Chatchaval Bhanalaph
Chairman /
Independent Director



Mr. Phanporn Dabbarangsi
Chairman of
the Audit Committee /
Independent Director



Mr. Nontachit Tulayanonda
Director /
Audit Committee /
Independent Director



Mr. Kosol Suriyaporn
Director /
Audit Committee /
Independent Director

Board of Directors



Mr. Vilas Pilakasiri
Secretary of the Board
of the Directors



Ms. Kittiya Pongpujaneekul
Director / Chief Financial Officer



Mr. Visanu Suchatlampong
Director /
Chief Business Officer Unit 1



Mr. Wason Naruenatpaisan
Director / Chief Strategic
Property Investment Officer



Mr. Chaiyarat Thampeera
Director

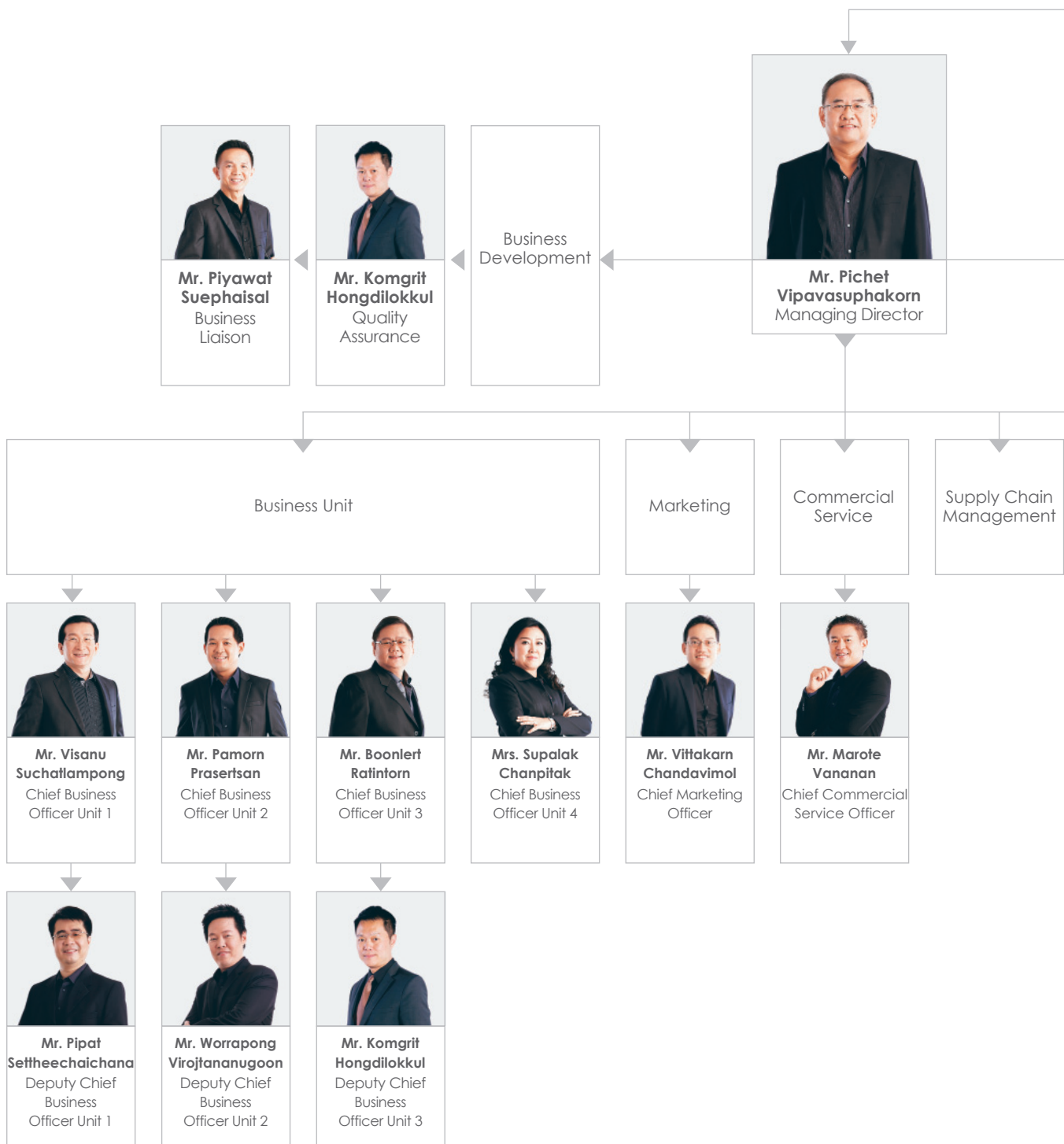


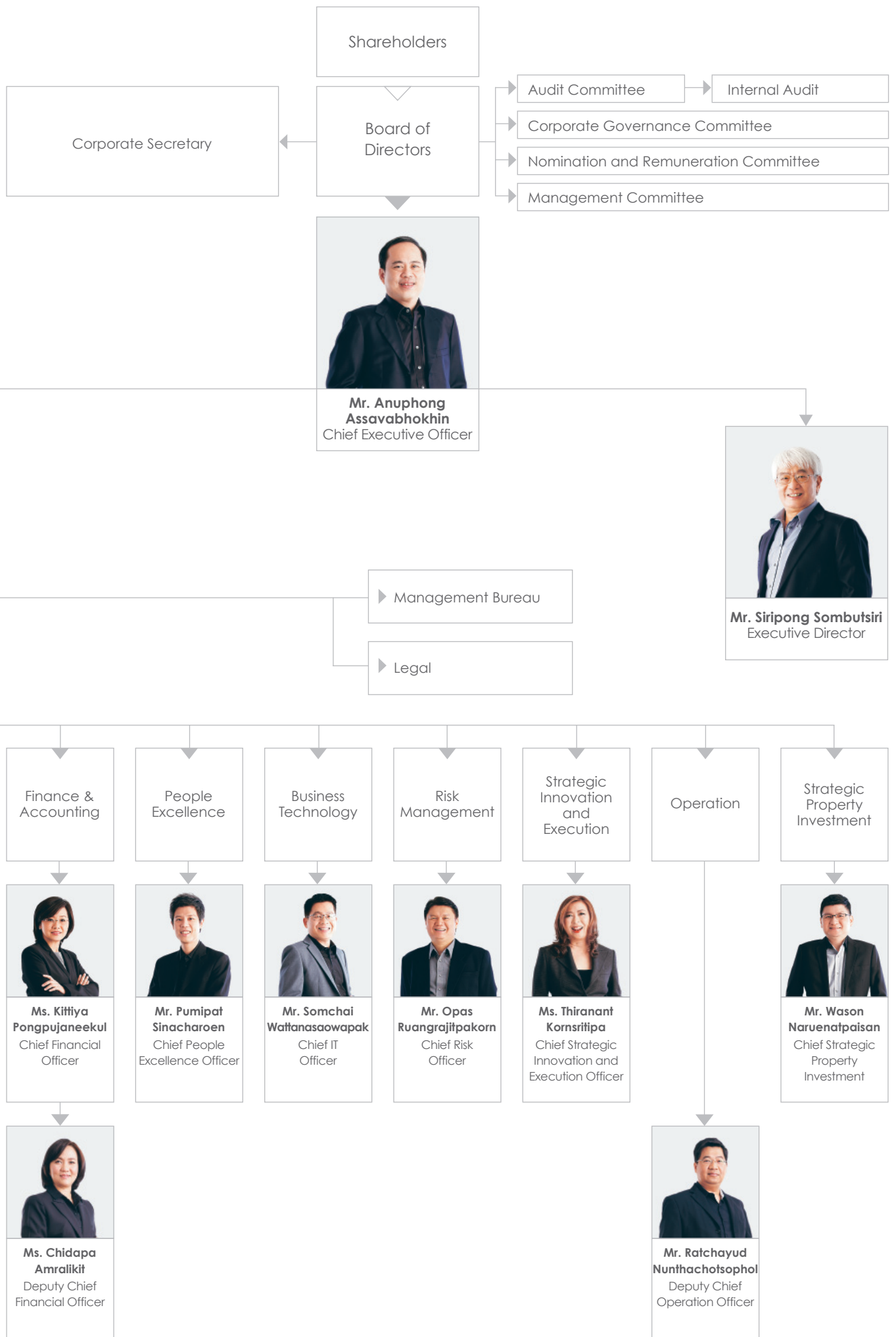
Mr. Pornwut Sarasin
Director /
Independent Director



Mr. Shaw Sinhaseni
Director /
Independent Director

Company Organization Chart







Single Detach House

THE
PALAZZO

S|O|U|L

MIND

THE
CITY

CENTRO



Townhouse

BAAN
KLANG KRUNG

DISTRICT

บ้านกลางเมือง



(Baan Klang Muang)



BIZTOWN

Plen@



Condominium

GALERIE
rue de 39

THE
ADDRESS

RHYTHM

Life

aspire

CUU

Property Market Outlook

Overall, the real estate market in 2014 shows a decline in the number of new project launches by 15.0% in comparison with the preceding year, resulting from a decrease in the number of condominiums launched by 22.5% and a slight decline in the number of townhouses launched by 3.2%. However, the number of single-detached houses launched increased by 8.8% (see Table 1). One of the factors contributing to the decrease of new launches in the first half year is political instability, which dragged on from the preceding year. Entrepreneurs were therefore very cautious about the planning of project launches and additional investment during that period. According to the data from the Agency for Real Estate Affairs, the number of new launches in the first half year dropped by 15.5% in comparison with the same period of the preceding year. Particularly, the number of new condominiums launched reduced by 27.3%, while the number of single-detached houses and townhouses launched did not show a significant decrease. Nevertheless, after the political tension has improved since the middle of the year, the entrepreneurs have resumed the project launching as usual, resulting in an increase in the number of condominiums launched.

Table 1: Project launches in 2013 in comparison with 2014

	1H 2013	2H 2013	2013
Single-detached houses	6,453	6,258	12,711
Townhouses	14,288	13,759	28,047
Condominiums	40,465	43,785	84,250
Total	61,206	63,802	125,008
	1H 2014	2H 2014	2014
Single-detached houses	7,462	6,368	13,830
Townhouses	14,833	12,303	27,136
Condominiums	29,405	35,893	65,298
Total	51,700	54,564	106,264
	% Growth	% Growth	% Growth
Single-detached houses	15.6%	1.8%	8.8%
Townhouses	3.8%	-10.6%	-3.2%
Condominiums	-27.3%	-18.0%	-22.5%
Total	-15.5%	-14.5%	-15.0%

Source: Agency for Real Estate Affairs

When considering the overall number of new launches of all three types of real estate altogether, a clear difference can be observed. Normally, the launch of horizontal real estate projects corresponds with the demand in the market, which fluctuate at a similar rate in each year, whereas the launch of new condominiums usually fluctuates depending on the economic situation or other factors that can affect the consumer confidence, such as political situation. Nevertheless, the condominium sector also has a mechanism, which controls the supply in the market automatically. If a large number of new condominiums are launched in the market, the entrepreneurs themselves will immediately slow down their plans for project launches and wait until the existing supply is absorbed, before making new launches. This mechanism is beneficial for the real estate market in the long run, because it prevents the problem of excess supply in the market.

	Number of Units Launched									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
SDH	17,814	13,521	11,384	11,707	11,157	17,353	16,824	12,720	12,711	13,830
Townhouse	16,429	17,859	17,902	20,243	19,079	31,365	21,872	22,503	28,047	27,136
Condo	17,438	29,266	44,750	31,322	23,993	60,972	41,492	62,548	84,250	65,298
Total	51,681	60,646	74,036	63,272	54,229	109,690	80,188	97,771	125,008	106,264
%Growth		17.3%	22.1%	-14.5%	-14.3%	102.3%	-26.9%	21.9%	27.9%	-15.0%



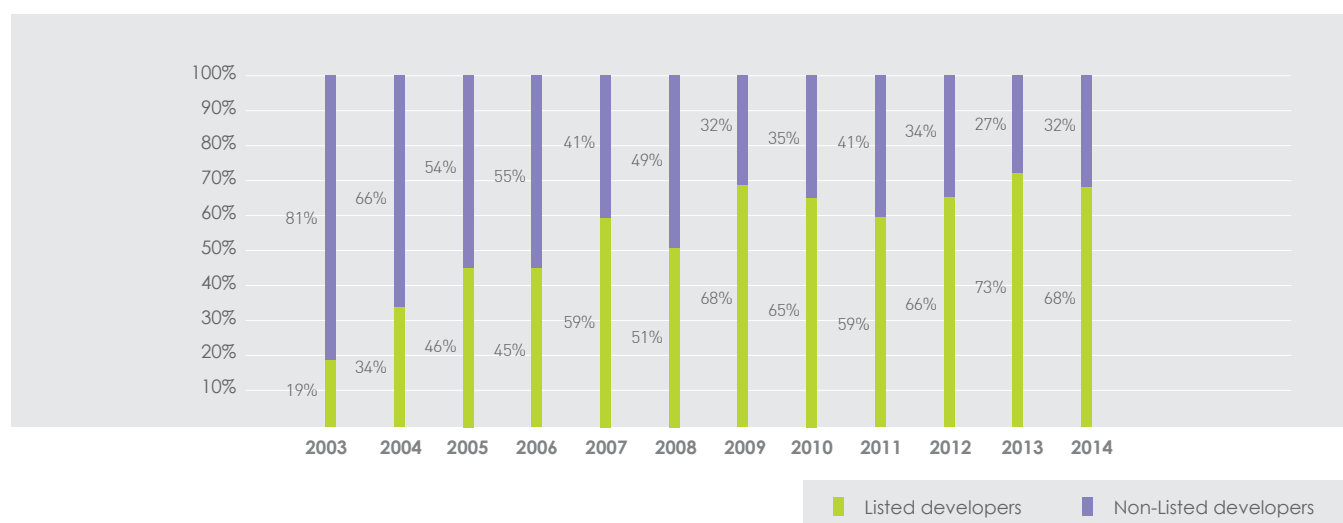
Source: Agency for Real Estate Affairs / AP (Thailand)

Regarding the market share, most of new units launched and sold are mainly developed by major listed property developers. In 2014, the number of new units launched and sold by listed developers makes up 68% of the total market share.

Market Share New Units “Launches”



Market Share New Units “Sold” of New Launches



Apart from adapting to current circumstances, significant challenges in operating real estate business are advantages in business operation and access to finance. Both challenges have effects on the business growth. Nowadays, commercial banks are highly strict in granting business loans, especially to small and medium enterprises. Moreover, major entrepreneurs have more access to other forms of financial resources, such as by issuing debentures. Thus, they enjoy even more financial advantages. Moreover, in the past period, major entrepreneurs have established business cooperation among each other in order to strengthen their organizations. These significant factors contribute to the dominance of major entrepreneurs in the real estate market in the present.

With regard to the market outlook for 2015, the real estate market is expected to grow in line with the economic growth. Political stability shall raise consumer confidence, which should be beneficial for the real estate sector. The number of project launches in 2015 is expected to increase in comparison with the preceding year, particularly new condominiums, since most entrepreneurs have postponed the project launches to 2015. Regarding the competition, the market shall remain dominated by major entrepreneurs, who have sources of investment funds and human resources at their disposal. Since every organization is striving for continuous growth of business, the real estate market shall remain as highly competitive as in the previous years. Major risk factors for the real estate business may be household debts, which are rising continuously and lead to a decline in purchase power, and increasing rates of loan rejection by commercial banks, especially for real estate in the lower market. These factors may have significant effects on the overall real estate market.

Management Discussion and Analysis

Financial Summary	2014	2013	2012	%YoY
Total Revenue (Btm)	23,149	19,989	17,310	15.8%
Cost of Sales (Btm)	15,304	13,270	11,273	15.3%
Selling and Administrative Expenses (Btm)	4,140	3,944	3,128	5.0%
Selling Expenses (Btm)	1,964	1,949	1,613	0.8%
Admin Expenses (Btm)	2,177	1,995	1,515	9.1%
Net Profit from Operation (Btm)	2,614	2,010	2,095	30.1%
Net Profit (Btm)	2,615	2,013	2,186	29.9%
Gross Margin	33.9%	33.6%	34.9%	
SG&A as a % of Revenue	17.9%	19.7%	18.1%	
Selling exp as a % of Revenue	8.5%	9.7%	9.3%	
Admin exp as a % of Revenue	9.4%	10.0%	8.8%	
Net Margin	11.3%	10.1%	12.6%	
EPS (Bt)	0.83	0.70	0.77	
Net Debt to Equity (x)	0.90	1.04	0.91	

- Net Profit in 2014 was 2.62 billion Baht, 29.9% growth from the same period last year. Net margin improved by 120bps YoY to 11.3%. The improvement was mainly due to the followings;
 1. Strong revenue recognition of 23.1 billion Baht or rose 15.8%YoY
 2. Gross Margin improvement by 30 bps to 33.9%, supported by high gross margin of condominium at 37.2%
 3. Well-controlled SG&A at 17.9% of revenue, or 180bps lower than in 2013 and 110bps lower than 19% target
 4. Lower effective tax rate at 19.3% from one-off tax shield on loss of impairment of investment in subsidiary, AP (Sathorn).
- Total Revenue was at 23.1 billion Baht, grew 15.8%YoY. The achievement exceed our original target by 2.1 billion Baht or 10.2% higher. Not only low rise posted favorable growth at 16.4%, but also Condominium grew by 14.7%. With good quality of backlog, condominium transfer rate was higher than expected, namely Life Ratchadapisek transfer rate at 80.5%, Aspire Rama 9 at 75.3% and Aspire Sukhumvit 48 at 42.9%. Our portfolio was well balance with 49% condominium and 51% low rise. Main revenue drivers were as followings;

Top 5 Contributors to Revenue	% of 2014 Revenue	Accumulated Project Transfer
Life Ratchadapisek	11.7%	80.5%
Rhythm Phahol-Aree	10.1%	99.6%
Rhythm Sukhumvit 44/1	8.9%	99.4%
Aspire Rama 9	7.7%	75.3%
Aspire Sukhumvit 48	4.4%	42.9%

- Overall Gross Margin was 33.9%, or 30 bps higher than 2013. Given the same mix, favorable condominium gross margin at 37.2% (vs. 35% target) was the key contributor to improvement. Low rise gross margin was at 30.2%, in line with the guidance.
- SG&A efficiency has further improved. We managed to level down the spending by 180bps to 17.9% of revenue in 2014 (versus 19.0% target and 19.7% in 2013). Both selling and operating expenses were well controlled below expectation.

Debt Structure

- Net Debt to Equity was brought down to 0.90x at the end of 2014, or improved from 1.04x at the end of 2013. With 2014 favorable performance, lands were acquired according to plan with the spending of 5.3 billion Baht, while the gearing was lower than our comfortable level of 1.0x. At the end of 2014, our debt outstanding was 14.7 billion Baht, of which 85.3% was fixed rate debenture, with cost of fund at 4.1%.
- In Jan 2015, we successfully issued 2 tranches of debenture as per below to replace the retired one at 5.4% interest cost.

Debenture	Amount (MB)	Duration	Interest Rate
AP177A	500	2 yrs 6 mth	3.05%
AP201A	1,500	5 yrs	3.58%

Overall Situation and Outlook

	2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014	2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013	2012
Gross Sales Booking	21,245	5,930	6,014	5,107	4,194	22,083	5,399	5,341	6,036	5,308	24,649
Beginning Backlog	22,576	15,876	19,024	21,259	22,576	27,246	27,814	28,611	28,256	27,246	24,206
Total Sold Value	43,822	21,806	25,038	26,366	26,771	49,329	33,213	33,952	34,292	32,554	48,855
Cancellation	(6,606)	(1,524)	(1,578)	(1,473)	(2,030)	(6,900)	(2,261)	(1,730)	(1,430)	(1,479)	(4,412)
Net Sold Value	37,216	20,282	23,459	24,893	24,740	42,430	30,952	32,222	32,862	31,075	44,443
Revenue											
Recognition	(22,941)	(6,008)	(7,583)	(5,870)	(3,481)	(19,853)	(8,376)	(4,408)	(4,251)	(2,819)	(17,196)
Ending Backlog											
(excl. JV)	14,275	14,275	15,876	19,024	21,259	22,576	22,576	27,814	28,611	28,256	27,247
- from TH&SDH	1,411	1,411	2,258	2,097	1,928	1,407	1,407	2,665	2,795	3,217	3,019
- from Condo	12,863	12,863	13,618	16,926	19,331	21,168	21,168	25,149	25,815	25,039	24,228
Net Sales Booking											
(excl. JV)	14,640	4,406	4,436	3,634	2,164	15,184	3,138	3,611	4,606	3,829	20,237
- from TH&SDH	11,752	2,873	3,534	2,930	2,415	8,481	2,062	2,092	2,119	2,207	9,762
- from Condo											
(exc. JV)	2,888	1,533	902	704	(251)	6,703	1,076	1,519	2,487	1,622	10,475
Net Sales											
- from JV	8,039	782	3,772	3,485							
Net Sales Booking											
(inc. JV)	22,679	5,188	8,207	7,119	2,164						
- from TH&SDH	11,752	2,873	3,534	2,930	2,415						
- from Condo											
(inc. JV)	10,927	2,315	4,674	4,188	(251)						
Revenue											
Recognition	22,941	6,008	7,583	5,870	3,481	19,853	8,376	4,408	4,251	2,819	17,196
- from TH&SDH	11,748	3,721	3,373	2,761	1,894	10,092	3,320	2,223	2,541	2,008	9,325
- from Condo	11,193	2,287	4,210	3,109	1,587	9,761	5,056	2,185	1,710	810	7,871

- Sales Booking in 2014 was 22.7 billion Baht or 49.4% growth versus last year. Both low rise and condominium booked high double digit growth of 38.6% and 63.0% respectively. Low rise sales hit a record high of 2.9 billion baht in Q2 and made a new high of 3.5 billion baht in Q3 with the supporting fundamentals on geographical coverage expansion and product innovation roadmap. On Condominium side, 4 JVs projects with Mitsubishi Estates exceptionally performed, where overall take up rate has now reached 77%.

Sales Booking	2014	2013	% Growth
Low Rise	11,752	8,481	+38.6%
Condominium	10,927	6,703	+63.0%
Total Sales Booking	22,679	15,184	+49.4%

- Sales Backlog excluding JV projects as of 31 Dec 2014 was 14.3 billion Baht, of which 1.4 billion Baht was from low rise and 12.9 billion Baht from condominium. All low rise backlog will be recognized within Q1 2015 while condo backlog will be recognized as follows:

Schedule of Condominium Revenue	2015	2016	2017
Based on Project Completion	12,008	10,503	9,031
Condo Backlog as of 31 Dec 2014	8,535	2,871	1,457
% Take up as of 31 Dec 2014	71.1%	27.3%	16.1%
Additional Sales	3,473	7,632	7,574

- 2015 Presales is targeted at 28.3 billion Baht, 24.8% growth from 2014. We expect our Condominium presales to grow by 37.3%, while low rise growth will be 13.2%. These will be supported by aggressive plan of 24 projects launches (40.2 billion baht project value, see Appendix 4). In terms of revenue, we target 25.3 billion Baht in 2015, 9.5% growth from the previous year, of which 13.3 billion Baht from low rise and 12.0 billion Baht from condominium.
- With low rise backlog of 1.4 billion Baht and condo backlog of 8.5 billion Baht to be recognized in 2015, we have already secured 39.1% of revenue target.
- Regarding land acquisition budget, we plan to spend 8.0 billion Baht on land acquisition this year versus 5.3 billion Baht in 2014. YTD we acquired some plot of land for condominium to be launched in 2015. This will build baseline for revenue recognition in 2017-2018.

Appendix 1: Financial Summary

Financial Summary	2014	2013	2012	2011
Revenues from Property Development (Btm)	22,941	19,854	17,197	13,541
YoY Chg (%)	15.5%	15.5%	27.0%	-1.1%
Consolidated Revenues (Btm)	23,149	19,989	17,310	13,639
YoY Chg (%)	15.8%	15.5%	26.9%	-1.5%
Gross Profit from Property Development (Btm)	7,637	6,584	5,923	5,107
Gross Margin from Property (%)	33.3%	33.2%	34.4%	37.7%
Overall Gross Profit (Btm)	7,845	6,718	6,036	5,205
Gross Margin (%)	33.9%	33.6%	34.9%	38.2%
Operating Profit (Btm)	3,705	2,774	2,908	2,509
Operating Margin (%)	16.0%	13.9%	16.8%	18.4%
Net Profit from Normal Operations (Btm)	2,614	2,010	2,095	1,548
YoY Chg (%)	30.1%	-4.1%	35.3%	-28.2%
Net Profit (Btm)	2,615	2,013	2,186	1,551
YoY Chg (%)	29.9%	-7.9%	40.9%	-30.4%
EPS (Bt)	0.83	0.70	0.77	0.55
Total Assets (Btm)	35,564	34,410	29,472	29,678
Equity (Btm)	15,848	14,007	12,679	10,957
Outstanding Debt (Btm)	14,705	15,430	12,282	14,224
Net Debt (Btm)	14,242	14,541	11,539	13,786
Net Debt to Equity (x)	0.90	1.04	0.91	1.26
ROE (%) (average equity)	17.5%	15.1%	18.5%	15.2%

Appendix 2: Ongoing Projects

Brand	No. of Projects	No. of Units	Project Value (Btm)	% Sold (in unit) (as of 31 Dec 14)	Available for Sales (Btm)
Single Detached House					
The Palazzo	3	211	4,600	75%	1,417
Soul	3	143	2,950	51%	1,533
Mind	2	170	1,720	8%	1,581
The City	4	371	3,740	61%	1,567
Centro	5	1,534	9,800	64%	3,658
SDH – Available for Sales					9,756
Townhouse					
Baan Klang Muang	21	4,672	23,610	53%	11,324
Pleno	11	3,672	9,040	63%	3,311
District	1	36	870	14%	749
TH-Available for Sales					15,384
Condominium					
Galerie rue de 39	1	88	3,200	0%	3,200
The Address	2	660	4,940	100%	–
Rhythm	7	3,883	20,934	84%	3,818
Life	1	837	3,550	88%	424
Aspire	10	8,011	17,632	61%	6,565
Coo	1	448	740	58%	314
Condo-Available for Sales (exc. JV)					14,321
Total ongoing projects available for sales (exc. JV)					39,461
Brand	No. of Projects	No. of Units	Project Value (Btm)	% Sold (in unit) (as of 31 Dec 14)	Available for Sales (Btm)
JV	4	3,292	10,750	70%	2,908
JV-Available for Sales					2,908
Total ongoing projects available for sales (JV)					2,908

Appendix 3: Projects launched in 2014

Planned-to-be-Launched Projects in 2014	Rai	No. of Units	Project Value (Btm)	(in unit) (as of 31 Dec 14)	Land Acquisition	Launch Year	Completion (last unit transferred)
Single Detached House							
1 Soul Ratchada 68	8.4	30	850	30%	Q1 2013	Q1 2014	2015
2 The City Ram Indra	28.6	95	940	5%	Q2 2013	Q2 2014	2017
3 Mind Tiwanon	23.2	80	1,000	8%	Q1 2014	Q3 2014	2017
4 Mind Rama 7	21.8	90	720	9%	Q2 2014	Q3 2014	2017
5 The Palazzo Ratchaphreuk	18.1	30	900	3%	Q3 2013	Q3 2014	2017
Total SDH			4,410				
Townhouse							
1 Baan Klang Muang Piboonsongkram	13.3	125	790	26%	Q3 2013	Q1 2014	2016
2 Pleno Srinakarin	25.2	280	750	21%	Q4 2012	Q2 2014	2017
3 Baan Klang Muang Ratchayothin	9.3	92	780	45%	Q1 2013	Q2 2014	2015
4 Baan Klang Muang Vipawadee	19.2	207	1,250	14%	Q3 2013	Q2 2014	2017
5 Baan Klang Muang Suksawat	32.7	328	1,790	24%	Q3 2013	Q2 2014	2018
6 Pleno Petchakasem 81	18.4	224	460	9%	Q1 2014	Q3 2014	2017
7 Baan Klang Muang Sukhumvit 77	18.5	194	1,250	14%	Q4 2013	Q4 2014	2017
8 District Sriwara	6.6	35	870	14%	Q3 2013	Q4 2014	2016
Total TH			7,940				
Condominium							
1 Rhythm Sukhumvit 36-38*	2.7	496	2,900	81%	Q2 2013	Q2 2014	2017
2 Aspire Ratchada-Wongsawang*	5.7	1,232	2,850	45%	Q3 2013	Q2 2014	2017
3 Rhythm Asoke 2*	1.6	346	1,500	61%	Q1 2014	Q2 2014	2017
4 Aspire Sathorn-Thapra*	5.3	1,218	3,500	95%	Q3 2014	Q3 2014	2017
Total Condo			10,750				
Total planned-to-be-launched projects in 2014			23,100				

