



Annual report 2012

We Retail Public Company Limited

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General Information of the Company

Name of the Company:	We Retail Public Company Limited
Abbreviated Company Name:	WR
Registration number:	0107544000019
Type of business:	Property Development, shopping mall, office building and commercial area (Former Business: Operating Japanese food restaurants)
Registered Capital:	Baht 4,131,549,100 divided into 826,309,820 ordinary shares at par value of Baht 5 per share
Paid-up Capital:	Baht 3,996,627,870 divided into 799,325,574 ordinary shares at par value of Baht 5 per share

History

Year B.E. 2533	The Company was established on October 9, 1990 under the name Daidomon Group Company Limited On April 27, 2001, the Company registered to be a public company under the name "Daidomon group Public Company Limited On November 24, 2011, the Company has registered rename to "We Retail Public Company Limited"
Year B.E. 2544	
Year B.E. 2554	

Location

Head Office:	100/1 Vorasombut Building, 17 th Floor, Rama 9 Rd., Huykwang, Bangkok Tel: (02) 619-2171-4, Fax: (02) 619-2175
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Reference

Securities Registrar:	Thailand Securities Depository Co., Ltd. (Thailand) 62 The Stock Exchange of Thailand, Ratchadapisek Road, Klongtoey, Bangkok 10110 Tel: (02) 229-2888 (Call Center)
Auditor:	Ernst & Young Office Limited 193/136 Lake Rajada Office Complex, New Rajadapisek Road, Klongtoey, Bangkok 10110 Tel/Fax: (02) 264-0777

Message from President

In 2012, the Company increased the issued and fully paid-up capital by issuing 386,170,664 ordinary shares with a par value of Baht 5 each, in accordance with the resolution of Extraordinary General Meeting of Shareholders of the Company No. 2/2011, held on 11 November 2011, passed a resolution to approve the acquisition of ordinary shares of Centre Point Shopping Mall Co., Ltd. ("Centre Point") from Property Perfect Plc. ("PF"). This investment is considered as the replacement of the previous business resulting in the Company's business to focus on property development, shopping mall and commercial area.

Moreover, the Company's assets such as land under development are significantly increased since its subsidiary continually entered into high potential land sublease agreements in this year. The Company provided financial supports in term of loans to its subsidiary to develop its real estate projects.

Currently, the Company and its subsidiary have not recognized the revenue from sales since all the projects are under development. However, in the near future, the Company expected to generate higher revenues and profits in accordance with the property, shopping mall and commercial area development plans of the Company.

Operating Results

In 2011, the Company had revenues for sales of Baht 223.81 million and net loss of Baht 7.29 million, according to the separate financial statements. In the first quarter of year 2011, the Company had revenues for sales of Baht 58.40 million and net profit of Baht 0.17 million. In the second quarter, The Board of Directors of the Company approved the disposition of shares of Daiso Sankyo (Thailand) Ltd., resulting in capital gain of Baht 6.07 million. Additionally, the Company had revenues from sales in the second quarter of Baht 64.82 million and net profit of Baht 5.52 million. For the third and fourth quarters, the Company had operating loss. The Company had revenues from sales of Baht 58.60 million and net loss of Baht 2.65 million in the third quarter, and revenues from sales of Baht 42.00 million and net loss of Baht 10.30 million in the fourth quarter, respectively. This was affected from increased costs of raw materials of foods of 3-4 percent of sales and closing four branches due to the flood and the recognition period of sales was shortening to only December 14, 2011, resulting from disposal of restaurant business, which was the principle segment of the Company, and “Daidomon” trade mark to Hot Pot Public Company Limited in accordance with the resolution of Extraordinary General Meeting of Shareholders of the Company No. 1/2011, held on 18 October 2011.

According to the consolidated financial statements for the year 2011, the Company and its subsidiary had the net loss of Baht 69.78 million. This is mainly because the Company recognized loss on impairment of goodwill, resulting from business combination with Centrepoint Shopping Mall Co., Ltd. in the fourth quarter of 2011. The Company's managements considered the share valuation from a report of an independent financial advisor. Moreover, increasing of financial costs from loans for investment of its subsidiary resulted in amount of loss.

In year 2012, The Company and its subsidiary did not recognize the revenue from sales since all the projects are under development. The company has development plans to start construction in year 2013. Therefore, the Company and its subsidiary still recognized operation loss of Baht 25.75 million since the company had administrative expenses such as consulting fees, land rental and Directors' and managements' benefits, relating to its future projects. However, financial costs of the company reduced, comparing to year 2011, because loan interests decreased due to selling the restaurant business in year 2011.

The Company and its subsidiary had total assets of Baht 856.39 million, increasing from year 2011. The main assets increased are land under development and leasehold rights from the Company and its subsidiary.

(Unit: Baht)

Statement of comprehensive income	Consolidated Financial Statement			Separate Financial Statement		
	2012	2011	2010	2012	2011	2010
Revenue from sales	-	-	-	-	223,810,616.55	277,120,410.73
Other Revenue	1,241,511.00	140,932.07	133,059.53	5,594,207.00	21,279,912.00	1,210,017,634.92
EBITDA	(25,181,744.00)	(66,888,253.54)	(7,814,936.83)	(15,788,979.00)	(16,721,333.26)	(17,485,481.92)
Net income (loss)	(25,746,688.00)	(69,780,087.59)	(9,749,049.34)	(10,993,772.00)	(7,294,729.17)	1,137,058,991.95
Total Assets	856,389,145.00	423,548,124.57	157,331,019.65	909,718,794.00	464,244,863.88	102,654,005.78
Total Liabilities	95,098,809.00	61,298,831.28	31,030,562.95	84,030,499.00	52,350,527.30	98,164,940.03
Shareholders' equity	761,290,336.00	362,249,293.29	126,300,456.70	825,688,295.00	411,894,336.58	4,489,065.75

Financial Ratios

	2012	2011	2010
Current ratio (Times)	6.17	5.38	4.81
Gross Profit Margin (%)	-	10.20 ^{1/}	10.78 ^{1/}
Debt to Equity Ratio (Times)	0.12	0.17	0.25
Book Value per share (Baht)	0.95	0.88	0.47
Basis Earning (Loss) Per share (Baht)	(0.04)	(0.19)	(0.04)
Dividend per share (Baht)	-	-	-

Note: 1/ Calculated from separate financial statements

The Company has prepared the annual financial statements of the Company for the year 2012 and appointed Ernst & Yong Office Limited, which authorized Ms. Siraporn Ouuanunkun, an auditor number 3844, to audit the financial statements of the Company. The auditor's opinion is that the financial statements present fairly, in all material respects, the financial position of We Retail and Public Company Limited and its subsidiary and of We Retail and Public Company Limited as at 31 December 2012 and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Standards.

The summary of the audited consolidated and separate financial statements of the Company and its subsidiary is as following:

(Unit: Baht)

Statement of Financial Position as at 31 December	Consolidated Financial Statements			Separate Financial Statements		
	2012	2011	2010	2012	2011	2010
Total current assets	396,393,121.00	263,111,615.13	21,873,549.57	395,113,121.00	47,254,884.59	19,213,884.74
Total non-current assets	459,996,024.00	160,436,509.44	135,457,470.08	514,605,673.00	416,989,979.29	83,440,121.04
Total assets	856,389,145.00	423,548,124.57	157,331,019.65	909,718,794.00	464,244,863.88	102,654,005.78
Total current liabilities	64,270,201.00	57,963,126.57	4,546,956.03	53,938,971.00	50,480,763.50	79,462,995.31
Total non-current liabilities	30,828,608.00	3,335,704.71	26,483,606.92	30,091,528.00	1,869,763.80	18,701,944.72
Total liabilities	95,098,809.00	61,298,831.28	31,030,562.95	84,030,499.00	52,350,527.30	98,164,940.03
Total Equity	761,290,336.00	362,249,293.29	126,300,456.70	825,688,295.00	411,894,336.58	4,489,065.75

(Unit: Baht)

