

**noble
development
public
company
limited**

—

**annual report
2013**

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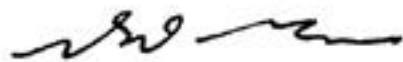
Message from the Chairman

The overview of the 2013 global economy has been significantly improved compared to the previous year especially in the second half of the year. The economy of the United States and Europe gradually improved as a result of the recovery of confidence of businesses and consumers. In addition, Asian economy continues to expand due to its domestic demand and the recovery of exports as demand from major industrial countries. Thailand's economic growth slowed down in 2013, particularly in the second half of the year due to lower domestic demand, the delay of the public investments and the political instability. However, the stability of the overall economy of the country remained good due to the relaxation of monetary policy and inflation remained low.

Real estate business in 2013 grew in the first half of the year. There was the launch of numerous projects, so the market competition was quite high. Nevertheless, in the second half of the year, the business slowed down because of the rising of household debt and the political unrest, which affected the purchasing power and consumer confidence. For Noble Development Public Company Limited, the Company has capability and experience to adjust strategies to keep pace with changing circumstances and adheres to discreet capital management policy. Thus, the performance of the Company continues to expand and grow continuously with the sales of low-rise and condominium projects over 7,000 million baht.

In 2014, the developers have to be more careful and plan to invest in accordance with the market alterations. Real estate sector is expected to grow slightly because of many negative factors. The positive factors are interest rate which is expected to be stable, and the expansion of foreign investment due to the initiation of the ASEAN Economic Community (AEC) in 2015.

Finally, on behalf of Noble Development PCL, I would like to thank our shareholders, customers, financial supports, business partners and the colleagues who work to support the Company's operations and drive the Company's success. The Company will carry on our work to offer the new innovation of living with better quality to assure the customer's demand for sustainable growth and the satisfaction of all parties.



Mr. Kitti Thanakitamuay
Chairman and Chief Executive Officer

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“Investors can learn more on the information of the listed company from the annual statement (Form 56-1) of the company which are listed on www.sec.or.th or the company’s website (if available).”

01

Company Overview

TO ALL BE
DIFFERENT
IS TO BE
THE SAME

Company Overview

The core business of Noble Development Public Company Limited and its subsidiaries is property development, composed of various types of residential projects such as land plot, single detached houses, townhouses, low rise and high rise condominiums. The Company aims to offer exceptional-design living and creative innovation to satisfy customers' various desires as an alternative option.

Vision: The core business of Noble Development Public Company Limited is property development, composed of various types of residential projects with an emphasis on residential development under the concept that "be different be Noble". The Company aims to offer exceptional-design living and creative innovation to satisfy customers' various desires as an alternative option.

Mission: The Company is a pioneer and leader in the design and creative projects and services which is innovative to propose residential with high quality and value and to create a unique residential to homeowner, all of whom were delighted beyond their expectations.

The Company focuses on the potential location, near the central business district and with facilities to add value to residential.

The Company promotes the responsible for community and society by complying to policies, rules, and regulations strictly.

Company Overview

The Company has launched total 39 residential projects. Eight of these projects were developed and launched before year 2002 with the total value of THB 4,877 million while 31 of these projects were developed and launched between year 2002 and 2013 with the total value of THB 55,172 million. The project consists of single detached house, condominium, townhouse, and land plot. The single detached house projects include Noble Tara Ekamai-Rama 9, Noble Tara Ngamwongwan, Noble Tara Pattanakarn, Noble Tara Ngamwongwan 2, Noble Wana Pinklao, Noble Wana Watcharapol, Noble Anawana Pinklao, Noble Geo Watcharapol, and Noble Geo Rama 5. The condominium projects include Noble Ora Condo, Noble Lite, Noble 09, Noble Ambience Sarasin, Noble Remix, Noble Solo, Noble Reflex, Noble Reveal, Noble Reform, Noble Refine, Noble RED, Noble Revent, Noble Remix 2, Noble Ploenchit, Noble Revolve, Noble Revolve Ratchada, Noble Revolve Ratchada 2 and Noble Revo Silom. The townhouse and land plot project are First Home and Noble Satorn Thapra, Noble Residence and Noble Cube respectively.

Besides the residential projects, the Company also operates other business that is core business-related such as property rental and service, property management services, property services after transfer of ownership, asset or debt management service offering to investors, financial institutions and asset management companies.

Changes and important developments for the past three years

- 2011 The Company launched 2 condominium projects, Noble Ploenchit, located on ploenchit road adjacent to ploenchit BTS station, and Noble Unite, located on Surasak adjacent to Surasak BTS station

In June 2011, the Company issued and offered of unsubordinated, unsecured debenture and has bond holders' representative for 3 years total valued 1,500 Million Baht to public and/or institution investors. The income from bond issuance is the Company's source of fund for repayment, and/or business expansion, and/or working capital.

- 2012 The Company launched Noble Revolve condominium, located in soi ari, adjacent to Ari BTS station.

In August 2012, the Company issued and offered of unsubordinated, unsecured debenture and has bond holders' representative for 3 years total valued 1,500 Million Baht to public and/or institution investors. The income from bond issuance is the Company's source of fund for repayment, and/or business expansion, and/or working capital.

- 2013 In February, the Company launched Noble Revolve Condominium, located on Ratchadaphisek road, adjacent to MRT with above 90% successful sales.

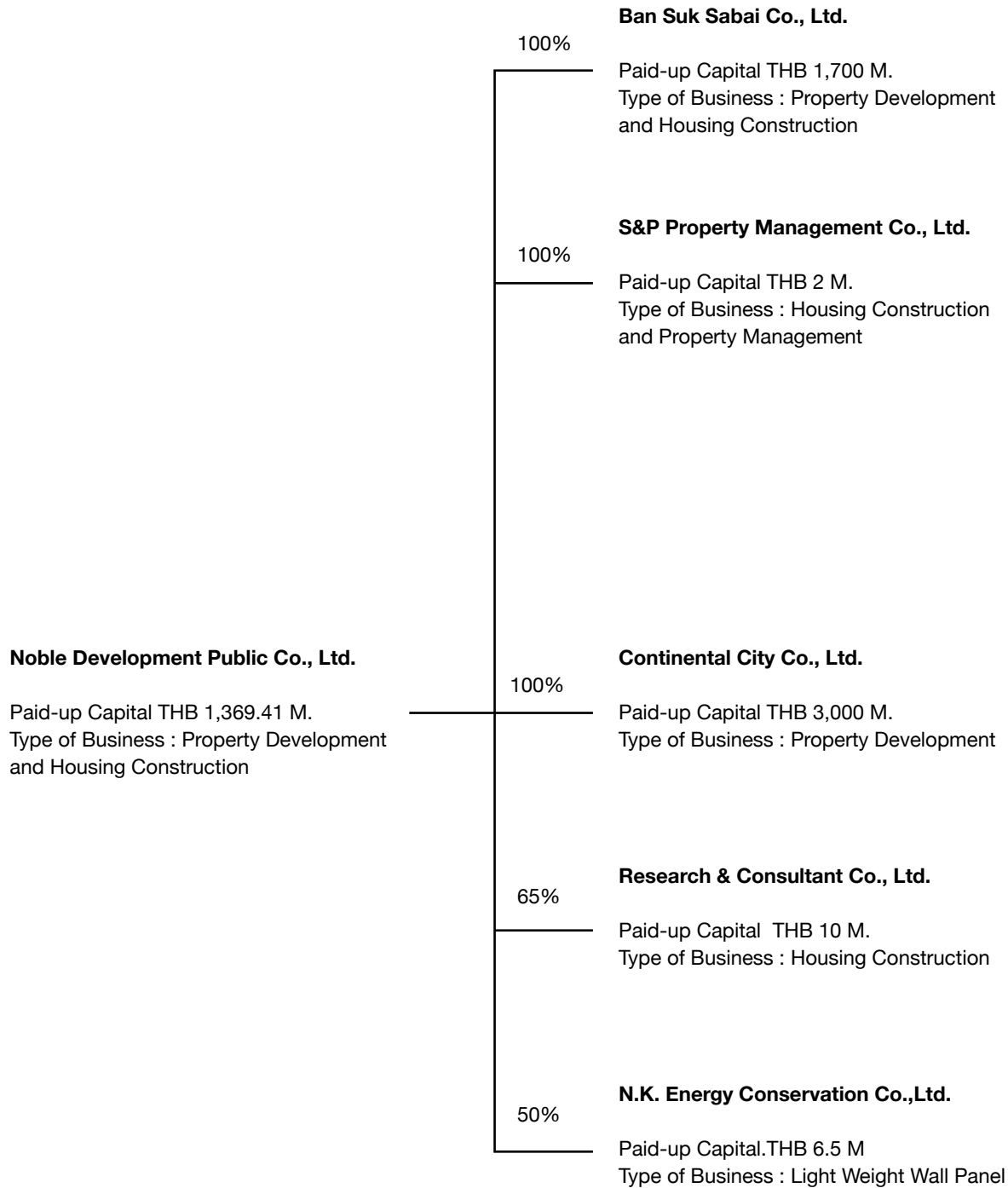
In July 2013, the Company issued and offered of unsubordinated, unsecured debenture and has bond holders' representative for 3 years total valued 1,500 Million Baht to public and/or institution investors. The income from bond issuance is the Company's source of fund for repayment, and/or business expansion, and/or working capital.

In September and November, the two condominium projects, Noble Revolve Ratchada2, and Noble Revo silom, received excellent welcome from customer, especially Noble Revo silom project which was able to close the sales within the first launched day.

The Company has a policy to divide the operation to subsidiaries and associated companies for developing, and managing the projects as shown in the following detail:

Company/Address	Type of Business	Project
1. Ban Suk Sabai Company Limited 19 th Fl., Tonson Tower, 900 Ploenchit Rd., Lumpini, Pathumwan, Bangkok	Property Development and Housing Construction	Noble Park Noble Tara Ngamwongwan 2
2. S&P Property Management Company Limited 19 th Fl., Tonson Tower, 900 Ploenchit Rd., Lumpini, Pathumwan, Bangkok	Housing Construction and Property Management	Noble Neo City
3. Continental City Company Limited 19 th Fl., Tonson Tower, 900 Ploenchit Rd., Lumpini, Pathumwan, Bangkok	Property Development	The Noble Noble Remix Noble Remix 2
4. Research and Consultant Company Limited 19 th Fl., Tonson Tower, 900 Ploenchit Rd., Lumpini, Pathumwan, Bangkok	Housing Construction	Noble Choice Pinklao Noble Choice Vibhavadee
5. N.K.Energy Conservation Company Limited 54/4 Moo 7, Bang Saothong, Samutprakarn	Light Weight Wall Panel	Noble Choice Pinklao Noble Choice Vibhavadee

Company Structure



Business Characters

Revenues Structure

Unit: THB Million								
Revenues Structure	Operated By ⁽¹⁾	Shares holding %	2013		2012		2011	
			Value	%	Value	%	Value	%
Revenue from Real Estate Development								
Single Detached House and Land	NOBLE	-	574.87	17.88	464.53	17.49	1,273.48	42.89
Condominium	NOBLE	-	2,183.11	67.91	1,654.11	62.29	984.83	33.17
	CC	100%	259.29	8.07	356.72	13.43	561.83	18.92
	S&P	100%	-	-	-	-	2.54	0.09
	BSS	100%	-	-	2.95	0.11	-	-
Total Revenue from Real Estate Development			3,017.28	93.86	2,478.31	93.33	2,822.68	95.07
Revenue from Rental and Services								
Service Apartment	NOBLE	-	45.59	1.42	61.15	2.30	59.21	1.99
Department Store	NOBLE	-	-	-	0.04	0.00	9.52	0.32
Condominium	NOBLE	-	12.05	0.37	12.02	0.45	10.42	0.35
	CC	100%	9.64	0.30	8.03	0.30	8.43	0.28
Total Revenue from Rental and Services			67.28	2.09	81.24	3.06	87.58	2.95
Total Revenue from Core Businesses			3,084.56	95.95	2,559.55	96.39	2,910.26	98.02
Other Revenues								
Gain from cancelled contracts	(2)	-	12.26	0.38	6.45	0.24	2.10	0.07
Interest Income	(2)	-	109.07	3.39	71.15	2.68	49.65	1.67
Others Income	(2)	-	8.74	0.27	18.39	0.69	7.10	0.24
Total Other Revenues			130.07	4.05	95.99	3.61	58.85	1.98
Total Revenues			3,214.63	100.00	2,655.54	100.00	2,969.12	100.00
Increase (Decrease) in Revenue from Core Businesses			525.02	20.51	(350.72)	(12.05)	(2,194.60)	(42.99)

Remark (1) NOBLE = Noble Development Public Company Limited.
 CC = Continental City Company Limited, S&P = S&P Property Management Company Limited, BSS = Ban Suk Sabai Company Limited

(2) Revenues of the Company and its subsidiaries.

Noble Development Projects

Every Noble Development project is a reflection of the creativity and the conviction of Noble. The mind-set to create innovation to satisfy needs and enhance quality of life which bring happiness to homeowners beyond their expectations are all the Noble's mission.

Projects developed and launched before 2002

Noble Park Project

Noble Park was unveiled in December 1991 as the first horizontal condominium in Thailand. The concept of a "Condo house" combines the benefits of living as part of a community and the precepts of condominium residence to the familiar features of Thai ways of living within the development.

Noble Home Project

Noble Home comprises single dwelling houses with architectural designs aimed to give a different perspective and individuality including the curved roof, all of which enhanced quality and offered more useable floor space than the average home. The project launched in August 1992.

Noble Neo City Project

Noble Neo City is the visual proof of the innovation development that is taking place within Noble. Here, the concept of a life of freedom is catered to. Owners can expand living space within their detached homes in four different steps. They can start with 2 floors 2 bedrooms and, if so wish, they can later add to that and end up with 3 floors 5 bedrooms.

The Noble Project

Prestigious detached residences comparable to a contemporary art form. Built right in the heart of Bangkok, The Noble has been designed to offer maximum floor space, resulting in practicality and privacy. The design concept also brings the green-ness of the garden right into the home.

Noble House Phayathai Project

Noble's high-rise residential development with 30 storey tower located in central business district, special design offer convenience in terms of commuting and amenities for today's lifestyle. The project consists of 300 residential units and commercial area.

Noble Choice Project

Noble Choice is the innovation from Noble Development, one spawned from the marriage of state-of-the-art technology and an old-fashioned commitment to service. The success of Noble Choice is evident from all of our satisfied customers who have exercised their freedom of choice to express a wide variety of contemporary lifestyles, all of whom were delighted beyond their expectations. Durable yet flexible, Noble Steel Tech has a proven track record of success overseas where it has been utilized for more than a decade. Noble Choice projects are located in two different areas -- Noble Choice Pinklao and Noble Choice Vibhavadee.

Noble House Ruamrudee Project

Possibly occupying the best location in Bangkok, the key concepts behind this development are privacy and peace. Hence, there are a total of only 23 units designed to give maximum space for the families of those executives who are looking for convenience in traveling.

Projects launched since 2002

Noble Tara Ekamai – Rama 9 / Noble Tara Ngamwongwan / Noble Tara Pattanakarn / Noble Tara Ngamwongwan 2 Project

“Tara” means “stream” which implies the concept of the project to bring peace of recreation with tall fences covered by floras surrounding the project to maximize the enjoyment from nature together with the private swimming pool. The Noble’s differentiated concept of C-shape housing keeps every corner of the house close to nature surrounding. The projects are in the best location according to the concept of “Special privacy in the city center”, which located on Rama 9, Ngamwongwan and Pattanakarn.

Noble Wana Pinklao / Noble Wana Watcharapol Project

The concept of this project is to bring resort feeling to the home, which can be presented in its name: “Wana” means “Forest”. This is a place to take a rest with nature everyday. Every living space links with nature, both view and sensibility by balancing oriental and western philosophy. The project is unique from others in the market with the clubhouse and swimming pool decorated to maximize the privacy. Two Wana projects are Noble Wana Pinklao and Noble Wana Watcharapol.

Noble Ana Wana Pinklao Project

Noble Ana Wana Pinklao builds on the success of the previous Noble Wana Pinklao project. Utilizing the popular Wana design on the same Pinklao site, this new development offers a resort-style living experience 365 days a year. Each house has a plot of 100 square wah or more to give each resident that much more exposure to the area’s natural charms.

Noble Satorn Thapra Project

Noble Satorn Thapra is a project with a very different approach to modern housing. Plots varying in size from 78 to 168 square wah offer havens of security and serenity in small communities served by common facilities. Customers who wish to design their own homes are given every help and encouragement in selecting the concepts and details that they and their families prefer.

Noble Ora Thonglor Project

Noble Ora Condominium comprises of two 21-storey condominiums towers with 223 units at one of Bangkok’s prime locations, the center of Soi Thonglor. The project has 60’s design that provides Condominium facilities but feeling of spacious single house from the large floor-to-ceiling and a tropical style swimming pool.

Noble Geo Watcharapol / Noble Geo Rama 5 Project

Noble Geo is designed under the Planning & Function concept to enable free-style arrangement of furniture. The box-shape houses maximize useable area, larger living room and bedroom. The beautiful natural landscape lawns and gardens can be accessible from every angle of the houses, located in Watcharapol and Rama 5.

First Home Project

First Home is a townhouse project under the strategies to expand the market base to cover all tiers of customers, located near the city but economical pricing. The project consists of 2-storey townhouses and 3-storey commercial units, located in Soi Watcharapol.

Noble 09 Project

Noble 09 is a luxurious condominium located in Soi Ruamrudee, only 100 meters away from the Ploenchit BTS station, gives a cozy feeling in modern style. Designed to have serene beige color elegantly combined with naturally formed stone, it goes up to 8 floors and provides more open area with its two towers. Enjoy total privacy with only three units per floor, and spacious interior benefited from airy floor-to-ceiling glass windows.

Noble Lite Project

Near Aree BTS Station, Noble Lite is located only 150 meters from business center on Phaholyothin Road. With Crash-Pads concept – living near BTS route with no red lights traffic to spare up hours for pleasure and relaxation. The project offers 24 storeys with one to three bedrooms. Each unit is designed for multi purpose activities. The project also provides facilities area, fitness and a swimming pool.

Noble Ambiance Sarasin Project

It is the condominium for the perfect relaxation of city life and offers the peaceful privacy surrounded by various moods with Perfect Contrast architecture. The exterior is designed to be simple but exciting and amusing with color of the buildings, whereas the interior is designed for spaciousness and airiness with tall glasses from the floor to the ceiling, allowing the natural touches surrounded by beautiful gardens, pools and gyms. Noble Ambiance Sarasin is located in the middle of the city, Sarasin soi 2.

Noble Remix Project

The project is the answer for a different kind of lifestyle, especially for people who love extreme's life and freedom in city life, surrounding with this new style condominium project offering conveniences from the transportation via BTS sky train and many facilities along Sukhumwit 36 road.

Noble Solo Project

It is the condominium in Soi Thonglor that is suitable for freedom lifestyle, releasing from rules and bustling from works and environment by giving more space. These allow residents to find new inspiration to fulfill their lives. It offers a various type of rooms from 1 bedroom to 3 bedrooms.

Noble Reflex Project

Around 200 meters to Aree BTS station, we can reach the 20-floor condominium stylishly designed by plain architecture with the explicit color of the exterior. This is the real concept of “A Pad for Metropolitan” making Reflex to be condominium for more time to play, sit back and relax. Every square inch is designed to maximize usable area and to be the perfect place for rest. The size varies from 1-bedroom and 2-bedroom, starting from 2.9 million baht.

Noble Reveal Project

With 27-storey condominium stylishly designed for city living life style and the concept of “Help stop global warming, Drive less”. Noble Reveal is just 200 meters away from Ekamai BTS station, on Sukhumvit 63 road. The size varies from 1-bedroom and 2-bedroom.

Noble Residence Project

Development of land plot, on Pattanakarn road, one of the most elegant locations in center of Bangkok, with 3 kms from Soi Thonglor and just 2 minutes from Airport Link Sky Train, Ramkamhaeng station. The Project allots total of 70 land pieces from 99 sqw. size, for customers to build every masterpiece by their own. In addition, the entire electricity network is grounded, with the peaceful living of parks, swimming pool, club house and gym.

Noble Cube Project

New concept of town home in the city center for more private living space with designed to magnify the sight with wide mirror. Noble Cube divides useable area by life style. The Project is located in prime area, 3 kms from Soi Thonglor , between Pattanakarn soi 24-26 and just 2 minutes from Airport Link Sky Train, Ramkamhaeng station. The price starts from THB 4.5 million.

Noble Reform

Condominium located on Phaholyothin Road, business center of Bangkok, only 30 meters away from Aree BTS station. 22-storey condominium designed to maximize usable area and to be the perfect place for rest. The project also provides facilities area, fitness and a swimming pool. The size varies from Studio, 1-bedroom and 2-bedroom.

Noble Refine

Condominium located in Sukhumvit Soi 26, 180 meters away from Phromphong BTS station. 25 storey condominium embedded in the very inside of its own premise away from the entrance encourage the ultimate peace and privacy. The panoramic greenery tree line delicately placed on the drive way special treating in and out traffic a touch of green nature. L-shape and earth tone building designed for keeping the perfect harmony with natural surroundings and decent view sharing among every unit. The size varies from Studio, 1-bedroom and 2-bedroom.

Noble RED

Condominium 23-storey height located in Aree Soi 1, prime area in the middle of Bangkok closed to BTS station; ready to service you to go to many key business areas. Together with ideal facilities, fitness, swimming pool, ready to fulfill and comfort your life. The size varies from 1-bedroom and 2-bedroom.

Noble Revent

Condominium 30-storey height located on Sri-Ayutthaya Road, closed to Phayathai BTS station and airport link station, in the center of Bangkok surrounding by educational institutions and prime business areas. Together with ideal facilities, fitness, swimming pool, ready to fulfill and comfort your life. The size varies from 1-bedroom and 2-bedroom.

Noble Remix 2

Condominium 11-storey height with the slogan “Walk above it all” at Noble Remix 2. The Project is located on Soi Sukhumvit 36, with ideally located for easy access to Thonglor Station by skylink between the station and the building. The residence unite provide excessive view and great atmosphere with the very high 3-meter and large 2-layer laminate windows. Together with ideal facilities, ultimate fitness sport club, swimming pool, and stream room, ready to fulfill and comfort your modern lifestyle. The Project offers a various type of rooms from 1 bedroom to 3 bedrooms.

Noble Ploenchit

Condominium with 3 buildings, height 51, 45, and 14-storeys, nestled among 4 rais of lush and serene garden. With the concept of Vertical Garden City, metropolitan in the heart of Bangkok’s business district, adjacent to many shopping malls and 5-stars Hotels including BTS Ploenchit station. The Project offers a various type of rooms from 1 bedroom to 3 bedrooms and Penthouses, together with private Lift to each individual room.

Noble Revolve

Condominium 38-storey with the slogan concept of reject to the old idea that size is really count, “Less is more”, happiness in the perfect revolve living. The Project is adjacent to BTS, convenient to everywhere, so that we enjoy spare time with swimming pool and sky fitness. The Project offers a various type of rooms from 1 bedroom to 2 bedrooms.

Noble Revolve Ratchada

Condominium 38-storey with the concept of life’s every function is tailored to your desires. Revolve living Life in harmonious balance with a lifestyle of limitless choice. The Project is adjacent to cultural centre MRT station. The Project offers a various type of rooms from 1 bedroom to 2 bedrooms.

Noble Revolve Ratchada 2

Condominium with the design concept of revolve around your needs, with a new way to live at the heart of Ratchada, the new business district that fulfills life’s every demand. The height of building is 42 floors but it is the height of happiness. Experience the undercurrents of infinity of lifestyles at the Infinity Edge Pool. With connections to the MRT for shorter connections in life, the Project offers a various type of rooms from 1 bedroom to 2 bedrooms.

Noble Revo Silom

A new budding branch of condominium life that let you design your lifestyle from an infinity of options. A height of 32 floors, located at the heights of interest where Silom meets Sathorn. With a splendid Infinity Edge Pool and one-of-a-kind Sky Fitness room. Close to Surasak BTS station and expressway entrances. The Project offers a various type of rooms from 1 bedroom to 2 bedrooms.

Industrial Situation and Competition

In 2013, world economic situation remained in the balance. Economic growth rate of many countries declined from 2012. From Table 1, Growth rate of gross domestic product (GDP) of major countries. It has seen that, in 2013, The United States' growth rate of gross domestic product was approximately 1.6 % decreasing from 2012 which is a good sign of gradually firm economic recovery. While the EU's growth rate of gross domestic product has remained negative because of the public debt and the high unemployment rate. The overview of China's economy has slowed down as well which affected the economies of other countries especially for exporters in emerging countries as they are major trade partners of China. For global financial situation, the central banks of many countries are likely to maintain their policy interest rate at a low level because inflation remains low and to stimulate economy during recovery to continuously expand.

Table 1 : Growth rate of gross domestic product (GDP) of major countries.

	2011	2012	2012				2013			2013F
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	
GDP (%YOY)										
United States	1.8	2.8	3.3	2.8	3.1	2.0	1.3	1.6	1.6	1.6
European Union	1.6	(0.5)	(0.1)	(0.4)	(0.6)	(0.8)	(0.8)	(0.2)	(0.0)	(0.4)
Japan	(0.6)	2.0	3.4	3.8	0.3	0.4	0.3	1.2	2.6	2.0
China	9.4	7.7	7.9	7.6	7.4	7.9	7.7	7.5	7.8	7.6
Hong Kong	4.9	1.5	0.7	0.9	1.5	2.8	2.9	3.2	2.9	3.0
South Korea	3.7	2.1	2.8	2.4	1.6	1.5	1.5	2.3	3.3	2.8
Singapore	5.3	1.3	1.5	2.3	(0.03)	1.5	0.3	4.4	5.8	3.5
Indonesia	6.5	6.2	6.3	6.4	6.2	6.1	6.1	5.8	5.6	5.3
Malaysia	5.1	5.6	5.1	5.6	5.3	6.5	4.1	4.4	5.0	4.7
Philippines	3.6	6.8	6.5	6.3	7.3	7.1	7.7	7.6	7.0	6.8
India	7.5	5.1	5.1	5.4	5.2	4.7	4.8	4.4	4.8	3.8
Thai	0.1	6.5	0.4	4.4	3.1	19.1	5.4	2.8	2.7	3.1

Source : CEIC World Economic Outlook, IMF

In 2013, Thailand's growth rate of gross domestic product had slowed down according to the global economy. Growth rate of gross domestic product was about 3.0% which was down from 6.5% in 2012. The factors that caused the slowdown were the decline of domestic demand. In particular, spending for private consumption decreased because of the first car policy, the public and private investments declined including the deferring of investment in mega projects. In the past year, Developers had to be more competitive due to the slowdown in demand or purchase in almost every aspect because consumers had to be more cautious in their spending as a result of inclining debt and declining confidence. Meanwhile exports were probably slow recovered along the trend of the major countries' economies. In addition, in late 2013, Thailand's economy has been affected by the political turmoil. This made both private companies and consumers slowed down in investment due to the uncertainty of the political stability and the impact of such problem. The real estate sector's growth rate in 2013 was quite good compared to the year 2012. On the whole, the real estate sector in the last 5 years had grown about 7% while the overall Thailand's economy grew 3% in average which was growing in line with Thailand's economy but with the higher growth rate because the real estate sector is a major factor of the economic growth of the country. It also contributes to other business units such as, employment, production and consumption, as well as develops and extends the growth to the surrounding area to create a

community and society. There are also factors promoting real estate projects directly such as, transport construction projects, rail transport systems and the awareness of the ASEAN Economic Community (AEC) that will result in investment throughout the country. Besides, interest rate remains low. However, there are also negative factors that affect the real estate sector which were the increasing of the construction costs and land costs, labor shortage and political situations

Table 2 : Residential units registered in Bangkok Metropolis and Vicinity.

	2007	2008	2009	2010	2011	2012	2013
Developer-Built							
Single House, Twin House, Townhouse, Shop House	32,757	27,513	21,634	24,476	26,994	23,174	37,230
Change from previous year	1.7%	(16.0)%	(21.4)%	13.1%	10.3%	(14.2)%	60.7%
Condominium	17,432	34,049	53,725	59,919	34,734	78,391	69,532
Change from previous year	(6.3)%	95.3%	57.8%	11.5%	(42.0)%	125.7%	(11.3)%
Total Developer-Built	50,189	61,562	75,359	84,395	61,728	101,565	106,762
Change from previous year	(1.2)%	22.7%	22.4%	12.0%	(26.9)%	64.5%	5.1%
Self-Built	25,341	24,017	19,618	22,498	20,128	23,437	23,284
Change from previous year	(12.5)%	(5.2)%	(18.3)%	14.7%	(10.5)%	16.4%	(0.7)%
Total Residential Units Registered	75,530	85,579	94,977	106,893	81,856	125,002	130,046
Change from Last Year (%)	(5.3)%	13.3%	11.0%	12.5%	(23.4)%	52.7%	4.0%

Source : Bank of Thailand

From Table 2: The number of completed and registered housing units in Bangkok and vicinity in 2013 were 130,046 units which increased from the previous year by 4.0%. The number of single house, semi-detached house, townhouse and commercial building built by developers increased 60.7% from 23,174 units to 37,230 units. Meanwhile, the number of condominiums decreased 11.3% from 78,391 units to 69,532 units and self-built house was down 0.7% from 23,437 units to 23,284 units. It is evident that the increase in the housing units is mainly caused by the increase in the number of the single houses, semi-detached house, townhouse and commercial building. Due to the construction of transport infrastructure policy such as, mass transit system expansion, transport construction projects, rail transport systems and the awareness of the ASEAN Economic Community (AEC) that will result in the development and investment in the wider area. So consumers were more interested in low-rise residential around the city because of an expectation of the convenience from the transportation projects. The flood in 2011 caused a slowdown of the low-rise residential projects including the delivery of land and houses, which constructions were completed late. Therefore, the number of single house, semi-detached house, townhouse and commercial building that has been launched and transferred in the last year was quite high. The important factors determining real estate trends this year are as follows.

- Stringent housing loans approving by commercial banks : Caused by household debt soared. Consumer incomes were inadequate for the higher cost of living and the debt default increased. As a result, commercial banks tightened and were cautious of credit approval to reduce their exposure to the Non-Performing Loan (NPL), as reflected by higher loan rejection rates which are up 5-10%. Commercial banks have tightened their loans to customers who earn less than 15,000 baht per month, which are sensitive to customer debt and the group of housing that cost more than 10 million baht or more such as, condominiums in the heart of the city or vacation home in the tourist destinations due to the high cost of the asset, low liquidity and high risk Including the second and the third housing onwards. In addition, banks have reduced loan-to-value (LTV) ratios about 10 to 15%. Due to such problems, consumer purchasing power was decline. Consumers who really needed housing had to change size and price of the housing unit to suit the ability to

borrow or find a co-borrower. Furthermore consumers must have the financial discipline, show a clear source of income and the most important thing is no other debt which will increase burden. The developers have to find the ways to handle such issues. Some developers increase down payment in order to lower the outstanding debt on transfer date which is a good solution. This will reduce speculation, the disposition of down payment and also decrease loan-to-value on transfer date to the moderate level of risk. Moreover, some developers also assist consumers who have credit issues by negotiating with commercial banks to receive special promotions. And commercial banks have to get closer to their clients by consulting with them from day one including the credit bureau checking, saving management and also problem control and solving. General policy of the commercial banks is trying to control the customer's home loan and other loans which should not exceed 50-60% of income. While the Bank of Thailand's policy rate is still relatively low to alleviate the burden of consumers and to stimulate the economy as well.

- Marketing strategy and marketing promotion : For market condition in 2014, the political situation is a key factor that is critical to the economic indicators. It is appraised that the domestic political unrest is likely to be prolonged to mid-year and the recent election is unsettled. It is likely that the establishment of a new government may take longer than a half year. And the caretaker government has no fully executive power to conduct the projects. The political unrest is a factor that affects the growth rate of the real estate sector directly. This makes the investments, launching new projects and house transfer slow down. The developers must set the plan carefully, be assure of buying power and anticipate that the project will be successful before deciding to proceed. Meanwhile, consumer purchasing power decline as well. The group of buyers who are investors and speculators will disappear from the market due to the economy, lower market liquidity and higher household debt.

As a result of this situation, Developers alter their marketing strategy both directly and in indirectly. Some developers announce the revised sales forecast and reduce the number of new projects because the transfers of ownership and the number of the project visitors declined in the last 2-3 months. However, some developers believe that such a situation is a great opportunity to adjust the inventory because, over the last several years, products in the market exceed demands especially the condominium projects which were launched excessively. This is the time to release the inventory. Consumers who really need a residential and have purchasing power still make a decision to buy. These customers get more advantage because developers release campaigns to boost sales for instance, giving gold or consumer electronics, cash discounts, free furnished and free ownership transfer fee, mortgaged fee, common property expenses. In the second half of the year, it is forecasted that the political situation will be resolved and it is time for developers to gradually launch the new projects. Thus, developers must plan marketing strategy very well to take an advantage and have confidence in competition.

- The shortage of labor and the increasing of the construction costs and land costs : The shortage of labor is a problem for many years and it is still a major problem in this year due to the returning of workers to their homeland. The construction costs and land costs rise steadily. As a result of large public and private projects and transport system expansion. Thus, there is land speculation nearby the area and the scramble for resources and labor. In addition, developers accelerate to launch a numerous of new projects because public and private investments is likely to slow down due to global economy and political situation. So cost competitiveness is loosened because no government projects scramble supplies and labor. However, the deferring of the public investments will take only a short time. The investments will be initiated in the near future and the ASEAN Economic Community (AEC) will support Thailand to become a significant investment base. This will cause the rotation of entrepreneurs, businessmen and workers in ASEAN member countries and the foreign capitals from countries like Japan and China will expand investments to Thailand. It is expected that investments in Thailand will rise significantly when the ASEAN Economic Community (AEC) is approaching. This will affect the labor crisis, land costs and construction costs as a result of the shortage of labor and the increasing of land costs and construction costs

and the financial cost increase as well. All of these factors lead to higher product prices. Thus, to resolve such problems, developers are required to manage costs and administration effectively. Some developers plan to build prefabricated construction factory and import the new construction technology to replace skilled workers and so on.

