

ANNUAL  
REPORT

14

RAIMON LAND

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## MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

In 2014, Raimon Land Public Company Limited registered strong sales across all of its existing developments, a reflection of client confidence in our brand, product quality, and core business of creating homes and communities that deliver long-term pride of ownership.

Nowhere was this more evident than at 185 Rajadamri where selling prices well north of THB 450,000 per square meter were achieved; a truly monumental level in Thailand's condominium history.

The past year also saw the Company register record-breaking net profit of THB 1,225 million (a 61 percent increase from 2013), completely eliminating its retained losses, and, as a result of steady transfers, reduce its debt by THB 1,910 million and achieve a 1.00 time interest bearing debt-to-equity ratio.

It should be noted that the achievements of 2014 were realized in the face of some challenging macro economic factors, including an uncertain global economy and the local political situation.

In 2015, the Company will continue to recognize revenues from 185 Rajadamri, The River, and Zire Wongamat, which was completed at the end of 2014. Additionally, construction of Unixx South Pattaya is scheduled to be completed in 2015.

Following its success with premium residential property, the Company will launch its Limited Edition Series, a new product line positioned to satisfy demands of niche clients within that segment. The inaugural issue of this new series will be Mews Yen Akat, an exclusive landed estate.

Finally, on behalf of the Board of Directors and the staff, I would like to thank our clients, shareholders, financial institutions, suppliers, and contractors for the continued trust and support given to our company. I also wish to thank the Board of Directors, executives, and all staff whose commitment and dedication have resulted in the Company's strong financial performance.



Pradit Phataraprasit  
Chairman of the Board of Directors  
Raimon Land PLC





# BOARD OF DIRECTORS

Raimon Land Plc. has assembled a group of strong, well-respected persons to form its Board of Directors. These reputable individuals are well-qualified in various management disciplines. The Board of Directors possesses an extensive wealth of property development knowledge in relation to a diverse range of property segments. As a result, the Board of Directors is well-positioned to effectively guide and advise the Executive Management group to achieve long-term value creation for all shareholders and stakeholders on a sustainable basis. The Board of Directors comprises of these persons:



Mr. Roland  
Pang Tze Vui  
Director

Ms. Nuch  
Kalyawongsa  
Director and  
Executive Director

Mr. Sataporn  
Amornvorapak  
Director and  
Executive Director

Mr. Lee Chye  
Cheng Adrian  
Director and  
Executive Director

Mr. Lee Chye  
Tek Lionel  
Director, Executive  
Director, and  
Remuneration  
Committee Member

Mr. Tan Chin  
Kwang Johnson  
Director and  
Executive Director

Mr. Kitti  
Gajanandana  
Director, Independent  
Director, Chairman of  
Audit Committee, and  
Remuneration Committee  
Member

Mr. Siri  
Ganjarerndee  
Director, Independent  
Director, Audit  
Committee Member

Mr. Pradit Phataraprasit  
Chairman of the Board of Directors,  
Independent Director,  
Audit Committee Member, and  
Chairman of Remuneration Committee

# DETAILS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

as of March 5, 2015

01

## Mr. Pradit Phataraprasit

Age 60

### Education

- Master's Degree in Political Science  
Thammasat University
- Bachelor's Degree in Economics  
Franklin Pierce University, USA

### Shareholding Proportion (%)

- Ordinary Shares (RML) : None

### Family's relationship between management

-

### Working experiences

Present	Chairman of the Board/ Independent Director/ Audit Committee Member/ Chairman of Remuneration Committee	Raimon land Co., Ltd.
Present	Chief Executive Officer	Winvestment Co., Ltd.
Present	Chairman of the Board	Thai Argo Exchange Co.,Ltd.
2001 - 2004	Chief Executive Officer	Sangsom Co., Ltd.
1993 - 2007	Chairman	Phataraprasit Holdings Co.,Ltd.
1988 - 2007	Chief Executive Officer	Patra Porcelain Co.,Ltd.
1988 - 1995	Managing Director	Siam Chao Pra Ya Holdings Co.,Ltd.
1988 - 1995	Chief Executive Officer	Bank of Asia Co.,Ltd.
1985 - 1988	Vice Chairman	The Mall group Co.,Ltd.

02

## Mr. Lee Chye Tek Lionel

(Authorized Director)

Age 42

### Education

Graduate Diploma in Business Administration,  
Western Sydney International College

### Shareholding Proportion (%)

- Ordinary Shares (RML) : 893,000,000 shares (24.98%)

### Family's relationship between management

Older Brother of Mr.Lee Chye Cheng Adrian

### Working experiences

Present	Director/ Executive Director/ Remuneration Committee Member	Raimon Land Plc.
1996 - Present	Managing Director	Ezra Holdings Limited, Group
Present	Director	The River Co., Ltd.
Present	Director	Taksin Properties Co., Ltd.
Present	Director	Contemporary Property Co., Ltd.
Present	Director	Raimon Land Planner Co., Ltd.
Present	Director	Raimon Land Park View Development Co., Ltd.
Present	Director	Northpoint PRC Co., Ltd.
Present	Director	Raimon Land Residences Co., Ltd.
Present	Director	Raimon Land Unixx Co., Ltd.
Present	Director	Raimon Land Development Co., Ltd.
Present	Director	Raimon Land Services Co., Ltd.
Present	Director	Raimon Land Ekkamai Co.,Ltd
Present	Director	Raimon Land Sukhumvit Co.,Ltd.
Present	Director	Raimon Land Development (Singapore) Pte. Ltd.
Present	Director	Raimon Land Properties (Singapore) Pte. Ltd.

03

**Mr. Tan Chin Kwang Johnson**  
(Authorized Director)

Age 54

**Education**

- Bachelor of Arts and Social Science Economics, National University Singapore (Honors)
- Directors Certification Program (DCP 175/2013)

**Shareholding Proportion (%)**

- Ordinary Shares (RML) : 19,282,900 shares (0.50%)
- RML-WB : 44,500,000 units

**Family's relationship between management**

-

**Working experiences**

Present	Chief Executive Officer/ Director/ Executive Director	Raimon Land Plc.
2009 - Present	Director	IB Partners Pte. Ltd.
2009	Chief Executive Officer/ Regional Head of Corporate Finance, SEA	BNP Paribas Capital (Singapore) Pte. Ltd.
2006 - 2009	Managing Director	Macquarie Limited

04

**Mr. Lee Chye Cheng Adrian**  
(Authorized Director)

Age 35

**Education**

Bachelor's Degree in Finance  
University of Strathclyde Glasgow

**Shareholding Proportion (%)**

- Ordinary Shares (RML) : None
- RML-WB : 44,500,000 units

**Family's relationship between management**

Younger Brother of Mr. Lee Chye Tek Lionel

**Working experiences**

Present	Director/ Executive Director	Raimon Land Plc.
Present	Managing Director	Jit Sun Investment Pte. Ltd.
Present	Managing Director	Loyz Energy Limited
Present	Director	The River Co., Ltd.
Present	Director	Taksin Properties Co., Ltd.
Present	Director	Contemporary Property Co., Ltd.
Present	Director	Raimon Land Planner Co., Ltd.
Present	Director	Raimon Land Park View Development Co., Ltd.
Present	Director	Northpoint PRC Co., Ltd.
Present	Director	Raimon Land Residences Co., Ltd.
Present	Director	Raimon Land Unixx Co., Ltd.
Present	Director	Raimon Land Development Co., Ltd.
Present	Director	Raimon Land Services Co., Ltd.
Present	Director	Raimon Land Ekkamai Co., Ltd.
Present	Director	Raimon Land Sukhumvit Co., Ltd.
Present	Director	Raimon Land Development (Singapore) Pte. Ltd.
Present	Director	Raimon Land Properties (Singapore) Pte. Ltd.

05

**Miss Nuch Kalyawongsa**  
(Authorized Director)



Age 62

**Education**

- Masters of Science in Accounting  
Thammasat University
- Bachelor's Degree in Accounting  
Chulalongkorn University

**Shareholding Proportion (%)**

- Ordinary Shares (RML) : None

**Family's relationship between management**

-

**Working experiences**

Present	Director/ Executive Director	Raimon Land Plc.
Feb2013 - Aug 2014	Chief Financial Officer	Raimon Land Plc.
Present	Director	The River Co., Ltd.
Present	Director	Taksin Properties Co., Ltd.
Present	Director	Contemporary Property Co., Ltd.
Present	Director	Raimon Land Resorts Co., Ltd.
Present	Director	Raimon Land Planner Co., Ltd.
Present	Director	Raimon Land Park View Development Co., Ltd.
Present	Director	Northpoint PRC Co., Ltd.
Present	Director	Raimon Land Residences Co., Ltd.
Present	Director	Raimon Land Unixx Co., Ltd.
Present	Director	Raimon Land Development Co., Ltd.
Present	Director	Raimon Land Services Co., Ltd.
Present	Director	Raimon Land Ekkamai Co.,Ltd.
Present	Director	Raimon Land Sukhumvit Co.,Ltd.
2012 - Feb 2013	Finance and Accounting Manager	K2 Shipping Asia Limited
2006 - 2009	Director, Group of Finance and Accounting	Thoresen & Company (Bangkok) Limited
1990 - 2006	General Manager, Finance and Accounting	Thoresen & Company (Bangkok) Limited

06

**Mr. Sataporn Amornvorapak**



Age 43

**Education**

- Master's Degree of Business Administration  
Major Finance, Kasetsart University
- Bachelor's Degree of Business Administration  
Major Accounting, Rajamangala University of  
Technology - Centre

**Shareholding Proportion (%)**

- Ordinary Shares (RML) : None

**Family's relationship between management**

-

**Working experiences**

Present	Director/ Executive Director	Raimon Land Plc.
Aug 2014 - Present	Chief Financial Officer	Raimon Land Plc.
Apr 2013 - Aug 2014	Vice President of Finance and Operation	Raimon Land Plc.
Present	Director	Raimon Land Resort Co., Ltd.
2011 - 2013	Chief Financial Officer	Univentures Plc.
2008 - 2011	Chief Financial Officer	Mermaid Maritime Plc.
2006 - 2008	Senior Accounting Manager	Thoresen Thai Agencies Plc.
2003 - 2006	Internal Audit Manager	Thoresen Thai Agencies Plc.
1994 - 2003	Senior Audit Manager	PricewaterhouseCoopers Co., Ltd.



## 07 Dr. Siri Ganjarerndee

Age 67

## Education

- Phd. In Monetary Economics, Econometrics and Operations Research, Monash University, Australia
- Master of Economics, (Economic Statistics and Monetary Economics) University of Sydney, Australia
- Bachelor of Economics (Hons), University of Sydney Australia.
- Audit Committee Program (ACP 6/2005)
- Directors Certification Program (DCP 60/2004)
- Directors Accreditation Program (DAP 4/2003)

## Shareholding Proportion (%)

- Ordinary Shares (RML) : None

## Family's relationship between management

-

## Working experiences

Present	Independent Director and Audit Committee	Raimon Land PLC
2010 - Present	Independent Director and Member of Nomination, Compensation & Corporate Governance Committee	Indorama Venture PLC.
2008 - Present	Independent director; Chairman of the Audit Committee, Member of the Nomination and Remuneration Committee	The Post Publishing PLC.
2000 - Present	Vice Chairman, Board of Directors; Chairman, The Audit Committee	The Thai Vegetable Oil PLC.
1999 - Present	Director, Board of Directors, Member of the Executive Committee; Chairman of the Nomination and Remuneration Committee	Bangkok Life Insurance PLC.
2009 - Present	Member, Board of Directors, Member, Monetary Policy Committee	Bank of Thailand
2003 - Present	Director	TRIS Corporation Co., Ltd



## 08 Mr. Kitti Gajanandana

Age 64

## Education

- Master Degree in Business Administration (MBA) North Texas State University
- Bachelor's Degree in Accounting Chulalongkorn University

## Shareholding Proportion (%)

- Ordinary Shares (RML) : None

## Family's relationship between management

-

## Working experiences

2004 - Present	Independent Director/ Chairman of Audit Committee/ Remuneration Committee	Raimon Land Plc.
2001 - Present	Advisor	Fiscal Policy Research Institute
2004 - 2011	Director/ Audit Committee	CINMIT Co., Ltd.



## 09 Mr. Roland Pang Tze Vui

Age 38

## Education

- Master's Degree in Finance University of Manchester, UK
- Bachelor's Degree in Economics London School of Economics, UK
- Director Certification Program (DCP 165/2012)

## Shareholding Proportion (%)

- Ordinary Shares (RML) : None

## Family's relationship between management

-

## Working experiences

2012 - Present	Director	Raimon Land Plc.
2004 - Present	Investment Manager	Thai Prosperity Advisory Co.,Ltd.
2003 - 2004	Manager (International Division)	Brunei Economic Development Board
2000 - 2003	Corporate Client Management	Baiduri Bank, Brunei Darussalam



## GENERAL INFORMATION

Name	RAIMON LAND PUBLIC COMPANY LIMITED	
Type of Business	Property Development	
Address	62 The Millennia Tower, 22/F, Units 2201-3, Langsuan Road, Lumpini Pathumwan, Bangkok 10330	
Company Registration	0107536001508	
Homepage	<a href="http://www.raimonland.com">www.raimonland.com</a>	
Email	<a href="mailto:info@raimonland.com">info@raimonland.com</a>	
Investor Relations	<a href="mailto:ir@raimonland.com">ir@raimonland.com</a>	
Telephone	66 (0) 2651 9601-4 and 66 (0) 2651 9615-6	
Facsimile	66 (0) 2651 9614	
Capital as at 31 <sup>st</sup> December 2014	Registered Capital	Baht 4,558,280,156
	Paid-up Capital	Baht 3,575,424,125



# MARKET AND COMPETITIVE LANDSCAPE REVIEW

## GLOBAL ECONOMY

The global economy remained a mixed bag in 2014. The USA continued to show signs of economic recovery, with the Federal Reserve opting to cease quantitative easing during 3Q2014. However, the Fed has still declined to raise interest rates, with most market participants expecting a rise during the second half of 2016. China registered a 7.4% economic growth in 2014, which – while strong – was the slowest rate since 1990 and is seen as a transition to a more normalized rate of growth versus the double-digit rates of growth the country has experienced.

Despite aggressive monetary policy, the Japanese economy had a modest growth of 0.6% during 4Q2014. This has lukewarm implications for Thai exports to the market (approximately 10% of total export per year). However, after a slow start, 2014 was an active year for Japanese firms in strengthening their investments in Thailand following change in government. The Euro Zone continued to struggle economically in 2014 and the longstanding concerns of high unemployment and sovereign debt defaults remain. The sharp decline of the Russian Ruble – due to sanctions and the decline in global oil prices – was a major story in 2014 and one which directly affected Thai resort markets in the latter part of the year.

## THAILAND ECONOMY

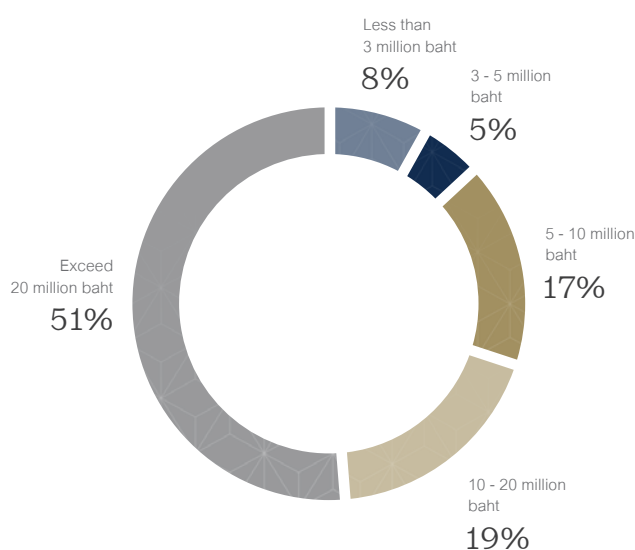
A return to political stability in mid-2014 was a welcome transition for the private sector in Thailand. Change in sentiment was indicated by the recovery in the country's primary consumer confidence index, which in December hit its highest (81.1) since June 2013. The government spent the latter part of 2014 reviewing various economic stimulus plans, mostly related to infrastructure spending or income distribution to farmers. In addition, the government is reviewing initiatives to increase the competitiveness of the Thai export sector. All of these initiatives are expected to benefit Thailand's overall economy in 2015.

Tourist arrivals were negatively affected by political protests during the end of 2013 and first half of 2014. As a result, tourist arrivals ended the year showing a 6.7% decline from 2013. Despite this, transaction volume remains high in the hospitality investment market as both Thai and international owners and operators remain optimistic on further growth in Thailand. A strong December 2014 and January 2015 in terms of visitor arrivals and hotel occupancies are good indicators of the sector's recovery and continued growth prospects.

On the negative side, Thailand's household debt remains relatively high at 83% of GDP. Household debt among low-income earners is particularly high, leaving that segment more vulnerable to potential rise in interest rates. This has made

households less willing to consume in the future. Nevertheless, given that majority of the Company's clients and customers are concentrated in high-income households with substantial savings, the Company does not expect demand for the Company's products to be materially affected.

Raimon Land Revenue  
Split by Unit Price



## BANGKOK CONDOMINIUM MARKET

Major trends for Bangkok Condominium market observed in 2014 were: (i) fewer launches and (ii) new and existing developers trying to enter the luxury segment.

The political environment for the first part of 2014 led many developers to postpone their project launches. As a result, only three projects totaling just 1,257 units were launched in the downtown area in the first half of 2014. Following the change in government, developers resumed confidence in launching projects, but there was a shift toward the luxury segment and prime, downtown locations due to following reasons:

- Buyers in the high end segment are typically not dependent on bank financing to transfer their units (i.e. cash buyers), which in turn substantially mitigate risk relating to transfer failure
- High end customers generally prefer prime downtown area and have purchasing power to do so
- Developers are also cognizant of significant oncoming supply in the suburban market, particularly along transit line extensions, developed during the past few years

## MARKET OUTLOOK & RAIMON LAND'S STRATEGY FOR 2015

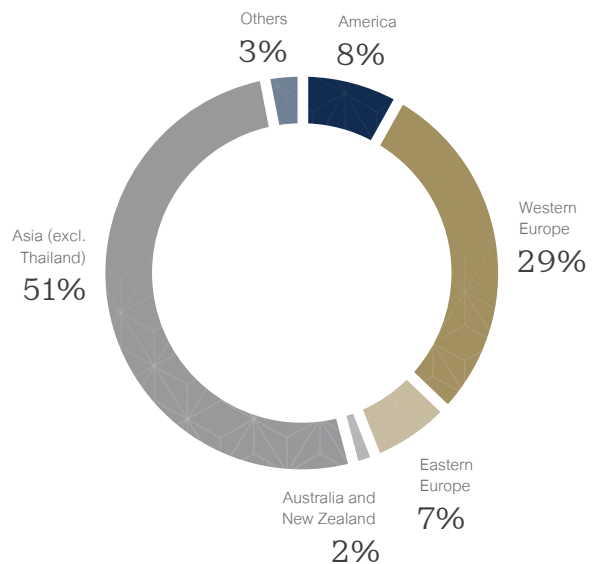
The Company's outlook and strategy for 2015 takes into account demand, supply, and the changing market landscape the Company observed in 2014. The Company believes that Raimon Land's track record is a significant competitive advantage for the Company as the Company's brand has been traditionally recognized among customers in luxury segment. Indeed some 20% of Raimon Land customers are previous buyers or referred directly by previous buyers.

Moreover, suitable land plots and redevelopment opportunities in central Bangkok for luxury property are scarce and increasingly expensive. Thus, the reputation of the Company as a leading luxury developer will ensure it a superior deal flow for prime opportunities. Finally, a strong track record and strong balance sheet are important for securing project financing on favorable terms.

In terms of supply and demand for the luxury residential property market, the Company expects demand to remain resilient for prime projects in downtown areas with good value for money. In addition, luxury residential property in Bangkok is and will remain a good value proposition on a price per square meter basis compared with the other major Asian capital cities. Regional investors (e.g. from Hong Kong and Singapore) will continue to see investment opportunities in Bangkok.

Raimon Land continued its leadership as Thailand's condominium developer for foreign buyers. In 2014, approximately 60% of sales were generated from non-Thai customers, reflecting confidence the Company has garnered from both local and foreign clients. Asians (excluding Thais) ranked as the largest group of foreign buyers constituting approximately 51% of total sales to foreigners, followed by Western and Eastern Europeans who constituted approximately 29% and 7% of total sales to foreigners respectively. Other countries such as Australia, New Zealand and America constituted approximately 10% of total sales to foreign buyers. Overall, the Company sold condominiums to customers with 32 different nationalities during 2014.

### Raimon Land Foreign Customer Source Markets



Pricing of real estate projects will remain a function of the underlying costs. The Company does not anticipate major cost savings on the construction side due to a lower oil price as many construction contractors have long-term arrangements for commodities to smooth out price fluctuations. In addition, many contractors face supply shortages of their own for labor. For land cost, the Company expects land price will continue to rise, although at a somewhat slower rate when compared with that of previous few years.

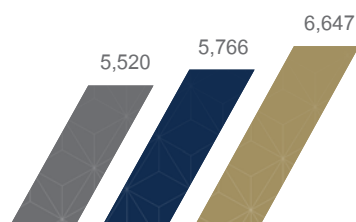
In summary, the Company expects the luxury residential property market in Bangkok in 2015 to be an active one with additional market entrants. However, the Company remains confident that it can maintain its leadership in high-end segment due to its superior track record and value proposition to both customers and partners.