* JV project with Mitsubishi Estate Group

Appendix 4: Projects launches in 2015

Planned-to-be-Launched Projects in 2015	Rai	No. of Units	Project Value (Btm)	Land Acquisition	Launch Year	Completion (last unit transferred)
Single Detached House						
1 The City Sukhumvit-Bangna	23.1	94	1,030	Q3 2014	Q1 2015	2017
2 Mind Rama 2 Soi 28	8.7	49	360	Q3 2014	Q2 2015	2016
3 Mind Pattanakarn	46.3	202	1,720	Q4 2014	Q3 2015	2018
4 The City Navamin 53	27.9	122	1,140	Q4 2015	Q3 2015	2018
+1 SDH			590		2015	
Total SDH			4,840			
Townhouse						
1 Baan Klang Muang Phaholyothin 50	9.8	108	570	Q4 2014	Q2 2015	2017
2 Pleno Suksawas 66	28.0	277	830	Q4 2014	Q2 2015	2017
3 Pleno Ratchaphreuk-Rama 5	27.5	301	860	Q4 2014	Q3 2015	2017
4 Baan Klang Muang Rama 2 Soi 50	8.2	50	390	Q4 2014	Q3 2015	2016
5 Baan Klang Muang Suanluang Rama 9	53.4	610	2,700	Q4 2014	Q3 2015	2019
6 Pleno Rattanatibet	24.1	276	670	Q4 2014	Q3 2015	2016
7 Pleno Suksawas Rama 3	27.9	319	840	Q1 2015	Q3 2015	2018
8 District Ladprao 113	1.6	17	260	Q1 2014	Q3 2015	2017
+1 TH			750		2015	
Total TH			7,870			
Condominium						
1 Life Asoke	9.2	1,489	6,000	Q1 2015	Q2 2015	2019
2 Aspire Wuttakard	1.3	158	390	Q1 2015	Q2 2015	2017
3 Aspire Therdtae	4.8	860	2,450	Q1 2015	Q2 2015	2018
4 Aspire Ladprao 113	2.4	270	500	Q1 2014	Q2 2015	2016
5 Aspire Erawan Phase 1	6.5	1,516	3,600	Q1 2015	Q2 2015	2018
6 Aspire Sathorn-Taksin phase 3	3.5	614	1,390	Q4 2007	Q3 2015	2017
7 Life Sukhumvit 48	3.7	614	1,800	Q1 2011	Q4 2015	2018
+ 3 Condo			11,400		2015	
Total Condo			27,530			
Total planned-to-be-launched projects in 2015			40,240			

* JV project with Mitsubishi Estate Group

Appendix5: Schedule of Condo Transfer

Condo Projects	(million Baht)		% Accumulated							Launch Year	Estimated	Estimated
	Project Value	Total Units	Unit Sold *	Transfer Until 2013	2014F	2015F	2016F	2017F	2018F		Start Transfer	Last Unit Transferred
The Address Sathorn	4,174	562	100%	92%	8%					Q3 2009	Q3 2012	Q1 2014
Rhythm Sukhumvit 50	2,689	589	100%	98%	2%					Q3 2010	Q2 2013	Q1 2014
Rhythm Phahol-Aree	3,538	809	100%	34%	66%	0.5%				Q3 2010	Q4 2013	Q1 2015
Rhythm Sathorn	5,337	910	55%			85%	15%			Q3 2010	Q2 2015	Q1 2016
Aspire Rama 4	2,805	1,432	100%	86%	14%					Q4 2010	Q2 2013	Q1 2014
Aspire Ngamwongwan	2,630	1,458	15%				70%	30%		Q4 2010	Q1 2016	Q2 2017
Aspire Srinakarin	533	330	100%	97%	3%					Q2 2011	Q4 2012	Q1 2014
Rhythm Sukhumvit 44/1	2,756	486	99%	26%	73%	0.7%				Q2 2011	Q4 2013	Q1 2015
Life Ratchadapisek	3,550	837	88%		75%	25%				Q3 2011	Q2 2014	Q3 2015
The Address Sukhumvit 61	766	98	100%	89%	11%					Q4 2011	Q4 2012	Q1 2014
Aspire Rama 9	2,435	663	97%		72%	28%				Q1 2012	Q3 2014	Q2 2015
Aspire Sukhumvit 48	2,670	837	67%		38%	62%				Q1 2012	Q3 2014	Q4 2015
Rhythm Sathorn-Narathiwas	1,614	300	97%			100%				Q2 2012	Q1 2015	Q2 2015
Aspire Rattanaibet	989	540	94%		48%	52%				Q2 2012	Q4 2014	Q3 2015
Aspire Sathorn-Taksin phase 1	1,100	546	84%			100%				Q4 2012	Q2 2015	Q4 2015
Galerie rue de 39	3,200	88	0%				40%	60%		Q1 2013	Q4 2016	Q4 2017
Aspire Udornthani	700	413	42%			75%	25%			Q1 2013	Q1 2015	Q1 2016
Aspire Rattanaibet II	3,000	1,428	22%				100%			Q1 2013	Q1 2016	Q4 2016
Rhythm Sukhumvit 42	3,500	404	71%				35%	65%		Q2 2013	Q4 2016	Q3 2017
Aspire Sathorn-Taksin phase 2	600	364	57%			40%	60%			Q3 2013	Q4 2015	Q2 2016
Rhythm Asoke	1,500	385	78%				20%	80%		Q3 2013	Q4 2016	Q4 2017
Coo Phitsanulok	740	448	58%			30%	70%			Q4 2013	Q4 2015	Q2 2016
Life Asoke	6,000	1,489							95%	Q2 2015	Q2 2018	Q1 2019
Aspire Wuttakard	390	158					40%	60%		Q2 2015	Q3 2016	Q2 2017
Aspire Therdtae	2,450	860						20%	80%	Q2 2015	Q4 2017	Q4 2018
Aspire Ladprao 113	500	270					100%			Q2 2015	Q1 2016	Q4 2016
Aspire Erawan Phase 1	3,600	1,516						30%	70%	Q2 2015	Q4 2017	Q4 2018
Aspire Sathorn-Taksin phase 3	1,390	614					25%	75%		Q3 2015	Q4 2016	Q2 2017
Life Sukhumvit 48	1,800	614							100%	Q4 2015	Q1 2018	Q4 2018
	66,955											
* % sold as of 31 Dec 14												
** Joint venture projects												
Rhythm Sukhumvit 36-38**	2,900	496	81%				30%	70%		Q2 2014	Q4 2016	Q3 2017
Aspire Ratchada-Wongsawang**	2,850	1,232	45%				50%	50%		Q2 2014	Q3 2016	Q2 2017
Rhythm Asoke II**	1,500	346	61%					100%		Q2 2014	Q1 2017	Q4 2017
Aspire Sathorn-Thapra**	3,500	1,218	95%				20%	80%		Q3 2014	Q4 2016	Q4 2017
	10,750											

Overview of the Company Policy and Business Operation

Background

AP (Thailand) Public Company Limited was established in 1991 under the name Asian Property Co., Ltd. to develop residential property projects. In 2000, the company did a backdoor listing thru PCM Public Company Limited, a precast concrete floor manufacturing which was listed company in the Stock Exchange of Thailand since 22 September 1992, and changed its name to "Asian Property Development Public Company Limited (AP)". Since the merger between Asian Property and PCM, AP set a new company, called PCM Construction Material Company Limited (PCMC), where AP owned 99.99% of its total shares at that time.

In 2002, AP switched its type of business registered in the Stock of Exchange of Thailand from construction material to property development and location from primarily no. 26/1 Moo 4 Paholyothin-Lumlukka Road, Lumlukka Sub-district, Lumlukka District, Pathumthani Province, to 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey District, Bangkok which is a current head office.

Change in the shareholding structure

In 2004, AP sold all shares in PCMC to Pre-built Plc., a contractor company and increased its shares in Pre-built Plc. from 19.80% to 64.73%. In 2005, AP adjusted its structure to focus particularly on property development by reducing its shares in Pre-Built until November 2012 when AP no longer holds any share in Pre-Built.

Vision and Mission of the Company Group

Vision

AP will be the most admired developer who inspired by the evolvement of behavior and lifestyle to create residential products, services and community that enhance customers' living quality and satisfaction.

Mission

To be the most responsive creator for our customers

Shareholding Structure

Company group consists of AP (Thailand) Plc. and the 20 subsidiary companies, categorized by their types of business as followed;

I Property Development Business

- | | |
|--|---|
| (1) Asian Property Co., Ltd. | (9) Signature Advisory Partners Co., Ltd. |
| (2) Asian Property (Krungthep) Co., Ltd. | (10) AP (Ekkamai) Co., Ltd. |
| (3) Asian Property (2011) Co., Ltd. | (11) AP (Phetchaburi) Co., Ltd. |
| (4) Asian Property (2012) Co., Ltd. | (12) AP (Ratchayothin) Co., Ltd. |
| (5) Asian Property (2013) Co., Ltd. | (13) AP ME (Asoke) Co., Ltd.* |
| (6) Asian Property (2014) Co., Ltd. | (14) AP ME (Krungthep) Co., Ltd.* |
| (7) The Value Property Development Co., Ltd. | (15) AP ME (Sukhumvit) Co., Ltd.* |
| (8) Thonglor Residence Co., Ltd. | (16) Premium Residence Co., Ltd.** |

■ Property Management Business

(17) Smart Service and Management Co., Ltd.

■ Property Broker Business

(18) Bangkok CitiSmart Co., Ltd.

■ Construction Business

(19) SQE Construction Co., Ltd.

■ Other Service Business

(20) Thai Bigbelly Co., Ltd.

* Joint venture companies with MEC Thailand Investment (Singapore) with share holding ratio of 51:49 (The Company:MEC Thailand Investment (Singapore)).











** Joint venture companies with MJR Investment (Singapore) with share holding ratio of 51:49 (The Company:MJR Investment (Singapore)).

The Company and subsidiaries have developed residential projects, i.e. single-detached houses, townhouses, and condominiums, in the exceptional areas easily accessed by the mass transportation, designed to match the needs of each lifestyle. We categorized our 16 project brands into three types;

Simplistic Experience Simplicity, tranquil and nature

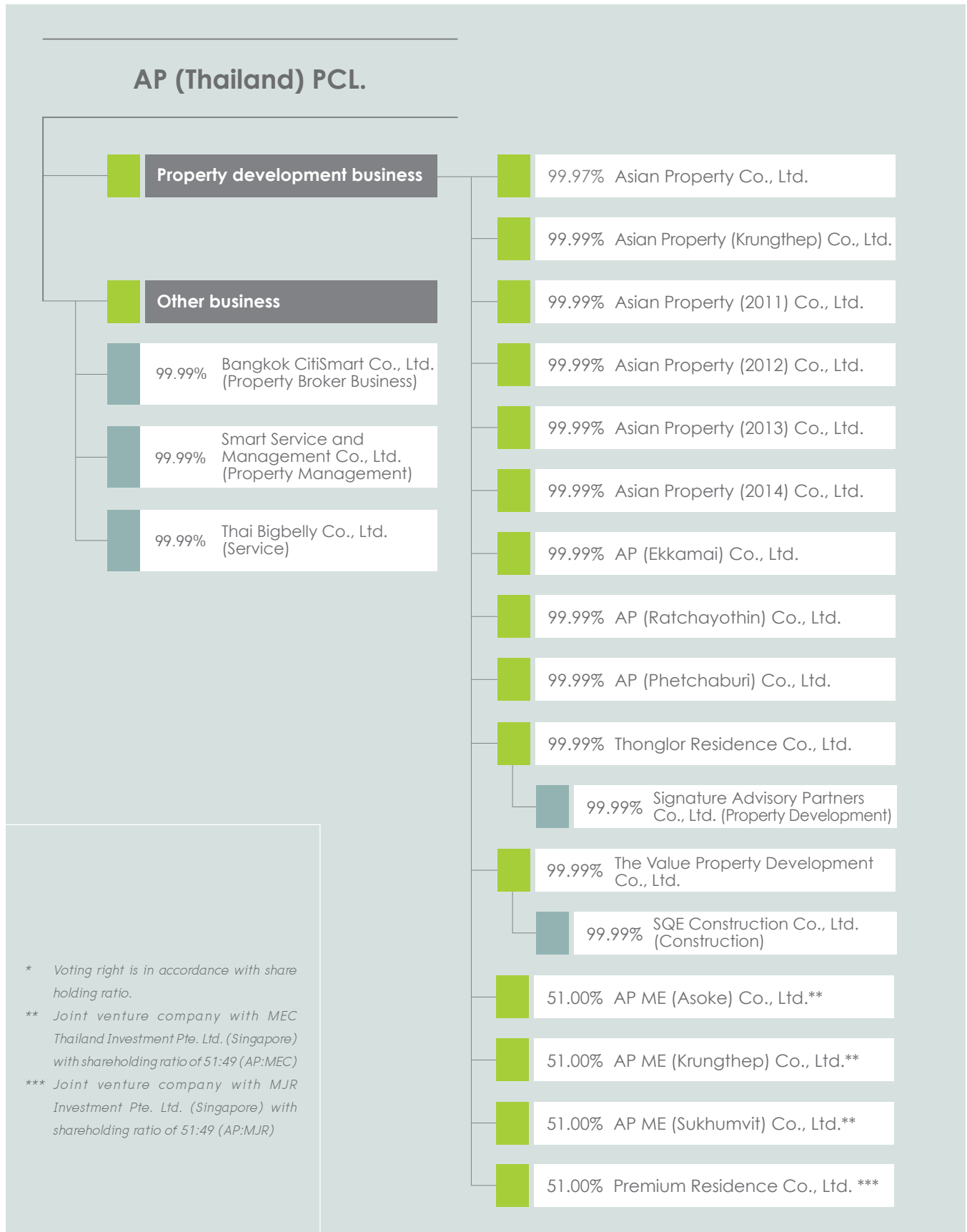
Fresh Experience Modern and multiple lifestyles

Aesthetic Experience Classic and romantic

AP PORTFOLIO				
LIFESTYLE	AP COLLECTION		AP PREMIUM	
				
				
SIMPLISTIC EXPERIENCE	MIND THE CITY	Life CITY	SIOUILL DISTRICT	
FRESH EXPERIENCE	บ้านกลางเมือง   Pleno		 	
AESTHETIC EXPERIENCE	CENTRO	BAAN KLANG KRUNG	THE PALAZZO	GALERIE rue de 39 THE ADDRESS

Group Company Chart

as of 31 December 2014*



Business Feature

Significant corporate events in the past 3 years

Year	Events
2012	<ul style="list-style-type: none"> In January 2012, Asian Property (2012) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares. Later in January, Asian Property (2012) Co., Ltd. and Asian Property (2011) Co., Ltd. increased their registered capital from Baht 10,000,000 (each) to Baht 300,000,000. In March 2012, all assets and liabilities of AP (Ratchada) Co., Ltd. were transferred to Asian Property Co., Ltd. was dissolved. In August 2012, AP (Sathorn) Co., Ltd. decreased its registered capital for an amount of Baht 487,500,000 from Baht 650,000,000 to Baht 162,500,000. The ESOP warrants were exercised to 26,288,880 shares as of 31 December 2012. Therefore, the Company had paid-up capital of Baht 2,848,272,038.
2013	<ul style="list-style-type: none"> In January 2013, AP (Asoke) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares. In February 2013, Asian Property (2013) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares. In April 2013, Asian Property (2013) Co., Ltd. increased its registered capital for Baht 290,000,000, from Baht 10,000,000 to Baht 300,000,000. In April 2013, the Company has changed its name to AP (Thailand) Public Company Limited. In June 2013, Asian Property (Sukhumvit) Co., Ltd. increased its registered capital for Baht 290,000,000 from Baht 10,000,000 to Baht 300,000,000. In September 2013, AP (Praram 9) Co., Ltd., AP (Nonthaburi) Co., Ltd. and Premium Residence Co., Ltd. were established with the registered capital of Baht 1,000,000 each and the objective of property development. The Company held 99.99% of the total shares in each company. In December 2013, AP (Nonthaburi) Co., Ltd. increased its registered capital for Baht 249,000,000 from Baht 1,000,000 to Baht 250,000,000 and Asian Property (Sukhumvit) Co., Ltd. increased its registered capital for Baht 60,000,000 from Baht 300,000,000 to Baht 360,000,000. In December 2013, AP (Asoke) Co., Ltd. has changed its name to Thai Bigbelly Co., Ltd. and its objective to a service business. In December 2013, the Company entered into a joint venture agreement with MEC Thailand Investment Pte. Ltd. (Singapore), a subsidiary company under Mitsubishi Estate Group, Japan to jointly develop condominium projects in 51:49 ratio (AP:Mitsubishi). The joint venture projects are under AP ME (Sukhumvit) Co., Ltd., AP ME (Asoke) Co., Ltd., and AP ME (Krungthep) Co., Ltd. The ESOP warrants were exercised to 11,648,100 shares as of 31 December 2013. Therefore, the Company had paid-up capital of Baht 2,859,920,138. However the ESOP scheme expired in March 2013.

Year	Events
2014	<ul style="list-style-type: none"> ■ In January 2014, AP (Praram 9) Co., Ltd., Asian Property (Sukhumvit) Co., Ltd., and AP (Nonthaburi) Co., Ltd. have changed their names to AP ME (Asoke) Co., Ltd., AP ME (Sukhumvit) Co., Ltd. and AP ME (Krungthep) Co., Ltd., respectively. ■ In January 2014, AP ME (Asoke) Co., Ltd. increased its registered capital for Baht 159,000,000 from Baht 1,000,000 to Baht 160,000,000. ■ In March 2014, Thai Bigbelly Co., Ltd. increased its registered capital for Baht 40,000,000 from Baht 10,000,000 to Baht 50,000,000. ■ In April 2014, AP ME (Krungthep) Co., Ltd. increased its capital for Baht 120,000,000 from Baht 250,000,000 to Baht 370,000,000. ■ In May 2014, AP (Ekkamai) Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares and later in June, AP (Ekkamai) Co., Ltd. increased its registered capital for Baht 399,000,000. Therefore, the registered capital of AP (Ekkamai) Co., Ltd. is Baht 400,000,000. ■ In July 2014, AP ME (Sukhumvit) Co., Ltd. increased its registered capital for Baht 68,000,000 from Baht 360,000,000 to Baht 428,000,000. ■ In August 2014, the Company entered into another Joint Venture Agreement with MJR Investment Pte. Ltd. (Singapore), a subsidiary company under Mitsubishi Estate Group, Japan to jointly develop condominium projects in 51:49 ratio (AP:Mitsubishi). The joint venture project is under Premium Residence Co., Ltd. which, after the signing of this Joint Venture Agreement, increased its registered capital for Baht 1,000,000,000 from Baht 1,000,000 to Baht 1,001,000,000. ■ In August 2014, AP (Phetchaburi) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares. ■ In September 2014, AP ME (Asoke) Co., Ltd. increased its registered capital for Baht 84,000,000 from Baht 160,000,000 to Baht 244,000,000. ■ In October 2014, the Company arranged the Extraordinary General Meeting no. 1/2014 of the shareholders to consider and approve on the following matters; <ul style="list-style-type: none"> □ Decreasing the registered capital for 29,951 shares which were reserved for the ESOP scheme that was already expired. □ Paying out the interim dividend by ordinary shares not exceeding 285,992,013 shares in the ratio of 10 existing shares to 1 new stock dividend, and by cash at 0.02 Baht per share. □ Increasing the registered shares for 285,992,013 shares to be accorded with the interim dividend pay-out. □ Allotting the increased shares. <p>As approved by the shareholders, the Company decreased its registered capital for 29,951 shares, from Baht 2,859,949,729 to Baht 2,859,920,138, and increased its registered capital for 285,992,013 shares from Baht 2,859,920,138 to Baht 3,145,912,151</p> ■ In November 2014, the Company has paid out the stock dividend to the shareholders for 285,979,357 shares. Therefore, the paid-up capital of the Company is Baht 3,145,899,495. ■ In November 2014, Asian Property (2014) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares. ■ In December 2014, AP (Ratchayothin) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares.

Revenue Structure

Revenue structure can be divided by product lines as followed;

Product lines/ Business Group	Operated by	Share-holding	2014		2013		2012	
			Revenue	%	Revenue	%	Revenue	%
1. Revenue from property development business	APT	–	20,215.80	87.10	13,996.00	69.80	12,146.90	69.40
	APST	99.99%	338.00	1.50	1,893.30	9.40	1,990.10	11.40
	VPD	99.99%	1,785.00	7.70	3,405.20	17.00	810.10	4.60
	APK	99.99%	8.30	–	337.50	1.70	521.50	3.00
	BCS	99.99%	102.20	0.40	91.20	0.40	72.10	0.40
	SSM	99.99%	58.00	0.30	43.00	0.20	40.80	0.20
	ASIAN	99.97%	631.40	2.70	222.30	1.10	45.90	0.30
	TBB	99.99%	10.40	0.10	–	–	–	–
	APSV ⁽²⁾	99.99%	–	–	–	–	1,657.80	9.50
	APR	99.99%	–	–	–	–	24.40	0.10
Total			23,149.10	99.80	19,988.50	99.60	17,309.60	98.90
2. Other revenue ⁽¹⁾			57.80	0.20	71.80	0.40	193.40	1.10
Grand total			23,206.90	100.00	20,060.30	100.00	17,503.00	100.00

(1) Other revenue includes gain from sale of investment, dividend income, interest income and other income.

(2) On 16 December 2013, the Company sold part of its shares in APSV to MEC Thailand Investment PTE Ltd. under the joint venture agreement where the share holding ratio is 51:49. Consequently APSV is no longer a subsidiary but a related company.

APT = AP (Thailand) Pcl.

APST = AP (Sathorn) Co., Ltd.

VPD = The Value Property Development Co., Ltd.

APK = Asian Property (Krungthep) Co., Ltd.

BCS = Bangkok CitiSmart Co., Ltd.

SSM = Smart Service & Management Co., Ltd.

ASIAN = Asian Property Co., Ltd.

APSV = Asian Property (Sukhumvit) Co., Ltd.

APR = AP (Ratchada) Co., Ltd.

TBB = Thai Bigbelly Co., Ltd.

Stocks and Major Shareholders

Register Paid-Up Capital

The registered capital of the Company is Baht 3,145,912,151 and paid-up capital is Baht 3,145,899,495. All shares are ordinary share with Baht 1 par value.

Shareholders

Top ten largest shareholders of the Company as of 30 December 2014;

No.	Name of the Shareholder	No. of Shares	% of Total Paid-Up Shares
1.	Mr. Anuphong Assavabhokhin	670,047,561	21.30
2.	Thai NVDR Co., Ltd.	327,670,507	10.42
3.	Nortrust Nominees Ltd.	189,486,541	6.02
4.	Mr. Pichet Vipavasuphakorn*	192,949,879	6.13
5.	State Street Bank Europe Limited	101,223,571	3.22
6.	Mr. Jaroonsak Bantoonrajinda	69,100,000	2.20
7.	Ms. Anyada Assavabhokhin	61,000,000	1.94
8.	Mr. Sirisak Sanasopon	48,120,000	1.53
9.	Mr. Chanchai Krairitthichai	40,924,436	1.30
10.	K 70:30 long-term dividend open fund	38,881,888	1.24

* Mr. Pichet Vipavasuphakorn and spouse

Other Stocks

1. Debentures

The Company has issued the unsecured bonds which are currently active as of 31 December 2014 with the total value of Baht 12,550 million, as followed;

Debenture	Value (Baht Million)	Term	Maturity Date	Interest Rate
1. AP157A	500	4 Years 11 months 4 days	9 Jul 2015	4.00%
2. AP157B	250	4 Years 5 months 2 days	9 Jul 2015	4.50%
3. AP159A	500	4 Years 3 months	7 Sep 2015	4.65%
4. AP151A	1,500	3 Years 6 months	8 Jan 2015	1-3 commencing years = 4.50%, last 6 months = 5.80%
5. AP162A	300	4 Years 5 months 29 days	28 Feb 2016	4.75%
6. AP161A	1,000	4 Years	27 Jan 2016	4.00%
7. AP169A	1,200	4 Years 3 months	8 Sep 2016	4.49%
8. AP181A	1,250	5 Years	24 Jan 2018	4.24%

Debenture	Value (Baht Million)	Term	Maturity Date	Interest Rate
9. AP188A	1,250	5 Years 3 months	9 Aug 2018	4.13%
10. AP179A	1,000	4 Years	5 Sep 2017	4.52%
11. AP174A	500	3 Years 6 months 30 days	5 Apr 2017	4.10%
12. AP179B	300	4 Years 8 days	20 Sep 2017	4.52%
13. AP171A	1,150	3 Years	24 Jan 2017	4.00%
14. AP191A	350	5 Years	24 Jan 2019	4.50%
15. AP167A	500	2 Years 1 months 24 days	28 Jul 2016	3.40%
16. AP197A	1,000	5 Years 1 months	27 Jul 2019	4.36%

2. Short-term bill of exchange

At 31 December 2014, the Company possesses an undue short-term bill of exchange equivalent to Baht 1,700 million (price on bill).

Dividend Payout Policy

The Company has dividend payout policy of no more than 50% of net profits (shown in a consolidated financial statement) in any financial year. The Company will consider various factors to determine the dividend, such as operation result and financial status, liquidity, business expansion prospect, and other factors related to the Company's operation. The payout must be approved by the Board of Directors and the Shareholders.

In 2013, the Company achieved Baht 2,013 million net profit and equivalent to Baht 0.70 per share. For 2013 operating result, dividend payment was approved for Baht 0.25 per shares, which was 36% of net profit, complying with the Company dividend payout policy.

In October 2014, the Company paid out the interim dividend to its shareholders by ordinary shares at the ratio of 10 existing shares per 1 stock dividend, equivalent to Baht 0.10 per share, and by cash at Baht 0.02 per share.

For the dividend payout policy of subsidiaries, the subsidiaries would pay dividend from net profits. The subsidiaries will consider various factors to determine the dividend, such as operation result and financial status, liquidity, business expansion prospect, and other factors related to the subsidiaries' operation, similar to how the Company considers the dividend payment.

Management Structure

Board of Directors

List of the Directors, their positions, number of the meetings in 2014 and attendance.

	Board of Directors (Total meetings: 10)	Audit Committee (Total meetings: 4)	Nomination and Remuneration Committee (Total meeting: 1)	Corporate Governance Committee (Total meetings: 3)	Management Committee (Total meetings: 12)
Mr. Chatchaval Bhanalaph	100% (Chairman/ Independent Director)				
Mr. Anuphong Assavabhokhin	100% (Vice Chairman)		100%		100% (Chairman)
Mr. Pichet Vipavasuphakorn	100%		100%	100%	100%
Mr. Chaiyarat Thampeera	90%				
Mr. Siripong Sombutsiri	90%				100%
Mr. Wason Naruenatpaisan	100%				
Ms. Kittiya Pongpujaneekul	100%				100%
Mr. Visanu Suchatlampong	90%				
Mr. Pornwut Sarasin	80% (Independent Director)				
Mr. Shaw Sinhaseni	90% (Independent Director)		100% (Chairman)		
Mr. Phanporn Dabbarangsi	90% (Independent Director)	75% (Chairman)			
Mr. Kosol Suriyaporn	90% (Independent Director)	100%	100%	100% (Chairman)	
Mr. Nontachit Tulayanonda	90% (Independent Director)	100%	100%		
Mr. Vilas Pilakasiri	100% (Secretary of the Board)			100%	
Mr. Pumipat Sinacharoen				100%	
Mr. Opas Ruangrajitpakorn				100%	

Authorized Signatory Directors

Mr. Anuphong Assavabhokhin Mr. Pichet Vipavasuphakorn Mr. Siripong Sombutsiri
Mr. Wason Naruenatpaisan Mr. Visanu Suchatlampong Ms. Kittiya Pongpujaneekul

Any one director signs and seals

Management

The Company's management, as of 31 December 2014, consists of the following;

Name-Surname	Position
1. Mr. Anuphong Assavabhokhin	Chief Executive Officer
2. Mr. Pichet Vipavasuphakorn	Managing Director
3. Mr. Siripong Sombutsiri	Executive Director
4. Mr. Wason Naruenatpaisan	Chief Strategic Property Investment Officer
5. Ms. Kittiya Pongpujaneekul	Chief Financial Officer
6. Mr. Visanu Suchatlampong	Chief Business Officer Unit 1
7. Mr. Opas Ruangrajitpakorn	Chief Risk Officer
8. Mrs. Supalak Chanpitak	Chief Business Officer Unit 4
9. Mr. Pumipat Sinacharoen	Chief People Excellence Officer
10. Mr. Marote Vananan	Chief Commercial Service Officer
11. Mr. Somchai Wattanasawapak	Chief IT Officer
12. Mr. Vittakarn Chandavimol	Chief Marketing Officer
13. Mr. Piyawat Suephaisal	Deputy Chief Business Liaison Officer
14. Mr. Pamorn Prasertsan	Chief Business Officer Unit 2
15. Mr. Boonlert Ratintorn	Chief Business Officer Unit 3
16. Ms. Thiranant Kornsitipa	Chief Strategic Innovation Execution Officer
17. Ms. Chidapa Amralikit	Deputy Chief Financial Officer
18. Mr. Pipat Settheechaichana	Deputy Chief Business Officer Unit 1
19. Mr. Worrapong Virojtananguoon	Deputy Chief Business Officer Unit 2
20. Mr. Ratchayud Nunthachotsophol	Deputy Chief Operation Officer
21. Mr. Komgrit Hongdilokkul	Deputy Chief Business Officer Unit 3

Corporate Secretary

Board of Directors has appointed Mr. Pumipat Sinacharoen as a Corporate Secretary to be responsible for the tasks under Security and Stock Exchange Act. (4th version) B.E. 2551.