In 2014, Thailand's economy tends to be improved from the year 2013 as the export sector is likely to return to a role in the economy. The private and public investments in the mega projects are expected to initiate according to the plan to comply with trade partners' economies which are growing. After the economic downturn in 2013, it will be gradually improved to normal in mid-year 2014. Moreover, revenue and employment also tends to be improved according to economic recovery. The growth of Thailand's economy is especially dependent on the global economic recovery and the progress of investment in infrastructure projects.

The company forecasts that the real estate sector's growth rate slightly rise because of many negative factors which are the global economy is gradually recovered, household debt is likely to rise, banks lend less loans due to tight liquidity in the system, the shortage of labor, slow enhancement of labor quality, skills of workers that do not meet the needs of employers is also a restriction of business and political problems are still not be solved. The positive factors are that interest rates are expected to be stable and the expansion of foreign investments due to the beginning of ASEAN Economic Community (AEC) in 2015. However, in 2014, the company expects that the price of the mid to low level condominiums is downward due to the launch of the numerous projects. The price of the mid-level condominiums remains stable because mid-level customers are slightly affected by the economy downturn. The price of the high-end housing such as, the condominium along the mass transit route and the low-rise housing in Bangkok peripheral area is upward in consequence of the increasing of land costs and construction costs and the shortage of labor. But this group of customers is minimally impacted by the economy downturn due to the stability of income. The company which emphasizes on housing in Bangkok will focus on mid-level customers which are expected to give the company a good acceptance because these customers are insignificantly affected by economic volatility. The company also concentrates on customers who are real residential buyers. Therefore, in 2014, the company is confident that it can compete effectively in real estate business and maintain its market share with a strong financial position, expertise in project development and outstanding in marketing.

Competition in the real estate business is considered to be a market for big developers which are famous and ready in all aspects. The new developers can take part in the market easily but it is difficult to succeed with an established reputation and open new projects successively. This business relies on reputation and the confidence of consumers because the product has a high price which counts on trust. This is a barrier of entry for new developers and small developers. Furthermore, the market situation is changing rapidly. So, developers must develop their products, marketing strategies in many forms to comply with the situation.

For the company's market share in the last year, the company mostly invested the condominium projects. According to the Bank of Thailand's data, completed condominium units in Bangkok and vicinity are 69,532 units, In 2013, the company's completed condominium units were 533 units which is 0.8%, but if we consider the price of the condominiums in market, the unit which is less than 2 million baht is 50%, the unit which is 2-3 million baht is 20% and the unit which is 3 million baht or more is approximately 30%. If we consider the unit which is 3 million baht or more due to the unit price is in the same level of the company's product. It is evident that the company's market share in the segment is 2.6%.

Risk Factors

The risk factors that may affect the Company's operation are:

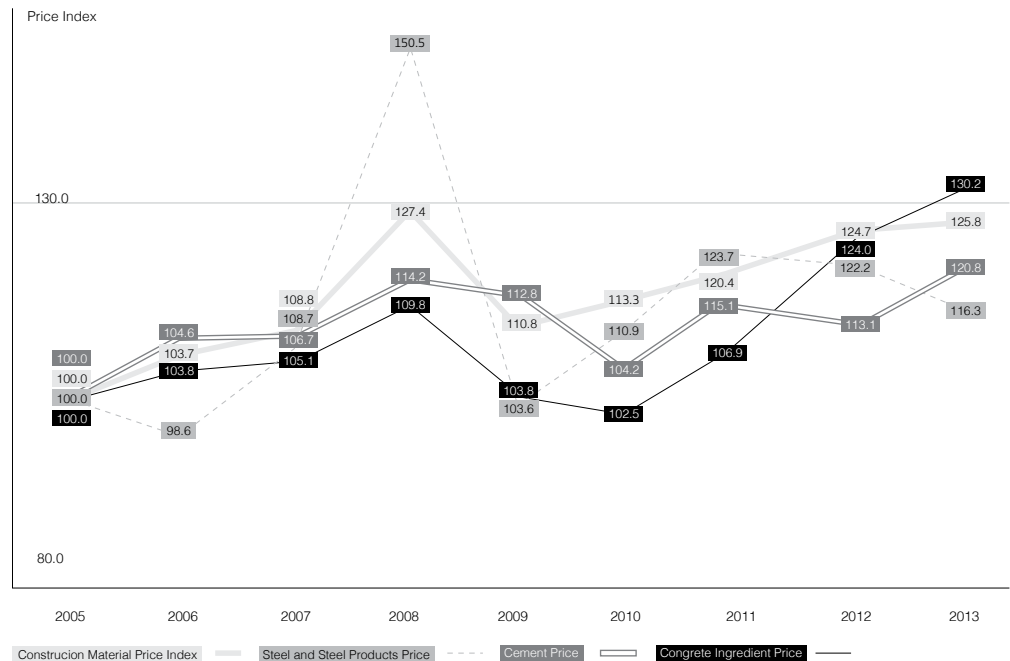
Risk from the price of construction materials and construction cost

From table 1: construction materials average price index. The price of construction materials in 2013 has increased just 0.9% compared to that in 2012. The materials which had higher price are lumber and wood products, cement and concrete ingredient. The prices have increased by 5.5%, 6.8% and 5.0% consecutively. The production costs of cement and concrete ingredient are rising steadily, as a result of the shortage of labor, the demand of precast concrete products increases drastically. Besides, the internal demand for construction materials for the construction of the infrastructure projects and private housing are still required. On the other hand, the price of steel and steel products declined steadily at 4.8% from the previous year. Mainly as a result of global steel price is weakened due to excess supply from China, steel demand slowed down in the second half of the year when entering the rainy season and the concerns of the domestic political situation.

Table 1: Construction Materials Average Price Index

Group	2005 Base	2007	2008	2009	2010	2011	2012	2013	Change (%)	
									2012	2013
ALL COMMODITIES INDEX	100.0	108.8	127.4	110.8	113.3	120.4	124.7	125.8	3.5%	0.9%
LUMBER AND WOOD PRODUCTS	100.0	109.7	118.8	133.3	135.8	139.8	143.0	150.9	2.3%	5.5%
CEMENT	100.0	106.7	114.2	112.8	104.2	115.1	113.1	120.8	-1.8%	6.8%
CONCRETE INGREDIENT	100.0	105.1	109.8	103.8	102.5	106.9	124.0	130.2	16.0%	5.0%
STEEL AND STEEL PRODUCTS	100.0	108.7	150.5	103.6	110.9	123.7	122.2	116.3	-1.2%	-4.8%
TILES	100.0	106.6	109.1	110.7	110.6	109.4	111.5	111.6	1.9%	0.1%
PAINTS	100.0	102.2	105.8	113.2	113.8	116.6	119.5	121.2	2.5%	1.4%
SANITARY WARE	100.0	123.6	131.8	148.9	144.5	149.9	152.3	156.0	1.6%	2.5%
ELECTRIC AND PLUMBING	100.0	113.9	114.7	108.2	110.4	113.6	114.9	112.8	1.1%	-1.8%
OTHERS	100.0	110.3	118.3	119.2	122.8	129.8	142.0	145.6	9.4%	2.5%

Chart 1 : Index of construction material price compare with steel and steel products price, concrete ingredient price, and cement price



Source: Bureau of Trade and Economic Indices, the Office of Permanent Secretary, Ministry of Commerce

Considering the overall price of construction materials throughout the year 2013, which did not change significantly compared to that in 2012. The expected trend of the construction material prices in 2014 will slightly rise as well because of the concerns of the political unrest which is likely to be prolonged. These will slow down both public and private projects. The supply of crude oil in 2014 has continued to grow at higher rate. Therefore, the average oil price is likely to decline. There are also factors that will affect the real estate business in this year which are the shortage of labor because of the minimum wage of 300 baht per day policy. This causes the employment of foreign workers increase and the construction costs are continuously soaring. Especially the ready mixed concrete in order to reduce construction time to compensate the labor issues.

As a result of the political unrest, this concerns and affects the confidence of consumers to delay the purchase of housing. Construction materials and wages tend to rise insignificantly. However, the company has a hedging policy in forward contract on major construction materials such as, steel and steel products, monitors the political situation closely and wisely adapts to the situation and organizes the procurement and construction plan efficiently to support the production and expansion. These will reduce the risk of shortages and price volatility of construction materials and the risk of increasing wages as well.

Risk from the land price

According to data from Agency for Real Estate Affairs (AREA), the overall rate of change of land price in 2013 increased by 4.6% on average. It was higher than that in 2012 which rose only 3.7 %. The most expensive land is the land near Siam BTS station, Siam Square area. The average price is 1.65 million baht per square wah or 660 million baht per rai. The land in this area is expensive because it is a junction of 2 lines of BTS sky train and the center of the shopping malls. Besides, the land in Chidlom and Ploenchit area is as expensive as that in Siam Square area. The second-ranked is the land in Sukhumvit, Nana, wireless road and Sala daeng area. The average price is 1.4 million baht per square wah.

Basically, the price of land along the BTS sky train route will increase annually about 10% on average. In 2013, 2 stations of the BTS sky train extension line which are Wuttakat and Bang Wa station were opened on December 5, 2013, so land price near these stations rose. The Purple Line (Bang Yai - Bang Sue) is expected to operate in full service in early 2017 including the construction of interchange station for The Purple Line and The Blue Line at Tao Poon so that people will travel between two lines easily and comfortably. The Blue Line (Hua Lamphong - Bang Khae) is still under construction and The Green Line (Bearing - Samutprakan) is under construction as well.

For the company, most of the projects are located in the heart of the city especially condominium projects. The company pays its most attention to invest in projects along the public transportation route. This is consistent with the expansion policy to facilitate the connection between Bangkok and vicinity. The price of land is likely to rise which may affect the company's cost of land. However, given the fact of the company's business experience, feasibility study and cautious investment in land, the company will not be affected by the risk of the land price or land holding problem.

Risk from the world economic crisis and the domestic economy

The world economic in 2013, there was a milestone event that happened to the United States which is "Government Shutdown" or the closure of government agencies. These caused the 800,000 authorities to be suspended as a result of political conflicts between Democrats and Republicans. The issue was The Health Insurance Law or "Obama Care" which Republicans want to alter the conditions or postpone while President Barack Obama and Democrats confirmed that there would be no compromise on this matter. However, Democrats and Republicans could find an agreement to raise the debt ceiling so that the government can temporarily reopened again.

In early 2013, the Federal Reserve (Fed) continued to use the liquidity injection measures (Quantitative easing) at 8.5 billion dollars per month as before. As a result, interest rates remain low. However, in December, Fed decided to reduce bond purchases to 7.5 billion per month after the numbers of employment was strong and the unemployment rate decreased. There were also quantitative easing of other countries, such as the monetary policy of the European Central Bank (ECB) to cut interest rates policy (Refinance rate) down from 0.50% per annum to 0.25% per annum and the liquidity injection measures of the Bank of Japan (BOJ).

In 2013, the major event that affected Thailand's economy was the political crisis which was a new phenomenon of the country. The combination of the enormous number of people from all sectors came together to ousted the government because the government attempted to pass a controversial amnesty bill. After that, the government decided to dissolve parliament on December 9, 2013. Moreover, there was also a problem in the rice-pledging scheme which was criticized as corruption. It was estimated that, in the past two years, the government lost several hundred billion baht. Because rice was sold at price below the cost to brokers or companies linked to politicians. This scheme created the most damage to the rice trade system in history and many farmers still

have yet to receive payment for their goods. Thai baht currency was extremely volatile. In the early years, Thai baht was down due to the quantitative easing of the Federal Reserve. Thai baht was down to hit its lowest point at 28.54 baht per U.S. dollar. It was the record low in the past 17 years. After the Federal Reserve reduced size (Tapering) of QE, the foreign capitals started to flow out. Thai baht was up to its highest level at 32.86 baht per U.S. dollar. It was the record high in the past 4 years. The SET index was extremely fluctuating as well. Although, in May 2013, the index reached all time high in 20 years by surpassing 1,600 points and trading volume was the highest since the market was opened, after QE tapering and the political turmoil, Thailand's stock index fell to 1,298 points at the end of 2013. It was down 6.7% from 2012. Household spending, both private and public investments and export value totally decreased. This caused Thailand economy in 2013 to grow only 2.9 %.

The global economy in 2014 is expected to improve due to economic recovery of the various countries especially the United States as a result of improving of private demand, the low unemployment rate. Eurozone's economy will recover slowly and countries in Asia such as China, Japan. As a result of measures to expand the money supply, quantitative easing and low level interest rates policy of the European Central Bank at the end of 2013 by reducing the policy rate to 0.25% per annum and interest rate (marginal lending facility) to 0.25% per annum which is the all time low. So that the financial costs and the risk of deflation decline to support the economic recovery and stimulate consumption and investment.

For Thailand's economy in 2014, while the political situation remains unstable and the rally is ongoing, the purchasing power, consumption and investment are slightly change in the first half of the year. However, the global economy is continually recovering including the economy of the United States, Europe, China and Japan. Thus, the investment atmosphere and the domestic economy are likely to improve in the same direction. Moreover, on January 22, 2014, the Monetary Policy Committee (MPC) decided to maintain the policy interest rate at 2.25% per annum. It is appraised that this policy interest rate is in a reasonable level to support Thailand's economic recovery and comply with the monetary policy of other countries in Asia.

In the second half of the year, if the political situation begin to unravel and the rice-pledging scheme is transparent in all aspects, including price, storage, trading, quality control and Thailand rice price fall to close to world rice price, these will help rice export to be recovered and able to compete in the world market again. In addition, Thai baht is weaken and the major trade partners' economy such as, the United State and Europe is likely to improve significantly due to the expansion of private spending and a recovery in the real estate sector. Furthermore, exports to neighboring countries which are Cambodia, Laos, Myanmar and Vietnam grow significantly so the export sector is a major economic driver of the country.

In addition, the factor that contributes to positive growth in 2014 is the free trade agreement under the terms of the AEC (ASEAN Economic Community: AEC) in 2014. Thus, entrepreneurs need to improve quality, productivity and operation at all times and also enhance the competitiveness of Thailand to assist businesses to compete in the world market fluently. This free trade agreement will be a part of driving forces that make the tourism sector's growth rate increase and make a lot of revenue.

Risk regarding Company's Income

Main source of Company's income is from real estate development business which depends upon development of projects, triumphs of projects once go on sale, and transfer of ownership to customer. With aspiration and determination to become the leader in real estate modernization, the Company focuses on researching of consumer behavior and surrounding factors when it comes to buying a home and finds that they are adjusted with respect to economic and social factors along with individual needs. The research actually helps the Company to apply various strategies suiting different needs of customers as can be seen from past projects. Moreover, the Company is in the process of doing analysis to look for more suitable lands and expand its development projects into different areas to mitigate severe flooding threats. The Company's goal is to have a continuous growth while maintaining its financial strength, be cautious on investment, careful and transparent management according to the commitment to corporate good governance. To accomplish that, the Company is planning to launch at least three new projects in 2014 valued over 5,900 Million Baht, all of which are situated in prime locations, with accessibility and complete facilities.

Risk from the ability to settle debt and actions to be taken on debenture regulation

As of December 31, 2013, the Company has short term borrowings, bill of exchanges and promissory note, valued 555.76 Million Baht, current portion of long-term borrowing valued 1,979.13 Million Baht, and long term borrowings valued 7,261.23 Million Baht. The liquidity ratio reaches 2.82, an decrease from 3.89 from that of last year. In addition, a regulation to issue debenture states that a corporate should maintain its Net Interest Bearing Debt ratio at no more than 2.2 at the end of account closing day of each quarter. As of December 31 2013, the Company's Net Interest Bearing Debt ratio stands according to the regulation, at 1.50.

From a continuous success in developing various projects along with an appropriate repayment period of commercial banks borrowings which is in line with project ownership transfer, the Company is confident in its ability to repay back both principle and interest. Besides, the Company still has an untouched financial amount worth 4,530 Million Baht. Besides, as of December 31 2013, the Company still has ongoing projects which have not completed the transfer of ownership to its customers, a total value over 15.8 Billion Baht of which is the Company's source of fund for repayment and debenture.

Risk from loans to subsidiaries, associates and other ex-associates

As of December 31, 2013, the total amount of loans to subsidiaries and associates including outstanding interest stands at 24.25 Million Baht. Consequently, the Company has recorded an allowance for doubtful accounts and written-off the whole amount. As for the amount of long term loans and interest receivable from subsidiaries of which the Company holds 100% of shares as of December 31, 2013 valued of 17.24 Million Baht and for those subsidiaries, of which the Company holds 65% of shares, the amount of loans to them is 7.01 Million Baht. Nevertheless, the Company has put in place policies to manage unexpected risk resulted from the lending to its subsidiaries and associates by closely monitoring their businesses and following up with their continuous repayment of loans. Moreover, the Company has disclosed detail information of the loans in Connected Transactions section.

Company Factsheet

Noble Development Public Company Limited

Address	19 th Fl., Tonson Tower, 900 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Property Development
Registered Number	0107538000312
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Home Page	http://www.noblehome.com
Registered Capital	456,471,175 Ordinary shares with par value of Baht 3
Paid Up Capital	Baht 1,369,413,525

Subsidiaries and Associated companies

Ban Suk Sabai Company Limited

Address	19 th Fl., Tonson Tower, 900 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Property Development and Housing Construction
Registered Number	0115534002564
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	17,000,000 Ordinary shares with par value of Baht 100
Paid Up Capital	Baht 1,700,000,000

S&P Property Management Company Limited

Address	19 th Fl., Tonson Tower, 900 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Housing Construction and Property Management
Registered Number	0105533098789
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	20,000 Ordinary shares with par value of Baht 100
Paid Up Capital	Baht 2,000,000

Continental City Company Limited

Address	19 th Fl., Tonson Tower, 900 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Property Development
Registered Number	0105528034727
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	30,000,000 Ordinary shares with par value of Baht 100
Paid Up Capital	Baht 3,000,000,000

Research and Consultant Company Limited

Address	19 th Fl., Tonson Tower, 900 Ploenchit Road, Lumpini, Pathumwan, Bangkok
Main Business	Housing Construction
Registered Number	0105537135697
Telephone No.	(66) 2251-9955
Fax No.	(66) 2251-9977
Registered Capital	100,000 Ordinary shares with par value of Baht 100
Paid Up Capital	Baht 10,000,000

N.K.Energy Conservation Company Limited

Address	54/4 Moo 7, Bang Saothong, Samutprakarn
Main Business	Light Weight Wall Panel
Registered Number	0115540002601
Telephone	(66) 2251-9955
Fax	(66) 2251-9977
Registered Capital	10,000 Ordinary shares with par value of Baht 1,000
Paid Up Capital	Baht 6,500,000

Other Reference Information

Ordinary share Registrar	Thailand Securities Depository Company Limited 62 The Stock Exchange of Thailand Building Rachadapisek Road, Klongteoy, Bangkok 10110 Tel. 0-2229-2800 Fax. 0-2359-1259
Auditor	Mrs. Anutai Poomsurakul Certified Public Accountant Registration No. 3873 PricewaterhouseCoopers ABAS Limited 15 th Fl., Bangkok City Tower 179/74 – 80 South Sathorn Road, Bangkok 10120 Tel. 0-2344-1000 Fax. 0-2286-5050
Legal Adviser	Weerawong, Chinnavat & Peangpanor Ltd. 22nd Floor, Mercury Tower 540 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Tel. 0-2264-8000 Fax. 0-2657-2222
Debenture Registrar and Debenture Holder Representative	The Debentures of Noble Development Public Company Limited No.1/2011 Due 2014 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000
Debenture Registrar and Debenture Holder Representative	The Debentures of Noble Development Public Company Limited No.1/2012 Due 2015 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000
Debenture Registrar and Debenture Holder Representative	The Debentures of Noble Development Public Company Limited No.1/2013 Due 2016 Bank of Ayudhya Public Company Limited 1222 Rama 3 Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 0-2296-2000

Address and Telephone Number of Head Office and Projects**Head Office: Noble Development Public Company Limited**

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Noble Reveal

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Noble Revo Silom

88, Surasak Road, Silom, Bangrak, Bangkok
Tel. 0-2236-8800, 0-2251-9955

Shareholders

The first ten major shareholders at closing date of share registered book, May 9, 2013 are as the following:

	Shareholders' Name	Number of Shares	% of Paid up Capital
1	ABN AMRO NOMINEES SINGAPORE PTE LTD	59,500,000	13.03
2	Thanakitamnuay Group	52,667,879	11.54
	Mr. Kitti Thanakitamnuay	36,330,919	7.96
	Mr. Piya Thanakitamnuay	16,336,960	3.58
3	STANLEY STREET LIMITED	35,884,100	7.86
4	Thai NVDR Company Limited	31,232,800	6.84
5	HSBC (SINGAPORE) NOMINEES PTE LTD	20,245,000	4.44
6	Mr. White Chirakranont	19,710,000	4.32
7	SOMERS (U.K.) LIMITED	16,937,400	3.71
8	Mr. Chanintr Chalisarapong	15,550,000	3.41
9	Mr. Nawee Sribhadung	15,214,855	3.33
10	Viravan Group	19,304,099	4.23
	Dr. Amnuay Viravan	12,136,703	2.66
	Samvest Company Limited	4,778,265	1.05
	Amvest Company Limited	2,389,131	0.52
	Total	286,246,133	62.71

"Investors can acquire updated shareholders information from the Website www.noblehome.com"

Dividend Policy

The Company has a dividend policy to pay dividend to shareholders by considering Company's operating result, business expansion and other related factors. The Company's minimum dividend payout ratio is not less than 25% of the net profit. However, the aforementioned policy shall be in accordance with the resolutions of shareholders' meeting.

Year	2012	2011	2010	2009	2008
Earning per share	0.54	0.51	1.57	0.93	0.14
Dividend payment	0.30	0.30	0.45	0.36	0.25
Dividend payout ratio	55.6%	58.8%	28.7%	38.7%	178.6%

Regarding the Company's operating result in 2013, the Board of Directors passed the resolution to propose at the annual general shareholders' meeting held on April 28, 2014 to approve the 2013 annual dividend payment of Baht 0.30 per share.

Dividend Policy of Subsidiaries

- None -

Management Structure

The structure of the Company's directors consists of the followings:

• The Board of Directors	7	persons
• The Audit Committee	4	persons
• The Nomination Committee	5	persons
• The Remuneration Committee	5	persons
• The Risk Management Committee	3	persons
• The Corporate Governance Committee	3	persons

The Board of Directors

As of December 31, 2013 the Company has 7 directors as follows.

• Executive Directors	3	persons
• Independent Directors	4	persons

57 % of the members of the Board are Independent Director.

1.	Mr. Kitti	Thanakitamnuay	Chairman
2.	Mr. Sitti	Leelakasamelek	Vice Chairman, Member of the Nomination Committee and Member of the Remuneration Committee
3.	Miss Vasana	Thieansirisak	Director, Member of the Corporate Governance Committee and Member of the Risk Management Committee
4.	Mrs. Boonperm	Jiamtiranat	Independent Director, The Chairman of the Audit Committee, The Chairman of the Corporate Governance Committee, Member of the Nomination Committee and Member of the Remuneration Committee
5.	Mr. Narong	Taychachaiwong	Independent Director, Member of the Audit Committee, Chairman of the Nomination Committee, Member of the Remuneration Committee and Member of the Risk Management Committee

- | | | | |
|----|-------------------------|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. | Mr. Surachet | Suboonson | Independent Director, Member of the Audit Committee, The Chairman of the Remuneration Committee, Member of the Nomination Committee and Member of the Corporate Governance Committee |
| 7. | Asst. Prof. Dr. Somchai | Supattarakul | Independent Director, Member of the Audit Committee, The Chairman of the Risk Management Committee, Member of the Nomination Committee and Member of the Remuneration Committee |

The Company's Secretary: Mrs. Angkana Intravichien

The Board of Directors' scope of duties and responsibilities:

- (1) To perform their duties cautiously and faithfully in compliance with laws, under the scope of the Company's objective and Articles of Associations, together with the shareholders' resolutions for the maximum benefits of the shareholders
- (2) To set the Company's business plan, strategies, goals, policies and budget together with the Management
- (3) To supervise, monitor and assess the Management to effectively and transparently perform their duties in accordance with the Company's policy and business plan
- (4) To review and ensure the efficiency of the internal control system to ensure that the Company's Financial Statements is reliable, accurate and correct, and to prevent the fraudulence in using the Company's properties and improper transaction between the related parties
- (5) To establish the appropriate structure of the Board of Directors in order to create the balance of power, adequate and appropriate management monitoring

In 2013, the Board of Directors held 39 meetings; 20 regular meetings and 19 sub-meetings, details of attendance is as follows:

			No. of meeting attended (Times)	
			Regular meeting	Sub-meeting*
1.	Mr. Kitt	Thanakitamnuy	20	19
2.	Mr. Sitti	Leelakasamelek	19	17
3.	Miss Vasana	Thieansirisak	19	17
4.	Mrs. Boonperm	Jiamtiranat	20	8
5.	Mr. Narong	Taychachaiwong	20	5
6.	Mr. Surachet	Suboonson	20	19
7.	Asst. Prof. Dr. Somchai	Supattarakul	20	4

* Sub-meetings are arranged to consider the operation issues that do not affect the Company's management policy, e.g. the request of projects' utilities, house registration numbers, bank accounts opening etc. Thus, the Board of Directors has assigned 4 directors composing Mr. Kitt Thanakitamnuy, Mr. Sitti Leelakasamelek, Miss Vasana Thieansirisak and Mr. Surachet Suboonson to attend the meetings. If any of the 5 directors is unavailable for any meeting, the Company will invite other directors to constitute the meeting.

As of December 31, 2013 the Company's Executives are as follows:

- | | | |
|-----------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------|
| 1. Mr. Kitti | Thanakitamnuay | Chief Executive Officer and Acting Managing Director and Executive Vice President : Project Operation and Information Technology Line |
| 2. Mr. Sitti | Leelakasamelerk | Executive Vice President : Support Line |
| 3. Miss Vasana | Thieansirisak | Senior Vice President : Corporate Finance Department |
| 4. Mrs. Angkana | Intravichien | Vice President : Accounting and Finance Department |

Organization Chart



The Corporate Secretary

The Board of Directors has assigned Mrs. Angkana Intravichien as the Company's Secretary effective as of December 26th, 2013. The qualification of the Corporate Secretary as follows:

- (1) Knowledge and understanding in company business
- (2) Understand the responsibilities of the Corporate Secretary
- (3) Knowledge and understanding of law, rules of the Securities and Exchange Commission, stock market, and stock exchange of Thailand
- (4) Knowledge and understanding in corporate governance and corporate governance rules
- (5) Not seek the self benefit from business opportunity including keeping the Company's undisclosed
- (6) Hospitable and be able to contact and communicate with internal and external unit
- (7) English Knowledge

The Corporate Secretary has responsibilities as listed under section 89/15 and 89/16 in the Securities and Exchange Act B.E 2551 (volume IV), which is effective on August 31st, 2008, to be in charge for the following matters on behalf of the Company or the Board of Directors:

1. To prepare and keep the following documents
 - List of Directors Registration
 - The Board of Directors' Meeting: Invitation for Meeting, Minutes of the Board of Directors meeting and Annual reports of the Company
 - Shareholders' Meeting: Invitation for Meeting: Invitation for Meeting, Minutes of the shareholders' meeting
2. To keep the reports on the interest of directors and executives
3. To perform any other acts as specified in the notification of the Capital Market Supervisory Board

In addition, the Corporate Secretary has responsibilities as to be assigned from the Company.

Remuneration for the year 2013**Remuneration in Monetary Value****- Board of Directors**

The Board of Director of the Company and Subsidiaries are the same board. The remuneration of each director is included in the Company's remuneration. The directors receive yearly remuneration as followed:

			(Unit : Baht/Year)					
			Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Governance Committee
1.	Mr. Kittti	Thanakitamnuy	55,000	-	-	-	-	-
2.	Mr. Sitti	Leelakasamelerk	50,000	-	50,000	50,000	-	-
3.	Miss Vasana	Thieansirisak	50,000	-	-	-	50,000	50,000
4.	Mrs. Boonperm	Jiamtiranat	50,000	480,000	50,000	50,000	-	50,000
5.	Mr. Narong	Taychachaiwong	50,000	390,000	50,000	50,000	50,000	-
6.	Mr. Surachet	Suboonson	50,000	390,000	50,000	50,000	-	50,000
7.	Asst. Prof. Dr. Somchai	Supattarakul	50,000	390,000	50,000	50,000	50,000	-

- Executive Officers

Total Remuneration for the Company's executive officers (4 persons) was Baht 29,976,000 comprised of salary, bonus, and contributions to the provident fund.

The Remuneration Committee of the Company considers the remuneration forms and criteria for the directors and the executive officers to be clearly, transparently and fairly determined based on the identical and comparable firms in same industry. Remuneration for the directors and the Audit Committee are then determined and approved by the Board of Directors and the shareholders' meeting, respectively. To promote fairness, motivation, and Company's maximum benefits, the executive officers' remuneration is set to correspond with the Company's performance and each director's performance.

Other Remuneration

-None-

Personnel

The number of employees and compensation

The number of employee (exclude executives) of the Company as of December 31, 2013 totaling of 344 employees.

2013	Number of employees
Support line	59
Project operation	285
Total	344

The compensation includes salary, overtime, cost of living support, bonus, provident fund, total of 147,428,451.00 Baht

Policy on human resource development

The Company have a policy to train and develop its human resources by seminar including encourage employee to attend various seminars to enhance their knowledge and capabilities in order that they can employ their knowledge and capabilities to develop and achieve the Company's objective, especially new technology training to improve their performance more effectively. In addition, the Company has build working unity and good attitude to employees.