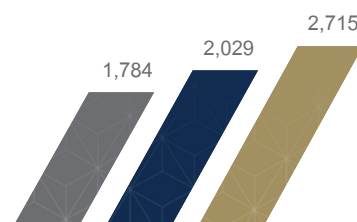
# FINANCIAL HIGHLIGHTS

2012 2013 2014

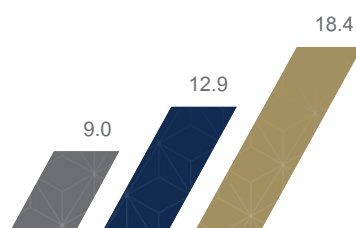
Consolidated Revenues  
(million baht)



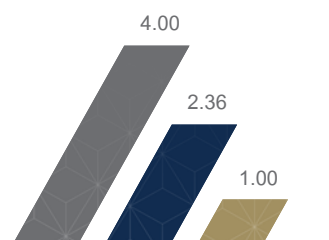
Gross Profit from Core Revenues  
(million baht)



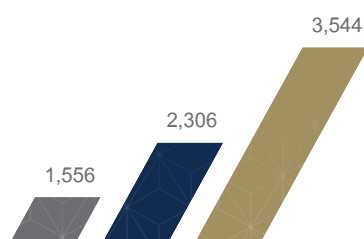
Net Profit Margin  
(%)



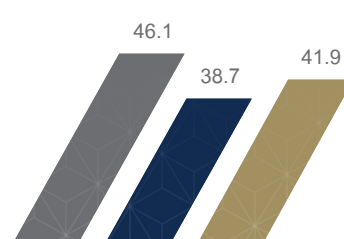
Interest Bearing Debts to Equity Ratio  
(Times)



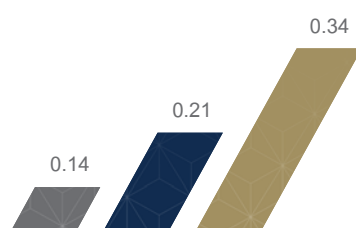
Total Shareholders Equity  
(million baht)



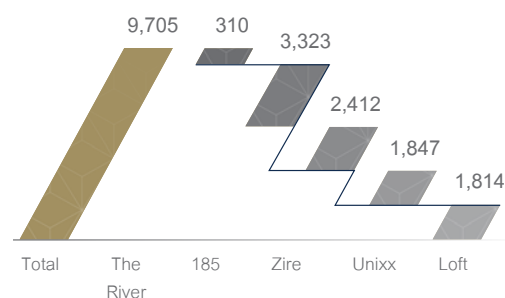
Returns to Shareholders Equity  
(%)



Earning per Share  
(Baht)



Backlog  
(million baht)



# FINANCIAL HIGHLIGHTS

## (Consolidated Financial Statements)

(Baht in millions, except share, per share data and ratio)	FY 2014	FY 2013	FY 2012
<b>Statement of Income</b>			
Sales of residential condominium units	6,547.11	5,656.43	5,434.82
Total revenues	6,647.15	5,765.69	5,519.96
Cost of residential condominium units sold	3,832.48	3,627.26	3,651.03
Total expenses	4,874.80	4,603.45	4,500.78
Gross profit from core business	2,714.64	2,029.17	1,783.79
Net profit (loss)	1,224.50	746.34	495.85
Net profit (loss) - Equity holders of the Company	1,224.52	746.27	495.77
<b>Statement of Financial Position</b>			
Total assets	11,190.70	13,584.43	14,996.72
Total liabilities	7,646.52	11,277.98	13,440.86
Issued and paid up share capital	3,575.42	3,575.42	3,575.42
Total shareholders' equity	3,544.17	2,306.45	1,555.86
Equity attributable to owners of the Company	3,541.17	2,302.06	1,551.54
<b>Liquidity Ratios (times)</b>			
Current ratio	1.57	1.25	1.26
Quick ratio	0.17	0.13	0.21
<b>Profitability Ratios (%)</b>			
Gross profit margin <sup>(1)</sup>	41.46%	35.87%	32.82%
Net profit margin	18.42%	12.94%	8.98%
Return on equity <sup>(2)</sup>	41.91%	38.73%	46.11%
Return on assets	9.89%	5.22%	3.27%
<b>Efficiency Ratios (times)</b>			
Total assets turnover	0.59	0.42	0.36
<b>Leverage Ratios (times)</b>			
Debt to equity ratio	2.16	4.89	8.64
Interest-bearing debt to Equity	1.00	2.36	4.00
Interest coverage ratio <sup>(3)</sup>	13.28	6.75	3.91



# FINANCIAL HIGHLIGHTS

## (Consolidated Financial Statements)

(Baht in millions, except share, per share data and ratio)	FY 2014	FY 2013	FY 2012
<b>Percentage of Growth (% per year)</b>			
Total asset growth	-17.62%	-9.42%	-1.98%
Total liabilities growth	-32.20%	-16.09%	-8.54%
Total shareholder's equity growth	53.66%	48.24%	157.99%
Total revenues growth	15.29%	4.45%	349.42%
Total expenses growth <sup>(4)</sup>	8.02%	-0.75%	222.48%
<b>Per Share Ratios (Baht)</b>			
Earning per share	0.34	0.21	0.14
Book value per share <sup>(5)</sup>	0.99	0.65	0.45
<b>Other Financial Data</b>			
Net cash flows from operating activities	1,914.42	(75.28)	802.54
Net cash flows from investing activities	(61.74)	(26.46)	(16.36)
Net cash flows from financing activities	(1,910.73)	(773.34)	(16.54)

<sup>(1)</sup> Gross profit margin = (total sales – cost of sales) / total sales, whereas total sales consists of sale of residential condominium units

<sup>(2)</sup> Return on equity = Profit (loss) - Equity holders of the Company / the average of total shareholders' equity of this year and last year

<sup>(3)</sup> Interest coverage ratio = Profit (loss) before finance cost and income tax / finance cost, finance cost means interest and other charges associated with financing eg. front end fee

<sup>(4)</sup> Exclude the impairment loss of investment properties and reduction of project development cost to net realisable value

<sup>(5)</sup> Book value does not include non-controlling interests of the subsidiaries



185  
RAJADAMRI  
Living Your Legacy

Elegant,  
Sophisticated,  
Privileged.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERALL PERFORMANCE

For FY2014, The Company achieved consolidated net profit and EBITDA of Baht 1,225 million and Baht 1,832 million respectively. Consolidated gross margin increased from 36% in FY2013 to 41% in FY2014.

As of 31 December 2014, backlog totaled Baht 9,705 million, with 185 Rajadamri contributing to 34% of total amount. The River, Zire Wongamat, Unixx South Pattaya, and the Loft Ekkamai constituted approximately 25, 3, 19, and 19% of total backlog respectively.

Due to steady transfer of units at 185 Rajadamri and the River during 2014, the Company was able to pay back Baht 1,910 million worth of debt. As a result, consolidated interest-bearing debt to equity ratio stood at 1.00 times as of 31 December 2014, a reduction from 2.36 times as of 31 December 2013.

In 2014

consolidated net profit

**1,225**  
million baht

Consolidated gross  
margin increased to

**41**

## DISCUSSION ON PROFIT AND LOSS

### Revenues

In FY2014, the Company recorded consolidated revenues of Baht 6,647 million, an increase of Baht 881 million (or 15%) when compared with FY2013. 98% of consolidated revenues was derived from recognized sales income (i.e. transfer income) from residential condominium units for 4 projects, namely: 185 Rajadamri (Baht 5,044 million or 76%), The River (Baht 1,321 million or 20%), Zire Wongamat (Baht 144 million or 2%) and Northpoint (Baht 38 million or 1%)

Project	FY2014		FY2013	
	Revenue (Million Baht)	%	Revenue (Million Baht)	%
185 Rajadamri	5,044	76%	-	-
The River	1,321	20%	5,389	93%
Zire Wongamat	144	2%	-	-
Northpoint	38	1%	268	5%
Others*	100	1%	109	2%
Total	6,647	100%	5,766	100%

\* Include rental and service income, marketing commission income, project management fee, interest and others



## Cost of Goods Sold

In FY2014, consolidated cost of goods sold increased mainly as the Company started to transfer units at 185 Rajadamri during 1QFY14.

Project	FY2014		FY2013	
	Cost of sales (Million Baht)	%	Cost of sales (Million Baht)	%
185 Rajadamri	2,843	74%	-	-
The River	853	22%	3,380	93%
Zire Wongamat	100	3%	-	-
Northpoint	36	1%	247	7%
Total	3,832	100%	3,627	100%

## Gross Profit Margin

Consolidated gross profit margin improved from 36% in FY2013 to 41% in FY2014, a significant improvement from 33% in FY2012. The increase in profitability was largely due to transfer of units at 185 Rajadamri.

## Selling and Administrative Expenses

Consolidated selling and administrative expenses were second largest expenses for the Company. Consolidated selling and administrative expenses represented 21% of total expenses for FY2014. The amount increased from Baht 976 million in FY2013 to Baht 1,042 million in FY2014 (a 7% increase). The increase was driven mainly by special business tax and transfer fees, especially those associated with units at 185 Rajadamri as transfer process commenced during 1Q2014.

Selling and administrative expenses	FY2014 (Million Baht)	FY2013 (Million Baht)	Change FY2013 - 2014 (%)
Salary and staff benefits and management's remuneration	256.3	202.5	26.57%
Special business tax & transfer fees	283.5	222.5	27.42%
Other selling expenses	127.7	162.7	-21.51%
Other expenses	374.8	388.5	-3.53%
Total	1,042.3	976.2	6.77%

## Cost of Financing

Consolidated cost of financing primarily resulted from interest costs in association with development loans, which are capitalized as development costs for respective projects till completion. Thereafter, such interest costs will be recorded as finance costs in the Statement of Income. Upon project completion, loans are repaid in installments along with transfer of ownerships. For FY2014, the Company's consolidated cost of financing declined as compared with that of FY2013 due mainly to repayment of loans associated with 185 Rajadamri and the River.

## Net Profits (Losses)

In FY2014, The Company had consolidated net profit of Baht 1,225 million, compared with Baht 746 million in FY2013. The increase was materialized due to following reasons:

- For FY2014, consolidated revenues was Baht 890 million higher than that of FY2013, a 16% increase, driven mainly from unit transfer at 185 Rajadamri (Baht 5,044 million) and Zire Wongamat (Baht 144 million), and offset by decrease of unit transfer at The River (Baht 4,068 million) and Northpoint (Baht 230 million), respectively
- The Company's consolidated gross margin increased from 36% in FY2013 to 41% in FY2014.

FY2014  
Earnings Per Share

**0.34** Baht

FY2013  
Earnings Per Share

**0.21** Baht

## DISCUSSION ON BALANCE SHEET

## Assets

The Company's consolidated total assets, as at 31 December 2014, decreased by 18% when compared to that of 31 December 2013. Significant changes in consolidated total assets as per followings:

1. Cash and cash equivalents decreased by Baht 58 million, due to complete repayments of loans relating to 185 Rajadamri
2. Conversion of project development costs to costs of goods sold, resulting in reduced project development costs, especially that related to 185 Rajadamri
3. Construction progress resulted in reduction of Baht 126 million in advance payments to contractors, causing current assets to reduce substantially
4. Decrease in deferred tax assets totaling Baht 148 million as a result of reduction in difference between recognized accountable income and taxable income relating to 185 Rajadamri and The River. This has resulted in significant reduction of non-current assets

## Liabilities

As of 31 December 2014, the Company's consolidated total liabilities decreased by Baht 3,632 million (YoY decrease of 32%). The reduction was caused by two factors which are: (a) settlement of loans which reduced interest-bearing debts by Baht 1,910 million; and (b) unit transfers which reduced advanced deposits received from customers (i.e. non-interest bearing debts) by Baht 1,722 million. This was the result of unit transfer at 185 Rajadamri and The River.

## Shareholders' Equity

As of 31 December 2014, consolidated Shareholders' Equity totaled Baht 3,544 million, an increase of Baht 1,238 million (or 54%YoY) from FY2013, due largely to consolidated net profit totaling of Baht 1,225 million for the FY/2014.

## DISCUSSION ON CASH FLOWS AND CAPITALIZATION

## Cash Flows

	FY2014 (Million Baht)
Cash and cash equivalents at the beginning of the year	556
Net cash flow from operating activities	1,914
Net cash flow from investing activities	(62)
Net cash flow from financing activities	(1,910)
Cash and cash equivalents at the end of the year	498

During 2014, the Company had a positive net cash flow from operating activities totaling Baht 1,914 million, primarily resulting from unit delivery at 185 Rajadamri as well as realization of advanced deposits paid by customers as transfer income.

During 2014, the Company had a negative net cash flow from investing activities totaling Baht 62 million, primarily resulting from improvement of

office rental building and purchase of furniture and equipment for show units.

During 2014, the Company had a negative net cash flow from its financing activities totaling Baht 1,910 million, resulting primarily from repayment of loans in relation to unit transfer at 185 Rajadamri.

Overall, the ability to transfer units at 185 Rajadamri and The River resulted in the Company's reduced consolidated interest-bearing debts by approximately Baht 1,910 million. In addition, unit transfers resulted in consolidated net profit of Baht 1,225 million for FY2014. Consolidated interest-bearing debt to equity ratio also reduced from 2.36 times as of 31 December 2013 to 1.00 times as of 31 December 2014.

# PRO- JECTS

In 2014, Raimon Land has  
the followings projects  
available for sale and/or rent



## EXISTING DEVELOPMENT PROJECT



THE RESIDENCE. THE LIFESTYLE. THE ADDRESS.

## THE RIVER

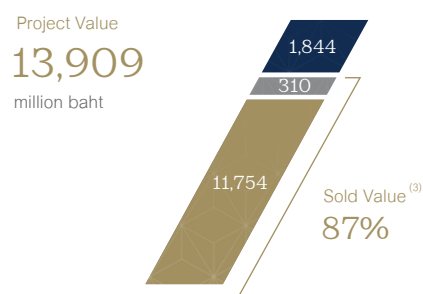
## The River

Charoennakorn 13, Bangkok



Comprised of 807 units and situated next to the Chao Phraya River in Bangkok, The River is the tallest premium riverside residential condominium project in Bangkok. In 2012, the project received the “Best Luxury Condo Development (Bangkok)” in the Development Category as well as “Best Condo (Thailand)” in the Architectural/Interior Design Category at the 2012 Thailand Property Awards.

At the end of 2014, the project has a total combined saleable value of approximately Baht 13,909 million (not including the long lease/rental value of the ‘Klapsons Project,’ or the commercial area available for rent). Currently, the project has achieved total sales of approximately Baht 12,065 million, equivalent to 87% of the project value or 91% of the total saleable area. Ownership transfers to buyers for units in this project have been made amounting to a total value of Baht 11,754 million. Average selling price for unsold units currently stands at 217,000 baht per square meter.



91% Area <sup>(4)</sup>	94% Units <sup>(5)</sup>	100% Construction <sup>(6)</sup>
----------------------------	-----------------------------	-------------------------------------

- Recognized Value <sup>(1)</sup>
- Backlog
- Unsold Value <sup>(2)</sup>

Note 1. Includes value of units not transferred but with 100% cash received  
2. Based on latest price of unsold units  
3. Total sold value to total project value

4. Total sold area to total project's saleable area  
5. Total sold units to total project's saleable units  
6. Main building work completion

## EXISTING DEVELOPMENT PROJECT



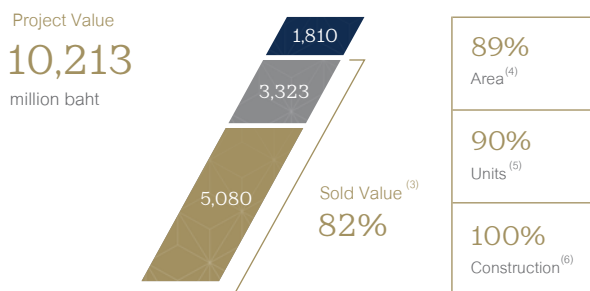
**185**  
**RAJADAMRI**  
Living Your Legacy



### 185 Rajadamri Rajadamri, Bangkok

Comprised of 266 units, 185 Rajadamri is a super-luxury residential condominium project, situated on the freehold plot on Rajadamri Road in central Bangkok. The location is in the central business district, nearby premium shopping malls, top schools, foreign embassies and consulates, 5-star luxury hotels, Lumpini Park with its peaceful green spaces, and the elite Royal Bangkok Sports Club. As validation of the project's premium quality positioning, 185 Rajadamri project received "Best Luxury Condo Development Award (Bangkok)" at the 2013 Thailand Property Awards and also "Best Condominium Development of the Year Award -Thailand" at the 2013 South East Asia Property Awards.

At the end of 2014, the project has a total combined saleable value of approximately Baht 10,213 million. Currently, the project has achieved total sales of approximately Baht 8,403 million, equivalent to 82% of the project value or 89% of the total saleable area. Ownership transfers to buyers for units in this project have been made amounting to a total value of Baht 5,080 million. Average selling price for unsold units currently stands at 381,000 baht per square meter.

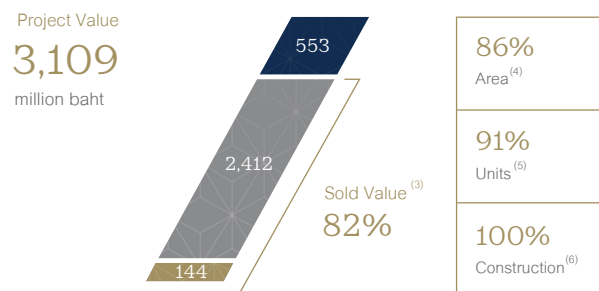


**ZIRE**  
**WONGAMAT**

### Zire Wongamat Wongamat, Pattaya

The project consists of 465 residential condominium units in varying styles and formats – from studio units, 1-2 bed room units, and duplexes. Zire Wongamat is the third residential condominium project in Pattaya by Raimon Land. Situated on Wongamat Beach and adjacent to Northpoint (a Raimon Land project completed in 2011), the project is only 90 kilometers away from Bangkok. Developed on a 5-rai plot of beachfront land, Zire Wongamat comprises of two uniquely designed towers of 37 and 53 floors, and offers breathtaking panoramic views of the Gulf of Thailand.

At the end of 2014, the project has a total combined saleable value of approximately Baht 3,109 million. Currently, the project has achieved total sales of approximately Baht 2,556 million, equivalent to 82% of the project value or 86% of the total saleable area. Ownership transfers to buyers for units in this project have been made amounting to a total value of Baht 144 million. Average selling price for unsold units currently stands at 135,000 baht per square meter.



Recognized Value<sup>(1)</sup>  
Backlog  
Unsold Value<sup>(2)</sup>

Note 1. Includes value of units not transferred but with 100% cash received  
2. Based on latest price of unsold units  
3. Total sold value to total project value

4. Total sold area to total project's saleable area  
5. Total sold units to total project's saleable units  
6. Main building work completion

## EXISTING DEVELOPMENT PROJECT



## UNiXX

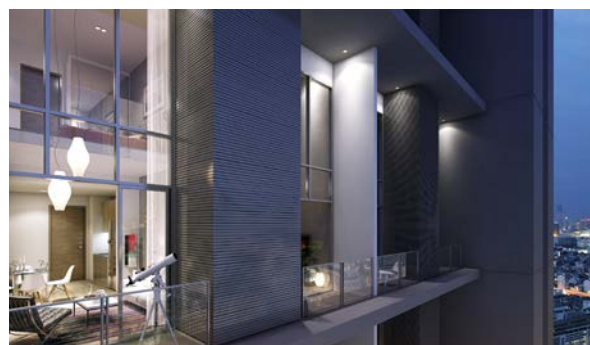
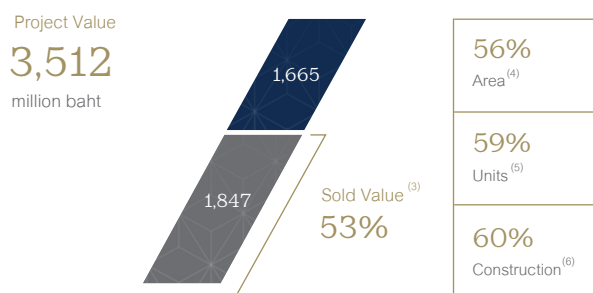
SOUTH PATTAYA

### Unixx South Pattaya

Pratumnak, Pattaya

Unixx South Pattaya consists of 1,209 units with an average size of not more than 40 square meter. The project is the fourth condominium project in Pattaya by Raimon Land and was conceived to meet the demands of mid-market clients, targeting both Thai and foreign buyers. The project is developed with those living in Pattaya as well as those in Bangkok looking for a weekend getaway property. The project is situated on a land plot of more than 7 rai on Pratumnak Road and belongs to a subsidiary company of Raimon Land.

At the end of 2014, the project has a total combined saleable value of approximately Baht 3,512 million. Currently, the project has achieved total sales of approximately Baht 1,847 million, equivalent to 53% of the project value or 56% of the total saleable area. Transfer of ownership is expected to commence in the fourth quarter of 2015. Average selling price for unsold units currently stands at 83,000 baht per square meter.



## THE LOFTS

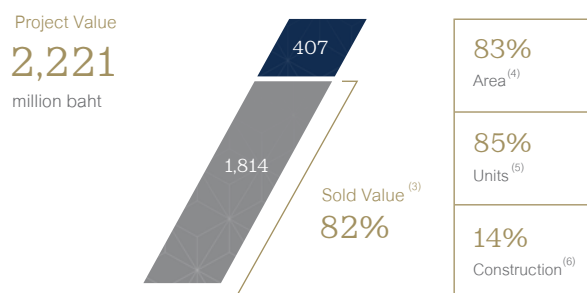
EKKAMAI

### The Lofts Ekkamai

Sukhumvit, Bangkok

Comprised of 263 units, The Lofts Ekkamai, situated only 150 meters from Ekkamai BTS station and only a few minutes' drive from expressways, is a residential project located right in central Bangkok. It is neighbored by popular shopping malls and one of the city's most frequented dining and entertainment areas, known as Thonglor-Ekkamai. The project is located on a freehold land plot of approximately 2 rai.

At the end of 2014, the project has a total combined saleable value of approximately Baht 2,221 million. Currently, the project has achieved total sales of approximately Baht 1,814 million, equivalent to 82% of the project value or 83% of the total saleable area. Transfer of ownership is expected to commence in the fourth quarter of 2016. Average selling price for unsold units currently stands at 160,000 baht per square meter.



Recognized Value <sup>(1)</sup>  
Backlog  
Unsold Value <sup>(2)</sup>

Note 1. Includes value of units not transferred but with 100% cash received  
2. Based on latest price of unsold units  
3. Total sold value to total project value

4. Total sold area to total project's saleable area  
5. Total sold units to total project's saleable units  
6. Main building work completion



## FUTURE DEVELOPMENT PROJECT



# MEWS

— YEN AKAT —

## Mews Yen Akat

Yen Akat, Bangkok

Situated on Soi Yen Akat 2, Mews Yen Akat is the inaugural project of Limited Edition Series. The project is located on a freehold land plot of approximately 2 rai with 9 units for sale. Sale of the project will be officially launched in 2015 with estimated project value of 670 million baht (details of the project subject to change)

## PROJECT FOR LEASE



## The Vue

Charoennakorn, Bangkok

Vue is a lifestyle shopping centre project of approximately 4,118 square meters, situated in front of The River condominium project, located on Charoen Nakorn Road. It sits on a land plot approximately 3 rai in size. The building has 4 above-ground and one underground floors, with a 'Max Valu' Supermarket as an anchor tenant. Other tenants include the well-known Korean coffeehouse brand Tom N Tom's and King Kong Yakiniiku, as well as other restaurants, coffee shops, and bakeries, medical clinics, and banks. As of 31 December 2014, the occupancy rate is 58%.



## Space|48

## Space 48 at Preecha Complex Office Building

Rajadapisek, Bangkok

This office building, situated within the Preecha Complex, has a total area of 2,200 square meters and is located on Rajadapisek Road approximately 260 meters from Suthisarn MRT Station. The building has 8 office floors and additional car parking floors. The Company has redesigned and refurbished the facilities in 2013. As of 31 December 2014, approximately 89% of the available space has been rented out.