Statement of Comprehensive Income For the year ended 31 December	Consolidated Financial Statements			Separate Financial Statements		
	2012	2011	2010	2012	2011	2010
Total revenues	1,241,511.00	140,932.07	133,059.53	5,594,207.00	245,090,528.55	1,487,138,045.65
Total expenses	(26,286,674.00)	(67,868,253.34)	(8,794,936.63)	(15,913,910.00)	(250,171,270.97)	(306,834,189.26)
Financial costs	(701,525.00)	(2,052,766.32)	(1,087,172.24)	(674,069.00)	(2,213,986.75)	(43,244,864.44)
Net Profit (loss)	(25,746,688.00)	(69,780,087.59)	(9,749,049.34)	(10,993,772.00)	(7,294,729.17)	1,137,058,991.95
Basis Earning (Loss) per share	(0.04)	(0.19)	(0.04)	(0.02)	(0.11)	56.16

(Unit: Baht)

Statement of Cash Flow For the year ended December 31	Consolidated Financial Statements			Separate Financial Statements		
	2012	2011	2010	2012	2011	2010
Net Cash Received from (Used in) Operating Activities	(236,060,866.00)	(131,857,389.80)	(15,552,012.63)	(169,760,733.00)	(18,820,297.40)	(3,960,381.44)
Net Cash from (Used in) Investing Activities	(299,955,584.00)	3,108,333.11	(55,256,547.00)	(308,480,585.00)	63,667,895.38	(12,023,718.09)
Net Cash from (Used in) Financing Activities	454,097,523.00	224,288,458.10	76,714,528.02	454,787,730.00	(18,094,099.23)	22,470,099.10
Cash and Cash Equivalents at end of year	20,077,834.00	101,996,761.19	6,457,359.78	13,372,011.00	36,825,599.11	10,072,100.36

The Company's Business in Brief

On December 15, 2011, the Company already disposed all assets relating to the restaurant business. Later, on December 16, 2011, the Company acquired all ordinary shares of Centre Point, a commercial property developer focusing on developing shopping malls and rental office buildings, in order to replace the disposed business. Consequently, the Company announced changing its company's name to We Retail Public Company Limited on November 29, 2011. Currently, Centre Point has not yet launched any project. It has only vacant lands, leasehold rights and in a process of purchasing additional lands.

The Company has the initial plan to embark on shopping mall, office building and commercial area development projects, divided into two phases.

Phase 1 (first 1-2 years) will feature the development of open shopping complex projects in form of a community mall, each involving a moderate amount of investment, followed by closed shopping complex projects and office buildings for rent.

Phase 2 (next 3-5 years) will be the development of 3 to 5 additional property projects in form of community malls and commercial areas in residential community zones and/or on the mass transit system routes.

Currently, the Company and its subsidiary own 7 plots of vacant lands and 11 plots of leasehold lands, which are in process of consideration of construction and negotiation of the purchase of additional lands to prepare for developing shopping mall projects. The projects will embark to construct in year 2013.

Capital Structure

The Company's Securities

The Company has a registered capital of Baht 4,131,549,100, divided into 826,309,820 ordinary shares at the par value of Baht 5 per share and paid-up capital of Baht 3,996,627,870.

As at the end of period	31 December 2009	31 December 2010	31 December 2011	31 December 2012
Authorized Share Capital:				
- Amount of Shares (Baht)	216,999,640.00	247,000,000.00	4,131,549,100	4,131,549,100
- Number of Shares (Shares)	43,399,928	49,400,000	826,309,820	826,309,820
Issued and Fully Paid-up Share Capital	25,999,640.00	246,683,640.00	2,065,774,550	3,996,627,870
- Amount of Shares (Baht)	5,199,928	49,336,728	413,159,910	799,325,574
- Number of Shares (Shares)				
Value Per Shares (Baht)	5.00	5.00	5.00	5.00

Shareholders

List of Shareholders	Shareholding as at December 31, 2012	
	No. of shares (shares)	%
1. Property Perfect PLC	727,824,048	91.05
2. Mr. Kampol Tatiyakavee	51,181,818	6.40
3. Thongtang Group	6,376,289	0.80
4. Krung Thai Bank PLC	3,689,600	0.46
5. Thanachart Bank PLC	2,247,200	0.28
6. Fukuda Group	1,400,117	0.18
7. Ms. Suparn Piyajessadakul	1,004,000	0.13
8. Mr. Kriengkrai Sirawanichakarn	902,000	0.11
9. Mrs. Kanokwan Pornsupanan.	640,328	0.08
10. 10.Mr. Surat Saeli	304,500	0.04

Management Structure

On November 18, 2010, The Central Bankruptcy Court has ordered to cancel the entity rehabilitation plan of the Company. According to the notification No. 90/25 of the bankruptcy law, B.E. 2483, the authorization of the administrator of the plan was terminated. Hence, the authorization to manage assets shall be transferred to the Board of Directors of the Company on November 18, 2010.

The List of Directors and Managements of We Retail Public Company Limited

Name-Surname	Age	Education	Shareholding Portion	Period	Position	Business
Mr. Tawatchai Nakhata	65	Ph.D. University of Illinois, USA Audit Committed Program (ACP) 13/2006 Director Accreditation Program (DAP) 52/2006 Thai Institute of Directors		2011-present	Chairman	We Retail Plc.
				1992-present	Chairman /Chief Executive	Property Perfect Plc.
				2006-2009	Director Chairman	Ceda Co., Ltd.
				1995-2006	Managing Director	Ceda Co., Ltd.
Mr.Chainid Ngow-Sirimanee	58	Bachelor of Laws, Chulalongkorn University Thai Barrister-at-Law, Thai Bar Association		2011-present	Vice Chairman	We Retail Plc.
				1985-present	Chief Executive Officer/ Vice Chief Executive	Property Perfect Plc.
				2007-present	Director Director	Bright Development Bangkok Co., Ltd.
				2007-present	Director	Centrepont Shopping Mall Co., Ltd.
				2002-present	Director	Krungthep Land Plc.
				1999-present	Director	Estate Perfect Co., Ltd.
				1995-2010		Thai Property Plc.
Mr. Kampol Tatiyakavee	53	B.A. Engineering , Chulalongkorn University M.A. Engineering , University of Texas Certificate, Director Certification Program (DCP74), Thai Director Promotion Institute Association	6.40%	2010-Present	Director/ Chief Executive Officer	We Retail Plc.
				2008-2010	Managing Director	Pattaya Food Industry Co., Ltd.
				2006-2008	Managing Director	Siam Food Co., Ltd.

Mr. Pramote Remyindee	58	<p>Bachelor of Laws, Chulalongkorn University</p> <p>Thai Barrister-at-Law, Thai Bar Association</p> <p>Graduate Diploma in Business Law Thammasat University</p> <p>Director Certification Program (DCP) 69/2006</p> <p>Director Accreditation Program (DAP) 43/2005</p> <p>Thai Institute of Directors</p>		<p>2011-Present</p> <p>1998-Present</p>	<p>Director</p> <p>Company Secretary</p>	<p>We Retail Plc.</p> <p>Property Perfect Plc.</p>
Mr.Choetsak Kukiatinun	59	<p>B.Sc. (Economics) Major in Accounting and Finance, London School of Economics political Science, University of London (1975)</p> <p>M.Sc. (Systems Analysis) Aston University (1976)</p>		<p>2011-Present</p> <p>2011-Present</p> <p>2011-Present</p>	<p>Chairman of Audit Committee</p> <p>Director of Audit Committee</p> <p>Director of Risk Management</p>	<p>We Retail Plc. Thai</p> <p>Property Plc.</p> <p>Property Perfect Plc.</p>
Mr.Chaiyakorn Boonlop	66	Bachelor of Law, Thammasat University		<p>2011-Present</p> <p>2010-Present</p>	<p>Director of Audit Committee</p> <p>Advisor of Chairman of Phayathai Hospital</p> <p>Advisor of Board of Director</p>	<p>We Retail Plc.</p> <p>Prasit Pattana Co., Ltd.</p> <p>Cable Thai Holding Plc.</p>
Mr.Sukpoj Chotikavanich	65	Bachelor of Commerce and Accountancy, Chulalongkorn University		<p>2011-Present</p> <p>1998-2003</p>	<p>Director of Audit Committee</p> <p>General Managing Director</p>	<p>We Retail Plc.</p> <p>Thai Factory Development Plc.</p>

Inter-Related Transactions with Related Parties

The Company had accounting transactions with related persons and companies, the important remaining balance and inter-items between the Company and related persons and companies, as per note to financial statements for the year ended December 31, 2011 - 2012, are as follows:

Names and Relationships

Name	Relationship
Property Perfect Plc.	The parent company
Centrepont Shopping Mall Co., Ltd.	Legal subsidiary
Mr. Paveen Chiwaplaboon	Shareholder of the Company
Vichai Thongtang Law Firm Co., Ltd.	Common director and shareholder

1) Inter-Company Revenues and Expenses

Unit: Baht	Pricing Policy	For the year ended December 31	
		2012 Baht	2011 Baht
Interest Income Centrepont Shopping Mall Co., Ltd.	5.00% p.a.	4,486,000.00	-
Interest Expense Property Perfect Plc.	5.19%-7.375% p.a.	121,000.00	1,920,898.21
Mr. Paveen Chiwaplaboon	8.75 % and 6.00% p.a.	-	224,383.55
Centrepont Shopping Mall Co., Ltd	7.50% p.a.	68,000.00	-
Lawyer Fee Vichai Thongtang Law Firm Co., Ltd.	Commitment Rate	-	50,000.00

2) Inter-Company Assets and Liabilities

Unit: Baht	As of December 31, 2012	As of December 31, 2011
Accrued Interest Receivable - Related Party Centrepont Shopping Mall Co., Ltd.	4,486,000.00	-
Accrued Interest Payable - Related Party Property Perfect Plc.	121,000.00	-
Accrued Expenses Vichai Thongtang Law Firm Co., Ltd.	-	50,000.00

Risk Factors:

1) Risk from the business competition

It is a risk from the competitors in the same business of the Company, who would compete with the Company in customers and tenants' attraction. The Company also faces risk of lower number of customers which are tenants' customers if there are other new shopping centers opened in the nearby areas. This will affect the businesses of tenants, which in turn has an effect on the occupancy rates and rental and service fees of the Company.

However, the Company will have planned to develop projects in the most outstanding location area such as nearby the subway line or community area and in order to reduce the effect of such competition, the Company has also prepared marketing promotion and campaign to attract more tenants and customers to the shopping centers.

2) Risk of operating new business

On December 15, 2011, the Company had disposed all assets relating to the Japanese restaurants business. Later, on December 16, 2011, the Company acquired ordinary shares of Centre Point, a commercial property developer focusing on developing shopping malls and rental office buildings, in order to replace the restaurant business. Currently, Centre Point has not yet launched any project due to it is in the planning and designing process. It has only vacant lands, leasehold rights and in a process of purchasing additional lands. In addition, the shopping centers, office buildings and commercial areas are viewed the new business of the Company and the subsidiaries or shareholders who are not experienced in, thus the Company may have risk of operating new business.

However, the Company has hired the experienced and expert personnel to operate the project as well as the major shareholder, who even has no direct experience toward the developing the shopping center project however PF has the long experience in property development business. Therefore, PF can have the expert and experience in choosing successful location of the project.

3) Risk of the delay from receiving the rental and service fee of project

Rent of space is the Company's main income. If the tenants are inability to pay the rent on time, it will affect the operating performance of the Company. However, there are groups of long-term lease contracts especially anchors which the Company receive a lump sum of advance rental and service. These anchors have not much burden to pay the rest rental and service fee. Therefore it can mitigate the risk of not pay the rental and service fee from the anchors. Besides, the Company always looks after the rental and service fee payment from both anchors and co-tenants, the 6-12 months rental and service fee deposits in order to mitigate risk of delay receiving the rental and service fee.

Independent Auditor's Report

To the Shareholders of We Retail Public Company Limited

I have audited the accompanying consolidated financial statements of We Retail Public Company Limited and its subsidiary, which comprise the consolidated statements of financial position as at 31 December 2012, and comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of We Retail Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 financial statements referred to above present fairly, in all material respects, the financial position of We Retail Public Company Limited and its subsidiary and of We Retail Public Company Limited as at 31 December 2012, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Other matter

The financial statements of We Retail Public Company Limited and its subsidiary for the year ended 31 December 2011 were audited by another auditor who, under his report dated 23 February 2012, expressed an unqualified opinion on those financial statements.

Siraporn Ouaanunkun

Certified Public Accountant (Thailand) No. 3844

Ernst & Young Office Limited

Bangkok: 22 February 2013

We Retail Public Company Limited and its subsidiary
Statement of financial position
As at 31 December 2012

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	<u>Note</u>	<u>31 December 2012</u>	<u>31 December 2011</u>	<u>31 December 2012</u>	<u>31 December 2011</u>
Assets					
Current assets					
Cash and cash equivalents	7	20,077,834	101,996,761	13,372,011	36,825,599
Trade and other receivables	8	4,338,180	9,045,933	6,657,814	9,045,933
Short-term loan to related party	6	-	-	250,000,000	-
Land and construction under development	9	371,202,670	150,629,028	124,377,605	-
Other current assets		774,437	1,439,893	705,691	1,383,353
Total current assets		396,393,121	263,111,615	395,113,121	47,254,885
Non-current assets					
Restricted bank deposits	10	40,000,000	-	40,000,000	-
Investment in subsidiary	11	-	-	414,700,000	414,700,000
Advances for purchases of land	12	12,357,000	33,717,266	-	-
Building improvement and equipment	13	2,622,340	2,746,685	855,654	-
Leasehold rights	14	402,394,167	120,610,080	57,500,000	-
Other non-current assets		2,622,517	3,362,480	1,550,019	2,289,979
Total non-current assets		459,996,024	160,436,511	514,605,673	416,989,979
Total assets		856,389,145	423,548,126	909,718,794	464,244,864

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

We Retail Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2012

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		As at	As at	As at	As at
		<u>31 December 2012</u>	<u>31 December 2011</u>	<u>31 December 2012</u>	<u>31 December 2011</u>
Liabilities and shareholders' equity					
Current liabilities					
Other payables	15	13,642,378	44,497,530	4,040,009	37,705,374
Creditors per rehabilitation plan	16	9,511,983	9,026,955	9,511,983	9,026,955
Short-term loan from related party	6	30,000,000	-	30,000,000	-
Current portion of notes payable	17	10,000,000	-	10,000,000	-
Current portion of liabilities under hire purchase agreement		728,861	690,207	-	-
Other current liabilities		<u>386,979</u>	<u>3,748,434</u>	<u>386,979</u>	<u>3,748,434</u>
Total current liabilities		<u>64,270,201</u>	<u>57,963,126</u>	<u>53,938,971</u>	<u>50,480,763</u>
Non-current liabilities					
Notes payable - net of current portion	17	30,000,000	-	30,000,000	-
Liabilities under hire purchase agreement - net of current portion		638,469	1,367,330	-	-
Other non-current liabilities		<u>190,139</u>	<u>1,968,376</u>	<u>91,528</u>	<u>1,869,764</u>
Total non-current liabilities		<u>30,828,608</u>	<u>3,335,706</u>	<u>30,091,528</u>	<u>1,869,764</u>
Total liabilities		<u>95,098,809</u>	<u>61,298,832</u>	<u>84,030,499</u>	<u>52,350,527</u>
Shareholders' equity					
Share capital	18				
Registered					
826,309,820 ordinary shares of Baht 5 each		<u>4,131,549,100</u>	<u>4,131,549,100</u>	<u>4,131,549,100</u>	<u>4,131,549,100</u>
Issued and fully paid-up					
799,325,574 ordinary shares of Baht 5 each (31 December 2011: 413,154,910 ordinary shares of Baht 5 each)		3,996,627,870	2,065,774,550	3,996,627,870	2,065,774,550
Share discount	18	(3,040,456,500)	(1,534,390,910)	(3,040,456,500)	(1,534,390,910)
Adjustment of share capital from reverse acq	18	(74,954,715)	(74,954,715)	-	-
Deficit		<u>(119,926,319)</u>	<u>(94,179,631)</u>	<u>(130,483,075)</u>	<u>(119,489,303)</u>
Total shareholders' equity		<u>761,290,336</u>	<u>362,249,294</u>	<u>825,688,295</u>	<u>411,894,337</u>
Total liabilities and shareholders' equity		<u>856,389,145</u>	<u>423,548,126</u>	<u>909,718,794</u>	<u>464,244,864</u>