Details of Company's Directors, Executive Officers, Authorized Person and Company Secretary

Name	Age (Yrs)	Education	(% of Holding	Relationship between Directors and Executive Officers	Working Experience		
					Period	Position	Companies
1. Mr. Kitti Thanakitamnuay	58	- B.A., Political Science, Chulalongkorn University - Director Accreditation Program(DAP) Class 71/2008	7.96%(*)	-	1990 – Present	Chairman and Chief Executive Officer	Noble Development Public Company Limited
					2012 – Present	Acting Managing Director and Executive Vice President : Project Operation and Information Technology Line	Noble Development Public Company Limited
					1985 – Present	Managing Director	Continental City Company Limited
					1996 – Present	Managing Director	Research and Consultant Company Limited
					2005 – Present	Managing Director	Ban Suk Sabai Company Limited
					2013 – Present	Managing Director	S&P Property Management Company Limited
2. Mr. Sitti Leelakasamelek	60	- B.A., Accounting, Chulalongkorn University - Director Accreditation Program(DAP) Class 11/2004	-	-	1990 – Present	Director	Ban Siam Holdings Company Limited
					1994 – Present	Vice Chairman	Noble Development Public Company Limited
					2009 – Present	Member of the Nomination Committee, Member of Remuneration Committee	Noble Development Public Company Limited
					1995 – Present	Director	Continental City Company Limited
					1996 – Present	Director	Research and Consultant Company Limited
					2005 – Present	Director	Ban Suk Sabai Company Limited
					2012 – Present	Director	N.K.Energy Conservation Company Limited
					2013 – Present	Director	S&P Property Management Company Limited
					1991 – Present	Executive Vice President: Support Line	Noble Development Public Company Limited
					2004 – Present	Independent Director	Khon Kaen Sugar Industry Public Company Limited
					2004 – Sep 2010	Member of the Audit Committee	Khon Kaen Sugar Industry Public Company Limited
					2007 – Present	Member of Risk Management Committee	Khon Kaen Sugar Industry Public Company Limited
3. Miss Vasana Thieansirisak	46	- Master of Science, Managerial Accounting and Master of Science, Economic Law Chulalongkorn University - Director Accreditation Program (DAP) Class 45/2005	-	-	24 Mar 2000 – Present	Director	Noble Development Public Company Limited
					2011 – Present	Member of the Corporate Governance Committee	Noble Development Public Company Limited
					2013 – Present	Member of the Risk Management Committee	Noble Development Public Company Limited
					2009 – Present	Director	Continental City Company Limited
					2009 – Present	Director	Ban Suk Sabai Company Limited
					2000 – Present	Director	S&P Property Management Company Limited
					1996 – Present	Senior Vice President: Corporate Finance Department	Noble Development Public Company Limited
4. Mrs. Boonperm Jiamtiranat	64	- B.A., Accounting, Chulalongkorn University - Director Accreditation Program (DAP) Class 13/2004 - Director Certification Program (DCP) Class 81/2006	-	-	25 Jan 2001 – Present	Independent Director and The Chairman of the Audit Committee	Noble Development Public Company Limited
					2009 – Present	Member of the Nomination Committee and Member of the Remuneration Committee	Noble Development Public Company Limited
					2011 – Present	The Chairman of the Corporate Governance Committee	Noble Development Public Company Limited
					2013 – Present	Director	Continental City Company Limited
					2013 – Present	Director	Ban Suk Sabai Company Limited
					2013 – Present	Director	S&P Property Management Company Limited
					1999 – Present	Independent Director	Surapon Foods Public Company Limited
					2006 – 2009	The Chairman of the Audit Committee	Surapon Foods Public Company Limited
					2009 – Present	Member of the Audit Committee	Surapon Foods Public Company Limited
					2010 – Present	The Chairman of the Corporate Governance Committee	Surapon Foods Public Company Limited
					1995 – Present	Director	Noble Estate Company Limited

Name	Age (Yrs)	Education	(% of Holding	Relationship between Directors and Executive Officers	Working Experience		
					Period	Position	Companies
5. Mr. Narong Taychachaiwong	64	- B.A. University of Central Florida, Orlando, Florida, USA - Director Accreditation Program (DAP) Class 2/2003	-	-	13 May 1998 – Present	Independent Director	Noble Development Public Company Limited
					1999 – Present	Member of the Audit Committee	Noble Development Public Company Limited
					2009 – Present	The Chairman of the Nomination Committee and Member of the Remuneration Committee	Noble Development Public Company Limited
					2011 – Present	Member of the Risk Management Committee	Noble Development Public Company Limited
					2013 – Present	Director	Continental City Company Limited
					2013 – Present	Director	Ban Suk Sabai Company Limited
6. Mr. Surachet Suboonson	47	- B.A., Accounting, Thammasat University - Director Accreditation Program (DAP) Class 64/2007	-	-	29 Nov 1999 – Present	Independent Director and Member of the Audit Committee	Noble Development Public Company Limited
					2009 – Present	The Chairman of the Remuneration Committee and Member of the Nomination Committee	Noble Development Public Company Limited
					2011 – Present	Member of the Corporate Governance Committee	Noble Development Public Company Limited
					2013 – Present	Director	Continental City Company Limited
					2013 – Present	Director	Ban Suk Sabai Company Limited
					2013 – Present	Director	S&P Property Management Company Limited
7. Asst. Prof. Dr. Somchai Supattarakul	46	- Ph.D.in Accounting, University of Texas at Austin, U.S.A. - Director Accreditation Program (DAP) Class 96/2012	-	-	9 Mar 2010 – Present	Independent Director and Member of the Audit Committee	Noble Development Public Company Limited
					2010 – Present	Member of the Remuneration Committee	Noble Development Public Company Limited
					2011– Present	Member of the Nomination Committee and The Chairman of the Risk Management Committee	Noble Development Public Company Limited
					2013 – Present	Director	Continental City Company Limited
					2013 – Present	Director	Ban Suk Sabai Company Limited
					2013 – Present	Director	S&P Property Management Company Limited
8. Mrs. Angkana Intravichien	43	- B.A., Accounting, Ramkhamhaeng University - Master of Business Administration, NIDA	-	-	2003 – Present	Assistant Professor	Faculty of Commerce and Accountancy, Thammasat University
					2013 - Present	Vice President: Accounting and Finance Department Company Secretary	Noble Development Public Company Limited Noble Development Public Company Limited

* Remark: Number of shares 36,330,919 shares - unchanged

Directors of subsidiaries and associated companies

Director		The Company	Subsidiaries				Associated Company
			1	2	3	4	1
Mr.Kitti	Thanakitamnuay	X X	X	X	X	X	
Mr. Sitti	Leelakasamelerk	//	//	//	//	//	X
Miss Vasana	Thieansirisak	//	//	//	//		
Mrs. Boonperm	Jiamtiranat	/	/	/	/		
Mr. Narong	Taychachaiwong	/	/	/	/		
Mr. Surachet	Suboonson	/	/	/	/		
Asst. Prof. Dr. Somchai	Supattarakul	/	/	/	/		
Mr.Sira	Udol		/	/	/	//	
Mr. Theeraphon	Voranithiphong		/	/	/		
Mr.Arat	Sawatatat		/	/	/		
Mr.Somboon	Phaobunjong					//	
Mr. Yongwat	Ngamsantivongsa					//	
Mr.Tuantong	Phaobunjong					//	
Mr.Pathpong	Sukasem						//
Mr. Somsak	Chongcham						//

Remark X X = Chief Executive Officer X = Managing Director
 // = Authorized Director / = Director

Subsidiaries	1 - Ban Suk Sabai Company Limited
	2 - S&P Property Management Company Limited
	3 - Continental City Company Limited
	4 - Research and Consultant Company Limited
Associated Company	1 - N.K.Energy Conservation Company Limited

Corporate Governance

1. Corporate Governance

Realizing the importance of good corporate governance, the primary factor in enhancing effective management system, reflecting high standard and transparent management, leading the Company to achieve a sustainable growth, and building up confidence to shareholders, foreign and domestic investors, stakeholders including customers and creditors; hence, the Company adopt the corporate governance principles set by the Stock Exchange of Thailand as the guideline in operation and consider as the core business policy.

In the Board of Director's meeting no.2/2008 on 26 February 2008, the Board of Director approved the Company's corporate governance and acknowledged to the Board of Directors, Management, and employees. The company reviews the corporate governance policy annually to be appropriate and comply with international standards laws, rules and regulations. In order to encourage people to implement the corporate governance policy, the company publicized the corporate governance policy through the company's website at www.noblehome.com. The Company's corporate governance covers area of

- Equalities of Shareholders
- Roles of the Stakeholders
- Information Disclosure and Transparency
- Board of Directors
- Internal audit and Risk Management

The Company received 93 points which is considered "Excellent" from the 2013 Corporate Governance report of Thai Listed Company evaluated by Thai Institute of Directors. For the Corporate Governance of the Company can be summarized as following;

1. Rights of the Shareholders: The Company embraces the importance of all shareholders' rights. All of Company's shareholders shall have these following rights:

- Rights to receive and transfer shares.
- Rights to receive the adequate information on timely basis.
- Rights to share Company's profit under the equality ground.
- Rights to attend the meeting and vote for the significant policy or decision of the Company and the right of shareholders that the Board of Directors must address and gain vote from the shareholders' meeting.
- Rights to appoint and discharge Company directors, and to approve the independent auditors.
- Rights to voice their opinions and make joint decision making as well as to raise the question during the shareholders' meeting.
- Other legal rights.

In addition of rights of shareholders, the Company operates as the following:

1) Shareholders' meeting

Noble Development organizes an Annual General Shareholders' Meeting within four months after closing date of its fiscal year according to the law. In some urgent cases, the Company may call for an irregular shareholders' meeting, whose agenda shall affect the interest of shareholders or the change of rule, regulations, and legal aspect that must be approved by shareholders. This irregular shareholders' meeting will be conducted on case by case basis.

The Company provides an opportunity to shareholders to propose subject matters to be included as the agenda and to propose candidate to be nominated for director (Please refer to "Equality of the shareholders" section). The Company also encourages every shareholder to submit their questions through the Company's website prior to the meeting. In 2013, the company set the agenda for the AGM to be clearly written in the Annual General Meeting of Shareholders 2013 invitation.

The Company has a policy to facilitate and encourage shareholders especially institutional shareholders in attendance. The Company arranges the meeting at the appropriate time, date, place to be convenient for shareholders. The Company also allows the shareholders register at least 1 hour and 30 minutes prior to the meeting which is adequate of time. Additionally, the Company employs the barcode system to make it easy for registration. In 2013, the company arranges the Annual General Meeting of Shareholders on Friday, April 26, 2013 at 10:00 am at the Grand Hyatt Erawan Hotel, Grand Ballroom 1, L Floor, Ratchadamri Road, Bangkok to facilitate travel for shareholders.

At least 6 directors from the Board of Directors shall attend the shareholders' meeting, including at least 2 from the Audit Committee. Chairman, Chairman of the Sub-Committee, and Chief Executive Officer shall attend every shareholder's meeting to answer questions and concerns posed by shareholders.

Allocating enough time for the meeting and discussion, the Chairman, Chairman of the Sub-Committee, Chief Executive Officer and all executives conduct each meeting suitably and transparently, allowing thorough expression of views and queries before each ballot round under the free vote atmosphere.

The Company determines that the minutes of a meeting will be recorded and clearly state the informing of the voting rules, the ballots using and vote counting to shareholders prior to the meeting, the resolution of the meeting, the number of votes received in each session, and the minutes will be stored for, being inspected, and sent to the Stock Exchange of Thailand afterward for shareholders and investors information. The Company received the good score from the 2013 Annual General Meeting evaluated by Thai Investors Association and Listed Companies Association. The Company received 100 points which is considered Excellent from 475 companies that have been evaluated. The average score of the companies listed on the Stock Exchange of Thailand is 91.04 points.

2) Shareholding Structure

Shareholding structure of the company is clear and simple. There is no cross or pyramid shareholding. The company publicizes shareholding structure that represents the majority of the first 10 shareholders in the company website in 2013. The Board of Directors and the management hold shares which equal to 7.96% of the paid-up capital of the Company and the Free Float of the Company is 67.57% of the paid-up capital of the Company. (Details provided in Details of Company's Directors, Executive Officers, Authorized Person, and Company Secretary).

The Company did not repurchase shares during 2013. If there are such cases, the company will disclose the policy of buying back shares later on. The Company has no discrimination or creates barriers to allow shareholders to communicate with each other. Moreover, the company does not neglect to reveal the agreement between the shareholders which significantly impacts on the company or other shareholders.

2. Equality of the Shareholders:

2.1 Right to attend shareholders' meeting

Other than Rights of the Shareholders, the Company values and treats all shareholders fairly procedures to propose subject matters to be included as the agenda and to propose candidate to be nominated for director. To promote transparency, criteria to propose subject matters to be included as the agenda is clearly defined according to the information publicized on the Company's website. The same concept apply to propose candidate to be nominated as the director, the criteria is posted on the website. www.noblehome.com

Before each meeting, the Company will send notice before calling the meeting and distribute both Thai and English version of agenda, supplementary documents, and the opinion from Audit Committee (if any) to all shareholders at least 7 days in advance, including three consecutive days of notice on newspaper at least three days prior to the meeting. All the meeting agenda details will be available on the Company's website, www.noblehome.com, 30 days prior to the meeting date, so that the shareholders may have sufficient time for investigation before making their decisions.

In case the shareholders cannot self-attend the meeting, the Company proposes that the shareholders can appoint the independent director as the proxy. The Company use proxy form according to Department of Business Development's 5th notification 2007, which has 3 different form; Type A, Type B and Type C. All kind of form is applicable at shareholder's option and can be downloaded at the Company's website. However the Company had sent Type B proxy form accompanying with invitation letter for shareholder meeting. Type B proxy form is the restricted form in which all the voting agendas are specific, for example shareholder can use this form to nominate director one by one. In case the shareholders cannot self-attend the meeting, the Company proposes that the shareholders can appoint the independent director as the voting representative.

The meeting will be conducted in sequence of agenda as specified in the invitation and no additional agenda without prior notice to shareholders. The company's shares is only common stock and the Company uses voting tickets to allow each shareholder equal opportunity and for transparency and inspection issues. For appointing the Board of Directors, each director will be elected in each ballot

round and the Company gives the opportunity to the shareholder to elect the individual directors as one share one vote. In case of conflict of interest that might occur in any given voting, the decision of the people who is considered as interested party will not be counted.

2.2 Conflict of interest and Connected Transaction

The company has set clearly a conflict of interest policy. The Audit Committee is responsible for connected transaction and conflict of interest to be legally and comply with the law and regulations of the Office of The Securities and Exchange Commission and the Stock Exchange of Thailand. This is to ensure that the transactions are appropriate and most beneficial to the Company

In 2013, the Company has connected transaction with subsidiaries and conflict of interest person. The Company has short term loan and interest receivable (Details provided in Connected Transaction. Additionally, the Company has no connected transactions in violation of or non-compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

3.Role of the Stakeholders

The Company has the policy to serve mutual benefits among itself, and internal and external stakeholders e.g. shareholder, management, employee, customer, creditor, competitor, government, and all relevant agency related to human rights and intellectual property including society, community, and environment. The Board of Directors determines the clear policy and discipline which is notified in Corporate Governance and Business Code of Conduct for stakeholders to coordinate between the Company and stakeholders. By cooperating among itself and interested party to benefit business operation and build up confidence as well as enhance potential, we, therefore, promote the coherence and trust among every party in order to sustain our competitiveness and stability in expansion.

Policy and Treatment of Shareholders

In order to be the best representative of our shareholders to achieve a sustainable growth and competency, The company upholds the principles of business operations with honesty and treats all shareholders equally including disclose all information to shareholders correctly. The practices regarding shareholders are summarized as follows:

1. Respecting and treating all shareholders equally
2. Acting with integrity and operating prudently for the best benefit of shareholders.
3. Publicizing data and information through the company's website at www.noblehome.com
4. Arranging a meeting with securities analysts (Analyst Meeting) regularly.
5. Travelling to present data and progress of the company to foreign investors (Road show).
6. Reporting financial performance, overall operation and more information with accuracy, adequacy and timely decision making

Policy and Treatment of Customers

As our most important supporters and stakeholders, we value our customers and do our best to protect their benefit. The Company aims and acknowledges all employees that after sale service as its best, the doorstep, is not the end of relationship but it is where is the relationship , and responsibility starts. We develops not only the design, the quality and the standard of our houses, but also the after-sale project management division to maintain a pleasant environment and offer maintenance service to the customer before condominium juristic person or house juristic person is established. Moreover, we offer the information about our house's designs and materials, so that the customer can compare our quality and standard with others. The Company also emphasizes on preservation of customer's information for misused dealing. The company also gives a priority to the pleasant environment in the housing project after the transferring of ownerships. The practices regarding customers are summarized as follows:

1. Treat customers equally, fairly and on the basis of suitable benefit for both parties.
2. The Company provides project management unit to maintain a good environment and to maintenance customer's houses in the housing projects.
3. Giving true and complete information about home styles, materials used by the company. So that customers can compare the quality and standards of the house to the products from other development companies before deciding to buy
4. Providing accurate and adequate information to customers. In order that customers can determine the period, rights and obligations which are all true without misleading about quality, quantity or any other condition.
5. Keeping the confidentiality of customer's information and not using it wrongfully for its advantage or related.
6. Contacting customers with courtesy and meet the needs of customers quickly and efficiently.

Moreover, in 2013, the company has organized various activities properly to build a good relationship between the company and customers of each project. For example:

- Organizing a cool workshop “DIY Your Vintage Flower Living” invited the noble residents to enjoy creative inspiration Vintage style floral arrangements that members would learn Ideas to stylized unique floral decoration corner in the house with the new generation florist “Addy Chongsawad and Close To Nature Flowers team at the office of Noble Revolve Ratchada.
- Organizing “The Inspiration Movie with The Great Gatsby” invited the noble residents more than 100 persons to watch a free special showing of romantic-drama movie “The Great Gatsby” which is the work of famous directors, “Baz Luhrmann”, who is known from the major movies such as, “Romeo+Juliet” and “Moulin Rouge”. This activity was organized to be thankful and encourage the residents to build relationships there which got a lot of residents' attentions. This event held at the theater, SF Central World.
- Organizing workshop “Inspired by Inner” for 30 persons of the noble residents who love and appreciate photography by professional photographer, “Prof. Tul Hiranyalawan”, Executive Director of the Royal Photographic Society of Thailand to create the art of photography with inspiration and to learn about contemporary art photography style at the office of Noble Ploenchit, Park Ventures Ecoplex Building
- Organizing workshop “Food Styling” @ White Café, Noble Solo, Invited the noble residents to join the learning with the fun “The decorative art of food” by, “Miss Benja Nantakwang”, caterer, White café owner and famous food stylist, “Duangrit klaewprodtok”. This event was organized to introduce the decorative art of food

to look good and to make a small party within the condos with friends simple and colorful.

- Organizing New Year event and encouraged the noble residents to join “Make & Shake Cocktail to create inspired D.I.Y Cocktail to fulfill colors to party within Condo for New Year 2014”. Noble has invited the residents to attend workshop “Make & Shake Cocktail to create inspired D.I.Y Cocktail to fulfill colors to party within condos and to learn the technics of mixing cocktails and mocktails with the professional expert, “Khun Ae, Apinan Sripan”, and team from famous website www.cocktailthai.com

Policy and Treatment of Employee

Employee is the most important human resource to the Company, the key drives to success. The Company’s business ethical code of conduct has been written that employees are treated equally and fairly, including appropriate compensation, welfare and fringe benefit, safety and hygiene in the workplace including the development of knowledge and potential of employees. The practices regarding employees are summarized as follows:

Welfare and benefits

- The establishment of the provident fund as security for employees and to secure the job, which is a long-term taking care of employee.
- Life insurance, group accident insurance, group health insurance (Out-patient and in-patient) which employees will receive benefits under the health insurance policy.
- Provision of emergency loans as welfare for employees at all levels.
- Loans to buy a car as welfare for manager level and above employees.
- Financial support for various occasions such as childbirth, patient visiting, death of parents, etc.
- Rights to buy house and condominium projects of the Company with special price

Recreation

- Annual trip. In 2013, the Company held a New Year Party at Hua Hin, Prachuap Khiri- Khan Province. Employees could bring the family to this recreation. In this event, all employees and their families participated in the activity, “Mangrove forest a forestation” and “NOBLE PARTY 2013 MASK FANCY ON THE BEACH”, which consisted of both performing activities of new employees and costume contest under the theme of the party.
- “Noble Champion Cup” sport event
These activities above are to encourage relationship in the workplace.

Security

- The Company pays attention to security, sanitation and working environment such as arranging 24 hour security personnel, implementing fingerprint scanning procedure before entering the office.

Sanitary and Environment

- Employees will receive health insurance from the company and be admitted to the assigned hospital. The amount of medical expenses is determined by class of employee.
- Setting up hand sanitizer terminals for employees at head office and at individual project sale offices.

The Company also encourages training and development to enhance competency for present responsibility and line of works. Moreover, the employees are able to participate with the executive officers to establish goals of the Company.

In 2013, the number of employees who got accidents at work, work absence and sickness absence as follows:

1. The number of accident victims is 4 persons
2. Absence rate of accidents at work (employee/day) 4 accident victims, total of 40 days of sickness absence. The average is 10 days per person
3. Employee illness: There is no employee illness while on duty. If the employee gets an accident at work, he/she will get the Company's health insurance benefits.

The potential development of employees

The Company encourages employees to enhance their knowledge by training from internal and external seminars to assist them to work well and effectively. Further, the Company give confidence to selective employee to set their goal with executives to achieve the Company's objective. In 2013, the average training hour rate of employees at all levels is 3.72 hours per person.

Policy and Treatment of Competitors

The Company promote the free-trade policy and fair competition under the legal regulation and business ethic and avoid unfair competition to defeat competitors. The practices regarding competitors are summarized as follows.

- Supporting free trade and do not force a partner to solely trade with the Company.
- Operating under the rules of the competition
- No inquiring confidential information of the competitors by dishonest or inappropriate method
- No destructing the reputation of competitors with malicious accusation

Policy and Treatment of Partners

The Company transparently and fairly selects our contractors (partners), and follows every contract strictly. As well as procuring the resources considering the best interests of the Company and get a return on the basis of suitable benefits for both parties. The practices regarding partners are summarized as follows.

- Treating partners fairly and equally on the basis of getting a return that is fair to both parties.
- There are selection Criteria, partner assessment and preparation of contract by mutual agreement.
- Considering the problems that arise with contractors to jointly solve problems regularly, such as typically the contract already includes the labor and the material cost. In the situation of material shortage, if the company is in the better negotiating position, it will supply thematerials to contractors to support each other and to maximize the benefits of the business between the company and partners.

Policy and Treatment of Creditors

The company has a policy to give priority to all creditors with all conditions strictly. The company manages loans to comply with the terms of the loan agreement and control the loan repayments and interest to be paid to all creditors in full by a specified time in order to ensure the financial performance and the ability to pay debts of the company. The practices regarding creditors are summarized as follows:

- Comply with the contract or conditions with creditors strictly in terms of repayments and other conditions. If the company cannot fulfill the obligations in the agreement, it will find solutions and prevent damage together.
- Manage to assure creditors to be confident of the financial performance and the ability to pay debts of the company.
- Disclose the information to creditors completely, and not amend documents for your own benefit.

Policy and Treatment of Government and Relevant Agency

The Company respects and follows the relevant laws and regulations strictly. We emphasize and understand the intention and objective of each of every related land and building Act e.g. Land Allocation Act, Condominium Act, Building Construction Control Act in order to advantage our customer, environment, community and society.

Policy and Treatment of Human Rights

The Company honor to rights and freedom of human being. The Company encourages management and employee to respect basic human rights to conform to Universal Declaration of Human Rights (UDHR) and carry on this principle to be part of daily operation.

- Comply with international human rights regulations strictly
- Not support activities that violate the international law and human rights
- Provide an understanding of the international human rights for management and employees of the Company

Policy and Treatment of Intellectual Property and Copyrights

The Company honors the merit of intellectual property and copyrights, so that every computer or internet operation will have to conform to “Computer-Related Crime Act” B.E. 2550 (2007). The practices regarding Intellectual property and copyrights are summarized as follows.

- Return and copyrights of the work that has been assigned by the company to set up, work for the company or is learned from the company is reserved for the company
- Perform tasks using computer software with a valid license. Installing and using computer software which license is not valid in the office is strictly prohibited
- Refrain from supporting or downloading the computer software which infringes the intellectual property and copyrights
- Discourage employees to infringe the intellectual property or copyrights of other persons without their permission

Policy and Treatment of Community, Society and Environment

The Company realizes that although profit is the ultimate goal but it should not base on unfair or disturbance basis but responsible to community, society and environment by complying to policies, rules, and regulations.

Therefore, we develop our after-sale project management division to maintain a pleasant environment and offer maintenance service to the customer even after the proprietorship is transferred. The practices regarding community, society and environment are summarized as follows.

- Encourage and communicate with the social to understand the operations of the company and the community and Social responsibility without concealing facts that can be disclosed
- The Company created the new community namely “Noble ID” to bring a whole new experience and share a good thing to Noble ID members and also to non-Noble Development clients with no expense. The clients or those who are interested can now be informing about the activities of the “NOBLE ID” at www.noblehome.com.
- Giving the knowledge and awareness about social responsibility and environment to employees of the company continuously (Details provided in Educating and training employees in environmental matters policy)
- Organize activities in order to give back to the community and society regularly. The activities must be really appropriate and profitable to the community and society

In 2013, the Board of Directors, management and together with company staffs successfully implemented number of Corporate Social Responsibility (CSR) projects to give back to the communities, they are as follows:

- Project: “1 for 1 from a Giver to a Receiver Project” The Company, as a part of the Kon-Kont-Kon project by TV Burapa Company Ltd., has continued to help out the flood victims since 2011. The Company donated fund to repair and recover buildings, houses and make a living for flood affected families around the area of Khao Samerkhon of Ta-Woung district in Lopburi province.
- Project: “Mangrove forest afforestation” under the theme “BE Different ... BE Green” to develop mangrove forest for sustainable natural regeneration and encourage employees to participate in green global creativity and environmental conservation at “Ban mai chay lane resort”, Samut Songkhram on February 28, 2013.
- Project: “Pan Kan (Kong) Yai No.3” which was led by, Khun Sira Udol, the director of the project and team representing the company to share common objects, like furniture, appliances and home decoration etc. to be sold in “Pan Kan (Kong) Yai No.3” by, Khun Lalita Suriyasriwan, the executive director of the Pan Kan Shop. All revenues from the sale of donated goods will be given as scholarships to students in Yuvabadhana Foundation to promote and develop disadvantaged youth in the remote areas throughout the country at the Crystal Design Center (CDC) in July 2013.
- In October 2013, Noble Development Public Company Limited cooperates with “Khun Anon Pirote”, Design Studio to organize CSR activity under the project “Noble Creative Urban Design Workshop” (thought to design, inspire the works). This project is intended to allow group of young students in the field of design to work with the company by pulling out their unique ability to participate in making people and the city live together happily. The plaintiff is to modify motorcycle taxi

parking spot which is the place people use to shuttle within Ari community to be beautiful and livable neighborhoods and not to obstruct traffic. This activity is starting from setting a workshop for a group of students to compete in creative designs and have proposed a design to the executive agent of the company and Khun Anon Pirote in order to get some advice and bring back to modify. This activity is in progress to be ready for the next step.

In addition, the Company has established policies to be measures and support the operations of the Company which cover the following:

Educating and training employees in environmental matters policy

For environmental and energy preservation, the Company provides understanding and encourage executives and employee to save energy by turn off air conditioner when not use, turn off electricity during the lunch break. The Company tries its best effort and most possible way to reduce global warming. The Company has launched the campaign to motivate consciousness of management and employee in using available resource wisely. The allocation of resource must be effective and efficient for instance, the campaign for the use of recycled paper, starting simultaneously at the Head Office and all projects. recycling the office paper, the repair and reuse computer appliance and office supplies.

Operating to meet the environmental standards policy

The company commits to grow and develop with environmental responsibility. The Company emphasizes the implementation of defined environmental policies such as the selection of a contractor which uses environmental management system, such as ISO14000 and ISO14001, the provision of an assessment of the environmental risk, safety and health in all of the housing construction projects to prevent and reduce the potential impacts and prepare for emergency situations, the preparation of emergency protection plan including the potential impacts mitigation, The preparation of the guideline for management of sewage and waste materials and Monitoring and evaluating the environmental management system on a regular basis to improve and develop and accept complaints from within and outside the Company through www.noblehome.com

Policies and guidelines of anti-corruption and anti-bribery

The Company has strong determination to pursue clean and transparent business. The Company prohibits management and employee from bribery and corruption with any related parties, and the Company announces publicly through www.noblehome.com. The Company forbids all illegal activities, such as prohibiting employees from lending or soliciting money from customers or business partners, no bribing or giving other benefits to government officials, customers, partners, competitors, or other third parties in order to influence their actions that are contrary to law, no discrimination against customers, prohibiting executives and employees from having private transactions or activities related to the Company's business. The Board of Directors, management and employees at all levels are responsible for overseeing the company's assets to maximize the benefits to the company and not applying to their own benefits or other people and so on.

In order to encourage complying with the company, the company has provided training to employees by training about policies and guidelines of anti-corruption and bribery prohibition. Besides, the company has set up a central agency which is

responsible for monitoring and evaluation including sanctions for violations or non-compliance with such policies and guidelines.

Whistle-blower policy

The Company establishes a channel and procedure that all stakeholders can report or complain in a case that could cause damage to the company including the complaint case about an infringement of rights through the company's website at www.noblehome.com.

The company provides protection, damage mitigation and contact information to stakeholders. The central agency is informed on matters that may cause damage to the company before transmitting the report to the Audit Committee of the Company afterward. The Company provides a channel for employees or complainants to report in cases that they are treated unfairly by the actions of the company or see the unlawful or unethical actions or employee was harassed, threatened and disciplinary sanctioned, such as suspended or expelled from the job or discriminated about the employment through the company's website at www.noblehome.com. The company establishes guidelines to protect employees or complainers by not disclosing the name or any information that could identify the complainant and retain this information confidentially. Upon receiving the complaint, the Company has a process to deal with employee complaints by the central agency which is primarily responsible for the management of the complaints before transmitting the information to the Commission and management of the Company afterward. When the executives of the company receive the complaint, it will be taken into consideration and investigation and resolved appropriately. And also follow up on the progress periodically. This central agency will report the results of investigation to the complainant accordingly.

In 2013, the company was not in any violation of labor law, employment, consumers, competition and environment or prosecuted by the regulators because of not disclosing all data from major event within the given time frame.

4. Information Disclosure and Transparency

Other than disclosure according to criteria of the Stock Exchange of Thailand, the Company emphasizes on the importance of the correctness, transparency, up-to-date and accessibility of financial, project progress, and performance to shareholders, investors, and related parties through every SET's channel, mass media, and www.noblehome.com, both in Thai and English version. Those who have inquiries, comments, and suggestions can post them via the earlier website. Moreover, the Company also distributes the information, project details and development, and real estate interested tips, shareholder structure, Company structure, invitation and minutes of the shareholder's meeting, investor relation information, and annual report which can be downloaded from the website.

The Company regularly set up the analyst meeting quarterly to open a forum where our management attends to answer the inquiries from the investors and analysts. In addition, the Company gives an opportunity to foreign investors to attend the meeting, in order that they can obtain information and development of the Company.

The Company additionally provides investor relations division to be responsible for providing information impacting in the company's stock price. This division is under control of Ms. Vasana Thieansirisak. The investors and interested person can contact us through

- The Company's website at www.noblehome.com in investor relation section or reach us via email: ir@noblehome.com
- Phone: 02-251-9955 ext. 1402

Directors realize their great responsibility of financial statement disclosure. Financial statement must present with correction, consistency, and completion of financial status and performance and sufficient notes. The Company must employ appropriate accounting policy, exercise it regularly and has the audited financial statements and comply with generally accepted accounting principles and related rules and regulations. The Company's financial statement was audited by Pricewaterhouse ABAS, expressing its opinion in the auditor's report in the annual meeting already expressing unqualified. Also, the Board of Directors is responsible for the accuracy of all material information in annual report. The Board of Directors has the duty to attend the meetings. There were 39 meetings held in 2013. (Please refer to "Management Structure" section)

The Company's board of directors has set up the audit committee who are independent directors to review quality of financial statement, internal control, and, risk management control. Please see in "The Audit Committee's Report" section.

To prevent and avoid the conflict of interests, the Company does not allow its directors and management, their spouses and children under legal age, to use inside and nonpublic information to take advantage for their own interest. (Please refer to "Connected Transaction" section).

The Company adheres to Whistle-blower policy by providing a channel that all stakeholders can help monitor. If there is any action that is against the good governance policy, unethical, unfollow the company's rules and regulations, illegal or may cause damage. All stakeholders can report or complain against such actions to the company through the company's website at www.noblehome.com. Upon receiving the complaint, the Company has a process to deal with employee complaints by the central agency which is primarily responsible for the management of the complaints before transmitting the information to the Commission and management of the Company afterward. When the executives of the company receive the complaint, it will be taken into consideration and investigation and resolved appropriately. And also follow up on the progress periodically. This central agency will report the results of investigation to the complainant accordingly.

5. Board of Directors' responsibilities:**5.1 Board of Directors' structure**

Board of Directors consists of 7 directors, as of 31 December 2013,

- 3 executive directors
- 4 independent directors

The number of independent directors represents 57 percent of the entire board. All directors are characterized by reputable, knowledgeable, experienced, and unbiased. They are not under management's authority, capable of investigation, able to balance other director's power and exercises independent objection. It is confident that operation of the company is managed freely, clearly, and transparently.

To comply with the Corporate Governance by clearly separating the role, power, and responsibility for balancing business operation, the Board of Directors determines that the Chairman must not be the same person as Managing director. With 57 percent structure of independent director creates the appropriate balancing of power and transparent checking and monitoring.

5.1.1 Term of board of directors

Under the Company's articles of association, in every annual shareholders meeting, at least one third of board of directors must resign. In the case that three cannot be divided evenly, the closet number is accepted. For the first and second year after the company has set up and registered, the resigned directors are determined by randomly drawing, after that the directors who stay longest must resign. However, the resigned director can be re-elected, because the Company has confidence in the ability and expertise in the business of each director. The term of director is detailed in corporate governance.

When director's term has come to the end, the Nomination committee will select the reputable, knowledgeable, long vision, experienced and ready to perform duty regardless of gender as a candidate director and presenting to the shareholder's meeting for approval. (Please see in Nomination of the Board of Directors and Remuneration section)

5.1.2 Appointment of Company's director in other company

According to the Company's articles of association, the Company's director is not allowed to be appointed in any board of directors or shareholder or partner of either the company or the other kind of business entity, whose business activity is the same with the Company or can be a direct competitor with the Company except giving notice to the shareholders meeting prior to the appointment. The same rules apply to subsidiaries, to completely conform the good corporate governance concept set forth by Stock Exchange of Thailand,

In 2013, the number of directors and chief executive office was appropriately in subsidiaries or other companies. Those who are directors of subsidiaries and other company per se, according to the Board of Directors, have no significant effect on Company's operations and that companies are appropriate for the Directors. (Please refer to Details of Company's Directors, Executive Officers, Authorized Person, and Company Secretary section)

5.1.3 The corporate secretary

The Board of Directors had a resolution to appoint the corporate secretary who will manage the Shareholders' meeting and management's meeting and following up their resolutions as well as encourage and manage the directors to operate under the law and related rules and regulations.

Moreover, the corporate secretary duties include managing and storing the meeting's supplementary documents as follows: Director registration, Invitation letter for Board of Directors' meeting, minute of Board of Directors' meeting and Company annual report, invitation letter for Shareholders' meeting, keeping the related-transaction and conflict of interest report submitted by directors and executives, and other duties as specified by SET and SEC. (Details provided in Management Structure)

5.2 Subcommittee

The Company appointed 5 subcommittees in order to follow up and control the company's operation and report to the Board of Directors regularly. This is consisted of The Audit Committee, The Nomination committee, The Remuneration Committee, The Risk Management Committee, The Corporate Governance Committee.

5.2.1 The Audit Committee

The Company's Board of Directors has set up the Audit Committee with 2 years term, fully-experienced in internal control and financial statement to achieve complete, adequate, and transparent financial report. The Chairman of the Audit Committee does the report in order to disclose in annual report and 56-1 report.

5.2.2 The Nomination Committee

The Company's Board of Directors has set up the Nomination Committee with 3 years term consisting of independent directors represent 80 percent and Chairman of Nomination Committee, which is independent directors, to consider the criteria and process to select the appropriate qualified person to be a director and executives. The Nomination Committee reports to the Board of Directors at least twice a year or when significant change arises.

5.2.3 The Remuneration Committee

The Company's Board of Directors has set up the Remuneration Committee with 3 years term consisting of independent directors represent 80 percent and Chairman of Remuneration Committee, which is independent directors to consider the criteria and form of remuneration paid to the directors and executives including the Chief Executive Officer. The Remuneration Committee reports to the Board of Directors at least once a year and report to the shareholders in the Shareholders' meeting.

5.2.4 The Risk Management Committee

The Company's Board of Directors has set up the Risk Management Committee with 3 years term to analyze and examine risk factors, to lead company's path applying risk management strategy and implementing measures to control overall risks. The committee, then, needs to present its findings to the Board of Directors for an approval by taken into account that company policies are strictly followed and the outcome is the most effective. The Risk Committee reports to the Board of Directors at least once a year or whenever a significant change arises.