Director and Management Remuneration

(a) Director's remuneration in terms of meeting allowance and gratuity for the year 2012 and 2013.

Name of the Directors	Type of Director	Position in the Board	2014 Remuneration			2013 Remuneration		
			Attendance	Gratuity (Baht)	Remuneration (Baht)	Attendance	Gratuity (Baht)	Remuneration (Baht)
1. Mr. Chatchaval Bhanalaph	Independent Director	Chairman of the Board	100%	307,692	720,000	100%	307,692	720,000
2. Mr. Anuphong Assavabhokhin	Executive Director	Vice Chairman / Chief Executive Officer	100%	307,692	None	100%	307,692	None
3. Mr. Pichet Vipavasuphakorn	Executive Director	Director / Managing Director	100%	307,692	None	100%	307,692	None
4. Mr. Chaiyarat Thampeera	Director	Director	90%	307,692	540,000	92%	307,692	540,000
5. Mr. Siripong Sombutsiri	Executive Director	Director / Executive Director	90%	307,692	None	100%	307,692	None
6. Mr. Wason Naruenatpaisan	Executive Director	Director / Chief Operation Officer	100%	307,692	None	100%	307,692	None
7. Ms. Kittiya Pongpujaneekul	Executive Director	Director / Chief Financial Officer	100%	307,692	None	100%	307,692	None
8. Mr. Visanu Suchatlampong	Executive Director	Director / Chief Business Unit 1 Officer	90%	307,692	None	92%	307,692	None
9. Mr. Pornwut Sarasin	Independent Director	Director	80%	307,692	540,000	92%	307,692	540,000
10. Mr. Shaw Sinhaseni	Independent Director	Director	90%	307,692	540,000	77%	307,692	540,000
11. Mr. Phanporn Dabbarangsi	Independent Director	Director and Chairman of Audit Committee	90%	307,692	660,000	92%	307,692	540,000
12. Mr. Kosol Suriyaporn	Independent Director	Director and Member of Audit Committee	90%	307,692	540,000	100%	307,692	540,000
13. Mr. Nontachit Tulayanonda	Independent Director	Director and Member of Audit Committee	90%	307,692	540,000	100%	307,692	540,000
14. Mr. Vilas Pilakasiri	Secretary to the Board	Secretary to the Board	100%	None	None	100%	None	None

- (b) Executive Director and Management's remuneration Total remuneration for Directors and Managements in 2013 and 2014 for 21 persons and 22 persons in terms of salary and bonus were Baht 128.6 million and Baht 86.1 million, respectively.

Human Resource

As of 31 December 2014, the Company and its subsidiaries have total 1,646 employees.

Labor dispute

From 2012 to 2014, the Company has no dispute with executives or staff, regarding the violation or employment contract breaching.

Remuneration of the employees

Remunerations offered to the Company employees in cash as of 31 December 2014 are; for example, monthly salary, bonus and the employer's contribution in provident fund, excluding the remunerations of the executives, which is equivalent to baht 782.8 million (For 2013, Baht 667.5 million). The Company has offered new provident fund schemes for employees where employees have more choices, increasing from 1 policy to 3 policies, to better match their needs. Choices of provident funds are K Master Pool Fund, SCB Master Fund and TMBAM M Choice. Moreover, not only the Company selected the most appropriate scheme in each funds, but also acknowledge employees on their details.

Directors and Executives Profile

Name	Position	Age	Education	Shares held as of 31/12/2014	Relationship between Management	Experiences during the last 5 years			
						Period	Position	Company	Type of Business
Mr. Chatchaval Bhanalaph	Chairman of the Board of Directors	71	<ul style="list-style-type: none"> ■ M.Sc., Forthays Kansas State College, U.S.A ■ B.Accounting, Chulalongkorn University ■ Director Accreditation Program 11/2004 ■ Audit Committee Program 9/2005 ■ The Role of the Chairman 12/2005 ■ Director Certification Program 88/2007 	None	None	2004–present	Chairman of the Board of Directors	AP (Thailand) Pcl.	Property Development
						2004–present	Chairman of the Board of Directors and Chairman of the Audit Committee	Pre Built Pcl.	Construction
						1997–present	Chairman of the Board of Directors and Chairman of the Audit Committee	Dhanamitr Factoring Co., Ltd.	Factoring
						1994–present	Director	Safety Insurance Pcl.	Insurance
Mr. Anuphong Assavabhokhin	Vice Chairman, CEO and Authorized Signatory Director	53	<ul style="list-style-type: none"> ■ MBA, Wayne State University, Detroit, Michigan, U.S.A. ■ B.Engineering (Industrial), Chulalongkorn University ■ Director Accreditation Program 30/2004 	21.30	None	2013–present	Director	Premium Residence Co., Ltd.	Property Development
						2013–present	Director	AP ME (Asoke) Co., Ltd.	Property Development
						2013–present	Director	AP ME (Krungthep) Co., Ltd.	Property Development
						2013–present	Director	AP ME (Sukhumvit) Co., Ltd.	Property Development
						2000–present	Vice Chairman and CEO	AP (Thailand) Pcl.	Property Development
						1994–present	Director	AP Subsidiary Companies	Property Development
						1994–2012	Director	Pathumwan Asset Co., Ltd.	Property Development

Name	Position	Age	Education	Shares held as of 31/12/2014	Relationship between Management	Experiences during the last 5 years			
				Period	Position	Company	Type of Business		
Mr. Pichet Vipavasuphakorn	Director, Manging Director and Authorized Signatory Director	58	<div><div><div>B.Business Administration (Hon.), Ramkhamhaeng University</div><div>Director Accreditation Program 30/2004</div></div></div>	6.13	None	2013-present	Director	Premium Residence Co., Ltd.	Property Development
						2013-present	Director	AP ME (Asoke) Co., Ltd.	Property Development
						2013-present	Director	AP ME (Krungthep) Co., Ltd.	Property Development
						2007-present	Director	AP ME (Sukhumvit) Co., Ltd.	Property Development
						2000-present	Director and Managing Director	AP (Thailand) Pcl.	Property Development
Mr. Chaiyarat Thampeera	Director	59	<div><div><div>MBA Angelo State University Texas, USA</div><div>B.Law, Chulalongkorn University</div><div>B.Business Administration, Ramkhamhaeng University</div><div>National Defense College 17</div><div>Finance for Non - Finance Director 8/2004</div><div>Director Accreditation Program 45/2005</div><div>Role of the Chairman Program 16/2007</div></div></div>	0.48	None	2009-present	Director	Build Land Co., Ltd.	Property Development
						2004-present	Vice Chairman and CEO	Pre Built Pcl.	Construction
						2001-present	Director	Siam Retail Development Co., Ltd.	Real Estate Sales & Leasing
						2001-present	Director	Square Ritz Plaza Co., Ltd.	Real Estate Sales & Leasing
						2000-present	Director	AP (Thailand) Pcl.	Property Development
						2000-present	Director and CEO	PCM Construction Material Co., Ltd.	Construction
						1993-2010	Director	AP Subsidiary Companies	Manufacturing & Distributing
						1994-2012	Director	Pathumwan Asset Co., Ltd.	Property Development
						2001-2010	Director	Quality Construction Products Pcl.	Construction
									Manufacturing & Distributing

Experiences during the last 5 years									
Name	Position	Age	Education	Shares held as of 31/12/2014	Relationship between Management	Period	Position	Company	Type of Business
Mr. Siripong Sombutsiri	Director, Executive Director and Authorized Signatory Director	60	<ul style="list-style-type: none"> MBA., Sul Ross University, U.S.A. Director Accreditation Program 2/2003 	None	None	2014–present	Chairman of the Board of Directors and Chairman of the Audit Committee	ComSeven International Pcl.	Retail
						2013–present	Director & Chairman of the Audit Committee	Pan Asia Footwear Pcl.	Footwear Manufacturing
						2011–present	Director	Infinite Electronic (Thailand) Co., Ltd.	Electronic Appliance Manufacturing and Distributing
						2004–present	Director and Audit Committee	Bangkok Chain Hospital Pcl.	Hospital
						2002–present	Director and Executive Director	AP (Thailand) Pcl. and Subsidiaries	Property Development
						2007–2008 2001–2006	Executive Vice President Director	TMB Bank Pcl. Muang Thai Insurance Co., Ltd.	Banking Insurance
Mr. Wason Naruenatpaisan	Director, Chief Strategic Property Investment Officer and Authorized Signatory Director	50	<ul style="list-style-type: none"> MBA., Burapha University B.Business Administration, Bangkok Director Accreditation Program 81/2009 	0.00	None	2013–present	Director and Chief Strategic Property Investment	AP (Thailand) Pcl.	Property Development
						2005–present	Director	Capital and Property Management Co., Ltd.	Asset Management
						2005–present	Director	AP Subsidiary Companies	Property Development
						1994–present	Director	Pathumwan Asset Co., Ltd.	Property Development
						2009–2012	Director and Chief Operation Officer	AP (Thailand) Pcl.	Property Development

Name	Position	Age	Education	Shares held as of 31/12/2014	Relationship between Management	Experiences during the last 5 years			
				Period	Position	Company	Type of Business		
Ms. Kittiya Pongpujaneekul	Director, Chief Financial Officer and Authorized Signatory Director	50	<div><div><div></div></div><div>M.Accounting, Chulalongkorn University</div><div><div></div></div><div>Director Accreditation Program 84/2010</div></div>	0.03	None	2010-present	Director	AP (Thailand) Pcl.	Property Development
						2005-present	Director	AP Subsidiary Companies	Property Development
						2005-present	Director	Capital and Property Management Co., Ltd.	Asset Management
						2001-present	Chief Financial Officer	AP (Thailand) Pcl.	Property Development
						1996-present	Director and Executive Vice President, Accounting	Smart Service and Management Co., Ltd.	Property Management
Mr. Visanu Suchatlampong	Director, Chief Business Officer Unit 1 and Authorized Signatory Director	53	<div><div><div></div></div><div>MBA., Thammasat University</div><div><div></div></div><div>B.Engineering (Civil), Chiang Mai University</div><div><div></div></div><div>Director Accreditation Program 87/2010</div></div>	0.01	None	2010-present	Director	AP (Thailand) Pcl.	Property Development
						2009-present	Chief Business Unit 1	AP (Thailand) Pcl.	Property Development
						2005-present	Director	AP Subsidiary Companies	Property Development
Mr. Pornwut Sarasin	Director	55	<div><div><div></div></div><div>MBA, Pepperdine University, California, U.S.A.</div><div><div></div></div><div>B.Business Administration, Boston University, U.S.A</div><div><div></div></div><div>Directors Accreditation Program 45/2005</div></div>	None	None	2009-present	Director	AP (Thailand) Pcl.	Property Development
						1999-present	Vice Chairman	Thai Pure Drinks Ltd.	Beverage Manufacturing
						present	Director and Chairman of the Audit Committee	Charoong Thai Wire & Cable Pcl.	Electric Cable & Telecommunication
						present	Director	Denso (Thailand) Co., Ltd.	Cable Manufacturing
									Advance Automotive Technology, System and Component Manufacturing

Name		Position	Age	Education	Shares held as of 31/12/2014	Relationship between Management	Experiences during the last 5 years			
							Period	Position	Company	Type of Business
Mr. Pornwut Sarasin (Continued)							present	Director	Honda Automobile (Thailand) Co., Ltd.	Car Import, Export and Manufacturing
							present	Director	Isuzu Engine Manufacturing (Thailand) Co., Ltd.	Diesel Engine and Component Manufacturing
							present	Director	Isuzu Motor (Thailand) Co., Ltd.	Truck and Component Manufacturing and Sell
							present	Director	Thai Asia Pacific Brewery Co., Ltd.	Beer Brewery and Distributing
							present	Director	Thai Bridgestone Co., Ltd.	Tire Manufacturing
							present	Director	Thai-MC Co., Ltd.	Raw Material and Component for Electric and Electronic Appliance
							present	Director	Tri Petch Isuzu Sales Co., Ltd.	Purchasing Automotive Sales and Service
							present	Director	Tri Petch Isuzu Leasing Co., Ltd.	Automotive Leasing
							present	Director	Thai International Die Making Co., Ltd.	Die Manufacturing
							present	Director	Mikuni (Thailand) Co., Ltd.	Automotive Component Manufacturing
Mr. Shaw Sinhaseni	Director	61		■ MBA (Management) University of San Francisco, U.S.A. ■ Director Accreditation Program 36/2005	None	None	2010	Director	Nava Leasing Co., Ltd.	Automotive & Machine Leasing
							2006-present	Director and Audit Committee	The Royal Ceramic Industry Pcl.	Flooring and Tile Ceramic Manufacturing and Distributing
							2001-present	Director	AP (Thailand) Pcl.	Property Development

Name	Position	Age	Education	Shares held as of 31/12/2014	Relationship between Management	Experiences during the last 5 years			
						Period	Position	Company	Type of Business
Mr. Phanporn Dabbarangsi	Director and Chairman of the Audit Committee	65	<div><div><div><div></div></div><div>MBA (Finance), Michigan State University, U.S.A.</div><div><div></div></div><div>B.Accounting (Finance and Banking) Chulalongkorn University</div><div><div></div></div><div>Director Accreditation Program 84/2010</div></div></div>	None	None	2010-present	Director and Chairman of the Audit Committee	AP (Thailand) Pcl.	Property Development
						2001-2012	Senior Executive Vice President	SCB Life Assurance Pcl.	Insurance
						2012-2014	Executive Advisor	SCB Life Assurance Pcl.	Insurance
Mr. Kosol Suriyaporn	Director and Audit Committee	51	<div><div><div><div></div></div><div>B. Law, Chulalongkorn University</div><div><div></div></div><div>Thai barrister at Law</div><div><div></div></div><div>Audit Committee Program 1/2004</div></div></div>	None	None	2001-present	Lawyer	Price Sanond Ltd.	Legal Advisory
						2000-present	Director and Audit Committee	AP (Thailand) Pcl.	Property Development
Mr. Nontachit Tulayanonda	Director and Audit Committee	56	<div><div><div><div></div></div><div>B.Arts, Tarleton State University, Texas U.S.A</div><div><div></div></div><div>Audit Committee Program 1/2004</div></div></div>	None	None	2010-present	First Executive Vice President, Risk Management Group	Land and House Retail Bank Pcl.	Banking
						2005-present	Director and Audit Committee	Muang Mai Guttry Co., Ltd.	Latex Transmutation
						2000-present	Director and Audit Committee	AP (Thailand) Pcl.	Property Development
Mr. Opas Ruangrajitpakorn	Chief Risk Officer	54	<div><div><div><div></div></div><div>MBA, Kasetsart University</div><div><div></div></div><div>B.Economics, Thammasat University</div></div></div>	None	None	2009-present	Chief Risk Officer	AP (Thailand) Pcl.	Property Development
						2005-present	Director	Smart Service and Management Co., Ltd.	Property Management

Name	Position	Age	Education	Relationship			Experiences during the last 5 years		
				Shares held as of 31/12/2014	Relationship between Management	Period	Position	Company	Type of Business
Mrs. Supalak Chanpitak	Chief Business Officer Unit 4	55	■ MBA, Thammasat University ■ B.Architecture, Chulalongkorn University	0.02	None	2010-present 2010-present 2005-2010	Director Chief Business Unit 4 Executive Vice President	SQE Construction Co., Ltd. AP (Thailand) Pcl. Pruksa Real Estate Pcl.	Construction Property Development Property Development
Mr. Piyawat Suephaisal	Deputy Chief Business Liaison Officer	56	■ B.Business Administration, Ramkhamhaeng University	None	None	2001-present 1994-2010	Deputy Chief Business Liaison Executive Vice President-Sales	AP (Thailand) Pcl. Asian Property Co., Ltd.	Property Development Property Development
Mr. Pumipat Sinacharoen	Chief People Excellence Officer and Corporate Secretary	44	■ MBA, Thunderbird School of Global Management, U.S.A. ■ B.Economics, Thammasat University	0.01	None	2013-present 2005-present 2005-present 2005-present 2007-2011 2009-2013	Chief People Excellence Director and CEO Director Director and Audit Committee Director Deputy Chief Finance Officer	AP (Thailand) Pcl. Bangkok CitiSmart Co., Ltd. AP Subsidiary Companies Fortune Parts Industry Pcl. Securities Analysts Association AP (Thailand) Pcl.	Property Development Property Brokerage Property Development Autopart Manufacturing and Distributing Association Property Development
Mr. Marote Vananan	Chief Commercial Service Officer	44	■ MBA, Khon Kaen University ■ B.Business Administration, Thai Chamber of Commerce University	None	None	2014-present 2012-present 2009-present 2009-2012	Director Chief Commercial Service Officer CEO Deputy Chief Commercial Service Officer	Smart Service and Management Co., Ltd. AP (Thailand) Pcl. Smart Service and Management Co., Ltd. AP (Thailand) Pcl.	Property Management Property Development Property Management Property Development

Name	Position	Age	Education	Shares held as of 31/12/2014		Experiences during the last 5 years			
				Relationship held between Management	Period	Position	Company	Type of Business	
Mr. Somchai Wattanasawapak	Chief IT Officer	51	■ MBA, Kasetsart University	None	None	2012–present 2009–2012	Chief IT Officer Deputy Chief IT Officer	AP (Thailand) Pcl. AP (Thailand) Pcl.	Property Development Property Development
Mr. Vittakarn Chandavimol	Chief Marketing Officer	46	■ MBA, University of Portland, Oregon, U.S.A.	None	None	2012–present 2007–2009 2010–2012	Chief Marketing Officer Associate Director – Strategic Marketing Deputy Chief Marketing Officer	AP (Thailand) Pcl. CIGNA Insurance Co., Ltd. AP (Thailand) Pcl.	Property Development Insurance Property Development
Mr. Pamorn Prasertsan	Chief Business Officer Unit 2	43	■ MBA, NIDA ■ B.Engineering (Civil), KingMongkut's University of Technology Thonburi	0.01	None	2013–present 2010–2013 2008–2010	Chief Business Unit 2 Deputy Chief Business 2 Vice President	AP (Thailand) Pcl. AP (Thailand) Pcl. AP (Thailand) Pcl.	Property Development Property Development Property Development
Mr. Boonlert Ratinthorn	Chief Business Officer Unit 3	42	■ B.Business Administration, Bangkok University	0.03	None	2013–present 2010–2013 2008–2010	Chief Business Unit 3 Deputy Chief Business Unit 3 Vice President	AP (Thailand) Pcl. AP (Thailand) Pcl. AP (Thailand) Pcl.	Property Development Property Development Property Development
Ms. Thiranant Kornsritipa	Chief Strategic Innovation and Execution Officer	48	■ MBA, Marketing, University of North Texas ■ B.Political Sciences, International Relations Chulalongkom University	None	None	2013–present 2012–present 2010–2011 2009–2010	Director Chief Strategic Innovation and Execution Innovation Execution Chief Sales and Marketing Officer EVP Corporate Marketing	Bangkok CitiSmart Co., Ltd. AP (Thailand) Pcl. Prinsiri Pcl. Pruksa Real Estate Pcl.	Property Brokerage Property Development Property Development Property Development

Experiences during the last 5 years									
Name	Position	Age	Education	Shares held as of 31/12/2014	Relationship between Management	Period	Position	Company	Type of Business
Ms. Chidapa Amralikit	Deputy Chief Financial Officer	44	■ MBA, Finance, University of Wisconsin-Whitewater ■ B.Accounting (Costing), Chulalongkorn	None	None	2014–present 2013–present 2012	Director Deputy Chief Finance Officer Director–Finance and Customer Development	Asian Property Co., Ltd. AP (Thailand) Pcl. Uniliver Thai Trading Co., Ltd.	Property Development Property Development Consumer Product Manufacturing and Distributing
Mr. Pipat Settheechaichana	Deputy Chief Business Officer Unit 1	41	■ MBA, Kasetsart University	0.01	None	2013–present 2011–2013	Deputy Chief Business Unit 1 Officer Head of Business Unit 1	AP (Thailand) Pcl. AP (Thailand) Pcl.	Property Development Property Development
Mr. Worapong Virajananugoon	Deputy Chief Business Officer Unit 2	42	■ B.Engineering (Civil), King Mongkut's University of Technology Thonburi	None	None	2013–present 2010–2013 2009–2010	Deputy Chief Business Unit 2 Officer Head of Business Unit 2 Project Manager	AP (Thailand) Pcl. AP (Thailand) Pcl. AP (Thailand) Pcl.	Property Development Property Development Property Development
Mr. Ratchayud Nunthachotsophal	Deputy Chief Operation Officer	40	■ MBA., Thammasat University ■ B.Engineering (Civil), Thammasat University	None	None	2013–present 2013	Deputy Chief Operation Officer Head of Commercial Service	AP (Thailand) Pcl. AP (Thailand) Pcl.	Property Development Property Development
Mr. Komgrit Hongdillokkul	Deputy Chief Business Officer Unit 3	45	■ MBA, Chulalongkorn University ■ B.Engineering, Chulalongkorn University	None	None	2014–present 2011–2014 2008–2011	Deputy Chief Business Officer Unit 3 Deputy Managing Director AVP–Property Development, High Rise	AP (Thailand) Pcl. Wind and Structures Co., Ltd. SC Asset Pcl.	Property Development Engineering Design Property Development

AP (Thailand) Subsidiary Companies

AP (Thailand) Subsidiary Companies	Anuphong Assavabhokhin	Pichet Vipavasaphakorn	Wason Naruenarpaisan	Visanu Suchatlampong	Sirpong Sombutsiri	Pumipat Sinacharoen	Kittiya Pongpujaneekul	Chidapa Amralikit	Thiranant Kornsriipa	Suppalak Chanpitak	Marote Vananan	Opas Ruangrajitpakorn
(1) Asian Property Co., Ltd.	✓			✓		✓	✓	✓				
(2) Asian Property (Krungthep) Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(3) Asian Property (2011) Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(4) Asian Property (2012) Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(5) Asian Property (2013) Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(6) Asian Property (2014) Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(7) The Value Property Development Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(8) Thonglor Residence Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(9) Signature Advisory Partners Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(10) AP (Ekkamai) Co., Ltd.	✓	✓	✓		✓	✓	✓					
(11) AP (Petchaburi) Co., Ltd.	✓	✓	✓		✓	✓	✓					
(12) AP (Ratchayothin) Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					
(13) AP ME (Asoke) Co., Ltd.	✓	✓										
(14) AP ME (Krungthep) Co., Ltd.	✓	✓										
(15) AP ME (Sukhumvit) Co., Ltd.	✓	✓										
(16) Premium Residence Co., Ltd.	✓	✓										
(17) Smart Service and Management Co., Ltd.	✓	✓	✓	✓		✓	✓				✓	✓
(18) Bangkok CitiSmart Co., Ltd.			✓	✓		✓	✓		✓			
(19) SQE Construction Co., Ltd.			✓	✓	✓	✓	✓			✓		
(20) Thai Bigbelly Co., Ltd.	✓	✓	✓	✓	✓	✓	✓					

* As of January 2015

Good Corporate Governance

Corporate Governance Policy

The Company recognizes that good corporate governance is the major factor that enables the organization to have efficient operation and supports sustainable growth. The CG Policy, therefore, was drafted by Corporate Governance Committee which guided by the SET CG principle, and approved by the Board of Directors, which was currently updated on 9 November 2012. Other subcommittee charters and Director's handbook were also drafted and approved by the Board of Directors in order to best comply the Company operation with written CG policy.

This policy was set in accordance with the SET CG principle which is divided into 5 categories;

1. Rights of the Shareholders

Concerned as the Company owner, shareholders have their rights and votes, according to the laws, in key administration of the Company. Therefore; the Company aims to create the most benefit among shareholders on a basis of equal treatment. Moreover, sufficient information is accurately and timely given to shareholders to allow close study for investment whenever the Company publishes any news. Investor Relations and Corporate Secretary section were set up as a channel for communication where the shareholders can access via telephone, E-mail and post.

Shareholder meeting

The Company held an Annual General Meeting of the Shareholders on 30 April 2014, which did not exceed 4 months after the fiscal year end. The meeting registration started at 13.00 hrs. and the meeting was inaugurated at 14.30 hrs. The meeting venue was easily accessed by various means of transportation as it was situated at The Westin Grand Sukhumvit hotel in a central business district. Besides, the Company has employed Thailand Securities Depository Co., Ltd., ("TSD") to manage the meeting registration for systematic, transparent and verifiable process.

The Company has distributed the meeting notice, attachments and opinions of the Board of Directors and Audit Committee to shareholders more than 14 days prior to the meeting date to allow the shareholders to study the meeting agenda closely. The meeting notice was also published in newspapers and the Company website before the meeting. All information regarding the meeting was given equally among individual shareholders and institutional investors and thru every channel. Moreover, the Company encouraged the meeting attendance of the shareholders; for example, assisting in checking the votes of institutional investors or mailing the hard-copied annual reports to shareholders upon requested.

On the meeting date, the Board of Directors, Executives, Auditors and legal counselors participated the meeting to stand by for shareholders' inquiries.

The Company conducted the meeting in accordance with the Company's articles of association and the aforementioned agenda stated in the distributed notice. No urgent matter was put in the existing agenda. The Company has employed TSD to be in charge of vote counting where modern technology equipments and sufficient staff amount were brought into use. Vote counting in the meeting was, then, achieved in a short period of time, transparent, verifiable and conformingly to the Laws. The Company also assigned its staff to take care of the meeting attendants.

When the meeting was adjourned, the Company announced within the meeting date the meeting solutions and vote counting thru Stock Exchange of Thailand news board. Within 14 days, the Company reported the meeting minutes thru Stock Exchange of Thailand and the Company website. All records regarding the meeting vote counting are kept orderly and easily to use.

Rights of the shareholders in the Annual General Meeting

The Company offered the shareholders rights to propose agenda in the Shareholder Annual General Meeting with the following criteria;

Shareholder's Criteria

1. A single shareholder or a group of shareholders must hold shares and voting rights of at least 5% of the total shares with voting rights
2. Such shares as stated above must be held continuously for at least 12 months before the agenda proposal submitting date
3. Shareholder must be able to present the valid evidences of holding such shares. The evidences are; for example, copies of share certificates, certifying letters issued by the Company or other evidences issued by the Stock Exchange of Thailand or Thailand Securities Depository Co., Ltd. (TSD)

The Company reserves the rights not to adopt the following agenda

1. Agenda proposed by disqualified shareholder according to the shareholder's criteria
2. Agenda concerning normal business operation of the Company
3. Agenda beyond the Company's authority
4. Agenda proposed in the previous Shareholders' meeting and such agenda gained less than 10% vote of total voting rights, except its fact has significantly changed
5. Agenda violated Laws, regulations, notifications, governmental orders or which does not conform to the Company's objectives, shareholders' resolutions or good corporate governance
6. Agenda already accomplished
7. Other agenda under Stock Exchange Commission's regulations

Documents Filing

The shareholders wishing to propose the meeting agenda was requested to send all required documents to the Company Corporate Secretary via registered mail addressed to the Head Quarter or via email to the Corporate Secretary.

Consideration Procedure

The Corporate Secretary firstly considers the qualification of the shareholders proposing agenda and the accuracy of the content, and then proposes to the Board of Directors' meeting. However, if error is found in this first step, the Corporate Secretary will notify the shareholders and return the agenda proposal for amendment. If the content of the proposed agenda is not approved by the Board of Directors, the Company will inform the shareholders the denial reason.

For the last Annual General Meeting, the Company notified thru Stock Exchange of Thailand news board and the Company website of the offer for a right to propose an AGM agenda for a period between 1 to 31 December, 2013. However, no proposal has been made yet.

Enquiries and Suggestions

Means of communication between shareholders and the Company are as followed;

- Regular mail, addressed to Investor Relations section, AP (Thailand) Pcl., 170/57 Ocean Tower 1, 18th floor, New Ratchadapisek road, Klongtoey sub-district, Klongtoey district, Bangkok 10110
- E-mail to investor@apthai.com
- Telephone No. (66)-2261-2518-22
- Facsimile No. (66)-2261-3446

2. Equitable Treatment of Shareholders

The Company is always aware of equal treatment to shareholders; for example, after the Chairman of the shareholders meeting declares all information of each agenda, the shareholders will be offered the rights of questioning or examining. Until all aspects of each agenda are cleared to the shareholders, the vote casting process begins. Inquiries and important opinions raised during the meeting were also recorded in the Minutes of the meeting.