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

We Retail Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Profit or loss:					
Revenues					
Revenues from sales of food and beverage and member card		-	-	-	223,810,617
Other income					
Revenues from amortisation of gain from leasehold rights transferred		-	-	-	6,646,690
Gain from sale of restaurant business		-	-	-	2,308,432
Interest income		409,054	140,932	4,761,750	102,431
Others		832,457	-	832,457	12,222,359
Total revenues		<u>1,241,511</u>	<u>140,932</u>	<u>5,594,207</u>	<u>245,090,529</u>
Expenses					
Cost of sales of food and beverage and member card		-	-	-	200,979,072
Selling expenses		-	-	-	9,589,698
Administrative expenses		26,286,674	8,735,055	15,913,910	39,602,501
Loss on impairment of goodwill		-	59,133,199	-	-
Total expenses		<u>26,286,674</u>	<u>67,868,254</u>	<u>15,913,910</u>	<u>250,171,271</u>
Loss before finance cost		<u>(25,045,163)</u>	<u>(67,727,322)</u>	<u>(10,319,703)</u>	<u>(5,080,742)</u>
Finance cost		<u>(701,525)</u>	<u>(2,052,766)</u>	<u>(674,069)</u>	<u>(2,213,987)</u>
Loss for the year		<u>(25,746,688)</u>	<u>(69,780,088)</u>	<u>(10,993,772)</u>	<u>(7,294,729)</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(25,746,688)</u>	<u>(69,780,088)</u>	<u>(10,993,772)</u>	<u>(7,294,729)</u>
Basic loss per share					
Loss	20	(0.043)	(0.192)	(0.018)	(0.113)

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

We Retail Public Company Limited and its subsidiary
Cash flow statement
For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash flows from operating activities				
Loss for the year	(25,746,688)	(69,780,088)	(10,993,772)	(7,294,729)
Adjustments to reconcile loss for the year to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,104,930	980,000	124,931	9,639,321
Allowance for doubtful debt	29,517	-	29,517	772,510
Revenues from amortisation of gain from leasehold rights transferred	-	-	-	(6,646,690)
Gain from sales of long-term investment	-	-	-	(6,066,092)
Loss on impairment of goodwill	-	59,133,199	-	-
Gain on sales of property, plant and equipment	-	-	-	(145,495)
Gain on sales of restaurant business	-	-	-	(2,308,432)
Provision for long-term employee benefits	45,764	-	45,764	45,764
Interest income	(409,054)	(140,932)	(4,761,750)	(102,431)
Interest expenses	701,526	2,052,766	674,069	2,734,272
Loss from operating activities before changes in operating assets and liabilities	(24,274,005)	(7,755,055)	(14,881,241)	(9,372,002)
Decrease (increase) in operating assets				
Trade and other receivables	4,678,236	-	6,844,903	895,943
Land and construction under development	(179,371,696)	(121,523,079)	(124,377,605)	-
Inventories	-	-	-	1,169,887
Other current assets	667,470	38,900	677,662	(34,081)
Other non-current assets	744,625	(1,072,499)	744,622	2,570,353
Increase (decrease) in operating liabilities				
Trade and other payables	(33,627,153)	595,408	(33,786,598)	(12,660,079)
Other current liabilities	(3,361,455)	-	(3,361,455)	901,553
Other non-current liabilities	(1,824,001)	-	(1,824,000)	(324,000)
Cash used in operating activities	(236,367,979)	(129,716,325)	(169,963,712)	(16,852,426)
Cash received from interest income	409,054	140,932	275,449	102,431
Cash paid for interest expenses	(95,265)	(2,280,589)	(67,808)	(1,863,878)
Cash paid for corporate income tax	(6,676)	(1,409)	(4,662)	(206,424)
Net cash used in operating activities	(236,060,866)	(131,857,391)	(169,760,733)	(18,820,297)

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

We Retail Public Company Limited and its subsidiary
Cash flow statement (continued)
For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash flows from investing activities				
Increase in short-term loan to related party	-	-	(250,000,000)	-
Increase in restricted bank deposits	(40,000,000)	-	(40,000,000)	-
Increase in advances for purchases of land	(12,357,000)	(33,717,266)	-	-
Increase in leasehold rights	(246,617,999)	-	(17,500,000)	-
Cash received from sales of restaurant business	-	-	-	33,656,882
Cash received from sales of fixed assets	-	-	-	423,370
Cash received from sales of long-term investment	-	-	-	32,181,330
Increase in building improvement and equipment	(980,585)	-	(980,585)	(2,593,687)
Cash received from business combination	-	36,825,599	-	-
Net cash from (used in) investing activities	(299,955,584)	3,108,333	(308,480,585)	63,667,895
Cash flows from financing activities				
Increase (decrease) in short-term loans				
from related parties	30,000,000	(24,426,069)	30,000,000	(5,000,000)
Decrease in short-term loan from individual	-	-	-	(10,000,000)
Cash received from the issuance of				
additional ordinary shares	424,787,730	249,500,000	424,787,730	-
Decrease in liabilities under hire purchase agreement	(690,207)	(785,472)	-	(3,094,099)
Net cash from (used in) financing activities	454,097,523	224,288,459	454,787,730	(18,094,099)
Net increase (decrease) in cash and cash equivalents	(81,918,927)	95,539,401	(23,453,588)	26,753,499
Cash and cash equivalents at beginning of year	101,996,761	6,457,360	36,825,599	10,072,100
Cash and cash equivalents at end of year	20,077,834	101,996,761	13,372,011	36,825,599
	-	-	-	-

Supplemental cash flow information
Non-cash transaction

Leasehold rights amortised to cost of land				
and construction under development	7,484,680	7,483,791	-	-
Transfer advances for purchases of land to				
land and construction under development	33,717,266	6,300,000	-	-
Issue promissory notes to purchase leasehold rights	40,000,000	-	4,000,000	-

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

We Retail Public Company Limited and its subsidiary
Statement of changes in shareholders' equity
For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements				
	Issued and paid-up share capital	Share discount	Adjustment of share capital from reverse acquisition	Deficit	Total shareholders' equity
Balance as at 1 January 2011	150,700,000	-	-	(24,399,543)	126,300,457
Additional ordinary shares (Note 18)	249,500,000	-	-	-	249,500,000
Fair value of considerations transferred in reverse acquisition (Note 18)	1,665,574,550	(1,534,390,910)	(74,954,715)	-	56,228,925
Total comprehensive income for the year	-	-	-	(69,780,088)	(69,780,088)
Balance as at 31 December 2011	<u>2,065,774,550</u>	<u>(1,534,390,910)</u>	<u>(74,954,715)</u>	<u>(94,179,631)</u>	<u>362,249,294</u>
Balance as at 1 January 2012	2,065,774,550	(1,534,390,910)	(74,954,715)	(94,179,631)	362,249,294
Additional ordinary shares (Note 18)	1,930,853,320	(1,506,065,590)	-	-	424,787,730
Total comprehensive income for the year	-	-	-	(25,746,688)	(25,746,688)
Balance as at 31 December 2012	<u>3,996,627,870</u>	<u>(3,040,456,500)</u>	<u>(74,954,715)</u>	<u>(119,926,319)</u>	<u>761,290,336</u>

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

We Retail Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2012

(Unit: Baht)

	Separate financial statements			Total shareholders' equity
	Issued and paid-up share capital	Share discount	Deficit	
Balance as at 1 January 2011	246,683,640	(130,000,000)	(112,194,574)	4,489,066
Additional ordinary shares (Note 18)	1,819,090,910	(1,404,390,910)		414,700,000
Total comprehensive income for the year	-	-	(7,294,729)	(7,294,729)
Balance as at 31 December 2011	<u>2,065,774,550</u>	<u>(1,534,390,910)</u>	<u>(119,489,303)</u>	<u>411,894,337</u>
Balance as at 1 January 2012	2,065,774,550	(1,534,390,910)	(119,489,303)	411,894,337
Additional ordinary shares (Note 18)	1,930,853,320	(1,506,065,590)	-	424,787,730
Total comprehensive income for the year	-	-	(10,993,772)	(10,993,772)
Balance as at 31 December 2012	<u>3,996,627,870</u>	<u>(3,040,456,500)</u>	<u>(130,483,075)</u>	<u>825,688,295</u>

-

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

We Retail Public Company Limited and its subsidiary**Notes to consolidated financial statements****For the year ended 31 December 2012****1. General information**

We Retail Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its parent company is Property Perfect Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the property development, shopping mall and commercial areas. The registered office of the Company is at 100/1 Vorasombat Building, 17th Floor, Rama 9 Road, Huaykwang, Bangkok.