5.2.5 The Corporate Governance Committee

The Company's Board of Directors has set up the Corporate Governance Committee with 3 years term to analyze and draft out corporate governance policies along with corporate ethics, internal auditing and give advices to committee and managements in how to perform their duties according to corporate procedures with good corporate governance. The committee also needs to revisit corporate governance and ethics on a regular basis as well as follow up and evaluate actions of the Board of Directors to stay in line with company's good governance policies. Corporate Governance Committee reports to the Board of Directors at least once a year or whenever a significant change arises.

The elements of all subcommittee including scope of work, role and responsibility are aligned with policies specified by The Stock Exchange of Thailand.

5.3 Roles, duties, and responsibilities of Board of Directors

5.3.1 Leadership and Vision

Board of Directors has the knowledge, leadership, capability, and business experience. Board of Directors is determined to represent shareholders to set forth policies, vision, strategies, target, mission statement, business plan, budget, good governance, and monitoring management. The segregation of Board and management allows maximum goodwill and best interest of the Company and shareholders as well.

In addition, the Board of Directors determines the vision and mission of the company which is clearly written and disclosed in the company's website. This will be a framework to determine the operating direction of the company. It will have to reconsider the vision and mission of the company every 5 years in order to comply with the changing conditions.

5.3.2 Corporate Governance and Code of Conduct

Under moral and ethical code of conduct, written and approved by the Company's Board of Directors meeting, the Company clearly determined Corporate Governance and code of conduct in the website, including the rights of shareholders, roles of stakeholder, information disclosure and Transparency, internal audit and risk management, transaction with relating persons, policy of conflict of interest, policy of anti-corruption, company policy under environment standard, the whistle-blower policy including the protection of the employees and complainants (Details appear in Information Disclosure and Transparency), monitoring the assets and utilization of internal information, to guideline and direct Board of Directors, management, and employee. According to corporate governance principle, there will be the re-assessment of business code of conduct every year by the Company's Board of Directors.

In order to comply with the Company policy, the Company's corporate governance policies are reviewed annually and guidelines for business ethics are reviewed every two years or whenever a significant change arises. For the year 2013, Corporate Governance Committee has reviewed the corporate governance policies and business ethics and reported the results of that reviews in the Board of Directors meeting No. 2/2014 on February 28, 2014 before implementing and letting employees know. The company provides a guide of corporate governance policies and codes of conduct in both Thai and English to disseminate to the management and the head of each department to comply with the guide of codes of conduct of the company and assigns the agency which is responsible for promoting the directors, management and employees at all levels to comply with corporate governance policy and codes of conduct understandingly.

The Company determines the codes for executives and employees, which disclose via the Company intranet to be the employees' guideline to work honestly, as well as penalty set up to prevent violation.

5.3.3 Internal Control and Risk Management

Internal Control system

The Company's Board of Directors insists on intensive, internal control, internal audit, and proper risk management. Clear segregation of Board of Directors, Audit Committee, the management, and their authority and duties together with independent control system, reciprocal check-and-balance power permit the ultimate interest to the organization. The internal control team reports directly to managing director and Audit Committee. At Present, Miss Narissara Pengsopa is taking care of the Company's internal Control. (Please refer to Internal Control and Risk Management section).

Risk management

In order that the risk management is appropriate and beneficial to the Company, the Board of Directors commits the Risk Management Committee to be responsible for setting the overall risk management policies which are as follows.

- The Company determines that risk management is the responsibility of the directors, management and employees to be aware of the risks in their own and company's operations by participating and paying more attention to risk management adequately and appropriately.
- Provide effective risk management processes at all stages of the operations to follow the corporate governance policy and integrate risk management and information technology management for better management to reduce the chance and impact of the risk, the uncertainty in the operations and increase the opportunity of success.
- Risk management measures affecting the Company must be handled systematically to reduce the risk to an acceptable level and to be consistent with the changing conditions. Measures that manage risk to an acceptable level must be approved by the Risk Management Committee prior to implement.
- Support risk management to be successful throughout the Company by using limited resources effectively to identify, evaluate and manage risks appropriately.

On February 28, 2014 the Company's Board of Directors assessed the internal control and risk management system and had them reported to the Company's Audit Committee.

Conflict of interest policy

To prevent and avoid conflict of interest, the Company has strict corporate policy. The policy and guideline are clearly specified in the corporate governance policies and business ethics of the Company. The Company does not allow directors and management including spouses and minor children to use inside and undisclosed information for their own interest. The directors and executives are required to submit the report regarding any security holding and change on their security holding on the same day as submit to Securities and Exchange Commission and inform the report of security holding in the Broad of Directors meeting once a year including the report of change in security holding every time any change occurs. (Details provided in "Monitoring the utilization of internal information")

5.4 Board of Directors' meeting

On the regular but appropriately and necessity basis, the Company organizes Board of Directors' meeting at least once in every three months in which the agenda generally involves the operating results presided by Chairman and meetings are organized in appropriate time.

There are 2 categories of meeting

As for the meeting of Subcommittee: involves agenda of normal daily operation that do not affect the Company's policy for instance, water meter request, home address acquiring, and bank account opening/closing. Four directors have been assigned from Board of Directors to attend subcommittee meeting namely, Mr.Kitti Thanakitamnuy, Mr. Sitti Leelakasamelek, Ms.Vasana Thieansirisak, and Mr. Surachet Suboonson.

In case of absentee, other directors will be invited and minutes of meeting will be reported to Board of Directors' meeting for approval. (Please see the attendance of Subcommittee in the Management Structure section)

As for the meeting of Board of Directors: involves agenda of Company policy, investment, financial statement, corporate governance, and other non-routine decision. At least 7 days prior to every meeting, the directors will receive the materials consisted of the meeting agenda and relevant information. Chairman and directors are free to propose matters to be included as the agenda for the meeting. Each director is required to attend every board meeting, unless the proper excuse, and freely to raise and screen the agenda. Directors preserve the rights to obtain more relevant information, if needed.

In every meeting, the Chairman shall allocate considerably enough time for deliberate discussion and allow the executive management who involves in any given agenda to attend. The minutes will be recorded in detail and retained for the Board of Directors and related person to be later inspected. In 2013, each director attended at least 98.57percent on average of the entire meetings of the Board of Directors and The proportion of joining the Board of Directors meeting for all directors is not less than 95 percent of the meetings in all year (Please see the attendance of Board of Directors in the Management Structure section)

Other than 2 meetings above, the Company insists on every subcommittee's meeting. The Audit Committee meeting was attended by non-management directors and non-management members. The Audit Committee held at least 4 meetings a year and occasionally extra meeting on a proper time basis. The meeting does not limited to reviewing the Financial Statements but also being acknowledged the internal audit and suggestion from external auditor for more efficient management including consideration adequateness of risk management control and review of conflict of interests, e.g. connected transactions.

As for the meeting of the Nomination Committee: The board of directors has set forth the nomination committee to have a meeting at least twice a year or base on necessary and emergency basis. In every meeting, the usual agenda including, qualification of director, nomination procedure, and consider individual who fits the criteria. The result will be sent to the board of directors and therefore shareholder meeting for final decision.

As for the meeting of the Remuneration Committee, the Board of Directors specifies the Remuneration Committee to conduct the meeting at least once a year and at times when there is an urgent need. In each of the meeting, not only considering the criteria and form of remuneration paid to the directors and executives, but the committee also needs to consider the amount of remuneration to be paid to the directors and executives to align with the regulations. Then, the committee is to present the amount of remuneration to be paid to the Board of Directors for an approval. As for the amount of remuneration to be paid to the committee, the Board of Directors is to further present that to the shareholders for consideration and approval.

As for the meeting of the Risk Management Committee, the Board of Directors specifies the Risk Management Committee to conduct the meeting at least once a year and at times when there is an urgent need. In each of the meeting, not only performing analysis on significant risk factors as well as applying risk management strategy, but the committee also needs to consider reviewing policy currently in place and its effectiveness.

As for the meeting of the Corporate Governance Committee, the Board of Directors specifies the Corporate Governance Committee to conduct the meeting at least once a year and at times when there is an urgent need. In each of the meeting, not only reviewing corporate governance policies along with corporate ethics in order to synchronize with international standards in terms of legal and related procedures, but the committee also need to follow up and evaluate actions of the Board of Directors to stay in line with company's good governance policies.

Before each of the subcommittee meeting, the Company is to issue out a formal invitation, meeting agenda along with other supplementary documents to all subcommittee at least seven days in advance before the day of the meeting. Moreover, the Company is to put together minutes of each meeting in written format to sum up and later present to the Board of Directors.

Additionally, the Company encourages meetings among non-management committee to freely express and discuss any topic of interests without the presence of management; feedback of the meeting could be useful and beneficial to further improve the Company's management.

5.5 Self-assessment

The Board of Directors conducts the test annually, using the self-assessment form based on Board Self-Assessment of the Stock Exchange of Thailand's regulation. Which are set up into 2 types in order to evaluate the entire Board of Directors and the individual director, By the end of the year, the company secretary will submit two types of Self-Assessment form to all directors to self-evaluate annually which are:

- (1) Self-Assessment of the entire Board of Directors form.
- (2) Self-Assessment of the individual director form.

After each individual director completed Self-Assessment form, they will return a self-evaluation of the Board of Directors form (Board Self-Assessment) to the company secretary to gather assessments and conclude the result of the assessment of the entire Board of Directors and the individual director and report to the Board of Directors to be informed in the next company's board meeting.

Self - Assessment form is considered by the structure and properties of the Board of Directors, role, duty and responsibility of the board of directors, the meeting, the duty of the Chairman, the duty of Directors, relationship with the management, self-development and development of management.

The Self-Assessment test reflects the director's the obstacles and challenges and evaluates the performance in that regard for the previous year. The Board of Directors did the assessment test for evaluate the entire Board of Directors and the individual director in the meeting 2/2014 on February 28, 2014 and received a score of 95.38 percent. Detail is as follow.

Assessment	Result(%)
1. Structure and properties of the Board of Directors	94.44
2. Role, duty, and responsibility of the Board of Directors	94.59
3. The meeting of the Board of Directors	93.33
4. The Duty of the Chairman	100.00
5. The Duty of Directors	100.00
6. Relationship with the management	100.00
7. Self-development and development of management	100.00

The company has arranged an assessment on operations according to its corporate governance. The Corporate Governance committee was in charge of conducting its self-assessment accordingly to the topic of Good Corporate Governance considering from responsibility of directors, equalities of shareholders, roles of the stakeholders, and information disclosure and transparency, and presented to the Board of Directors in meeting no. 2/2014 on February 28, 2014 and received a score of 95.63 percent. Detail is as follow.

Assessment	Result (%)
1. Responsibility of the Board of Directors	93.37
2. Equalities of Shareholders	96.63
3. Roles of the Stakeholders	98.68
4. Information Disclosure and Transparency	98.48

Not only the Self-Assessment of the Board of Directors and the self-corporate governance assessment but also, on February 28, 2014, the Board of Directors' meeting No. 2/2014, the Board of Directors has set up performance assessment of Chief Executive Officer for the year 2013 which received 100 percent ranking excellent, whereas the assessment criteria is determined by The Remuneration Committee. The assessment criteria is for instance, strategic planning, implementation, business planning, leadership, company's financial result, business transaction monitoring, succession planning. Hence, the remuneration committee will hand in all these information to the Board of Directors to determine chief executive officer's compensation.

5.6 Remunerations

The company has clearly determined the policy controlling remuneration of directors which was approved at the shareholders' meeting. Since the company has the same Board of Directors for subsidiaries, the remuneration of directors in subsidiaries is already included in the parent company. Remunerations for the Board of Directors in 2013 are detailed in the "Director Nomination and Director Remuneration" section.

The Board of Directors appointed the Remuneration committee to consider the criteria and form of remuneration paid to the directors and Chief executive officer before presenting to the Board of Director. The remunerations depend on the company's operating results and their individual performances and comparing to the equivalent industry. The objective is to motivate and create a competitive strength. Remuneration of the Chief Executive Officer is considered from performance, which is detailed in the "Nomination of the Board of Directors and Remuneration" section.

5.7 Directors and management training

The Company arranges the meeting between Board of Directors and each project executives every year, so that the Board of Directors can have a site visits with the respective project executive and share vision and opinion that leads to a good coherence, business direction, policy, and strategy afterward. Board of Directors continues to try and enhance their value by participation in activities, courses and events which add to their knowledge base in the continually changing business environment to ensure that they are updated and possess full knowledge. All the Company's directors have passed the Director Accreditation Program (DAP) held by the Thai Institute of Directors Association (IOD). Besides, Board of Directors emphasis in enhancing knowledge development of directors by encourages at least 1 director to attend Director Certification Program (DCP) or related training continuously. (Please refer to "Board of Directors, Audit Committee and Executive Officers" section)

5.7.1 Directors' orientation

Whenever the new director is appointed, the corporate secretary will provide the document indicating roles, duties, and responsibilities of the Company's director.

The Company arranges an orientation program for the new director regarding its business and other related topics including:

Vision and goal

- Management structure
- Operating and activity
- Roles, duties and responsibility of director

- Corporate governance
- Personal profile of directors and executives
- Director compensation and qualification

5.7.2 Succession planning

To prepare for the retirement of senior management and in order to avoid disruption in operation, the Company plans and works on in each area for instance, new project development, marketing, and sales. Each working group consists of top management and top line managers to determine working plans and coordinate together. For instance, the working group of new investment project, whose job includes acquiring a new land, consists of Managing Director, Deputy Managing Director of support line, senior vice president and other executive in that department. The Company believes that this method can be a tool to develop the potential of junior management as well as to empower responsibility of senior management. The encouragement of participation from top to bottom will enhance the transfer of skill and experience step by step and also obligation and responsibility at the same time.

5.8 Law, regulation, and rule

The Company communicates to its directors, executives and employees to strictly follow law, regulation and rule of the Company, and also monitor regularly. In 2013, the Company was not incompatible with the law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. And the company has no criminal case for fraud or offenses against morality/ethics of the company including none of non-executive directors is resigned due to the issues of corporate governance policy of the company.

2. Subcommittees

The Company has 5 subcommittees detail as follows.

The Audit committee's and scope of duties

As of December 31, 2013, the Company has the Audit Committee as follows.

1.	Mrs. Boonperm	Jamtiranat	The Chairman of the Audit Committee
2.	Mr. Narong	Taychachaiwong	Member of the Audit Committee
3.	Mr. Surachet	Suboonson	Member of the Audit Committee
4.	Asst. Prof. Dr. Somchai	Supattarakul	Member of the Audit Committee

The Audit Committee's Secretary: Mrs. Angkana Intravichien

The Audit Committee is consisted of 3 members of the Audit Committee who have adequate knowledge and experiences to review creditability of the financial reports, who are Mrs. Boonperm Jamtiranat as The Chairman of the Audit Committee, Mr. Surachet Suboonson as a member of the Audit Committee and Asst. Prof. Dr. Somchai Supattarakul as a member of the Audit Committee. The Company indicates the committee background qualifications in the certificate and biography of the audit committee which already been submitted for SET. The Audit Committee of the company is independent director who is not executive director of the

company. Therefore, there is no conflict of interest whether directly or indirectly including not participating in the administration. Thus, the Audit Committee can perform duty and comment freely.

The Audit Committee's scope of duties and responsibilities:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit
3. To review the Company's compliance with the law on securities and exchange, the Stock Exchange's regulations, and the laws relating to the Company's business
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Stock Exchange's regulations, and are reasonable and for the highest benefit of the Company
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and to ensure that they are in compliance with the Stock Exchange's regulations
7. To perform any other act as assigned by the Company's Board of Directors, with the approval of the audit committee

The Audit Committee shall hold office for a term of 2 years.

In 2013, the Company had a total of 4 meetings of the Audit Committee. The details of attendance are as follows.

			Number of attendance
1.	Mrs. Boonperm	Jiamtiranat	4
2.	Mr. Narong	Taychachaiwong	4
3.	Mr. Surachet	Suboonson	4
4.	Asst. Prof. Dr. Somchai	Supattarakul	4

- * There are the meetings of the Audit Committee at least a meeting per quarter and special meeting properly. The meeting of the Audit Committee will join with the external auditors to verify the financial statements in each quarter. At the meeting of the Audit Committee in the first quarter of every year, it will be the meeting about the performance of internal audit and inform the Audit Committee about internal audit results of each year.

The Nomination committee's and scope of duties

As of December 31, 2013, the Company has the Nomination Committee as follows:

1.	Mr. Narong	Taychachaiwong	The Chairman of the Nomination Committee
2.	Mrs. Boonperm	Jamtiranat	Member of the Nomination Committee
3.	Mr. Surachet	Suboonson	Member of the Nomination Committee
4.	Asst. Prof. Dr. Somchai	Supattarakul	Member of the Nomination Committee
5.	Mr. Sitti	Leelakasamelek	Member of the Nomination Committee

The persons holding the position of the Nomination Committee of the Company are four independent directors and the Chairman of the Nomination Committee is independent director. Thus, the Nomination Committee can perform duty and comment freely.

The Nomination Committee's scope of duties and responsibilities:

1. To set the qualification requirements of directorial candidates in accordance with the balance of knowledge, experience and expertise, to consider independent directors, and devoting the time to board duties
2. To determine the selection process for candidates that best suites the Company's unique characters. For example, the committee may proposed the current directors be reappointed, or inquire the directors to nominate suitable candidates
3. To select persons whose qualifications best meet the criteria prescribed by laws and regulations to the board and the board then considers the selected candidates in the notice of the shareholders' approval

The Nomination Committee may be assigned to nominate suitable candidates for the position of Chief Executive Officer or Managing director.

The Nomination Committee shall hold office for a term of 3 years.

In 2013, the Company had a total of 2 meetings of the Nomination Committee. The details of attendance are as follows.

			Number of attendance
1.	Mr. Narong	Taychachaiwong	2
2.	Mrs. Boonperm	Jamtiranat	2
3.	Mr. Surachet	Suboonson	2
4.	Asst. Prof. Dr. Somchai	Supattarakul	2
5.	Mr. Sitti	Leelakasamelek	2

The Remuneration committee's and scope of duties

As of December 31, 2013, the Company has the Remuneration Committee as follows:

1.	Mr. Surachet	Suboonson	The Chairman of the Remuneration Committee
2.	Mrs. Boonperm	Jiamtiranat	Member of the Remuneration Committee
3.	Mr. Narong	Taychachaiwong	Member of the Remuneration Committee
4.	Asst. Prof. Dr. Somchai	Supattarakul	Member of the Remuneration Committee
5.	Mr. Sitti	Leelakasamelerk	Member of the Remuneration Committee

The persons holding the position of the Remuneration Committee of the Company are four independent directors and the Chairman of the Remuneration Committee is independent director. Thus, the Remuneration Committee can perform duty and comment freely.

The Remuneration Committee's scope of duties and responsibilities:

1. Consider the forms of and criteria for the remuneration of directors and Chief Executive Officer. To construct an appropriate and fair remuneration package, the Committee should go through the following steps:
 - a. Review the forms and criteria of the existing remuneration package by referring to other remuneration packages of other companies in the same industry
 - b. Review each form of remuneration packages by considering the appropriate amount and proportion of each form. For instance, the remuneration may take in to account from performance and size of the company, including knowledge, capabilities and experience required from directors and Chief Executive Officer. The Remuneration to the Directors should be appropriated and sufficient enough that encourages the directors to limit the number of directorship in other companies, so that directors will have sufficient time to attend board meetings and perform their duties effectively
2. Establish the criteria for evaluating the performance of Chief Executive Officer and propose those criteria to the Board of Directors for approval
3. Determine the annual remuneration packages of Directors and Chief Executive Officer in accordance with established criteria, while the performance of the Chief Executive Officer is also part of the remuneration criteria, and then propose the established criteria to the Board of Directors for approval. For the Director's remuneration, the Board of Directors must propose to the Shareholder's meeting for considering and approval
4. If the Company wishes to reward its directors and employees with ESOP, the committee should consider and determine how the term and conditions of the program will encourage directors and employees to devote themselves to create long-term value for shareholders and retain high quality personnel. However, the committee should ensure that directors and employees are not overpaid and the scheme is fair to shareholders

Moreover, according to SEC regulations, should any director or employee be entitled to more than 5% of the total securities being distributed, the committee has to consider to suitability of the program in this case and give approval.

The Remuneration Committee shall hold office for a term of 3 years.

In 2013, the Company had a total of 2 meetings of the Remuneration Committee. The details of attendance are as follows.

			Number of attendance
1.	Mr. Surachet	Suboonson	2
2.	Mrs. Boonperm	Jiamtiranat	2
3.	Mr. Narong	Taychachaiwong	2
4.	Asst. Prof. Dr. Somchai	Supattarakul	2
5.	Mr. Sitti	Leelakasamelek	2

The Risk Management committee's and scope of duties

As of December 31, 2013, the Company has the Risk Management Committee as follows:

- | | | | |
|----|-------------------------|----------------|-----------------------------------------------|
| 1. | Asst. Prof. Dr. Somchai | Supattarakul | The Chairman of the Risk Management Committee |
| 2. | Mr. Narong | Taychachaiwong | Member of the Risk Management Committee |
| 3. | Miss Vasana | Thieansirisak* | Member of the Risk Management Committee |

* Miss Vasana Thieansirisak has been the member of the risk management committee since Feb 22, 2013.

The persons holding the position of the Risk management Committee of the Company are two independent directors and the Chairman of the Remuneration Committee is independent director. Thus, the Risk management Committee can perform duty and comment freely.

The Risk Management Committee's scope of duties and responsibilities:

1. Determine the overall risk management policy of the Company for the Board of Directors approval
2. Determine guidelines and strategies of the risk management in consistency with risk management policy to maintain acceptable risk levels
3. Analyze and monitor risk factors, both external and internal including finance risks, operating risks, investment risks, business risks and external situation risks
4. Ensure the risk management policy to be fully communicated and acknowledged in the organization
5. Review the adequacy of the overall risk management policy as well as the system's effectiveness and the implementation of the prescribed policy
6. Support and enhance the risk management in consistency of the universal standard
7. Other issues as per the Board of Directors assigned

The Risk management Committee shall hold office for a term of 3 years.

In 2013, the Company had a meeting of the Risk Management Committee. The details of attendance are as follows.

			Number of attendance
1.	Asst. Prof. Dr. Somchai	Supattarakul	1
2.	Mr. Narong	Taychachaiwong	1
3.	Miss Vasana	Thieansirisak	1

The Corporate Governance committee's and scope of duties

As of December 31, 2013, the Company has the Corporate Governance Committee as follows:

- | | | | |
|----|--------------|---------------|----------------------------------------------------|
| 1. | Mrs.Boonperm | Jamtiranat | The Chairman of the Corporate Governance Committee |
| 2. | Mr. Surachet | Suboonson | Member of the Corporate Governance Committee |
| 3. | Miss Vasana | Thieansirisak | Member of the Corporate Governance Committee |

The persons holding the position of the Corporate Governance Committee of the Company are two independent directors and the Chairman of the Corporate Governance Committee is independent director. Thus, the Risk management Committee can perform duty and comment freely.

The Corporate Governance Committee's scope of duties and responsibilities:

1. Study and formulate the Corporate Governance Policy and the Code of Conduct within the law and regulations of up to date regulatory agencies, i.e. Securities and Exchange Commission Thailand as well as guidelines for good corporate governance consistent with the universal standards
2. Advise the Board of Directors and directors to practice appropriately and continuously in compliance with Corporate Governance Policy as expectation of shareholders and stakeholders
3. Review the Corporate Governance Policy and the Code of Conduct regularly to comply with universal standards as well as laws, regulations and recommends of internal corporate governance
4. Encourage the public announcement of the good Corporate Governance and participate the environmental and social responsibility
5. Follow up and evaluate the practice of the Board of Directors and directors in compliance with the Corporate Governance Policy yearly
6. Arrange the yearly evaluation report of Corporate Governance Policy as clause 5 and propose to the board of directors as well as give recommends as deemed appropriate
7. Other assignment as per the Board of Directors assigned

The Corporate Governance Committee shall hold office for a term of 3 years. In 2013, the Company had a total of 2 meetings of the Corporate Governance Committee. The details of attendance are as follows.

			Number of attendance
1.	Mrs.Boonperm	Jiamtiranat	2
2.	Mr. Surachet	Suboonson	2
3.	Miss Vasana	Thieansirisak	2

3. Nomination of the Board of Directors and Remuneration

Independent Director means a person who is fully qualified and independent as requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission. These are as follows:

- holding shares not exceeding one per cent of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- neither being nor used to be an executive director, employee, staff, advisor who receive salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the Office.
- not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary company.
- neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office.
- The term 'business relationship' under the first paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;
- neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company,

- major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office;
- neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office;
 - not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder;
 - not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.

Nomination of the Board of Directors

The nomination of the Board of Directors will be approved by the shareholder's meeting. The Nomination Committee will consider and determine the qualifications of directorial candidates that best suits with the Company and propose the candidates to the Company's directors. The Company's directors will propose the candidates in the Shareholders' meeting for elect the Board of Directors via the following manners:

1. In every Annual General Shareholder's meeting, one-third of the total number of directors will complete their term, if number of directors is not divisible by one-third, the closest number is acceptable. A drawing process is used to determine who will end their term in the first and second year after the registration of the company. For the following year, directors who have served the longest period will resign. The resigning directors could be selected again and could therefore return to their positions as the director.
2. In other case of clause 1, whenever there is a vacancy for the position of director, the resolution of the Board of Directors not less than three-fourths of the remaining directors can select a person who meets all the relevant qualifications and who abides by the public limited company regulations as a replacement director in the next Board of Directors' meeting, except in case when the remaining term of service is less than two month, a replacement director's term is limited to the remaining term of the director he is replacing.
3. The shareholders' meeting will elect the Board of Directors via the following manners:
 - Each shareholder shall have a number of votes equal to the number of shares held.
 - Each shareholder shall use his entire vote as prescribed in previous clause to nominate one, or several persons as director but the shareholder cannot allot his votes to any person in any number.
 - The candidates with the highest vote, ranked in descending order shall be appointed as directors until all of the director positions are filled. In case of a tie vote, the Chairman of the meeting shall have an additional casting vote.

Regard of the Company's articles of association, the shareholders' meeting may pass a resolution removing any of directors prior to the expiration of the director's term office, by the vote of not less than three quarters of the number of shareholders attending the meeting, having the right to vote with the share held in total not less than half of the total shares held by the shareholders attending the meeting and having the right to vote.

To comply with good corporate governance practice and to portray equitable and fairness treatment of all shareholders, the Company provides the opportunity for all shareholders to propose candidate to be nominated as the director prior to the Annual General Shareholders' Meeting. To consider, scrutinize, and select the qualified candidate to be nominated as the director and able to perform duty effectively for the Company's maximum benefit, the Company specified details and criteria announced on Company's website www.noblehome.com

Criteria and qualification of the candidate of the Board of Directors

The Nomination Committee determines the qualifications of directorial candidates to ensure the transparency and adhere to the good corporate governance policy. The criteria for consideration are as follows.

1. Considering the appropriateness of knowledge, ability, experience in administration and personality of the candidate of the Board of Director in various fields which are as follows.
 - Integrity and Accountability
 - Informed Judgment
 - The maturity and stability. Being a good listener and courageous to comment differently and independently.
 - Adhering to the principles and standards like a professional
2. Considering the specific knowledge and expertise that is required for the Board of Director. So the Board of Director can determine the strategy, policy and regulate to comply with strategies effectively, such as knowledge of the Company's business (Industry Knowledge), strategy and vision (Strategic Planning), risk management, and knowledge of Accounting and Finance (Accounting and Finance) and so on.
3. Considering the independence of each director to determine whether the independent director is eligible to be an independent director or not.
4. Considering the readiness to fully devote time to duty as the Director of the Company.

In addition, the person who has been nominated to be elected as directors must be qualified and not disqualified as follows.

- Qualified and not prohibited by a public limited company Law, Securities and Exchange law, other related laws and the Company's good corporate governance policy
- No conflict of interest and not engage in any business which has the same nature and in competition with the business of the Company. Not be a partner in a partnership, unlimited liability partner in a limited partnership, a director of a private company or any other company which has the same nature and in competition with the business of the company. Whether they do it for their benefit or benefit of others.

4. Monitoring the business operations of subsidiaries and associated companies

The Company is responsible for the supervision and control of the administration of various subsidiaries and associated companies under proportion of company's shares in each company. The company sent a representative and a director of the Company to be a director of subsidiaries and associated companies to manage and control the operations of the subsidiaries and associated companies. They are responsible for making policy and managing major business operations including appropriate arranging the transaction, the acquisition or disposition of significant assets.

5. Monitoring the utilization of internal information

The Company set the policy to avoid the abuse of the Company's internal information for personal benefit including engaging in any transaction of the Company shares within one month before the financial statements are disclosed to the public, that may affect these securities' trading prices, as follows

The Company prohibits directors and executives including their spouses and dependents from abusing the unpublicized internal information for their personal benefits,

- The Board of Directors and executives have the duty to submit the report on any changed regarding their securities holding to the Company, SET and SEC. The Company also informed its executives of their duties and obligations in preparing such report and disclosure of securities holding, including the stipulations on penalties in Article 275 of the Securities and Exchange Act B.E.2535 (A.D.1992), which are maximum THB 500,000 fine and maximum THB 10,000 fine per day until the report in question has been filed. They must as well report same matter to the Company in the same day.
- The executives will be punished if they use the internal information for their personal benefits.
- According to Article 59 of the Securities and Exchange Act B.E.2535 (A.D.1992), the executives must report any change regarding their securities holding, SET and SEC. They must as well report same matter to the Company in the same day.

The Company has established a policy in business ethics by prohibiting directors and executives of the Company to use inside information for personal benefit including for securities trading especially within a month before the financial statements are published to the public. In addition, the regulations of the company determine that "Informing the business of the Company or technic including financial and marketing information and others to any third party without permission from an authorized personnel of the Company is strictly prohibited" The company has disclosed this regulations through the company's Intranet so that the Board of Directors, management and employees are aware of and follow strictly. If there is an infringement or fail to comply with the Company, it is considered a serious offense and it is imposed sanctions.

In 2013, the directors and executive officers precisely followed the trading rules of the Stock Exchange and the Company is not complained about the infringement rights of the shareholders or the offense of directors and management about the insider trading of the Company's securities. This demonstrates the performance of the Company in taking care of this matter.

6. Remunerations for External Auditor Audit Fee

6.1 Audit Fee

In 2013, the Company and its subsidiaries paid the audit fee totaling Baht 3,275,500 and out of pocket expenses totaling Baht 51,500 to the Company's external auditor, PricewaterhouseCoopers ABAS Ltd.

6.2 Non-Audit Fee

In 2013, the Company and its subsidiaries have a commitment to pay for the uncompleted services, which are legal and tax matters service fee, to PricewaterhouseCoopers ABAS Ltd., totaling Baht 50,000.

7. Compliance with good corporate governance policy in other matters

The Company has adopted a good governance policy and emphasized on the transparency of business operations to gain the confidence of shareholders, investors and stakeholders. The principles are as follows:

1. Treats Shareholders and stakeholders equally and fairly.
2. The Board of Directors dedicates to perform duties with deliberateness and transparency to maximize the benefits of the organization, shareholders, investors and stakeholders.
3. Assigns a code of conduct to guide the operations of the Board of Directors, management and employees in accordance with good corporate governance policy.

Corporate Social Responsibilities

Noble Development Public Company Limited puts emphasis on doing real estate development business in conjunction with the principles of social and environmental responsibility to build a sustainable society. The Board of Directors integrates the social and environmental policies into corporate governance policies and business ethics and announces to the public. This includes the monitoring of compliance with such policies strictly.

Responsibility to society

Being the Company of Thailand, the company realizes that even if profit seeking is a business goal, the Company makes profits truly based on fair, noninterference and responsibility to society. The Company provides social policies to be a framework for social work as follows.

1. Support and encourage the management and employees at all levels to have a responsibility to society by strictly adhering to the policies and regulations of social care.
2. Maintain a good living environment for every project by setting up the unit to be responsible for managing this issue.
3. Create valuable activities in regular basis to return a goodwill back to people and society
4. The Company integrity is the main priority without taking an advantage of people and society, the Company provides the effective system or channel for people to comment or file their complain regarding quality of product and service, or any kind of unlawfully action through the Company's website: www.noblehome.com

In addition, the Company is also carrying out the following social responsible activities

- The Company has created the new community namely "Noble ID" to bring a whole new experience and share a good thing to Noble ID member. This offer is not limited to Noble Development client, general public can participate this fun activities without any fee. One can follow up through the website: www.nobleid.com.
- The Company supports and encourages management and employee of the Company to create the activities to improve society and environment regularly. One who interested in participation can follow up through the website: www.nobleid.com.
- The company had continuously supported and encouraged social responsible activities. In 2013, the social responsible activities, which are implemented by the Company, are Project: "Noble Relieving Flood Victims" Since 2011, the Company has continued to support funds to help the families of the flood victims in Lop Buri province, , Project: "Mangrove forest afforestation" The management and employees have joined mangrove planting activity to restore natural resource at Klong Klone mangrove conservation center, Samut Songkhram province. The above activities which are considered as a part of the CSR, namely After Process. Project: "Big thing sharing 3rd time", we sold some furniture, electronic, decoration for house, and gave all our income for scholarship to student in Yuvabadhana Foundation. Project: "Noble Creative Urban Design Workshop" which give opportunity to university student in design program to work with the Company to modify the parking spot of motorbike taxi terminal in Ari area to create more lively area. All the activities in 2013, the Company has been publicized through the company's website, www.noblehome.com

Responsibilities to environment

The Company is aware of the importance of participation in the environment conservation. Therefore the environmental policies are provided to be a framework for all of the Company's operations as follows:

1. Strictly being the law-abiding business unit, understand the good intention of and conform to law governing real estate sector for example, The Enhancement and Conservation of National Environmental Quality Act, Land Code Act, Condominium Act, and other related law for the sake of customer, home buyer, and environment.
2. Promote the conservation of the environment and conduct the applicable procedures. The Company emphasizes the implementation of the environmental policies such as the selection of a contractor which uses environmental management system, such as ISO14000 and ISO14001, the provision of an assessment of the environmental risk, safety and health in all of the housing construction projects and monitoring and evaluating the environmental management system on a regular basis to improve and develop.
3. Provide education and training in environmental issues for the employees as defined in the policy. Giving the knowledge and awareness to management and employees including new employees on environmental conservation, energy savings. They are also encouraged to make a best effort to reduce the impacts of climate change and global warming as well.
4. Encourage to use natural resource efficiently and support the energy preserving project. The company specifically creates the perfect combination of living space, energy saving and environmental friendly. The design mainly relies on the raw materials that can alleviate the heat from building.
5. Giving knowledge and create awareness to management and employees in environmental issue and energy preservation. With its best effort and most possible way to reduce global warming
6. Encourage management and employee to be aware of effective and efficient allocation of resources to make it last long and reach it highest potential

In addition, the Company also provides a variety of activities to promote and support the sustainable environmental development.