## klapsons

THE RIVER RESIDENCES BANGKOK

## "Klapsons" Project

Charoennakorn, Bangkok

The Company places importance in having recurring income. As such, it has developed part of The River for the purpose of long-term lease. The project has 92 units and is planned to be officially launched in 2015. Currently, the project has been unofficially launched with approximately 20% occupancy rate.

# CORPORATE SOCIAL RESPONSIBILITY TOWARDS SOCIETY AND THE ENVIRONMENT

## Organizational Governance, Human Rights, and Labor Practices

The Company is committed to good organizational governance, fair human rights and labor practices. The Company has stipulated code of conduct which is published on the Company's website: <http://rml.listedcompany.com/>. In addition, in order to promote the Company's staff to comply with code of conduct, the Company has provided employees with access to information via the Company's internal system called sharepoint.

## Responsibility towards Customers

The Company emphasizes on customers' benefits during the process of project concept design all the way through selection of construction materials (details of each project may vary) with key following points:

- ❖ Ample common area and sufficient parking space for customers
- ❖ Rigorous security system including elevator key card access and strict policy on external visitors
- ❖ Design and construction materials which help reduce energy consumption and customers' energy-related expenses
- ❖ Double glaze glass to prevent noise pollution

In addition, in the case of unpredictable events that render customers unable to affect a transfer, the Company has a policy to assist customers as followings:

- ❖ In the case of death or severe sickness, the Company will return deposits without penalties
- ❖ In the case of sudden change in customers' financial position arising from abrupt unemployment or significant change in foreign exchange rate, the Company shall hold the customers' deposit for a period of one year with the purpose of re-deploying the amount as deposits for an alternative unit within the same or other project
- ❖ In the case customers have not fully paid for deposits and there is a sudden change in customers' financial position, the Company shall recommend customers to switch to a more economical unit

## Environment Protection

The Company emphasizes environment protection during the process of project concept design all the way through selection of construction materials (details of each project may vary) with key following points:

1. Energy Conservation
  - ❖ Use of double glaze glass that limits the amount of exterior heat being transferred inside, facilitating the reduction of energy usage
  - ❖ Use of automatic control air conditioning systems that make use of chilled water to reduce energy usage and to be more environmentally-friendly
  - ❖ Use of an electrical system that supports the use of LED light bulbs thus helping to save energy
2. Environment Preservation
  - ❖ Re-cycling of 'grey' water from units to use for landscape irrigation or floor cleaning
  - ❖ Efficient pressure control systems for all water/plumbing outlets that help to conserve overall water usage
  - ❖ Salt water chlorination system for swimming pools to reduce pollution arising from chlorine purification
  - ❖ Use of wood laminated materials in the construction work that help reduce the overall quantity of solid wood material and, thus, the number of trees that are felled

## CSR AFTER-PROCESS

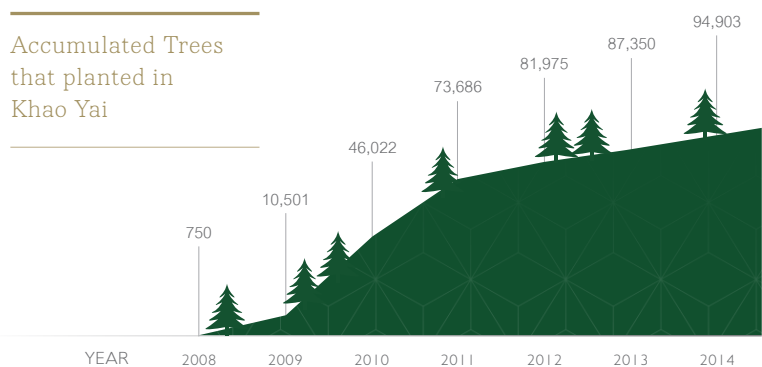
### Environmental Support

2014 is the seventh consecutive year that Raimon Land had actively supported the “Plant-A-Tree-Today (PATT) Foundation”, by funding a saplings or young trees nursery facility located within the Khao Yai National Park Reserve. The Company funds the organization 20,000 baht monthly or 240,000 baht annually. To date, the project has successfully planted approximately 95,000 trees.

In July 2014, Raimon Land’s employees and clients join in an arranged trip to Nakhorn Ratchasima to transplant young trees from the nursery facility, in order to reforest the park reserve area back to its original green and luscious state. This is part of the Company’s continuous cooperation with PATT Foundation, with the aim of preserving natural ecology and environment of the area, as well as to instill and promote an understanding of environmental issues to the locals, and to establish a good foundation for implementing a sustainable reforestation program for the future.



Accumulated Trees  
that planted in  
Khao Yai



### Educational Support

In every society, education is paramount to success. As such, Raimon Land sees this scholarship endowment as a meaningful way to express its role in the community.

On 22 August 2014, the Company founded Raimon Land Scholarships for 25 students who exhibited exceptional academic merit from Chulalongkorn University’s faculties of architecture and engineering, by a special committee, for two types of scholarships:

- ❖ Raimon Land Gold Medal Scholarships were awarded to final year students who finished at the top of their class. Each recipient received a THB 40,000 scholarship.
- ❖ Raimon Land Prize Scholarships were awarded to students with notable academic records who require financial assistance. Each recipient received a THB 60,000 scholarship.

In addition, the Company donated educational fund to Baan Sok Noi, Nakhon Ratchasima, during 2014.



### Anti-corruption Policy

According to the resolution of the Board of Directors, Meeting No.1/2015, dated 2 March 2015, the Board of Directors have approved the Company to participate in “Thailand’s Private Sector Collective Action Coalition against Corruption.” The purpose of the participation is to demonstrate the Company’s commitment to prevent and eliminate corruptions that may arise in any types and forms.



With the recommendation of the Audit Committee and approval of the Board of Directors, the Company has started implementing Anti-corruption Policy since 3 March 2015 with following key points:

1. Management and employee at all levels and departments, including consultants, whether permanent, fixed-term or temporary, must not corrupt or accept corruption of all forms in any circumstances, covering the business of the Company in every country and in every relevant government agency, public enterprise agency and private organization.
2. The following course of action may be considered as corruption, whether direct or indirect, or may incur risks of corruption act. Hence, the “employees” of the Company shall pay utmost attention to and/or refrain from the following actions:
  - ❖ Giving and accepting gifts and hospitality
  - ❖ Giving and accepting cash or cash equivalent
  - ❖ Offering bribery to a government official
  - ❖ Giving and accepting bribery in any course of business
  - ❖ Fraudulent action with any private organization
  - ❖ Any charitable donation or contribution shall be made with the condition of being transparent and compliant with the laws
3. All employees shall notify any act of corruption as defined in the policy to their supervisor, management of the Company, or an internal audit department.
4. Any employee who commits the corruption and violates the terms of this policy will be subject to disciplinary action. In case such act violates the law, the conviction must be applied
5. This policy must be reviewed regularly by the Company and revised properly on a yearly basis
6. The Company complies with the anti-corruption laws in Thailand

This Anti-corruption policy is effective and uploaded to the Company’s website on 31 March 2015

#### Practices according to the Regulation and Controls to Prevent and Detect Risk from Fraud and Corruption

1. In 2014, the Company conducted the “Code of Business Conduct Policy” survey which was announced since 2011 in order to promote awareness and understanding of such policy throughout the Company. The survey had been well responded. The Company expects that all employees acknowledged such policy and are committed to follow.

2. The Company took the first step to conduct “Fraud and Corruption Risk Assessment” using the questionnaire which cover all major business processes where frauds were likely to occur. The Company has also interviewed managements responsible for the following processes:

- ❖ Sales and cash receipt
- ❖ Procurement and payment of services and/or supplies
- ❖ Human resources management
- ❖ Employees’ expenses reimbursement
- ❖ Financial reporting
- ❖ Company’s assets accessibility

From the evaluation of existing internal controls, the Company found that there is an adequate internal control system which would allow for detection and reduction of fraud.

Additionally, in 2015, the Company plans to review and evaluate the risk of fraud and corruption on regular basis in order to ensure that the Company has appropriate and effective system to prevent fraud. The Company also plans to announce and distribute information from relevant regulatory bodies and will provide necessary training for all employees according to fraud and corruption. By doing this, the Company has confidence that employees’ knowledge on such matter and policy compliance will be enhanced. The Company shall evaluate the effective of such program after a full year of implementation.

#### Whistle-Blowing Policy

1. The Company shall establish whistle-blowing channels outside traditional mean so that whistle-blowing reports can be submitted by the employees, suppliers, or the public through this channel.
2. The Company shall establish whistleblower channels through Mr. Kitti Gajanandana, Chairman of the Audit Committee (email:kitti.gaja@gmail.com or 293/1 Soi Mitr-anan, Nakornchaisri Road Subdistrict, Dusit District, Bangkok 10300) or Dr. Siri Ganjarendee (email :ganjarendee@gmail.com or 44/2 Moo 6 Bangpai Subdistrict, Bangkae District, Bangkok 10160). The Company shall keep the identity of the whistleblower confidential and shall provide comprehensive protection to the whistleblower.
3. The Company shall disclose information only as needed in order to preserve whistleblower’s safety against discrimination or retaliation.

# AUDIT COMMITTEE REPORT 2014

Dear Shareholders of Raimon Land Public Company Limited;

The Audit Committee of Raimon Land Public Company Limited was nominated and appointed according to a resolution of the Board of Directors. For 2014, Members of the Audit Committee of the Company consists of three Independent Directors: Mr. Kittu Gajanandana, who is the Chairman of the Audit Committee; Mr. Pradit Phataraprasit; and Dr. Siri Ganjarnde. The Secretary to the Committee is Mr. Jakkalin Kornkul, who also serves as the Head of Internal Audit Department.

The Audit Committee members are the Independent Directors who are fully qualified in accordance with the various requirements and regulations (relating to Independent Directors and Audit Committee members), as well as has carried out its duties and responsibilities in accordance with the established best practices guidelines for Audit Committees as announced by the SET, in accordance with the Company's Audit Committee Charter, and which is assigned by the Board of Directors, that are consistent with the applicable regulations of the SET.

During 2014, the Audit Committee held four Committee meetings, while up to the date of this Report there was also one Committee meeting in 2015. Such Committee meetings were held together with the Company's Management, External Auditors, and Head of Internal Audit Office which include a meeting without the Company's Management as appropriate whereby a summary of these meetings is as follows.

1. Review of the Quarterly and Annual Financial Statements 2014 of the Company and its Subsidiaries

These financial statements were reviewed, in order to propose them to the Board of Directors for consideration and acceptance; whereby questions and clarifications were discussed with the Management and Auditors with regards to the accuracy and comprehensiveness of the financial statements, as well as the sufficiency of note to financial statements disclosures. The Committee also acknowledged and reviewed the audit process undertaken in 2014. The Audit Committee concurs with the Auditors that these financial statements are presented fairly, in all material respects with regard to the financial and other information presented and disclosed, as well as are in accordance with Thai Financial Reporting Standards.

2. Review of the Internal Controls System

Within the established framework and guidelines of the SEC and the SET and the principles established by COSO, as well as in accordance with the newly reviewed framework as revised since May 2013 and evaluated consecutively, the Audit Committee is of the opinion that an appropriate system of internal controls is in place to sufficiently and effectively oversee as well as monitor that the Company's operations and activities are all in accordance with the established objectives, goals, legal requirements and regulations.

3. Review and Assess that the Internal Controls System is Sufficient, Appropriate and Effective

This review is undertaken by the Internal Audit Department, in order to assess that the existing system of internal controls will enable the Company's business operations to achieve the established goals and objectives; whereby an assessment by the Audit Committee of the internal audit reports are made, regularly on a quarterly basis, to ensure that they are in accordance with the approved internal audit plans and activities for 2014. This review covers the major operating systems of the Company as well as regular monitoring that ongoing improvements are being implemented by the Management group according to the recommendations made by the Internal Audit Department. Additionally, regular follow-ups, by the Committee, are made on the results of the internal audit exercises, together with ongoing assessments to ensure that oversight of business operations and activities of the Company and its Subsidiary Companies are sufficient, appropriate and effective.

4. Review the Internal Audit Activities

Assessed the role, scope of work and activities, duties and responsibilities, degree of independence, manpower requirements, staff qualifications, and budget of the Internal Audit department, as well as reviewed the annual internal audit plans together with approval of the appointment, performance evaluation, and proposed transfer or termination of the Head of the Internal Audit Department.

5. Review Compliance to Various Laws and Regulations

Reviewed that the Company is in full compliance with all relevant legal requirements and regulations (such as: laws and rules relating to securities and the SET, regulations of the SET and any other relevant laws relating to the

Company's business) as well as with any commitments and agreements made with other third parties; whereby the Audit Committee is of the opinion that no issues of irregularity or non-compliance of any significance have been found.

#### 6. Review of Risks Management System

A review of the risks management system was made to ensure that it is fully synchronised with the internal controls system, so that it effectively covers every aspect of the Company's operations. Also an assessment was made of the policies and guidelines for risks management, together with the progress made to date in regards to the overall management of risks; whereby, at the present time, the Company is in the process of enhancing its risks management system to be more effective and efficient.

#### 7. Review of Connected Transactions and those that may involve a Conflict of Interests

In accordance with the relevant laws as well as the requirements of the SEC and the SET in regards to information disclosures of such transactions, and based on the Auditor's opinion that those transactions of any significance with connected parties have been fully disclosed in the financial statements and associated notes; thus the Audit Committee is in agreement with the Auditors and is also of the opinion that these connected transactions are considered reasonable and to the best benefit for the Company's business operations as well as have been fully disclosed as required.

#### 8. Consideration of Selecting and Nominating External Auditors together with the Audit Fee for 2015.

Consideration was made in regard to selecting qualified external Auditors, in order to nominate them for approval by the 2015 AGM; whereby the Audit Committee assessed their performance and degree of independence together with the appropriate Audit Fee and is of the opinion that the nomination of Ms.Siraporn Ouannunkun – CPA No. 3844, or Mr. Narong Puntawong – CPA No.3315, or Mr. Supachai Phanyawattano – CPA No. 3930 of EY Office Limited be made to appoint these persons as the Company's External Auditors for the 2015 financial year, together with a proposed Auditor's Fee not exceeding Baht 1,520,000.

During the past financial period, the External Auditors have performed their duties with full professional abilities, have proposed various recommendations relating to the internal controls and risks management systems, and have demonstrated a high degree of independence in their activities. They have also performed in full accordance with the requirements of the SEC and SET.

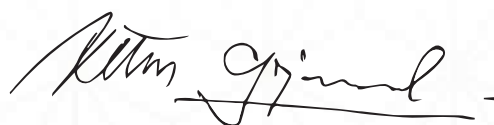
In view of the fact that listed companies are required to rotate the External Auditor, who is authorised to sign off on the Financial Statements and reports of the Company, every 5 financial years, please note that if the above Auditors are approved by the AGM for the 2015 financial it will be their fifth consecutive year as the authorized External Auditor; and please note also that these External Auditors have no relationships or connections whatsoever with the Company and its Subsidiary Companies.

#### Opinion/Comments on the Performance of the Audit Committee's Duties

In summary, the Audit Committee has fully discharged its duties and responsibilities in accordance with the Audit Committee's Charter that has been approved by the Board of Directors; whereby the Audit Committee has reviewed the above matters and is of the opinion that the Company has made and maintained accurate and correct accounts of its operations and associated financial information; as well as has in place a good internal controls system, has continuously monitored the results of its business activities, has fully complied to all laws and regulations and other commitments made, has fully disclosed all connected transactions, and, lastly, has adhered to the principles of good corporate governance.

2 March, 2015

On behalf of the Audit Committee,



Mr.Kitti Gajanandana  
Chairman, Audit Committee.



- 028

# GENERAL INFORMATION OF THE COMPANY, SUBSIDIARIES AND RELATED COMPANIES

Company (Registration No.)	Address	Business	Authorised Capital (baht)	Paid-up Capital (baht)	% of Investment
1. Raimon Land Public Co. Ltd. (0107536001508)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614, E-mail: info@raimonland.com Website: www.raimonland.com	Property development	4,558,280,156	3,575,424,125	-

## Subsidiaries

1. The River Co., Ltd. (0105534045182)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development and/or investing in subsidiary company for property project development	1,232,030,000	1,232,030,000	99.84%
2. Taksin Properties Co., Ltd. (0105530057879)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	375,000,000	375,000,000	99.84%
3. Contemporary Property Co., Ltd. (0105526003476)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	200,000,000	200,000,000	98.59%
4. Raimon Land Resorts Co., Ltd. (0105550123958)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Investment and service	7,000,000	7,000,000	99.99%
5. Raimon Land Planner Co., Ltd. (0105543094441)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Business Reorganization	2,000,000	2,000,000	95.00%

Company (Registration No.)	Address	Business	Authorised Capital (baht)	Paid-up Capital (baht)	% of Investment
6. Raimon Land Park View Development Co., Ltd. (0105549121467)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	100,000,000	100,000,000	99.99%
7. Northpoint PRC Co., Ltd. (0105551107123)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	10,000,000	2,500,000	99.99%
8. Raimon Land Development Co., Ltd. (0105549013966)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	500,000,000	500,000,000	99.99%
9. Raimon Land Residences Co., Ltd. (0105551069892)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development and/or investing in subsidiary company for property project development	10,000,000	10,000,000	99.99%
10. Raimon Land Unixx Co., Ltd. (0105551070491)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	2,300,000,000	1,737,500,000	99.99%
11. Raimon Land Services Co., Ltd. (0105553005034)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development and/or investment and/or operation	500,000	500,000	99.96%
12. Raimon Land Ekkamai Co., Ltd (0105555172779)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	10,000,000	5,000,000	99.99%
13. Raimon Land Sukhumvit Co., Ltd. (0105555182481)	The Millennia Tower, 22/F, Units 2201-3, 62 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 66 (0) 2651 9601-4, 66 (0) 2651 9615-6 Fax: 66 (0) 2651 9614	Property development	10,000,000	5,000,000	99.99%



Company (Registration No.)	Address	Business	Authorised Capital (baht)	Paid-up Capital (baht)	% of Investment
14. Raimon Land Development (Singapore) Pte. Ltd.	15 Hoe Chiang Road #19-01 Tower Fifteen Singapore (089316)	Property development	2 SGD	2 SGD	100%
15. Raimon Land Properties (Singapore) Pte. Ltd	15 Hoe Chiang Road #19-01 Tower Fifteen Singapore (089316)	Property development	2 SGD	2 SGD	100%

Other Relevant Parties	Address	Relationship
1. EY Office Limited (Thailand)	33/F, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Tel: 66 (0) 2264 0777 Fax: 66 (0) 2264 0789-90 Website: www.ey.com	Auditor of Raimon Land Plc, and Subsidiaries*
2. DLA Piper (Thailand) Co., Ltd.	195 Empire Tower, 47 Floor, Room 4707, South Sathorn Road, Yannawa, Sathorn, Bangkok Tel: 66 (0) 2686 8500 Fax: 66 (0) 2670 0131 Website: www.dlapiper.com	Legal Advisor of Raimon Land Plc.
3. Weerawong, Chinnavat & Peangpanor Ltd.	22 <sup>nd</sup> Floor, Mercury Tower 540 Ploenchit Road Lumpini, Pathumwan Bangkok 10330 Tel: 66 (0) 2264 8000 Fax: 66 (0) 2657 2222 Website: www.weerawongcp.com	Legal Advisor of Raimon Land Plc.
4. PwC Thailand	Bangkok City Tower 15 <sup>th</sup> Floor 179/74-80 South Sathorn Road, Bangkok, 10120 Thailand Tel: 66 (0) 2344 1000 Fax: 66 (0) 2286 4440 Website: www.pwc.com	Legal Advisor of Raimon Land Plc.
5. Bangkok Jurist Ltd.	SSP Building 3, 19/F 88 Silom Road, Suriyawong, Bangrak, Bangkok 10500 Tel: 66 (0) 2267 2460 Fax: 66 (0) 2267 2464 Website: www.bangkokjurist.com	Legal Advisor of Raimon Land Plc.
6. Bunchong and Vidhya Law Office Ltd.	33/35, 33/39-40, Wall Street Tower, 9/F Surawongse Road, Suriyawong, Bangrak, Bangkok 10500 Tel: 66 (0) 22361950, 66 (0) 22366163 Fax: 66 (0) 2236 3916 Website: www.bcvidhya.com	Legal Advisor of Subsidiaries
7. Thailand Securities Depository Co., Ltd.	62 Stock Exchange of Thailand Building Ratchadapisek Road Klongtoey, Bangkok 10110 Tel : 66 (0) 2229-2800 Fax : 66 (0) 2654-5427 TSD Call center: 0 2229-2888 Website: www.tsd.co.th	Securities Registrar of Raimon Land Plc.

\* Note : excluding Northpoint PRC Co., Ltd. and Raimon Land Sukhumvit Co., Ltd.

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Serenity,  
Investment,  
Treasure.



# SHAREHOLDERS AND CAPITAL STRUCTURE

## Equity Financing:

### 1. Ordinary Shares (RML)

As at 31 December 2014, the Company had a total registered capital in the form of ordinary shares as followings:

	31 December 2014
Total registered capital (million shares)*	4,558.3
Total issued and paid up capital (million shares)	3,575.4

Remarks: \* At a par value of Baht 1.00 per share

### 2. Shareholders

The names of the top 10 largest Shareholders of the Company, as recorded in the Company's Share Register as at 5 February 2015 are as follows:

Shareholder Name	Shareholding	
	Shares	(%)
JS Asset Management Pte. Ltd.	893,000,000	24.98%
Thai NVDR Co.Ltd.	386,164,612	10.80%
Thai Prosperity Fund II	250,000,000	6.99%
Mr. Permsak Meekusol	58,806,400	1.65%
Mr. Narat Sukthinthai	50,900,000	1.42%
Mr. Jirawud Kuvananant	47,900,000	1.34%
STATE STREET BANK AND TRUST COMPANY	31,609,000	0.88%
Mr. Shin Kittipanuwach	30,000,000	0.84%
Ms. Nongyao Mahattanakarak	23,802,000	0.67%
Mr. Niti Vanichjiratikarn	22,710,000	0.64%
Total	1,794,892,012	50.21%

### 3. Other Securities

#### 3.1 Warrants (RML-W3)

On 17 May 2012, the Company issued 893,840,315 warrants (RML-W3), which can be exercised to subscribe for newly issued ordinary shares of the Company at the rate of 1 warrant per 1 ordinary share with the exercise price of Baht 2.75. These warrants can be exercised on the last business day of each March, June, September and December starting from 29 June 2012 to 15 May 2015.