2. Basis for preparation

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

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

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

2.2 Basis of consolidation

- a) These consolidated financial statements are prepared for a reverse acquisition, whereby We Retail Public Company Limited is the legal parent company (acquiree for accounting purposes) and Centrepont Shopping Mall Company Limited ("Centrepont") is the legal subsidiary company (the acquirer for accounting purposes).

Because the consolidated financial statements represent a continuation of the financial statements of the legal subsidiary, except for its capital structure, they reflect:

- 1) The assets and liabilities of the legal subsidiary (the accounting acquirer) recognised and measured at their pre-combination carrying amounts.
- 2) The assets and liabilities of the legal parent (the accounting acquiree) recognised and measured in accordance with TFRS 3 (revised 2009) "Business Combinations".
- 3) The retained earnings and other equity balances of the legal subsidiary (accounting acquirer) before the business combination.
- 4) The equity structure in the consolidated financial statements reflects the equity structure of the Company and the number of its ordinary shares.

Details of the reverse acquisition are as follows:

On 29 September 2011, a meeting of the Company's Board of Directors passed a resolution to approve the acquisition of 5 million ordinary shares with a par value of Baht 100 each of Centrepont, through the issue of 363.82 million new ordinary shares, with a par value of Baht 5 each and an offer price of Baht 1.10 per share, amounting to Baht 400.20 million, in a non-cash swap transaction. The swap ratio is 1 share of Centrepont to 72.76364 shares of the Company. On 16 December 2011, the Company completed this transaction and as a result, the former shareholders of Centrepont Shopping Mall Co., Ltd. became the major shareholders in the Company with a controlling interest of 88.06% of the issued and-paid-up shares of the Company. This transaction is considered to be a reverse acquisition, in accordance with TFRS 3 (revised 2009), "Business Combinations".

In a reverse acquisition, the fair value of the consideration transferred to the Company is determined as if the purpose is to maintain the same percentage equity interest in the combined entity, with Centrepont Shopping Mall Co., Ltd. required to issue ordinary shares to exchange for

the existing shares of We Retail Public Co., Ltd. The fair value of the consideration transferred for the reverse acquisition is thus calculated based on the fair value of Centrepont Shopping Mall Co., Ltd's shares as determined by an independent financial advisor using the Adjusted Book Value Approach. The excess of the fair value of the consideration transferred over the net fair value of the accounting acquirer's interest in the net assets acquired is presented as goodwill.

In determining goodwill from business combination the Company's management considered the share valuation report of an independent financial advisor. This concluded that since the Company had already disposed of its restaurant business and all related assets and liabilities on 15 December 2011, the Company had no business operations and the independent financial advisor was therefore not able to apply the Discounted Cash Flow Approach to value the Company's shares. Moreover, there is no comparable appropriate listed company to use to apply the Price to Book Value Ratio Approach or Price to Earnings Ratio Approach. As a result, the Adjusted Book Value Approach is the most appropriate method. The Company's management applied the same approach as the independent financial advisor to determine the book value as of 31 December 2011 and on this basis found that the share value was less than zero. Therefore, the Company's management recognized loss on impairment of goodwill in the full amount. Details of the calculation are provided below.

The fair values of the identifiable assets and liabilities as at the acquisition date of investment in the legal subsidiary are summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	36,825
Trade and other receivables	7,608
Other current assets	2,821
Other non-current assets	2,290
Trade and other payables	(46,732)
Other current liabilities	(3,748)
Other non-current liabilities	(1,968)
Total net assets	(2,904)
Fair value of consideration transferred from business combination	56,229
Goodwill	59,133
Less: Loss on impairment	(59,133)
Net	-

- b) The financial statements of the legal subsidiary are prepared using the same significant accounting policies as the Company.
 - c) Material balances and transactions between the Company and its legal subsidiary company have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements, which present investment in legal subsidiary under the cost method, have been prepared solely for the benefit of the public.

3. New accounting standards not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

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

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

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

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognise deferred tax assets and liabilities under the stipulated guidelines. The management of the Company expects the adoption of this accounting standard to have the effect of decreasing brought-forward deficit of the year 2013 to the Company and its legal subsidiary by approximately Baht 5.7 million (the Company only: approximately Baht 1.8 million).

In addition, the Federation of Accounting Professions has issued Notification No. 30/2555 - 34/2555, published in the Royal Gazette on 17 January 2013, mandating the use of accounting treatment guidance and accounting standard interpretations as follows.

		<u>Effective date</u>
Accounting Treatment Guidance for Transfers of Financial Assets		1 January 2013
Accounting Standard Interpretation:		
SIC 29	Service Concession Arrangements: Disclosures	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014

The management of the Company has assessed the effect of these standards and believes that Accounting Treatment Guidance for Transfers of Financial Assets, SIC 29, TFRIC 4 and TFRIC 12 are not relevant to the business of the

Company. Management is still evaluating the first-year impact to the financial statements of the adoption of TFRIC 13 and has yet to reach a conclusion.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

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

Revenues from member card

Revenues from member card are recognised over the period of member card.

Interest income

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

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

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

4.4 Land and construction under development

Land and construction under development are valued at the lower of cost and net realisable value.

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

4.5 Advances for purchases of land

Advances for purchases of land will be recognised as part of land costs when the title to the related land is transferred to the Company.

4.6 Building improvement and equipment and depreciation

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

Depreciation of building improvement and equipment is calculated by reference to their costs on the straight-line basis over the estimated useful lives of 5 years.

Depreciation is included in determining income.

No depreciation has been provided on construction in progress.

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

4.7 Leasehold rights and amortisation

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

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

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

4.8 Investment

Investment in legal subsidiary is accounted for in the separate financial statements using the cost method.

4.9 Related party transactions

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

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

4.10 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value

of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The asset acquired under finance leases is depreciated over the useful life of the asset.

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

4.11 Impairment of assets

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

An impairment loss is recognised in profit or loss.

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

carrying amount that would have been determined, is treated as a revaluation increase.

4.12 Employee benefits

Short-term employee benefits

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

The Company has no obligation in respect of the severance payments it must make to employees upon retirement under labor law since the Company assessed that there is no possibility that the Company's employees will work until retirement and the Company has no other defined benefit plans other than under labor law.

4.13 Provisions

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

4.14 Income Tax

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

5. Significant accounting judgments and estimates

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

Leases

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

Allowance for doubtful accounts

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

Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and longer-term volatility of financial instruments.

Building improvement and equipment/Depreciation

In determining depreciation of building improvement and equipment, the management is required to make estimates of the useful lives and residual values of the Company's building improvement and equipment and to review estimate useful lives and residual values when there are any changes.

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

Litigations

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

6. Related party transactions

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
<u>Transactions with parent company</u>					
Interest expenses	121	1,921	121	-	5.19% - 7.375% per annum
<u>Transactions with legal subsidiary</u> (eliminated from the consolidated financial statements)					
Interest expenses	-	-	68	-	7.50% per annum
Interest income	-	-	4,486	-	5.00% per annum
<u>Transactions with related individual</u>					
Interest expenses	-	-	-	224	6.00% per annum

The outstanding balances of the related transactions are shown as a separate item in the statements of financial position as follows:

	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<u>Accrued interest receivable- related party (Note 8)</u>				
Legal subsidiary	-	-	4,486	-
Total accrued interest receivable - related party	<u>-</u>	<u>-</u>	<u>4,486</u>	<u>-</u>
<u>Accrued interest payable - related party (Note 15)</u>				
Parent company	121	-	121	-
Total accrued interest payable - related party	<u>121</u>	<u>-</u>	<u>121</u>	<u>-</u>

Short-term loan to related party

The loan is subject to interest at a rate of 5% per annum and is repayable at call.

As at 31 December 2012 and 2011, the balance of loan between the Company and a related company and the movement is as follows:

(Unit: Thousand Baht)

Loan to related party	Related by	Separate financial statements			
		Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Centrepont Shopping Mall	Legal				
Company Limited	subsidiary	-	250,000	-	250,000
Total		-	250,000	-	250,000

Short-term loan from related party

The loan is subject to interest at a rate of 7.375% per annum and is repayable within a year.