The Company realizes the participation of environmental conservation and reduces energy consumption. The environmental consciousness of the Company can be categorized by using variety of projects as follows

Single detached houses and townhouses projects

The following projects are all under natural concept to protect environment:

- Noble Tara Ekamai – Rama 9 / Noble Tara Ngamwongwan/ Noble Tara Pattanakarn / Noble Tara Ngamwongwan 2; the concept of the project to bring peace of recreation with tall fences covered by floras surrounding the project to maximize the enjoyment from nature. The Noble's differentiated concept of C-shape housing keeps every corner of the house close to nature surrounding.
- Noble Wana Pinklao / Noble Wana Watcharapol Project/ Noble Ana Wana Pinklao Project; the concept of “resort at home”, this is a place to take a rest with nature everyday. Every living space links with nature, no exception for bathroom whose one side is open to green garden through a floor-to-ceiling glass window.

- Noble Geo Watcharapol / Noble Geo Rama 5 Project, Noble Geo is designed under the Planning & Function concept to enable free-style arrangement of furniture. The beautiful natural landscape lawns and gardens can be accessible from every angle of the house.
- Noble Cube Project: The townhouse project in the city center for more private living space with designed to magnify the sight with wide mirror. Noble Cube divides useable area by life style. The project is located in the center of business area.

Condominium projects

The appreciation of energy conservation and reducing global warming simply reflect in condominium projects of the Company, under the concept of “Crash-pads”. The projects are located in downtown close to business area and transportation network, therefore increase happiness and no time and energy wasted to commute. The following projects are all built close to BTS station:

- Noble Revo Silom Project: The condominium under concept” A new, budding branch of life that lets you design your lifestyle from an infinity of options, located at the heights interest where silom meets sathorn, closed to Surasak BTS just only 160 meters, and not far from express way.
- Noble Revolve Ratchada and Noble Revolve Ratchada2: the condominium with “Revolve living” life style in every life function on Ratchadapisek road, just only 80 metres from cultural centre MRT station.
- Noble Revolve Aree Project: This project is located at the entrance of Soi Aree 1, closed to Aree BTS station.
- Noble Ploenchit Project: Condominium 51-storey height nestled among 4 rais of lush and serene garden in Ploenchit metropolitan at the heart of Bangkok’s business district. With the concept of Vertical Garden City, the resident can inhale with fresh air.
- Noble Remix2 Project: Condominium 11-storey height with the slogan “Walk above it all” at Noble Remix 2. The Project is located on Soi Sukhumvit 36, with ideally located for easy access to Thonglor Station by skylink between the station and the building.
- Noble Revent Project: The Project is closed to Phayathai BTS station and airport link station, in the center of Bangkok surrounding by educational institutions and prime business areas.
- Noble Refine Project: the Condominium is located in Sukhumvit Soi 26, embedded in the very inside of its own premise away from the entrance encourage the ultimate peace and privacy. The panoramic greenery tree line delicately placed on the drive way special treating in and out traffic a touch of green nature.

Beside of the above projects, the Company has many other projects closed to BTS station, such as Noble Remix Project, Noble Reflex Project, Noble Reveal Project, Noble Reform Project, Noble ReD Project, and Noble Lite Project.

The Company realizes that the sustainable coexistence is needed to be implemented as a sequence of correlation from large to tiny. Each level has its own mechanism, which is consistent with the natural mechanisms, to preserve the natural equilibrium by using natural as a role model to integrate both horizontally and vertically. So the Company brings this idea to design a green building and also clearly integrates with the appropriate technology and concept design, namely Passive Design. Green building is the application of appropriate technology that helps to derive benefits from the natural environment, which consists of three major components, including the relevance of weather, cozy living and uses of natural energy. The design principles are as follows.

- The design of energy efficiency and green spaces.
- The selection of low-power construction materials.
- The usage of the Modular system to minimize waste materials
- The control of pollution that building may be released.
- The management of water usage, wastewater treatment system, drainage and effectively flood protection.
- The preservation of the ecology of the area.
- The design is focused on the residents' comfort from outdoor green space.
- The safety and health of the residents.

In addition to the housing design concept which is in accordance with the nature concept and the condominium construction along the public transportation route which is the environmental conservation and reduces global warming, the Company also selects the products that can truly save energy to install in all of the residential projects. In order to prevent and reduce pollution caused by the housing such as air pollution, water pollution, the Company installs wastewater treatment system to every house and condo projects including plants garden and trees in the project which make it shady and pleasant.

The concept that reflects the intention of creativity to offer the value-add innovation can respond to customer's needs and lifestyle in accordance with environmental conservation and energy saving. The Company can seamlessly operate business in conjunction with social and environmental responsibility which leads to sustainable development.

For more information please visit the Company's website: www.noblehome.com

Internal Control and Risk Management

The Company's Board of Directors has set up the audit committee who are independent directors to review quality of internal control which in turn secure the Company's assets and best interest of shareholders constant. The internal audit unit is endeavoring to control and diagnose all business operations for its own excellence. The noteworthy issue will be deliberately fixed, especially the issue that relates to risk management and connected transaction that can lead to conflict of interest.

The scope of internal audit can be divided into 3 workflows: construction, sales, and ownership transfer. Above all, the internal audit must ensure that every workflow corresponds with law and good corporate governance. The internal control must be adequate, appropriate and effective. The internal control including, the assessment of policies, procedures, job allocations and submitting the useful report to management in a timely manner.

On February 28, 2014, the Board of Directors' meeting No. 2/2014, including the Board of Directors and Audit Committee, reviewed and assessed the Company internal control and agreed that the year 2013 internal control is adequate and appropriate as per detail below:

1. Organization and its surroundings

The structure of organization is well organized, so that can support the effective internal control. Also the flexibility of structure and practice of related functions were revised to suit the ever-changing business environment and further expansion. The company encourages the clear work plan with measurable goal, alongside with the good corporate governance and ample internal control. Business operations base on the fair treatment to employee, customer, competitor, shareholders, society, and environment. Create awareness as well as providing written guideline in business transaction, to management and employee to avoid fraud, conflict of interest, and abusive behavior.

2. Risk management

The Company's Board of Directors realize the importance of risk management greatly. Therefore the necessary measures are set out and implemented to mitigate and manage the risk associated to business operations (More detail in "Risk factors")

The company's risk management is under supervisory of the Audit Committee. On the other hand, the Board of Directors provides the policy, set of rules, as well as the guidelines, in case of changing situation. The policies of risk management are:

- The Board of Directors and management shall responsible, examine, and facilitate an effective and efficient risk management.
- The Company shall set forth the scheme and self-assessed risk management, in regular basis. With at least once a year, the effort to adjust risk management in question to cope with change in business environment.
- The Risk Management committee are deemed to assess the risk management performance and report to the Board of Directors

The Risk Management Committee has the apprehensive and comprehensive scheme to regularly manage both internal risk and external risk associated with business operation, to be at a comfortable level. The entire staff member involved are advised and monitored under the scheme in order to achieve the satisfactory stage of risk management.

3. The internal control over management

The scope and responsibilities for each level of management has been set forth, in written format. The duty of decision making, book keeping, transaction authorization, information data, and treasury are independent to enable proper checking and balance.

Any transaction, whose business term and condition is normal practice, engage between the Company and directors/management. That transaction must be done under the rights of employee, although requires the approval of management or the Board of Directors or shareholders voting, whichever applicable, base on SET's rules. All of these transactions must be publicly disclosed according to SET's rules. The transactions per se must be done under the condition that would have been the same with the otherwise general counter party, without involvement of director or management in question.

The Company constantly supervises the operations of its subsidiaries and associated companies. Policies and implementations are carried forward by the Company's delegates to ensure the Company's framework and law abiding operation, to mitigate the risk and secure the Company's good image.

4. Information technology

The Company will provide important data and information to every level of management in sufficient and timely manner to assist decision making. Also ensure the information distribution and communication throughout every level in organization.

The Company shall give notice before calling the board of directors meeting and distribute an agenda and supplementary documents with the minimum time span indicated by law, unless emergency case. The minutes of a meeting will be recorded, stored for, and inspected by shareholders and investors.

The Company's accounting-related documents are well organized and completely being stored. Never have any complaints from auditor in this aspect. And the accounting policy using are comply with generally accepted accounting principles and suitable for the business type.

5. Monitoring system

To oversee the business operation whether it is on track to achieve the target. In case of discrepancy, the Company will take necessary step to overcome the obstacle and analyze the cause of failure in order to prevent the future failure. Similarly, the internal control will be regularly examined its effectiveness. In case of error detected, the Board of Directors and Audit Committee must be informed. The management is entitled to report wrong doing, illegal activities, and other violations that may significantly affect the reputation and financial status of the Company, to the Board of Directors.

With the supportive assessment from management, the Audit Committee agrees that the Company has an adequate and effective internal control. Significantly, flawless, and no violation of related law/rules/regulations are found.

Currently, the head of Internal Audit of the company is Ms. Narissara Pengsopa. She graduated with a Bachelor of Arts (Accounting), Thammasat University and a Master of Business Administration, Ramkhamheang University. She has experienced in performing the external audit at famous audit firm for not less than 5 years. Nowadays, she has been Assistant Vice President Internal Audit of the company for more than 6 years. In 2013, head of Internal Audit have attended the courses related to internal audit operation which are the 2013 annual seminar “Audit Change from Internal Auditor to Consultant”, organized by the institute of Internal Auditors of Thailand, the seminar “Communication and procedures to impose policies related to the prevention of fraud of Listed Companies” organized by Thai Listed Companies Association, the Thailand’s 4th National Conference on Collective Action Against Corruption seminar “Working Models for Governance in Corporate Operations and Infrastructure Projects” organized by Thai Institute of Directors Association : IOD. In addition, she also attended several seminars on Corporate Social Responsibility Report (CSR Report), such as the Mid-Year Forum seminar “GRI Global Conference Debrief on Sustainability and Reporting” organized by Thaipat Institute, Thai Rural Reconstruction Movement, Courses “Management of Social Responsibility for Sustainable Development”, “Writing Social Responsibility Report (CSR Report)” and “Effective CSR Communication” organized by Thai Corporate Social Responsibility, the Stock Exchange of Thailand. Moreover, the head of internal audit excellently comprehend the activities and operations of the company.

The head of Internal Audit, Ms. Narissara Pengsopa, is well-qualified to perform such duties which have been approved by the Audit Committee because of the independence and experienced in working in both external audit and internal audit of the company. Besides, she had been trained in internal audit courses and other related courses. In order to consider and approve, appoint, dismissal or transfer the head of the internal audit of the company, it must be approved by the Audit Committee.

The Audit Committee's Report

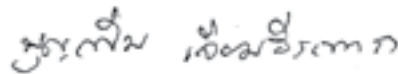
The Audit Committee of Noble Development Public Company Limited comprises of 4 independent directors. The chairman of the Audit Committee is Mrs. Boonperm Jiamtiranat and members of the Committee are Mr. Narong Taychachaiwong, Mr. Surachet Suboonson and Asst. Prof. Dr. Somchai Supattarakul. The 4 independent directors are neither involved with management nor hired by Company. The chairman of the Audit Committee and two of the independent directors has knowledge and experiences in accounting field.

The Audit Committee of the Company has the scope of duties and responsibilities to the Board of Director to ensure that the Company has established appropriate and effective internal control system and internal audit system and review that the Company abides by the law and the regulations of the Stock Exchange of Thailand or any relevant laws governing the Company's business. In 2013, the Audit Committee held 4 meetings and 2 meeting in 2014, adding together 6 meetings until the day of issued report to review and regulate the operations in accordance with assigned scope of duties and responsibilities and report to the Board of Directors. The details can be summarized as follows:

1. Review of quarterly and annual financial statements: The meetings with the Company's auditor, PricewaterhouseCoopers ABAS Ltd, were held in order to acknowledge the matters and exchange opinions, to evaluate the quality and accuracy of the 2013 quarterly and annual Financial Statements prepared by the Management, and also to assess the adequacy of disclosure in financial statement information. In conclusion, the Audit Committee agreed with the Company's auditor that the financial statement per se present fairly in all material respects in accordance with generally accepted accounting principles.
2. Review of internal audit assessment: The Audit Committee reviewed the internal control system to evaluate the efficiency, adequacy, and appropriateness of the Company's internal control system, which could affect the reliability and accuracy of the financial statements. The meetings with the internal audit team were also held to acknowledge the result of the Company's internal control system, as well as suggestions to improve the Company's internal control system to be sufficient and more efficient and to comply with the announcement of SEC and SET. The Audit Committee agreed with the Company's auditor that the Company had a decent internal audit system as well as internal control for subsidiaries both adequate and effective.
3. Review of rules and regulation conformity: The Audit Committee had verified the Company's compliance with the Securities and Exchange Act of the Stock Exchange of Thailand, and also laws, rules, and regulations related to the Company's operation. Significantly, no violation of related law, rules and regulation were found.
4. Review of risk management: The Audit Committee reviewed and revised the connection between internal audit and risk management from all of the Company's operations, including the re-assessment of policy risk, risk management, risk management framework, and the progress of risk management. The Audit Committee concluded that the Company had efficiency and effective risk management and constantly adjustment to the changing situation.
5. Review of connected transactions: The Audit Committee reviewed and revised the Company's disclosure of connected transactions or conflict of interest transactions. According to rules and regulations set by SET and SEC, The Audit Committee found that the Company's financial statement disclosure of that transactions were adequately and suitable.

6. Review of related party transactions: The Audit Committee reviewed and revised the Company's disclosure of related party transactions. According to rules and regulations set by SEC, The Audit Committee found that the Company's financial statement disclosure of that transactions were adequately and suitable.
7. Reappointment of external auditor: The Audit Committee considered and proposed to reappoint PricewaterhouseCoopers ABAS Ltd. as the Company's auditor for another year in 2014. The auditor reappointment and auditing fee would be considered and proposed to the Board of Directors and afterward it would be proposed to the 2014 Annual General Shareholders' Meeting.

From the acts of auditing independently and thoroughly within the appointed scopes and responsibilities, the Audit Committee concluded that the Company had an sufficient and efficient internal control system that was appropriate to the Company's operation and no significant transaction or situation related to internal control system that could become significant weakness which might affect the Company's financial status and operating performance. The Company's financial statements were disclosed adequately and properly regarding related transactions and conflict of interest transactions. In addition, the Audit Committee found no situation that the Company operated against the laws, rules and regulations significantly. Furthermore, the Company's operation and good governance framework worked together in a perfect harmony making the operation itself better and fit to the business environment.



Mrs. Boonperm Jiamtiranat

Chairman of the Audit Committee

February 28, 2014

Connected Transaction

In 2013, The Company has connected transaction with subsidiaries and conflict of interest person and disclosed these subjects in the notes no.10 and no.15 of consolidated and Company financial statements as of December 31, 2013.

As of December 31, 2013, the Company declares short term loans to and interest receivable from subsidiaries in the amount of 24.25 Million Baht details are as follows:

Unit : Million Baht

	Share Holding %	Loans	Adjustment	Accrued Interest	Other A/R	Allowance for Doubtful
S&P Property Management Company Limited	100%	13.08	-	4.16	-	17.24
Research & Consultant Company Limited	65%	3.55	-	3.45	-	7.01
Total		16.63	-	7.62	-	24.25

The Relationships between the Company and related companies as follow:

	Relationship with the Company
S&P Property Management Company Limited	<ul style="list-style-type: none"> - A subsidiary company which the Company holds 100% of shares. - The Director of the Company (Mr. Kitti Thanakitamnuy, Mr. Sitti Leelakasamelek, Miss Vasana Thieansirisak, Mrs. Boonperm Jiamtiranat, Mr. Narong Taychachaiwong, Mr. Surachet Suboonson and Asst. Prof. Dr. Somchai Supattarakul) are the director of S&P Property Management Company Limited
Research & Consultant Company Limited	<ul style="list-style-type: none"> - A subsidiary company which the Company holds 65% of shares. - The Directors of the Company (Mr. Kitti Thanakitamnuy and Mr. Sitti Leelakasamelek) are the directors of Research & Consultant Company Limited

The above loans are aimed to help subsidiaries in developing projects and business expansion as well as to boost up their liquidation. They are necessary and reasonably considering the Company's group wide benefits. In order that, the Company charges an interest at the rate not lower than that of the market standard and closely monitor the subsidiaries' repayments. As for the loan for Research & Consultant Company Limited, of which the Company holds 65% of shares, it was a transaction since 1998 and since company does not perform any business nowadays; the additional borrowing is granted only for necessary expenses such as accounting auditors, etc.

In meeting no. 2/2014 on February 28, 2014, the Audit Committee endorsed 2013 annual financial statement which covers information disclosure in the Notes to the Consolidated and Company Financial Statement by it certified public accountant. The committee found that the financial statement was adequately accurate and in accordance with generally accepted accounting principles as well as its connected transactions which were suitable and purposely for normal business use.

In the future, the following connected transaction between the Company or subsidiaries and director or executives or related person can be approved by the management and doesn't require the approval of the Board of Directors or Shareholder's meeting resolution, regarding the rules and regulations of SET and SEC.

1. Ordinary transaction whose business term and condition is done in normal practice and would have been the same with the otherwise general counter party, without negotiation power from director, executive, or related person.
2. The transaction has been done under the rights of employee, given that rights are not a special treat for particular person.

Regarding the policy toward connected transaction and conflicted of interest person, it has been done strictly under the rules and regulations of SET and SEC. In addition, price, compensation, and fee of connected transactions are determined based on market price with the intention that the transaction will be fair and best interest of the Company.

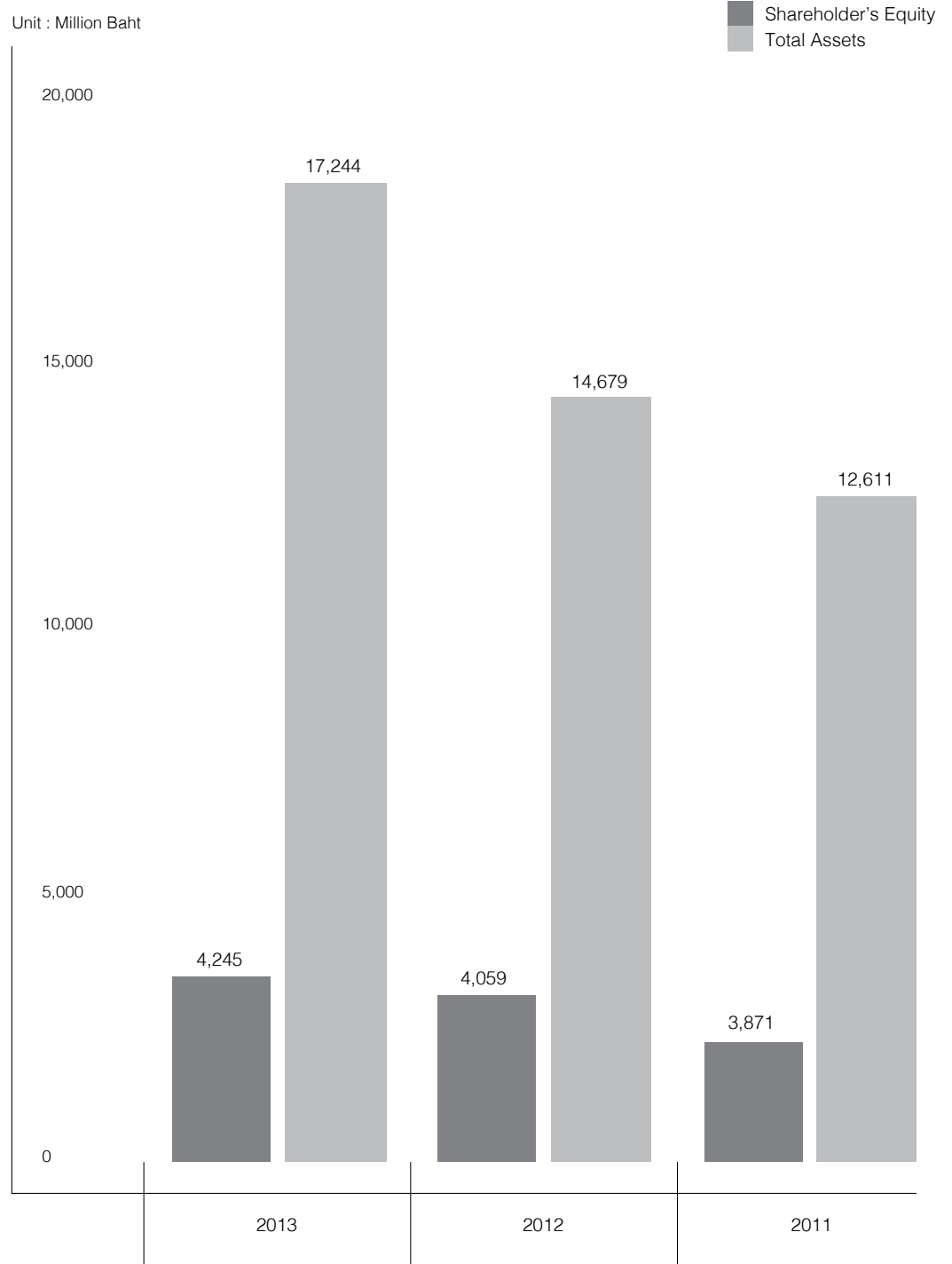
In case there were doubtful items in connected transactions which require opinions from a specialist, the Company would arrange one for its Audit Committee, either a specialist or its certified accountant, in order to fulfill its need as necessary. Then, the feedback would be part of the decision making by the Board of Directors or the shareholders depending on the situation and the Company will disclose related information in the Notes to the Consolidated and Company Financial Statement.

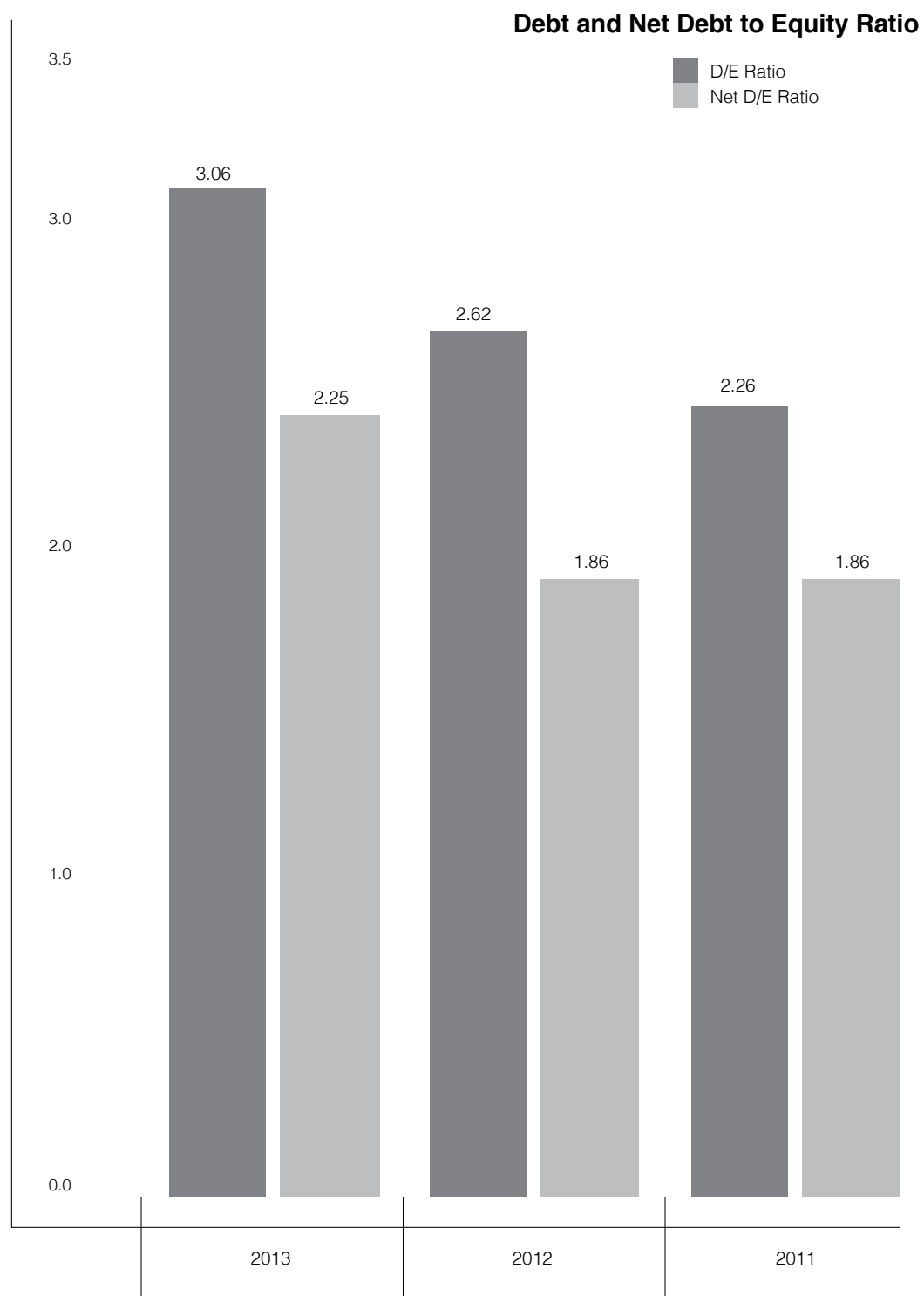
Financial Highlights

	Unit : THB Million		
	2013	2012	2011
Operating Performance			
Revenue from Real Estate Development Business	3,017	2,478	2,823
Revenue from Rental and Services	67	81	88
Total Revenues	3,215	2,656	2,969
Gross Profit from Real Estate Development Business	1,218	989	1,137
Revenue from Rental and Services	(17)	(8)	(2)
Net Profit	323	325	346
Financial Status			
Total Assets	17,244	14,679	12,611
Total Liabilities	12,999	10,621	8,740
Issued and Paid-up Share Capital	1,369	1,369	1,369
Shareholders' Equity	4,245	4,059	3,871
Financial Ratio			
Gross Profit Margin from Real Estate Development Business	40.37	39.90	40.28
Gross Profit Margin from Rental and Services	(25.22)	(9.86)	(2.56)
Net Profit Margin	10.05	12.23	11.64
Return on Assets	2.02	2.38	2.95
Return on Equity	7.78	8.19	9.09
Debt to Equity Ratio	3.06	2.62	2.26
Net Debt to Equity Ratio	2.25	1.86	1.86
Net Interest-Bearing Debt Ratio	1.50	1.16	1.23
Book Value per Share (Baht)	3.00	3.00	3.00
Earning per Share (Baht)	0.71	0.71	0.76

Charts of Operating Performance

Total Assets and Shareholder's Equity

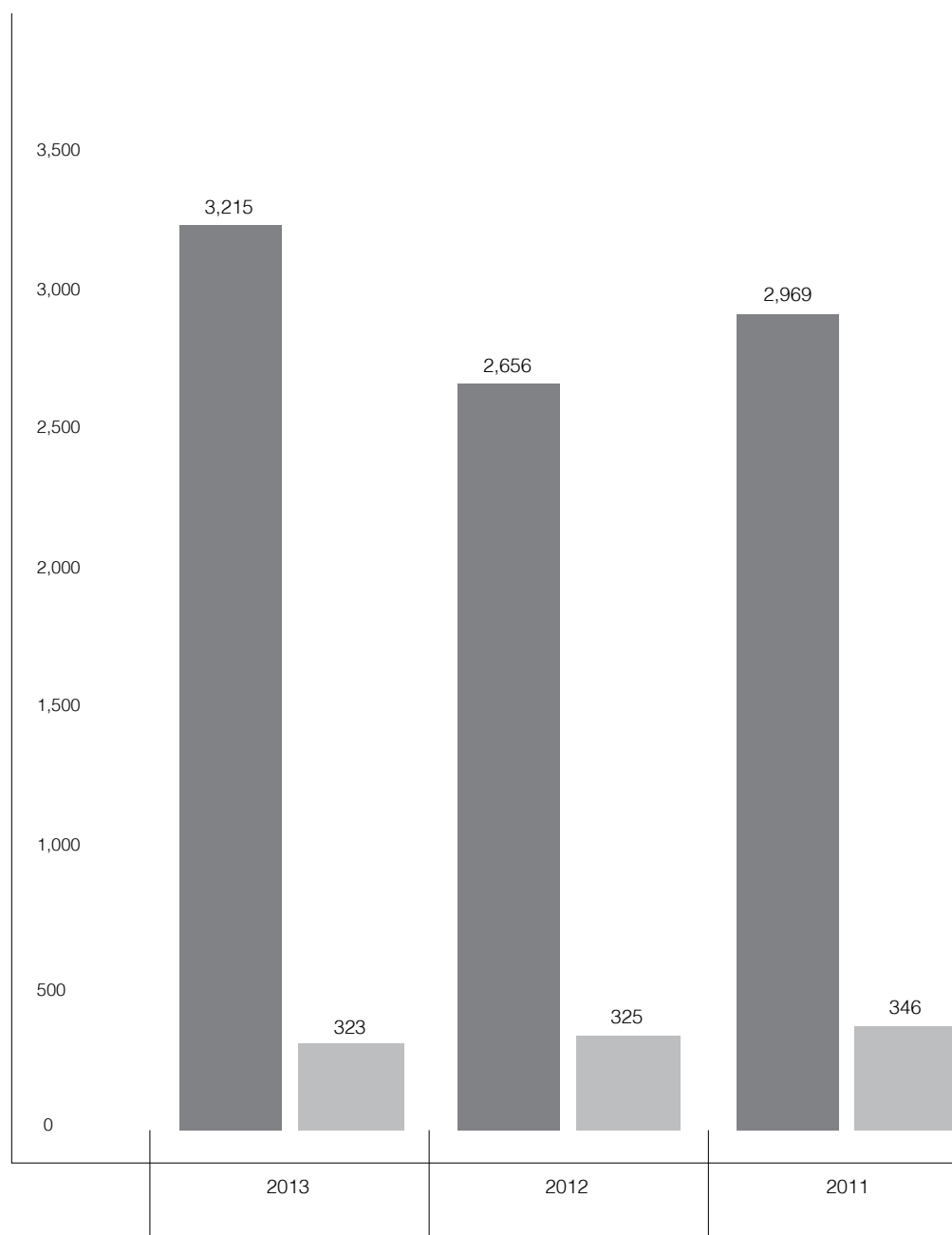




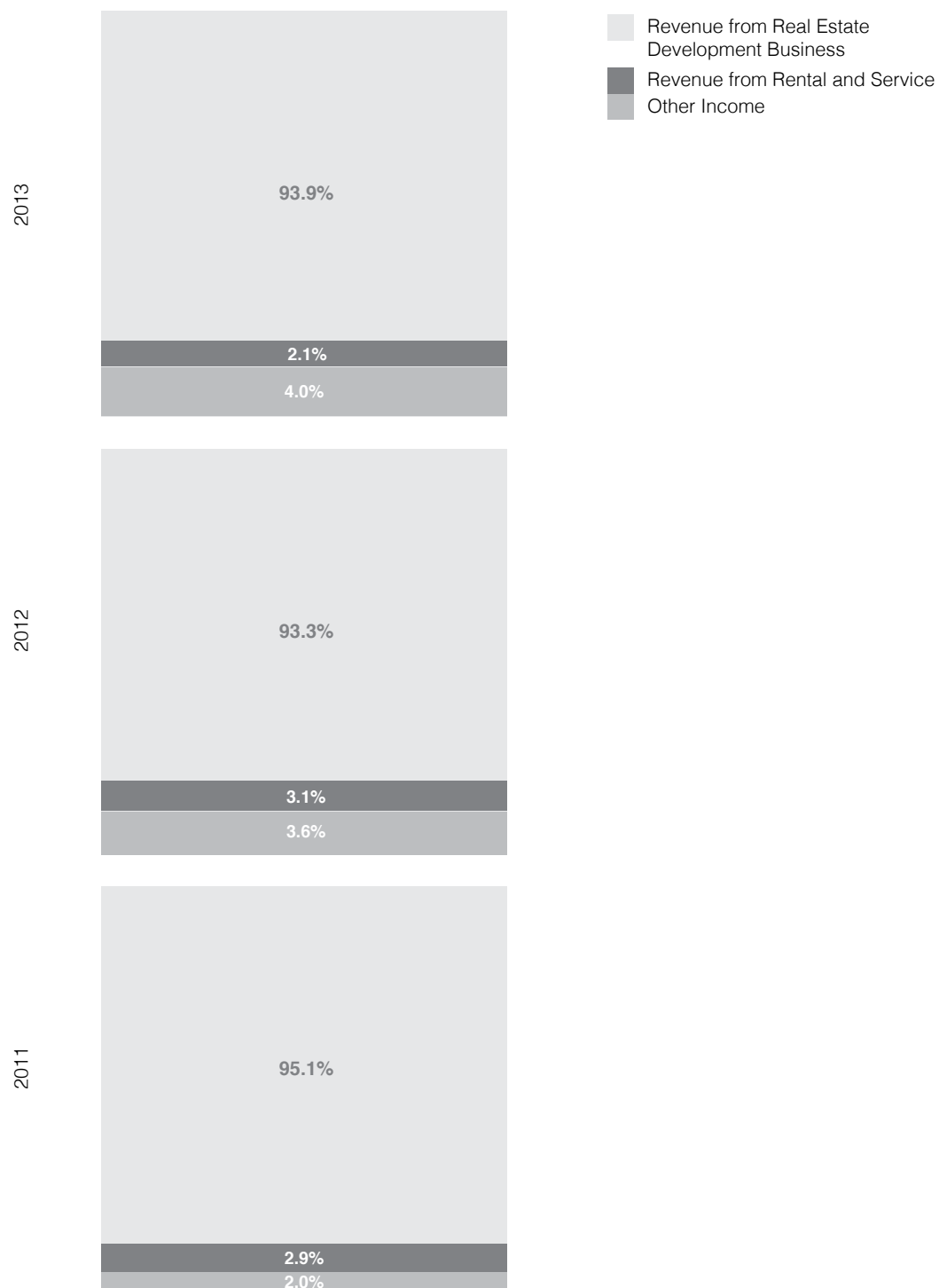
Total Revenues and Net Profit

■ Total Revenues
■ Net Profit

Unit : Million Baht



	2013	2012	2011
Revenue from Real Estate Development Business	3,017	2,478	2,823
Revenue from Rental and Service	67	81	88
Other Income	130	96	59
Total	3,215	2,656	2,969



Analysis of Financial Status and Operating Results

Operating Results

As for the Company's overall operation in 2013, net profit was 323.05 million baht which was decreased from 324.64 million baht in 2012. The details of which are as follows:

- In 2013, the Company's revenue from transfer of ownership was 3,017.28 million baht, increased of 538.97 million baht or 21.7% from the previous year. The increased was due to the transfer of ownership of the Company's condominium projects, Noble Reform project and Noble Re:D project. However, as of December 31, 2013, the Company has unrealized sales (backlog) approximately of 15,800 million baht which was sales of Noble Ploenchit project amounting approximately 7,800 million baht, which is expected to be completed and transferred around the beginning of 2017.