During 2014, no warrants holders exercised their rights to purchase ordinary shares of the Company, with the following details:

	Warrant Units
Total No. of warrants units as at 1 January 2014	893,840,315
Total No. of warrants exercised during 2014	-
Remaining total No. of warrants units as at 31 December 2014	893,840,315

### 3.2 ESOP - Warrants (RML-WB)

On 1 November 2013, a resolution was passed at the EGM No 1/2013 of the Company approving the issue and offer for sale of 89 million ESOP warrant units at the offering price of Baht 0.00 per unit. The warrant unit has an exercise conversion rate of 1 warrant unit per 1 ordinary share, with the exercise price of Baht 1.67. The warrants were offered to 2 executive directors of the Company at 44.5 million units each.

On 12 November 2013, a resolution was passed at the Board of Directors meeting No.12/2013 approving the issue of 89 million warrants of the Company (RML-WB) on 15 November 2013, whereby the holders of these warrants can exercise their rights to purchase ordinary shares of the Company on the last business day of every month during the period of not more than 5 years, starting from the issue date of the warrants.

As at 31 December 2014, no RML-WB warrant unit holder has exercised his right to purchase ordinary shares of the Company.

	Warrant Units
Total No. of warrant units as at 1 January 2014	89,000,000
Total No. of warrant units exercised during 2014	-
Remaining total No. of warrant units as at 31 December 2014	89,000,000

## 4. Debt Financing

The Company has following debt financing:

Type of Liabilities (Baht –Million)	31 December 2014	31 December 2013
Short term loans from financial institutions*	510	725
Long term loans from financial institutions**	3,028	4,723
<b>Total interest-bearing liabilities</b>	<b>3,538</b>	<b>5,448</b>

Remarks:

\* Bill of Exchanges – details as per section 4.1

\*\* Includes current portion of the loans

## 4.1 Bill of Exchange

As of 31 December 2014, the Company has following bills of exchange outstanding:

Issuer	Issue Date	Discount	Due Date	Face Value
Asia Plus PLC	18 July 14	1,010,272.16	9 April 15	30,000,000.00
Asia Plus PLC	18 July 14	1,010,272.16	9 April 15	30,000,000.00
Asia Plus PLC	18 July 14	336,757.39	9 April 15	10,000,000.00
Asia Plus PLC	29 July 14	1,448,989.88	24 April 15	40,000,000.00
Asia Plus PLC	9 October 14	1,696,741.18	2 April 15	100,000,000.00
Asia Plus PLC	9 October 14	1,696,741.18	2 April 15	100,000,000.00
Asia Plus PLC	30 October 14	1,829,996.45	7 May 15	100,000,000.00
Asia Plus PLC	21 November 14	1,753,894.85	21 May 15	100,000,000.00
Total				510,000,000.00

## 5. Dividend Policy

## 5.1 Company's Policy

In the case the Company achieves a net profit and there is no existing accumulated loss carried forward, the Company shall pay out dividends, in the form of cash, of no more than 50% of total net profit after tax, net of allocation for any required legal reserves.

## 5.2 Statutory Reserve for the Company

According to clause 116 of Public Company Limited Act (B.E. 2535), the Company is required to allocate at least 5 percent of its total net profit after tax (net of accumulated loss carried forward, if any) as statutory reserve. The Company is required to allocate for statutory reserve until such reserve has reached an amount equivalent to 10 percent of the Company's registered capital. This statutory reserve cannot be used for dividend payment purpose.

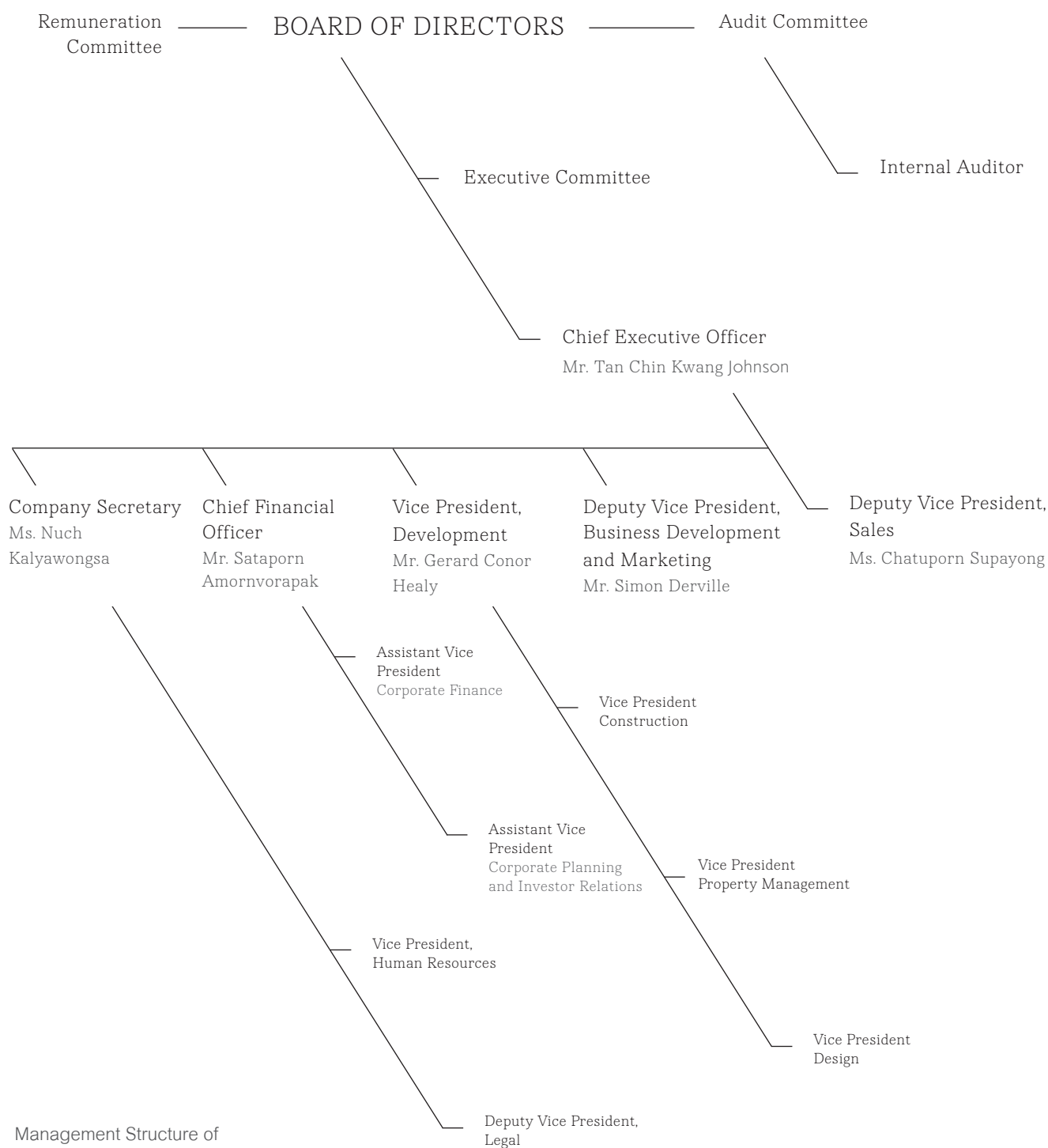
## 5.3 Subsidiaries' Policy

Board of directors of each respective subsidiary is authorized to provide resolutions for dividend payment. The dividend payment shall be paid out of total net profit after tax only. For interim dividend payment, the board of directors of each respective subsidiary may consider to affect such payment as long as it is deemed that such subsidiary has enough net profit after tax to do so.

## 5.4 Statutory Reserve for the Subsidiaries

Upon each dividend payment, subsidiaries are required to allocate at least one twentieth of their respective net profit after tax for statutory reserve. The subsidiaries are required to allocate for their respective statutory reserves until such reserves have reached one tenth of the subsidiaries' respective capital.

# MANAGEMENT STRUCTURE



Management Structure of  
Raimon Land Public Company Limited  
as of 31 January 2015



## Board of Directors

### List of Directors

1)	Mr. Pradit Phataraprasit	Chairman of the Board of Directors, Independent Director, Audit Committee Member, and Chairman of the Remuneration Committee
2)	Mr. Lee Chye Tek Lionel	Director, Member of Remuneration Committee, and Executive Director
3)	Mr. Tan Chin Kwang Johnson	Director and Executive Director
4)	Mr. Lee Chye Cheng Adrian	Director and Executive Director
5)	Ms. Nuch Kalyawongsa	Director and Executive Director
6)	Mr. Sataporn Amornvorapak	Director and Executive Director
7)	Mr. Roland Pang Tze Vui	Director
8)	Mr. Kittti Gajanandana	Director, Independent Director, Chairman of Audit Committee and Remuneration Committee Member
9)	Mr. Siri Ganjarende	Director, Independent Director, Audit Committee Member

### Attendance at Board of Directors Meetings in 2014

In 2014, there were a total of 5 Board of Directors meetings, whereby the attendance record of directors is as follows:

	Name	Date of Appointment	Number of Attendances
1)	Mr. Pradit Phataraprasit	1 February 2013	5/5
2)	Mr. Lee Chye Tek Lionel	1 February 2013	1/5
3)	Mr. Tan Chin Kwang Johnson	1 February 2013	5/5
4)	Mr. Lee Chye Cheng Adrian	4 February 2013	2/5
5)	Ms. Nuch Kalyawongsa	4 February 2013	5/5
6)	Mr. Jason Goh Hseng Wei <sup>1</sup>	4 February 2013	-/2
7)	Mr. Roland Pang Tze Vui	23 April 2014	5/5
8)	Mr. Kittti Gajanandana	23 April 2014	4/5
9)	Mr. Jirawud Kuvant <sup>1</sup>	23 April 2014	2/2
10)	Mr. Sataporn Amornvorapak <sup>1</sup>	14 August 2014	2/2
11)	Mr. Siri Ganjarende <sup>1</sup>	14 August 2014	2/2

(1) Mr. Sataporn Amornvorapak and Mr. Siri Ganjarende were appointed directors according to resolutions of the Board of Directors no. 3/2014, dated 14 August 2014, in place of Mr. Jason Goh Hseng Wei and Mr. Jirawud Kuvant, both of which submitted resignation as directors of the Company effective 12 August 2014

## Management Team

### List of the Company's Management according to Tor. Jor. 23/2551 (Clause 89/1)

1)	Mr. Tan Chin Kwang Johnson	Chief Executive Officer
2)	Ms. Nuch Kalyawongsa	Executive Director and Company Secretary
3)	Mr. Sataporn Amornvorapak	Chief Financial Officer
4)	Mr. Gerard Conor Healy	Vice President, Development
5)	Mr. Simon Derville	Deputy Vice President, Business Development and Marketing
6)	Ms. Chatuporn Supayong	Deputy Vice President, Sales

## Company Secretary

Ms. Nuch Kalyawongsa

### Policy Governing Company Secretary

The Board of Directors has stipulated a requirement for Company Secretary. Appointment of Company Secretary takes into considerations relevant rules, regulations and good corporate governance. The Company Secretary is required to have background in laws or accounting, and preferably been trained under relevant programs. The Company Secretary is expected to provide legal advices to the Board of Directors in conjunction with supervising activities of Board of Directors. In addition, the Company Secretary is required to organize meetings, prepare relevant documents, and ensure that resolutions of the Board of Directors have been carried out.

In 2014, the Board of Directors appointed Ms. Nuch Kalyawongsa, Executive Director, as the Company Secretary on the ground that Ms. Nuch Kalyawongsa has relevant experience and is qualified for such position.

### Required Attributes for Company Secretary

1. Has a thorough understanding on the Company's business, roles and responsibilities of Company Secretary, responsibilities of the Board of Directors, and possesses knowledge of relevant rules and regulations
2. Performs roles and responsibilities according to applicable rules and regulations, codes, article of associations with the utmost care, honesty, integrity, and commitment with the aim to achieve the Company's objectives under good corporate governance
3. Strictly adheres to integrity and good conducts and always takes into consideration every stakeholder, in addition to refraining from any activities that might negatively affect the Company's reputation
4. Ensures the Company's confidentiality and does not seek any personal benefits or gains from any type of business dealings
5. Has excellent interpersonal skill and is capable of coordinating with various internal and external parties

### Roles and Responsibilities of Company Secretary

1. Provides preliminary advices to the Board of Directors in relation to rules and regulations of the Company as well as ensures that such rules and regulations are being enforced
2. Coordinating and facilitating shareholder and Board of Director meetings as per stipulated by the Company's rules and regulations
3. Organizing, preparing agendas for and taking minutes of board meetings and annual general meetings as well as ensuring that all resolutions either by shareholders or by the Board of Directors are carried out
4. Organizing and preparing statutory books including: Register of Board of Directors, Annual Reports, Invitation Letters for shareholder and Board of Director meetings
5. Bookkeeping of report of conflict of interests whether by Directors and/or management as well as ensuring that such report is submitted to relevant authorities
6. Overseeing information distribution and disclosure to relevant authorities as per applicable rules and regulations

## Director and Management Remuneration

### Director Remuneration

The Company has established a transparent policy on Director Remuneration whether in the form of monetary or non-monetary benefits. Amount of remuneration is based on responsibility, duty, and benefits the Company expected to derive from a board member. In addition, such remuneration is required to be comparable with those of other publicly listed company on the Stock Exchange of Thailand; provided that such comparable companies are of similar industry and size. Finally, remuneration is required to be sufficiently attractive to retain and motivate board members to perform their duties with utmost transparency, with the aim to achieve the Company's goal. The Remuneration Committee is required to define general guidelines for the Company's

incentive pay to the Board of Directors and Executive Management, which must be ultimately approved by the general meeting of the Company.

## Management Remuneration

The Board of Director takes into consideration responsibilities, duties, and performance of each individual executive when determining incentive pay for the management. The Remuneration Committee is required to define guidelines for the Company's incentive pay to the management. Such pay is expected to be sufficiently attractive in order to retain and motivate the management of the Company.

## Monetary Remuneration

### Directors' Remuneration

Name	Remuneration in 2014 (Baht)
Mr. Pradit Phataraprasit	1,520,000
Mr. Kitti Gajanandana	855,000
Mr. Siri Ganjarende	279,808
<b>Total</b>	<b>2,654,808</b>

### Management's remuneration

Type of Remuneration	Remuneration in 2014 (Baht)
Salary	32,579,221
Bonus	24,208,936
Contribution to Provident Fund	1,398,985
Others	13,644,617
<b>Total</b>	<b>71,831,759</b>

## Other Types of Remuneration

1. Summary of Warrants to the Directors, Management and/or the Employees of the Company, under the ESOP Plan (RML-WB)
  - 1.1 Program Objectives
    1. To retain key person(s) within the organization and to maintain a high level of motivations of such person(s)
    2. To allow Directors to participate in ownership of the Company
    3. To retain personnel with high capability and efficiency on a long-term basis, and also to support the Directors' motivation to work for the Company's long-term benefits
  - 1.2 Key details of the ESOP - Warrants to be issued and allocated to the Directors of the Company
    1. The term of the ESOP-Warrants shall be 5 years, from the date of the first issue and allocation
    2. The total number of ESOP-Warrants to be issued and offered is 89,000,000 units, or representing 2.49% of the Company's paid-up shares outstanding
    3. Offering price of 0 Baht per unit



4. The ESOP-Warrants shall be allocated as followings :

Name	Position	Allotment	
		Units	Percentage of total issuance
Mr. Tan Chin Kwang Johnson	Chief Executive Officer and Executive Director	44,500,000	50.00
Mr. Lee Chye Cheng Adrian	Executive Director	44,500,000	50.00

5. Each unit of ESOP-Warrants shall be convertible into one ordinary share
6. The exercise price of Baht 1.67 per share, which is 25% higher than the weighted average closing price of the Company's ordinary shares trading on SET during 15 consecutive business days prior to the approval date by the Board of Directors on this matter (between 5 - 25 September 2013), which is equaled to Baht 1.34 per share

## Human Resources

### Total Employees, Categorized by Departments

As of 31 December 2014, the Company had a total of 192 employees not including Directors and senior management. Details of employees as per departments as following:

Departments	Number of Employees
Research & Business Development	5
Customer Relations Management	22
Construction	7
Design	2
Project Development & Design	5
Direct Sales	6
Executive Office	1
Facilities Maintenance Management	16
Finance & Accounting	23
HR Management	3
Administration	15
Internal Audit	2
Information Technology	3
Legal	2
Marketing	10
Property Management	5
Property Management (Raimon Land Services Co. Ltd.)	39
Sales	26
<b>Total</b>	<b>192</b>

## Employee Remuneration

Types of Remuneration	Total Remuneration in 2014 (Baht)
Salaries and Overtime	112,843,307
Bonus	20,922,494
Sales Commission	12,606,064
Contribution to the Employee provident fund	3,336,642
Others	4,780,089
<b>Total</b>	<b>154,488,596</b>

## Policy for Staff Development

The Company greatly emphasizes on staff development. Details of such policy can be found on the Company's website: <http://rml.listedcompany.com/>

## Summary Table of Staff Training

Item	Description	Hours
1	Anti-Corruption for Executive Program	4.0
2	Below The Line Marketing	19.0
3	Due Diligence Process under Legal Advisor Perspective	3.0
4	Emerging Identity of Internal Audit	15.0
5	Financial Advisor- Refresher Course	8.0
6	Hi- Impact Customer Service, Class 2 <sup>nd</sup>	456.0
7	Impressive Service	152.0
8	Leadership Development Workshop	216.0
9	Microsoft Excel 2010	77.0
10	Outlook for Thai Real Estate Market 2014	28.0
11	Social Networking and Mobile Security	9.0
12	The Cyber Defense Initiative Conference	9.0
13	The Management Retreat	132.0
14	The Retirement & Employee Benefits Seminar	3.0
15	Financial Reporting as per New Accounting Method (Pack 5) and Fair Value Approach, Class 2 <sup>nd</sup>	16.0
16	Quality Evaluation Program for Public Companies' Shareholders' Annual General Meeting	3.5
17	Preparation for Accounting and Tax : 2015	42.5
18	Tax for Real Estate Developers	22.5
19	Key Issues: TRFs for NPAEs	8.0
20	Value Added Tax	15.0
<b>Total</b>		<b>1,238.5</b>

# CORPORATE GOVERNANCE

## Corporate Governance Policy

Raimon Land Plc has set out policies for corporate governance that adhere to the 'Principles of Good Corporate Governance for Listed Companies' promoted by the Stock Exchange of Thailand. The Company ensures transparency, integrity and accountability in line with international standards by setting up an Audit Committee comprised of 3 qualified individuals. These individuals are tasked to independently audit and monitor performance of the Board of Directors. To further ensure good corporate governance and better supervision, the Company has appointed an internal auditor since the end of 2003. Structurally, the Audit Committee and internal auditor are completely independent from the Company's Executive Committee. The Board has committed itself to compliance with the 'Code of Best Practice for Directors of Listed Companies' and the 5 principles of 'Good Corporate Governance, 2003' as follows:

### 1. Rights of shareholders

- The Board of Directors acknowledges that good corporate governance is vital for the benefits of the Company and shareholders. Thus, the Board of Directors has set up policies and procedures to ensure transparency in accordance to relevant laws and business ethics, with the aim to maximize shareholders' benefits and to prevent any conflicts of interest. In addition, good corporate governance, along with internal control systems executed by independent directors and Audit Committee, is essential to sufficient risk management, and having proper internal control systems in place as well as having internal audit system reviewed by Independent Directors/Audit Committee Members.
- The Company shall disclose up-to-date information to the public via its corporate profile, corporate website and company newsletter, all of which in English and Thai
- Shareholders are notified at least 14 days in advance of each shareholder' meeting in a written letter that specifies the date, time and venue of the meeting. The letter shall also provide detailed agendas, each of which shall be accompanied by the Board of Directors' opinion on such matter. Such practice is to ensure that all shareholders shall receive adequate time and information for decision making process
- The Company is fully aware of the right of shareholders

to access information. The Company welcomes shareholders' comments and ideas. The Company has arranged for representatives of the Executive Committee, management, Audit Committee and auditors to attend every meeting. Complete and accurate minutes are taken at each meeting and shall be submitted to the Stock Exchange of Thailand within 14 days following such meeting. Every meeting minute shall be presented to shareholders in subsequent meeting for shareholders' acceptance

### 2. Equitable Treatment of Shareholders

- All shareholders have equal rights to attend and vote at meetings as specified in the Articles of Association. Should a shareholder be unable to attend a meeting, the shareholder is encouraged to appoint a proxy to attend the meeting or assign an independent director to vote for his stead. All shareholders shall be treated equally with respect to their rights.
- Chairman of the shareholders' meeting shall provide shareholders an opportunity to express opinions and ask questions related to the agenda or related to the Company in general
- The Board of Directors provides an opportunity for shareholders to elect directors on an individual basis.
- The Board of Directors uses voting cards for important agenda items such as election of directors, related party transactions, acquisitions or disposals of core assets, etc.

### 3. Role of stakeholders

- The Company values the rights of stakeholders including shareholders, customers, employees, suppliers, competitors, official authorities, society and environment. The Company has published Code of Conduct to provide ethical guidelines for the Company's directors, management, and employees. The Company expects every person in the organization to strictly adhere to such Code of Conduct
- The Board of Directors has established clear policies on fair treatment to each group of stakeholders for implementation and measurement of policy effectiveness in order to prevent infringement

of stakeholder right and to redress violations of stakeholders' legal rights

#### 4. Disclosure and transparency

- The Company recognizes the importance of accurate, complete, transparent and timely disclosure of financial, general and other information that may affect the price of the Company's securities. Further, the Company has set up Investors Relation Department in order to handle communication with investors and analysts with an emphasis on complete, transparent and timely disclosures
- The Company's Board of Directors is responsible for the accuracy of the Company's and its subsidiaries' consolidated financial statements and related information as shown in the annual reports, which are prepared in accordance with generally accepted Thai accounting principles. Conservative judgments and best estimates have been used to prepare the financial statements to ensure adequate and proper disclosure in the notes to the financial statements
- The Company's Board of Directors has arranged for an efficient internal control system to ensure that financial information is recorded accurately, completely and adequately in order to safeguard the Company's assets; and to help identify any loopholes in order to establish preventive measures in relation to any significant fraud or operation irregularities
- The Company has provided a transparent and appropriate guideline to determine directors' remuneration. Such guideline is required to be in accordance with market practices. Directors' remuneration is approved by shareholders at the general meeting, while management remuneration is approved by the Board of Directors or the Executive Committee. Executive remuneration shall take into account the Company's operating results as well as the performance of relevant executives

#### 5. Responsibilities of the Board of Directors

- The Board of Directors of the Company consists of 9 directors as follows:
 

Directors	6 persons
Independent Directors	3 persons
- Independent Directors shall constitute at least one third of the Board of Directors. Independent Directors is comprised of (1) Chairman of the Board of Directors/Audit Committee member and (2) two Audit Committee members. The Independent

Directors/Audit Committee are encouraged to express their views and maintain their independence when performing operation and transaction audit as well as evaluating internal control systems

- The Company has made a clear outline defining the authority and responsibility of the Board of Directors, Executive Committee, Audit Committee and Chief Executive Officer. In addition, Chairman of the Board of Directors shall act as an independent director and possess no relationship with management. Chairman of the Board of Directors shall not be representative of major shareholders, nor shall be the same person with Chief Executive Officer.
- The Company's directors shall act for the best interests of the Company, stakeholders, and shareholders as per followings:
  - a) Review and approve key business matters such as the Company's vision and mission, strategy, financial targets, risks and company business plan
  - b) Monitor that management execution is performed in an efficient and effective manner
  - c) Establish and approve corporate governance policy and ensure consistency through policy revision, expected to perform at least annually
  - d) Ensure that internal control system, including financial control, is consistent with the Company's policy as well as reviewing internal control system at least annually

##### 5.1 Director Authorisation and Restriction

Any 2 of the following 5 Directors - Mr. Lee Chye Tek Lionel, Mr. Tan Chin Kwang Johnson, Mr. Lee Chye Cheng Adrian, Ms. Nuch Kalyawongsa, and Mr. Sataporn Amonvorapak – signing together with the affixing of the official company seal.