As at 31 December 2012 and 2011, the balance of loan between the Company and a related company and the movement is as follows:

(Unit: Thousand Baht)

Loan from related party	Related by	Consolidated financial statements			
		Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Property Perfect Public	Parent				
Company Limited	company	-	30,000	-	30,000
Total		-	30,000	-	30,000

(Unit: Thousand Baht)

Loans from related parties	Related by	Separate financial statements			
		Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Centrepont Shopping Mall	Legal				
Company Limited	subsidiary	-	6,000	(6,000)	-
Property Perfect Public	Parent				
Company Limited	company	-	30,000	-	30,000
Total		-	36,000	(6,000)	30,000

Directors' and management's benefits

During the year ended 31 December 2012 and 2011, the Company and its subsidiary had employee benefit expenses payable to their directors and management as below.

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Short-term employee benefits	4.3	-	4.3	5.5

7. Cash and cash equivalents

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash	2	10	2	10
Bank deposits	20,076	101,987	13,370	36,816
Total	<u>20,078</u>	<u>101,997</u>	<u>13,372</u>	<u>36,826</u>

As at 31 December 2012, bank deposits in saving accounts carried interests between 0.65 and 0.75% per annum (2011: between 0.50 and 0.88% per annum).

8. Trade and other receivables

As at 31 December 2012 and 2011, trade and other receivables were classified by aging as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<u>Trade receivables</u>				
Not yet issued invoices	-	2,273	-	2,273
Not yet due	-	136	-	136
Past due				
Up to 3 months	-	56	-	56
3 - 6 months	-	-	-	-
6 - 12 months	30	-	30	-
Total	30	2,465	30	2,465
Less: allowance for doubtful debt	(30)	-	(30)	-
Total trade receivables, net	-	2,465	-	2,465
<u>Other receivables</u>				
Other receivables	4,338	6,581	2,172	6,581
Interest receivable from related party	-	-	4,486	-
Total other receivables	4,338	6,581	6,658	6,581
Trade and other receivables, net	4,338	9,046	6,658	9,046

9. Land and construction under development

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cost of land	312,689	119,706	123,961	-
Development cost	58,514	30,923	417	-
Total	371,203	150,629	124,378	-

10. Restricted bank deposit

This represents fixed deposit pledged with a bank to secure credit facilities.

11. Investment in subsidiary

Details of investment in legal subsidiary as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		(Unit: Thousand Baht) Cost	
	2012	2011	2012	2011	2012	2011
			%	%		
Centrepont Shopping Mall Company Limited	400,200	400,200	100.00	100.00	414,700	414,700

On 29 September 2011, a meeting of The Company's Board of Directors passed a resolution to approve the purchase of 5 million ordinary shares with a par value of Baht 100 each of Centrepont Shopping Mall Co., Ltd., ("Centrepont") from its shareholder, divided into 10,000 shares that are fully paid-up and 4,990,000 shares that are 80% paid-up, or a total of Baht 400.20 million. This represents 100% of the shares of Centrepont. In consideration for this, the Company allocated 363.82 million newly-issued ordinary shares with a par value of Baht 5 each, totaling Baht 1,819.09 million, to the former shareholder of Centrepont in lieu of cash payment. The swap ratio is 1 Centrepont share to 72.76364 new shares of the Company. On 16 December 2011, the Company completed the transaction and as a result the Company had a 100% shareholding in Centrepont. The Company recognized investment in the subsidiary company at the fair value of Centrepont's share capital, based on a share value of Baht 82.94 each. Such fair value was calculated by an independent financial advisor using the Adjusted Book Value Approach, and on this basis, the value of the Company's investment amounts to Baht 414.70 million.

12. Advances for purchases of land

	(Unit: Thousand Baht) Consolidated financial statements	
	2012	2011
Beginning balance	33,717	6,300
Increase during the year	12,357	33,717
Title of plots of land transferred during the year	(33,717)	(6,300)
Ending balance	12,357	33,717

Advance payment for the purchase of land was made to the landowner in accordance with an agreement to purchase and to sell, signed by the agent for the

acquisition of land of Centrepont Shopping Mall Company Limited and the landowners. Centrepont Shopping Mall Company Limited was contracted to purchase and to sell land amounting to Baht 61.8 million.

13. Building improvement and equipment

(Unit: Thousand Baht)

	Consolidated financial statements			
	Building improvement	Office equipment	Motor vehicles	Total
Cost				
1 January 2011	-	-	4,900	4,900
31 December 2011	-	-	4,900	4,900
Additions	430	551	-	981
31 December 2012	430	551	4,900	5,881
Accumulated depreciation:				
1 January 2011	-	-	1,173	1,173
Depreciation for the year	-	-	980	980
31 December 2011	-	-	2,153	2,153
Depreciation for the year	48	77	980	1,105
31 December 2012	48	77	3,133	3,258
Net book value:				
31 December 2011	-	-	2,747	2,747
31 December 2012	382	474	1,767	2,623
Depreciation for the year as included in selling and administrative expenses				
2011				980
2012				1,105

(Unit: Thousand Baht)

	Separate financial statements				
	Building improvement	Operating equipment in restaurant business	Furniture, fixture and office equipment	Motor vehicles	Total
Cost					
1 January 2011	66,977	20,664	6,812	669	95,122
Additions	2,587	738	130	-	3,455
Disposals/Write-off	(69,564)	(21,402)	(6,942)	(669)	(98,577)
31 December 2011	-	-	-	-	-
Additions	430	-	551	-	981
31 December 2012	430	-	551	-	981
Accumulated depreciation					
1 January 2011	44,724	17,570	5,246	238	67,778
Depreciation for the year	5,215	786	411	-	6,412
Depreciation on disposals/ write-off	(49,939)	(18,356)	(5,657)	(238)	(74,190)
31 December 2011	-	-	-	-	-
Depreciation for the year	48	-	77	-	125
31 December 2012	48	-	77	-	125
Allowance for impairment loss					
1 January 2011	2,333	935	192	431	3,891
Increase during the year	-	76	9	-	85
Decrease during the year	(2,333)	(1,011)	(201)	(431)	(3,976)
31 December 2011	-	-	-	-	-
31 December 2012	-	-	-	-	-
Net book value:					
31 December 2011	-	-	-	-	-
31 December 2012	382	-	474	-	856
Depreciation for the year as included in selling and administrative					
2011					6,412
2012					125

14. Leasehold rights

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Cost		
1 January 2011	128,957	36,656
Disposals	-	(36,656)
31 December 2011	128,957	-
Additions	286,618	57,500
31 December 2012	415,575	57,500
Accumulated amortisation		
1 January 2011	3,526	11,226
Amortisation for the year	4,821	3,227
Amortisation on disposals	-	(14,453)
31 December 2011	8,347	-
Amortisation for the year	4,834	-
31 December 2012	13,181	-
Allowance for impairment		
1 January 2011	-	6,646
Decrease during the year	-	(6,646)
31 December 2011	-	-
31 December 2012	-	-
Net book value		
31 December 2011	120,610	-
31 December 2012	402,394	57,500
Amortisation for the year		
2011 (for consolidated financial statement, included in land and construction under development and for separate financial statement, include in administrative expenses)	4,821	3,227
2012 (included in land and construction under development)	4,834	-

The details of the leasehold right are as follows:

The Company

On 15 November 2012, the Company entered into a memorandum to transfer leasehold rights to land of the Crown Property Bureau with an individual, whereby the Company is to pay a consideration of Baht 50 million (The Company paid Baht 10 million and issued 4 promissory notes of Baht 10 million each availed by a bank, each payable one year apart counting from date of the

agreement to transfer the leasehold rights). Currently, the Company is in the process of arranging the transfer of the leasehold rights.