Thailand Securities Depository Co., Ltd. was also responsible for vote registration forms, which divided into each agenda and were standardized and completed. The executed forms are kept safely for transparency and tracking purpose. The shareholders, not able to attend the meeting, could grant their votes to the authorized proxies or to the Company nominated proxies which are 2 Independent Directors of the Company. Their names were stated clearly in the notice of the meeting. There were also proxy forms attached with the notice.

The Company also released the written measure of internal information protection, called *"The Usage of Internal Information and Acquisition Policy"* and published to Directors, Executives and Staff. The Company CG policy also requires the Executives to disclose their gain and loss of the Company business to Board of Directors. Currently, no Director has any gain or loss of the Company business. Moreover, Directors are required to disclose their share holding in the Company to Stock Exchange Commission by submitting the regulated form and declare to the Board of Director in every meeting. (See more details in the Internal Information policy)

3. Role of Stakeholders

The Company concerns of every stakeholder's rights and benefits, including employees, creditors, trade partners, governmental agencies and shareholders as followed;

Employee Policy

Human resource is an essential key, driving the Company to success; therefore, employee development and career path are concerned as important. The Company follows these principles in employee treatment;

1. The Company operate on a basis of equal treatment and respect of a basic human rights without any discrimination against genders, ages, nationalities and religions;
2. Employee recruitment of any positions in the Company shall be fair and considered on job requirement, educational background, experiences and other qualifications that match such job description. Disability shall not be disadvantage.
3. Remuneration and welfare shall be transparent and unprejudiced with regard of suitability, working performance and the Company financial ability.
4. The Company shall arrange a hygienic and safety working atmosphere
5. The Company shall arrange and develop continually capability improvement programs for employee. Records shall be kept for future update. Work performance of the employee shall be assessed and, likewise, the employee shall be able to assess both their superiority and inferiority.
6. Employee shall be provided channels for expression of their opinions or complaints in regard of their work. Their proposals shall be taken into solemn consideration and led to the solutions where satisfy in general and encourage friendly working atmosphere.
7. The Company shall support self sustainability of the employee such as savings in reliable provident funds.

Trade Partner Policy

1. The Company proceed any actions with trade partners fairly and based on a common trading rules among the internal and external trading partners. Equal opportunities shall be given to all trade partners in regardless of their sizes.
2. The Company shall arrange systemic engagement with trade partners which is reliable, convenient, swift and cost saving. Such way of conduct shall be assessed and improved for better process.
3. The Company and trade partners shall coordinate with positive concern of the clients' benefit. Meanwhile, the Company shall encourage trade partners their social responsibility awareness.

Consumer Liability Policy

1. The Company shall control its products and services to meet the standard, as well as evaluate and improve to lessen the effect on consumers.
2. The Company shall set up channels, i.e. a call center and webpage in Facebook website for consumers to place their complaints.
3. Consumers must be informed accurate and sufficient information of the Company's products and services. The Company must be well aware of consumers' liability, particularly in the aspect of safety and risk protection. Any contracts or agreements between the Company and consumers must be made with transparency and common understanding among all partners. Consumers must be offered enough time to study and chances for inquiries.
4. Consumer rights and personal information must be guarded. Such information shall not be used without consent.

Creditor Policy

1. The Company shall strictly obey the agreement and reveal an accurate financial status of the Company
2. Creditors shall be informed of any key actions and have the rights to protest under the relevant Laws.
3. The Company encourages a good relationship with creditors thru various activities.

Trade Partner Policy

The Company shall conduct its business with morality and avoid any fraud that may destroy other business.

Shareholder Policy

The Company treats shareholders equally and discloses its information timely, accurate and completed.

Environment Policy

The Company is cautious about any impacts that may cause an environmental problem and follows strictly the Laws and regulations on environment.

Health and Safety Policy

The Company offers an effective health check-up policy, taken annually at a qualified hospital. Safety and hygiene are a fundamental concern which the Company must arrange a safety-first workplace, conformed to Laws and regulations.

Corporate Social Responsibility Policy (CSR)

The Company promotes its CSR activities to help develop the community. Marketing and PR activities of the Company are assured not to provoke pessimism, social conflict or negative value.

Human Rights Policy

The Company, Directors, Executives and Staff shall respect universal human rights as followed;

1. Promote the civilian rights of employees.
2. Protect private information of employees. Disclosure or transmit of confidential information of employee can only be done with the consent of the employee, except such action is done according the Company's regulations or Laws.
3. Oppose any action against human rights and fraud.
4. Any infringement by either verbal or physical actions against race, gender, religion or physical and mental disorder shall be prohibited

Intellectual Property Rights Policy

The Company's operation must also be well aware of any intellectual property rights upon the use of works or information gained from outsiders. Investigation or its source should be taken place before the usage.

Whistle-Blower Policy

The Company provides channels where employees and public can report or complain on any suspected actions that can be illegal or fraud, and protection measures for the whistle blowers. Such report or complaint can be made directly thru the Company website or Mr. Kosol Suriyaporn (s_kosol@hotmail.com), an Independent Director and Audit Committee member.

4. Information Disclosure and Transparency

Disclosure and transparency are not only the principle of public company limited qualification, but also of good corporate governance. The Company; therefore, gives great care of the information to be disclosed, in order to be accurate and completed. This shall create transparency in the Company business conduct.

Related Units

Investor relations and Corporate Secretary division are assigned by the Board of Directors to be responsible for information disclosure.

Information Disclosure

1. The Company discloses its information according to Stock Exchange of Thailand and Stock Exchange Commission regulations and the relevant Laws, and equally between shareholders and public.
2. Information to be disclosed are reviewed and approved by the Board of Directors and/or Managing Director, CEO, Executives and Corporate Secretary prior to the disclosure to the public. The Company will not disclose any information which deemed sensitive to shareholders' advantage, to employees or any person who may benefit from such disclosure before it is announced to the public.
3. The Company may refrain some information in which the disclosure of such information may affect to the business conduct; for example, information related to the business negotiation. Nonetheless, such refrainment will not conflict with the SEC and SET's disclosure regulation.

Financial Reporting

Financial statements of the Company shall be accurate, transparent and reliable. Certified accounting standard and the relevant Laws and regulations shall be brought into used. The Audit Committee is assigned by the Board of Directors to look over the Company financial auditing in order to ascertain that suitable accounting policies are applied, and to review the accuracy and sufficiency of the financial statement.

Investor Relations

The Investor relations division was set up to act as a communication center between the Company and Investors, Shareholders, analysts or others, to acknowledge the Company business operation and activities. Ms. Chidapa Amralikit was appointed as the Deputy Chief Financial Officer who is in charge of the Investor relations with contact number (66)-2261-2518-22, or E-mail: investor@apthai.com, and www.apthai.com. Moreover, the Company website and call center are also another alternative options for contacts.

5. Responsibilities of the Board

Board of Directors Structure

The Company's Board of Directors comprises of Directors with diverse qualifications, in terms of ages, genders, skills, experience, and specialization that could benefit the Company. The Board of Directors consists of 13 members, 6 of which are from the Company's Executive Board (Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn, Mr. Siripong Sombutsiri, Mr. Wason Naruenatpaisan, Ms. Kittiya Pongpujaneekul, and Mr. Visanu Suchatlampong) and 6 Directors or more than one third of the total members of the Board of Directors are qualified as Independent Directors (Mr. Chatchaval Bhanalaph, Mr. Pornwut Sarasin, Mr. Phanporn Dabbarangsi, Mr. Nontachit Tulayanonda, Mr. Kosol Suriyaporn and Mr. Shaw Sinhaseni), 3 of which are members of Audit Committee. The Independent Directors can review Company's operation and act as balance of power in the Board of Directors. They also can independently object any issue in the meeting, enabling efficient decision making process.

Moreover, the Chairman of the Board is an Independent Director and does not hold any Chairman position in any sub-committee. The Chief Executive Officer and the Managing Director held 21.30% and 6.13% (combining the shares holding by spouse) shares in the Company, respectively (as of 30 December 2014). Therefore, the CEO and Managing Director are both major shareholders and act on behalf of all shareholders in Managing the Company with the objective to maximize shareholders' benefit. However, Chairman of the Board, CEO, and Managing Director are not the same person, which creates a balance of power and distinct area of responsibilities for each individual.

Boards of the Company

The Company Boards consist of 5 Committee;

1. Board of Directors

Board of Directors of the Company consists of 13 Directors qualified according to Article 68. of Public Company Limited Act B.E. 2535 and any relevant notifications of Thai Stock Exchange Commission. Among 13 Directors, there are 6 Directors qualified as Independent Directors and, appointed by the Board of Directors, Mr. Vilas Pilakasiri is a Secretary to the Board of Directors, to guide the Board's meetings to be in compliance with the relevant rules and regulations.

Scope of the Company Board of Directors' responsibilities

1. Assign visions, strategies and work plans of the Company for the best benefit of shareholders. Consider approval of any general business of the Company where significant, such as land sell and purchase or loan application approval without assigning Chief Executive Officer and Managing Director. The Board, however, assign Chief Executive Officer and Managing Director to administrate the Company following its policies.
2. Act in compliance with the Company's objectives, regulations, and shareholders' resolutions.
3. Set up the follow-up and assessment of working operation of the Executives and Staff, including the internal control and sufficient risk assessment.
4. Consider appointment of person or outsource for internal auditing and consulting of the internal control improvement.
5. Consider, in accordance with Stock Exchange of Thailand's regulations, any arisen business that may have conflicts of interest with the Company
6. Conduct the company business with fair and transparency
7. Neither engage in the business of the same nature as the Company that might compete with the Company, nor a partner in the partnership, unlimited-liability partner in limited partnership, or Director of another company limited or public company limited that engages in the business of the same nature as the Company that might compete with the Company, unless informing to the shareholders' meeting prior to the appointment.

8. Promptly inform the Company of any conflict of interest, direct or indirect, arisen from any contract made with the Company, or any increase or reduction in holding of the Company's or subsidiaries' shares or debentures.
9. Arrange general ordinary shareholders' meeting within 4 months after the end of Company's fiscal year.
10. Prepare the balance sheet and income statement as at the end of each fiscal year and propose them to the shareholders at the annual general shareholders' meeting.

2. Audit Committee

Audit Committee consists of 3 Directors, matching the Independence Director qualification requirement of Stock Exchange Commission (See Director Nomination section for further detail). The Committee members are specialized in the relevant aspects and possess the sufficient experiences in financial statement auditing

Scope of the Audit Committee responsibilities

1. Verify the Company's financial statements to be accurately and adequately disclosed
2. Ensure that the Company has appropriate and effective internal control and audit system. Consider approval of work plan of the internal audit unit and its independency. Appoint, transfer or terminate the employment of internal audit unit, including remuneration approval.
3. Encourage the Company's business operation to be complied with relevant Laws and regulations, and good corporate governance.
4. Seek and propose for appointment or removal of the Company Auditors. Consider and propose their remuneration.
5. Seek and propose for appointment or removal of the Company internal Auditors. Consider and propose their remuneration.
6. Participate in meetings with the Company audits and in absence of the Company executives. Such meeting is held at least once a year to communicate freely with the Company auditors.
7. Consider the Company disclosure of any related transaction or any action that conflicts may arise in order to ensure the compliance with Laws and regulations under the Stock Exchange Commission and the Stock Exchange of Thailand, and the best benefit for the Company.

- 8.1. The Committee's opinion on the accuracy, sufficiency and reliability of the Company financial report;
 - 8.2. The Committee's opinion on the adequacy of the Company's internal control system;
 - 8.3. The Committee's opinion on the suitability of the Company's Auditors;
 - 8.4. The Committee's opinion on any action that may cause conflicts;
 - 8.5. The Committee's opinion on the Company's Good Governance and compliance with Stock Exchange of Thailand's Laws and regulations or any other related Laws;
 - 8.6. Other actions under the scope and responsibilities given from the Board of Directors that the Company deems as significant for shareholders and Investors.
9. Investigate reports from the Company Auditors regarding any suspicious behavior of Directors, Executives or related persons which is against the Law as defined in Security and Stock Exchange Act. The investigation result must be submitted to the Stock Exchange Commission and the Auditors within 30 days after the Auditors notify such matter.
 10. Consider the draft of Audit Committee Charter and review occasionally to keep the charter up-to-dated.
 11. Other actions as designated by the Board of Directors and agreed by the Audit Committee

3. Nomination and Remuneration

Nomination and remuneration consists of 5 Directors which 3 Directors are qualified as Independence Directors.

Scope of the Nomination and Remuneration Committee responsibilities

1. Nominate persons with matching qualifications for the Director position and propose to the Board of Directors in the event that there is a vacancy in the Board of Directors. With an approval from the Board of Directors, the nominated person will be proposed to the shareholders meeting for appointment.
2. Review the self-assessment of the Company Directors from time to time.
3. Analyze the result of the Company Directors' self-assessment to develop working process.
4. Propose the remuneration principle for the Directors, i.e. gratuity, annual bonus and other compensation.
5. Propose the remuneration principle for annual bonus of the Executives and staff.

4. Corporate Governance Committee

Corporate Governance Committee consists of 5 Directors where 3 Directors are the Company Executives for closed monitoring of the Company operation.

Scope of the Corporate Governance Committee responsibilities

1. Consider and propose the Good Corporate Governance Policy to the Board of Directors. Monitor the Company operation to be in accordance with the Good Corporate Governance Policy and review from time to time.
2. Analyze the Good Corporate Governance Policy to ensure that the Company operation is compliance with and to improve the operation to better meet the criteria.

5. Management Committee

Management Committee consists of 5 Directors, whose positions are the Company's Chief Executive Officer, Managing Director and Chief Financial Officer, and other 2 appointed persons by the Board of Directors whom nominated by the Nomination and Remuneration Committee.

Scope of the Management Committee responsibilities

Management Committee is responsible for considering, approving and assigning any matters under the Company's notification on the operating authorization, power administration and any other important issues

Selection and Nomination of the Company's Directors and Key Executives

1. Independent Directors

Independent Directors' qualification requirement

AP (Thailand) Pcl. has set up the required qualification of the Company's Independent Directors to be accordance with the SEC notification Tor. Jor. 4/2009 dated 20 February 2009 as followed;

1. Hold not more than 1% of all voting rights of the company, parent company, subsidiary company, affiliate company, major shareholder or controlling person unless such condition is terminated for at least 2 years. This is not applied to the Independent Director who was a civil servant or consultant to the government sector which hold company shares in majority or a controlling person.

2. Never be appointed as a Director having a role in the company operation, Employee, Staff, Consultant receiving fixed salary or controlling person of the company, parent company, subsidiary company, affiliate company, subsidiary company in the same share held level, major shareholder or the controlling person of the company unless such condition is terminated for at least 2 years. This is not applied to the Independent Director who was a civil servant or consultant of the government sector which hold company shares in majority or a controlling person.
3. Not related by blood or legal marriage to any parents, spouses, siblings, children, or spouses of children of members on the management team, major shareholders, candidates to the management team, or authorized persons to the Company or subsidiaries.
4. Never be related to the business of the company, parent company, subsidiary company, affiliate company, major shareholder or the controlling person in a way that may affect his/her independency in discretion and never be a significant shareholder or a controlling person over the person who relates to the company, parent company, subsidiary company, affiliate company, major shareholder or the controlling person of the company, unless such condition is terminated for at least 2 years.
5. Never be an Auditor to the company, parent company, subsidiary company, affiliate company, major shareholder or the controlling person of the company and not a significant shareholder, controlling person or partner of the audit company to the company, parent company, subsidiary company or where the major shareholder or the controlling person takes part in, unless such condition is terminated for at least 2 years.
6. Never render a professional service, including a legal and financial consultant which is paid for service more than Baht 2 millions by the company, parent company, subsidiary company, affiliate company, a major shareholder or a controlling person of the company and not being a significant shareholder, controlling person or partner of such service render company, unless such condition is terminated for at least 2 years.
7. Not appointed as a Director to represent company Directors, major shareholder or any shareholders related to a major shareholders.

8. Not belonging to any business or partnership that is similar to or competing with the Company or subsidiaries; or being an Executive Director, an employee, or a consultant that receives monthly salary; or holding more than 1% of shares that entitle to voting right in other companies that are in the same business or competing with the Company and subsidiaries.
9. No other condition that affect the independency of discretion on company management.

2. Selection of Directors and Key Executives

Director Selection

The Board of Directors considers persons to be nominated as the Company's Directors by their educational background, specialization and experiences which support the Company's business. The selection principles are as followed;

1. Requirements by Laws, SET's / SEC's notifications and the Company's articles of association in regard of a Director qualification.
2. Qualifications as stated in the Directors' ethic;
3. Education background and experiences which support the Company's business;
4. Trainings which are related to the Directors' responsibilities, the Company business, good corporate governance and advance policy planning;
5. Intention to guard the shareholders' benefit and fairness
6. Willingness and ability to develop the Company business

Selection Procedure

Nomination and Remuneration Committee nominates any appropriate person(s) qualified as the Company's Director and proposes to the Board of Directors. The Board of Directors, then, proposes to the Shareholders' meeting.

Director's Appointing

A meeting of shareholders must elect the Directors in accordance with the following procedures and rules:

1. Each shareholder has one vote for each share held;
2. Each shareholder may exercise the votes in electing one or more persons to be the Directors but the votes are indivisible; and
3. The person who obtains the highest votes will be elected as a Director in respective order according to the required number of Directors, but if two or more persons obtain equal votes, the Chairman must exercise a casting vote.

In the event of vacancy in the Board of Directors due to other factors aside from the end of directorship term, the Board of Directors will select any persons qualified with Public Company Limited Act and Security and Stock Exchange Act to fill in, unless such vacant directorship remains less than 2 months. A person who replace the vacant directorship has only the remaining term.

Key Executives Selection

The Company's human resource section is responsible for the hunt, under the Executive's discretion, of qualified persons with the most relevant working experience and educational background.

Subsidiary Companies Control

The Company group authorization empowers the Management Committee to appoint the Directors and the authorized signatory Directors of the Subsidiary Companies in order to align the management of the subsidiaries with the Company. Meanwhile, the financial status and business operation disclosure, the transaction among the company group, the asset acquisition and disposal or any other important transaction have followed the same guideline as the Company does.

Supervision of the use of insider information

The Board of Directors approved the supervision of the use of insider information and report of the Company's share holding on 13 August 2013 with the following objectives;

1. Informing the management in every division regarding duties and responsibilities to report their holdings of the Company's shares and punishments according to the Securities and Exchange Act B.E. 2535 and regulations of the Stock Exchange of Thailand.
2. The Company obliges the management to report any changes in their shareholding to the Office of Securities Exchange Commission and the Stock Exchange of Thailand according to Section 59 of the Securities and Exchange Act B.E. 2535. The management shall provide the copy of the report to the Company on the same day that they provide the report to the Office of Securities Exchange Commission and the Stock Exchange of Thailand.

3. Connected transactions made by Directors and Executives must be reviewed by Independent Directors to ensure the best benefit or prevent loss of the Company
4. The Board of Directors issues the principle and penalty measures on the usage of internal information before reviewed by certified public accountants, approved by the Audit Committee and the Board of Directors or publicly disclosed.

Moreover, the silent periods are set for Directors, Executives and Staff involving significantly in financial reporting to refrain from the Company's stock trading during the period closely to the financial report disclosure (before and after) so as to allow enough time for shareholders and public to study the report and equal investment opportunities. This also applies to staff in the Investor relations and public relations section to refrain from giving the significant information to outsiders, shareholders, investors, analysts and mass media 7 days before the public announcement. This includes meeting or responding to any question so related.

If any employee violates the aforementioned measures, the Company will take the following disciplinary actions:

- | | |
|------------------|--|
| First violation | Written warning |
| Second violation | Salary Cut / suspension |
| Third violation | Termination of employment without compensation |

Auditor's fee

At the 2014 AGM, it was resolved that EY Office Limited by Mrs. Siriwan Suratepin C.P.A. Registration No. 4604 and/or Mr. Wichart Lokatekrawee C.P.A. Registration No. 4451, and/or Mrs. Saifon Inkaew, C.P.A. Registration No. 4434, be appointed as the company's Auditor for the Company with the Auditor's fees of Baht 2,000,000. EY Office Limited was also appointed to be the Auditors for the Company's subsidiaries with the Auditor's fees of Baht 3,040,000. There was no non-audit fee.

These appointed Auditors have no relationship and conflict of interest with the Company/ subsidiaries/ management and major shareholders of the Company.

Corporate Social Responsibility

1. Fair Business Operating

The Company issued the Good Corporate Governance policy book which was reviewed and approved by the Board of the Directors on 9 November 2012. This policy book has set the guideline in the following areas;

- Business conduct policy
- Shareholders' rights and equality
- Stakeholder treatment
- Internal control, risk management and business ethic
- Conflict prevention
- Information disclosure and transparency
- Structure and responsibilities of the Board of the Directors

2. Measures Against Corruption

The Company has set up the working unit to particularly monitor the operation of each section in order to ensure the provability and transparency.

3. Human Rights

Directors, Executives, and staff must respect the human rights; that is,

- Support the citizenship rights of the staff according to the constitution and Law.
- Respect the data privacy of the staff. Any disclosure of the personal information of the staff can only be done only with the permission of such staff, unless by Law or the Company's regulation.
- Do not support any activity that is against the human rights or fraud
- Staff shall not discriminate either by action or verbal against genders, ages, nationalities, religions, physical or mental disorder of others. The Company has set the punishment term for the above action.

4. Labor Treatment

Human resource is an essential key, driving the Company to success; therefore, employee development and career path are concerned as important. The Company follows these principles in employee treatment;

- The Company has operated on a basis of equal treatment and respect of a basic human rights without any discrimination against genders, ages, nationalities and religions;
- Employee recruitment of any positions in the Company is ensured to be fair and considered on job requirement, educational background, experiences and other qualifications that match such job description. Disability shall not be disadvantage.
- Remuneration and welfare is ensured to be transparent and unprejudiced with regard of suitability, working performance and the Company financial ability.
- The Company has arranged a hygienic and safety working atmosphere
- The Company has arranged and developed continually capability improvement programs for employee. Records shall be kept for future update. Work performance of the employee shall be assessed and, likewise, the employee shall be able to assess both their superiority and inferiority.
- Employees are provided channels for expression of their opinions or complaints in regard of their work. Their proposals shall be taken into solemn consideration and led to the solutions where satisfy in general and encourage friendly working atmosphere.
- The Company supports self sustainability of the employee such as savings in reliable provident funds.

5. Liabilities for Consumers

- The Company has studied, evaluated and improve the products to lessen or diminish the negative effect on consumers.
- The Company has set up easily accessible channels for consumers to communicate with the Company or place their complaints.
- Consumer rights and personal information must be guarded. Such information shall not be used without consent.

6. Environment Caution

The Company is cautious about any impacts that may cause an environmental problem and follows strictly the Laws and regulations on environment. The Company has set guideline on environment preservation as followed;

- Set up environmental friendly value chain and working process
- Evaluate the outcome from time to time
- Study on the outcome and improve for the better result
- Promote the sense of environmental responsibility to the staff

7. Community Development

The Company has followed the guidelines in order to be part of the community development;

- Create or be part of the activities that support or raise the living environment of the community
- Encourage the development of the community members and surrounding inhabitants
- Marketing and PR activities of the Company are controlled not to provoke pessimism, social conflict or negative value.

8. CSR Innovation

The Company always encourages any innovative invention that contributes the positive effect to the community, environment and stakeholders

CSR Activities

In 2014, the Company ran various campaigns; for example, cleaning volunteer at Baan Jaeng Ngam school, Suphanburi province, recycling campaign in the office to reduce trashes and tree exploitation, or other campaigns.

Practices for Prevention of Involvement in Corruption

(Anti-corruption Practices)

Commitment and policy

On 26 February 2015, AP's Board of Directors announced its firm intention to operate business without corruption and passed a resolution to join the Private Sector Collective Action Coalition against Corruption (Collective Anti-Corruption - CAC) in cooperation with the Thai Institute of Directors (IOD), in order to establish standards for transparent and honest business operation. The policy prohibits involvement in every form of corruption, including providing political aids, donations, financial support, giving and accepting presents that may lead to corruption. The implementation level is based on the assessment of risks related to corruption that may occur in the business operation of the Company and its affiliated companies.

Implementation

Our Company takes Mr. Anuphong Assavabhokhin, Vice Chairman and Chief Executive Officer, as example for the implementation of the anti-corruption policy. Mr. Anuphong has received the Best CEO Award from the Investment Analysts Association since 2009. Main criteria for this award include the compliance with code of conduct and governance in business operation. It is one of the awards we are proud of.

At the executive and employee level, our Company has formulated practices for controlling and monitoring the implementation

of the anti-corruption policy, starting from self-evaluation on the basis of the IOD's evaluation form, in order to identify individual strengths and to ascertain opportunities for developing the Company's anti-corruption measures. Included in the practices are also the establishment of an effective organizational structure and appropriate delegation of responsibilities, in order to ensure the efficiency of anti-corruption measures.

Moreover, our Company also opened up a special channel for both internal and external parties to provide clues about violations and offences, including corruption, in a safe and confidential way. Every information can be sent to Mr. Kosol Suriyaporn directly by email (s_kosol@hotmail.com).

Monitoring

Our Company has set up an Inspection Committee, which is responsible for monitoring and evaluating the implementation of the anti-corruption policy. The Inspection Committee will review the adequacy of the internal controlling system and report to the Board of Directors, which plays an important role in reviewing the suitability and effectiveness of the anti-corruption policy and setting up measures for development of frameworks and practices for corruption prevention, in order to build confidence among all stakeholders.

Business Risk

Economic volatility risk

As being one of the big players in Thai property sector which is adversely affected by the economic impediment, the company has set strategic plans to tackle with such volatile economic circumstance. New project launch, new land purchase, construction and cash flow management are primary concerns. For example, during the economic downturn the company shall proceed the construction when the sales rate is on track to avoid high inventory level. Besides, deceleration in new project launch and new land purchase is also considered a tool to manage cash flow and mitigate economic volatility risk.

Product/Service risk

Construction material cost risk

Project construction encounters risk of rising construction material prices, which results in additional cost and lower profit. The company moderates the risk by limiting each project development period to be within 2-3 years from land purchase to last unit's ownership transfer period. The company usually negotiates material price and places order before setting each unit selling price. Since the company's portfolio consists of high valued projects of Baht

500-3,000 million each, the company buys materials in large quantity, thus having substantial bargaining power over contractors and suppliers. In addition, in 2011 the company has initiated "Supply Chain Project" to ensure data synchronization between the company and suppliers. Therefore, manufacturing planning and management and material price forecasting shall be more accurate and the construction material cost risk is consequently lessened.

Labor shortage risk

Due to the raising infrastructure project development by Thai government and the economic expansion, labor shortage in Thailand property sector has become worsen. However, the company mitigates such risk by (1) switching construction technique from conventional method to precast system which less relies on human workforce (2) maintaining a good relationship with contractors and continuously offer new projects to enhance loyalty among good contractors (3) working with contractors in project planning and developing to ensure the project delivery within timeline.

Financial risk

Receivable collection risk

As of December 31, 2014, the total account receivables of the company and subsidiaries was totaling Baht 96.07 million including trade account receivable and note receivable of Baht 10.49 million, and other account receivable of Baht 85.58 million. Trade account receivable and note receivable can be classified by due period as follows:

(Unit: MB)

Due Period	2014	2013	2012
Undue	6.46	4.55	3.87
Overdue			
Less than 12 months	3.72	4.96	3.47
Over 12 months	2.53	1.81	2.51
Less Allowance for doubtful debt	(2.22)	(1.41)	(2.47)
Account Receivable-Net	10.49	9.91	7.38
Other account receivable	85.58	100.50	100.71
Total Trade Account Receivable and Other account receivable-Net	96.07	110.41	108.09

At the end of the year 2013, the overdue receivable (over 12 months) was reduced by Baht 16.31 million. This receivable amount was originally from the construction material production and distribution companies prior to their merger with Asian Property Company Limited in the year 2000. The economic recession and baht devaluation in 1997 significantly affected financial status and repayment ability of these debtors'. The company has already set aside the allowance for these doubtful accounts so there is amortization of accounts receivable baht 16.48 million.

At the end of years 2013 – 2014, the overdue receivable increased Baht 2.5 million and 0.6 million, respectively, as a result of the higher project management fee of Smart Service and Management Co., Ltd. due to the increasing numbers of the current projects.

Nowadays, the company has always analyzed potential customers' need and financial status before developing each project in order to ensure sales and restricts default risk.

Other account receivable arises from subcontractors who provide ad-hoc tasks such as maintenance service in case that general contractors are not at a construction site. However, all expenses incurred by providing such service shall be recorded as account receivable from constructors which is included in other account receivable. These expenses have increased according to the rising number of the company projects.

Risk from being guarantor for subsidiaries and related companies

The company has guaranteed loans for subsidiaries and related companies according to the shareholding proportion, as detailed in the table below. Hence, the company shall be entitled to the default risk of the borrowers, which consequently may affect the operations and financial status of the company as a guarantor. As of December 31, 2014, the outstanding debt balance of subsidiaries amounted to Baht 250 million which is deemed to be paid off. However, the outstanding debt of the subsidiaries, guaranteed by the company, is shown in the consolidated financial statement of the company.