##### 5.2 Scope of Authority of the Company's Board of Directors

The Company's directors are required to perform their duties in compliance with all relevant laws and regulations; the Company's objectives and articles of association; and the resolutions by shareholders in good faith. The Company's directors are prohibited from carrying out any business of the same nature as and in competition with the Company's business and from being partners or shareholders or directors of other juristic persons carrying out a similar and competitive business, unless the shareholders are informed of such in a shareholders meeting prior to



his/her appointment. If a director has direct or indirect interests in any agreements to be entered into with the Company or increases or decreases his/her shareholding or debenture holding in the Company and its affiliates or debenture, the director must inform the Company without delay.

### 5.3 Board Meeting and Relevant Notification

The Board of Directors shall convene at least 4 times annually. Directors are required to attend extraordinary meeting as required. Unless there is an emergency, letter of invitation shall be distributed to the board members 7 days prior to the meeting in order to provide directors sufficient time to digest the information. In addition, letter of invitation is expected to contain information concerning date, time, agendas and place of meeting. The Company is expected to produce meeting minutes within 14 days of the board meeting, and all directors are entitled to access the meeting minutes. The Company shall file all approved meeting minutes.

### 5.4 Meeting Quorum and Voting

- Meeting quorum requires at least half of the directors to be present. In the case the Chairman of the Board is absent, the Vice-chairman shall automatically be elected as chairman of the meeting. In the case the Company does not have Vice-chairman, one of the directors present at the meeting shall be elected as chairman
- Decision shall be based upon majority rule
- Each of the directors has 1 vote. Those having conflict of interests shall be abstained from voting. In the case there is a tie, the chairman is entitled to cast an additional vote

## Sub-committee

The Company consists of the Board of Directors along with three sub-committees as following:

1. Executive Committee
2. Audit Committee
3. Remuneration Committee

### Executive Committee

- |                               |                                 |
|-------------------------------|---------------------------------|
| 1. Mr. Lee Chye Tek Lionel    | Chairman of Executive Committee |
| 2. Mr. Tan Chin Kwang Johnson | Executive Committee Member      |
| 3. Mr. Lee Chye Cheng Adrian  | Executive Committee Member      |
| 4. Ms. Nuch Kalyawongsa       | Executive Committee Member      |
| 5. Mr. Sataporn Amornvorapak  | Executive Committee Member      |

### Scope of Authority, Duties and Responsibilities of the Executive Committee

1. To manage the Company in all respects on a day-to-day basis
2. To provide company policies, business plans, budget and administrative structure
3. To provide operational guidelines in response to change in economic conditions to the Board of Directors for consideration.
4. To review the Company's operating results and ensure that operations undertaken are in accordance with policy.

The Executive Committee has no authority to approve a transaction that may create a conflict of interest; that would benefit a member of the Executive Committee or connected person; that would conflict with the Company or its subsidiaries as per regulations by Stock Exchange of Thailand. Such transaction must be submitted to the Board of Directors and/or shareholders meeting for approval, as required by the Company's Articles of Association and relevant laws.

### Audit Committee

The Audit Committee is comprised of three independent directors. Each of the independent directors has sufficient knowledge, experience, and qualification as per rules and regulations stipulated by the Stock Exchange of Thailand and The Securities and Exchange Commission.

- |    |                         |   |
|----|-------------------------|---|
| 1. | Mr. Kitti Gajanandana   | Chairman of Audit Committee<br>(Independent Director) |
| 2. | Mr. Pradit Phataraprasi | Audit Committee Member<br>(Independent Director)      |
| 3. | Mr. Siri Ganjarende     | Audit Committee Member<br>(Independent Director)      |

Mr. Kitti Gajanandana is an Audit Committee member qualified for auditing the Company's financial statement and acting as Chairman of Audit Committee.

### Secretary to Audit Committee

- |                      |   |
|----------------------|---|
| Mr. Jakkalin Kornkul | Assistant Vice President - Internal Audit |
|----------------------|---|

### Scope of Authority, Duties and Responsibilities of the Audit Committee

1. To review the Company's financial statements to ensure that financial reports are fairly presented in all material respects
2. To ensure that the Company's internal control system is adequate and efficient, encompassing all relevant operational, financial reporting, and other matters
3. To evaluate that there are adequate budget, human resource, and independence of internal auditors for an efficient internal audit system; to recommend any appointment, transfer, termination of head and any staff within internal audit department or any relevant units
4. To review the Company's compliance with all laws pertaining to its business and the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand
5. To propose, appoint, and terminate external auditors; to propose audit fee; and to attend meeting with external auditors, without management presence, at least annually
6. To disclose adequately and accurately all information pertaining to connected transactions or transactions that may have conflict of interest as required by rules and regulations
7. To ensure that the Company has an adequate system of risk management
8. To establish whistle-blowing process for the purpose of receiving lead to potential corruption and/or any financial irregularities as well as provide identity protection to whistle-blower
9. To prepare the Audit Committee Report, signed by the Chairman of Audit Committee, and published in the Company's annual report. The report shall consist of followings:
  - Opinion on the credibility of financial reporting
  - Opinion on the adequacy of internal control system, risk management, and anti-corruption measures
  - Opinion on compliance with rules and regulations as stipulated by the Securities and Exchange Commission, the Stock Exchange of Thailand and any applicable business laws
  - Opinion on the appropriateness of external auditor(s)
  - Opinion on connected transaction and conflict of interests
  - Number of meetings and meeting attendances of the Audit Committee
  - Overall opinion or observation by the Audit Committee formed during performance of duty as per charter
  - Other matters deemed necessary for shareholders to acknowledge while in accordance with duties and responsibilities assigned by the Board of Directors
10. To report to the Board of Directors the work carried out by the Audit Committee at least once per quarter.
11. To have an authority to summon directors, management, department heads, and any employees to discuss and/or answer to the Audit Committees' inquiry
12. Under the performance of duty, should the Audit Committee has found or suspected that any transaction or action may cause material impact to the Company's financial position and/or operation, the Audit Committee is required to report to the Board of Directors for a timely rectification. Transaction and action may include:
  - Any transaction that may create conflict of interests
  - Any corruption and/or irregularities in relation to internal control system
  - Violation of any rules and regulations as stipulated by the Securities Exchange and Commission, the Stock Exchange of Thailand and any relevant business laws
  - Any other matters that the Board of Directors may assign and the Audit Committee approve of
13. To perform any other tasks as assigned by the Board of Directors and agreed by the Audit Committee.

The term of an Audit Committee member is 4 years. In the event that a vacancy occurs for any reason other than the expiration of the term, then the Board of Directors will appoint another Director, who are qualified under SET regulations and requirements, as a replacement member of the Audit Committee. The replacement member will only serve for the remaining period of the term.

#### Attendance at Audit Committee Meetings in 2014

In 2014, the Audit Committee convened 4 times. Details of attendances as per following:

Name	Number of Attendance	Number of Absence
1) Mr. Kitti Gajanandana	4	-
2) Mr. Pradit Phataraprasit	4	-
3) Mr. Jirawud Kuvananant <sup>1</sup>	2	-
4) Mr. Siri Ganjarende <sup>1</sup>	1	-
(1) Mr. Siri Ganjarende was appointed Audit Committee member according to the Board of Directors' resolution no.3/2014, dated 14 August 2014. Mr. Siri Ganjarende replaced Mr. Jirawud Kuvananant who submitted resignation as Audit Committee member, effective 12 August 2014		

#### Remuneration Committee

Members of the Remuneration Committee are as follows:

1.	Mr. Pradit Phataraprasit	Chairman of Remuneration Committee (Independent Director)
2.	Mr. Kitti Gajanandana	Remuneration Committee Member (Independent Director)
3.	Mr. Lee Chye Tek Lionel	Remuneration Committee Member

#### Scope of Authority, Duties and Responsibilities of the Remuneration Committee

- 1 Provide guidelines for the remuneration of Directors in order to propose to the Board of Directors, which must be ultimately approved by the shareholders.
- 2 Provide guidelines for the remuneration of the Chief Executive Officer in order to propose to and for approval by the Board of Directors.
- 3 The Remuneration Committee has the authority to summon executives or related persons to a meeting in order to provide additional explanation and information.
- 4 The Remuneration Committee may seek advice from experts at the expense of the Company in order to perform their duties in accordance with the Charter.
- 5 The Remuneration committee's duties are assigned by the Board of Directors.

Each term of Remuneration Committee member shall be 3 years. The Remuneration Committee members who complete the term may be reappointed. In case of vacancy due to the reason other than the expiration of the term, the Board of Directors shall appoint a director who is qualified according to the requirement by the Stock Exchange of Thailand. The appointed director shall serve the remaining period of the term.

#### Nomination of Remuneration Committee Member

The Board of Directors takes into consideration personal qualification and appropriate member composition for the committee during nomination process. Nevertheless, in the case there is no qualified person, the Board of Directors may institute a special committee, comprised of the Company's directors and/or external advisors, to nominate Remuneration Committee member(s).

#### Attendances at Remuneration Committee Meetings in 2014

In 2014, the Audit Committee convened 1 time. Details of attendances as per following:

Name	Number of Attendance	Number of Absence
1) Mr. Pradit Phataraprasit	1	-
2) Mr. Kitti Gajanandana	1	-
3) Mr. Lee Chye Tek Lionel	1	-

## Appointment of Directors and Executives

### 1. Appointment of Directors

An appointment of directors must be approved by the shareholders at the general shareholders' meeting, except for the case where vacancy was caused by a reason beyond term expiration. Under such case, the Board of Directors shall be entitled to appoint a person to fill such vacancy. The appointed person shall serve the remaining period of the term.

In practice, the nomination of directors can be carried out by the Board of Directors, without Nomination Committee process. In addition, shareholders may nominate a candidate for consideration during shareholders' meeting. The person, regardless of how he or she is nominated, has to be qualified, knowledgeable, capable, and experienced in relevant fields. In addition, the person shall not have prohibited traits as defined in the Public Companies Act and notifications of the Securities and Exchange Commission. The requirements and procedures for selection of company directors are given below.

According to Section 4 of the Company's Articles of Association, the Board of Directors comprises of at least 5 directors and at least half of the directors must reside in Thailand.

The appointment of directors must be carried out at the shareholders' meeting in accordance with the following requirements and procedures:

1. Each shareholder has one vote to one share
2. In appointing directors, each shareholder may vote for candidate(s) individually or as a group, as long as voting requirement in item no. 1 applies. However, the votes are indivisible (the voting for appointment of directors shall be non-cumulative voting).
3. The directors will be selected based on the total number of votes; in the case of a tie, the Chairman will cast the deciding vote.
4. At every annual general shareholders' Meeting, one-third of the directors - or the number nearest to one-third - must retire from the board. The retiring directors may be re-elected.
5. There must be drawing by lots to determine the directors retiring by rotation on the first and second years following a conversion into a public company. In each subsequent year, the directors who have been directors for the longest period must retire. In addition

to the retirement by rotation, director vacates from the post upon:

- a. Passing away
- b. Resignation
- c. Disqualifications or possessing prohibited traits according to the Public Companies Act
- d. Removal by a resolution of the shareholders at the general shareholders' meeting
- e. Dismissal by a court order

6. Any director wishing to resign is required to submit a resignation letter to the Company. The resignation is effective immediately upon the letter being received by Company. The director may notify the registrar of the resignation.

### 2. Selection of Independent Directors

The Company realizes the importance of having independent directors. Independent directors are in charge with auditing and supervising the Executive Committee in order to ensure transparency; to comply with relevant internal control systems, laws and regulations; as well as improving the Company's operational efficiency. An independent director must be knowledgeable, competent and experienced. Independent directors are selected according to the criteria set by the Company. The Board of Directors shall setup a special sub-committee to submit a short-list of candidates for consideration. Once approved, the nomination is proposed to the shareholders for approval at a shareholders' meeting, as outlined in the Company's Articles of Association. To qualify as an independent director, an individual must meet the following criteria:

1. Holding less than 1% of the Company's total voting shares;
2. Having no involvement in the management of the Company; not being an employee or a consultant; not having power to exert control in the Company, its affiliates, associated companies or connected person; not possessing a potential conflict of interest for at least 2 years prior to appointment; not having any juristic relationship with the legal consultant or external auditor of the Company or its affiliates
3. Having no involvement in any business relationship in terms of finance and/or management of the Company, affiliates, joint venture or connected person of the amount equal to or more than 3 percent total net tangible assets; not having a relationship as a



- customer, a supplier, a trade creditor/debtor, or a financial creditor/debtor; receiving no benefits from the Company; and
4. Not having familial relationship with management, major shareholders of the Company or its affiliates and associated companies, nor someone that may create a conflict of interest; and shall not be appointed to represent interests of particular directors or major shareholders.

### Director Orientation

The Company has established policy in relation to director orientation with the aim to acclimatize the newly appointed director(s). The newly appointed director(s) will have an opportunity to discuss with Chairman of the Board and

Executive Committee. The discussion shall cover expectation, roles, and responsibilities in relation to directorship as well as the Company's policies in relation to good corporate governance. In addition, the newly appointed director(s) shall have an opportunity to understand the Company's business and process via having site visits at applicable business units.

### Policy to Promote Continuous Development of the Directors and Executives

The Board of Directors has a policy that promotes continuous development of directors, executives, and company secretary in order to improve productivity. The Board of Directors encourages every person to attend seminars and courses with relevant institutions, such as Thai Institute of Directors, the Stock Exchange of Thailand, among others, as deemed appropriate.

## Supervision on Insider Information

The Company emphasizes on the confidentiality of sensitive information. It has established policies and procedures to prevent management from abusing insider information for their own benefits. The Company shall take legal action against any individual, who misuses insider information to the extent of criminal prosecution. In addition, the Company limits the access to such information by management and officers to the extent possible. The Company ensures that relevant officers adhere to the restrictions on trading of Company's shares using insider information; and/or forbids any inappropriate use of information in case the Company enters into a transaction which may have impact on security price. The management and officers are fully aware that they must not trade the Company's securities or cause others to trade on non-public information. Such information must not be disclosed to any other party prior to notification to the Stock Exchange of Thailand.

In addition, the Company also requires management to report any changes in their holdings in the Company's securities to the Securities and Exchange Commission, as outlined in Section 59 of Securities and Exchange Act B.E. 2535. An executive is required to provide a copy of the report to the Company on the date that the executive reports it to the Securities Exchange Commission of Thailand.

### Report of Shareholding by Directors and Management of the Company, as of 31 December 2014

	Number of Ordinary Shares (RML)		
	Beginning of Year	End of Year	Difference
Mr. Lee Chye Tek Lionel	893,000,000	893,000,000	0
Mr. Tan Chin Kwang Johnson	13,832,400	19,282,900	5,450,500
Mr. Gerard Conor Healy	96	96	0

## Auditor Fee for 2014

Company being Audited	Auditor Fee
1) Raimon Land PLC	1,480,000
2) Taksin Properties Co., Ltd.	480,000
3) Raimon Land Development Co., Ltd.	360,000
4) Raimon Land Unixx Co., Ltd.	160,000
5) Raimon Land Planner Co., Ltd.	50,000
6) The River Co., Ltd.	50,000
7) Contemporary Property Co., Ltd.	50,000
8) Raimon Land Park View Development Co., Ltd.	50,000
9) Raimon Land Resorts Co., Ltd.	50,000
10) Raimon Land Residences Co., Ltd.	50,000
11) Northpoint PRC Co., Ltd.	29,000 *
12) Raimon Land Services Co., Ltd.	80,000
13) Raimon Land Ekkamai Co., Ltd.	160,000
14) Raimon Land Sukhumvit Co., Ltd.	29,000 *
<b>Total</b>	<b>3,080,000</b>

\* Non-audit fee: including service fees in relation to company dissolution

## Other Policies in relation to Good Corporate Governance

### Risk Management Policy

Execution and management of the Company's business shall take into account risk management policy implemented by the Audit Committee. Risk management policy shall cover risks in relation to business strategy, credit, financial liquidity, laws and regulations, corruption, execution, policies, and external factors. The policy is set so that a systematic risk management can be achieved within the Company's policy framework while minimizing any potential risks.

### Policy on Conflict of Interests

The Company emphasizes on the prevention of conflict of interests. The Company has put in place a policy that forbids every person in the organization to abuse insider information for the benefits of his or her own. In addition, all business dealing shall be done in accordance with customers' and shareholders' best interests. None of the Company's employee is allowed to use personal or familial matters to influence his or her decision away from the principal as previously described. In the case of conflict of interests, any conflicted person shall be prohibited from making decisions on such matters.

Additionally, the Company has a policy to prevent any person, including management and staff, to directly or indirectly engage in a business that is in competition with the Group's businesses as per relevant rules, regulations, and Public Company Act (No. 4) (B.E. 2551).

# INTERNAL CONTROL AND RISKS MANAGEMENT

Raimon Land PLC. ("The Company") is fully cognizant that internal control is vital for an organization. Effective internal control systems will help ensure greater corporate accuracy, efficiency, transparency and accountability, as well as the prevention, or at least minimization, of any potential damages that the Company may endure. As such, the Company has continuously improved a system of internal control that is both effective and efficient, as well as has established an Internal Audit Department responsible for assessing the sufficiency and effectiveness of such system.

The Internal Audit Department is a unit fully independent from management. The department is charged with the responsibility to review and audit activities of all business departments within the Company and its Subsidiary Companies, with the aim to ensure that all business departments comply with established internal control procedures. The Internal Audit Department focuses on preventive measures through implementing various internal control procedures that are effective and appropriate for the Company's business operations; and also gives useful recommendations or relevant information to support those undertaking the business activities with the aim to improve efficiency and productivity while ensuring full compliance. Any business activities are expected to have full transparency and accountability in accordance with the principles of good corporate governance. The AVP- Internal Audit is required to report quarterly findings to the Audit Committee, following which the Audit Committee shall then brief the Board of Directors on a quarterly basis.

## Summary of the Audit Committee's Opinion

At the Audit Committee meeting No 1/2014 held on 28 February 2014, the Audit Committee and the Internal Audit Department together assessed the sufficiency of the existing internal control system for the 2013 financial year. In the same manner, at the Audit Committee meeting No 1/2015 held on 2 March 2015, the Audit Committee and the Internal Audit Department together assessed the sufficiency of the existing internal control system for the 2014 financial year. Both of these assessments were performed in accordance with the framework established by SEC under the guidelines of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), revised in May 2013. Such guideline consists of following key elements: Control Environment; Risks Assessment; Control Activities; Information and Communications Systems; and Monitoring Activities.

Having in place a good internal control system will help prevent and manage risks along with any damages potentially inflicted upon the Company and its Stakeholders. Based on its review and assessment, the Audit Committee is confident that there is an effective internal control system in place. This will ensure that operations and business activities of the Company are in accordance with the established objectives, goals, relevant legal requirements and regulations. In addition, the system shall be able to protect the Company's assets from any unlawful actions and resultant damages. Furthermore, the Audit Committee considers that the accounting records are fully correct and creditable.

In order to ensure that an effective internal control system and procedures are implemented; and to ensure that various business departments are in compliance, the Company has appointed Mr. Jakkalin Kornkul as AVP – Internal Audit, and concurrently as the Secretary of the Audit Committee. Mr. Jakkalin shall have the responsibility of ensuring that operations of the Company and its Subsidiary Companies conform to established internal control procedures. The Audit Committee considers that Mr. Jakkalin Kornkul is academically well-qualified; has sufficient relevant experience in relations to the duties as an Internal Auditor; and has regularly received training and knowhow enhancement in such profession on an ongoing basis. Therefore, the Audit Committee endorses appointment of Mr. Jakkalin Kornkul to this position.

Finally, any appointment, discharge, or transfer of AVP – Internal Audit and Secretary of the Audit Committee is required to have the formal concurrence and endorsement of the Audit Committee.

# CONNECTED TRANSACTIONS

## Details of Connected Transactions

For the financial year ended 31 December 2014, apart from those transactions already disclosed in the Note No. 6 to the Financial Statements, the Company and Subsidiary Companies did not undertake any transactions with any parties who may have a possible conflict of interests; namely: the majority Shareholder, Directors, and those related or connected to these parties.

## Necessity and Reasonableness of Transactions

In undertaking such connected transaction, the Company takes into consideration the necessity and reasonableness of such transactions as well as whether they are in line with normal business practices, in order to achieve maximum benefit and be in the best interests for the Company; whereby other key considerations taken into account include: the appropriateness of the fees charged and compensation relative to current fair market process and conditions that are comparable to the normal transactions undertaken by the Company with other non-related parties or businesses, and the associated general terms and conditions.

As such, undertaking such connected transactions should not unfairly transfer of any benefits from the Company to another party who may have a conflict of interests or vested interests in regards to the proposed transaction. During 2014, the Audit Committee has acknowledged and given its concurrence to all proposed connected transactions as well as decisions and actions by the Board of Directors/the Management in such matters, taking into account the appropriateness of proceeding with such connected transactions.

## Procedures for the approval of 'Connected Transactions'

Approval for undertaking any such connected transactions by the Company has been fully in accordance with the Securities and Exchange Act as well as any notifications, rules and regulations of the SET; whereby those Directors or persons involve and with a vested interest in the proposed connected transaction will not participate in the consideration and approval of such transactions, unless it is considered as being a valid exception and waiver according to the Securities and Exchange Act as well as any notifications, rules and regulations of the SET regarding 'Disclosures of Information and Other Acts of Listed Companies in regards Connected Transactions B.E. 2546'.