Centrepont Shopping Mall Company Limited ("Centrepont")

- a) Leasehold rights to approximately 7 rai of land under a lease agreement with a term of 26 years and 8 months, running from 8 April 2010 to 31 December 2036. Centrepont is to pay an annual rental at the rates stipulated in the agreement.
- b) On 23 August 2012, Centrepont entered into a land sublease agreement with a company, with a lease term of 30 years, running from 1 January 2015 to 31 December 2044. Centrepont is to pay an upfront fee of approximately Baht 739.9 million (Centrepont paid Baht 229.1 million on the agreement date and will issue promissory notes availed by a bank on the lease registration date, within 31 October 2012. These promissory notes mature on 31 July 2013 and 31 July 2014 and are for Baht 255.4 million each) and annual fees totaling Baht 1,785.0 million, for a total of Baht 2,524.9 million (not including the compensation for losses of approximately Baht 202.5 million stipulated in the agreement).

Subsequently, on 30 October 2012, Centrepont amended the agreement to postpone the registration of the leasehold rights to 30 April 2013.

15. Other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Other payables	864	19,426	864	19,426
Accrued interest payable of related party	121	-	121	-
Accrued expenses	12,657	25,072	3,055	18,279
Total other payables	<u>13,642</u>	<u>44,498</u>	<u>4,040</u>	<u>37,705</u>

16. Creditors per rehabilitation plan

On 18 November 2010, the Central Bankruptcy Court ordered the cancellation of the rehabilitation of the Company, since the Company had completed implementation of the rehabilitation plan. Remaining liabilities under the rehabilitation plan are debts of the 6th group of creditors, each of which is to

receive settlement of principal from the amounts that the Company receives from the Exxa Insurance Public Co., Ltd. The comptroller in bankruptcy is considering the cases and the final outcome of the lawsuits involving the 6th group of creditors is not yet known.

17. Notes payable

	(Unit: Thousand Baht)	
	Consolidated	financial
	statements	
	<u>2012</u>	<u>2011</u>
Notes payable	40,000	-
Less: current portion	(10,000)	-
Notes payable - net of current portion	<u>30,000</u>	<u>-</u>

These represent 4 promissory notes avaled by a bank, Baht 10 million each, and each is repayable every one year after each is due in order to pay the leasehold right, as discussed in Note 14 to the financial statements.

18. Share capital

Consolidated financial statements

The equity structure in the consolidated financial statements reflects the equity structure of the Company and the number of its ordinary shares, and in the preparation of the consolidated financial statements for a reverse acquisition, the value of ordinary shares represents the sum of the value of ordinary shares of the legal subsidiary (accounting acquirer) outstanding before the business combination, the cost of the business combination and the value of the ordinary shares of the legal parent company (accounting acquiree) issued after the business combination. Details are as follows:

	(Unit: Thousand Baht)	
	<u>2012</u>	<u>2011</u>
Value of ordinary shares of the legal subsidiaries		
outstanding before the business combination	400,200	400,200
Fair value of consideration transferred from reverse		
acquisition	<u>56,229</u>	<u>56,229</u>
Total	<u>456,429</u>	<u>456,429</u>
Value of ordinary shares of legal parent company issued		
after the reverse business combination	1,930,853	-
Increase in share discount from ordinary shares issues		
after the reverse business combination	<u>(1,506,066)</u>	<u>-</u>
Value of ordinary shares, in consolidated financial		
statements	<u>881,216</u>	<u>456,429</u>

The value of the ordinary shares of the legal subsidiary outstanding before the business combination is detailed as follows:

On 24 February 2010, the Extraordinary General Meeting of the shareholders of Centrepont Shopping Mall Company Limited (“Centrepont”) passed a resolution to approve an increase in the registered share capital from Baht 1 million (10,000 ordinary shares with a par value of Baht 100 each) to Baht 500 million (5 million ordinary shares with a par value of Baht 100 each). Centrepont received the called up portion (30%) of the additional share capital, amounting to Baht 149.7 million, in April 2010. Subsequently, Centrepont received further called up portions of the additional share capital amounting to Baht 149.7 million (30%) in September 2011 and Baht 99.8 million (20%) in October 2011. As a result, Centrepont’s issued and paid-up share capital amounted to Baht 400.2 million.

The value of the ordinary shares in the consolidated financial statements is presented to reflect the equity structure of the Company, which is the legal parent company:

	(Unit: Thousand Baht)	
	<u>2012</u>	<u>2011</u>
Issued and fully paid share capital	3,996,628	2,065,775
Share discount	(3,040,457)	(1,534,391)
Adjustment of share capital from reverse acquisition	(74,955)	(74,955)
Total	<u>881,216</u>	<u>456,429</u>

The Company reclassified the issued and paid-up share capital and share discount presented in the consolidated financial statements as at 31 December 2011 to reflect the legal parent company's equity structure.

Separate financial statements

During the year 2011, the Company proceeded with the reduction and increase of its registered capital to reserve capital for the purchase of ordinary shares of Property Perfect Public Co., Ltd, in accordance with the resolution of the Extraordinary General Meeting No. 2/2011, held on 11 November 2011. Details are as follows:

- a) Reduce the registered share capital from Baht 247,000,000 (49,400,000 ordinary shares with a par value of Baht 5 each) to Baht 246,683,640 (49,336,728 ordinary shares with a par value of Baht 5 each) by the cancelation of unpaid capital of Baht 316,360 (63,272 ordinary shares with a par value of Baht 5 each). The Company registered the share reduction with the Ministry of Commerce on 16 December 2011.
- b) Increase the registered share capital from Baht 246,683,640 (49,336,728 ordinary shares with a par value of Baht 5 each) to Baht 4,131,549,100 (826,309,820 ordinary shares with a par value of Baht 5 each) by issuing Baht 3,884,865,460 (776,973,092 ordinary shares with a par value of Baht 5 each) of new capital. This was to be allocated to the shareholders of the Company pro rata to their shareholding (rights offering) and 363,818,182 shares

with a par value of Baht 5 each, amounting to Baht 1,819,090,910, were to be issued to Property Perfect Public Co., Ltd. The Company registered the share capital increase with the Ministry of Commerce on 16 December 2011.

- c) Increase issued and paid-up capital from Baht 246,683,640 (49,336,728 ordinary shares with a par value of Baht 5 each) to Baht 2,065,774,550 (413,154,910 ordinary shares with a par value of Baht 5 each), with Baht 1,819,090,910 to be allocated to Property Perfect Public Co., Ltd. (363,818,182 ordinary shares with a par value of Baht 5 each) and a related share discount of Baht 1,404,390,919, resulting in a total share discount of Baht 1,534,390,910. The Company registered the share capital increase with the Ministry of Commerce on 16 December 2011.

Subsequently, in July 2012, the Company issued 386,170,664 ordinary shares with a par value of Baht 5 each, at a price of Baht 1.10 each, totaling Baht 424,787,730, to be allocated to the Company's existing shareholders pro rata to their shareholdings, with a related share discount of Baht 1,506,065,590. The Company registered the increase in capital with the Ministry of Commerce on 11 July 2012.

As at 31 December 2012, the Company's issued and fully paid share capital had increased from Baht 2,065,774,550 (413,154,910 ordinary shares with a par value of Baht 5 each) to Baht 3,996,627,870 (799,325,574 ordinary shares with a par value of Baht 5 each) as a result of the ordinary shares issues described above, resulting in a total share discount of Baht 3,040,456,500.

19. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Salaries and other employee benefits	5,752	-	5,752	52,848
Depreciation and amortisation	1,105	980	125	9,639
Rental and service expenses	570	-	570	51,539
Consulting fee	12,207	-	3,904	4,901
Utility expenses	-	-	-	13,050
Transportation and fuel expenses	-	-	-	4,154
Loss on impairment of goodwill	-	59,133	-	-
Changes in inventories of finished goods and beverage	-	-	-	3,439
Purchase finished goods	-	-	-	90,287
Raw materials and consumables used	-	-	-	6,862

20. Loss per share

Consolidated financial statements

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

Basic loss per share of the year prior to the acquisition date presented comparatively is calculated by dividing loss for the year attributable to equity holders of Centrepont Shopping Mall Company Limited (excluding other comprehensive income) by the weighted average number of ordinary shares of Centrepont Shopping Mall Company Limited in issue during the year, multiplied with the swap ratio indicated in the acquisition agreement (the number of ordinary shares of the legal acquirer issued to the shareholders of the legal acquiree under the reverse acquisition).