Summary of loans guaranteed by the company to its subsidiaries and related companies

Guarantor		Guarantee (Subsidiaries)		Credit Line (MB)		Progress	Financial Status of Guarantees/ Shareholders' equity (MB)	
Company	Shares Holding (%)	Company	Guaranteed Proportion	31 Dec 14	31 Dec 13		31 Dec 14	31 Dec 13
APT	99.99	VPD	100	4,103	3,814	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	1,040	903

Guarantor		Guarantee (Subsidiaries)		Credit Line (MB)		Progress	Financial Status of Guarantees/ Shareholders' equity (MB)	
Company	Shares Holding (%)	Company	Guaranteed Proportion	31 Dec 14	31 Dec 13		31 Dec 14	31 Dec 13
APT	99.99	AP2012	100	1,563	1,563	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	270	271
APT	99.97	ASIAN	100	977	717	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	1,471	1,430
APT	99.99	AP2011	100	1,022	617	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	268	276
APT	99.99	APP	100	393	-	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	2	-
APT	99.99	APK	100	15	55	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	347	358
APT	99.99	APST	100	-	425	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	-	297
APT	51	APSV	51	-	1	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	-	351
Total				8,073	7,192			

APT = AP (Thailand) PLC.

VPD = The Value Property Development Co., Ltd.

AP2012 = Asian Property (2012) Co., Ltd.

AP2011 = Asian Property (2011) Co., Ltd.

APSV = Asian Property (Sukhumvit) Co., Ltd.

APST = AP (Sathorn) Co., Ltd.

APK = Asian Property (Krungthep) Co., Ltd.

ASIAN = Asian Property Co., Ltd.

APP = AP (Phetchaburi) Co., Ltd.

Risk from loan repayment to financial institutions and mature bond

Owing to Euro crisis and US sluggish economy, the world economy has been adversely affected. As well, Thai economy has been impacted especially Thai export and manufacturing sector. The Thai government, therefore, attempts to boost up investment and domestic consumption to sustain economic growth. However, the

political unrest situation is yet another factor which has negative aftermath on the country stability and economic development. Thus, the company has continued its flexible policies and strategies to keep up with economic situation in each particular period. The approach includes new project launch, land procurement, inventory control, and cash flow management.

At the end of year 2014, the company had total outstanding bond value of Baht 12,550 million and liability to financial institutions (i.e., overdraft accounts, promissory notes, bill of exchange, and long-term loans) of Baht 2,155 million. As of December 31, 2014, the company perceived the backlog amount of Baht 14,275 million and maintains its financial performance and operating result in good standard with current ratio of 3.8 and debt to equity ratio of 1.2. The company has cash balance and/or equivalent items of Baht 462.9 million. This shows that the company ability to pay off debt's when it is due. Furthermore, the company conducts a timely funding policy by issuing bonds to match with the construction period and maintains an appropriate amount of bond issuance each round (currently, the company has over Baht 10,000 million credit line with financial institutions). The company aims to remain the debt to equity ratio at the agreed rate illustrated in the bond covenant.

Year	2015	2016	2017	2018	2019
Amount of bonds that mature (MB)	2,750	3,000	2,950	2,500	1,350

Risk from engagement in Land Purchase Agreements and Lease Agreement

As of December 31, 2014, the Company and related entities were engaged in land purchase agreements with other companies or external parties for future project development. And the outstanding balance under land purchase obligation was Baht 2,391 million. And Baht 103 million balance under the operating lease obligation.

As being flexibility-oriented, the company always plans ahead and adjusts its strategy to best suit with the current economic situation; new project launch, land procurement, construction and cash flow management are deemed as vital roles. The company sustains its financial status and operating result in good standard

(as previously stated in "Risk from loan repayment to financial institutions and mature bonds"); therefore, the company is capable of paying off these obligations.

Risk from interest rate fluctuation

Due to uncertainty in global interest rate which may impact cost of capital for project development and operation, the company mitigates the risk by issuing fixed-interest bonds in order to remain the interest rate low and be shielded from the upward interest rate trend. At the end of the year 2014, the company's interest-bearing debts (inclusive of bonds and long-term loans due within a year) were Baht 13,024 million and the proportions of fixed-rate and floating rate are 96.4 and 3.6 respectively.

Internal Control and Risk Management

The internal control system either at executive or at staff level is deemed important so that the Company issued the written charters/principles stating scopes of work and authorization for all employees. The Company assets shall be ensured of their most benefit for the Company. There shall be separation of responsibilities among staffs in operation, follow-up and assessment process for the check and balance. Moreover, reports are required for executives and audit committee to review on the internal control of financial system.

Risk management is also another crucial issue; therefore, the Company set up a working unit of risk management and assigned a person to be mainly responsible for internal control of risk management for efficient follow-up and management. The Company also hired P&L Internal Audit Company Limited, with the approving opinion of the Audit Committee by their sufficient knowledge, experiences and training, for their internal audit service, with emphasis on business and operation risks. The objective is to audit and enhance the Company's operation efficiency, increase the confidence level of the audit committee and the executives that the information system is reliable, all to create confidence in controlling, supervising, and utilizing the Company's asset appropriately. These could enable the audit committee and executives to foresee potential problems and ensure that the Company has efficient control system and the employees strictly comply with the internal control system.

With regards to the internal control of accounting, the Company auditor Mrs. Siriwan Suratepin, who is the auditor of the Company's financial statements, from EY Office Limited has assessed that the internal control system in the accounting practice revealed no crucial flaw.

Moreover, the audit committee finds the Company's internal control system satisfactorily efficient and transparent. From the annual financial statement audit with the external accounting auditor and the concerned management, the audit committee deems that the financial statements has presented fairly the financial position and the operation result in accordance with the generally accepted accounting principles.

During the audit committee meeting no. 1/2014 on 27 February 2014, the committee has evaluated internal control system by inquiring information from the management and tracing evidence documents. After evaluating 5 aspects of internal control system, which are organization and environment, risk management, the management's operational control, information technology and communication, and monitoring system, the audit committee concluded that the Company has adequate internal control measures in all 5 aspects. The Company set goals in business administrating to achieve, evaluated regularly internal and external risk factors and managing the foreseen risks. The Company also reorganized the company's structure and responsibilities, allowed the auditors and the internal auditors which are both independent outsources to examine the Company's activities

Related Transaction

The Company and its subsidiaries have performed the following transactions with persons or juristic persons that may have conflicts. (Further details can be found in the financial statement's notes)

Persons/ Juristic Persons	Relations (as of 31 Dec 2014)	Transaction Description	Value (Baht Million)		Opinion of the Audit Committee
			31 Dec 2014	31 Dec 2013	
PCM Construction Material Co., Ltd. or PCMC	PB* holds 100% shares in PCMC. Mr. Chaiyarat Thampeera is a director of PCMC and AP.	PCMC (subsidiary of PB*) sells construction materials to the Company and subsidiaries in property development business.			Assessed by the Audit Committee and executives , sell condition and price are normal.
		Trade Account Payable Purchase construction materials	1.97 23.09	2.93 27.92	
A&P Associate Co., Ltd. or A&P	Mr. Anuphong Assavabhokhin (Son of Ms. Piengjai Hanpanich who holds 99.99% in A&P) is the number 1 largest shareholder of the Company.	The Company leases the office and parking space from A&P. Expense	7.97	5.58	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.

*PB = Pre Built PCL.

Necessity and appropriateness of the items

Related transaction is necessary and is done on a reasonable basis aiming for the most benefit of the Company. The Audit Committee has assessed the transaction to be a normal business and the Company has received and paid payment in fair amount compared with the market. Loan guarantee to the bank and loans to the subsidiary and related companies are to support the liquidity and improve the financial status of the Company. These related transactions are done according to the Related Transaction policy which was approved by the Company Board of the Directors.

Measures / Steps to approve the related transaction

The related transactions which are of the normal business of the Company, the supporting transaction of the normal business, the assets or services related items, short term leasing and financial aid items must be done with the discretion of a normal person in the common situation and without the power of the directorship, management, or those of the related persons. The transactions must be approved by the authorized persons of the Company's Board of Directors or the Board of Directors themselves, as the case may be. Moreover, according to the Board of the Directors' resolution at the meeting no. 8/2551 which held on 13 August 2008, the transactions must be reported in the Board of the Directors' meeting.

Regarding the financial aid transaction to the subsidiaries, the Company is prohibited to grant any loan to the subsidiaries in which the Company held not less than 90% shares, over the request amount. For the company in which the Company held less than 90% shares, the Company is allowed to grant any loan in the share holding ratio percentage of the request amount and the loan grant must be approved by the Company's Board of the Directors.

Any item with the condition different from a normal transaction or the longer term or the exceeding value than specified must be approved by the Company's Board of the Directors or the shareholders. Nevertheless, such transaction must comply with the law and regulations of the Stock Exchange Commission and the Stock Exchange of Thailand. It must also follow the instructions of the related transaction disclosure and the acquisition and disposal of the asset.

Occurrence of the related transaction

The Company has adopted the policy of the related transaction which is formed up to be in compliance with the normal business which the prices are comparable to the transaction with the third party. Nevertheless, the audit committee, or the Company auditor or the independent specialists has reviewed the suitability of the price and condition of the transaction.

However, if there is to be a conflict occurred in any of the related transaction, such transaction must be reviewed by the Audit Committee. In case that such transaction is not in the knowledge and experience filed of the Audit Committee, it will be reviewed by the independent specialist on the matter and the comments made by such independent specialist will be presented to the Board of the Directors or the Company's shareholders, as the case may be, as supporting information in approving such transaction. The Company has disclosed the related transaction in the financial statement notes.



Audit Committee Report

Dear Shareholders,

The Audit Committee of AP (Thailand) Public Company Limited ("the Company") consisted of 3 independent directors with the expertise ranges from fields of administrative management, finance and accounting, law, and risk management, namely Mr. Phanporn Dabbarangsi, Mr. Nontachit Tulayanonda and Mr. Kosol Suriyaporn. Duties and responsibilities of the Audit Committee are reviewing the financial reports, internal control and audit system and the compliance to laws of the Company, as well as observing any item that can be in conflict with the Company's benefit.

In 2014 fiscal year, the Audit Committee performed its duty independently by meeting with the management team, auditors, and internal auditors for 5 times. The attendance record can be found in Audit Committee Meeting Attendance in Good Corporate Governance section.

The Audit Committee has performed the following tasks;

1. Financial reports and operating reports

The Audit Committee examined the Company's financial statements and consolidated financial statements jointly with the management team and the auditors before presenting the financial statements to the Board of Directors. Audit Committee attended the exclusive meeting with the auditors and/or internal auditors without management team at least 1 time yearly.

The Audit Committee found the Company's financial reports is accurate, sufficient and reliable.

2. Internal control system assessment

The Audit Committee assessed the sufficiency of the internal control system to be in accordance with the template designated by the Stock Exchange Commission which consists of 5 parts, i.e. the environment of the control, risk assessment of the activities, information system, communication and follow-up system.

The Audit Committee found that the Company has achieved the sufficient internal control system with the appropriate numbers of staff in pursuing the effective system. There is no significant fault in the internal control system.

3. Suitability of the Company's auditors approval

The Audit Committee considered and appointed Mrs. Siriwan Suratepin from EY Office Limited to be the company's auditor and proposed the auditor's fee to the shareholders.

The Audit Committee found that the auditors worked independently, skillfully and efficiently. They are also qualified as approved auditors by Stock Exchange Commission and the auditor's fee is suitable to the size and type of the Company business.

4. Connected transaction or conflict of interest monitor

The Audit Committee monitored the Company's disclosure of connected transaction and conflict of interest to be accurate and sufficient.

The Audit Committee deemed the Company's disclosure sufficient and conformed with rules and regulations of Stock Exchange Commission and Stock Exchange of Thailand.

5. Corporate governance and Securities and Stock Exchange Act and other relevant business law compliance

The Audit Committee monitored and encouraged the Company to strictly follow the good governance principles, Securities and Stock Exchange Act, rules and regulations of Stock Exchange of Thailand and relevant business law.

The Audit Committee agreed that the Company has complied with the Good Corporate Governance and has not operated its business against any law.

6. Internal audit

Audit Committee appointed an external firm, P&L Internal Audit Co., Ltd. to provide internal audit service. In 2014 the committee also appointed staff to be Head of Internal Audit and team staff, altogether 3 persons, to audit the Company and its subsidiaries. The committee approved the year plan for auditing and reviewed the auditing report and the executive's guideline, as well as advised the internal auditors and executives.

The Audit Committee found that the Company has prioritized the internal auditing of the Company and provided sufficiently budget to support the internal auditors to work effectively in accordance with the plan. The executives have also provided the adequate guideline to the solutions.

The Audit Committee has performed their tasks and fulfilled their responsibilities as designed by the Company's Board of Directors with their utmost discreet and capability for the benefit of the Company, shareholders and stakeholders.

Audit Committee of AP (Thailand) Public Company Limited



Mr. Phanporn Dabbarangsi
Chairman of Audit Committee



Mr. Nontachit Tulayanonda
Audit Committee



Mr. Kosol Suriyaporn
Audit Committee

Directors' Responsibilities on Financial Statement

The Board of Directors is responsible for AP (Thailand) Public Company Limited and its subsidiaries' financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using appropriate accounting policy, consistent basis and careful judgement. Important information is adequately and transparently disclosed in the notes to the financial statements.

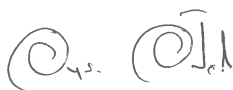
The Board of Directors has provided for and maintains a risk management system, as well as appropriate and efficient internal controls to ensure that accounting records are accurate, reliable, and adequate to protect its assets and uncover any weaknesses that may be presented in order to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit Committee which is non-executive board to be responsible for reviewing the accounting policy, financial reports, internal controls, internal audit and risk management system. All their comments on these issues have been included in the Audit Committee Report which is presented in this annual report.

The Board of Directors believes that the Company's overall internal control system has performed to a satisfactory level to lend credibility and provide reliability to AP (Thailand) Public Company Limited and its subsidiaries' financial statements for the year ended 31 December 2014. The Board of Directors also believes all these financial statements have been presented fairly for both operating results and cash flow in all material respects.



(Mr. Chatchaval Bhanalaph)
Chairman of the
Board of Directors



(Mr. Anuphong Assavabhokhin)
Vice Chairman and
Chief Executive Officer



(Mr. Pichet Vipavasuphakorn)
Director and
Managing Director



(Mr. Chaiyarat Thampreera)
Director



(Mr. Siripong Sombutsiri)
Director



(Mr. Wason Naruenatpaisan)
Director



(Ms. Kittiya Pongpujaneekul)
Director



(Mr. Visanu Suchatlampong)
Director



(Mr. Pornwut Sarasin)
Director



(Mr. Shaw Sinhaseni)
Director



(Mr. Phanporn Dabbarangsi)
Chairman of
the Audit Committee



(Mr. Kosol Suriyaporn)
Audit Director



(Mr. Nontachit Tulayanonda)
Audit Director

Report and Consolidated Financial Statements

Independent Auditor's Report

To the Shareholders of AP (Thailand) Public Company Limited

I have audited the accompanying consolidated financial statements of AP (Thailand) Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of AP (Thailand) 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 AP (Thailand) Public Company Limited and its subsidiaries and of AP (Thailand) Public Company Limited as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Siriwan Suratepin

Certified Public Accountant (Thailand) No. 4604

EY Office Limited

Bangkok: 26 February 2015

Statements of Financial Position

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	6	462,883,171	888,956,065	325,406,922	647,074,024
Trade and other receivables	7	96,069,882	110,413,307	84,886,805	96,774,423
Inventories	8	31,673,311,642	30,783,632,263	22,667,976,664	24,147,735,492
Interest receivable – related parties	9	–	–	530,036,767	416,647,685
Short-term loans to related parties	9	–	–	4,981,600,000	3,425,100,000
Deposits for construction materials		595,525,790	983,380,070	181,427,931	445,891,957
Deposits for land		810,426,294	320,775,400	111,182,795	314,775,400
Other current assets		97,527,132	70,667,813	46,617,614	42,403,644
Total current assets		33,735,743,911	33,157,824,918	28,929,135,498	29,536,402,625
Non-current assets					
Restricted bank deposits	6	6,331,754	6,331,754	4,856,663	4,856,663
Investments in subsidiaries	10	–	–	2,595,260,419	2,465,606,066
Investments in joint ventures	11	619,667,932	305,586,711	693,510,070	311,609,860
Other long-term investments	12	24,996	24,996	–	–
Land and cost of project held for development	13	596,832,682	385,059,481	96,876,596	8,567,652
Investment properties	14	40,919,566	35,600,669	33,377,078	27,636,277
Property, plant and equipment	15	132,419,578	129,159,138	81,541,857	80,959,741
Goodwill		100,063,166	100,063,166	–	–
Intangible assets	16	25,166,349	54,875,352	23,737,329	41,285,036
Deferred tax assets	26	216,378,453	145,498,830	133,940,411	92,900,518
Other non-current assets		90,030,627	89,569,212	31,740,244	28,931,275
Total non-current assets		1,827,835,103	1,251,769,309	3,694,840,667	3,062,353,088
Total assets		35,563,579,014	34,409,594,227	32,623,976,165	32,598,755,713

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

Statements of Financial Position

(continued)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	1,681,335,408	2,698,973,819	1,681,335,408	2,698,973,819
Trade accounts payable	9, 18	1,618,792,654	1,290,327,663	841,530,114	1,084,573,767
Accrued interest expenses - related parties	9	-	-	40,928,774	55,464,330
Short-term loans from related parties	9	-	-	356,500,000	802,490,000
Current portion of long-term loans	19	-	110,000,000	-	60,000,000
Current portion of debentures	20	2,750,000,000	2,250,000,000	2,750,000,000	2,250,000,000
Unearned revenue		1,146,115,018	1,854,609,176	667,420,015	1,533,795,868
Accrued expenses		1,275,030,852	1,041,438,339	1,043,700,494	827,878,915
Income tax payable		284,334,841	227,768,209	255,226,823	135,803,433
Accrued interest expenses		124,097,955	109,278,820	124,043,161	109,086,525
Other current liabilities		71,948,542	84,566,771	42,987,214	51,938,520
Total current liabilities		8,951,655,270	9,666,962,797	7,803,672,003	9,610,005,177
Non-current liabilities					
Long-term loans - net of current portion	19	474,000,000	821,000,000	224,000,000	471,000,000
Debentures - net of current portion	20	9,800,000,000	9,550,000,000	9,800,000,000	9,550,000,000
Retention payable	9	419,551,932	315,316,743	337,034,622	270,201,684
Provision for long-term employee benefits	21	69,907,982	48,945,076	62,672,618	45,272,470
Total non-current liabilities		10,763,459,914	10,735,261,819	10,423,707,240	10,336,474,154
Total liabilities		19,715,115,184	20,402,224,616	18,227,379,243	19,946,479,331

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

Statements of Financial Position

(continued)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2014

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2014	2013	2014	2013
Shareholders' equity					
Share capital					
Registered					
3,145,912,151 ordinary shares of Baht 1 each (2013: 2,859,949,729 ordinary shares of Baht 1 each)		3,145,912,151	2,859,949,729	3,145,912,151	2,859,949,729
Issued and fully paid up					
3,145,899,495 ordinary shares of Baht 1 each (2013: 2,859,920,138 ordinary shares of Baht 1 each)		3,145,899,495	2,859,920,138	3,145,899,495	2,859,920,138
Share premium		89,415,830	89,415,830	89,415,830	89,415,830
Retained earnings					
Appropriated – statutory reserve		314,591,215	285,994,973	314,591,215	285,994,973
Unappropriated		12,298,121,664	10,771,614,664	10,846,690,382	9,416,945,441
Equity attributable to owners of the Company		15,848,028,204	14,006,945,605	14,396,596,922	12,652,276,382
Non-controlling interests of the subsidiaries		435,626	424,006	–	–
Total shareholders' equity		15,848,463,830	14,007,369,611	14,396,596,922	12,652,276,382
Total liabilities and shareholders' equity		35,563,579,014	34,409,594,227	32,623,976,165	32,598,755,713

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

Statements of Comprehensive Income

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Profit or loss:					
Revenues					
Revenues from sales		22,941,413,593	19,854,275,259	20,181,662,193	13,995,956,817
Service income		207,701,555	134,285,278	37,176,251	
Interest income		8,353,683	9,225,517	191,747,171	226,346,107
Dividend income	9, 10	–	–	181,574,968	716,299,468
Gain from sales of investments	10	2,100,471	4,518,623	–	–
Other income		47,411,110	58,025,890	37,544,236	51,152,575
Total revenues		23,206,980,412	20,060,330,567	20,629,704,819	14,989,754,967
Expenses					
Costs of sales	25	15,250,859,814	13,238,360,277	13,417,882,409	9,456,686,584
Costs of services		53,272,877	31,833,306	59,138	–
Selling expenses		1,963,711,931	1,948,816,485	1,689,880,338	1,445,579,015
Administrative expenses		2,176,584,611	1,995,348,478	1,781,988,451	1,506,981,688
Other expenses		111,254,908	–	194,185,446	156,900,000
Total expenses		19,555,684,141	17,214,358,546	17,083,995,782	12,566,147,287
Profit before share of loss from investment in joint ventures, finance cost and income tax expenses		3,651,296,271	2,845,972,021	3,545,709,037	2,423,607,680
Share of loss from investments in joint ventures	11	(65,632,743)	(1,320,143)	–	–
Profit before finance cost and income tax expenses		3,585,663,528	2,844,651,878	3,545,709,037	2,423,607,680
Finance cost		(343,649,515)	(292,541,071)	(474,876,440)	(449,848,934)
Profit before income tax expenses		3,242,014,013	2,552,110,807	3,070,832,597	1,973,758,746
Income tax expenses	26	(626,547,614)	(538,799,373)	(552,882,662)	(287,487,946)
Profit for the year		2,615,466,399	2,013,311,434	2,517,949,935	1,686,270,800
Other comprehensive income:					
Actuarial loss from post-employment benefits	21	(2,663,242)	–	(1,829,311)	–
Income tax relating to components of other comprehensive income		456,883	–	365,862	–
Other comprehensive income for the year		(2,206,359)	–	(1,463,449)	–
Total comprehensive income for the year		2,613,260,040	2,013,311,434	2,516,486,486	1,686,270,800

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

Statements of Comprehensive Income

(continued)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit attributable to:					
Equity holders of the Company		2,615,454,904	2,013,298,775	2,517,949,935	1,686,270,800
Non-controlling interests of the subsidiaries		11,495	12,659		
Total		2,615,466,399	2,013,311,434		
Total comprehensive income attributable to:					
Equity holders of the Company		2,613,248,545	2,013,298,775	2,516,486,486	1,686,270,800
Non-controlling interests of the subsidiaries		11,495	12,659		
Total		2,613,260,040	2,013,311,434		
Earnings per share	27				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.831	0.640	0.800	0.536
Weighted average number of ordinary shares (Shares)		3,145,899,495	3,143,793,263	3,145,899,495	3,143,793,263
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.831	0.640	0.800	0.536
Weighted average number of ordinary shares (Shares)		3,145,899,495	3,145,359,112	3,145,899,495	3,145,359,112

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

Cash Flow Statements

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	3,242,014,013	2,552,110,807	3,070,832,597	1,973,758,746
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	50,101,347	52,881,686	29,231,614	33,100,648
Amortisation	34,217,712	106,010,083	20,697,237	25,585,149
Doubtful debts (reversal)	33,171,282	(890,302)	17,000,000	–
Allowance for diminution in value of inventories	77,857,537	470,340	9,477,741	470,340
Gain on disposals/write-off of assets	(920,043)	(161,291)	(527,764)	(162,028)
Share of loss from investments in joint ventures	65,632,743	1,320,143	–	–
Loss (gain) from sales of investments	(2,100,471)	(4,518,623)	167,481,616	–
Loss on diminution in investment value	–	–	–	156,900,000
Dividend income	–	–	(181,574,968)	(716,299,468)
Provision for long-term employee benefits and other provisions	24,748,134	9,266,258	21,656,137	8,029,655
Write-off of income tax	5,932	705	–	–
Interest income	(8,353,683)	(9,225,517)	(191,747,171)	(226,346,107)
Interest expenses	315,575,744	260,806,915	453,785,041	425,654,132
Profit from operating activities before changes in operating assets and liabilities	3,831,950,247	2,968,071,204	3,416,312,080	1,680,691,067
Operating assets (increase) decrease				
Trade and other receivables	13,540,556	(1,429,569)	11,890,459	(1,699,962)
Inventories	(1,309,638,376)	(4,902,639,653)	1,602,758,049	(4,588,339,614)
Other current assets	(204,900,933)	35,865,238	446,842,661	400,874,101
Other non-current assets	(1,706,794)	(11,614,558)	(2,808,969)	(5,215,118)
Operating liabilities increase (decrease)				
Trade accounts payable	328,707,672	565,928,816	(243,043,653)	480,257,322
Unearned revenue	(708,494,158)	(208,984,646)	(866,375,853)	127,746,824
Other current liabilities	215,719,227	71,767,873	201,570,273	64,397,175
Retention payable	104,235,189	32,571,781	66,832,938	73,877,886
Cash from (used in) operating activities	2,269,412,630	(1,450,463,514)	4,633,977,985	(1,767,410,319)
Provision for long-term employee benefits	(1,148,470)	–	(785,300)	–
Cash paid for interest expenses	(656,544,844)	(643,065,577)	(680,691,088)	(681,889,212)
Cash paid for income tax	(655,731,557)	(574,994,160)	(474,133,304)	(329,688,999)
Net cash from (used in) operating activities	955,987,759	(2,668,523,251)	3,478,368,293	(2,778,988,530)

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

Cash Flow Statements

(continued)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Increase in restricted bank deposits	-	(3,353,142)	-	(3,946,197)
Cash received from short-term loans to related parties	667,000,000	-	2,523,700,000	5,152,150,000
Cash paid for short-term loans to related parties	(128,000,000)	-	(4,080,200,000)	(5,180,980,000)
Cash received from return on investment in subsidiary	-	-	171,863,941	-
Cash received from sale of investments in subsidiary	156,737,359	-	157,780,000	176,400,000
Cash paid for investments in subsidiaries	-	-	(790,999,880)	(660,999,910)
Cash received from sale of investments in joint ventures	-	131,057,986	-	122,990,000
Cash paid for investments in joint ventures	(538,680,240)	(128,009,940)	(217,680,240)	(250,999,940)
Dividend received	-	-	181,574,968	1,106,298,576
Cash received from sales of land held for development	3,675,000	-	3,675,000	-
Cash paid for purchases of land held for development	-	(8,567,652)	-	(8,567,652)
Cash received from disposals of assets	799,000	771,056	330,353	750,344
Cash paid for purchases of equipment	(51,934,671)	(69,191,633)	(28,132,150)	(35,936,324)
Cash paid for purchases of intangible assets	(3,908,709)	(21,425,538)	(3,149,530)	(20,799,037)
Cash received from interest	13,417,486	9,225,517	78,358,089	168,187,454
Increase in non-controlling interests	100	90	-	-
Net cash from (used in) investing activities	119,105,325	(89,493,256)	(2,002,879,449)	564,547,314
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(1,022,000,000)	1,052,000,000	(1,022,000,000)	1,052,000,000
Cash received from short-term loans from related parties	-	-	479,990,000	1,228,000,000
Cash paid for short-term loans from related parties	-	-	(925,980,000)	(979,000,000)
Cash received from long-term loans	309,000,000	1,410,000,000	259,000,000	681,000,000
Cash paid for repayment of long-term loans	(766,000,000)	(673,000,000)	(566,000,000)	(630,000,000)
Cash received from issuance of debentures	3,000,000,000	4,300,000,000	3,000,000,000	4,300,000,000
Cash paid for debentures	(2,250,000,000)	(2,500,000,000)	(2,250,000,000)	(2,500,000,000)
Cash received from issuance of ordinary share capital	-	29,120,250	-	29,120,250
Dividend payment for equity holders of the Company	(772,165,946)	(714,970,484)	(772,165,946)	(714,970,484)
Dividend payment to non-controlling interests of subsidiaries	(32)	(532)	-	-
Net cash from (used in) financing activities	(1,501,165,978)	2,903,149,234	(1,797,155,946)	2,466,149,766
Net increase (decrease) in cash and cash equivalents	(426,072,894)	145,132,727	(321,667,102)	251,708,550
Cash and cash equivalents at beginning of year	888,956,065	743,823,338	647,074,024	395,365,474
Cash and cash equivalents at end of year (Note 6)	462,883,171	888,956,065	325,406,922	647,074,024

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

Cash Flow Statements

(continued)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Supplemental cash flow information				
Non-cash transactions from investing activities				
Transfer equipment to intangible assets	600,000	14,841,907	–	14,841,907
Transfer inventories to investment properties	7,445,711	4,275,936	7,445,711	756,027
Transfer inventories to land and cost of project held for development	291,579,586	274,085,629	100,469,874	–
Transfer investment in subsidiary to investment in joint venture	–	–	164,219,970	183,599,920

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

Statements of Changes in Shareholders' Equity

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements							
Equity attributable to owners of the Company							
Retained earnings							
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Note							
Balance as at 1 January 2013							
	2,848,272,038	71,943,680	285,994,973	9,473,286,373	12,679,497,064	411,818	12,679,908,882
22	11,648,100	17,472,150	-	-	29,120,250	-	29,120,250
28	-	-	-	(714,970,484)	(714,970,484)	-	(714,970,484)
Total comprehensive income for the year	-	-	-	2,013,298,775	2,013,298,775	12,659	2,013,311,434
Increase in non-controlling interests	-	-	-	-	-	61	61
Decrease in non-controlling interests for dividend payment of subsidiaries	-	-	-	-	-	(532)	(532)
Balance as at 31 December 2013	2,859,920,138	89,415,830	285,994,973	10,771,614,664	14,006,945,605	424,006	14,007,369,611
Balance as at 1 January 2014							
	2,859,920,138	89,415,830	285,994,973	10,771,614,664	14,006,945,605	424,006	14,007,369,611
22, 28	285,979,357	-	-	(1,058,145,303)	(772,165,946)	-	(772,165,946)
Profit for the year	-	-	-	2,615,454,904	2,615,454,904	11,495	2,615,466,399
Other comprehensive income for the year	-	-	-	(2,206,359)	(2,206,359)	-	(2,206,359)
Increase in non-controlling interests	-	-	-	-	-	157	157
Decrease in non-controlling interests for dividend payment of subsidiaries	-	-	-	-	-	(32)	(32)
Unappropriated retained earnings transferred to statutory reserve	-	-	28,596,242	(28,596,242)	-	-	-
Balance as at 31 December 2014	3,145,899,495	89,415,830	314,591,215	12,298,121,664	15,848,028,204	435,626	15,848,463,830

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

Statements of Changes in Shareholders' Equity

(continued)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

(Unit: Baht)

		Separate financial statements				
		Note	Issued and paid up share capital	Share premium	Retained earnings	
					Appropriated - statutory reserve	Unappropriated
						Total shareholders' equity
Balance as at 1 January 2013			2,848,272,038	71,943,680	285,994,973	8,445,645,125
Ordinary shares issued during the year		22	11,648,100	17,472,150	-	-
Dividend paid		28	-	-	-	(714,970,484)
Total comprehensive income for the year			-	-	-	1,686,270,800
Balance as at 31 December 2013			2,859,920,138	89,415,830	285,994,973	9,416,945,441
Balance as at 1 January 2014			2,859,920,138	89,415,830	285,994,973	9,416,945,441
Dividend paid		22, 28	285,979,357	-	-	(1,058,145,303)
Profit for the year			-	-	-	2,517,949,935
Other comprehensive income for the year			-	-	-	(1,463,449)
Unappropriated retained earnings transferred to statutory reserve		24	-	-	28,596,242	(28,596,242)
Balance as at 31 December 2014			3,145,899,495	89,415,830	314,591,215	10,846,690,382

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

Notes to Consolidated Financial Statements

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2014

1. General information

AP (Thailand) Public Company Limited ("the Company") is a public company, incorporated and domiciled in Thailand. The Company is principally engaged in real estate development. The registered office of the Company is at 170/57 18th floor, Ocean Tower I Building, Rajadapisek Road, Klongtoey, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) These consolidated financial statements include the financial statements of AP (Thailand) Public Company Limited (hereinafter called as "the Company") and the following subsidiary companies ("the subsidiaries"), with the change in the group structure during the current year from the establishment of the subsidiaries and sell the investments in subsidiary, including the dissolution of the subsidiary as described in Note 10.