The 2013 sales of the Company (presales) was approximately 7,000 million baht, which was increased from 2,800 million baht of the year 2012 about. The sales increased due to the success of Noble Revolve Ratchada project, Noble Revolve Ratchada 2 project and Noble Revo Silom project.

- The Company's gross profit margin in 2013 was 38.9% which increased from 38.3% in the previous year, while the gross profit margin of real estate development business was 40.4% which increased from 39.9% in the previous year.
- Selling and servicing expenses and administrative expenses in 2013 was 22.7% of total revenues which increased from 20.2% in 2012, as a result of rising cost of marketing and the opening of the Company's new projects in 2013.
- The Company's 2013 net profit margin compared to income from the sales, rentals and services was 10.5% which decreased from 12.7% in the previous year.

Financial Status

As of December 31, 2013, the total assets of the Company and its subsidiaries amounted to 17,243.87 million baht which increased 2,564.74 million baht compared to the previous year. The details of the assets are as follows.

- Cash and deposits in financial institutions with no obligation amounted to 3,432.02 million baht which increased 353.00 million baht compared to the previous year.
- Trade and other receivables (net) amounted to 432.91 million baht which decreased 186.69 million baht, mainly due to the advance payment reduction of the construction of Noble Ploenchit project.

Financial Status (Con't)

The overdue customers of the ongoing projects were 21.0% of all sale values; which details provided in Table 1 and 2.

- The real estate development costs amounted to 11,148.41 million baht which increased 2,323.04 million baht. An increase of real estate development costs was caused by the progress of the construction projects and the acquisition of land for the project developments which are land on Ratchadapisek Road to develop to be Noble Revolve Ratchada 2, land on Permsin Road and land on Pahol yothin Road.
- Inventories (net) amounted to 523.85 million baht which decreased 285.49 million baht, due to the sales and transfers of completed construction projects to customers.

Total liabilities as of December 31, 2013 amounted to 12,998.60 million baht which increased 2,378.05 million baht from that in 2012, due to loan outstanding increased by 1,989.84 million baht, deposits and advance received from customers increased by 454.73 million baht. The primary cause of the increasing of loans outstanding was the issuance of debentures of the Company, amounting to 1,500 million baht, will be redeemed in 2016. The deposits and advances received from customers increased mainly due to receiving the installments of the condominium projects which were under construction. The increase in deposits and advances received from customers reflected the success of the projects' sales and were liabilities which the company will earn more income in the future.

As of December 31, 2013, the Company's net interest bearing debt ratio which was calculated from financial obligations which are obligated to pay interest minus cash, deposits at financial institutions, cash equivalents, and investment at financial institutions with no obligation, was 1.50 times which was increased from 1.16 time at the end of 2012. This ratio does not exceed the net interest bearing debt ratio in finance covenant, which have an obligation to maintain the net interest bearing debt ratio not more than 2.2 to 1 time the end of each fiscal quarter.

Collateral financial liabilities as of December 31, 2013 were 27.53% decreased from 28.43% at the end of 2012.

Shareholders' equity as of December 31, 2013 amounted to 4,245.27 million baht which increased from 4,058.57 million baht at December 31, 2012. The Return on equity equals to 7.78%, the book value per share equals to 9.30 baht per share in 2013 which increased from 8.89 baht per share in 2012.

Cash flow Status

- Cash flow from operating activities in 2013 was a net deficit of 1,390.76 million baht which decreased from 209.29 million baht in 2012, mainly due to the acquisition of land in 2013 to develop the projects as mentioned above
- Cash flow from investing activities in 2013 was a net deficit of 643.30 million baht which decreased from 322.26 million baht in 2012, mainly due to additional deposits in financial institutions.
- Cash flow from financing activities in 2013 was a net income of 1,848.71 million baht, mainly due to the issuance of debentures was worth 1,500 million baht as mentioned above.

The expansion of the domestic economy in 2013 has slowed down compared to 2012, mainly due to the weakness of domestic demand. As a result of the ending of government measures to stimulate domestic consumption, the delay of public investments including the political uncertainty affected the confidence of consumers. However, the Company with the vision of management, disciplined capital management including the ability to define strategies to compete, as the result the Company continued to maintain growth rate to increase consistently in the past year. The sales (presales) in 2013 amounted to approximately 7,000 million baht which increased from approximately 2,800 million baht of 2012. In 2013, the Company launched Noble Revolve Ratchada project, Noble Revolve Rachada 2 project and Noble Revo Silom project, which were still remarkably accepted by customers.

In 2014, it is predicted that the recovery of the domestic economy depends on the export sector which is expected to expand together with partners' economy. In addition, the factor affecting domestic demand is the clarity in political situation. If this problem remains unresolved, it may affect the purchasing power and the confidence of consumers. The real estate business is expected to grow steadily, but growth rate may slightly increase. The factors that will support growth are the development of transport infrastructure, the relaxation of monetary policy, rising interest rates and inflation remains low.

Regarding the 2014 plan to support the Company's ongoing expansion, the Company expects to launch about three projects worth a total of more than 5,900 million baht. The projects mostly located in the heart of the city close to the mass transit route and central business district to be consistent with the goals of the Company which always focused on bringing innovative forms of living and different lifestyles through the uniquely creative design along with the target to continually expand with growth rate of 15 % to 20% per year by the prudent and efficient management policy and capital management.

Table 1 Details of existing project payment as of December 31, 2013

Project	Sale value (Million Baht)	Accumulated Due Payment Amount		Accumulated Paid Amount		Accumulated Overdue Amount		Remaining of Not Due Amount	
		Million Baht	Percentage of Sale Value	Million Baht	Percentage of Accumulated Due Payment	Million Baht	Percentage of Accumulated Due Payment	Million Baht	Percentage of Sale Value
Noble Revent	1,417.97	435.50	31%	435.15	100%	0.35	0%	982.47	69%
Noble Ploenchit	7,714.91	1,785.75	23%	1,760.80	99%	24.95	1%	5,929.16	77%
Noble Revolve	1,085.17	140.98	13%	139.15	99%	1.83	1%	944.19	87%
Noble Revolve Ratchada	976.48	56.71	6%	56.35	99%	0.36	1%	919.76	94%
Noble Revolve Ratchada2	1,417.97	435.50	31%	435.15	100%	0.35	0%	982.47	69%
Noble Revo Silom	7,714.91	1,785.75	23%	1,760.80	99%	24.95	1%	5,929.16	77%

Table 1 Details of existing project payment as of December 31, 2013

Project	Accumulated Overdue Amount		1-3 Months Overdue		3-6 Months Overdue		More than 6 Months Overdue	
	Total	Baht	Total	Baht	Total	Baht	Total	Baht
Noble Revent	1	350,000.00	-	-	-	-	1	350,000.00
Noble Ploenchit	89	24,950,164.23	55	10,487,208.00	22	7,898,671.23	12	6,564,285.00
Noble Revolve	36	1,832,000.00	25	945,000.00	9	659,000.00	2	228,000.00
Noble Revolve Ratchada	25	360,662.50	25	360,662.50	-	-	-	-
Noble Revolve Ratchada2	1	350,000.00	-	-	-	-	1	350,000.00
Noble Revo Silom	89	24,950,164.23	55	10,487,208.00	22	7,898,671.23	12	6,564,285.00

02

Consolidated and
Company
Financial Statements
31 December 2013

WE ARE
THE SAME
BECAUSE
WE ARE
DIFFERENT

AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Noble Development Public Company Limited

I have audited the accompanying consolidated and company financial statements of Noble Development Public Company Limited and its subsidiaries and of Noble Development Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the related consolidated and company 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 notes.

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

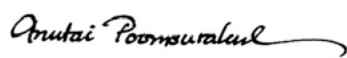
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 judgment, 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 consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Noble Development Public Company Limited and its subsidiaries and of Noble Development Public Company Limited as at 31 December 2013, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Anutai Poomsurakul

Certified Public Accountant (Thailand) No. 3873
PricewaterhouseCoopers ABAS Ltd.

Bangkok
28 February 2014

Statements of Financial Position
As at 31 December 2013

		Consolidated		Company	
	Notes	2013 Baht	2012 Baht	2013 Baht	2012 Baht
ASSETS					
Current assets					
Cash and cash equivalents	7	2,849,661,250	3,035,018,868	307,322,376	2,572,913,980
Temporary investments					
at financial institutions	8	593,726,710	57,042,056	11,124,636	26,538,056
Trade and other receivables (net)	9	432,913,265	619,602,525	421,672,440	611,972,143
Short-term loans to and interest receivable					
from subsidiaries (net)	10 c)	-	-	-	-
Inventories (net)	11	523,853,347	809,345,757	507,490,385	655,745,209
Real estate development cost	12	11,148,408,420	8,825,372,939	10,035,068,548	8,824,865,579
Other current assets	13	572,742,103	64,101,194	-	61,217,503
Total current assets		16,121,305,095	13,410,483,339	11,282,678,385	12,753,252,470
Non-current assets					
Long-term trade accounts receivable (net)	9	-	-	-	-
Long-term loans to and interest receivable					
from other company (net)	14	-	89,193,221	-	89,193,221
Investments in subsidiaries, associate					
and other investment (net)	15	-	-	4,701,630,506	442,783,506
Investment properties (net)	16	439,866,912	547,834,992	113,182,522	250,179,962
Property, plant and equipment (net)	17	517,687,477	378,495,631	515,989,358	377,290,262
Intangible assets (net)	18	3,867,668	2,101,614	3,867,607	2,100,741
Deferred income tax assets	19	152,625,248	103,293,993	152,625,248	103,293,993
Other non-current assets (net)	20	8,520,177	147,725,389	8,319,058	147,275,425
Total non-current assets		1,122,567,482	1,268,644,840	5,495,614,299	1,412,117,110
Total assets		17,243,872,577	14,679,128,179	16,778,292,684	14,165,369,580

Director _____

Director _____

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

		Consolidated		Company	
	Notes	2013 Baht	2012 Baht	2013 Baht	2012 Baht
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Short-term borrowings					
- bills of exchange	21	355,763,739	641,468,976	355,763,739	641,468,976
- promissory note	21	200,000,000	-	200,000,000	-
- subsidiary	10 d)	-	-	23,031,759	-
Trade and other payables	22	354,557,884	396,939,473	343,639,094	292,900,414
Current portion of long-term borrowings	21	1,979,131,028	-	1,979,131,028	-
Deposits and advances received from customers		2,800,816,918	2,346,087,237	2,800,816,918	2,340,703,337
Accrued income tax		22,301,663	57,461,389	6,233,303	47,073,392
Other current liabilities	23	7,054,273	5,088,260	6,860,746	5,053,080
Total current liabilities		5,719,625,505	3,447,045,335	5,715,476,587	3,327,199,199
Non-current liabilities					
Long-term borrowings	21	7,261,231,789	7,164,822,132	7,261,231,789	7,164,822,132
Employee benefit obligations	24	17,743,858	8,686,889	17,743,858	8,686,889
Total non-current liabilities		7,278,975,647	7,173,509,021	7,278,975,647	7,173,509,021
Total liabilities		12,998,601,152	10,620,554,356	12,994,452,234	10,500,708,220
Shareholders' equity					
Share capital					
Authorised share capital 456,471,175 ordinary shares of par Baht 3 each		1,369,413,525	1,369,413,525	1,369,413,525	1,369,413,525
Issued and fully paid-up share capital 456,471,175 ordinary shares of par Baht 3 each		1,369,413,525	1,369,413,525	1,369,413,525	1,369,413,525
Share premium		69,174,340	69,174,340	69,174,340	69,174,340
Retained earnings					
Appropriated - Legal reserve	26	136,941,353	136,941,353	136,941,353	136,941,353
Unappropriated		2,669,214,272	2,483,044,605	2,208,311,232	2,089,132,142
Equity attributable to owners of the parent		4,244,743,490	4,058,573,823	3,783,840,450	3,664,661,360
Non-controlling interests	27	527,935	-	-	-
Total shareholders' equity		4,245,271,425	4,058,573,823	3,783,840,450	3,664,661,360
Total liabilities and shareholders' equity		17,243,872,577	14,679,128,179	16,778,292,684	14,165,369,580

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

Statements of Comprehensive Income

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Revenues from sales - real estate					
development business		3,017,280,449	2,478,308,205	2,826,437,283	2,119,145,640
Revenues from rental and services		67,282,330	81,238,612	57,643,812	73,208,656
Cost of sales - real estate development business		(1,799,110,652)	(1,489,452,115)	(1,727,528,309)	(1,261,584,683)
Cost of rental and services		(84,251,068)	(89,246,727)	(48,450,349)	(66,479,748)
Gross profit		1,201,201,059	980,847,975	1,108,102,437	864,289,865
Other income	29	130,065,646	95,992,817	75,866,977	74,232,633
Profit before expenses		1,331,266,705	1,076,840,792	1,183,969,414	938,522,498
Selling and servicing expenses		(319,228,057)	(214,626,883)	(307,994,817)	(190,651,395)
Administrative expenses		(411,929,983)	(321,567,373)	(368,925,167)	(307,876,922)
Finance costs	30	(139,093,107)	(83,550,127)	(141,170,409)	(83,839,194)
Other expenses	31	(52,159,161)	(26,328,821)	(52,159,161)	(26,328,816)
Total expenses		(922,410,308)	(646,073,204)	(870,249,554)	(608,696,327)
Profit before income tax		408,856,397	430,767,588	313,719,860	329,826,171
Income tax	32	(85,794,373)	(106,125,187)	(57,663,348)	(83,897,426)
Profit for the year		323,062,024	324,642,401	256,056,512	245,928,745
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the year		323,062,024	324,642,401	256,056,512	245,928,745
Profit attributable to:					
Owners of the parent		323,047,089	324,642,401	256,056,512	245,928,745
Non-controlling interests		14,935	-	-	-
Total comprehensive income attributable to:					
Owners of the parent		323,047,089	324,642,401	256,056,512	245,928,745
Non-controlling interests		14,935	-	-	-
Earnings per share					
Basic earnings per share (Baht)	33	0.71	0.71	0.56	0.54
Diluted earnings per share (Baht)		-	-	-	-

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2013

Consolidated (Baht)								
Attributable to owners of the parent								
Retained earnings								
Note	Authorised, issued and fully paid-up share capital	Share premium	Appropriated - legal reserve	Unappropriated	Total owners of the parent	Non- controlling interest	Total shareholders' equity	
Opening balance as at 1 January 2012	1,369,413,525	69,174,340	136,941,353	2,295,339,627	3,870,868,845	-	3,870,868,845	
Changes in shareholders' equity for the year 2012								
Total comprehensive income for the year	-	-	-	324,642,401	324,642,401	-	324,642,401	
Dividend payment	25	-	-	(136,937,423)	(136,937,423)	-	(136,937,423)	
Closing balance as at 31 December 2012	1,369,413,525	69,174,340	136,941,353	2,483,044,605	4,058,573,823	-	4,058,573,823	
Changes in shareholders' equity for the year 2013								
Effect from change in interest portion in subsidiaries	-	-	-	-	-	513,000	513,000	
Total comprehensive income for the year	-	-	-	323,047,089	323,047,089	14,935	323,062,024	
Dividend payment	25	-	-	(136,877,422)	(136,877,422)	-	(136,877,422)	
Closing balance as at 31 December 2013	1,369,413,525	69,174,340	136,941,353	2,669,214,272	4,244,743,490	527,935	4,245,271,425	

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

Company (Baht)					
Note	Authorised, issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated - legal reserve	Unappropriated	
Opening balance as at 1 January 2012					
	1,369,413,525	69,174,340	136,941,353	1,980,140,820	3,555,670,038
Changes in shareholders' equity for the year 2012					
Total comprehensive income for the year	-	-	-	245,928,745	245,928,745
Dividend payment	25	-	-	(136,937,423)	(136,937,423)
Closing balance as at 31 December 2012					
	1,369,413,525	69,174,340	136,941,353	2,089,132,142	3,664,661,360
Changes in shareholders' equity for the year 2013					
Total comprehensive income for the year	-	-	-	256,056,512	256,056,512
Dividend payment	25	-	-	(136,877,422)	(136,877,422)
Closing balance as at 31 December 2013					
	1,369,413,525	69,174,340	136,941,353	2,208,311,232	3,783,840,450

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

Statements of Cash Flows

For the year ended 31 December 2013

		Consolidated		Company	
	Notes	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash flows from operating activities					
Profit before income tax		408,856,397	430,767,588	313,719,860	329,826,171
Adjustments:					
Depreciation	16, 17	90,024,041	81,085,651	54,177,073	58,187,932
Amortisation	18	1,929,384	2,275,000	1,928,572	2,274,186
Allowance for (reversal of) doubtful accounts:					
- accrued management fee income - related company	28	-	-	(2,310,962)	-
- short-term loans to and interest receivable from subsidiaries	10 c), 28	-	-	(28,528,499)	(962,589)
- long-term loans to and interest receivable from other company	14, 28	2,689,910	6,676,300	2,689,910	6,676,300
Reversal of impairment of investment in subsidiary	15, 28	-	-	(1,360,000)	-
Adjustment for over recorded investment properties	16	2,590,730	-	-	-
Write-off of long-term trade accounts receivable		-	5,214	-	5,214
Employee benefit obligations	24	9,056,969	897,686	9,056,969	897,686
Net (gain) loss on disposals of plant and equipment	29, 31	(373,829)	26,328,819	(1,899,976)	26,328,816
Loss on write-off of intangible assets	31	-	2	-	-
Loss on write-off investment properties	31	52,159,161	-	52,159,161	-
Reversal of accrued tax surcharge	29	-	(7,545,294)	-	-
Gain from cancelled contracts	29	(12,260,500)	(6,451,000)	(12,210,500)	(4,516,500)
Interest income	29	(109,066,711)	(71,146,844)	(55,189,713)	(63,523,398)
Finance costs - interest expense	30	134,332,582	80,244,719	136,409,884	80,533,786
- amortisation of underwriting fee for debentures	30	4,760,525	3,305,408	4,760,525	3,305,408
		584,698,659	546,443,249	473,402,304	439,033,012

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

	Notes	Consolidated		Company	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Changes in working capital					
- trade and other receivables		184,163,527	(452,182,750)	185,191,392	(453,862,040)
- amounts due from subsidiaries		-	-	-	33,175
- amounts due from other company		-	12,407,638	-	12,407,638
- inventories		429,614,251	565,019,688	292,376,665	365,398,958
- real estate development cost		(2,034,343,626)	(382,222,773)	(855,904,189)	(381,715,413)
- other current assets		(569,858,412)	(2,604,316)	-	-
- other non-current assets		139,205,212	(381,420)	138,956,367	(693,317)
- trade and other payables		(59,705,267)	(15,068,390)	33,415,002	8,493,237
- deposits and advances received from customers		466,990,181	374,091,585	472,324,081	370,732,185
- other current liabilities		1,966,013	(3,176,722)	1,807,666	(5,327,611)
- other liabilities		-	(15,500,000)	-	(15,500,000)
Cash generated from (used in) operating activities					
before interest received, finance costs paid,					
income tax refunded and income tax paid		(857,269,462)	626,825,789	741,569,288	338,999,824
Interest received		117,442,755	64,570,827	75,833,112	56,532,713
Finance costs paid - interest expense		(480,652,891)	(366,120,708)	(482,698,434)	(366,579,777)
Income tax - Proceeds		-	5,535,592	-	5,535,592
- Payments		(170,285,354)	(121,526,017)	(147,834,692)	(86,666,943)
Net cash generated from (used in) operating activities		(1,390,764,952)	209,285,483	186,869,274	(52,178,591)

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

		Consolidated		Company	
	Notes	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash flows from investing activities					
Decrease (increase) in temporary investments					
at financial institutions		(536,684,654)	357,730,431	15,413,420	387,498,431
Short-term loans to subsidiaries - Proceeds	10 c)	-	-	89,154,684	3,249,031
- Repayments	10 c)	-	-	(68,000,000)	(970,000)
Proceeds from long-term loans to other company	14	80,653,000	2,347,000	80,653,000	2,347,000
Investment in subsidiaries, associate and other investment	15	-	-	(4,257,487,000)	-
Purchases of investment properties	16	(443,960)	(24,685,084)	(6,251,530)	-
Proceeds from disposal investment properties		1,588,785	-	1,588,785	-
Purchases of plant and equipment	17	(185,128,744)	(11,936,510)	(185,048,744)	(11,840,772)
Proceeds from disposals of plant and equipment		407,844	220,000	10,014,444	220,000
Purchases of intangible assets	18	(3,695,438)	(1,416,477)	(3,695,438)	(1,416,477)
Net cash receipts from (used in) investing activities		(643,303,167)	322,259,360	(4,323,658,379)	379,087,213
Cash flows from financing activities					
Short-term borrowings from financial institutions					
- Proceeds	21.1	709,294,763	909,932,630	709,294,763	909,932,630
- Repayments	21.1	(795,000,000)	(859,000,000)	(795,000,000)	(859,000,000)
Short-term borrowings from subsidiary					
- Proceeds	10 d)	-	-	546,000,000	14,000,000
- Repayments	10 d)	-	-	(523,000,000)	(142,000,000)
Long-term borrowings from financial institutions					
- Proceeds	21.2	1,112,511,000	3,399,000,000	1,112,511,000	3,399,000,000
- Repayments	21.2	(537,544,100)	(3,421,500,000)	(537,544,100)	(3,421,500,000)
Long-term borrowings from issue of debenture					
- Proceeds	21.3	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
Cash paid for underwriting fee		(4,186,740)	(4,814,999)	(4,186,740)	(4,814,999)
Cash received from increase in share capital in subsidiary	27	513,000	-	-	-
Dividend payment	25	(136,877,422)	(136,937,423)	(136,877,422)	(136,937,423)
Net cash receipts from financing activities		1,848,710,501	1,386,680,208	1,871,197,501	1,258,680,208
Net increase (decrease) in cash and cash equivalents		(185,357,618)	1,918,225,051	(2,265,591,604)	1,585,588,830
Cash and cash equivalents - beginning balance		3,035,018,868	1,116,793,817	2,572,913,980	987,325,150
Cash and cash equivalents - ending balance	7	2,849,661,250	3,035,018,868	307,322,376	2,572,913,980

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

		Consolidated		Company	
	Notes	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Non-cash transactions					
Transfer of land deposits to real estate					
development cost	13	61,217,503	60,707,430	61,217,503	60,707,430
Transfer of completed construction projects					
from real estate development cost to inventories		144,121,841	165,536,983	144,121,841	165,536,983
Transfer of real estate development cost to					
investment properties	16	65,147,925	-	-	-
Transfer of investment properties to real estate					
development cost	16	83,022,979	-	83,022,979	-
Transfer of real estate development cost					
to property, plant and equipment	17	10,092,665	-	9,633,665	-
Transfer of property, plant and equipment (net) to					
real estate development cost	17	169,817	633,771	169,817	633,771
Transfer of property, plant and equipment (net) to					
investment properties	17	8,080,453	8,938	-	8,938

The accompanying notes on pages 11 to 68 are an integral part of these consolidated and company financial statements.

Notes to the Consolidated and Company Financial Statements

1 General information

Noble Development Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of its registered office is 900 Tonson Tower, 19th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to hereafter as “the Group”.

The principal business operations of the Company and its subsidiaries (“the Group”) are development of real estate for sale, providing construction, rental and service, and construction consulting services in Thailand.

These consolidated and company financial statements were authorised for issue by the Board of Directors on 28 February 2014.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

An English version of the consolidated and company financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 Revised accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards.

New accounting standard, new financial reporting standards and amendment to accounting standard which are effective for the period beginning on or after 1 January 2013 and are relevant and have an impact to the Group except TAS 12, income taxes, which the Group has early adopted before the effective date, are as follows:

TAS 12	Income Taxes
TAS 21	(Revised 2009) The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

TAS 21 (Revised 2009) requires the Group to determine the functional currency which is the currency of the primary economic environment in which the entity operates. The Group assessed and concluded that Thai Baht is the Group's functional currency. As a consequence, applying TAS 21 (Revised 2009) has no impact to assets, liabilities and retained earnings (Accounting policy disclosed in note 2.4).

TFRS 8 requires the operating segment to be described in the same manner as internal reporting used by the chief operating decision-maker. New accounting policy is described in Note 2.22. The impact to the Group is only on a disclosure.

Revised accounting standards, revised financial reporting standards and amendments to accounting standards, and relevant account standards, that have not been early adopted by the Group:

Amendments to accounting standards and financial reporting standards effective for the periods beginning on or after 1 January 2014

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)	Interest in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible Assets
TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinue Operations
TFRS 8 (Revised 2012)	Operating Segments

TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The revised standard has no impact to the Group's financial statements.

2.2 Revised accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards. (Cont'd)

Revised accounting standards, revised financial reporting standards and amendments to accounting standards, and relevant account standards, that have not been early adopted by the Group: (Cont'd)

Amendments to accounting standards and financial reporting standards effective for the periods beginning on or after 1 January 2014 (Cont'd)

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities. The revised standard has no impact to the Group's financial statements.

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated in to TAS 12 (revised 2012). The revised standard has no impact to the Group's financial statements.

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles. The revised standard has no impact to the Group's financial statements.

TAS 18 (revised 2012) removes the appendix to TAS 18. The revised standard has no impact to the Group's financial statements.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19. The revised standard has no impact to the Group's financial statements.

TAS 21 (revised 2012) clarifies the method of recording cumulative amount of the exchange different relating to disposal or partial disposal of a foreign operation. This matter should be adjusted prospectively effective for the period begins on or after 1 January 2014. The revised standard has no impact to the Group's financial statements.

TAS 24 (revised 2012) removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties. The revised standard has no impact to the Group's financial statements.

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity losses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2014. The revised standard has no impact to the Group's financial statements.

2.2 Revised accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards. (Cont'd)

Revised accounting standards, revised financial reporting standards and amendments to accounting standards, and relevant account standards, that have not been early adopted by the Group: (Cont'd)

Amendments to accounting standards and financial reporting standards effective for the periods beginning on or after 1 January 2014 (Cont'd)

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity losses of joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2014. The revised standard has no impact to the Group's financial statements.

TAS 34 (revised 2012) emphasises the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. The revised standard has no impact to the Group's financial statements.

TAS 36 (revised 2012) clarifies that goodwill being allocated to cash-generating units shall not be larger than an operating segment before aggregation as defined under TFRS 8 - Operating Segments. The revised standard has no impact to the Group's financial statements.

TAS 38 (revised 2012) Clarifies that an intangible asset acquired in a business combination might be separable, but only together with a related contract, identifiable asset or liability. In such cases, intangible asset is recognised separately from goodwill, but together with related item. Intangible assets are recognised as a single asset provided the individual assets have similar useful lives. The revised standard has no impact to the Group's financial statements.

TFRS 2 (revised 2012) expands the scope to cover classification and accounting of both cash-settled and equity-settled share-based payment transactions in group situation. The revised standard has no impact to the Group's financial statements.

TFRS 3(revised 2012) amends the measurement required for non-controlling interests. The choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation. All other component of non-controlling interests is measured at fair value unless another measurement basis is required by TFRS. The application guidance also applies to all share-based payment transactions that are part of a business combination, including unreplaced and voluntarily replaced share-based payment awards. The revised standard has no impact to the Group's financial statements.

TFRS 5 (revised 2012) specifies the disclosures required for assets held for sale and discontinued operations. Disclosures in other standards do not apply, unless those TFRS requires. The revised standard has no impact to the Group's financial statements.

2.2 Revised accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards. (Cont'd)

Revised accounting standards, revised financial reporting standards and amendments to accounting standards, and relevant account standards, that have not been early adopted by the Group: (Cont'd)

Amendments to accounting standards and financial reporting standards effective for the periods beginning on or after 1 January 2014 (Cont'd)

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. The revised standard has no impact to the Group's financial statements.

Interpretations of financial reporting standards and accounting standard effective for the periods beginning on or after 1 January 2014

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

TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that results from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate. TFRIC 1 is not affected to the Group's operations.

2.2 Revised accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards. (Cont'd)

Revised accounting standards, revised financial reporting standards and amendments to accounting standards, and relevant account standards, that have not been early adopted by the Group: (Cont'd)

Interpretations of financial reporting standards and accounting standard effective for the periods beginning on or after 1 January 2014 (Cont'd)

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. TFRIC 4 is not relevant to the Group's operations.

TFRIC 5 provide guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted. TFRIC 5 is not relevant to the Group's operations.

TFRIC 7 provides guidance on how to apply the requirements of TAS 29, Financial Reporting in Hyperinflationary Economics, in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. TFRIC 7 is not relevant to the Group's operations.

TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill. TFRIC 10 is not affected to the Group's operations.

TFRIC 12 applies to public-to-private service concession arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. TFRIC 12 is not relevant to the group's operations.

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. TFRIC 13 is not relevant to the Group's operations.

TFRIC 17 provides guidance on accounting for the distributions of non-cash assets to owners acting in their capacity as owners. The interpretation addresses the issues on the dividend payable recognition and measurement and the accounting for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when an entity settles the dividend payable. TFRIC 17 is not affected to the Group's operations.

TFRIC 18 sets out the accounting for transfers of items of property, plant and equity by entities that receive such transfers from their customers. Agreements within the scope of this interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect to a network or to provide the customer with ongoing access to supply of goods or services.

2.2 Revised accounting standards, new financial reporting standards and interpretations and amendments to new accounting standards. (Cont'd)

Revised accounting standards, revised financial reporting standards and amendments to accounting standards, and relevant account standards, that have not been early adopted by the Group: (Cont'd)

The interpretation addresses the issues on the initial recognition and the accounting treatment of the transferred assets. TFRIC 18 is not relevant to the Group's operations.

TSIC 15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease. TFRIC 15 has no impact to the Group's operations.

TSIC 27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS17 "Leases". The accounting shall reflect the substance of the arrangement. TFRIC 27 has no impact to the Group's operations.

TSIC 29 contains disclosure requirements in respect of public-to-private service arrangements. TFRIC 29 is not relevant to the Group's operations.

TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS38 "Intangible Assets". TFRIC 32 has no impact to the Group's operations.

New accounting standard which is effective for the periods beginning on or after 1 January 2016

TFRS 4 Insurance Contracts

TFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. TFRS 4 is not relevant to the Group's operations.

2.3 Group Accounting - Investments in subsidiaries and associates

(1) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the net fair value of the Group's share of the identifiable assets and liabilities acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's principal subsidiaries is set out in Note 15.

(2) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.3 Group Accounting - Investments in subsidiaries and associates (Cont'd)

(2) Transactions and non-controlling interests (Cont'd)

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

(3) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. See Note 2.14 for the impairment of assets.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income from revaluation after acquisition is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

In the Company's separate financial statements, investments in associates are accounted for using the cost method.

A list of the Group's principal associates is set out in Note 15.

2.4 Foreign currency translation

2.4.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Thai Baht which is the Company's functional and the group's presentation currency.

2.4.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in the profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.5 Cash and cash equivalents

In the consolidated and company statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated and company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in the profit or loss within administrative expense.