Separate financial statements

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

The following table sets forth the computation of basic loss per share:

Consolidated financial statements						
Loss for the year		Weighted average number of		Loss per share		
		ordinary shares				
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic loss per share						
Loss attributable to equity holders of the Company	(25,747)	(69,780)	596,744	363,818	(0.043)	(0.192)

Separate financial statements						
Loss for the year		Weighted average number of		Loss per share		
		ordinary shares				
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic loss per share						
Loss attributable to equity holders of the Company	(10,994)	(7,295)	596,744	64,288	(0.018)	(0.113)

21. Financial information by segment

In 2011, the Company's and its subsidiary's operations involve principally industry segments, food and beverage sale, property development and other businesses and are carried on in the single geographic area of Thailand. However, revenues from other businesses are not material and the Company already disposed the food and beverage sale business on 15 December 2011. As a result, all of the revenues, operating loss and assets as reflected in financial statements for 2012 pertain to the property development industry segment and aforementioned geographic area.

22. Commitments

22.1 Capital commitment

- a) As at 31 December 2012, Centrepont Shopping Mall Company Limited had outstanding capital commitment of approximately Baht 62.7 million (2011: Baht 14.0 million) in respect of design contracts for shopping center and office project and traffic study.

- b) As at 31 December 2012, Centrepont Shopping Mall Company Limited had outstanding capital commitment of approximately Baht 49.4 million (2011: Baht 28.1 million) in respect of purchases of land.

22.2 Operating lease commitments

The Company has entered into several lease agreements in respect of office space and various services. The terms of the agreements are generally 2 years. Operating lease agreements are non-cancellable.

Future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

(Unit: Million Baht)		
As at 31 December		
	<u>2012</u>	<u>2011</u>
Payable:		
Less than 1 year	0.9	-
1 to 2 years	0.3	-

During the year 2012, the Company recognised rental expenses of Baht 0.6 million (2011: Nil).

22.3 Service lease commitment

Centrepont Shopping Mall Company Limited has entered into consultation agreements in respect of the real estate project, effective from July 2011 to December 2013. Under the conditions of the agreements, the company is to pay Baht 0.6 million per month (2011: Baht 0.6 million).

22.4 Other commitment

As at 31 December 2012, Centrepont Shopping Mall Company Limited ("Centrepont") had outstanding capital commitments in respect of two land sub lease agreements. In accordance with the first agreement, Centrepont is to pay monthly fees up to December 2036 at the rate as stipulated in the agreement. In accordance with the second agreement, as discussed in Note 14 to the financial statements, Centrepont is to pay the remaining upfront fees within 31 July 2013 and 2014 and the annual fees from 1 January 2015 until 31 December 2044 at the rate as stipulated in the agreement.

22.5 Guarantees

As at 31 December 2011, there were outstanding bank guarantees of approximately Baht 0.8 million issued by banks to guarantee electricity use and compliance with the rental agreements.

23. Litigation

On 18 November 2010, the Central Bankruptcy Court ordered the cancellation of the rehabilitation of the Company, since the Company had completed implementation of the rehabilitation plan. Remaining liabilities under the rehabilitation plan are debts of the 6th group of creditors, each of which is to receive settlement of principal from the amounts that the Company receives from the Exxa Insurance Public Co., Ltd. The comptroller in bankruptcy is considering the cases and the final outcome of the lawsuits involving the 6th group of creditors is not yet known.

24. Financial instruments

24.1 Financial risk management

The Company's and its subsidiary's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally consist of the following.

<u>Financial assets</u>	<u>Financial liabilities</u>
- Cash and cash equivalents	- Other payables
- Trade and other receivables	- Short-term loan
- Short-term loan	- Creditors per rehabilitation plan
- Advances for purchases of land	- Notes payable
- Restricted bank deposits	

The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiary are exposed to credit risk primarily with respect to trade and other receivables and loan. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loan as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiary are exposed to interest rate risk relating primarily to their cash at banks, loans, creditors per rehabilitation plan and notes payable. Most of the Company's and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities as at 31 December 2012 classified by type of interest rates are summarised in the table below on the maturity date or, the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2012							
Consolidated financial statements							
Fixed interest rates			Floating		Non-interest bearing	Total	Interest rate (% p.a.)
Within 1 year	1 - 5 years	Over 5 years	interest rate				
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	19.7	0.4	20.1	0.65 - 0.75
Trade and other receivables	-	-	-	-	4.3	4.3	-
Advances for purchases of land	-	-	-	-	12.4	12.4	-
Restricted bank deposits	40.0	-	-	-	-	40.0	2.50
	40.0	-	-	19.7	17.1	76.8	
<u>Financial liabilities</u>							
Other payables	-	-	-	-	13.6	13.6	-
Short-term loan	30.0	-	-	-	-	30.0	7.38
Creditors per rehabilitation plan	9.5	-	-	-	-	9.5	7.50
Notes payable	-	-	-	-	40.0	40.0	-
	39.5	-	-	-	53.6	93.1	

(Unit: Million Baht)

As at 31 December 2011						
Consolidated financial statements						
Fixed interest rates			Floating		Total	Interest rate (% p.a.)
Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		

(Unit: Million Baht)

As at 31 December 2011

Consolidated financial statements

	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	94.6	7.4	102.0	0.50 - 0.88
Trade and other receivables	-	-	-	-	9.0	9.0	-
Advances for purchases of land	-	-	-	-	33.7	33.7	-
	-	-	-	94.6	50.1	144.7	
<u>Financial liabilities</u>							
Other payables	-	-	-	-	44.5	44.5	-
Creditors per rehabilitation plan	9.0	-	-	-	-	9.0	7.50
	9.0	-	-	-	44.5	53.5	

(Unit: Million Baht)

As at 31 December 2012

Separate financial statements

	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	13.0	0.4	13.4	0.75
Trade and other receivables	-	-	-	-	6.7	6.7	-
Advances for purchases of land	250.0	-	-	-	-	250.0	5.00
Restricted bank deposits	40.0	-	-	-	-	40.0	2.50
	290.0	-	-	13.0	7.1	310.1	
<u>Financial liabilities</u>							
Other payables	-	-	-	-	4.0	4.0	-
Short-term loan	30.0	-	-	-	-	30.0	7.38
Creditors per rehabilitation plan	9.5	-	-	-	-	9.5	7.50
Notes payable	-	-	-	-	40.0	40.0	-
	39.5	-	-	-	44.0	83.5	

(Unit: Million Baht)

As at 31 December 2011							
Separate financial statements							
	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	29.5	7.3	36.8	0.87 - 0.88
Trade and other receivables	-	-	-	-	9.0	9.0	-
	-	-	-	29.5	16.3	45.8	
Financial liabilities							
Other payables	-	-	-	-	37.7	37.7	-
Creditors per rehabilitation plan	9.0	-	-	-	-	9.0	7.50
	9.0	-	-	-	37.7	46.7	

24.2 Fair value of financial instruments

Since the majority of the Company's and its subsidiary's financial assets and liabilities are short-term or have interest rates close to the market rates, the fair values of these financial assets and liabilities are not expected to differ materially from the amounts presented in the statement of financial position.

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

25. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2012, the Group's debt-to-equity ratio was 0.12:1 (2011: 0.17:1) and the Company's was 0.10:1 (2011: 0.13:1).

26. Events after the reporting period

On 22 February 2013, a meeting of the Company's Board of Directors passed the following significant resolutions:

- a) Approved entering into a land lease agreement with Estate Perfect Company Limited, with a lease term of 30 years, running from 1 January 2014 to 31 December

2043. The Company is to pay an upfront fee of Baht 60 million and annual fees totaling Baht 152.3 million, for a total of Baht 212.3 million.

- b) Approved a borrowing from a parent company of Baht 500 million repayable within 3 years.
- c) Approved a decrease in the registered share capital from Baht 4,131,549,100 to Baht 3,996,627,870 by canceling 26,984,246 unissued ordinary shares with a par value of Baht 5 each.
- d) Approved an increase in the registered share capital by Baht 2,500 million from Baht 3,996,627,870 to Baht 6,496,627,870 by issuing 500 million ordinary shares with a par value of Baht 5 each.
- e) Approved allocating up to 500 million ordinary shares with a par value of Baht 5 on a pro rata basis to the Company's existing shareholders (right offering) in a ratio of 5 new shares for every 8 existing shares at a price of Baht 1.10 each. Fractional shares will be ignored.

27. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2013.