Company Name	Nature of Business	Country of Incorporation	Percentage of Shareholding	
			2014	2013
Subsidiaries				
The Value Property Development Co.,Ltd. and subsidiary	Real Estate Development	Thailand	100	100
AP (Sathorn) Co., Ltd.	Real Estate Development	Thailand	-	100
Asian Property (Krungthep) Co., Ltd.	Real Estate Development	Thailand	100	100
Asian Property Co., Ltd.	Real Estate Development	Thailand	100	100
Thonglor Residence Co., Ltd. and subsidiary	Real Estate Development	Thailand	100	100
Smart Service & Management Co., Ltd.	Service	Thailand	100	100
Bangkok CitiSmart Co., Ltd.	Service	Thailand	100	100
Asian Property (2011) Co., Ltd.	Real Estate Development	Thailand	100	100
Asian Property (2012) Co., Ltd.	Real Estate Development	Thailand	100	100
Asian Property (2013) Co., Ltd.	Real Estate Development	Thailand	100	100
Thai Big Belly Co., Ltd. (formerly known as "AP (Asoke) Co., Ltd.")	Service	Thailand	100	100
AP (Ekkamai) Co., Ltd.	Real Estate Development	Thailand	100	-
AP (Phetchaburi) Co., Ltd.	Real Estate Development	Thailand	100	-
Asian Property (2014) Co., Ltd.	Real Estate Development	Thailand	100	-
AP (Ratchayothin) Co., Ltd.	Real Estate Development	Thailand	100	-
Premium Residence Co., Ltd.	Real Estate Development	Thailand	-	100

- 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) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
 - e) Investments in the subsidiaries as recorded in the Company's books of account are eliminated against the equity of subsidiaries.
 - f) The premium of investment exceeds the fair value of net assets of subsidiaries at the acquisition date is presented as goodwill or intangible asset under non-current assets in the consolidated statement of financial position.
 - 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 and joint ventures under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

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

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

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

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

Financial Reporting Standards:

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

Accounting Standard Interpretations:

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

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29

Financial Reporting in Hyperinflationary Economies

TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers
Accounting Treatment Guidance for Stock Dividend	

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

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

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

TAS 19 (revised 2014) Employee Benefits

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

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

TFRS 10 Consolidated Financial Statements

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

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

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Company and its subsidiaries believes that this standard will not have any impact on the Company's and its subsidiaries' financial statements as the Company and its subsidiaries have already applied the equity method to an investment in a jointly controlled entity.

TFRS 12 Disclosure of Interests in Other Entities

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

TFRS 13 Fair Value Measurement

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

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

4. Significant accounting policies

4.1 Revenue recognition

Revenue from sales of real estate

Revenues from sales of land and houses/condominium units/land are recognised when the ownership has been transferred to buyer. Revenues are the contract value which ownership is transferred to buyer.

Construction income

Revenue from construction contract works is recognised as income, excluding value added tax, on the basis of percentage of completion which is estimated by project engineers.

Provision for anticipated loss from construction contracts will be made in the accounts as soon as the possibility of such loss is ascertained.

Construction income represents revenue from service rendered by a subsidiary to the group, which has been eliminated from the consolidated financial statements.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

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

Dividends

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

4.2 Cost of Sales of Real Estate

Cost of sales of land and houses/condominium units

Cost of sales of land and houses/condominium units is determined based on the anticipated total development costs (after considering the actual costs incurred to date) attributed to units already sold on the basis of the salable value and area, and is recognised as cost of sales in accordance with the revenue recognition.

Cost of land

Cost of land is recognised as cost of sales in accordance with the revenue recognition.

Cost of construction

Cost of construction comprises the costs of materials, labour, subcontractors' charges, other services and overheads, which are recognised on the percentage of completion method.

Cost of construction represents cost on construction projects of a subsidiary providing to the group, which has been eliminated from the consolidated financial statements.

4.3 Cash and cash equivalents

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

4.4 Trade accounts receivable

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

4.5 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is calculated as detailed below.

Land

Land is valued at cost on a weighted average method (calculated separately for each project) and is recognised as cost in accordance with the revenue recognition.

Deferred interest

Interest expenses relating to project development are recorded as deferred interest, with capitalisation ceasing when the ownership is transferred to buyer. Such deferred interest is recorded as a part of inventories and is recognised as cost of sales in accordance with the average revenue recognition (calculated separately for each project).

Infrastructure

The costs of construction for infrastructure like road, electricity system, water supply system and others are recorded as a part of inventories and are recognised as cost of sales in accordance with the revenue recognition.

Deferred project development costs

Preparation costs and project development costs before sales are recorded as a part of inventories and are recognised as cost of sales in accordance with the revenue recognition.

4.6 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded as gain or losses in the profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Change in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- d) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- e) Investments in joint ventures are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries and joint ventures are accounted for in the separate financial statements using the cost method.

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

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

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

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

4.7 Investment properties

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

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

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

4.8 Property, plant and equipment and depreciation

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

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

Land improvement	- 5 and 10 years
Buildings, buildings improvement and constructions	- 10 and 20 years
Club houses, swimming pool and play ground	- 20 years
Sample houses and sales office	- 5 years
Furniture, fixtures and office equipment	- 3 and 5 years
Motor vehicles	- 5 years
Mold	- 3 years
Other fixed assets	- 5 years

Depreciation is included in determining income. No depreciation is provided on land and assets under installation.

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

4.9 Borrowing costs

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

4.10 Intangible assets

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 cases 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.

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

	Useful lives
Premium on project value	Transferred value of the project
Computer software	3 and 5 years

4.11 Goodwill

Goodwill is initially recorded at cost, which equals 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 recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment 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.

4.12 Related party transactions

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

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

4.13 Operating leases

Leases, which a significant portion of the risks and rewards of ownership are not transferred to the lessee, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the lease period. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

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 and provident fund are recognised as expenses when incurred.

The Company issued warrants to purchase the ordinary shares to employees of the Company and its subsidiaries. The transactions will be recorded in the financial statements when the warrants are exercised.

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in 2011.

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

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

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

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

5. Significant accounting judgements and estimates

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

Leases

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

Allowance for doubtful accounts

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

Property plant and equipment and 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 estimate 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 judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and 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.

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The Company and its subsidiaries' managements have used judgement to assess the results of the litigation and believes that provision for such contingent liabilities recorded as at the end of reporting period is sufficient.

6. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2014 and 2013 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Cash	86,430	525,220	82,668	428,946
Deposits at banks	382,785	370,068	247,596	222,985
Total	469,215	895,288	330,264	651,931
Less: Restricted bank deposits	(6,332)	(6,332)	(4,857)	(4,857)
Cash and cash equivalents	462,883	888,956	325,407	647,074

As at 31 December 2014, bank deposits in savings accounts carried interests between 0.37 and 1.25 percent per annum (2013: between 0.50 and 1.15 percent per annum).

The above restricted bank deposits are bank deposits that the Company and its subsidiaries have placed with banks to secure letters of guarantee issued by the banks on behalf of the Company and its subsidiaries.

7. Trade and other receivables

As at 31 December 2014 and 2013, the outstanding balances of trade and other receivables were unrelated parties, as detailed below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Trade receivables				
<u>Aged on the basis of due dates</u>				
Not yet due	6,455	4,550	-	-
Past due				
Up to 12 months	3,715	4,965	-	-
Over 12 months	2,535	1,810	-	-
Total trade receivables	12,705	11,325	-	-
Less: Allowance for doubtful accounts	(2,216)	(1,410)	-	-
Trade receivables – net	10,489	9,915	-	-
Other receivables	85,581	100,498	84,887	96,774
Trade and other receivables – net	96,070	110,413	84,887	96,774

8. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2014	2013	2014	2013	2014	2013
Land	15,895,220	16,775,862	-	-	15,895,220	16,775,862
Land improvement	589,263	739,454	-	-	589,263	739,454
Work in progress	11,527,244	9,579,376	-	-	11,527,244	9,579,376
Infrastructures	1,760,650	1,672,789	-	-	1,760,650	1,672,789
Deferred interest expenses	870,583	910,475	-	-	870,583	910,475
Deferred project development costs	935,677	1,066,706	-	-	935,677	1,066,706
Inventories held for sale	31,471	37,072	(1,979)	(470)	29,492	36,602
Construction materials	64,952	2,368	-	-	64,952	2,368
Other inventories	231	-	-	-	231	-
Total	31,675,291	30,784,102	(1,979)	(470)	31,673,312	30,783,632

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2014	2013	2014	2013	2014	2013
Land	11,191,510	12,590,870	-	-	11,191,510	12,590,870
Land improvement	490,610	588,570	-	-	490,610	588,570
Work in progress	8,242,113	8,014,401	-	-	8,242,113	8,014,401
Infrastructures	1,562,052	1,473,033	-	-	1,562,052	1,473,033
Deferred interest expenses	582,563	706,987	-	-	582,563	706,987
Deferred project development costs	575,157	764,397	-	-	575,157	764,397
Inventories held for sale	25,216	9,947	(1,244)	(470)	23,972	9,477
Total	22,669,221	24,148,205	(1,244)	(470)	22,667,977	24,147,735

Details of the Company's and subsidiaries' projects on hand are as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Number of projects on hand at beginning of year	60	46	42	35
Completed projects	(10)	(9)	(4)	(7)
New projects	14	23	12	14
Projects on hand at end of year	64	60	50	42

The Company and its subsidiaries have mortgaged their land, with total net book value as at 31 December 2014 and 2013 of Baht 17,754 million and Baht 22,448 million, respectively (the Company only: Baht 12,181 million and Baht 17,167 million, respectively), with banks as collateral for overdrafts and loans from those banks, as described in Note 17 and 19.

During the years, the Company and its subsidiaries included borrowing costs in cost of inventories. These were determined by applying a capitalisation rate which is the weighted average of the financial charges on total borrowings as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Borrowing costs included in cost of inventories (Thousand Baht)	360,391	405,649	231,929	253,722
Capitalisation rate (Percent per annum)	3.73 – 5.13	3.67 – 5.50	3.73 – 5.13	3.67 – 5.50

9. Related party transactions

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

(Unit: Thousand Baht)

	For the years ended 31 December				
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	2014	2013	2014	2013	
<u>Transactions with subsidiaries</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Revenues from sales	-	-	3,057	-	Reference price from the Land Department
Guarantee income	-	-	6,571	5,568	At the rate of 1.00% of the average of outstanding guarantee balance
Rental income	-	-	448	-	At the contractual price
Interest income	-	-	184,203	218,443	Interest at rate of 4.60% per annum (2013: 4.40 – 5.25% per annum)
Dividend income	-	-	181,575	716,299	At the declared rate
Construction cost	-	-	443,278	326,214	Comparable price with third parties
Purchases of land	-	-	-	2,839	Reference price from the Land Department
Other expenses	-	-	69,611	47,506	Comparable price with third parties
Interest expenses	-	-	28,035	29,880	Interest at rate of 4.60% per annum (2013: 4.40 – 5.25% per annum)
Rental expenses	-	-	1,430	-	At the contractual price
<u>Transactions with joint ventures</u>					
Management income	36,712	-	36,712	-	Comparable price with third parties
Interest income	3,066	3,556	3,066	3,556	Interest at rate of 4.60% per annum (2013: 4.40% per annum)
<u>Transactions with related companies</u>					
Purchases of construction materials	23,086	27,921	22,991	25,862	Comparable price with third parties
Rental expenses	7,968	5,583	7,968	5,583	At the contractual price

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Interest receivable - related parties				
<u>Subsidiaries</u>				
The Value Property Development Co., Ltd.	-	-	354,144	335,621
Asian Property (2012) Co., Ltd.	-	-	82,534	46,171
Asian Property (2013) Co., Ltd.	-	-	59,184	25,998
Asian Property (2011) Co., Ltd.	-	-	12,987	1,631
AP (Phetchaburi) Co., Ltd.	-	-	8,527	-
Thonglor Residence Co., Ltd.	-	-	7,797	6,008
AP (Ekkamai) Co., Ltd.	-	-	2,087	-
Thai Big Belly Co., Ltd. (formerly known as "AP (Asoke) Co., Ltd.")	-	-	1,959	339
Asian Property Co., Ltd.	-	-	693	-
Smart Service & Management Co., Ltd.	-	-	125	875
Premium Residence Co., Ltd.	-	-	-	5
Total interest receivable - related parties	-	-	530,037	416,648
Trade accounts payable - related parties (Note 18)				
<u>Subsidiaries</u>				
Signature Advisory Partners Ltd.	-	-	54,563	50,797
SQE Construction Co., Ltd.	-	-	14,678	71,633
<u>Related company</u>				
(related by common directors)				
PCM Construction Material Co., Ltd.	1,973	2,929	1,964	2,929
Total trade accounts payable - related parties	1,973	2,929	71,205	125,359
Interest payable - related parties				
<u>Subsidiaries</u>				
Asian Property (Krungthep) Co., Ltd.	-	-	40,929	23,741
Asian Property Co., Ltd.	-	-	-	31,647
AP (Sathorn) Co., Ltd.	-	-	-	76
Total interest payable - related parties	-	-	40,929	55,464
Retention payable - related party				
<u>Subsidiary</u>				
SQE Construction Co., Ltd.	-	-	84	-
Total retention payable - related party	-	-	84	-

The balances of loans between the Company and those related parties as at 31 December 2014 and 2013, and the movements of are as follows:

Short-term loans to related parties

(Unit: Thousand Baht)

Company name	Balance as at	During the year		Balance as at
	31 December 2013	Additional granting	Receiving	31 December 2014
The Value Property Development Co., Ltd.	1,863,000	948,000	(752,000)	2,059,000
Asian Property (2012) Co., Ltd.	704,000	187,000	-	891,000
Asian Property (2013) Co., Ltd.	706,000	126,000	(54,000)	778,000
AP (Phetchaburi) Co., Ltd.	-	567,000	-	567,000
Asian Property (2011) Co., Ltd.	51,000	503,000	(51,000)	503,000
Thonglor Residence Co., Ltd.	31,000	31,000	(3,000)	59,000
Thai Big Belly Co., Ltd. (formerly known as "AP (Asoke) Co., Ltd.")	32,000	58,000	(41,000)	49,000
Asian Property Co., Ltd.	-	580,000	(535,400)	44,600
AP (Ekkamai) Co., Ltd.	-	415,000	(399,000)	16,000
Smart Service & Management Co., Ltd.	32,100	4,200	(21,300)	15,000
Premium Residence Co., Ltd.	6,000	661,000	(667,000)	-
Total short-term loans to related parties	3,425,100	4,080,200	(2,523,700)	4,981,600

Short-term loans from related parties

(Unit: Thousand Baht)

Company name	Balance as at	During the year		Balance as at
	31 December 2013	Additional borrowing	Repayment	31 December 2014
Asian Property (Krungthep) Co., Ltd.	386,500	1,000	(31,000)	356,500
Asian Property Co., Ltd.	288,990	246,990	(535,980)	-
AP (Sathorn) Co., Ltd.	127,000	232,000	(359,000)	-
Total short-term loans from related parties	802,490	479,990	(925,980)	356,500

The above loans to and loans from related parties are in the form of promissory notes, which are uncollateralised and due at call.

Directors' and management's remuneration

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

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2014	2013
Short-term employee benefits	148,086	120,620
Post-employment benefits	9,708	8,030
Total	157,794	128,650

Guarantee obligations with related parties

The Company had outstanding guarantee obligations with its related parties, as described in Note 31.4 a) to the financial statements.

10. Investments in subsidiaries

(Unit: Thousand Baht)

Company name	Nature of business	Separate financial statements											
		Paid-up share capital		Percentage of shareholding		Investment value under cost method		Allowance for impairment of investments		Investment in subsidiaries - net		Dividend received for the years	
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
				Percent	Percent								
AP (Sathom) Co., Ltd.	Real Estate Development	-	162,500	-	100	-	496,245	-	(156,900)	-	339,345	176,475	591,500
The Value Property Development Co., Ltd.	Real Estate Development	500,000	500,000	100	100	500,000	500,000	-	-	500,000	500,000	-	-
Asian Property Co., Ltd.	Real Estate Development	895,834	895,834	100	100	407,103	407,103	-	-	407,103	407,103	-	-
Asian Property (Krungthep) Co., Ltd.	Real Estate Development	300,000	300,000	100	100	294,016	294,016	-	-	294,016	294,016	5,100	79,800
Thonglor Residence Co., Ltd.	Real Estate Development	10,000	10,000	100	100	10,000	10,000	-	-	10,000	10,000	-	-
Asian Property (2011) Co., Ltd.	Real Estate Development	300,000	300,000	100	100	300,000	300,000	-	-	300,000	300,000	-	-
Asian Property (2012) Co., Ltd.	Real Estate Development	300,000	300,000	100	100	300,000	300,000	-	-	300,000	300,000	-	-
Bangkok CitiSmart Co., Ltd.	Service	4,000	4,000	100	100	4,142	4,142	-	-	4,142	4,142	-	20,000
Smart Service & Management Co., Ltd.	Service	5,000	5,000	100	100	4,900	4,900	(4,900)	(4,900)	-	-	-	-
Asian Property (2013) Co., Ltd.	Real Estate Development	300,000	300,000	100	100	300,000	300,000	-	-	300,000	300,000	-	-
Thai Big Belly Co., Ltd. (formerly known as "AP (Asoke) Co., Ltd.")	Service	50,000	10,000	100	100	50,000	10,000	-	-	50,000	10,000	-	-
AP (Ekkamai) Co., Ltd.	Real Estate Development	400,000	-	100	-	400,000	-	-	-	400,000	-	-	-
AP (Phetchaburi) Co., Ltd.	Real Estate Development	10,000	-	100	-	10,000	-	-	-	10,000	-	-	-
Asian Property (2014) Co., Ltd.	Real Estate Development	10,000	-	100	-	10,000	-	-	-	10,000	-	-	-
AP (Ratchayothin) Co., Ltd.	Real Estate Development	10,000	-	100	-	10,000	-	-	-	10,000	-	-	-
Premium Residence Co., Ltd.	Real Estate Development	-	1,000	-	100	-	1,000	-	-	-	1,000	-	-
AP ME (Sukhumvit) Co., Ltd. (formerly known as "Asian Property (Sukhumvit) Co., Ltd.")	Real Estate Development	-	-	-	-	-	-	-	-	-	-	-	24,999
Total investments in subsidiaries		2,600,161	2,627,406	(4,900)	(161,800)	2,595,261	2,465,606	181,575	716,299				

10.1 Investments in ordinary shares of subsidiaries

(Unit: Thousand Baht)

Company name	Nature	Paid-up	Percentage			Investment value	
	of	share	of	Cost of investment		under equity method	
	business	capital	shareholding	2014	2013	2014	2013
Percent							
Investment of The Value							
Property Development							
Co., Ltd.							
SQE Construction Co., Ltd.	Construction	50,000	100	50,000	50,000	89,285	49,986
Investment of Thonglor							
Residence Co., Ltd.							
Signature Advisory	Real Estate						
Partners Ltd.	Development	1,000	100	1,100	1,100	-	1,043

10.2 Changes in investments in subsidiaries

Thai Big Belly Co., Ltd.

On 27 December 2013, the Extraordinary General Meeting of shareholders of AP (Asoke) Co., Ltd. passed a resolution to change its the name from "AP (Asoke) Co., Ltd." to "Thai Big Belly Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 3 January 2014.

And on 28 February 2014, the Extraordinary General Meeting of shareholders of this subsidiary passed a resolution to increase its registered share capital by Baht 40 million (4 million ordinary shares of Baht 10 each) from Baht 10 million (1 million ordinary shares of Baht 10 each) to Baht 50 million (5 million ordinary shares of Baht 10 each). This company registered with the Ministry of Commerce for increase its share capital on 3 March 2014.

AP (Ekkamai) Co., Ltd.

On 13 March 2014, the meeting of the Company's Board of Directors passed a resolution to establish AP (Ekkamai) Co., Ltd. It has registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 7 May 2014.

And on 10 June 2014, the Extraordinary General Meeting of shareholders of this subsidiary passed a resolution to increase its registered share capital by Baht 399 million (39.9 million ordinary shares of Baht 10 each) from Baht 1 million (0.1 million ordinary shares of Baht 10 each) to Baht 400 million (40 million ordinary shares of Baht 10 each). This company registered with the Ministry of Commerce for increase its share capital on 10 June 2014.

AP (Phetchaburi) Co., Ltd.

On 10 July 2014, the meeting of the Company's Board of Directors passed a resolution to establish AP (Phetchaburi) Co., Ltd. It has registered capital of Baht 10 million, comprising 1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 30 July 2014.

Asian Property (2014) Co., Ltd.

On 12 November 2014, the meeting of the Company's Board of Directors passed a resolution to establish Asian Property (2014) Co., Ltd. It has registered capital of Baht 10 million, comprising 1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 27 November 2014.

AP (Ratchayothin) Co., Ltd.

On 12 November 2014, the meeting of the Company's Board of Directors passed a resolution to establish AP (Ratchayothin) Co., Ltd. It has registered capital of Baht 10 million, comprising 1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 15 December 2014.

Premium Residence Co., Ltd.

On 4 August 2014, the Extraordinary General Meeting of shareholders of Premium Residence Co., Ltd. passed a resolution to increase its registered share capital by Baht 1,000 million (100 million ordinary shares of Baht 10 each), from Baht 1 million (0.1 million ordinary shares of Baht 10 each) to Baht 1,001 million (100.1 million ordinary shares of Baht 10 each). The shares were partly called up at 32.1 percent of additional registered share capital or equivalent to Baht 321 million. This company registered the share capital increase with the Ministry of Commerce on 8 August 2014.

On 13 August 2014, the meeting of the Board of Directors of the Company passed a resolution to approve the entering into an agreement with MJR Investment Pte. Ltd., a company existing under the laws of Singapore to jointly operate Premium Residence Co., Ltd., of which the Company holds 99.99% of shares, for a real estate development project. The Company holds 51% ownership interest in this joint venture whereby the Company sells an investment in Premium Residence Co., Ltd. to MJR Investment Pte. Ltd. of 49,049,000 ordinary shares which comprised 49,000 ordinary shares of Baht 10 each and 49,000,000 ordinary shares of Baht 3.21 each or equivalent to Baht 157.78 million. The Company recognised gain from sales of investment of approximately Baht 2.1 million in the consolidated financial statements.

Consequently, the status of this subsidiary was changed to joint venture as described in Note 11.

AP (Sathorn) Co., Ltd.

On 30 September 2014, the Extraordinary General Meeting of shareholders of AP (Sathorn) Co., Ltd. (the subsidiary) passed a resolution to dissolve the subsidiary, with an effect from 30 September 2014. The subsidiary registered the dissolution with the Ministry of Commerce on 30 September 2014.

Subsequently, on 1 October 2014, AP (Sathorn) Co., Ltd. entered into an agreement to transfer its entire business to Asian Property Company Limited. The subsidiary sold all of its assets and liabilities to Asian Property Company Limited at their net book values or a total of Baht 172 million which was calculated based on its financial statements as at 30 September 2014.

During the fourth quarter of 2014, the Company received the return on its investment as a result of the dissolution of AP (Sathorn) Co., Ltd., at the rate of Baht 10.58 per share, or a total of Baht 171.9 million. The subsidiary is now currently on the process of registers its liquidation.

11. Investments in joint ventures

11.1 Details of investments in joint ventures:

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

(Unit: Thousand Baht)

Jointly controlled entities	Nature of business	Shareholding		Separate financial statements		Consolidated financial statements	
		percentage		Cost		Carrying amounts	
		2014	2013	2014	2013	2014	2013
				(%)	(%)		
AP ME (Sukhumvit) Co., Ltd. (formerly known as "Asian Property (Sukhumvit) Co., Ltd.")	Real Estate Development	51	51	199,414	183,600	175,526	178,897
AP ME (Krungthep) Co., Ltd. (formerly known as "AP (Nonthaburi) Co., Ltd.")	Real Estate Development	51	51	187,598	127,500	166,773	126,216
AP ME (Asoke) Co., Ltd. (formerly known as "AP (Praram 9) Co., Ltd.")	Real Estate Development	51	51	101,478	510	89,286	474
Premium Residence Co., Ltd.	Real Estate Development	51	-	205,020	-	188,083	-
Total				693,510	311,610	619,668	305,587

During the current year, Premium Residence Co., Ltd. has changed the status from the subsidiary to joint venture as described in Note 10.

11.2 Share of loss from investments in joint ventures

During the years, the Company recognised its share of loss from investments in the joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Jointly controlled entities	Consolidated financial statements	
	For the years ended 31 December	
	2014	2013
AP ME (Sukhumvit) Co., Ltd.	(19,185)	-
AP ME (Krungthep) Co., Ltd.	(19,541)	(1,284)
AP ME (Asoke) Co., Ltd.	(12,156)	(36)
Premium Residence Co., Ltd.	(14,751)	-
Total	(65,633)	(1,320)

11.3 Summarised financial information of jointly controlled entities

The Company's proportionate shares of the assets and liabilities of joint ventures, according to proportion under joint venture agreement, is as follows:

(Unit: Thousand Baht)

	As at 31 December 2014			
	AP ME (Sukhumvit) Co., Ltd.	AP ME (Krungthep) Co., Ltd.	AP ME (Asoke) Co., Ltd.	Premium Residence Co., Ltd.
Current assets	474,086	366,749	223,486	433,427
Non-current assets	6,461	5,140	3,055	3,088
	480,547	371,889	226,541	436,515
Current liabilities	(64,869)	(32,528)	(24,351)	(28,822)
Non-current liabilities	(240,152)	(172,588)	(112,904)	(219,610)
	(305,021)	(205,116)	(137,255)	(248,432)
Net assets	175,526	166,773	89,286	188,083

(Unit: Thousand Baht)

	As at 31 December 2013			
	AP ME (Sukhumvit) Co., Ltd.	AP ME (Krungthep) Co., Ltd.	AP ME (Asoke) Co., Ltd.	Premium Residence Co., Ltd.
Current assets	397,706	278,970	487	-
Non-current assets	1,644	318	7	-
	399,350	279,288	494	-
Current liabilities	(1,234)	(582)	(20)	-
Non-current liabilities	(219,219)	(152,490)	-	-
	(220,453)	(153,072)	(20)	-
Net assets	178,897	126,216	474	-

These joint ventures have mortgaged their land, with a total net book value as at 31 December 2014 of approximately Baht 2,505 million (the Company's proportion: Baht 1,277 million), as collateral for credit facilities granted by the commercial banks.