2.7 Inventories

The Group's inventories comprise condominium units, land and single detached houses for sale, construction supplies for sale, and food and beverage and supplies. Inventories are stated at the lower of cost or net realisable value. Costs of inventories are determined on the following basis:

- Costs of condominium units, land and single detached houses for sale are determined by the specific method.
- Costs of construction supplies are determined by the first-in, first-out method.
- Cost of food and beverage and supplies are determined by weighted average cost method.

The cost of inventory comprises purchase and construction costs and other direct costs. Net realisable value is the estimate of the selling price in the ordinary course of business less costs of completions and applicable variable selling expenses. Allowance is made, where necessary, for impaired and obsolete inventories.

2.8 Real estate development cost

Real estate development cost is stated at cost less allowance for loss on projects. Costs include cost of land, cost of land development, costs of constructions of real estate projects and infrastructure and related borrowing costs.

The Group recognises cost of sales from real estate development cost upon the transfer of title to the buyer.

2.9 Investments

Investments in non-marketable equity securities are classified as general investments. General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

2.10 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land and construction held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs, which are incurred for the purpose of acquiring, constructing or producing a qualifying investment property, are capitalised as part of its cost.

2.10 Investment property (Cont'd)

Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to write off their residual values over their estimated useful lives, as follows:

Buildings and building improvements	5 - 20 years
Others	5 years

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.11 Property, plant and equipment

Property, plant and equipment comprise land of clubhouses, clubhouses, building for lease and its improvements, sale office building and its improvements, furnitures and fixtures, office equipment and vehicles. Clubhouses comprise clubhouse buildings, swimming pools and sports clubs. Land of clubhouses is stated at cost less an allowance for impairment. Clubhouses, building for lease and its improvements, sale office building and its improvements and equipment are initially recorded at cost less accumulated depreciation and an allowance for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred

Land is not depreciated. Depreciation on other assets is calculated using the straight line method, except furniture and fixtures, and equipment purchase from 1 January 2010 onwards using double declining method, to write off the cost of each assets to its residual value over the estimate useful lives as follows:

Clubhouses	5 - 20 years
Building for lease	20 years
Building improvement for lease	3 - 10 years
Sale office building and building improvements	3 - 20 years
Furniture and fixtures, and office equipment	5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.11 Property, plant and equipment (Cont'd)

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (see in Note 2.14).

Gains or losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within other income or other expenses in the profit or loss.

2.12 Capitalisation of borrowing costs

Borrowing costs to finance the construction of assets are capitalised during the period of time that is required to complete and prepare the assets for its intended use as part of cost of the asset. The borrowing costs include interest on short-term and long-term borrowings.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is a weighted average interest rate applicable to the Group's outstanding borrowings during the year. Where funds are borrowed specifically for the acquisition, construction or production of assets, the amount of borrowing costs eligible for capitalisation on that asset is determined at the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investments of those borrowings. For funds borrowed generally and used for the acquisition, construction or production of assets, the amount of borrowing costs eligible for capitalisation on that asset is determined by applying capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the general borrowings during the year. The amount of borrowing costs being capitalised during the year shall not exceed the amount of borrowing costs incurred.

2.13 Intangible assets

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

2.13 Intangible assets (Cont'd)

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 5 years.

2.14 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.15 Current and deferred income taxes (cont'd)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.16 Leases - where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

Leases - where the Group is the lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.17 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.18 Employee benefits

Group companies operate various pension schemes. The schemes are generally funded through payments to trustee-administered funds. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit, that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

2.18 Employee benefits (Cont'd)

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changed in actuarial assumptions are charged or credited to profit or loss in the period in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to privately administered fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.19 Provisions - general

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.20 Revenue recognition

Real estate development business

Revenues from sales of land and single detached house and condominium units are recognised upon the transfer of the title to buyer.

Installment under the contract is shown as “Deposits and advances received from customers”.

Other revenues

Other revenues comprise the fair value for the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities net of output tax, rebates and discounts. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from services is recognised as revenue in the year in which the service is rendered.

Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Income from contracts cancellation is recognised when contracts are cancelled by customers.

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

2.21 Dividend distribution

Dividend distribution to the Group's shareholders is recorded in the consolidated and company's financial statements in the period in which the dividends are approved by the shareholders.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Operating Officer that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. The Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment excess liquidity.

3.1.1 Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in market foreign exchange rate.

The Group has no significant exposure to foreign exchange risk due to there are no significant financial assets and liabilities denominated in foreign currency. As a result, the Group considers that it is not necessary to use derivative financial instruments to hedge such risk since management believes that future movements in market foreign exchange will not materially affect the Group's operating results.

3.1.2 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the Finance Director before execution. The Group has no significant interest-bearing assets. However, the Group has entered into long-term borrowing agreements with financial institutions bearing floating interest rates. The Group has not entered into interest rate swap contract covering the interest rate risk because the management believe that effect of interest rate fluctuation will not materially affect the Group.

3.1.3 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss.

The Group has no significant concentrations of credit risk. Cash is placed with reputable financial institutions. Concentrations of credit risk with respect to trade accounts receivable are limited due to the Group's large number of customers in a variety of businesses. Due to these factors, management believes that no additional credit risk beyond the recorded allowance for doubtful accounts for uncollectible debts.

3.1 Financial risk factors (Cont'd)

3.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Fair value estimation

When a financial instrument is traded in an active market, its quoted market price provides the best evidence of fair value. The quoted market price for an asset held or liability to be issued is usually the current bid price and, for an asset to be acquired or liability held, it is the current offer or asking price. When the current bid and offer prices are unavailable, the price of the most recent transaction may provide evidence of the current fair value provided that there has not been a significant change in economic circumstances between the transaction date and the reporting date. When the Group has matching asset and liability positions, it may appropriately use mid-market prices as a basis for establishing fair values.

When there is infrequent activity in a market, the market is not well established or small volumes are traded relative to the number of trading units of a financial instrument to be valued, quoted market prices may not be indicative of the fair value of the instrument. In these circumstances, as well as when a quoted market price is not available, estimation techniques may be used to determine the fair value with sufficient reliability to satisfy the Group. Techniques that are well established in financial markets include reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. In applying discounted cash flow analysis, an enterprise uses a discount rate equal to the prevailing market rate of interest for financial instruments having substantially the same terms and characteristics, including the creditworthiness of the debtor, the remaining term over which the contractual interest rate is fixed, the remaining term for repayment of the principal and the currency in which payments are to be made.

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

Information on the fair values of borrowings is included in Note 21.4.

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employee benefits include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based on part on current market conditions. Additional information is disclosed in Note 24.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt

6 Segment Information**Financial information by business segment**

	For the year ended 31 December									
	Condominium		House and land		Rental and service business		Others		Consolidated	
	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
Revenues	2,442,406	2,010,833	574,875	467,475	67,282	81,239	-	-	3,084,563	2,559,547
Segment results	966,837	800,164	251,333	188,692	(16,969)	(8,008)	-	-	1,201,201	980,848
Interest income (Note 29) - allocated	25,455	10,704	25,594	234	149	163	2	4	51,200	11,105
- unallocated	-	-	-	-	-	-	-	-	57,867	60,042
Other income - allocated	12,646	9,753	2,781	3,184	2,139	9,829	-	-	17,566	22,766
- unallocated	-	-	-	-	-	-	-	-	3,433	2,080
Selling expenses - allocated	(249,560)	(180,045)	(34,254)	(27,056)	(893)	(1,532)	-	-	(284,707)	(208,633)
- unallocated	-	-	-	-	-	-	-	-	(34,521)	(5,994)
Administrative expenses - allocated	(133,219)	(107,707)	(53,633)	(42,883)	(35,573)	(35,592)	(282)	(211)	(222,707)	(186,393)
- unallocated	-	-	-	-	-	-	-	-	(189,224)	(135,174)
Other expenses - allocated	-	(26,329)	-	-	(52,159)	-	-	-	(52,159)	(26,329)
- unallocated	-	-	-	-	-	-	-	-	-	-
Operating profit (loss)	622,159	506,540	191,821	122,171	(103,306)	(35,140)	(280)	(207)	547,949	514,318
Finance costs - allocated	(24,226)	(9,956)	(24,854)	(23,853)	(32,630)	(33,471)	-	-	(81,710)	(67,280)
- unallocated	-	-	-	-	-	-	-	-	(57,383)	(16,270)
Income tax (Note 32)									(85,794)	(106,125)
Profit before non-controlling interests									323,062	324,643
Net profit attributable to non-controlling interests									(15)	-
Net profit for the period									323,047	324,643
Segment assets	11,260,506	9,967,139	2,509,612	767,390	636,832	857,346	3,044	3,325	14,409,994	11,595,200
Unallocated assets									2,833,879	3,083,928
Consolidated total assets									17,243,873	14,679,128
Segment liabilities	2,988,270	2,592,358	52,223	68,482	17,207	37,460	2,284	2,284	3,059,984	2,700,584
Unallocated liabilities									9,938,617	7,919,970
Consolidated total liabilities									12,998,601	10,620,554

7 Cash and cash equivalents

Cash and cash equivalents as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash on hand	280,833	485,755	280,232	485,435
Cheque on hand	22,322,707	9,222,728	22,321,823	9,222,728
Deposits held at call, fixed deposits accounts and bonds with maturity of 3 months or less	2,827,057,710	3,025,310,385	284,720,321	2,563,205,817
Total cash and cash equivalents	2,849,661,250	3,035,018,868	307,322,376	2,572,913,980

As at 31 December 2013, deposits held at call fixed deposits accounts at banks and bonds with maturity of 3 months or less of local financial institutions carry interest at the rates of 0.13% - 2.70% per annum (2012 : 1.60% - 3.30% per annum).

8 Temporary investments at financial institutions

Temporary investments at financial institutions as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Fixed deposits accounts pledged at banks	11,364,636	13,042,056	11,124,636	12,538,056
Bills of exchange with maturity more than 3 months	582,362,074	44,000,000	-	14,000,000
Total temporary investments at financial institutions	593,726,710	57,042,056	11,124,636	26,538,056

As at 31 December 2013, temporary investments at financial institutions represent fixed deposits accounts at banks and bills of exchange with maturity more than 3 months at financial institutions, bearing interest at the rates of 1.30% - 8.00% per annum (2012 : 1.60% - 3.20% per annum).

As at 31 December 2013, fixed deposits accounts in the consolidated and company financial statements of Baht 11.36 million and Baht 11.12 million (2012 : Baht 13.04 million and Baht 12.54 million), respectively, are pledged with banks for letters of guarantee issued by the banks to guarantee the electricity usage and guarantee the public utilities maintenance (Note 35).

9 Trade and other receivables (net)

Trade and other receivables (net) as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Short-term trade accounts receivable				
- rental and services business	1,281,225	2,891,182	1,281,225	2,891,182
Advance to contractors	416,339,558	596,471,341	416,094,179	595,837,925
Accrued management fee income				
- related companies (Note 10 b))	-	-	2,274,114	4,585,076
- other companies	446,693	1,959,259	446,693	1,959,259
Accrued rental and service income				
- other companies	2,502,232	3,719,614	545,425	917,901
Interest receivable				
- other companies	19,726,806	19,726,806	19,726,806	19,726,806
- financial institutions	6,361,229	8,886,962	-	7,419,273
Advances to employees	50,007	480,000	50,007	480,000
Advances to juristic person	162,775	279,025	162,775	279,025
Other receivables				
- related companies (Note 10 b))	-	-	105	-
- other companies	7,856,895	8,515,057	5,179,380	5,787,493
Total	454,727,420	642,929,246	445,760,709	639,883,940
<u>Less</u> Allowance for doubtful account from accrued management fee income				
- related companies (Note 10 b))	-	-	(2,274,114)	(4,585,076)
- other companies	(446,693)	(1,959,259)	(446,693)	(1,959,259)
Allowance for doubtful accounts from interest receivable				
- other companies	(19,726,806)	(19,726,806)	(19,726,806)	(19,726,806)
Allowance for doubtful accounts from other receivables	(1,640,656)	(1,640,656)	(1,640,656)	(1,640,656)
Total trade and other receivables (net)	432,913,265	619,602,525	421,672,440	611,972,143
Long-term trade accounts receivable	498,088	498,088	498,088	498,088
<u>Less</u> Allowance for doubtful account from long-term trade accounts receivable	(498,088)	(498,088)	(498,088)	(498,088)
Total long-term trade accounts receivable (net)	-	-	-	-

As at 31 December 2013, long-term trade accounts receivable included 11 troubled debtors (2012 : 11 troubled debtors) which the Company fully provided an allowance for doubtful debts. All long-term accounts receivable have been outstanding for more than 12 months.

10 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and follow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationships between the Company and related companies are as follows:

Individual/Related company name	Relationship with the Company
Ban Suk Sabai Company Limited	a subsidiary company
Continental City Company Limited	a subsidiary company
Research & Consultant Company Limited	a subsidiary company
S&P Property Management Company Limited	a subsidiary company

The majority of the Company's shares are widely held by public through the Stock Exchange of Thailand.

- a) The following significant transactions incurred during the years ended 31 December 2013 and 2012 carried out with related parties are as follows:

		Company	
		2013 Baht	2012 Baht
Revenue from sales - real estate development	Subsidiaries		
	Continental City Company Limited	65,000,000	-
	Ban Suk Sabai Company Limited	3,449,700	512,000
		68,449,700	512,000
Revenue from disposals of property, plant and equipment	Continental City Company Limited	9,606,600	-
Interest income (Note 10 c))	S&P Property Management Company Limited	772,584	763,961
	Ban Suk Sabai Company Limited	748,116	1,267,695
	Research & Consultant Company Limited	209,824	205,353
	Continental City Company Limited	11,122	-
		1,741,646	2,237,009
Transfer right from deposits of land	Continental City Company Limited	175,407,500	-
Purchase of investment property	Continental City Company Limited	6,153,700	-
Interest expense (Note 10 d))	Ban Suk Sabai Company Limited	2,077,302	-
	Continental City Company Limited	-	289,067
		2,077,302	289,067

- a) The following significant transactions incurred during the years ended 31 December 2013 and 2012 carried out with related parties are as follows: (Cont'd)

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Management benefit expenses				
- short-term employee benefits	29,976,000	34,031,200	29,976,000	34,031,200
- post employment benefits	539,479	587,316	539,479	587,316
Directors' remuneration				
- short-term employee benefits	2,805,000	2,305,000	2,805,000	2,305,000

Revenue from sales of real estate development business and disposals of property, plant and equipment are transacted under prices and term as agreed between parties.

During 2013, the Company transfers right from deposits of land to a subsidiary for development in future.

Purchase of investment property are dealt with prices and term as agreed between parties.

Interest income was charged to subsidiaries at the average rate of 5.91% per annum (2012 : average rate of 5.82% - 5.94% per annum).

Interest expense was paid to subsidiary at the average rate of 5.97% - 6.09% per annum (2012 : average rate of 5.81% per annum).

Management benefit expenses represent benefits which management has received from the Company. The definition of "management" is in accordance with the laws on securities and stock exchange.

Management benefit obligations represent retirement benefits for management which is calculated by independent actuary.

Directors' remuneration was approved at the Annual General Meeting of the Company's shareholders.

- b) Outstanding balances as at 31 December 2013 and 2012 arising from services provided and other expenses comprise the following:

		Company	
		2013 Baht	2012 Baht
	Related companies		
Accrued management fee income (Note 9)	S & P Property Management Company Limited	2,274,114	2,274,114
	Ban Suk Sabai Company Limited	-	2,310,962
		2,274,114	4,585,076
<u>Less</u> Allowance for doubtful accounts (Note 9)		(2,274,114)	(4,585,076)
Total accrued management fee income (net)		-	-
Other receivable (Note 9)	Ban Suk Sabai Company Limited	105	-
		Consolidated and Company	
		2013 Baht	2012 Baht
Accrued directors' remuneration (Note 22)		2,805,000	2,305,000

- c) Short-term loans to and interest receivable from subsidiaries (net)

Short-term loans to and interest receivable from subsidiaries (net) as at 31 December 2013 and 2012 comprise the following:

Company					
2013 (Baht)					
Short-term loans to and interest receivable from subsidiaries	Average interest rate (%)	Short-term loans	Interest receivable	<u>Less</u> allowance for doubtful accounts	Total (net)
S&P Property Company Limited	5.91	13,080,000	4,162,887	(17,242,887)	-
Research & Consultant Company Limited	5.91	3,552,360	3,454,117	(7,006,477)	-
Ban Suk Sabai Company Limited	-	-	-	-	-
Total short-term loans to and interest receivable from subsidiaries (net)		16,632,360	7,617,004	(24,249,364)	-
Company					
2012 (Baht)					
Short-term loans to and interest receivable from subsidiaries	Average interest rate (%)	Short-term loans	Interest receivable	<u>Less</u> allowance for doubtful accounts	Total (net)
S&P Property Company Limited	5.82	13,080,000	3,390,303	(16,470,303)	-
Research & Consultant Company Limited	5.94	3,552,360	3,244,293	(6,796,653)	-
Ban Suk Sabai Company Limited	5.94	21,154,684	8,356,223	(29,510,907)	-
Total short-term loans to and interest receivable from subsidiaries (net)		37,787,044	14,990,819	(52,777,863)	-

c) Short-term loans to and interest receivable from subsidiaries (net) (cont'd)

Short-term loans to subsidiaries are unsecured loans denominated in Thai Baht and called on demand.

On 15 August 2013, the Company has completely received the money for settlement of loan principal and interest receivable from Ban Suk Sabai Company Limited totalling Baht 30.26 million.

The movement of short-term loans to and interest receivable from subsidiaries (net) for the years ended 31 December 2013 and 2012 comprise the following:

	Company	
	2013 Baht	2012 Baht
Opening net book value	-	30,775
Increase in short-term loan	68,000,000	970,000
Increase in interest receivable (Note 10 a)	1,741,646	2,237,009
Receipts of short-term loan repayment	(89,154,684)	(3,249,031)
Receipts of interest receivable	(9,115,461)	(918,167)
Receipt of other receivables	-	(33,175)
Increase in allowance for doubtful accounts (Note 28)	(1,682,072)	(315,023)
Reversal of allowance for doubtful accounts (Note 28)	30,210,571	1,277,612
Ending net book value	-	-

d) Short-term loans from and accrued interest expenses to subsidiaries

Short-term loans from and accrued interest expenses to subsidiaries as at 31 December 2013 and 2012 comprise the following:

	Company			
	2013 (Baht)			
Short-term loans from and accrued interest expenses to subsidiaries	Average interest rate (%)	Short-term loans	Accrued interest expenses	Total
Ban Suk Sabai Company Limited	6.30	23,000,000	31,759	23,031,759

Short-term loans from subsidiaries are unsecured loans denominated in Thai Baht and called on demand.

d) Short-term loans from and accrued interest expenses to subsidiaries (cont'd)

The movements of short-term loans from and accrued interest expenses to subsidiaries for the years ended 31 December 2013 and 2012 comprise the following:

	Company	
	2013 Baht	2012 Baht
Opening net book value	-	128,170,002
Increase in short-term loans	546,000,000	14,000,000
Increase in accrued interest expenses (Note 10 a))	2,077,302	289,067
Repayment of short-term loans	(523,000,000)	(142,000,000)
Repayment of accrued interest expenses	(2,045,543)	(459,069)
Ending net book value	23,031,759	-

11 Inventories (net)

Inventories (net) as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Land for sale	249,105,681	234,480,315	249,105,681	234,480,315
Houses for sale	169,560,004	172,011,340	169,560,004	172,011,340
Condominium units for sale	130,196,078	427,442,851	113,833,116	273,842,303
Bought condominium units for sale	6,106,000	6,106,000	6,106,000	6,106,000
Construction supplies	1,420,864	1,420,864	-	-
Retails merchandise	2,640,830	3,060,497	2,640,830	3,060,497
	559,029,457	844,521,867	541,245,631	689,500,455
<u>Less:</u> Allowance for impairment - condominium units for sale	(33,755,246)	(33,755,246)	(33,755,246)	(33,755,246)
Allowance for obsolescence - construction supplies	(1,420,864)	(1,420,864)	-	-
Total inventories (net)	523,853,347	809,345,757	507,490,385	655,745,209

12 Real estate development cost

Real estate development cost as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Land development	9,164,859,607	7,927,987,390	8,061,040,760	7,927,480,030
Construction in progress	2,114,519,568	1,869,839,279	2,105,009,943	1,869,839,279
Capitalised interest	997,369,845	722,461,808	997,369,845	722,461,808
Mocks up and project offices	-	74,218,019	-	74,218,019
Other related costs	41,241,019	47,223,817	41,229,619	47,223,817
Total	12,317,990,039	10,641,730,313	11,204,650,167	10,641,222,953
<u>Less:</u> Transfer to cost of sales	(1,169,581,619)	(1,816,357,374)	(1,169,581,619)	(1,816,357,374)
Total real estate development cost	11,148,408,420	8,825,372,939	10,035,068,548	8,824,865,579
Capitalised interest during the year	363,643,987	319,355,529	363,643,987	319,355,529
Total value of contracts signed	18,127,566,098	18,112,714,746	18,127,566,098	14,775,883,892

As at 31 December 2013, real estate development costs in the consolidated and company financial statements of Baht 8,740 million and Baht 8,740 million (2012 : Baht 6,998 million and Baht 6,998 million), respectively, were being used as collaterals against the borrowings of the Company from local banks amounting to Baht 4,748 million and Baht 4,748 million (2012 : Baht 4,173 million and Baht 4,173 million), respectively (Note 21.2).

13 Other current assets

Other current assets as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Land deposits	570,120,000	61,217,503	-	61,217,503
Value added tax refundable	2,622,103	2,883,691	-	-
Total other current assets	572,742,103	64,101,194	-	61,217,503

14 Long-term loans to and interest receivable from other company (net)

Long-term loans to and interest receivable from other company (net) as at 31 December 2013 and 2012 comprise the following:

Consolidated and Company						
2013 (Baht)						
Average interest rate (%)	Long-term loans	Interest receivable	Other receivables	Less allowance for doubtful accounts	Total (net)	
Bangplee View Company Limited	-	-	-	-	-	-
Consolidated and Company						
2012 (Baht)						
Average interest rate (%)	Long-term loans	Interest receivable	Other receivables	Less allowance for doubtful accounts	Total (net)	
Bangplee View Company Limited	7.50 - 8.00	80,653,000	41,750,620	-	(33,210,399)	89,193,221

As at 31 December 2012, long-term loans to Bangplee View Company Limited, which used to be an associate in the Group, represent unsecured promissory notes loan denominated in Thai Baht and repayable at call. However, the Company will not call the loans and interest receivable for settlement in the forthcoming twelve months, therefore, the Company presented the loans and interest receivable as long-term loans to and amounts due from other company.

On 11 June 2013 and 18 June 2013, the Company has completely received the money from Bangplee View Company Limited totalling Baht 89.19 million for settlement of loan principal of Baht 80.65 million and interest of Baht 8.54 million. Therefore the Company has written-off interest receivable of Baht 35.90 million which was provided a full allowance of doubtful account.

The movements of the long-term loans to and interest receivable from other company (net) for the years ended 31 December 2013 and 2012 comprise the following:

Consolidated and Company		
	2013 Baht	2012 Baht
Beginning net book value	89,193,221	106,148,640
Increase in interest receivable	2,689,910	6,159,323
Receipts of loan repayments	(80,653,000)	(2,347,000)
Receipts of interest receivable	(8,540,221)	(1,683,804)
Receipts of other receivable	-	(12,407,638)
Increase in allowance for doubtful accounts (Note 28)	(2,689,910)	(7,511,479)
Reversal of allowance for doubtful accounts (Note 28)	-	835,179
Ending net book value	-	89,193,221

15 Investments in subsidiaries, associate and other investment (net)

		Company			
		Paid-up share capital		Percentage of holding	
	Principal activities	2013 Million Baht	2012 Million Baht	2013 %	2012 %
Investments in subsidiaries					
Ban Suk Sabai Company Limited	Real estate	1,700.00	2	99.9	99.9
Continental City Company Limited	Real estate	3,000.00	440.0	99.9	99.9
Research & Consultant Company Limited	Construction service	10.0	10.0	65.0	65.0
S&P Property Management Company Limited	Management service	2.0	2.0	100.0	100.0
		Consolidated and Company			
		Paid-up share capital		Percentage of holding	
	Principal activities	2013 Million Baht	2012 Million Baht	2013 %	2012 %
Investment in associate					
N.K. Energy Conservation Company Limited	Light weight wall panel	6.5	6.5	49.9	49.9
Other investment					
Khonkaenland Development Group Company Limited	Real estate	265.0	265.0	1.9	1.9

On 15 August 2013 and 23 August 2013, Ban Suk Sabai Company Limited registered to increase its share capital from 20,000 ordinary shares of par of Baht 100 each to 17,000,000 ordinary shares of par of Baht 100 each. Noble Development Public Company Limited acquired additional 16,974,906 ordinary shares totalling Baht 1,697,490,600 to maintain the same holding proportion.

On 15 August 2013 and 28 August 2013, Continental City Company Limited registered to increase its share capital from 4,400,000 ordinary shares of par of Baht 100 each to 30,000,000 ordinary shares of par of Baht 100 each. Noble Development Public Company Limited acquired additional 25,599,964 ordinary shares totalling Baht 2,559,996,400 to maintain the same holding proportion.

	Consolidated		Company	
	Equity method		Cost method	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Investments in subsidiaries				
Ban Suk Sabai Company Limited	-	-	1,698,850,600	1,360,000
Continental City Company Limited	-	-	3,002,779,906	442,783,506
Research & Consultant Company Limited	-	-	6,500,000	6,500,000
S&P Property Management Company Limited	-	-	5,000	5,000
	-	-	4,708,135,506	450,648,506
<u>Less</u> Allowance for impairment of investment in subsidiaries	-	-	(6,505,000)	(7,865,000)
Total investments in subsidiaries (net)	-	-	4,701,630,506	442,783,506
Investment in associate*				
N.K. Energy Conservation Company Limited	3,247,400	3,247,400	3,247,400	3,247,400
<u>Less</u> Allowance for impairment of investment in associate	(3,247,400)	(3,247,400)	(3,247,400)	(3,247,400)
Investment in associate (net)	-	-	-	-
Other investment**				
Khonkaenland Development Group Company Limited	5,000,000	5,000,000	5,000,000	5,000,000
<u>Less</u> Allowance for impairment of other investment	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Other investment (net)	-	-	-	-
Total investments in subsidiaries, associate and other investment (net)	-	-	4,701,630,506	442,783,506

* According to Group's policy, investment in associate is presented in consolidated financial statements by using equity method. However, the operation of this associate does not form significant part to the Group. In addition, the Group has already provided full allowance for impairment for this investment. Therefore, the Group has presented investment in associate in consolidated financial statements by using cost method.

** Other investment is presented at cost in consolidated statement.

The movement of investments in subsidiaries, associate and other investment (net) for the years ended 31 December 2013 and 2012 comprise the following:

	Company	
	2013 Baht	2012 Baht
Opening net book value	442,783,506	442,783,506
Addition during the year	4,257,487,000	-
Reversal of allowance for impairment of investment in subsidiary (Note 28)	1,360,000	-
Ending net book value	4,701,630,506	442,783,506

The movement of allowance for impairment of investment in subsidiary for the years ended 31 December 2013 and 2012 comprise the following:

	Company	
	2013 Baht	2012 Baht
Opening balance	7,865,000	7,865,000
Reversal of allowance for impairment of investment in subsidiary (Note 28)	(1,360,000)	-
Ending balance	6,505,000	7,865,000

16 Investment properties (net)

The movements of investment properties (net) for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated				Company			
	Land Baht	Building Baht	Others Baht	Total Baht	Land Baht	Building Baht	Others Baht	Total Baht
As at 1 January 2012								
Cost	298,451,216	398,950,274	18,635,718	716,037,208	197,218,787	179,828,765	16,990,307	394,037,859
<u>Less</u> Accumulated depreciation	-	(83,769,072)	(14,116,204)	(97,885,276)	-	(58,029,275)	(13,593,579)	(71,622,854)
Allowance for impairment	(58,290,776)	-	-	(58,290,776)	(58,290,776)	-	-	(58,290,776)
Net book value	240,160,440	315,181,202	4,519,514	559,861,156	138,928,011	121,799,490	3,396,728	264,124,229
For the year ended 31 December 2012								
Opening net book value	240,160,440	315,181,202	4,519,514	559,861,156	138,928,011	121,799,490	3,396,728	264,124,229
Additions	-	24,529,692	155,392	24,685,084	-	-	-	-
Transfer from property, plant and equipment (Note 17)								
- cost	-	-	9,252	9,252	-	-	9,252	9,252
- accumulated depreciation	-	-	(314)	(314)	-	-	(314)	(314)
Depreciation charge (Note 28)	-	(33,682,302)	(3,037,884)	(36,720,186)	-	(11,415,284)	(2,537,921)	(13,953,205)
Closing net book amount	240,160,440	306,028,592	1,645,960	547,834,992	138,928,011	110,384,206	867,745	250,179,962
As at 31 December 2012								
Cost	298,451,216	423,479,966	18,800,362	740,731,544	197,218,787	179,828,765	16,999,559	394,047,111
<u>Less</u> Accumulated depreciation	-	(117,451,374)	(17,154,402)	(134,605,776)	-	(69,444,559)	(16,131,814)	(85,576,373)
Allowance for impairment	(58,290,776)	-	-	(58,290,776)	(58,290,776)	-	-	(58,290,776)
Net book value	240,160,440	306,028,592	1,645,960	547,834,992	138,928,011	110,384,206	867,745	250,179,962

The movements of investment properties (net) for the years ended 31 December 2013 and 2012 comprise the following: (cont'd)

	Consolidated				Company			
	Land Baht	Building Baht	Others Baht	Total Baht	Land Baht	Building Baht	Others Baht	Total Baht
For the year ended 31 December 2013								
Opening net book value	240,160,440	306,028,592	1,645,960	547,834,992	138,928,011	110,384,206	867,745	250,179,962
Reclassify	(101,232,429)	101,232,429	-	-	-	-	-	-
Additions	346,130	97,830	-	443,960	-	6,251,530	-	6,251,530
Transfer from property, plant and equipment (Note 17)	8,080,453	-	-	8,080,453	-	-	-	-
Transfer from real estate development cost	65,147,925	-	-	65,147,925	-	-	-	-
Transfer to real estate development cost	(83,022,979)	-	-	(83,022,979)	(83,022,979)	-	-	(83,022,979)
Write-off - cost	-	(112,904,994)	(16,833,378)	(129,738,372)	-	(112,904,994)	(16,833,378)	(129,738,372)
- accumulated depreciation	-	59,412,399	16,578,027	75,990,426	-	59,412,399	16,578,027	75,990,426
Adjustments of over recorded investment properties	-	(2,590,730)	-	(2,590,730)	-	-	-	-
Depreciation charge (Note 28)	-	(41,364,314)	(914,449)	(42,278,763)	-	(5,868,658)	(609,387)	(6,478,045)
Closing net book amount	129,479,540	309,911,212	476,160	439,866,912	55,905,032	57,274,483	3,007	113,182,522
As at 31 December 2013								
Cost	187,770,316	409,314,501	1,966,984	599,051,801	114,195,808	73,175,301	166,181	187,537,290
<u>Less</u> Accumulated depreciation	-	(99,403,289)	(1,490,824)	(100,894,113)	-	(15,900,818)	(163,174)	(16,063,992)
Allowance for impairment	(58,290,776)	-	-	(58,290,776)	(58,290,776)	-	-	(58,290,776)
Net book value	129,479,540	309,911,212	476,160	439,866,912	55,905,032	57,274,483	3,007	113,182,522
Fair value				970,726,021				289,684,868

During 2013, the Company recognised the loss from write-off of investment property of Baht 52.16 million (Note 31) from destruction of building for rent for the business operation in the future.

The Group's managements have estimated fair value of investment properties as at 31 December 2013 by using the methods as follows:

- Land blank Appraisal value by external independent valuers and compare with appraisal value of Land Department. Appraisal value by external independent valuers of land (same area) - in case that there is no appraisal value by Land Department.
- Land with construction Discount cash flow projections based on reliable estimates of future cash flows, supported by the terms of existing lease and other contracts and discounted by company's weighted average cost of capital.

Amounts recognised in the profit or loss that are related to investment properties are as follows:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Rental income	21,614,175	20,088,085	12,051,208	12,058,128
Direct operating expense arise from investment property that generated rental income for the year	11,769,852	7,978,630	3,750,986	3,459,156
Direct operating expense arise from investment property that did not generate rental income for the year	30,508,910	28,496,687	2,727,058	10,249,181

As at 31 December 2013, land and building for lease in the consolidated and the company with net book values amounting to approximately Baht 108 million and Baht 51 million (2012 : Baht 103 million and Baht 44 million), respectively are under a three-year operating lease agreement with a non-related company. The non-related company has an option to renew this operating lease agreement for another three-year period.

As at 31 December 2013, land for sale with a net book value of Baht 7.21 million (2012 : Baht 7.21 million) is used as a collateral at the court.