## Policies and Potential for undertaking future 'Connected Transactions'

For the future, the Company may undertake further connected transactions if it is considered to be of maximum benefits for and best interests of the Company; whereby the Company has established associated policies for undertaking such connected transactions that are in line with normal business practices, at fair market prices and comparable to those transactions undertaken by the Company with non-related parties. The Company is determined to full comply with the Securities and Exchange Act as well as any notifications, rules and regulations of the SET, together with any requirements on the disclosures of information on connected transactions or any acquisition or disposal of any assets of the Company and its Subsidiary Companies. Additionally, the Audit Committee will participate with the Board of Directors in meetings to consider and approve any proposed connected transactions, so as to gives its opinion as to the appropriateness of the transaction price and the reasonableness in undertaking such transactions.



# RISK FACTORS

## 1. Business Risks

### 1.1 Risks relating to land acquisition

Raimon Land's strategy for property development is to acquire land plots with high development potential. Key attributes of such plots include a strongly desirable location, proximity to lifestyle amenities and/or offices, and convenient access to transportation whether in the form of major roads, expressways or public transportation. Land plots that meet these criteria are highly sought after and therefore command an increasingly high price.

Raimon Land reduces the risk of not being able to acquire such plots through maintaining strong relationships with landowners in prime areas as well as various key members of the property community including brokers, consultants and lawyers. In addition, the Company allows potential sellers to submit land plots for consideration via the Company's website. Top management also leverages its own personal and professional network to bring in any land acquisition opportunity.

Finally, the Company is a leader in terms of producing in-house market research that keeps its business development team and top management supplied with up-to-date industry landscape. This helps mitigate the risks of acquiring an inappropriate land plot for development.

### 1.2 Risks relating to project development

Prices of construction materials may fluctuate significantly which in turns affect cost of project development. Raimon Land minimizes such risks through employing single contractor per development under a 'Turnkey Construction Contract.' Such arrangement allows the Company to effectively control costs. Furthermore, the Company at time directly sources construction materials from manufacturers and suppliers, as well as agreeing in advance to a fixed delivery price. This helps reduce potential price fluctuations that may have an impact on the project's profitability.

Additionally, in undertaking each development project, the Company employs external advisors who are knowledgeable and experienced. Selection of these third-party advisors is based on their know-how, capabilities, reputation and track record. Latest technology, applications or special equipment are used to enhance the quality of their work and to control costs within the Company's budget. Latest technology and applications are also used for the purpose of improving efficiency and productivity of the construction processes and procedures.

The Company has expanded its property development business into provincial markets over the past 10 years, focusing on major destinations such as Phuket and Pattaya. Nevertheless, in expanding to these markets, there are inherent risks, including different housing requirements in relation to local characteristics. Furthermore, the Company's brand may not be as well recognized by the locals as compared to those in Bangkok. Finally, local rules and regulations in the provinces are different from that of Bangkok. Therefore, in order to minimize such risks, the Company undertakes detailed research and market surveys in each location in order to ensure a deep understanding of different local consumer groups and property markets in each province.

Despite the preceding risks, undertaking new projects in various provinces is also a mean to mitigate risks in terms of over concentration in a single area. Furthermore, developing projects in different locales will also help spread brand recognition to a wider audience and client base.

### 1.3 Risks relating to sales and payment collection

Deploying a 'pre-sales' strategy both reduces marketing risks and allows the Company to be more flexible in terms of adjusting strategy to changing market landscape. It also allows the Company to make use of down payments as working capital. However, such pre-sales strategy introduces risks relating to cost control since selling prices are fixed prior to commencement of construction. This can result in a disappointing profitability margin due to higher-than-expected cost. In order to minimize such risks, the Company executes Turnkey Construction Contracts with contractors and purchases selected construction materials in advance directly from the suppliers/manufacturers. Thus, such risks are somewhat mitigated. Additionally, the Company can always deploy a phased presales strategy in order to reflect cost fluctuations during each phase of the sales activities.

Raimon Land minimizes the risks relating to collection of sales revenues by requiring a relatively high down payment from customers of approximately 25-40% of the selling price of the unit. Industry averages are less than 25%. This decreases the likelihood that customers may decline to transfer ownership, as they risk losing a substantial amount of money. Additionally, the Company implements various measures to ensure that payments are systematically followed-up. The Client Relations Management group establishes a close connection with and looks after each client rigorously. The Client Relations Management group is also required to report to senior management in a timely manner in the event that a payment issue arises.

Raimon Land is well-known in the market as a leading premium residential property developer. Many of its projects are well received by both Thai and international communities. This is a direct result of the Company's track record in delivering projects with good value for money and consistency in exceeding consumers' expectation. As a result, Raimon Land commands a large 'repeated customer' base. Currently, the Company places great importance on its clients, whether from regional markets or within Thailand. Catering to various customer groups mitigates consumer concentration risks and allows the Company to be experimental with new design and concepts to cater for each customer group. This in effect mitigates risks that the Company will have outdated products. Finally, expanding into international markets also allows the Company to mitigate any risks in relation to local macro economic factors.

### 1.4 Risks relating to changes in the relevant legal and regulatory requirements

There are risks relating to ongoing changes in relevant rules and regulations, especially those governing construction of large and/or tall buildings. Changes can arise from various government acts (City & Town Planning Acts, Building Acts), regulations (Open Space Ratio, Floor Area Ratio) and codes (BMA Code, the Treasury Department Code, the Land Department Code, and regulations on the required environmental permits). The Company has continually minimized these risks by closely monitoring any amendments in legal and regulatory framework along with establishing close contacts with relevant government agencies in order to efficiently receive regulatory updates. In addition, the Company undertakes detailed feasibility assessments for each project within the framework of all applicable laws, rules and regulations. As such, the Company is confident that its projects are rigorously reviewed and complied with any stipulated rules and regulations.

## 2. Financial and Other Potential Risks

### 2.1 Risks relating to interest rates fluctuations

Substantial part of the Company's borrowings carries either a floating interest rate or MLR, which is based on ever-changing financial market conditions. Thus, fluctuations in interest rate may impact the Company's operations and cash flows. However, to minimize such risk, the Company establishes close relationships with banks and various lending institutions, and is always seeking out the most appropriate source of borrowing at the best rates.

## 2.2 Risks relating to warrants issued – both RML –W3 and RML-WB

As at 31 December 2014, the Company has issued RML-W3 and RML-WB totaling 893,840,315 and 89,000,000 units respectively. As such, in the event that some of the warrant holders, who are non-existing Shareholders, exercise their rights, there will be an Earnings Per Share dilution as well as a Control dilution (of not more than 22%), which is based on the amount of 4,558,280,156 shares (registered shares outstanding including those allocated for all outstanding warrants and private placement).

## 2.3 Risks relating to shortage of qualified and capable human resources

The Company is part of the property development business sector, which requires a capable management team and staff who are highly knowledgeable, capable, and well-experienced. Given the Company recognizes the value and importance of human resources; it has always recruited well-qualified individuals.

Given a highly competitive landscape, the Company's senior management is consistently approached to work for other companies. This can potentially create risk of vacuum in high-level management position. In order to ensure continuity in management, the Company has put in places appropriate incentive schemes whether in the form of monetary remuneration or career path opportunity. The Company highly believes that it will be able to retain key persons and staff in order to ensure continuity in management.

## 2.4 Risks relating to the economic slowdown in Thailand

During the past year, there has been a significant decline in consumer demand and private consumption in Thailand, resulting from the increasing level of household debt (approximately 85 percent of GDP), a slowdown in government investments, specifically for transportation megaprojects, and lackluster export as a result of global recession. Such negative situations had a direct, adverse affect on the overall economy of Thailand.

Furthermore, financial institutions have started to tighten their lending policies toward real estate developers. Simultaneously, individuals seeking home mortgages are required to place high deposit rate as well as facing higher home loan rejection rate. These factors have negatively impacted the real estate industry, particularly to housing demand for low to middle segment.

With regards to deposit policy, the Company continues to require a deposit rate of 25-40 percent of unit value. This, as a result, works as an effective tool to filter away speculators from the Company's projects. In addition, majority of the Company's customers are those with high purchasing power and typically do not require home financing to affect a transfer (less than 20 percent of customers apply for home financing). As such, the Company is still able to maintain a less than one percent transfer failure rate.

# INDEPENDENT AUDITOR'S REPORT

## To the Shareholders of Raimon Land Public Company Limited

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

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

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



Siraporn Ouuanunkun  
Certified Public Accountant (Thailand) No. 3844

EY Office Limited  
Bangkok: 2 March 2015


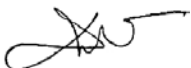


# BOARD OF DIRECTOR'S RESPONSIBILITY FOR FINANCIAL REPORT

Financial statements of Raimon Land Public Company Limited and its Subsidiaries  
For the Fiscal Year ending 31 December 2014  
Auditor: Siraporn Ouaanunkun, EY Office Limited

The Company has carefully reviewed separated and consolidated financial statements (the "Financial Statements") and hereby certifies that:

1. The Financial Statements are fairly presented, in all material respects including statements of financial positions, comprehensive income, and cash flow of the Company and its subsidiaries
2. The Company has established an adequate system for information disclosure to ensure that the Company has disclosed all material information in relation to the Company and its subsidiaries. The Company ensures that such system is being implemented
3. The Company has established an adequate internal control system, which is strictly implemented. In addition, the Company has disclosed evaluation reports on internal control system, dated 31 December 2014, to external auditors and Audit Committee. The reports provide detailed analysis of loopholes; significant changes of internal control system; and any potential dishonesty that may occur during the preparation of financial statements of the Company and its subsidiaries.

Name	Position	Signature
Ms. Nuch Kalyawongsa	Director	 .....
Mr. Sataporn Amornvorapak	Director	 .....

Note:

Clause No. 89/20 of Securities and Exchange Act (B.E 2535), revised by Securities and Exchange Act (No.4) (B.E. 2551) has stipulated that directors and management of the Company are responsible for any damages that may occur to shareholders arising from misrepresentation or omission of material information. Such information includes financial statements, statements of profit and loss, balance sheet, and any other relevant reports required for disclosure as per Clause No. 56 or Clause No. 199. Such responsibility is not limited to directors who have signed such documents. However, directors or management who can testify his or her innocence, according to his or her roles and responsibilities, shall not be made at fault as per Clause No. 89/20

Raimon Land Public Company Limited and its subsidiaries

# Statement of financial position

As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	497,738,581	555,929,053	136,010,162	188,777,543
Restricted bank deposits	7	28,900,000	28,900,000	28,900,000	28,900,000
Trade and other receivables	8	21,510,568	12,534,938	530,559,201	483,905,813
Short-term loans to related parties and interest receivable	6	-	-	1,751,801,843	2,657,939,086
Project development cost	9	8,451,503,171	10,486,687,566	2,528,790,702	5,085,622,737
Advance payment to contractors		386,245,321	511,998,393	20,583,079	34,284,254
Withholding tax deducted at source		22,423,034	45,947,021	-	7,275,071
Other current assets		91,016,184	101,324,528	15,209,607	16,096,704
<b>Total current assets</b>		<b>9,499,336,859</b>	<b>11,743,321,499</b>	<b>5,011,854,594</b>	<b>8,502,801,208</b>
<b>Non-current assets</b>					
Investments in subsidiaries	10	-	-	2,967,362,876	1,763,964,176
Land awaiting development		14,670,181	14,670,181	13,715,589	13,715,589
Investment properties	11	144,449,542	1,025,111,392	45,919,904	42,113,373
Property, plant and equipment	12	912,907,864	41,939,029	45,234,704	23,122,411
Deferred tax assets	13	455,898,687	603,653,319	152,991,596	313,585,474
Leasehold right	14	72,889,054	75,833,333	-	-
Withholding tax deducted at source		70,845,862	65,648,221	7,275,071	-
Other non-current assets		19,698,056	14,255,542	7,955,887	8,318,354
<b>Total non-current assets</b>		<b>1,691,359,246</b>	<b>1,841,111,017</b>	<b>3,240,455,627</b>	<b>2,164,819,377</b>
<b>Total assets</b>		<b>11,190,696,105</b>	<b>13,584,432,516</b>	<b>8,252,310,221</b>	<b>10,667,620,585</b>

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

Raimon Land Public Company Limited and its subsidiaries

# Statement of financial position (continued)

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	15	510,000,000	725,000,000	510,000,000	725,000,000
Trade and other payables	16	325,015,417	519,260,044	33,556,913	58,433,276
Accrued expenses		107,384,265	93,237,488	80,488,902	43,164,393
Retention payables		218,841,990	167,153,402	82,869,700	78,785,865
Current portion of income tax payable	13	-	49,182,722	-	-
Deposits and advance received from customers		3,265,310,121	4,879,382,451	1,492,741,447	3,322,521,430
Current portion of long-term loans from financial institutions	17	1,483,261,968	2,938,006,566	10,000,000	2,708,690,710
Short-term loan from related party and accrued interest	6	-	-	114,858,783	248,712,855
Accrued income tax	13	78,474,281	351,830	78,453,236	-
Other current liabilities		51,738,414	43,490,458	36,371,948	30,933,932
Total current liabilities		6,040,026,456	9,415,064,961	2,439,340,929	7,216,242,461
Non-current liabilities					
Income tax payable, net of current portion	13	-	2,400,096	-	-
Long-term loans from financial institutions, net of current portion	17	1,544,851,718	1,784,905,874	968,737,562	461,720,549
Deferred tax liabilities	13	40,407,079	61,116,251	-	-
Provision for long-term employee benefits	18	11,851,992	9,343,651	11,851,992	9,343,651
Other non-current liabilities		9,384,677	5,150,534	8,895,600	4,341,520
Total non-current liabilities		1,606,495,466	1,862,916,406	989,485,154	475,405,720
Total liabilities		7,646,521,922	11,277,981,367	3,428,826,083	7,691,648,181

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

Raimon Land Public Company Limited and its subsidiaries

# Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<b>Shareholders' equity</b>					
Share capital					
Registered					
4,558,280,156 ordinary shares of Baht 1 each		4,558,280,156	4,558,280,156	4,558,280,156	4,558,280,156
Issued and paid up					
3,575,424,125 ordinary shares of Baht 1 each		3,575,424,125	3,575,424,125	3,575,424,125	3,575,424,125
Excess of investment in subsidiary arising as a result of additional purchase of investment in the subsidiary at a price higher than the net book value of the subsidiary at the acquisition date		(564,048,205)	(564,048,205)	-	-
Capital reserve for share-based payment transactions	20	19,845,174	4,503,854	19,845,174	4,503,854
Retained earnings (deficits)					
Appropriated - statutory reserve	21	62,000,000	-	62,000,000	-
Unappropriated		448,341,345	(713,566,280)	1,166,214,839	(603,955,575)
Other components of shareholders' equity		(395,795)	(254,139)	-	-
Equity attributable to owners of the Company		3,541,166,644	2,302,059,355	4,823,484,138	2,975,972,404
Non-controlling interests of the subsidiaries		3,007,539	4,391,794	-	-
<b>Total shareholders' equity</b>		<b>3,544,174,183</b>	<b>2,306,451,149</b>	<b>4,823,484,138</b>	<b>2,975,972,404</b>
<b>Total liabilities and shareholders' equity</b>		<b>11,190,696,105</b>	<b>13,584,432,516</b>	<b>8,252,310,221</b>	<b>10,667,620,585</b>

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



Raimon Land Public Company Limited and its subsidiaries

# Statement of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales of residential condominium units		6,547,112,245	5,656,427,213	5,118,712,437	261,215,270
Rental and service income		33,800,111	24,778,302	15,854,751	7,547,392
Other income					
Project management fee income	6	11,987,844	8,793,742	74,193,658	83,257,749
Marketing commission income	6	22,073,025	11,447,508	78,050,185	75,848,809
Guarantee fee income	6	-	-	22,870,440	27,334,773
Interest income	6	3,053,346	6,144,756	128,086,854	106,059,030
Dividend income	10	-	-	488,902,898	-
Others		29,124,922	58,100,586	4,515,966	12,197,909
<b>Total revenues</b>		<b>6,647,151,493</b>	<b>5,765,692,107</b>	<b>5,931,187,189</b>	<b>573,460,932</b>
<b>Expenses</b>					
Cost of residential condominium units sold		3,832,475,642	3,627,258,363	2,933,438,081	242,120,434
Selling expenses		411,143,900	389,724,013	270,654,792	53,584,316
Administrative expenses		631,176,528	586,466,735	339,307,981	288,496,120
<b>Total expenses</b>		<b>4,874,796,070</b>	<b>4,603,449,111</b>	<b>3,543,400,854</b>	<b>584,200,870</b>
<b>Profit (loss) before finance cost and income tax expenses</b>		<b>1,772,355,423</b>	<b>1,162,242,996</b>	<b>2,387,786,335</b>	<b>(10,739,938)</b>
Finance cost		(133,504,562)	(172,125,855)	(113,428,139)	(53,742,076)
<b>Profit (loss) before income tax expenses</b>		<b>1,638,850,861</b>	<b>990,117,141</b>	<b>2,274,358,196</b>	<b>(64,482,014)</b>
Tax income (expenses)	13	(414,345,873)	(243,775,858)	(442,187,782)	3,854,795
<b>Profit (loss) for the year</b>		<b>1,224,504,988</b>	<b>746,341,283</b>	<b>1,832,170,414</b>	<b>(60,627,219)</b>
<b>Other comprehensive income for the year</b>					
Exchange differences on translation of financial statements in foreign currency		(141,656)	(254,139)	-	-
<b>Other comprehensive income for the year</b>		<b>(141,656)</b>	<b>(254,139)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>1,224,363,332</b>	<b>746,087,144</b>	<b>1,832,170,414</b>	<b>(60,627,219)</b>

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

Raimon Land Public Company Limited and its subsidiaries

# Statement of comprehensive income (continued)

For the year ended 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		1,224,519,079	746,269,716	1,832,170,414	(60,627,219)
Non-controlling interests of the subsidiaries		(14,091)	71,567		
		<u>1,224,504,988</u>	<u>746,341,283</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		1,224,377,423	746,015,577	1,832,170,414	(60,627,219)
Non-controlling interests of the subsidiaries		(14,091)	71,567		
		<u>1,224,363,332</u>	<u>746,087,144</u>		
<b>Earnings per share</b>	23				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		0.34	0.21	0.51	(0.02)
Diluted earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		0.34	0.21	0.51	(0.02)

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

Raimon Land Public Company Limited and its subsidiaries

# Statement of changes in shareholders' equity

For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
	Excess of investment in subsidiary arising as a result of additional purchase of investment in the subsidiary at a price higher than net book value of the subsidiary at the acquisition date					Other components of equity						
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings (deficits)	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
Note												
<b>Balance as at 1 January 2013</b>	3,575,424,125	131,900,646	(564,048,205)	-	36,131,233	(1,627,867,875)	-	1,551,539,924	4,320,227	1,555,860,151		
Profit for the year	-	-	-	-	-	746,269,716	-	746,269,716	71,567	746,341,283		
Other comprehensive income for the year	-	-	-	-	-	-	(254,139)	(254,139)	-	(254,139)		
Total comprehensive income for the year	-	-	-	-	-	746,269,716	(254,139)	746,015,577	71,567	746,087,144		
Offset share premium and statutory reserve against deficits	-	(131,900,646)	-	-	(36,131,233)	168,031,879	-	-	-	-		
Capital reserve for share-based payment transactions	-	-	-	4,503,854	-	-	-	4,503,854	-	4,503,854		
<b>Balance as at 31 December 2013</b>	3,575,424,125	-	(564,048,205)	4,503,854	-	(713,566,280)	(254,139)	2,302,059,355	4,391,794	2,306,451,149		
<b>Balance as at 1 January 2014</b>	3,575,424,125	-	(564,048,205)	4,503,854	-	(713,566,280)	(254,139)	2,302,059,355	4,391,794	2,306,451,149		
Profit for the year	-	-	-	-	-	1,224,519,079	-	1,224,519,079	(14,091)	1,224,504,988		
Other comprehensive income for the year	-	-	-	-	-	-	(141,656)	(141,656)	-	(141,656)		
Total comprehensive income for the year	-	-	-	-	-	1,224,519,079	(141,656)	1,224,377,423	(14,091)	1,224,363,332		
Capital reserve for share-based payment transactions	-	-	-	15,341,320	-	-	-	15,341,320	-	15,341,320		
Increase in non-controlling interest of the subsidiary from capital increase in the subsidiary	-	-	-	-	-	-	-	-	525	525		
Dividend payment from a subsidiary to non-controlling interest of the subsidiary	-	-	-	-	-	(611,454)	-	(611,454)	(1,370,689)	(1,982,143)		
Statutory reserve	-	-	-	-	62,000,000	(62,000,000)	-	-	-	-		
<b>Balance as at 31 December 2014</b>	3,575,424,125	-	(564,048,205)	19,845,174	62,000,000	448,341,345	(395,795)	3,541,166,644	3,007,539	3,544,174,183		

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

Raimon Land Public Company Limited and its subsidiaries

# Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2014

(Unit: Baht)

		Separate financial statements				
Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Total
				Appropriated	Unappropriated	
<b>Balance as at 1 January 2013</b>	3,575,424,125	131,900,646	-	36,131,233	(711,360,235)	3,032,095,769
Loss for the year	-	-	-	-	(60,627,219)	(60,627,219)
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(60,627,219)	(60,627,219)
Offset share premium and statutory reserve against deficits	-	(131,900,646)	-	(36,131,233)	168,031,879	-
Capital reserve for share-based payment transactions	-	-	4,503,854	-	-	4,503,854
<b>Balance as at 31 December 2013</b>	3,575,424,125	-	4,503,854	-	(603,955,575)	2,975,972,404
<b>Balance as at 1 January 2014</b>	3,575,424,125	-	4,503,854	-	(603,955,575)	2,975,972,404
Profit for the year	-	-	-	-	1,832,170,414	1,832,170,414
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	1,832,170,414	1,832,170,414
Capital reserve for share-based payment transactions	-	-	15,341,320	-	-	15,341,320
Statutory reserve	-	-	-	62,000,000	(62,000,000)	-
<b>Balance as at 31 December 2014</b>	3,575,424,125	-	19,845,174	62,000,000	1,166,214,839	4,823,484,138