The Company's proportionate shares of revenue and expenses of joint ventures, according to proportion under joint venture agreement, is as follows:

(Unit: Thousand Baht)

	For the year ended 31 December 2014			
	AP ME (Sukhumvit) Co., Ltd.	AP ME (Krungthep) Co., Ltd.	AP ME (Asoke) Co., Ltd.	Premium Residence Co., Ltd.
Revenue	291	128	141	28
Selling expenses	(15,353)	(15,153)	(10,298)	(6,564)
Administrative expenses	(8,320)	(8,667)	(4,691)	(9,125)
Loss before finance cost and income tax	(23,382)	(23,692)	(14,848)	(15,661)
Finance cost	(560)	(414)	(249)	(1,454)
Loss before tax	(23,942)	(24,106)	(15,097)	(17,115)
Income tax revenue	4,757	4,565	2,941	2,364
Loss for the year	(19,185)	(19,541)	(12,156)	(14,751)

(Unit: Thousand Baht)

	For the year ended 31 December 2013			
	AP ME (Sukhumvit) Co., Ltd.	AP ME (Krungthep) Co., Ltd.	AP ME (Asoke) Co., Ltd.	Premium Residence Co., Ltd.
Revenue	-	5	-	-
Administrative expenses	-	(1,607)	(43)	-
Loss before tax	-	(1,602)	(43)	-
Income tax revenue	-	318	7	-
Loss for the year	-	(1,284)	(36)	-

11.4 Changes in investments in joint ventures

AP ME (Krungthep) Co., Ltd.

On 8 January 2014, the Extraordinary General Meeting of shareholders of AP (Nonthaburi) Co., Ltd. passed a resolution to change the name from "AP (Nonthaburi) Co., Ltd." to "AP ME (Krungthep) Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 9 January 2014.

On 23 April 2014, the Annual General Meeting of shareholders of this company passed a resolution to increase its registered share capital by Baht 525 million (52.5 million ordinary shares of Baht 10 each), from Baht 250 million (25 million ordinary shares of Baht 10 each) to Baht 775 million (77.5 million ordinary shares of Baht 10 each), whereby the capital will be called up and paid up from time to time. Initially, the share capital was increased by Baht 120 million (12 million ordinary shares of Baht 10 each), from Baht 250 million (25 million ordinary shares of Baht 10 each) to Baht 370 million (37 million ordinary shares of Baht 10 each). This company registered the share capital increase with the Ministry of Commerce on 28 April 2014.

The additional call up of registered share capital was made as follows;

- On 25 April 2014, the first call up of additional registered share capital was made at 25 percent of the first additional registered share capital or equivalent to Baht 30 million.
- On 10 July 2014, the second call up of additional registered share capital was made at 36.6 percent of the first additional registered share capital or equivalent to Baht 43.9 million.

- On 4 September 2014, the third call up of additional registered share capital was made at 10.8 percent of the first additional registered share capital or equivalent to Baht 13 million.
- On 5 November 2014, the fourth call up of additional registered share capital was made at 25.8 percent of the first additional registered share capital or equivalent to Baht 30.9 million.

As a result, paid-up share capital increased to Baht 367.8 million. The Company invested in the same proportion totaling of Baht 60.1 million.

AP ME (Sukhumvit) Co., Ltd.

On 8 January 2014, the Extraordinary General Meeting of shareholders of Asian Property (Sukhumvit) Co., Ltd. passed a resolution to change the name from "Asian Property (Sukhumvit) Co., Ltd." to "AP ME (Sukhumvit) Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 9 January 2014.

On 23 April 2014, the Annual General Meeting of shareholders of this company passed a resolution to increase its registered share capital by Baht 354 million (35.4 million ordinary shares of Baht 10 each) from Baht 360 million (36 million ordinary shares of Baht 10 each) to Baht 714 million (71.4 million ordinary shares of Baht 10 each), whereby the capital will be called up and paid up from time to time. Initially, the share capital was increased by Baht 68 million (6.8 million ordinary shares of Baht 10 each), from Baht 360 million (36 million ordinary shares of Baht 10 each) to Baht 428 million (42.8 million ordinary shares of Baht 10 each). This company registered the share capital increase with the Ministry of Commerce on 15 July 2014.

The additional call up of registered share capital was made as follows;

- On 10 July 2014, the first call up of additional registered share capital was made at 25 percent of the first additional registered share capital or equivalent to Baht 17 million.
- On 5 November 2014, the second call up of additional registered share capital was made at 20.6 percent of the first additional registered share capital or equivalent to Baht 14 million.

As a result, paid-up share capital increased to Baht 391 million. The Company invested in the same proportion totaling of Baht 15.8 million.

AP ME (Asoke) Co., Ltd.

On 8 January 2014, the Extraordinary General Meeting of shareholders of AP (Praram 9) Co., Ltd. passed the resolution as follows:

- To change the name from "AP (Praram 9) Co., Ltd." to "AP ME (Asoke) Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 9 January 2014.
- To increase its registered share capital by Baht 159 million (15.9 million ordinary shares of Baht 10 each) from Baht 1 million (0.1 million ordinary shares of Baht 10 each) to Baht 160 million (16 million ordinary shares of Baht 10 each). This company registered the share capital increase with the Ministry of Commerce on 13 January 2014. The Company invested in additional shares capital at 51 percent, equivalent to Baht 81.1 million.

And on 23 April 2014, the Annual General Meeting of shareholders of this company passed a resolution to increase its registered share capital by Baht 214 million (21.4 million ordinary shares of Baht 10 each) from Baht 160 million (16 million ordinary shares of Baht 10 each) to Baht 374 million (37.4 million ordinary shares of Baht 10 each), whereby the capital will be called up and paid up from time to time. Initially, the share capital was increased by Baht 84 million (8.4 million ordinary shares of Baht 10 each), from Baht 160 million (16 million ordinary shares of Baht 10 each) to Baht 244 million (24.4 million ordinary shares of Baht 10 each). This company registered the share capital increase with the Ministry of Commerce on 5 September 2014.

The additional call up of registered share capital was made as follows;

- On 4 September 2014, the first call up of additional registered share capital was made at 25 percent of the first additional registered share capital or equivalent to Baht 21 million.
- On 5 November 2014, the second call up of additional registered share capital was made at 21.4 percent of the first additional registered share capital or equivalent to Baht 18 million.

As a result, paid-up share capital increased to Baht 199 million. The Company invested in the same proportion totaling of Baht 19.9 million.

Premium Residence Co., Ltd.

Regarding to on 4 August 2014, the Extraordinary General Meeting of shareholders of Premium Residence Co., Ltd. passed a resolution to increase its registered share capital by Baht 1,000 million, as described in Note 10.2 Subsequently, on 12 December 2014, the second call up of additional registered share capital was made at 8 percent of additional registered share capital or equivalent to Baht 80 million. As a result, paid-up share capital increased to Baht 402 million. The Company invested in the same proportion amounting to Baht 40.8 million.

12. Other long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	Percent	Percent		
<u>Investment in other company</u>				
Asia Recovery Property Fund 1	0.04	0.04	25	25
Total			25	25

13. Land and cost of project held for development

Land and cost of project held for development as at 31 December 2014 and 2013 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Land	672,277	410,251	115,840	18,827
Land improvement	15,923	15,375	-	-
Infrastructure	8,637	3,921	-	-
Deferred interest expenses	233,781	228,222	-	-
Deferred expenses	18,238	2,964	-	-
Total	948,856	660,733	115,840	18,827
Less: Allowance for impairment loss	(352,023)	(275,674)	(18,963)	(10,259)
Land and cost of project held for development - net	596,833	385,059	96,877	8,568

14. Investment properties

The net book value of investment properties, representing condominium units for rent, as at 31 December 2014 and 2013 is presented below.

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cost	48,169	40,723	39,731	32,285
Less: Accumulated depreciation	(7,249)	(5,122)	(6,354)	(4,649)
Net book value	40,920	35,601	33,377	27,636

A reconciliation of the net book value of investment properties for the years 2014 and 2013 is presented below.

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Net book value at beginning of year	35,601	33,229	27,636	28,495
Transfer from inventories	7,446	4,276	7,446	756
Depreciation charged during the year	(2,127)	(1,904)	(1,705)	(1,615)
Net book value at end of year	40,920	35,601	33,377	27,636

The fair value of the investment properties as at 31 December 2014 is approximately Baht 182 million (the Company only: Baht 151 million) (2013: Baht 155 million (the Company only: Baht 125 million)). The fair value has been determined based on comparable market price by referring to the purchase-sale information and the comparable transactions of the assets bought-sold during the same period, taking into account the location, size and shape of land, type and condition of the assets.

The Company has pledged its investment properties amounting to approximately Baht 1 million (2013: Baht 1 million) as guarantee at the Civil Court.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements									
	Land and land improvement	Buildings and constructions	Club houses, swimming pool and play ground	Sample houses and sales office	Furniture, fixtures and equipment	Motor vehicles	Mold	Other fixed assets	Assets under installation	Total
Cost										
1 January 2013	22,907	4,085	42,473	588	154,151	1,713	28,318	48,956	21,647	324,838
Additions	-	-	-	-	18,085	971	6,676	17,200	26,260	69,192
Disposals/write-off	-	-	-	-	(1,457)	(978)	-	(1,022)	-	(3,457)
Transfer to intangible assets	-	-	-	-	-	-	-	-	(14,842)	(14,842)
Transfer out due to changing the subsidiary's status to joint venture	-	-	-	-	(128)	-	-	(53)	-	(181)
Transfer in (out)	3,309	5,700	-	-	13,432	-	3,570	(3,273)	(22,738)	-
31 December 2013	26,216	9,785	42,473	588	184,083	1,706	38,564	61,808	10,327	375,550
Additions	-	1,275	-	-	17,251	479	6,355	6,919	19,656	51,935
Disposals/write-off	-	-	-	-	(5,872)	-	(2,829)	(3,752)	-	(12,453)
Transfer to intangible assets	-	-	-	-	-	-	-	-	(600)	(600)
Transfer in (out)	-	9,682	-	-	17,367	-	-	-	(27,049)	-
31 December 2014	26,216	20,742	42,473	588	212,829	2,185	42,090	64,975	2,334	414,432
Accumulated depreciation										
1 January 2013	5,511	3,276	34,569	588	101,236	468	13,798	27,976	-	187,422
Depreciation for the year	158	330	501	-	29,804	360	10,874	8,950	-	50,977
Depreciation on disposals/write-off	-	-	-	-	(1,353)	(510)	-	(984)	-	(2,847)
Depreciation transfer out due to changing the subsidiary's status to joint venture	-	-	-	-	(7)	-	-	(2)	-	(9)
31 December 2013	5,669	3,606	35,070	588	129,680	318	24,672	35,940	-	235,543
Depreciation for the year	331	1,247	501	-	25,606	408	9,545	10,337	-	47,975
Depreciation on disposals/write-off	-	-	-	-	(5,852)	-	(2,777)	(3,724)	-	(12,353)
31 December 2014	6,000	4,853	35,571	588	149,434	726	31,440	42,553	-	271,165

Consolidated financial statements (continued)

	Land and land improvement	Buildings and constructions	Club houses, swimming pool and play ground	Sample houses and sales office	Furniture, fixtures and equipment	Motor vehicles	Mold	Other fixed assets	Assets under installation	Total
Allowance for impairment loss										
31 December 2013	4,802	353	5,693	-	-	-	-	-	-	10,848
31 December 2014	4,802	353	5,693	-	-	-	-	-	-	10,848
Net book value										
31 December 2013	15,745	5,826	1,710	-	54,403	1,388	13,892	25,868	10,327	129,159
31 December 2014	15,414	15,536	1,209	-	63,395	1,459	10,650	22,422	2,334	132,419
Depreciation for the year										
2013 (included in the administrative expenses)										50,977
2014 (included in the administrative expenses)										47,975

	Separate financial statements					
	Land and land improvement	Buildings and constructions	Furniture, fixtures and equipment	Motor vehicles	Other fixed assets	Assets under installation Total
Cost						
1 January 2013	22,907	4,085	128,658	978	33,391	21,647
Additions	-	-	15,479	-	5,339	15,118
Disposals/write-off	-	-	(1,408)	(978)	(999)	-
Transfer to intangible assets	-	-	-	-	-	(14,842)
Transfer in (out)	-	-	13,422	-	297	(13,719)
31 December 2013	22,907	4,085	156,151	-	38,028	8,204
Additions	-	-	12,477	-	4,820	10,835
Disposals/write-off	-	-	(2,671)	-	(2,043)	-
Transfer in (out)	-	-	16,705	-	-	(16,705)
31 December 2014	22,907	4,085	182,662	-	40,805	2,334
Accumulated depreciation						
1 January 2013	5,511	3,276	85,028	366	20,390	-
Depreciation for the year	-	204	25,549	144	5,589	-
Depreciation on disposals/write-off	-	-	(1,314)	(510)	(973)	-
31 December 2013	5,511	3,480	109,263	-	25,006	-
Depreciation for the year	-	205	21,371	-	5,951	-
Depreciation on disposals/write-off	-	-	(2,669)	-	(2,022)	-
31 December 2014	5,511	3,685	127,965	-	28,935	-
						166,096

Separate financial statements (continued)

	Land and land improvement	Buildings and constructions	Furniture, fixtures and equipment	Motor vehicles	Other fixed assets	Assets under installation	Total
Allowance for impairment loss							
31 December 2013	4,802	353	-	-	-	-	5,155
31 December 2014	4,802	353	-	-	-	-	5,155
Net book value							
31 December 2013	12,594	252	46,888	-	13,022	8,204	80,960
31 December 2014	12,594	47	54,697	-	11,870	2,334	81,542
Depreciation for the year							
2013 (included in the administrative expenses)							31,486
2014 (included in the administrative expenses)							27,527

As at 31 December 2014 and 2013, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 225 million and Baht 115 million, respectively (the Company only: Baht 152 million and Baht 76 million, respectively).

16. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	Computer software	Premium on project value	Total	Computer software	Total
Cost					
1 January 2013	80,768	169,552	250,320	72,102	72,102
Additions	21,425	-	21,425	20,799	20,799
Transfer from equipment	14,842	-	14,842	14,842	14,842
31 December 2013	117,035	169,552	286,587	107,743	107,743
Additions	3,909	-	3,909	3,149	3,149
Transfer from equipment	600	-	600	-	-
Transfer out	-	(169,552)	(169,552)	-	-
31 December 2014	121,544	-	121,544	110,892	110,892
Accumulated amortisation					
1 January 2013	46,402	79,300	125,702	40,873	40,873
Amortisation for the year	28,410	77,600	106,010	25,585	25,585
31 December 2013	74,812	156,900	231,712	66,458	66,458
Amortisation for the year	21,566	12,652	34,218	20,697	20,697
Transfer out	-	(169,552)	(169,552)	-	-
31 December 2014	96,378	-	96,378	87,155	87,155
Net book value					
31 December 2013	42,223	12,652	54,875	41,285	41,285
31 December 2014	25,166	-	25,166	23,737	23,737
Amortisation for the year					
2013 (included in the administrative expenses)			106,010		25,585
2014 (included in the administrative expenses)			34,218		20,697

Premium on project value was incurred from the acquisition of a subsidiary in 2010. The amount represented the excess of cost of investments over the net assets of the subsidiaries at the acquisition date. The Company expects to gain benefit from projects of this subsidiary in the future and has identified such excess as premium on project value which is amortised in accordance with the transferred value of the condominium units of the subsidiaries' projects.

17. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2014 and 2013 comprised the following:

(Unit: Thousand Baht)						
	Interest rate		Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013	2014	2013
	(percent per annum)	(percent per annum)				
Bill of exchanges	2.46 - 2.56	2.96 - 3.07	1,700,000	2,722,000	1,700,000	2,722,000
Less: Prepaid interest expenses			(18,665)	(23,026)	(18,665)	(23,026)
Short-term loans from financial institutions			<u>1,681,335</u>	<u>2,698,974</u>	<u>1,681,335</u>	<u>2,698,974</u>

Certain in bank overdrafts and short-term loans from financial institutions of the Company and its subsidiaries are secured by the mortgage of land of certain projects of the Company and its subsidiaries and are guaranteed by the Company.

18. Trade accounts payable

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts payable - related parties	1,973	2,929	71,205	125,359
Trade accounts payable - unrelated parties	1,616,820	1,287,399	770,325	959,215
Total trade accounts payable	<u>1,618,793</u>	<u>1,290,328</u>	<u>841,530</u>	<u>1,084,574</u>

19. Long-term loans

Long-term loans from bank as at 31 December 2014 and 2013 can be summarised as follows:

Significant terms and conditions of loan agreement							Outstanding long-term loan amount	
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate (Percent per annum)		Current portion	Non-current portion
(Unit: Thousand Baht)								
Total								
2014								
<u>The Company</u>								
1.	Bank	3,848,700	At 70 percent of selling price release of the mortgage and due within 2016 - 2017	The mortgage of land and construction thereon	MLR-1.75		-	224,000
Total loans of the Company							-	224,000
<u>Subsidiaries</u>								
<u>The Value Property Development Co., Ltd.</u>								
1.	Bank	2,533,000	At 70 percent of selling price release of the mortgage and due within 2016 - 2017	The mortgage of land and construction thereon	MLR-1.75		-	150,000
<u>Asian Property (2012) Co., Ltd.</u>								
1.	Bank	1,533,000	At 70 percent of selling price release of the mortgage and due within 2016 - 2017	The mortgage of land and construction thereon	MLR-1.75		-	50,000
<u>Asian Property (2013) Co., Ltd.</u>								
1.	Bank	1,525,000	At 70 percent of selling price release of the mortgage and due within 2017	The mortgage of land and construction thereon	MLR-1.75		-	50,000
Total loans of the subsidiaries							-	250,000
Total loans of the Company and its subsidiaries							-	474,000

(Unit: Thousand Baht)

Significant terms and conditions of loan agreement					Outstanding long-term loan amount		
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate (Percent per annum)	Current portion	Non-current portion Total
2013							
<u>The Company</u>							
1.	Bank	7,802,700	At 70 percent of selling price upon release of the mortgage and due within 2014 - 2016	The mortgage of land and construction thereon	MLR-1.75	60,000	471,000 531,000
Total loans of the Company							
<u>Subsidiaries</u>							
<u>The Value Property Development Co., Ltd.</u>							
1.	Bank	2,976,000	At 70 percent of selling price upon release of the mortgage and due within 2014 - 2017	The mortgage of land and construction thereon	MLR-1.75	50,000	100,000 150,000
<u>Asian Property (2011) Co., Ltd.</u>							
1.	Bank	587,000	At 70 percent of selling price upon release of the mortgage and due within 2015	The mortgage of land and construction thereon	MLR-1.75	-	150,000
<u>Asian Property (2012) Co., Ltd.</u>							
1.	Bank	1,533,000	At 70 percent of selling price upon release of the mortgage and due within 2016	The mortgage of land and construction thereon	MLR-1.75	-	50,000
<u>Asian Property (2013) Co., Ltd.</u>							
1.	Bank	1,525,000	At 70 percent of selling price upon release of the mortgage and due within 2017	The mortgage of land and construction thereon	MLR-1.75	-	50,000
Total loans of the subsidiaries							
Total loans of the Company and its subsidiaries							
						50,000	400,000
						110,000	931,000

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

As at 31 December 2014, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 8,901 million (the Company only: Baht 3,625 million) (2013: Baht 13,103 million (the Company only: Baht 6,912 million)).

20. Debentures

Debentures as at 31 December 2014 and 2013, which are unsubordinated, unsecured debentures with registered name, were summarised below.

Name of debenture	Fixed interest rate	Period	Maturity date	Consolidated and separate financial statements			
				Unit		Amount	
				2014	2013	2014	2013
				(Thousand units)	(Thousand units)	(Thousand units)	(Thousand units)
AP141A	3.50% p.a.	3 years and 6 months	19 January 2014	-	1,000	-	1,000,000
AP157A	4.00% p.a.	4 years, 11 months and 4 days	9 July 2015	500	500	500,000	500,000
AP147A	4.25% p.a.	3 years and 6 months	27 July 2014	-	850	-	850,000
AP147B	4.25% p.a.	3 years, 5 months and 24 days	27 July 2014	-	400	-	400,000
AP157B	4.50% p.a.	4 years, 5 months and 2 days	9 July 2015	250	250	250,000	250,000
AP159A	4.65% p.a.	4 years and 3 months	7 September 2015	500	500	500,000	500,000
AP151A	4.50% p.a. for year 1 - 3						
	5.80% p.a. for year 3 - 3.5	3 years and 6 months	8 January 2015	1,500	1,500	1,500,000	1,500,000
AP162A	4.75% p.a.	4 years and 6 months	28 February 2016	300	300	300,000	300,000
AP161A	4.00% p.a.	4 years	27 January 2016	1,000	1,000	1,000,000	1,000,000
AP169A	4.49% p.a.	4 years and 3 months	8 September 2016	1,200	1,200	1,200,000	1,200,000
AP181A	4.24% p.a.	5 years	24 January 2018	1,250	1,250	1,250,000	1,250,000
AP188A	4.13% p.a.	5 years and 3 months	9 August 2018	1,250	1,250	1,250,000	1,250,000
AP179A	4.52% p.a.	4 years	5 September 2017	1,000	1,000	1,000,000	1,000,000
AP174A	4.10% p.a.	3 years, 6 months and 30 days	5 April 2017	500	500	500,000	500,000
AP179B	4.52% p.a.	4 years, 0 month and 8 days	20 September 2017	300	300	300,000	300,000
AP171A	4.00% p.a.	3 years	24 January 2017	1,150	-	1,150,000	-
AP191A	4.50% p.a.	5 years	24 January 2019	350	-	350,000	-
AP167A	3.40% p.a.	2 years, 1 month and 24 days	28 July 2016	500	-	500,000	-
AP197A	4.36% p.a.	5 years and 1 month	27 July 2019	1,000	-	1,000,000	-
Total						12,550,000	11,800,000
Less: Current portion						(2,750,000)	(2,250,000)
Debentures - net of current portion						9,800,000	9,550,000

20.1 On 24 January 2013, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 27 April 2011 by issuing and offering 1.25 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,250 million, to private placement which is institutional and/or major investors. The debentures have 5-year term from the date of issuance and bear the fixed interest rate of 4.24% per annum. The interest payment is made every six months and the debentures are due for redemption on 24 January 2018.

20.2 On 30 April 2013, the Annual General Meeting of the Company's shareholders approved the issue and offering additional subordinated and/or unsubordinated, with and/or without debentureholder's representative, secured and/or unsecured debentures, amounting to Baht 3,000 million with the original revolving amount of Baht 12,000 million which approved in the Annual General Meeting of the Company's shareholders held on 27 April 2011, totaling revolving debentures of not greater than Baht 15,000 million, with the withdrawal term of not more than 10 years from the issuance date. Such debentures will be offered one time or many times and/or in revolving nature, as considered appropriate, to the public and/or private placement and/or institutional investors or specific investors following the Securities and Exchange Commission's announcement or other applicable laws.

- 20.3 On 9 May 2013, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 27 April 2011 by issuing and offering 1.25 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,250 million, to private placement which is institutional and/or major investors. The debentures have 5-year and 3-month term from the date of issuance and bear the fixed interest rate of 4.13% per annum. The interest payment is made every six months and the debentures are due for redemption on 9 August 2018.
- 20.4 On 5 September 2013, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 1 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,000 million, to private placement which is institutional and/or major investors. The debentures have 4-year term from the date of issuance and bear the fixed interest rate of 4.52% per annum. The interest payment is made every six months and the debentures are due for redemption on 5 September 2017.
- 20.5 On 6 September 2013, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to private placement which the number of investors of not over 10. The debentures have 3-year and 6-month and 30-day term from the date of issuance and bear the fixed interest rate of 4.10% per annum. The interest payment is made every six months and the debentures are due for redemption on 5 April 2017.
- 20.6 On 12 September 2013, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 0.3 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 300 million, to private placement which the number of investors of not over 10. The debentures have 4-year and 0-month and 8-day term from the date of issuance and bear the fixed interest rate of 4.52% per annum. The interest payment is made every six months and the debentures are due for redemption on 20 September 2017.
- 20.7 On 24 January 2014, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 1.15 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,150 million, to private placement which is institutional and/or major investors. The debentures have 3-year term from the date of issuance and bear the fixed interest rate of 4.00% per annum. The interest payment is made every six months and the debentures are due for redemption on 24 January 2017.
- 20.8 On 24 January 2014, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 0.35 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 350 million, to private placement which is institutional and/or major investors. The debentures have 5-year term from the date of issuance and bear the fixed interest rate of 4.50% per annum. The interest payment is made every six months and the debentures are due for redemption on 24 January 2019.
- 20.9 On 4 June 2014, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to private placement which is institutional and/or major investors. The debentures have 2-year, 1-month and 24-day term from the date of issuance and bear the fixed interest rate of 3.40% per annum. The interest payment is made every six months and the debentures are due for redemption on 28 July 2016.
- 20.10 On 27 June 2014, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 1.0 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,000 million, to private placement which is institutional and/or major investors. The debentures have 5-year and 1-month term from the date of issuance and bear the fixed interest rate of 4.36% per annum. The interest payment is made every six months and the debentures are due for redemption on 27 July 2019.

These issued debentures contain certain covenants and restrictions that the Company has to comply with, such as the maintenance of net financial debt to equity ratio not exceeding 2:1.

21. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employee after they retire from the Company, was as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Defined benefit obligation at beginning of year	48,945	39,679	45,272	37,243
Current service cost	16,375	8,153	13,612	6,917
Interest cost	3,073	1,234	2,744	1,112
Benefits paid during the year	(1,148)	-	(785)	-
Actuarial loss from post-employment benefits	2,663	-	1,829	-
Reversal	-	(121)	-	-
Defined benefit obligation at end of year	69,908	48,945	62,672	45,272

Long-term employee benefit expenses included under the selling and administrative expenses in the profit or loss consist of the following:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current service cost	16,375	8,153	13,612	6,917
Interest cost	3,073	1,234	2,744	1,112
Reversal	-	(121)	-	-
Total expense recognised in profit or loss	19,448	9,266	16,356	8,029

As at 31 December 2014, accumulative actuarial losses, which were recognised in other comprehensive income of the Company and its subsidiaries, amounted to Baht 2.7 million (the Company only: Baht 1.8 million).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.52 - 4.57	3.42	4.52	3.42
Future salary increase rate (depending on employee's age)	7 - 15	3 - 7	7 - 15	3 - 7
Staff turnover rate	10 - 30	5 - 25	10 - 27	5 - 25

The amounts of defined benefit obligations for the current year and the past four years are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
2014	69,908	62,672
2013	48,945	45,272
2012	39,679	37,243
2011	32,503	31,155
2010	23,972	23,421

22. Share capital

22.1 In 2013, due to the exercising of warrants as described in Note 23, the issued and paid up share capital of the Company increased by Baht 12 million, from Baht 2,848 million (2,848,272,038 ordinary shares of Baht 1 each) to the issued and paid up share capital of Baht 2,860 million (2,859,920,138 ordinary shares of Baht 1 each). This resulted in a share premium between the exercise price and the par value of ordinary share of approximately Baht 17 million, which was presented as "Share premium" in the shareholders' equity.

22.2 On 15 October 2014, the Extraordinary General Meeting of the Company's shareholders passed the following resolutions.