17 Property, plant and equipment (net)

The movements of property, plant and equipment (net) for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated (Baht)									
	Land	Building and building improvement sale office	Furniture and fixtures, office equipment and vehicles	Clubhouses	Building for lease	Building improvements for lease	Equipments for lease	Furniture and fixtures for lease	Construction in progress	Total
As at 1 January 2012										
Cost	187,598,469	44,963,093	95,362,253	101,632,451	171,134,019	64,749,036	7,618,098	74,902,533	-	747,959,952
<u>Less</u> Accumulated depreciation	-	(2,888,276)	(86,072,061)	(47,402,061)	(29,980,838)	(22,663,991)	(4,892,763)	(52,672,807)	-	(246,572,797)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	173,858,469	42,074,817	9,290,192	4,699,349	141,153,181	42,085,045	2,725,335	22,229,726	-	438,116,114
For the year ended 31 December 2012										
Opening net book value	173,858,469	42,074,817	9,290,192	4,699,349	141,153,181	42,085,045	2,725,335	22,229,726	-	438,116,114
Additions	-	8,149,438	2,663,154	22,690	342,884	-	568,037	190,307	-	11,936,510
Transfer to real estate development cost	-	(633,771)	-	-	-	-	-	-	-	(633,771)
Transfer to investment properties (Note 16)										
- cost	-	-	(9,252)	-	-	-	-	-	-	(9,252)
- accumulated depreciation	-	-	314	-	-	-	-	-	-	314
Disposals - cost	-	(31,053,865)	(503,134)	(1,500)	-	-	-	-	-	(31,558,499)
- accumulated depreciation	-	4,510,153	498,028	1,499	-	-	-	-	-	5,009,680
Depreciation charge (Note 28)	-	(6,566,884)	(5,637,425)	(523,004)	(8,558,157)	(6,474,904)	(1,612,059)	(14,993,032)	-	(44,365,465)
Closing net book value	173,858,469	16,479,888	6,301,877	4,199,034	132,937,908	35,610,141	1,681,313	7,427,001	-	378,495,631
As at 31 December 2012										
Cost	187,598,469	21,424,895	97,513,021	101,653,641	171,476,903	64,749,036	8,186,135	75,092,840	-	727,694,940
<u>Less</u> Accumulated depreciation	-	(4,945,007)	(91,211,144)	(47,923,566)	(38,538,995)	(29,138,895)	(6,504,822)	(67,665,839)	-	(285,928,268)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	173,858,469	16,479,888	6,301,877	4,199,034	132,937,908	35,610,141	1,681,313	7,427,001	-	378,495,631

The movements of property, plant and equipment (net) for the years ended 31 December 2013 and 2012 comprise the following:(Cont'd)

	Consolidated (Baht)									
	Land	Building and building improvement sale office	Furniture and fixtures, office equipment and vehicles	Clubhouses	Building for lease	Building improvements for lease	Equipments for lease	Furniture and fixtures for lease	Construction in progress	Total
For the year ended 31 December 2013										
Opening net book value	173,858,469	16,479,888	6,301,877	4,199,034	132,937,908	35,610,141	1,681,313	7,427,001	-	378,495,631
Additions	148,700,000	21,608,043	9,676,189	-	14,240	-	808,916	435,674	3,885,682	185,128,744
Transfer from real estate development cost	459,000	9,633,665	-	-	-	-	-	-	-	10,092,665
Transfer to investment properties (Note 16)	(8,080,453)	-	-	-	-	-	-	-	-	(8,080,453)
Transfer to real estate development cost										
- cost	-	(394,070)	-	-	-	-	-	-	-	(394,070)
-accumulated depreciation	-	224,253	-	-	-	-	-	-	-	224,253
Disposals - cost	-	(15,451)	(985,204)	-	-	-	-	(410,574)	-	(1,411,229)
- accumulated depreciation	-	15,451	977,286	-	-	-	-	384,477	-	1,377,214
Depreciation charge (Note 28)	-	(18,862,530)	(5,177,361)	(456,164)	(8,573,777)	(6,474,904)	(1,059,585)	(7,140,957)	-	(47,745,278)
Closing net book value	314,937,016	28,689,249	10,792,787	3,742,870	124,378,371	29,135,237	1,430,644	695,621	3,885,682	517,687,477
As at 31 December 2013										
Cost	328,677,016	52,257,082	106,204,006	101,653,641	171,491,143	64,749,036	8,995,051	75,117,940	3,885,682	913,030,597
<u>Less</u> Accumulated depreciation	-	(23,567,833)	(95,411,219)	(48,379,730)	(47,112,772)	(35,613,799)	(7,564,407)	(74,422,319)	-	(332,072,079)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	314,937,016	28,689,249	10,792,787	3,742,870	124,378,371	29,135,237	1,430,644	695,621	3,885,682	517,687,477

The movements of property, plant and equipment (net) for the years ended 31 December 2013 and 2012 comprise the following:(Cont'd)

	Company (Baht)									
	Land	Building and building improvement sale office	Furniture and fixtures, office equipment and vehicles	Clubhouses	Building for lease	Building improvements for lease	Equipments for lease	Furniture and fixtures for lease	Construction in progress	Total
As at 1 January 2012										
Cost	186,494,007	44,963,093	94,458,405	101,632,451	171,134,019	64,749,036	7,618,098	74,902,533	-	745,951,642
Less Accumulated depreciation	-	(2,888,276)	(85,304,123)	(47,402,061)	(29,980,838)	(22,663,991)	(4,892,763)	(52,672,807)	-	(245,804,859)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	172,754,007	42,074,817	9,154,282	4,699,349	141,153,181	42,085,045	2,725,335	22,229,726	-	436,875,742
For the year ended 31 December 2012										
Opening net book value	172,754,007	42,074,817	9,154,282	4,699,349	141,153,181	42,085,045	2,725,335	22,229,726	-	436,875,742
Additions	-	8,149,438	2,567,416	22,690	342,884	-	568,037	190,307	-	11,840,772
Transfer to real estate development cost	-	(633,771)	-	-	-	-	-	-	-	(633,771)
Transfer to investment properties (Note 16)										
- cost	-	-	(9,252)	-	-	-	-	-	-	(9,252)
- accumulated depreciation	-	-	314	-	-	-	-	-	-	314
Disposals - cost	-	(31,053,865)	(487,168)	(1,500)	-	-	-	-	-	(31,542,533)
- accumulated depreciation	-	4,510,153	482,065	1,499	-	-	-	-	-	4,993,717
Depreciation charge (Note 28)	-	(6,566,884)	(5,506,687)	(523,004)	(8,558,157)	(6,474,904)	(1,612,059)	(14,993,032)	-	(44,234,727)
Closing net book value	172,754,007	16,479,888	6,200,970	4,199,034	132,937,908	35,610,141	1,681,313	7,427,001	-	377,290,262
As at 31 December 2012										
Cost	186,494,007	21,424,895	96,529,401	101,653,641	171,476,903	64,749,036	8,186,135	75,092,840	-	725,606,858
Less Accumulated depreciation	-	(4,945,007)	(90,328,431)	(47,923,566)	(38,538,995)	(29,138,895)	(6,504,822)	(67,665,839)	-	(285,045,555)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	172,754,007	16,479,888	6,200,970	4,199,034	132,937,908	35,610,141	1,681,313	7,427,001	-	377,290,262

The movements of property, plant and equipment (net) for the years ended 31 December 2013 and 2012 comprise the following:(Cont'd)

	Company (Baht)									
	Land	Building and building improvement sale office	Furniture and fixtures, office equipment and vehicles	Clubhouses	Building for lease	Building improvements for lease	Equipments for lease	Furniture and fixtures for lease	Construction in progress	Total
For the year ended 31 December 2013										
Opening net book value	172,754,007	16,479,888	6,200,970	4,199,034	132,937,908	35,610,141	1,681,313	7,427,001	-	377,290,262
Additions	148,700,000	21,608,043	9,676,189	-	14,240	-	808,916	435,674	3,805,682	185,048,744
Transfer from real estate development cost	-	9,633,665	-	-	-	-	-	-	-	9,633,665
Transfer to real estate development cost										
- cost	-	(394,070)	-	-	-	-	-	-	-	(394,070)
- accumulated depreciation	-	224,253	-	-	-	-	-	-	-	224,253
Disposals - cost	(8,080,453)	(15,451)	(985,204)	-	-	-	-	(410,574)	-	(9,491,682)
- accumulated depreciation	-	15,451	977,286	-	-	-	-	384,477	-	1,377,214
Depreciation charge (Note 28)	-	(18,862,530)	(5,131,111)	(456,164)	(8,573,777)	(6,474,904)	(1,059,585)	(7,140,957)	-	(47,699,028)
Closing net book value	313,373,554	28,689,249	10,738,130	3,742,870	124,378,371	29,135,237	1,430,644	695,621	3,805,682	515,989,358
As at 31 December 2013										
Cost	327,113,554	52,257,082	105,220,386	101,653,641	171,491,143	64,749,036	8,995,051	75,117,940	3,805,682	910,403,515
Less Accumulated depreciation	-	(23,567,833)	(94,482,256)	(48,379,730)	(47,112,772)	(35,613,799)	(7,564,407)	(74,422,319)	-	(331,143,116)
Allowance for impairment	(13,740,000)	-	-	(49,531,041)	-	-	-	-	-	(63,271,041)
Net book value	313,373,554	28,689,249	10,738,130	3,742,870	124,378,371	29,135,237	1,430,644	695,621	3,805,682	515,989,358

Depreciation charge in the consolidated and company financial statements are Baht 47,745,278 and Baht 47,699,028 (2012 : Baht 44,365,465 and Baht 44,234,727) will be recorded in cost of rental and services amounting to Baht 23,249,223 and Baht 23,249,223 (2012 : Baht 31,638,152 and Baht 31,638,152) and administrative expenses amounting to Baht 24,496,055 and Baht 24,449,805 (2012 : Baht 12,727,313 and Baht 12,596,575), respectively.

As at 31 December 2013, the gross carrying amounts before a deduction of accumulated depreciation of fully depreciated plant and equipment that still in use in the consolidated and company financial statements are Baht 125 million and Baht 123 million (2012 : Baht 86 million and Baht 84 million), respectively.

18 Intangible assets (net)

The movements of intangible assets (net) for the years ended 31 December 2013 and 2012 comprise the following:

	Computer software	
	Consolidated Baht	Company Baht
As at 1 January 2012		
Cost	9,351,780	7,929,741
<u>Less</u> Accumulated amortisation	(6,391,641)	(4,971,291)
Net book value	2,960,139	2,958,450
For the year ended 31 December 2012		
Opening net book value	2,960,139	2,958,450
Additions	1,416,477	1,416,477
Disposals - cost	(651,309)	-
- accumulated amortisation	651,307	-
Amortisation charge (Note 28)	(2,275,000)	(2,274,186)
Closing net book value	2,101,614	2,100,741
As at 31 December 2012		
Cost	10,116,948	9,346,218
<u>Less</u> Accumulated amortisation	(8,015,334)	(7,245,477)
Net book value	2,101,614	2,100,741
For the year ended 31 December 2013		
Opening net book value	2,101,614	2,100,741
Additions	3,695,438	3,695,438
Amortisation charge (Note 28)	(1,929,384)	(1,928,572)
Closing net book value	3,867,668	3,867,607
As at 31 December 2013		
Cost	13,812,386	13,041,656
<u>Less</u> Accumulated amortisation	(9,944,718)	(9,174,049)
Net book value	3,867,668	3,867,607

Amortisation charge in the consolidated and company financial statements are Baht 1,929,384 and Baht 1,928,572 (2012 : Baht 2,275,000 and Baht 2,274,186) is recorded in administrative expenses.

As at 31 December 2013, the gross carrying amount before a deduction of accumulated amortisation of fully amortised intangible assets that still in use in the consolidated and company financial statements are Baht 8 million and Baht 7 million (2012 : Baht 2 million and Baht 1 million), respectively.

19 Deferred income taxes

Deferred income taxes as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	41,267,899	23,140,832	41,267,899	23,140,832
Deferred tax assets to be recovered after more than 12 months	111,357,349	80,153,161	111,357,349	80,153,161
Total deferred tax assets	152,625,248	103,293,993	152,625,248	103,293,993

The movement of deferred income taxes for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
As at 1 January	103,293,993	100,750,273	103,293,993	100,750,273
(Debit)/credit to profit or loss (Note 32)	49,331,255	2,543,720	49,331,255	2,543,720
As at 31 December	152,625,248	103,293,993	152,625,248	103,293,993

	Consolidated		
	1-Jan 2013 Baht	(Debit)/ credit to profit or loss Baht	31-Dec 2013 Baht
Deferred income tax assets:			
Allowance for impairment in inventories	6,751,049	-	6,751,049
Allowance for doubtful long-term loans to and interest receivable from other company	6,642,080	1,039,986	7,682,066
Allowance for impairment in investment properties	11,658,155	-	11,658,155
Deposits and advances received from customers	74,746,646	38,274,814	113,021,460
Employee benefits obligation	1,737,378	1,811,394	3,548,772
Difference in useful life of building and equipment	-	1,377,282	1,377,282
Borrowing costs of real estate development cost	-	3,938,622	3,938,622
Others	1,758,685	2,889,157	4,647,842
	103,293,993	49,331,255	152,625,248

The movement of deferred income taxes for the years ended 31 December 2013 and 2012 comprise the following:(cont'd)

	Consolidated		
	1-Jan 2012 Baht	(Debit)/ credit to profit or loss Baht	31-Dec 2012 Baht
Deferred income tax assets:			
Allowance for impairment in inventories	6,751,049	-	6,751,049
Allowance for doubtful long-term loans to and interest receivable from other company	5,609,333	1,032,747	6,642,080
Allowance for impairment in investment properties	11,658,155	-	11,658,155
Deposits and advances received from customers	73,304,228	1,442,418	74,746,646
Employee benefits obligation	1,557,841	179,537	1,737,378
Others	1,869,667	(110,982)	1,758,685
	100,750,273	2,543,720	103,293,993
	Company		
	1-Jan 2013 Baht	(Debit)/ credit to profit or loss Baht	31-Dec 2013 Baht
Deferred income tax assets:			
Allowance for impairment in inventories	6,751,049	-	6,751,049
Allowance for doubtful long-term loans to and interest receivable from other company	6,642,080	1,039,986	7,682,066
Allowance for impairment in investment properties	11,658,155	-	11,658,155
Deposits and advances received from customers	74,746,646	38,274,814	113,021,460
Employee benefits obligation	1,737,378	1,811,394	3,548,772
Difference in useful life of building and equipment	-	1,377,282	1,377,282
Borrowing costs of real estate development cost	-	3,938,622	3,938,622
Others	1,758,685	2,889,157	4,647,842
	103,293,993	49,331,255	152,625,248
	Company		
	1-Jan 2012 Baht	(Debit)/ credit to profit or loss Baht	31-Dec 2012 Baht
Deferred income tax assets:			
Allowance for impairment in inventories	6,751,049	-	6,751,049
Allowance for doubtful long-term loans to and interest receivable from other company	5,609,333	1,032,747	6,642,080
Allowance for impairment in investment properties	11,658,155	-	11,658,155
Deposits and advances received from customers	73,304,228	1,442,418	74,746,646
Employee benefits obligation	1,557,841	179,537	1,737,378
Others	1,869,667	(110,982)	1,758,685
	100,750,273	2,543,720	103,293,993

20 Other non-current assets (net)

Other non-current assets (net) as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	Baht 2012
Land deposits	-	140,000,000	-	140,000,000
General deposits	8,540,177	7,636,818	8,339,058	7,295,425
Deposits for investment	4,000,000	4,000,000	4,000,000	4,000,000
Receivable from Revenue Department	-	79,014	-	-
Income tax receivable	-	29,557	-	-
	12,540,177	151,745,389	12,339,058	151,295,425
<u>Less</u> Allowance for doubtful accounts				
- general deposits	(20,000)	(20,000)	(20,000)	(20,000)
- deposits for investment	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Total other non-current assets (net)	8,520,177	147,725,389	8,319,058	147,275,425

As at 31 December 2013 and 2012, deposits for investment of Baht 4 million is a deposit in a fund to jointly bid in loan portfolios from the Financial Restructuring Authority Sector. The Company has a right to invest at 10% of the bid price or the minimum amount of Baht 37.5 million. At present, the restructuring process has not yet been completed. However, as at 31 December 2013 and 2012, the Company has set up an allowance for unrecoverable for deposits for investment in full.

21 Borrowings from financial institutions and other investors (net)

Borrowings from financial institutions and other investors (net) as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
<u>Current</u>				
Short-term borrowings				
- bills of exchange	355,763,739	641,468,976	355,763,739	641,468,976
- promissory note	200,000,000	-	200,000,000	-
Current portion of long-term borrowings	480,455,900	-	480,455,900	-
Current portion of debentures (net)	1,498,675,128	-	1,498,675,128	-
<u>Non-current</u>				
Long-term borrowings from financial institutions	4,267,511,000	4,173,000,000	4,267,511,000	4,173,000,000
Debentures (net)	2,993,720,789	2,991,822,132	2,993,720,789	2,991,822,132
Total borrowings (net)	9,796,126,556	7,806,291,108	9,796,126,556	7,806,291,108

21.1 The movements of short-term borrowings for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Opening balance	641,468,976	590,536,346	641,468,976	590,536,346
Additional borrowings - financial institutions	709,294,763	909,932,630	709,294,763	909,932,630
Repayments of borrowings - financial institutions	(795,000,000)	(859,000,000)	(795,000,000)	(859,000,000)
Ending balance	555,763,739	641,468,976	555,763,739	641,468,976

As at 31 December 2013, the Company's short-term borrowings represent bills of exchange due within year issued to local financial institutions with interest at the rates of 4.25% - 4.40% per annum (2012 : 4.40% - 4.70% per annum) and promissory note due within one year issued to local financial institution with interest at the rate of 5.88% per annum (2012 : nil).

21.2 The movements of the long-term borrowings for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
<u>Current portions of long-term borrowings</u>				
Opening balance	-	195,500,000	-	195,500,000
Transfer from long-term borrowings				
borrowings	480,455,900	200,000,000	480,455,900	200,000,000
Repayments of borrowings	-	(395,500,000)	-	(395,500,000)
Ending balance	480,455,900	-	480,455,900	-
<u>Long-term borrowings</u>				
Opening balance	4,173,000,000	4,000,000,000	4,173,000,000	4,000,000,000
Additional borrowings	1,112,511,000	3,399,000,000	1,112,511,000	3,399,000,000
Transfer to current portions of long-term borrowings	(480,455,900)	(200,000,000)	(480,455,900)	(200,000,000)
Repayments of borrowings	(537,544,100)	(3,026,000,000)	(537,544,100)	(3,026,000,000)
Ending balance	4,267,511,000	4,173,000,000	4,267,511,000	4,173,000,000

The long-term borrowings as at 31 December 2013 and 2012 comprise the following:

Type of loan	Maturity date	Interest rate (%)		Interest payable	Collateral		Extent due date
		2013	2012		2013	2012	
Company							
Long-term loan	16-Mar-2014*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	28-Oct-2014*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	6-May-16	MLR-1.25	MLR-1.50	Monthly basis	A	A	No
Long-term loan	31-Jan-2017*	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	20-Nov-17	MLR-1.50	MLR-1.50	Monthly basis	A	A	No
Long-term loan	23-Jan-2018*	MLR-1.50	-	Monthly basis	A	-	No

Remarks

A : Pledged its lands of related projects, including real estate development cost (Note 12).

* : The Company will maintain the net debt to equity ratio as details specified in each borrowing agreement.

21.3 Debentures (net) as at 31 December 2013 and 2012 represent unsubordinated, unsecured debentures with name registered and having bond holders' representative as follows:

	Consolidated and Company	
	2013 Baht	2012 Baht
Debentures - par value	3,000,000,000	1,500,000,000
Additional debenture	1,500,000,000	1,500,000,000
<u>Less</u> Prepaid underwriting fee for debenture	(7,604,083)	(8,177,868)
Debentures (net)	4,492,395,917	2,991,822,132
Current portion of debentures (net)	(1,498,675,128)	-
	2,993,720,789	2,991,822,132

At the Extraordinary Shareholders' meeting held on 8 March 2005 and Board of directors' meeting held on 1 June 2011, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and having bond holders' representative for 3 years bond not over than Baht 1,500 million. They were offered to public and /or institutions investors. During 27 - 29 June 2011, the Company offer debenture at 1,500,000 units in par value of Baht 1,000 per unit aggregating to Baht 1,500 million. Interest was carried at the rate of 5.25%, 5.75% and 6.20% per annum in 1st, 2nd and 3rd year, respectively. Moreover, interest is repaid every three months. Debenture holds a lifespan of 3 years and maturity on 30 June 2014.

At the Annual General Meeting of the Company's Shareholders held on 27 April 2012 it was unanimously resolved to approve the issuance and offering of debentures not over than Baht 5,000 million. Then Board of directors' meeting held on 12 July 2012, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have bond holders' representative for 3 years bond amount not over than Baht 1,500 million to public and/or institution investors. During 7- 9 August 2013, the Company offered the debenture at 1,500,000 units in par value of Baht 1,000 per unit aggregating to Baht 1,500 million. Interest was carried at the rate of 5.00%, 5.30% and 5.60% per annum in 1st, 2nd and 3rd year, respectively. Moreover, interest is repaid every three months. Debenture holds a lifespan of 3 years and maturity on 10 August 2015.

Afterward, Board of directors' meeting held on 27 May 2013, it was unanimously resolved to approve the issuance and offering of unsubordinated, unsecured debenture with name registered and have bond holders' representative for 3 years bond amount not over than Baht 1,500 million to public and/or institution investors. During 23 - 25 July 2013, the Company offered the debenture at 1,500,000 units in par value of Baht 1,000 per unit aggregating to Baht 1,500 million. Interest was carried at the rate of 5.00%, 5.25% and 5.50% per annum in 1st, 2nd and 3rd year, respectively. Moreover, interest is repaid every three months. Debenture holds a lifespan of 3 years and maturity on 26 July 2016.

21.4 As at 31 December 2013 and 2012, fair value of certain long-term borrowings are as follows:

	Consolidated		Company	
	Fair value			
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Long-term borrowings from financial institutions	4,747,966,900	4,150,675,335	4,747,966,900	4,150,675,335
Debentures	4,530,605,565	3,011,546,571	4,530,605,565	3,011,546,571
Total fair value of long-term borrowings	9,278,572,465	7,162,221,906	9,278,572,465	7,162,221,906

21.5 As at 31 December 2013 and 2012, the undrawn borrowings facilities are as follows:

	Consolidated and Company	
	2013 Million Baht	2012 Million Baht
Unused credit lines		
Floating interest rate		
- Expiring within 1 year	150	-
- Expiring beyond 1 year	4,380	4,805
Total unused credit lines	4,530	4,805

22 Trade and other payables

Trade and other payables as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Trade accounts payable				
- construction	116,378,347	128,327,863	114,640,083	100,803,935
- others	1,335,028	1,449,536	1,335,028	1,449,536
Retention payable	72,885,082	163,470,309	71,342,929	95,662,553
Other accounts payable	28,955,698	17,565,169	28,531,810	15,364,072
Accrued expenses	72,281,985	41,252,671	68,125,862	38,016,301
Accrued interest expenses - financial institutions and other investors	52,634,992	35,311,314	52,634,992	35,311,314
Accrued director's remunerations (Note 10 b))	2,805,000	2,305,000	2,805,000	2,305,000
Others	7,281,752	7,257,611	4,223,390	3,987,703
Total trade and other payables	354,557,884	396,939,473	343,639,094	292,900,414

23 Other current liabilities

Other current liabilities as at 31 December 2013 and 2012 comprise the following:

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Withholding tax payable	6,493,775	4,219,677	6,300,248	4,184,497
Value added tax payable	560,498	868,583	560,498	868,583
Total other current liabilities	7,054,273	5,088,260	6,860,746	5,053,080

24 Employee benefit obligations

The movement of employee benefit obligations for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated and Company	
	2013 Baht	2012 Baht
Opening balances as at 1 January	8,686,889	7,789,203
Increase during the year (Note 28)		
- current service cost	540,323	572,674
- interest cost	333,503	325,012
- unrealised actuarial loss	8,183,143	-
Payment during the year	-	-
Closing balances as at 31 December	17,743,858	8,686,889

The principal actuarial assumptions used were as follows:

	Consolidated and Company	
	2013 %	2012 %
Discount rate	4.2	4.2
Inflation rate	3.0	3.5
Future salary increases	5.0 - 8.0	5.0 - 7.0

25 Dividend payment

At the Annual General Meeting of the Company's shareholders held on 26 April 2013, the shareholders approved to pay dividend in respect of the year 2012 of Baht 0.30 per share. Dividends totalling of Baht 136.88 million were paid to the shareholders on 22 May 2013.

At the Annual General Meeting of the Company's shareholders held on 27 April 2012, the shareholders approved to pay dividend in respect of the year 2011 of Baht 0.30 per share. Dividends totalling Baht 136.94 million were paid to the shareholders on 23 May 2012.

26 Legal reserve

The movement of legal reserve for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated and Company	
	2013 Baht	2012 Baht
Opening balance	136,941,353	136,941,353
Appropriation during the year	-	-
Ending balance	136,941,353	136,941,353

Under the Public Companies Act, the Company is required to set aside as a statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is not distributable as a dividend.

27 Non-controlling interest

The movement of non-controlling interest for the years ended 31 December 2013 and 2012 comprise the following:

	Consolidated	
	2013 Baht	2012 Baht
Opening balance	-	-
Effect from change in interest portion in subsidiaries	513,000	-
Share of net profit of subsidiary	14,935	-
Ending balance	527,935	-

As at 31 December 2013 and 2012, a non-controlling interest of Research & Consultant Company Limited has still unpaid share subscription approximately Baht 2.62 million. As a result, a non-controlling interest is not calculated and presented.

28 Expenses by nature

The following significant expenditure items, classified by nature for the years ended 31 December 2013 and 2012, have been charged in the profit before finance costs and income tax:

	For the years ended 31 December			
	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cost of real estate development sold				
during the year	1,799,110,652	1,489,452,115	1,727,528,309	1,261,584,683
Employee costs	170,423,957	157,820,321	170,163,202	157,390,508
Contribution to provident fund	6,980,494	5,851,997	6,980,494	5,851,997
Employee benefit obligations (Note 24)	9,056,969	897,686	9,056,969	897,686
Selling and sales promotion expenses	180,788,888	108,579,015	180,057,751	99,064,332
Construction management fee	44,036,172	24,982,894	44,036,172	24,982,894
Specific business tax	103,737,946	81,856,772	94,977,984	69,987,513
Allowance for (reversal of) doubtful accounts:				
- accrued management fee income from related company (Note 9, 10 b))	-	-	(2,310,962)	-
- short-term loans to and interest receivable from subsidiaries (Note 10 c))	-	-	(28,528,499)	(962,589)
- long-term loans to and interest receivable from other company (Note 14)	2,689,910	6,676,300	2,689,910	6,676,300
Reversal of allowance for impairment of investment in subsidiaries (Note 15)	-	-	(1,360,000)	-
Depreciation charge (Note 16 and 17)	90,024,041	81,085,651	54,177,073	58,187,932
Amortisation charge (Note 18)	1,929,384	2,275,000	1,928,572	2,274,186

29 Other income

Other income for the years ended 31 December 2013 and 2012 comprise the following:

	For the years ended 31 December			
	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Interest income	109,066,711	71,146,844	55,189,713	63,523,398
Gain from cancelled contracts	12,260,500	6,451,000	12,210,500	4,516,500
Net gain on disposals of property, plant and equipment	373,829	-	1,899,976	-
Reversal of accrued tax surcharge	-	7,545,294	-	-
Others	8,364,606	10,849,679	6,566,788	6,192,735
Total other income	130,065,646	95,992,817	75,866,977	74,232,633

30 Finance costs

Finance costs for the years ended 31 December 2013 and 2012 comprise the following:

	For the years ended 31 December			
	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Interest expenses	134,332,582	80,244,719	136,409,884	80,533,786
Amortisation of underwriting fee for debentures	4,760,525	3,305,408	4,760,525	3,305,408
Total finance costs	139,093,107	83,550,127	141,170,409	83,839,194

31 Other expenses

Other expenses for the years ended 31 December 2013 and 2012 comprise the following:

	For the years ended 31 December			
	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Loss on write-off of investment properties	52,159,161	-	52,159,161	-
Net loss on disposals of property, plant and equipment	-	26,328,819	-	26,328,816
Loss on write-off of intangible assets	-	2	-	-
Total other expenses	52,159,161	26,328,821	52,159,161	26,328,816

32 Income tax

Reconciliation of income tax expenses for the years ended 31 December 2013 and 2012 is as follows:

	For the years ended 31 December			
	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Current income tax:				
Current income tax on taxable profit for the year	136,606,086	114,554,307	108,394,457	92,349,633
Adjustment in respect of over recorded prior year income tax	(1,480,458)	(349,808)	(1,399,854)	(372,895)
Income tax refunded	-	(5,535,592)	-	(5,535,592)
Total current income tax	135,125,628	108,668,907	106,994,603	86,441,146
Deferred tax:				
Origination and reversal of temporary differences	(49,331,255)	(5,772,517)	(49,331,255)	(5,772,517)
Impact of change in tax rate	-	3,228,797	-	3,228,797
Total deferred tax	(49,331,255)	(2,543,720)	(49,331,255)	(2,543,720)
Total income tax	85,794,373	106,125,187	57,663,348	83,897,426
	For the years ended 31 December			
	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Profit before tax accounting base	408,856,397	430,767,588	313,719,860	329,826,171
Tax calculated at a tax rate of 20% (2012 : 23%)	81,771,279	99,076,545	62,743,972	75,860,019
Tax effect of:				
Income subject to tax	993,253	-	-	-
Non deductible expenses	5,514,563	(840,951)	2,341,470	892,783
Temporary difference for which no deferred income tax assets was recognised	571,673	10,200,722	(6,022,240)	9,824,314
Tax losses for which no deferred income tax asset was recognised	(1,575,937)	345,474	-	-
Re-measurement of deferred tax - change in tax rate	-	3,228,797	-	3,228,797
Adjustment in respect of over recorded prior year income tax (net)	(1,480,458)	(349,808)	(1,399,854)	(372,895)
Income tax refunded	-	(5,535,592)	-	(5,535,592)
Tax charge	85,794,373	106,125,187	57,663,348	83,897,426

33 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the year.

	For the years ended 31 December			
	Consolidated		Company	
	2013	2012	2013	2012
Net profit for the year attributable to shareholders of the parent (Baht)	323,047,089	324,642,401	256,056,512	245,928,745
Weighted average number of paid-up ordinary shares in issue (Shares)	456,471,175	456,471,175	456,471,175	456,471,175
Basic earnings per share (Baht per share)	0.71	0.71	0.56	0.54

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2013 and 2012.

34 Financial instruments

Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2013 and 2012 are summarised as follows:

Consolidated							
2013							
Baht'000							
	Fixed interest rate				Total	Interest rate (%)	
	Floating interest rates	Remaining period before maturity date or repricing date		Without interest		Float rate	Fixed rate
		Less than 1 year	1-5 years				
Financial assets							
Cash and cash equivalents	305,503	2,505,959	-	38,199	2,849,661	0.13 - 2.70	1.30 - 2.00
Temporary investments at financial institutions	-	593,727	-	-	593,727	-	1.30 - 8.00
Trade and other receivables (net)	-	-	-	432,913	432,913	-	-
Long-term loans to and interest receivable from other company	-	-	-	-	-	-	-
Total financial assets	305,503	3,099,686	-	471,112	3,876,301		
Financial liabilities							
Short-term borrowings							
- bills of exchanges	-	355,764	-	-	355,764	-	4.25 - 4.40
- promissory note	200,000	-	-	-	200,000	5.88	-
Trade and other payables	-	-	-	354,558	354,558	-	-
Accrued income tax and other current liabilities	-	-	-	29,355	29,355	-	-
Current portion of long-term borrowings	480,456	1,498,675	-	-	1,979,131	5.25 - 5.75	6.20
Deposits and advance received from customers	-	-	-	2,800,817	2,800,817	-	-
Long-term borrowings	4,267,511	-	2,993,721	-	7,261,232	5.38 - 5.75	5.00 - 5.30
Employee benefit obligations	-	-	-	17,744	17,744	-	-
Total financial liabilities	4,947,967	1,854,439	2,993,721	3,202,474	12,998,601		

Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2013 and 2012 are summarised as follows:(Cont'd)

Consolidated							
2012							
Baht'000							
	Fixed interest rate				Total	Interest rate (%)	
	Floating interest rates	Remaining period before maturity date or repricing date		Without interest		Float rate	Fixed rate
		Less than 1 year	1-5 years				
Financial assets							
Cash and cash equivalents	190,266	2,835,044	-	9,708	3,035,018	0.13 - 2.80	1.60 - 3.30
Temporary investments at financial institutions	-	57,042	-	-	57,042	-	1.60 - 3.20
Trade and other receivables (net)	-	-	-	619,602	619,602	-	-
Long-term loans to and Interest receivable from other company	-	-	89,193	-	89,193	-	7.50 - 8.00
Total financial assets	190,266	2,892,086	89,193	629,310	3,800,855		
Financial liabilities							
Short-term borrowings							
- bills of exchanges	-	641,469	-	-	641,469	-	4.40 - 4.70
- promissory note	-	-	-	-	-	-	-
Trade and other payables	-	-	-	396,939	396,939	-	-
Accrued income tax and other current liabilities	-	-	-	62,550	62,550	-	-
Current portion of long-term borrowings	-	-	-	-	-	-	-
Deposits and advance received from customers	-	-	-	2,346,087	2,346,087	-	-
Long-term borrowings	4,173,000	-	2,991,822	-	7,164,822	5.50 - 5.88	5.00 - 5.75
Employee benefit obligations	-	-	-	8,686	8,686		
Total financial liabilities	4,173,000	641,469	2,991,822	2,814,262	10,620,553		

35 Commitments and contingent liabilities

As at 31 December 2013 and 2012, the Group and the Company have commitments and contingent liabilities as follows:

	Consolidated		Company	
	2013 Million Baht	2012 Million Baht	2013 Million Baht	2012 Million Baht
Capital commitments				
- under purchase of land agreement	2,109	541	-	541
- under contracts to invest in development projects until completion	3,114	4,040	3,085	4,039
- purchase of property, plant and equipment	1	-	1	-
Total capital commitments	5,224	4,581	3,086	4,580
Service contract commitments				
- under service contracts	32	12	29	12
- construction management fee	89	16	89	16
- under office rental agreements	35	18	35	18
Total service contract commitments	156	46	153	46
Contingent liabilities in respect of bank guarantees (Note 8)	13	15	13	14