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



Raimon Land Public Company Limited and its subsidiaries

# Cash flow statement

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	1,638,850,861	990,117,141	2,274,358,196	(64,482,014)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	59,061,448	35,302,856	15,708,453	17,434,621
Allowance for doubtful accounts and advance payment	9,829,146	-	120,347	-
Loss on disposal/ written-off of building and equipment	130,612	9,414,583	-	9,389,418
Unrealised loss on exchange	2,388,665	-	-	-
Expenses from provision for long-term employee benefits	3,105,318	20,011,053	3,105,318	20,011,053
Written-off of withholding tax	235,264	-	-	-
Reduce project development cost to net realisable value	135,130,831	15,497,085	-	15,497,085
Impairment loss of investment properties	-	120,844,421	-	-
Loss on diminution in value of investment in subsidiaries	-	-	5,631,503	-
Share-base payment transactions	15,341,320	4,503,854	15,341,320	4,503,854
Dividend income from subsidiaries	-	-	(488,902,898)	-
Interest income	(3,053,346)	(6,144,756)	(128,086,854)	(106,059,030)
Interest expenses (consist of interest expenses for operating and interest capitalised as part of project development cost)	233,381,856	347,235,894	137,907,306	182,756,253
Profit from operating activities before changes in operating assets and liabilities	2,094,401,975	1,536,782,131	1,835,182,691	79,051,240
Operating assets decrease (increase)				
Trade and other receivables	4,868,929	22,712,478	(46,653,388)	217,544,663
Project development cost	1,907,191,177	18,210,643	2,556,832,035	(1,203,717,063)
Advance payment to contractors	117,975,491	116,440,071	13,580,828	239,549,318
Other current assets	7,506,455	(15,284,521)	(1,914,791)	4,551,863
Other non-current assets	(6,609,365)	29,322,754	(658,489)	2,068,461
Operating liabilities increase (decrease)				
Trade and other payables	(194,244,627)	(414,574,051)	(24,876,363)	(212,060,282)
Accrued expenses	17,053,008	(16,190,390)	39,498,961	(12,539,783)
Retention payables	51,688,588	42,342,950	4,083,835	27,373,988
Deposits and advance received from customers	(1,614,072,330)	(753,064,205)	(1,829,779,983)	807,664,818
Provision for long-term employee benefits	(596,977)	(27,581,133)	(596,977)	(27,581,133)
Other current liabilities	4,922,353	(6,831,984)	3,163,813	(401,705)
Other non-current liabilities	(2,565,006)	(357,216)	(2,245,069)	(592,885)

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

Raimon Land Public Company Limited and its subsidiaries

# Cash flow statement (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from (used in) operating activities	2,387,519,671	531,927,527	2,545,617,103	(79,088,500)
Cash received from interest income	3,053,346	6,144,756	358,869,426	26,234,291
Cash paid for interest expenses	(233,486,596)	(423,604,718)	(179,256,796)	(231,244,588)
Cash refund from withholding tax deducted at source	40,523,490	14,651,807	-	14,651,807
Cash paid for corporate income tax	(283,193,188)	(204,399,738)	(203,140,668)	(35,194,791)
<b>Net cash flows from (used in) operating activities</b>	<b>1,914,416,723</b>	<b>(75,280,366)</b>	<b>2,522,089,065</b>	<b>(304,641,781)</b>
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	-	(3,800,000)	-	(3,800,000)
Decrease (increase) in short-term loans to related parties	-	-	1,160,575,772	(1,862,670,679)
Cash paid for acquisition of investment properties	(21,962,783)	(1,795,001)	(6,784,781)	(1,795,001)
Cash paid for acquisition of equipment	(39,981,182)	(23,798,924)	(24,748,189)	(9,900,034)
Cash received from disposal of equipment	207,000	2,930,881	-	2,932,528
Cash paid for purchase of investments in subsidiaries	-	-	(1,694,251,304)	-
Dividend received from subsidiaries	-	-	488,902,898	-
<b>Net cash flows used in investing activities</b>	<b>(61,736,965)</b>	<b>(26,463,044)</b>	<b>(76,305,604)</b>	<b>(1,875,233,186)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from financial institutions	(215,000,000)	475,000,000	(215,000,000)	475,000,000
Decrease in short-term loan from related party	-	-	(91,877,145)	-
Increase (decrease) in long-term loans from financial institutions	(1,694,798,754)	(1,248,335,802)	(2,191,673,697)	1,121,866,652
Cash received from non-controlling interests				
of the subsidiary from capital increase in the subsidiary	525	-	-	-
Dividend payment from a subsidiary to				
non-controlling interest of the subsidiary	(930,345)	-	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(1,910,728,574)</b>	<b>(773,335,802)</b>	<b>(2,498,550,842)</b>	<b>1,596,866,652</b>
<b>Decrease in translation adjustment</b>	<b>(141,656)</b>	<b>(254,139)</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(58,190,472)</b>	<b>(875,333,351)</b>	<b>(52,767,381)</b>	<b>(583,008,315)</b>
Cash and cash equivalents at beginning of the year	555,929,053	1,431,262,404	188,777,543	771,785,858
<b>Cash and cash equivalents at end of the year</b>	<b>497,738,581</b>	<b>555,929,053</b>	<b>136,010,162</b>	<b>188,777,543</b>
	-	-	-	-
<b>Supplemental disclosure of cash flows information</b>				
Non-cash transactions:				
Transferred project development cost to investment properties	-	880,831,352	-	-
Transferred investment properties to property, plant and equipment	859,639,297	-	-	-
Increase in equipment from other payables	9,073,352	-	9,073,352	-

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

Raimon Land Public Company Limited and its subsidiaries

# Notes to consolidated financial statements

For the year ended 31 December 2014

## 1. General information

Raimon Land Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its major shareholder is JS Asset Management Pte. Ltd. (formerly known as "JS Oil Pte. Ltd."), a company existing under Singapore laws. The Company is principally engaged in the property development. The registered office of the Company is at 62 The Millennia Tower, 22nd Floor, Unit 2201-3, Langsuan Road, Lumpini, Pathumwan, Bangkok.

## 2. Basis of preparation

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

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

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

### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Raimon Land Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014	2013
			Percent	Percent
Contemporary Property Company Limited	Ceased operations	Thailand	98.59	98.59
Raimon Land Planner Company Limited	Plan and planner administrator	Thailand	95.00	95.00
The River Company Limited and its subsidiary (Held by the Company 88.99% and indirect held by Contemporary Property Company Limited 10.85%)	Property development	Thailand	99.84	99.84
Raimon Land Park View Development Company Limited	Ceased operations	Thailand	99.99	99.99
Raimon Land Resorts Company Limited	Investment and service	Thailand	99.99	99.93
Northpoint PRC Company Limited	Property development	Thailand	99.99	99.99
Raimon Land Residences Company Limited	Property development	Thailand	99.99	99.99

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2014	2013
			Percent	Percent
Raimon Land Unixx Company Limited (Held by the Company 99.8% and indirect held by Raimon Land Residences Company Limited 0.2%) (2013: Held by the Company 89.8% and indirect held by Raimon Land Residences Company Limited 10.2%)	Property development	Thailand	99.99	99.99
Raimon Land Development Company Limited	Property development	Thailand	99.99	99.99
Raimon Land Services Company Limited	Services	Thailand	99.96	99.94
Raimon Land Ekkamai Company Limited	Property development	Thailand	99.99	99.99
Raimon Land Sukhumvit Company Limited	Property development	Thailand	99.99	99.99
Raimon Land Development (Singapore) Pte. Ltd.	Property development/ Investment	Singapore	100.00	100.00
Raimon Land Properties (Singapore) Pte. Ltd.	Property development	Singapore	100.00	100.00

In September 2014, the Company invested in 60,000 additional ordinary shares at a value of Raimon Land Resort Company Limited, a subsidiary, at a par value of Baht 100 each, totaling Baht 6 million, representing a 100 percent of the additional ordinary shares. This investment increased the Company's shareholding from 99.93 percent to 99.99 percent of the subsidiary's registered share capital.

In October 2014, the Company invested in 22,500,000 additional ordinary shares of Raimon Land Unixx Company Limited, a subsidiary, at a par value of Baht 100 each, totaling Baht 2,250 million, representing a 100 percent of the additional ordinary shares. This investment increased the Company's direct shareholding from 89.8 percent to 99.8 percent of the subsidiary's registered share capital. However, the subsidiary called 75 percent of its registered share capital, the Company therefore paid Baht 1,688 million for the share capital.

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statements of changes in shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

### 3. New 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 recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

At present, the Company and its subsidiaries immediately recognise actuarial gains and losses in profit or loss in the period in which they occur. The assessment of the management of the Company and its subsidiaries is that when the revised standard is applied in 2015 and the method of recognising those gains and losses is changed to immediately recognise them in other comprehensive income, there will be no impact to provision for long-term employee benefit liabilities and retained earnings in the financial statements.

**TFRS 10 Consolidated Financial Statements**

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

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

#### TFRS 12 Disclosure of Interests in Other Entities

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

#### TFRS 13 Fair Value Measurement

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

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

### 4. Significant accounting policies

#### 4.1 Revenue recognition

##### *Sales of residential condominium units*

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

##### *Rental and related service income*

Rental and related service income of units in office buildings, residential condominium and community mall are recognised on a time proportion basis.

##### *Interest income*

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

#### 4.2 Cost of residential condominium units sold

In determining the cost of residential condominium units sold, the total development costs are attributed to units sold on the basis of the sale value.

#### 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 and allowance for doubtful accounts

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

#### 4.5 Project development cost

Project development cost is valued at the lower of cost and net realisable value. The details of cost calculation are as follows:

- |                          |   |  |
|--------------------------|---|--|
| Land                     | - | The Company and its subsidiaries record cost of land separately for each project.  |
| Construction in progress | - | Construction in progress consists of the cost of design, cost of construction, public utility costs and interest capitalised to cost of projects. The Company and its subsidiaries record cost of design, construction and public utilities based on the actual cost incurred. |

**4.6 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction of the projects that necessarily takes a substantial period of time to get ready for its intended sale are capitalised as part of the cost of the respective projects and will be ceased when the projects are completed or when the construction is suspended until active development resumes. 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.

**4.7 Investments**

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

**4.8 Investment properties and depreciation**

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

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

Land and office building for rent	20 years
Community mall	27 years

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land.

**4.9 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 buildings and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings and building improvement	20 years
Residential condominium units for services	30 years
Furniture, fixtures and office equipment	2 - 10 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and land improvement.

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.

**4.10 Leasehold right and amortisation**

Leasehold right is stated at cost less accumulated amortisation. Amortisation of leasehold right is calculated by reference to its cost on a straight-line basis over the leasehold period.

#### 4.11 Related party transactions

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

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

#### 4.12 Long-term leases

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

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

#### 4.13 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

#### 4.14 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 assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. 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.

#### 4.15 Employee benefits

##### *Short-term employee benefits*

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

*Post-employment benefits**Defined contribution plans*

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

*Defined benefit plans*

The Company and its subsidiaries have obligations in respect of the severance payments 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 profit or loss.

**4.16 Equity-settled share-based payment transactions**

The Company recognises the share-based payment transactions at the date on which the options are granted, based on the fair value of the share options. They are recorded as expenses over the expected life of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

**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 judgments 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:

### Project development costs estimation

In recognising revenue from real estate sales, the Company and its subsidiaries need to estimate all project development costs, including land costs, land improvement costs, design costs, construction costs, and borrowing costs for construction. The management estimates these costs based on their business experience and revisit the estimation on a periodical basis or when the actual costs incurred significantly vary from the estimation.

### Investment properties/ Property plant and equipment/ Depreciation

In determining depreciation of investment properties, plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company's and its subsidiaries' investment properties, 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 investment properties, property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgment 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.

### Cost of share-based payment transactions

Estimating the cost of share-based payment transactions requires the determination of the fair value of the options granted under the transactions which involves appropriate assumptions, including but not limited to the expected life of the share options, share price volatility and dividend yield.

### Litigation

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

## 6. Related party transactions

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		
	2014	2013	2014	2013	Transfer pricing policy
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of residential condominium units	-	-	36	-	At prices charged to the third parties
Project management fee income	-	-	74	83	As stipulated in agreements
Marketing commission income	-	-	56	67	At prices charged to the third parties
Guarantee fee income	-	-	23	27	At 1.0 and 1.5% of average outstanding guarantee per annum (2013: At 1% of average outstanding guarantee per annum)
Interest income	-	-	127	104	Interest rate of 3.5 - 7.5% per annum and average MLR-1.875% per annum (2013: Interest rate of 3.0 - 7.5% per annum and average MLR-0.5 to -1.75 per annum)
Dividend income	-	-	489	-	Announced rate
Interest expenses	-	-	4	5	Interest rates of 3.0% per annum
Service fee expenses	-	-	11	6	As stipulated in agreements
<u>Transactions with related company</u>					
(Related by directors)					
Service fee expenses	1	2	-	-	Similar to market price
<u>Transactions with directors and employees</u>					
Sales of residential condominium units	-	12	-	-	Similar to market price

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<b>Amounts due from related parties (Note 8)</b>				
Subsidiaries				
- Taksin Properties Company Limited	-	-	453,318	439,813
- Raimon Land Development Company Limited	-	-	57,021	35,413
- Raimon Land Unixx Company Limited	-	-	5,762	1,028
- Raimon Land Ekkamai Company Limited	-	-	12,002	6,242
- Raimon Land Development (Singapore) Pte. Ltd.	-	-	1,726	1,238
Related companies (related by directors)	16,444	378	379	-
	16,444	378	530,208	483,734
<b>Amounts due to related parties (Note 16)</b>				
Subsidiaries				
- Taksin Properties Company Limited	-	-	2	161
- Raimon Land Development (Singapore) Pte. Ltd.	-	-	2,256	6,000
- Raimon Land Residences Company Limited	-	-	690	-
- Raimon Land Services Company Limited	-	-	6,909	-
Major shareholders				
- JS Asset Management Pte. Ltd.	1,711	7,021	-	-
Related companies (related by directors)	2,260	2,375	347	-
	3,971	9,396	10,204	6,161
<b>Deposits and cash received from customers - related parties</b>				
- Directors and employees	1,349	6,181	-	3,216
- Related companies (related by directors)	11,212	-	9,332	-
	12,561	6,181	9,332	3,216

Loans to related parties and loan from related party

As at 31 December 2014 and 2013, the balance of loans to and related interest receivable, and loan from and related accrued interest between the Company and those related companies and the movement are as follows:

((Unit: Thousand Baht))

	Separate financial statements			
	Balance as at 31 December 2013	Increase during the year	Decrease during the year	Balance as at 31 December 2014
<b>Short-term loans to related parties and interest receivable</b>				
<u>Subsidiaries</u>				
- Raimon Land Park View Development Company Limited				
Loans	15,050	325	-	15,375
Interest receivable	2,729	838	-	3,567
- Raimon Land Resorts Company Limited				
Loans	4,600	1,200	(5,263)	537
Interest receivable	1,340	184	(1,507)	17
- Raimon Land Development Company Limited				
Loans	320,578	69,500	(44,500)	345,578
Interest receivable	82,108	18,584	-	100,692
- Taksin Properties Company Limited				
Loans	1,370,000	92,000	(650,968)	811,032
Interest receivable	36,942	61,720	(94,873)	3,789
- Raimon Land Unixx Company Limited				
Loans	514,721	863,756	(1,229,727)	148,750
Interest receivable	2,387	38,162	(31,062)	9,487
- Raimon Land Residences Company Limited				
Loans	256,899	-	(256,899)	-
Interest receivable	87,850	-	(87,850)	-
- Raimon Land Ekkamai Company Limited				
Loans	275,060	-	-	275,060
Interest receivable	22,790	15,128	-	37,918
	2,993,054	1,161,397	(2,402,649)	1,751,802
Less: Allowance for doubtful debts	(335,115)	-	335,115	-
Net	2,657,939	1,161,397	(2,067,534)	1,751,802

**Short-term loan from related party and accrued interest**Subsidiary**- Contemporary Property Company Limited**

Loan	182,500	-	(91,877)	90,623
Accrued interest	66,213	4,146	(46,123)	24,236
	248,713	4,146	(138,000)	114,859

#### Directors and management's benefits

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term employee benefits	83	76	83	69
Post-employment benefits	2	2	2	2
Terminate benefits	-	21	-	21
Share-based payment transactions (Note 20)	15	5	15	5
Total	100	104	100	97

#### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with, as described in note 25.3 to the financial statements.

#### Short-term loans to subsidiaries

Loans to subsidiaries are unsecured loans carrying interest at rates of 5.5 percent per annum and MLR-1.875 percent per annum (2013: interest at rates of 3.0 to 7.5 percent per annum and average MLR-0.5 to -1.75 percent per annum) and due at call.

During the current year, the Company entered into short-term loan agreements with subsidiaries as follows:

##### Raimon Land Unixx Company Limited

On 11 August 2014, the Company entered into a loan agreement to provide a loan facility of Baht 200 million to Raimon Land Unixx Company Limited. The unsecured loan carries interest at a rate of 5.5 percent per annum and is due at call.

#### Short-term loan from subsidiary

Loan from subsidiary is unsecured loan carrying interest at a rate of 3 percent per annum and due at call.

## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash	422	466	93	65
Bank deposits	497,317	555,463	135,917	188,713
Total	497,739	555,929	136,010	188,778

As at 31 December 2014, bank deposits in saving accounts and fixed deposits carried interests between 0.25 and 2.00 percent per annum (2013: between 0.50 and 2.25 percent per annum).

Restricted bank deposits represent saving accounts pledged with banks to pay for interest of the Company's loans from bank amounting to Baht 25 million and to secure letters of guarantee of the subsidiary issued by bank amounting to Baht 4 million. The interest rate of these deposits is 0.4 percent per annum (2013: 0.7 percent per annum).



## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts receivable - unrelated parties	7,079	12,420	511	434
Other receivables - related parties (note 6)	16,444	378	530,208	483,734
Other receivables - unrelated parties	3,615	3,313	103	1
Total	27,138	16,111	530,822	484,169
Less: Allowance for doubtful debts	(5,627)	(3,576)	(263)	(263)
Trade and other receivables, net	21,511	12,535	530,559	483,906

## 9. Project development cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Land and construction under development	2,364,292	7,874,497	-	4,914,727
Developed land and construction	6,234,491	2,627,688	2,540,940	186,393
Total	8,598,783	10,502,185	2,540,940	5,101,120
Reduce cost to net realisable value	(147,280)	(15,497)	(12,149)	(15,497)
Net	8,451,503	10,486,688	2,528,791	5,085,623

During 2014 and 2013, the Company and its subsidiaries capitalised interest of approximately Baht 123 million and Baht 216 million, respectively (the Company only: Baht 29 million and Baht 139 million, respectively) as part of project development cost. The capitalisation rate on project development cost is approximately 5 percent per annum (2013: 6 percent per annum).

During the current year, a subsidiary recorded the cost reduction of commercial units by Baht 135 million, to reflect the fair value performed by the independent valuer. This was included in administrative expenses for the year ended 31 December 2014.

The Company and its subsidiaries have mortgaged their land and construction thereon with banks and financial institutions to secure the Company's and its subsidiaries' loans from these banks and financial institutions.

## 10. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	2014	2013	2014	2013	2014	2013
			(%)	(%)		
Contemporary Property Company Limited	200,000	200,000	98.59	98.59	196,126	196,126
Raimon Land Planner Company Limited	2,000	2,000	95.00	95.00	1,900	1,900
Raimon Land Park View Development Company Limited	100,000	100,000	99.99	99.99	100,000	100,000
The River Company Limited and its subsidiary (Held by the Company 89.0% and indirect held by Contemporary Property Company Limited 11.0%)	1,232,030	1,232,030	99.84	99.84	1,121,994	1,121,994
Raimon Land Resorts Company Limited	7,000	250	99.99	99.93	7,000	250
Northpoint PRC Company Limited	2,500	2,500	99.99	99.99	2,500	2,500
Raimon Land Residences Company Limited	10,000	10,000	99.99	99.99	5,100	5,099
Raimon Land Unixx Company Limited (Held by the Company 99.8% and indirect held by Raimon Land Residences Company Limited 0.2%) (2013: Held by the Company 89.8% and indirect held by Raimon Land Residences Company Limited 10.2%)	1,737,500	50,000	99.99	99.99	1,727,500	40,000
Raimon Land Development Company Limited	500,000	500,000	99.99	99.99	390,694	390,694
Raimon Land Services Company Limited	500	500	99.96	99.94	500	500
Raimon Land Ekkamai Company Limited	5,000	5,000	99.99	99.99	5,000	5,000
Raimon Land Sukhumvit Company Limited	5,000	5,000	99.99	99.99	5,000	5,000
Raimon Land Development (Singapore) Pte. Ltd.	-	-	100.00	100.00	-	-
Raimon Land Properties (Singapore) Pte. Ltd.	-	-	100.00	100.00	-	-
Total					3,563,314	1,869,063
Less: Allowance for loss on diminution in value of investments in subsidiaries					(595,951)	(105,099)
Investments in subsidiaries, net					2,967,363	1,763,964

For the year ended 31 December 2014, the Company recorded dividend from the subsidiaries approximately Baht 489 million (Baht 351 million from The River Company Limited and Baht 138 million from Contemporary Property Company Limited).

The Company pledged the ordinary shares of The River Company Limited and Raimon Land Development Company Limited as collateral of subsidiaries' long-term loans from banks.

#### Raimon Land Resorts Company Limited

On 18 June 2014, the Company paid for the share capital total amount of Baht 0.8 million to Raimon Land Resorts Company Limited which has not been changed in the Company's shareholding.

On 25 August 2014, the Extraordinary General Meeting of Raimon Land Resorts Company Limited's shareholders approved an increase in its registered share capital from Baht 1 million to Baht 7 million through the issuance of 60,000 ordinary

shares with a par value of Baht 100 per share and registered the additional share capital with the Ministry of Commerce on 25 August 2014. On 4 September 2014, the Company invested in the additional ordinary shares at a value of Baht 6 million, representing a 100 percent of the additional ordinary shares. This investment increased the Company's shareholding from 99.93 percent to 99.99 percent of the subsidiary's registered share capital.

#### Raimon Land Unixx Company Limited

On 24 July 2014, the Extraordinary General Meeting of Raimon Land Unixx Company Limited's shareholders approved an increase in its registered share capital from Baht 50 million to Baht 2,300 million through the issuance of 22,500,000 ordinary shares with a par value of Baht 100 per share and registered the additional share capital with the Ministry of Commerce on 22 October 2014. The Company invested in all additional ordinary shares which increased the Company's shareholding from 89.8 percent to 99.8 percent of the subsidiary's registered share capital. The subsidiary called 75 percent of its registered share capital, the Company therefore paid Baht 1,688 million for share capital. However, the subsidiary repaid Baht 485 million of the additional share capital to the Company for the previously loans, which are fully provision for doubtful, the Company therefore has the net of investment in this subsidiary at Baht 1,203 million.

#### Northpoint PRC Company Limited and Raimon Land Sukhumvit Company Limited

For the year ended 31 December 2014, the Company recorded allowance for loss on diminution in value of investments in Northpoint PRC Company Limited approximately Baht 2 million and in Raimon Land Sukhumvit Company Limited approximately Baht 4 million.

## 11. Investment properties

The net book value of investment properties as at 31 December 2014 and 2013 is presented below.