- a) Approved the decrease in the Company's registered share capital from Baht 2,859,949,729 (2,859,949,729 ordinary shares of Baht 1 each) to Baht 2,859,920,138 (2,859,920,138 ordinary shares of Baht 1 each) by canceling 29,591 shares which was reserved for the exercise of warrants to be issued to employees of the Company and its subsidiaries and expired of Baht 1 per share. The Company registered the decrease in share capital with Ministry of Commerce on 27 October 2014.
- b) Approved the increase the Company's registered share capital in order to support such dividend payment at Baht 285,992,013 (285,992,013 ordinary shares of Baht 1 each), causing the previous registered share capital of Baht 2,859,920,138 (2,859,920,138 ordinary shares of Baht 1 each) to increase as a new registered share capital of Baht 3,145,912,151 (3,145,912,151 ordinary shares of Baht 1 each). The Company registered the increase in share capital with Ministry of Commerce on 28 October 2014 and registered the changes in the Company's paid-up share capital with Ministry of Commerce on 7 November 2014.
- c) Approved the payment of interim dividend of earnings for the period as from 1 January 2014 to 30 June 2014 to the Company's shareholders at Baht 0.12 per share or a total of Baht 343.2 million which will be paid in two parts on 7 November 2014 as follows:
 1. Paid as ordinary shares of the Company totaling 285,992,013 shares at Baht 1 each, at the proportion of 10 original shares to 1 stock dividend, totaling Baht 285,992,013, or dividend payment at Baht 0.10 per share. In case of any fraction of shares from the allocation of newly issued shares, it shall be paid in cash instead of stock dividend at amount of Baht 0.10 per share.
 2. Paid as cash at Baht 0.02 per share, totaling Baht 57.2 million.

23. Warrants

On 8 March 2010, the Company offered 48,680,463 units of warrants to the employees of the Company and the subsidiaries, which the Company holds not less than 75% of equity interest, as detailed below.

Exercise right:	One warrant can be exercised to purchase one ordinary share at an exercise price of Baht 3 each
Term:	3 years from the issuance date
Exercise period:	Every 20 March, June, September and December of each year for exercise period, commencing from 20 June 2010 and maturing on 7 March 2013

The movement of warrants were as follows:

	Number of units (Thousand units)
	2013
Warrants issued as at 8 March 2010	48,680
Less: Cumulative number of exercised warrants – beginning of the year	(38,954)
Number of warrants exercised during the year	(9,707)
Cumulative number of exercised warrants – end of year	(48,661)
Balance of unexercised warrants	19
Less: Number of warrants expired during the year	(19)
Balance of warrants at the end of year	-

There was no outstanding warrants as at 31 December 2014.

In 2011, the Company had declared stock dividends according to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2011. This resulted in the change of the exercise price and ratio of warrants to the employees of the Company and the subsidiaries from the exercise ratio of 1 warrant per 1 ordinary share at an exercise price of Baht 3 each to be 1 warrant per 1.2 ordinary shares at an exercise price of Baht 2.50 each.

24. 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. During the year 2014, the Company set aside an additional statutory reserve of Baht 28.6 million. The statutory reserve has fully been set aside.

25. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Construction and infrastructure costs	9,471,981	7,998,316	8,257,166	5,504,743
Land cost	4,785,535	4,339,418	4,226,574	3,299,364
Salary and wages and other employee benefits	1,085,090	780,036	891,028	636,007
Advertising and promotion expenses	990,609	1,112,047	826,462	850,763
Loss on diminution in investment value	-	-	-	156,900
Rental expenses from operating lease agreements	86,020	68,764	67,814	58,211
Allowance for diminution in value of inventory	78,084	470	9,704	470
Depreciation	50,101	52,881	29,232	33,101
Amortisation	34,218	106,010	20,697	25,585
Doubtful debt (reversal)	33,171	(890)	17,000	-
Loss from sale of investment	-	-	167,482	-

26. Income tax

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Current income tax				
Current income tax charge	686,411	519,922	585,783	305,014
Adjustment in respect of current income tax of previous year	11,604	7,388	7,774	6,387
Deferred tax:				
Relating origination and reversal of temporary differences	(71,467)	11,489	(40,674)	(23,913)
Income tax expense reported in the statement of comprehensive income	<u>626,548</u>	<u>538,799</u>	<u>552,883</u>	<u>287,488</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Deferred tax relating to actuarial loss from post-employment benefits	<u>(457)</u>	<u>-</u>	<u>(366)</u>	<u>-</u>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Accounting profit before tax	3,242,014	2,552,111	3,070,833	1,973,759
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	648,403	510,422	614,167	394,752
Adjustment in respect of income tax of previous year	11,374	7,388	7,774	6,387
Effect of non-taxable expenses (revenues) for tax purpose	(5,051)	12,136	11,941	8,256
Tax effect on allowance for investments	-	-	(31,380)	31,380
Tax effect on tax-deductible more than 1 time	(5,817)	(5,965)	(5,775)	(5,958)
Tax effect of non-taxable dividend income	-	-	(36,315)	(143,260)
Others	(22,361)	14,818	(7,529)	(4,069)
Income tax expenses reported in the statement of comprehensive income	626,548	538,799	552,883	287,488

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

(Unit: Thousand Baht)

	Consolidated financial statements	
	As at 31 December 2014	As at 31 December 2013
Deferred tax assets		
Allowance for doubtful accounts	2,193	2,193
The difference between book and tax accounting net revenue	6,133	9,431
Allowance for asset impairment	157	247
Profit in outstanding inventories	12,018	-
Accumulated depreciation – plant and equipment	208	1,868
Provision for long-term employee benefits	13,073	9,266
Deferred sales and marketing expenses	134,764	96,311
Unused tax loss	47,832	26,183
Net deferred tax assets	216,378	145,499

(Unit: Thousand Baht)

	Separate financial statements	
	As at 31 December 2014	As at 31 December 2013
Deferred tax assets		
The difference between book and tax accounting net revenue	6,019	2,039
Accumulated depreciation – plant and equipment	70	42
Provision for long-term employee benefits	12,535	9,055
Deferred sales and marketing expenses	115,316	81,765
Net deferred tax assets	<u>133,940</u>	<u>92,901</u>

As at 31 December 2014 the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 2.31 million (2013: Baht 2.98 million), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

27. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the distribution of stock dividend, as discussed in Note 28. The number of ordinary shares of the prior year has been adjusted as if the stock dividend had been distributed at the beginning of the earliest period reported.

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

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

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2014	2013	2014	2013	2014	2013
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	<u>2,615,455</u>	<u>2,013,299</u>	3,145,899	3,143,793	<u>0.831</u>	<u>0.640</u>
Effect of dilutive potential ordinary shares						
Warrant			–	1,566		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>2,615,455</u>	<u>2,013,299</u>	<u>3,145,899</u>	<u>3,145,359</u>	<u>0.831</u>	<u>0.640</u>

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2014	2013	2014	2013	2014	2013
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	2,517,950	1,686,271	3,145,899	3,143,793	0.800	0.536
Effect of dilutive potential ordinary shares						
Warrant			-	1,566		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	2,517,950	1,686,271	3,145,899	3,145,359	0.800	0.536

There is no computation of diluted earnings per share for the year ended 31 December 2014 since there is no outstanding warrant.

28. Dividends

Dividends paid for the years ended 31 December 2014 and 2013 are as follows:

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
2014			
Final dividends for 2013	Annual General Meeting of the shareholders on 30 April 2014	715	0.25
Interim dividends for 2014	Extraordinary General Meeting of the shareholders on 15 October 2014	343.2 ⁽¹⁾	0.12
2013			
Final dividends for 2012	Annual General Meeting of the shareholders on 30 April 2013	715	0.25

⁽¹⁾ On 15 October 2014, the Extraordinary General Meeting of the Company's shareholders approved the payment of interim dividend of earnings for the period as from 1 January 2014 to 30 June 2014 to the Company's shareholders at Baht 0.12 per share or a total of Baht 343.2 million which will be paid as ordinary shares of the Company and as cash as described in Note 22.

29. Provident fund

The Company and its subsidiaries and employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its subsidiaries and their employees contribute to the fund monthly at the rate of 3 to 8 percent of basic salary. The funds, which are managed by Kasikorn Asset Management Company Limited, SCB Asset Management Company Limited and TMB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During 2014 and 2013, the Company and its subsidiaries contributed Baht 22 million and Baht 18 million, respectively (the Company only: Baht 19 million and Baht 16 million, respectively) to the funds.

30. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on business operations and have 3 reportable segments as follows:

- Low – rise segment is the development of real estate which comprises of single detached house and townhouse.
- High – rise segment is the development of real estate which comprises of condominium.
- Other segment which comprises of after sales services, property brokerage, and construction services provided to group of companies.

No operating segment have been aggregated to form the above reportable operating segments.

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 total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2014 and 2013, respectively.

	For the year ended 31 December												
	Low - rise segment			High - rise segment		Other segments		Total segments		Elimination of inter-segment revenues		Consolidated financial statements	
	2014	2013		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues													
Revenues from external customers													
Sales	11,746	10,092		11,193	9,761	2	1	22,941	19,854	-	-	22,941	19,854
Management service income	-	-		-	-	208	134	208	134	-	-	208	134
Inter-segment revenues	-	-		-	-	880	767	880	767	(880)	(767)	-	-
Total revenues	11,746	10,092		11,193	9,761	1,090	902	24,029	20,755	(880)	(767)	23,149	19,988
Operating results													
Segment profit	2,419	2,145		3,433	2,747	326	215	6,178	5,107	(92)	(77)	6,086	5,030
Unallocated selling expenses												(205)	(261)
Finance cost												(344)	(292)
Other income												58	72
Other expenses												(2,353)	(1,997)
Profit before income tax												3,242	2,552
Income tax												(627)	(539)
Profit for the year												2,615	2,013

(Unit: Million Baht)

As at 31 December													
Low - rise segment				High - rise segment		Other segments		Total segments		Unallocated assets		Consolidated financial statements	
	2014	2013		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Segment total assets	17,543	16,226		15,518	15,797	115	137	33,176	32,160	2,387	2,250	35,563	34,410
Investment in joint ventures accounted for by the equity method	-	-	-	-	-	-	-	-	-	620	306	620	306
Additions (decrease) to non-current assets other than financial investment and deferred tax assets	(4)	2	(8)	(76)	(76)	4	14	(8)	(60)	513	604	505	544

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 years 2014 and 2013, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

31. Commitments and contingent liabilities

31.1 Capital commitments

As at 31 December 2014, the Company and its subsidiaries had entered into agreements with third parties to purchase land with the amount payable in the future of approximately Baht 2,660 million (the Company only: Baht 809 million) (2013: Baht 1,431 million (the Company only: Baht 1,306 million)).

31.2 Operating lease commitments

The Company and its subsidiaries entered into several lease and service agreements in respect of the lease of office buildings, vehicles and advertising space. The terms of the agreements are generally between 3 months and 5 years. Future minimum lease payments under these non cancellable operating lease agreements were as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Payable within:				
Less than 1 year	67	67	41	54
1 to 5 years	45	50	29	38

31.3 Commitments under contracts for project developments

The Company, its subsidiaries and joint ventures had commitments in respect of contracts for project developments as follows:

Company name	(Unit: Million Baht)	
	2014	2013
<u>The Company</u>		
AP (Thailand) Plc.	3,123	5,558
<u>Subsidiaries</u>		
The Value Property Development Co., Ltd.	1,616	1,414
Asian Property (2012) Co., Ltd.	1,192	1,365
Asian Property (2013) Co., Ltd.	1,046	148
Asian Property Co., Ltd.	165	266
Asian Property (2011) Co., Ltd.	27	355
AP (Sathorn) Co., Ltd.	-	15
Asian Property (Krungthep) Co., Ltd.	-	14
<u>Joint ventures</u>		
Premium Residence Co., Ltd.	1,175	-
AP ME (Krungthep) Co., Ltd.	1,124	2
AP ME (Sukhumvit) Co., Ltd.	815	16
AP ME (Asoke) Co., Ltd.	526	-
Total	10,809	9,153

31.4 Guarantees

- a) Contingent liabilities in respect of guarantees provided by the Company on the subsidiaries' and joint venture's loans and credit facilities from banks were as follows:

(Unit: Million Baht)		
Guarantees	2014	2013
<u>Subsidiaries</u>		
The Value Property Development Co., Ltd.	4,103	3,814
Asian Property (2012) Co., Ltd.	1,563	1,563
Asian Property (2011) Co., Ltd.	1,022	617
Asian Property Co., Ltd.	977	717
AP (Phetchaburi) Co., Ltd.	393	-
Asian Property (Krungthep) Co., Ltd.	15	55
AP (Sathorn) Co., Ltd.	-	425
<u>Joint ventures</u>		
AP ME (Sukhumvit) Co., Ltd.	-	1
Total	8,073	7,192

- b) The Company and its subsidiaries had contingent liabilities in respect of letters of guarantee issued by banks to government agencies and individuals for maintenance of utilities, purchase of materials and electricity use, as follows:

(Unit: Million Baht)		
Company name	2014	2013
<u>The Company</u>		
AP (Thailand) Plc.	691	706
<u>Subsidiaries</u>		
The Value Property Development Co., Ltd.	111	290
Asian Property Co., Ltd.	74	57
Asian Property (2011) Co., Ltd.	1	-
AP (Sathorn) Co., Ltd.	-	2
Total	877	1,055

32. Financial instruments

32.1 Financial risk management

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

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables and loans stated in the statements of financial position.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, bank overdrafts, debentures, and short-term and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

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

	Consolidated financial statements					
	31 December 2014					
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years				
	(Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	346	117	463	0.37 to 1.25
Trade and other receivables	-	-	-	96	96	
Restricted bank deposits	-	-	6	-	6	0.37
	-	-	352	213	565	
Financial liabilities						
Short-term loans from financial institutions	1,681	-	-	-	1,681	2.46 to 2.56
Trade accounts payable	-	-	-	1,619	1,619	-
Long-term loans	-	-	474	-	474	MLR - 1.75
Debentures	-	12,550	-	-	12,550	3.40 to 5.80
Retention payable	-	-	-	420	420	-
	1,681	12,550	474	2,039	16,744	

Consolidated financial statements						
31 December 2013						
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years				
	(Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	318	571	889	0.50 to 1.15
Trade and other receivables	-	-	-	110	110	-
Restricted bank deposits	-	-	6	-	6	0.50
	-	-	324	681	1,005	
Financial liabilities						
Short-term loans from financial institutions	2,699	-	-	-	2,699	2.96 to 3.07
Trade accounts payable	-	-	-	1,290	1,290	-
Long-term loans	-	-	931	-	931	MLR-1.75
Debentures	-	11,800	-	-	11,800	3.50 to 4.90
Retention payable	-	-	-	315	315	-
	2,699	11,800	931	1,605	17,035	

Separate financial statements						
31 December 2014						
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years				
	(Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	219	107	326	0.37 to 1.25
Trade and other receivables	-	-	-	85	85	-
Short-term loans to related parties	-	-	4,982	-	4,982	4.60
Restricted bank deposits	-	-	5	-	5	0.37
	-	-	5,206	192	5,398	
Financial liabilities						
Short-term loans from financial institutions	1,681	-	-	-	1,681	2.46 to 2.56
Trade accounts payable	-	-	-	842	842	-
Short-term loans from related parties	-	-	357	-	357	4.60
Long-term loans	-	-	224	-	224	MLR - 1.75
Debentures	-	12,550	-	-	12,550	3.40 to 5.80
Retention payable	-	-	-	337	337	-
	1,681	12,550	581	1,179	15,991	

	Separate financial statements					
	31 December 2013					
	Fixed interest rate		Floating	Non-interest		
	Within		interest	bearing	Total	Interest rate
	1 year	1-5 years	rate			
	(Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	183	464	647	0.50 to 1.15
Trade and other receivables	-	-	-	97	97	-
Short-term loans to related parties	-	-	3,425	-	3,425	4.40
Restricted bank deposits	-	-	5	-	5	0.50
	-	-	3,613	561	4,174	
Financial liabilities						
Short-term loans from financial institutions	2,699	-	-	-	2,699	2.96 to 3.07
Trade accounts payable	-	-	-	1,085	1,085	-
Short-term loans from related parties	-	-	802	-	802	4.40
Long-term loans	-	-	531	-	531	MLR - 1.75
Debentures	-	11,800	-	-	11,800	3.50 to 4.90
Retention payable	-	-	-	270	270	-
	2,699	11,800	1,333	1,355	17,187	

32.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature and loans bear interest close to the market rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

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

33. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

The Company manages its capital position with reference to its debt-to-equity ratio in order to comply with a condition in debenture agreement, which requires the Company to maintain the net financial debt to equity ratio not exceeding 2:1.

The Company's debt used to calculate the above financial ratio is the net financial liabilities that are the net value of interest bearing liabilities minus with cash and/or cash equivalent in the audited/reviewed consolidated financial statements of the Company.

The Company's equity used to calculate the above financial ratio is the shareholders' equity in the audited/reviewed consolidated financial statements of the Company.

No changes were made in the objectives, policies or processes during the years ended 31 December 2014 and 2013.

34. Events after the reporting period

- 34.1 Regarding to on 23 April 2014, the Annual General Meeting of shareholders of AP ME (Sukhumvit) Co., Ltd. passed a resolution to increase its registered share capital by Baht 354 million, whereby the capital will be called up and paid up from time to time, as described in Note 11.4. Subsequently, on 20 January 2015, the third call up of additional registered share capital was made at 54.4 percent of the first additional registered share capital or equivalent to Baht 37.0 million. As a result, paid-up share capital increased to Baht 428 million. Therefore, the additional registered capital was fully paid up for the first phase capital increase. The Company invested in the same proportion amounting to Baht 18.9 million. Moreover, the second additional share capital was made by Baht 144 million (14.4 million ordinary shares of Baht 10 each) from Baht 428 million (42.8 million ordinary shares of Baht 10 each) to Baht 572 million (57.2 million ordinary shares of Baht 10 each), and it was partly called up at 25 percent of the second additional registered share capital or equivalent to Baht 36 million. As a result, paid-up share capital of this company increased to Baht 464 million. The Company additionally invested in the same proportion amounting to Baht 18.4 million. This company registered the share capital increase with the Ministry of Commerce on 22 January 2015.
- 34.2 Regarding to on 23 April 2014, the Annual General Meeting of shareholders of AP ME (Krungthep) Co., Ltd. passed a resolution to increase its registered share capital by Baht 525 million, whereby the capital will be called up and paid up from time to time, as described in Note 11.4. Subsequently, on 20 January 2015, the fifth call up of additional registered share capital was made at 1.8 percent of the first additional registered share capital or equivalent to Baht 2.2 million. As a result, paid-up share capital increased to Baht 370 million. Therefore, the additional registered capital was fully paid up for the first phase capital increase. The Company invested in the same proportion amounting to Baht 1.1 million. Moreover, the second additional share capital was made by Baht 398 million (39.8 million ordinary shares of Baht 10 each) from Baht 370 million (37 million ordinary shares of Baht 10 each) to Baht 768 million (76.8 million ordinary shares of Baht 10 each), and it was partly called up at 29.4 percent of the second additional registered share capital or equivalent to Baht 117 million. As a result, paid-up share capital of this company increased to Baht 487 million. The Company additionally invested in the same proportion amounting to Baht 59.7 million. This company registered the share capital increase with the Ministry of Commerce on 22 January 2015.
- 34.3 Regarding to on 23 April 2014, the Annual General Meeting of shareholders of AP ME (Asoke) Co., Ltd. passed a resolution to increase its registered share capital by Baht 214 million, whereby the capital will be called up and paid up from time to time, as described in Note 11.4. Subsequently, on 20 January 2015, the third call up of additional registered share capital was made at 53.6 percent of the first additional registered share capital or equivalent to Baht 45.0 million. As a result, paid-up share capital increased to Baht 244 million. Therefore, the additional registered capital was fully paid up for the first phase capital increase. The Company invested in the same proportion amounting to Baht 23.0 million. Moreover, the second additional share capital was made by Baht 125 million (12.5 million ordinary shares of Baht 10 each) from Baht 244 million (24.4 million ordinary shares of Baht 10 each) to Baht 369 million (36.9 million ordinary shares of Baht 10 each), and it was partly called up at 32.8 percent of the second additional registered share capital or equivalent to Baht 41 million. As a result, paid-up share capital of this company increased to Baht 285 million. The Company additionally invested in the same proportion amounting to Baht 21.0 million. This company registered the share capital increase with the Ministry of Commerce on 22 January 2015.

- 34.4 Regarding to on 4 August 2014, the Extraordinary General Meeting of shareholders of Premium Residence Co., Ltd. passed a resolution to increase its registered share capital by Baht 1,000 million (100 million ordinary shares of Baht 10 each), as described in Note 10.2. and 11.4. Subsequently, on 20 January 2015, the third call up of additional registered share capital was made at 8.2 percent of additional registered share capital or equivalent to Baht 82.0 million. As a result, paid-up share capital of this company increased to Baht 484 million. The Company additionally invested in the same proportion amounting to Baht 41.8 million.
- 34.5 On 22 January 2015, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to private placement which is institutional and/or major investors. The debentures have 2-year and 6-month term from the date of issuance and bear the fixed interest rate of 3.05 % per annum. The interest payment is made every six months and the debentures are due for redemption on 22 July 2017.
- 34.6 On 22 January 2015, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2013 by issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,500 million, to private placement which is institutional and/or major investors. The debentures have 5-year term from the date of issuance and bear the fixed interest rate of 3.58 % per annum. The interest payment is made every six months and the debentures are due for redemption on 22 January 2020.
- 34.7 On 7 January 2015, the meeting of the Company's Board of Directors passed a resolution to establish Asian Property (2015) Co., Ltd. It has registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 4 February 2015.
- 34.8 On 26 February 2015, the meeting of the Company's Board of Directors approved the resolution as follows:
- a) Approve the payment of dividend for 2014 to the Company's shareholders at Baht 0.26 per share. The payment of dividends will later be proposed for approval in the Annual General Meeting of the Company's shareholders.
 - b) Approve the entering into an agreement with MJR Investment Pte. Ltd., a company existing under the laws of Singapore to jointly operate AP (Phetchaburi) Co., Ltd., of which the Company holds 99.99% of shares, for a real estate development project. The Company holds 51% ownership interest in this joint venture.
 - c) Approve issuing and offering the bill of exchanges amounting not over Baht 5,000 million, with the withdrawal term of not more than 270 days from the issuance date to the institutional and/or major investors (Under the Notification of Capital Market Supervisory Board No. Tor Jor. 9/2552).

35. Approval of financial statements

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

Relevant Information

General Information

The Company AP (Thailand) Public Company Limited

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok with business objective of property development. Registration number is 0107537000149. Telephone number is (66)-2261-2518-22, Facsimile is (66)-2261-2548-9 and URL is www.apthai.com. As of 31 December 2014, The Company has a registered capital of Baht 3,145,912,151, consisting of 3,145,912,151 ordinary shares, and a paid-up capital of Baht 3,145,899,495, consisting of 3,145,899,495 ordinary shares.

Subsidiaries which the Company holds more than 10% of total paid up shares

1. Asian Property Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105553079178.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Asian Property Co., Ltd. has a registered capital of Baht 895,833,900, consisting of 63,583,390 ordinary shares and 26,000,000 preference shares. The paid-up capital is Baht 895,833,900, consisting of 63,583,390 ordinary shares and 26,000,000 preference shares.

2. Asian Property (Krungthep) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105537054875.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Asian Property (Krungthep) Co., Ltd. has a registered capital of Baht 300,000,000, consisting of 3,000,000 ordinary shares, and a paid-up capital of Baht 300,000,000, consisting of 3,000,000 ordinary shares.

3. Asian Property (2011) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105554149013.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Asian Property (2011) Co., Ltd. has a registered capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares, and a paid-up capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares.

4. Asian Property (2012) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105555003110.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Asian Property (2012) Co., Ltd. has a registered capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares, and a paid-up capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares.

5. Asian Property (2013) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105556002672.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Asian Property (2013) Co., Ltd. has a registered capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares, and a paid-up capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares.

6. Asian Property (2014) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105557175490.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Asian Property (2014) Co., Ltd. has a registered capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares, and a paid-up capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares.

7. The Value Property Development Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105545118836.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, The Value Property Development Co., Ltd. has a registered capital of Baht 500,000,000, consisting of 50,000,000 ordinary shares, and a paid-up capital of Baht 500,000,000, consisting of 50,000,000 ordinary shares.

8. Thonglor Residence Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105545118852.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Thonglor Residence Co., Ltd. has a registered capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares, and a paid-up capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares.

9. Signature Advisory Partners Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105545061320.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Signature Advisory Partners Co., Ltd. has a registered capital of Baht 1,000,000, consisting of 100,000 ordinary shares, and a paid-up capital of Baht 1,000,000, consisting of 100,000 ordinary shares.

10. AP (Ekkamai) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105557063691.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, AP (Ekkamai) Co., Ltd. has a registered capital of Baht 400,000,000, consisting of 40,000,000 ordinary shares, and a paid-up capital of Baht 400,000,000, consisting of 40,000,000 ordinary shares.

11. AP (Phetchaburi) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105557109039.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, AP (Phetchaburi) Co., Ltd. has a registered capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares, and a paid-up capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares.

12. AP (Ratchayothin) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105557183409.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, AP (Phetchaburi) Co., Ltd. has a registered capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares, and a paid-up capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares.

13. AP ME (Asoke) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105556162246.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, AP (Asoke) Co., Ltd. has a registered capital of Baht 244,000,000, consisting of 24,400,000 ordinary shares, and a paid-up capital of Baht 198,976,000, consisting of 24,400,000 ordinary shares.

14. AP ME (Krungthep) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105556162238.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, AP ME (Krungthep) Co., Ltd. has a registered capital of Baht 370,000,000, consisting of 37,000,000 ordinary shares, and a paid-up capital of Baht 367,840,000, consisting of 37,000,000 ordinary shares.

15. AP ME (Sukhumvit) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105550124504.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, AP ME (Sukhumvit) Co., Ltd. has a registered capital of Baht 428,000,000, consisting of 42,800,000 ordinary shares, and a paid-up capital of Baht 391,008,000, consisting of 36,000,000 ordinary shares.

16. Premium Residence Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105556162301.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Premium Residence Co., Ltd. has a registered capital of Baht 1,001,000,000, consisting of 100,100,000 ordinary shares, and a paid-up capital of Baht 402,000,000, consisting of 100,100,000 ordinary shares.

17. Smart Service Management Co., Ltd.

Head office is situated at 170/50 Ocean Tower 1 Building, 16th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property management. Registration number is 0105539066251.

Telephone number is (66)-2261-2285-7

Facsimile is (66)-2259-2359 and URL is www.apthai.com.

As of 31 December 2014, Smart Service Management Co., Ltd. has a registered capital of Baht 5,000,000, consisting of 500,000 ordinary shares, and a paid-up capital of Baht 5,000,000, consisting of 500,000 ordinary shares.

18. Bangkok CitiSmart Co., Ltd.

Head office is situated at 170/48 Ocean Tower 1 Building, 15th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property brokerage. Registration number is 0105548123024.

Telephone number is (66)-2661-8999

Facsimile is (66)-2661-8044 and URL is www.apthai.com.

As of 31 December 2014, Bangkok CitiSmart Co., Ltd. has a registered capital of Baht 4,000,000, consisting of 400,000 ordinary shares, and a paid-up capital of Baht 4,000,000, consisting of 400,000 ordinary shares.

19. SQE Construction Co., Ltd.

Head office is situated at 170/85 Ocean Tower 1 Building, 30th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of construction. Registration number is 0105553083698.

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2013, SQE Construction Co., Ltd. has a registered capital of Baht 50,000,000, consisting of 5,000,000 ordinary shares, and a paid-up capital of Baht 50,000,000, consisting of 5,000,000 ordinary shares.

20. Thai Bigbelly Co., Ltd.

Head office is situated at 170/64,66 Ocean Tower 1 Building, 21st Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of construction.

Registration number is 0105556036810

Telephone number is (66)-2261-2518-22,

Facsimile is (66)-2261-2548-9 and URL is www.apthai.com.

As of 31 December 2014, Thai Bigbelly Co., Ltd. has a registered capital of Baht 50,000,000, consisting of 5,000,000 ordinary shares, and a paid-up capital of Baht 50,000,000, consisting of 5,000,000 ordinary shares.

Other References Registrar

Thailand Securities Depository Co., Ltd.

62 The Stock Exchange of Thailand Building, Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand

Tel: (66)-2229-2800

Fax: (66)-2359-1259

Auditor

EY Office Limited

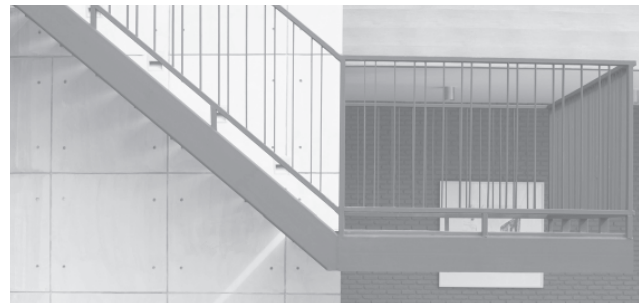
By Mrs. Siriwan Suratepin C.P.A. Registration No. 4604 and/or Mr. Wichart Lokatekrawee, C.P.A. Registration No. 4451, and/or Mrs. Saifon Inkaew, C.P.A. Registration No. 4434, 193/136-137, 33rd Floor, Lake Rajada Office Complex, New Ratchadapisek Road Klongtoey, Bangkok 10110 Thailand

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Further information of the Company is available in 56-1 report (Thai language only) which the Company has disclosed at www.sec.or.th and www.apthai.com





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