(Unit: Thousand Baht)						
	Consolidated financial statements				Separate financial statements	
	Land and office building for rent	Community mall	Residential condominium units for rent	Total	Land and office building for rent	Total
As at 31 December 2014						
Cost	67,589	233,175	-	300,764	67,589	67,589
<u>Less</u> Accumulated depreciation	(21,669)	(13,801)	-	(35,470)	(21,669)	(21,669)
<u>Less</u> Allowance for diminution in value	-	(120,844)	-	(120,844)	-	-
Net book value	45,920	98,530	-	144,450	45,920	45,920
As at 31 December 2013						
Cost	60,804	232,844	880,831	1,174,479	60,804	60,804
<u>Less</u> Accumulated depreciation	(18,691)	(9,833)	-	(28,524)	(18,691)	(18,691)
<u>Less</u> Allowance for diminution in value	-	(120,844)	-	(120,844)	-	-
Net book value	42,113	102,167	880,831	1,025,111	42,113	42,113

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	1,025,111	269,275	42,113	36,431
Acquisition of assets	14,825	7,327	6,785	7,327
Transferred from project development cost	-	880,831	-	-
Transferred to property, plant and equipment	(859,639)	-	-	-
Allowance for diminution in value	-	(120,844)	-	-
Depreciation charged	(35,847)	(11,478)	(2,978)	(1,645)
Net book value at end of year	144,450	1,025,111	45,920	42,113

The fair value of the investment properties as at 31 December 2014 and 2013 stated below:

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Land and office building for rent	81	76	81	76
Community mall (included leasehold right)	177	178	-	-

The fair value of the above investment properties has been determined based on valuation performed by the accredited independent valuer, using the income approach. The main assumptions used in the valuation of the land and office building for rent and the community mall include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company and its subsidiaries have pledged their investment properties with banks and financial institution to secure the Company's and its subsidiary's loans.

## 12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land and land im- provement	Build- ing and building improve- ment	Residential condo- minium units for services	Furniture and fix- tures	Office equipment	Motor vehicles	Total
<b>Cost:</b>							
1 January 2013	13,388	58,369	-	77,399	29,108	30,953	209,217
Additions	-	-	-	10,065	10,290	3,444	23,799
Disposals/ Written-off	-	(41,402)	-	(903)	(581)	(5,025)	(47,911)
31 December 2013	13,388	16,967	-	86,561	38,817	29,372	185,105
Additions	-	-	-	22,737	6,973	19,345	49,055
Transferred from investment properties	-	-	867,052	3,204	-	-	870,256
Disposals/ Written-off	-	-	-	(1,024)	(5)	(10,467)	(11,496)
31 December 2014	13,388	16,967	867,052	111,478	45,785	38,250	1,092,920
<b>Accumulated depreciation:</b>							
1 January 2013	-	39,659	-	59,987	20,274	21,162	141,082
Depreciation for the year	-	4,536	-	7,950	3,742	3,226	19,454
Depreciation on disposals/ written-off	-	(32,135)	-	(880)	(400)	(2,150)	(35,565)
31 December 2013	-	12,060	-	67,057	23,616	22,238	124,971
Depreciation for the year	-	-	-	10,147	5,529	3,426	19,102
Transferred from investment properties	-	-	28,902	-	-	-	28,902
Depreciation on disposals/ written-off	-	-	-	(686)	(5)	(10,467)	(11,158)
31 December 2014	-	12,060	28,902	76,518	29,140	15,197	161,817
<b>Allowance for impairment loss:</b>							
31 December 2013	13,288	4,907	-	-	-	-	18,195
31 December 2014	13,288	4,907	-	-	-	-	18,195
<b>Net book value:</b>							
31 December 2013	100	-	-	19,504	15,201	7,134	41,939
31 December 2014	100	-	838,150	34,960	16,645	23,053	912,908
<b>Depreciation for the year:</b>							
2013 (all included in selling and administrative expenses)							19,454
2014 (all included in selling and administrative expenses)							19,102

(Unit: Thousand Baht)

	Separate financial statements					
	Land and land improve- ment	Building and building improve- ment	Furniture and fixtures	Office equipment	Motor vehicles	Total
<b>Cost:</b>						
1 January 2013	13,388	58,369	52,465	19,499	16,417	160,138
Additions	-	-	3,161	3,539	3,200	9,900
Disposals/ Written-off	-	(41,402)	(903)	(423)	(5,025)	(47,753)
31 December 2013	13,388	16,967	54,723	22,615	14,592	122,285
Additions	-	-	9,945	4,532	19,345	33,822
Disposals/ Written-off	-	-	-	(5)	-	(5)
31 December 2014	13,388	16,967	64,668	27,142	33,937	156,102
<b>Accumulated depreciation:</b>						
1 January 2013	-	39,659	39,864	14,054	8,069	101,646
Depreciation for the year	-	4,536	5,246	2,506	2,464	14,752
Depreciation on disposals/ written-off	-	(32,135)	(879)	(266)	(2,150)	(35,430)
31 December 2013	-	12,060	44,231	16,294	8,383	80,968
Depreciation for the year	-	-	5,413	3,183	3,113	11,709
Depreciation on disposals/ written-off	-	-	-	(5)	-	(5)
31 December 2014	-	12,060	49,644	19,472	11,496	92,672
<b>Allowance for impairment loss:</b>						
31 December 2013	13,288	4,907	-	-	-	18,195
31 December 2014	13,288	4,907	-	-	-	18,195
<b>Net book value:</b>						
31 December 2013	100	-	10,492	6,321	6,209	23,122
31 December 2014	100	-	15,024	7,670	22,441	45,235
<b>Depreciation for the year:</b>						
2013 (all included in selling and administrative expenses)						14,752
2014 (all included in selling and administrative expenses)						11,709

As at 31 December 2014, certain items of equipment and motor vehicles of the Company and its subsidiaries were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 95 Million (2013: Baht 96 million) (the Company only: Baht 67 million, 2013: Baht 59 million).

A subsidiary has pledged its property, plant and equipment amounting to approximately Baht 838 million as collateral against credit facilities received from financial institutions.



### 13. Income tax

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<b>Current income tax:</b>				
Current income tax charge	287,300	20,862	281,594	-
Adjustment in respect of income tax of previous year	-	9,285	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	127,046	213,629	160,594	(3,855)
<b>Income tax expenses (income) reported in the statement of comprehensive income</b>	<b>414,346</b>	<b>243,776</b>	<b>442,188</b>	<b>(3,855)</b>

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 (loss) before tax	1,638,851	990,117	2,274,358	(64,482)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiply by income tax rate	327,770	198,023	454,872	(12,896)
Adjustment in respect of income tax of previous year	-	9,285	-	-
Difference in tax rates of subsidiaries	(161)	(194)	-	-
Effects of:				
Tax exemption for dividend income from subsidiaries	-	-	(97,781)	-
Non tax exemption for dividend income from subsidiaries	4,337	-	-	-
Allowance for doubtful accounts which were not recognised as deferred tax assets in the previous years	-	-	(18,599)	-
Write-off deferred tax assets				
- Allowance for doubtful accounts	69,154	-	-	-
- Allowance for diminution of investments	1,020	-	1,020	-
Deferred tax assets which were not recognised during the year				
- Tax losses of subsidiaries	1,545	12,730	-	-
- Allowance for diminution of investments	-	-	98,171	-
- Allowance for doubtful accounts	1,965	-	24	-
Non-deductible expenses and others	8,716	23,932	4,481	9,041
<b>Total</b>	<b>86,737</b>	<b>36,662</b>	<b>(12,684)</b>	<b>9,041</b>
<b>Income tax expenses (income) reported in the statement of comprehensive income</b>	<b>414,346</b>	<b>243,776</b>	<b>442,188</b>	<b>(3,855)</b>

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

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<b>Deferred tax assets</b>				
Unused tax loss	92,108	99,668	-	18,895
Allowance for diminution of investments	20,000	21,020	20,000	21,020
Allowance for doubtful accounts	1,000	70,805	-	69,154
Allowance for diminution in value of project development cost	22,741	3,099	2,430	3,099
Allowance for investment properties impairment	23,231	24,169	-	-
Provision for long-term employee benefits	2,370	1,869	2,370	1,869
Cash received from customers and project development cost from the difference between tax and accounting of revenue recognition	292,247	377,002	128,192	199,548
Others	2,202	6,021	-	-
<b>Total deferred tax assets</b>	<b>455,899</b>	<b>603,653</b>	<b>152,992</b>	<b>313,585</b>
<b>Deferred tax liabilities</b>				
Surplus of project development cost	40,407	61,116	-	-
<b>Total deferred tax liabilities</b>	<b>40,407</b>	<b>61,116</b>	<b>-</b>	<b>-</b>

As at 31 December 2014, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 992 million (2013: Baht 1,463 million) (the Company only: Baht 493 million, 2013: Baht 95 million). No deferred tax assets have not been recognised on these amount 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.

A subsidiary's corporate income tax for the year 2011 is payable in installments until May 2014, corporate income tax for the half-year of 2012 is payable in installments until April 2014, and corporate income tax for the year 2012 is payable installments until January 2015. The liabilities are presented as "Income tax payable" in the statements of financial position. However, the subsidiary fully paid these corporate income tax payable in April 2014.

#### 14. Leasehold right

(Unit: Thousand Baht)		
	2557	2556
Leasehold right	100,000	100,000
Less: Accumulated amortisation	(27,111)	(24,167)
Leasehold right - net	72,889	75,833
Amortisation expenses included in administrative expenses	2,944	3,334

**15. Short-term loans from financial institutions**

As at 31 December 2014, the Company has balance of bill of exchanges and promissory notes amounting to Baht 510 million (2013: Baht 725 million) from the financial institutions, which carry interest at rates similar to market price and are due between April 2015 and May 2015.

**16. Trade and other payables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade payables - unrelated parties	275,379	440,137	14,265	48,582
Other payables - related parties (Note 6)	3,971	9,396	10,204	6,161
Other payables - unrelated parties	45,665	69,727	9,088	3,690
Total trade and other payables	325,015	519,260	33,557	58,433

**17. Long-term loans from financial institutions**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Long-term loans	3,028,114	4,722,912	978,738	3,170,412
Less: Current portion	(1,483,262)	(2,938,006)	(10,000)	(2,708,691)
Long-term loans, net of current portion	1,544,852	1,784,906	968,738	461,721

The Company and its subsidiaries have credit facilities from banks totaling Baht 4,758 million (2013: Baht 10,811 million) (the Company only: Baht 1,748 million, 2013: Baht 4,505 million) under numerous agreements, carrying interest rates reference to MLR. Loan repayments are due when condominium units are transferred to customers, as specified in the loan agreement, and full settlement due within dates between June 2015 to September 2024 (2013: March 2014 to April 2017) (the Company only: June 2015 to July 2017 (2013: March 2014 to June 2016)).

These loans are secured by the mortgage of the condominium units of the projects, the land and construction thereon of the projects, residential condominium units for services, the transfer of beneficiary rights under purchase and sale agreements for the project's condominium units, the transfer of beneficiary rights under insurance policies for the projects, the transfer of the beneficiary rights under the performance bonds of construction agreements with the major project contractors, the transfer of rights in bank accounts, leasehold rights, the pledge of share certificates of the subsidiaries and guarantee provided by the Company and the subsidiaries.

The loan agreements of the Company and its subsidiary contain covenants as specified in the agreements that, among other things, require the Company and its subsidiary to maintain certain debt to equity ratio according to 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 1,347 million (2013: Baht 1,926 million) (the Company only: Baht 769 million, 2013: Baht 1,300 million).

Taksin Properties Company Limited (a subsidiary of The River Company Limited)

On 1 April 2014, the subsidiary entered into a long-term loan agreement with two local banks, granting the loan facilities of Baht 930 million, and carrying interest rate reference to MLR.

## 18. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2014	2013
Defined benefit obligation at beginning of year	9,344	16,914
Current service cost	2,763	2,504
Interest cost	342	676
Benefits paid during the year	(597)	(27,581)
Actuarial gain	-	(4,008)
Past service costs	-	20,839
Defined benefit obligation at end of year	11,852	9,344

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

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2014	2013
Current service cost	2,763	2,504
Interest cost	342	676
Actuarial gain recognised during the year	-	(4,008)
Past service cost recognised during the year	-	20,839
<b>Total expense recognised in profit or loss</b>	<b>3,105</b>	<b>20,011</b>

ค่าใช้จ่ายดังกล่าวรับรู้ในค่าใช้จ่ายในการบริหารทั้งจำนวน

สมมติฐานที่สำคัญในการประมาณการตามหลักคณิตศาสตร์ประกันภัย ณ วันประเมินสรุปได้ดังนี้

	Consolidated and separate financial statements	
	2014	2013
	(% per annum)	(% per annum)
Discount rate	4	4
Future salary increase rate	3	3
Staff turnover rate (depending on age of employee)	0 - 20	0 - 20

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

(Unit: Thousand Baht)

Consolidated and separate financial statements		
	Defined benefit obligation	Experience adjustments on the obligation
Year 2014	11,852	-
Year 2013	9,344	(2,441)
Year 2012	16,914	-
Year 2011	14,098	-
Year 2010	10,712	-

## 19. Warrants to purchase new ordinary shares of the Company issued to the Company's shareholders

On 25 April 2012, the 2012 Annual General Meeting of the Company's shareholders passed the approval to issue and offer up to 894 million warrants to the shareholders, free of charge. These warrants are exercisable for a period of 3 years from the issued date in a ratio of 1 warrant for 1 ordinary share and at an exercise price of Baht 2.75 each.

On 17 May 2012, the Company issued the warrants (RML-W3) of 894 million warrants. The warrants can be exercised to subscribe to newly issued ordinary shares in a ratio of 1 warrant per 1 ordinary share, at an exercise price of Baht 2.75 each, and exercised on the last business day of each March, June, September and December which start first period on 29 June 2012 and the final period is on 15 May 2015.

As at 31 December 2014, there was not exercised for these warrants (RML-W3).

## 20. Warrants to purchase new ordinary shares of the Company issued to the executive directors and/or employees of the Company

On 1 November 2013, the Extraordinary General Meeting of the Company's shareholders No. 1/2013 passed the approval for the Company to issue and offer 89 million units of warrants to purchase the Company's ordinary shares ("ESOP-Warrants") at the rate of Baht 0 per unit and at the exercise ratio of 1 unit per 1 ordinary share and at the exercise price of Baht 1.67 per share to two Executive Directors of the Company, 44.5 million units each.

On 12 November 2013, the Board of Directors' Meeting of the Company No. 12/2013 passed the approval for the date of issue warrants (RML-WB) of 89 million units on 15 November 2013. The holders of the warrants are able to exercise their rights to purchase the Company's ordinary shares on the last business day of each month at the agreed option for a term of 5 years from the issue date.

As at 31 December 2014, there was not exercised for these warrants (RML-WB).

The expenses recognised from share-based payment transactions for the year ended 31 December 2014 of the Company were Baht 15 million (2013: Baht 5 million).

The fair value of the warrants (RML-WB) was measured based on Binomial option pricing model as presented below.

	<u>RML-WB</u>
Fair value of warrants at grant date	0.22 - 0.48 Baht per share
Share price at grant date	1.32 Baht per share
Exercise price	1.67 Baht per share
Expected dividend yield	0 %
Expected stock volatility*	45.51 %
Risk-free interest rate	2.83 %

\* The expected volatility of the share options is based on historical data of the Company's stock price during the period 16 November 2011 to 15 November 2013.

## 21. Statutory reserve

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

During the year ended 31 December 2014, the Company set a statutory reserve approximately Baht 62 million.

## 22. Expenses by nature

Significant expenses by nature are as follow:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cost of residential condominium units sold	3,832,476	3,627,258	2,933,438	242,120
Salary and other employee benefits	256,317	202,472	225,125	187,046
Depreciation and amortisation expenses	59,061	35,303	15,708	17,435
Special business tax and transfer fees	283,480	222,454	225,558	10,772
Other selling expenses	127,664	162,733	45,098	38,276
Impairment loss of investment properties	-	120,844	-	-
Reduce project development cost to net realisable value	135,131	15,497	-	15,497

## 23. Earnings per share

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

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



weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued. However, warrants was not included in calculation of diluted earnings (loss) per share for the year 2013 since the exercise price plus the balance of fair value of each warrants is higher than the average market price for the year.

	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)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	1,224,519	746,270	3,575,424	3,575,424	0.34	0.21
<b>Effect of potential ordinary shares</b>						
Warrants to purchase ordinary shares of the Company to executive directors of the Company (ESOP-RML-WB)	-	-	7,180	-		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	1,224,519	746,270	3,582,604	3,575,424	0.34	0.21

	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)
<b>Basic earnings (loss) per share</b>						
Profit (loss) attributable to equity holders of the Company	1,832,170	(60,627)	3,575,424	3,575,424	0.51	(0.02)
<b>Effect of potential ordinary shares</b>						
Warrants to purchase ordinary shares of the Company to executive directors of the Company (ESOP-RML-WB)	-	-	7,180	-		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	1,832,170	(60,627)	3,582,604	3,575,424	0.51	(0.02)

## 24. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed to by employees, at the rate of 3 percent or 5 percent of their basic salaries, and by the Company at the rate of 5 percent of employees' basic salaries. The fund, which is managed by Kasikorn Thai Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the Company contributed Baht 5 million (2013: Baht 4 million) to the fund.

## 25. Commitments and contingent liabilities

### 25.1 Capital commitments

As at 31 December 2014, the Company and its subsidiaries had capital commitments of approximately Baht 1,655 million (2013: Baht 2,358 million) (the Company only: Baht 167 million, 2013: Baht 464 million) relating to design and construction contracts of their projects.

### 25.2 Long-term service commitments

The Company and its subsidiaries had commitment in respect of agency fees of the projects to pay under the "Agency Agreement" at the rate of 1 to 7 percent of project units' gross sale price.

### 25.3 Guarantee

25.3.1 As at 31 December 2014, the Company has guaranteed bank credit facilities of its subsidiaries amounting to Baht 2,880 million (2013: Baht 2,188 million).

25.3.2 As at 31 December 2014, the Company and its subsidiary had outstanding back guarantees to guarantee electricity use approximately Baht 7 million (the Company only: Baht 4 million) issued by banks on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business.

### 25.4 Tax assessment

During the year 2012, a subsidiary received letters of corporate income tax and special business tax assessment from the Revenue Department, whereby significant tax was assessed on the mortgage value to be included in value of land sales of the subsidiary. The subsidiary submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department. The Company's management believes that the subsidiary will be able to oppose this assessment and that there will be no significant effect to the consolidated statement of financial position and consolidated statement of comprehensive income.

Even if the subsidiary loses the case, the Company's management believes that losses resulting from this tax assessment will be incurred only by the subsidiary, which ceased its operations in 2010 and has total assets amounting to Baht 21.8 million included in the consolidated financial statements as at 31 December 2014, of which Baht 21.6 million is withholding tax that the subsidiary has requested for refund.

### 25.5 Litigations

As at 31 December 2014, the Company and its subsidiaries have pending litigation cases, relating to allegations of breaches of agreements to purchase and to sell from some customers and torts. However, the Company and its subsidiaries are defending the lawsuits, and since the Company's lawyers and management believe that the Company and its subsidiaries will not have a material effect from the litigation, no addition entries have been made in respect of these cases beyond provision already recorded.

## 26. 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 to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on their project property development.

The Company and its subsidiaries have aggregated all operating segments and presented them as the reportable segment (property development). The aggregated operating segments have similar economic characteristics and are similar in the other respects required by the financial reporting standard. The operation of the Company and its subsidiaries is carried out from the single geographic area of Thailand. As a result, all of the revenues, operating profits (losses) and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

## 27. Financial instruments

### 27.1 Financial risk management

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

#### *Credit risk*

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans to. The Company's and its subsidiaries' management 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 involved the real estate business since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loan to as stated in the statements of financial position.

#### *Interest rate risk*

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

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

(Unit: Million Baht)

	Consolidated financial statement				
	As at 31 December 2014				
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate
					(% p.a.)
<b>Financial Assets</b>					
Cash and cash equivalent	-	498	-	498	0.25 - 2.00
Restricted bank deposits	-	29	-	29	0.40
Trade and other receivables	-	-	22	22	-
	-	527	22	549	
<b>Financial Liabilities</b>					
Short-term loans from financial institutions	510	-	-	510	3.60 - 5.10
Trade and other payables	-	-	325	325	-
Long-term loans from financial institutions	-	3,028	-	3,028	Reference to MLR
	510	3,028	325	3,863	

(Unit: Million Baht)

Consolidated financial statement					
As at 31 December 2013					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial Assets</b>					
Cash and cash equivalent	-	556	-	556	0.50 - 2.25
Restricted bank deposits	-	29	-	29	0.70
Trade and other receivables	-	-	13	13	-
	-	585	13	598	
<b>Financial Liabilities</b>					
					5.50 - 5.60 and reference to MLR
Short-term loans from financial institutions	530	195	-	725	
Trade and other payables	-	-	519	519	-
					Reference to MLR
Long-term loans from financial institutions	-	4,723	-	4,723	
	530	4,918	519	5,967	

(Unit: Million Baht)

Separate financial statement					
As at 31 December 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial Assets</b>					
Cash and cash equivalent	-	136	-	136	0.40-1.10
Restricted bank deposits	-	29	-	29	0.40
Trade and other receivables	-	-	531	531	-
Short-term loans to related parties and interest receivable	1,526	70	156	1,752	5.5 and MLR-1.875
	1,526	235	687	2,448	
<b>Financial Liabilities</b>					
Short-term loans from financial institutions	510	-	-	510	3.60-5.10
Trade and other payable	-	-	34	34	-
Short-term loan from related parties and accrued interest	91	-	24	115	3.00
					Reference to MLR
Long-term loans from financial institutions	-	979	-	979	
	601	979	58	1,638	

(Unit: Million Baht)

Separate financial statement					
As at 31 December 2013					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial Assets</b>					
Cash and cash equivalent	-	189	-	189	0.50 - 1.55
Restricted bank deposits	-	29	-	29	0.70
Trade and other receivables	-	-	484	484	-
Short-term loans to related parties and interest receivable	2,510	-	148	2,658	3.00 - 7.50 and MLR-0.50 to -1.75
	2,510	218	632	3,360	
<b>Financial Liabilities</b>					
Short-term loans from financial institutions	530	195	-	725	5.50 - 5.60 and reference to MLR
Trade and other payable	-	-	58	58	-
Short-term loan from related parties and accrued interest	183	-	66	249	3.00
Long-term loans from financial institutions	-	3,170	-	3,170	Reference to MLR
	713	3,365	124	4,202	

*Foreign currency risk*

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company and its subsidiaries consider themselves not to be exposed to foreign currency risk because the majority of financial transactions are in Baht currency.

**27.2 Fair values of financial instruments**

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the 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 instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

## 28. Capital management

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

## 29. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 2 March 2015.







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